

SUPERVISOR DECLARATION

“I hereby declare that have read this thesis and in our research is sufficient in term of scope and quality. This project paper is submitted to University Teknikal Malaysia Melaka as a requirement for completion and award of Bachelor degree of Technology Management (Innovation Technology)”

Signature :

Name : Dr Juhaini Bt Jabar

Date :

Signature :

Name : Madam Raja Huda Binti Raja Sehar

Date :

**FACTORS AFFECTING THE INTENTION OF UNIVERSITY STUDENTS
TOWARD CREATING INNOVATIVE SOLUTION FOR SOCIAL
ENTREPRENEURSHIP.**

ZILLAH ASUNG

**A project paper submitted in fulfillment of the requirements for the Degree of
Bachelor in Technology management and Innovation**

**Faculty of Technology Management and Technopreneurship
Universiti Teknikal Malaysia Melaka**

JUNE 2016

STUDENT DECLARATION

I declare that this is project paper entitled “ **factor affecting the intention of university student toward creating innovative solution for social entrepreneurship**” is the result of my own research except as cited in the references. The project paper has not been accepted for any degree and is not concurrently submitted in candidature of any other degree

Signature :

Name : Zillah Asung

Date :

DECLARATION

Special for my father and mother....

This is for you....

For my supervisor... thank you for everything..

For my friends..

I will never forget your support..

Thank you..

ACKNOWLEDGEMENT

First of all I would like to thank God for the blessings, my healthiness, and courage to perform on this final year project that have been given to me. I would like to express my deepest gratitude to Universiti Teknikal Malaysia Melaka (UTeM) on the opportunity to carry out this final year project.

I also want to thank my supervisor with my sincere heart , Dr. Juhaini Binti Jabar on the guidance that was given to me to complete this project. Thank you for always help me out whenever I felt hopeless and confused in completing my final year project , you encouragement that given to me gave me the strength to pursue my project. not forgetting to others lecturer who helped me to complete this final year project.

To my family, I would like to thank for the moral support, encouragement and my financial for the completion of this final year project. You all are the reason for me to keep strong. Special thank for my friends who helped in preparing this project, thank you for the support and sharing an information to me.

Appreciation also goes to all those involved either directly or indirectly helping with this project. I hope that this report can serve as a reference to other students

ABSTRACT

This 21st era, society's living standard are better than previously and the number of educated people are also increases. However there are still a group of society that need help such as issue related to care of elderly and this group of people face a difficulty and need help. Even though there are many effort had been carried out by the government and a few NGO that took part to help solving this issue, but there are still limited assistance from them to help these groups. Therefore, one way to solve this problem by introducing the social entrepreneurship practice in Malaysia especially a university students. Social entrepreneurship concept is still new in Malaysia, therefore this study aim to identify the level of awareness, identify the main factor that affecting the university students towards creating an innovative solution for social entrepreneurship, and to know the relationship between the factor and intention towards creating an innovative solution for social entrepreneurship, all of this are illustrated in the theoretical framework of theory of planned behavior (TPB). This research focused on the university student that already participated in social entrepreneurship program to measure the effectiveness of program that have been conducted. this research utilized the quantitative method (questionnaire), student of University Teknikal Malaysia Melaka (UTeM) has been selected as a sample which is approximately 200 people by referring the Malhotra table. The result of data were analyzed using Statistical Package for the Social Sciences (SPSS).

Keywords: social entrepreneurship , theory of planned behavior (TPB) , university student

ABSTRAK

Pada era ke 21, taraf hidup masyarakat adalah lebih baik daripada sebelum ini dan bilangan orang yang berpendidikan juga meningkat. Walau bagaimanapun masih terdapat sekumpulan masyarakat yang memerlukan bantuan seperti isu yang berkaitan dengan penjagaan warga tua dan golongan ini menghadapi kesukaran dan memerlukan bantuan. Walaupun terdapat banyak usaha telah dilakukan oleh kerajaan dan beberapa NGO yang mengambil bahagian untuk membantu menyelesaikan isu ini, tetapi masih terdapat bantuan terhad daripada mereka untuk membantu kumpulan-kumpulan ini. Oleh itu, salah satu cara untuk menyelesaikan masalah ini dengan memperkenalkan amalan keusahawanan sosial di Malaysia terutamanya pelajar universiti. konsep keusahawanan sosial masih baru di Malaysia, oleh itu kajian ini bertujuan untuk mengenal pasti tahap kesedaran, mengenal pasti faktor utama yang memberi kesan kepada pelajar universiti ke arah mewujudkan satu penyelesaian yang inovatif untuk keusahawanan sosial, dan untuk mengetahui hubungan antara faktor dan niat ke arah mewujudkan satu penyelesaian yang inovatif untuk keusahawanan sosial, semua ini digambarkan dalam kerangka teori gelagat terancang (TPB). Kajian ini memberi tumpuan kepada pelajar universiti yang telah mengambil bahagian dalam program keusahawanan sosial untuk mengukur keberkesanan program yang telah dijalankan. kajian ini menggunakan kaedah kuantitatif (soal selidik), pelajar Universiti Teknikal Malaysia Melaka (UTeM) telah dipilih sebagai sampel iaitu kira-kira 200 orang dengan merujuk jadual Malhotra . Hasil data dianalisis dengan menggunakan Pakej Statistik untuk Sains Sosial (SPSS)

TABLE OF CONTENT

CHAPTER	TITLE	PAGE
	STUDENT DECLARATION	ii
	DEDICATION	iii
	ACKNOWLEDGEMENT	iv
	ABSTRACT	v
	ABSTRAK	vi
	TABLE OF CONTENT	vii
	LIST OF TABLE	xi
	LIST OF FIGURE	xii
	LIST OF ABBREVIATION	xiv
	LIST OF APPENDICES	xv
CHAPTER 1	INTRODUCTION	
	1.1 Background of study	1
	1.2 Problem statement	4
	1.3 Research questions	6
	1.4 Research objectives	6
	1.5 Scope of research	6
	1.6 Limitation	7

1.7	Key Assumption Of Study	7
1.8	Significance Of The Study	8
1.9	Summary	8
CHAPTER 2	LITERATURE REVIEW	
2.1	introduction	9
2.2	social entrepreneurship definition	9
2.3	Social Entrepreneurship Venture Typology	15
2.4	The Awareness in Social Entrepreneurship	16
2.5	Social Entrepreneurship Program in Universities	18
2.6	Effectiveness of Social Entrepreneurship Program	19
2.7	Social Entrepreneurship Program in Malaysia	21
2.7.1	Women In Social Enterprise (Wise) In UiTM	21
2.7.2	Social Enterprise And Economic Development (SEED) in UMK	22
2.7.3	Expo Malacca-UTeM Entrepreneurial Young Inventors 2015: Social Entrepreneur (EYEI 2015: Social Entrepreneur) in UTeM	24
2.8	peer pressure	24
2.9	intention to innovate in social entrepreneurship	26
2.10	innovation in social entrepreneurship	27
2.11	theory of Planned Behavior (TPB)	29
2.12	Theoretical framework	32

2.13	Hypotheses Testing	37
2.14	Summary	38

CHAPTER 3 RESEARCH METHOD

3.1	introduction	39
3.2	research design	39
3.3	methodological choices	40
3.4	primary data sources and secondary data sources	41
3.4.1	primary data sources	41
3.4.2	secondary data sources	41
3.5	research strategy	42
3.6	research location	42
3.7	time horizon	43
3.8	pilot testing	43
3.9	questionnaire design	44
3.10	sampling design	45
3.11	construct validity	46
3.11.1	internal validity	46
3.11.2	external validity	46
3.12	reliability	47
3.13	data analysis	47
3.14	summary	48

CHAPTER 4 ANALYSIS AND RESULTS

4.1	Introduction	49
4.2	sample characteristic	49
4.3	respondent's profile	50
4.3.1	Respondent Of Age	51
4.3.2	Respondent Of Gender	52
4.3.3	Respondent Of Year	53

4.3.4	Respondent Of Faculty	54
4.4	Descriptive Analysis	55
4.4.1	Level of Awareness	55
4.4.2	Peer Pressure	57
4.4.3	Supportive Environment	58
4.4.4	Activities	59
4.4.5	Program Promotion	60
4.4.6	Benefit Of Program	61
4.4.7	Extrinsic Rewards	62
4.4.8	Intention To Innovate In Social Entrepreneurship	64
4.5	Reliability Analysis	66
4.6	Research Objective Testing	67
4.6.1	Objective 1	68
4.6.2	Objective 2	69
4.6.3	Objective 3	72
4.7	Hypotheses Testing	75
4.8	Summary	77
CHAPTER 5	CONCLUSION	78
5.1	Introduction	78
5.2	Summary of Main Finding	79
5.3	Academic Implication	81
5.4	Innovation Implication	82
5.5	Practical Implication	82
5.6	Limitations	83
5.7	Recommendation For Future Research	84
	REFERENCES	85
	APPENDICES	90

LIST OF TABLE

TABLE	TITLE	PAGE
2.1	Summary of social entrepreneurship definition	12
2.2	Summary of level of awareness in social entrepreneurship	33
2.3	summary for the peer pressure	34
2.4	summary of SE program	34
2.5	summary of intention to innovate in social entrepreneurship.	35
3.1	Likert-style rating	44
3.2	Malhotra table	45
4.1	value of the mean score	55
4.2	statistic of respondent's opinion towards the level of awareness in social entrepreneurship	55
4.3	statistic of respondent's opinion towards the peer pressure influence	57
4.4	statistic of respondent's opinion towards supportive environment	58
4.5	statistic of respondent's opinion towards activities	59
4.6	statistic of respondent's opinion towards the program promotion	60

4.7	statistic of respondent's opinion towards the benefit of program	61
4.8	statistic of respondent's opinion towards the extrinsic rewards	62
4.9	statistic of respondent's opinion towards the intention to innovate in social entrepreneurship	64
4.10	Cronbach's Alpha Coefficient alpha value	66
4.11	Reliability Analysis	66
4.12	Model summary of objective 2	69
4.13	ANOVA of objective 2	70
4.14	Coefficients of objective 2	70
4.15	Model Summary of objective 3	72
4.16	ANOVA of objective 3	72
4.17	Coefficients of objective 3	73
4.18	summary of hypotheses result	76

LIST OF FIGURE

FIGURE	TITLE	PAGE
2.1	theory of planned behavior (TPB)	32
2.2	theoretical framework on factors affecting university student toward creating innovative solution for social entrepreneurship	36
4.1	Respondent Of Age	51
4.2	respondent of gender	52
4.3	respondent of year	53
4.4	respondent of faculty	54

LIST OF ABBREVIATION

GDP	GROSS DOMESTIC PRODUCT
NGO	NON GOVERNMENT ORGANIZATION
UTeM	UNIVERSITI TEKNIKAL MALAYSIA MELAKA
UKM	UNIVERSITI KEBANGSAAN MALAYSIA
UiTM	UNIVERSITI TEKNOLOGI MARA
WISE	WOMEN IN SOCIAL ENTERPRISE
EYEI	EXPO YOUNG ENTREPRENEURIAL INVENTORS
SEED	SOCIAL ENTERPRISE AND ECONOMIC DEVELOPMENT
TPB	THEORY PLANNED BEHAVIOR
MRA	MULTIPLE REGRESSION ANALYSIS
SE	SOCIAL ENTREPRENEURSHIP
MRA	MULTIPLE REGRESSION ANALYSIS

LIST OF APPENDICES

TITLE	PAGE
Gantt chart PSM 1	90
Gantt chart PSM 2	91
total of students participants that involve in Social entrepreneurship program	92

CHAPTER 1

INTRODUCTION

1.1 BACKGROUND OF STUDY

In this 21st era society's living standard are better than previously and the number of educated people are also having an increase. However there are still groups of society that needs help which this is the time that educated peoples are needed to improve and giving back contribution to the society for a better life and this is the time where peoples need to think like a social entrepreneurship. Social Entrepreneurship broadly understood as a practice that aims at social change has a long heritage (ignasi marti, 2006). According to Austin, Stevenson and Wei-Skillern, (2006,) the core definition of Social entrepreneurship is innovative, social value creating activity that can occur within or across the non-profit, business, and public sectors. This concept has being acknowledge in other countries such as in the United Kingdom, in 2002 the national social enterprise strategy had been launched and the government had invested billions of pounds in the sector. There were over 70,000 social enterprise employing more than a million people and contributing more than 5% to UK's GDP. In 2014, it was estimated that the top 1,161 social enterprise in the

UK generated £2.5bn (RM13.5bn) profit to plough back into society.(Malaysian Social Enterprise Blueprint ,2015).

The contribution of university students in social enterprise also has been shown in the case study of Stanford University students in United States. The Embrace social enterprise has been established in 2007 by a group of 5 students that focused on improving the survival of premature and low birth weight infants by providing extremely affordable and effective thermal water. They have successfully saved over 144,000 infants globally with 4,000 health workers trained along with 9,200 mothers educated on the issue. Embrace has provided underserved and isolated communities with the opportunity to save children's lives (Malaysian Social Enterprise Blueprint, 2015). In Malaysia, the concept of social enterprise is still a new phenomenon where public are still not clear about the whole concept of it. Our Prime Minister, Datuk Seri Najib Razak at the inaugural international conference for young leaders 2015 has stated that he want more youths to ventures into social entrepreneurship and help to bring about and lasting positive impact on society (the Malaysian Insider, 2015). He added that Malaysia nowadays are moving towards to become a high-income nation. Social entrepreneurship will be the key to create an economy that based on knowledge and innovation. Datuk Seri Najib Razak also believed that given the opportunity to young generations with the desire to change the world will use the social business model to have deep positive and lasting impact on social and environmental issues.

Along the way of the journey of social entrepreneurship in Malaysia, there are lots of initiatives provided by government to support and encourage the society especially youths to participate and become a social entrepreneurship. Apart from government, universities in Malaysia also play an important role to encourage student to participate in social entrepreneurship. University is a potential place to develop a human capital to implement pattern changing idea to address the world's most pressing challenges (social entrepreneurship education resource handbook,2011). Activities such as organizing a program that conceptualize the social entrepreneurship will enhance the awareness of students about social

entrepreneurship and create intention among themselves to develop an innovative work even though it is simple to solve a simple solution .

In the concept of social entrepreneurship itself, innovation is one of the criteria or characteristic as a social entrepreneurship . Creativity is an important element anyway of innovation management (Euram Conference, 2002). Innovation in social entrepreneurship can be relates to the development, adoption and exploitation of value-added activities in economic and social areas; a key factor for competitiveness and growth (crossan and apaydin, 2010: lewrick et al, 2010). Hence it can be concluded that innovation in social entrepreneurship is an important part for the social entrepreneurs development and growth. Simple example a case study in Malaysia, there is a social enterprise namely TRY Mabul that operates in Mabul Island, Sabah. The establishment of this TRY Mabul came from the awareness of the problem happen in that location where the youth of the island have no access to secondary education. Because of that, the youth of the island are likely to experience substance abuse, gambling, and even being pulled into gangs that prey on the community. TRY Mabul aims to prevent these destructive habits by providing the youth with the vocational skills needed by the tourism industry. TRY Mabul provides youth with relevant skills needed in the local tourism industry, training them in culinary arts, hotel management, and tourism skills. TRY Mabul equips the youth with skills that will give them better career prospects and escape the poverty cycle despite a lack of access to secondary education. (Malaysian Social Enterprise Blueprint, 2015). From the case study, TRY Mabul innovate a new way of education for youth in Mabul to solve the youth's problem in that location.

As supported by the prime minister, Datuk Seri Najib Razak and the need of acknowledge of the social entrepreneurship, in this research the researcher take priority of the awareness of university student about social entrepreneurship in order for the student to be aware and know about it. It will become a platform for them to study about social entrepreneurship. As supporting the Prime Minister objectives, there is a few university provide an entrepreneurship program to give eye opening to students such as Universiti Kebangsaan Malaysia(UKM) Hence, this study will

identify the level of awareness of undergraduate student about social entrepreneurship, study the factor that leads to creating intention of university students in developing an innovative works for social entrepreneurship and to examine the relationship between factors affected and intention to create an innovation in social entrepreneurship.

1.2 PROBLEM STATEMENT

Our prime minister, Dato Seri Najib at the inaugural international conference for young leaders 2015 has stated that he want more youths to ventures into social entrepreneurship and help to bring about and lasting positive impact on society (the Malaysian Insider, 2015). Social entrepreneurship practice is really important as it will brings the awareness and cultivate the moral value of giving back to the community by doing voluntary works, and it can help the people in need as nowadays there are many issues pertaining to society. The issue related to the care of elderly, lack of platform to help in sustaining the business of single mother association and even issue related to urban poor for instance, the issue of urban poor, it is actually address by a group of youth as a social enterprise in Malaysia. (<http://www.thenasilemakproject.com>) in which people have not enough profit to live in the urban area this group of people face a difficulty and need help .There is a fact say that almost a quarter of households in Malaysia earn less than RM 2,000 per month (Khazanah State of Households Report 2014) with the economy today, it is hard to live with such income. Even though there are many efforts had been carried out by the government and a few NGO that took part to help solving this issue, however there are still limited assistance from them to help these groups.

Minister of Youth and Sports, Hon. Khairy Jamaluddin, said that the concept of social entrepreneurship is still new in Malaysia. Social entrepreneurship from his perspective is actually driven by a social mission. Wealth and profit are not the

mission of social entrepreneurs, but it is actually prioritizing the achievements and impact of social mission. Social entrepreneurship practice enhance the youth to do a voluntary work, and it can help the people in need without rely on government and NGOs to do that. As what Minister of Youth and Sports, Hon. Khairy Jamaluddin said that, he want young people to think that social change is not just a voluntary work by NGOs alone but can be done by them through social entrepreneurship. (Beritaharian, 2015). As the effort to bring more awareness about social entrepreneurship in Malaysia, there is a unit developed namely The MaGIC Social Entrepreneurship Unit which is a special unit dedicated to develop social entrepreneurship sector as the driving factor that would benefit the people and the environment in the long run. Unfortunately, there are only few numbers of social entrepreneurs registered under this units which is a 100 members and it was expected to increase to 200 by year's end. (Bernama, 2015)

As social entrepreneurship in Malaysia is still new, one way to make peoples acknowledge about social entrepreneurship is by creating and enhancing the awareness of social entrepreneurship in Malaysia. Awareness of social entrepreneurship in society especially an educated people like university students will help the groups that need attention to enhance their life. University students generally often come out with a creative and innovative idea that can be useful to solve the social problem where in the definition of social entrepreneurship itself has stated that; it is an individual or groups that thinks creatively and innovatively to develop a solution to the society problem. Another things to consider in order to cultivate the awareness of social entrepreneurship among university students is by identifying what factor that encourage them for having an intention towards creating innovative solution in social entrepreneurship. Hence this study will focus on the level of social entrepreneurship awareness among university students, examine the factors that affecting the intention of university student towards creating innovative solution in social entrepreneurship and to identify the relationship between factor affected and their intentions to create an innovative solution for social entrepreneurship.

1.3 RESEARCH QUESTIONS

The researcher had formulate 3 research questions which are;

1. What is the level of social entrepreneurship awareness among university student?
2. What are the main factor that affecting the intention of students toward creating innovative solution for social entrepreneurship.
3. What is the relationship between factors affected and the intention to create an innovative solution for social entrepreneurship?

1.4 RESEARCH OBJECTIVES

The researcher had formulate 3 research objectives, which are;

1. To identify the level of social entrepreneurship awareness among university students
2. To examine the main factor that affecting the intention of students towards creating innovative solution for social entrepreneurship
3. To identify the relationship between factors affected and their intentions to create an innovative solution for social entrepreneurship.

1.5 SCOPE OF RESEARCH

This research focused on the level of awareness about social entrepreneurship among university students. The researcher also focused on the factors that are

affecting the intention of students towards creating innovative solution for social entrepreneurship and concentrated in identifying the relationship between factor affected and their intentions to create an innovative solution for social entrepreneurship.

1.6 LIMITATION

There are few limitations faced by the researcher in conducting this research which are lack of time to study in details about this research, and limited location to carry out the study. To study this research in a very detailed information, the researcher need to spend a lot of time to ensure that all of the crucial information are already being find, and it became a limitation because sometimes time are not sufficient. Apart from that, the researcher only focused on universiti Teknikal Malaysia Melaka,(UTeM) which means that the location of study only limited to this university only.

1.7 KEY ASSUMPTION OF STUDY

In particular, the researcher highlight a few assumption for this study which are, the researcher assume that all of the respondent have a basic information about social entrepreneurship, Apart from that, the researcher also assumed that the students will answer the questionnaire honestly.

1.8 SIGNIFICANCE OF THE STUDY

This research will significance to the university's student especially those who are interested in social entrepreneurship realm. University students that interested in social entrepreneurship will easily adopt this type of concept because they already have an overview about the social entrepreneurship. Besides that, other university also can see through the factor affecting the intention of students to innovate in social entrepreneurship as their references in conducting a strategy to enhance the participants of student in social entrepreneurship.

1.9 SUMMARY

In this chapter, the researcher highlight the title of the research, problem statement, research objectives, research question, scope, and limitation, key assumption of study and significance and contribution.