

THE FACTORS THAT AFFECT ENTREPRENEURIAL INTENTION AMONG
SOCIAL SCIENCE AND ENGINEERING STUDENTS IN UNIVERSITI TEKNIKAL
MALAYSIA MELAKA (UTeM)

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I hereby acknowledge that I have read this thesis and in my opinion this work sufficient in terms of scope and quality for the award of Bachelor of Technology management

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DECLARATION

“I hereby declare that the work of this research is mine except for the quotations summaries that have been duly acknowledged”

Signature :

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Date :

DEDICATION

I dedicate this to my mother, Zalina Binti bahadon and my father, Md Jefri Bin Ismail who have been always with me through the hard time and always taught me that the best kind of knowledge even the largest task can be accomplished if it is done one step at a time.

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ABSTRACT

Subject differences between social science and engineering students are likely to have an influence on their interest in studying entrepreneurship. This research study seeks to identify, whether these influences affect their interest to become entrepreneurs in the future. Results are expected to be able to contribute to the development of entrepreneurship curriculum to students, especially students of non-management. Surveys were administered to the students who get entrepreneurship courses, both social science and engineering students, as respondent. Interest in social science students to become entrepreneurs is higher than the engineering students, but even then not too large when compared with students who just want to work as an employee or who want to continue their education. Special entrepreneurship program, need to be design to increase student interest, especially for engineering students. The curriculum designers need to pay attention to specific areas of expertise in engineering that can be used as a reference to generate an interest in entrepreneurship.

ABSTRAK

Perbezaan antara subjek sains sosial dan pelajar kejuruteraan berkemungkinan mempunyai pengaruh ke atas minat mereka dalam belajar keusahawanan. Kajian ini bertujuan untuk mengenal pasti, sama ada pengaruh ini menjejaskan minat mereka untuk menjadi usahawan pada masa hadapan. Keputusan pemilihan dijangka dapat menyumbang kepada pembangunan kurikulum keusahawanan kepada pelajar, terutama pelajar bukan bidang pengurusan. Kaji selidik telah dilakukan kepada pelajar yang mendapat kursus keusahawanan, dan menjadikan pelajar sains sosial dan pelajar kejuruteraan, sebagai responden. Kepentingan bagi pelajar sains sosial untuk menjadi usahawan adalah lebih tinggi daripada pelajar kejuruteraan, tetapi jumlahnya tidak terlalu besar berbanding dengan pelajar-pelajar yang hanya mahu bekerja sebagai pekerja atau yang mahu meneruskan pelajaran mereka. Program keusahawanan khas, perlu reka bentuk untuk meningkatkan minat pelajar, terutamanya bagi pelajar-pelajar kejuruteraan. Para pendidik perlu memberi perhatian kepada bidang-bidang tertentu dan juga dalam bidang kejuruteraan yang boleh digunakan sebagai rujukan untuk menjana kepentingan dalam keusahawanan.

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LIST OF ABBREVIATIONS

FPTT	Faculty of Technology Management and Technopreneurship
FKP	Faculty of Manufacturing Engineering
FKM	Faculty of Mechanical Engineering
FKEKK	Faculty of Electronics and Computer Engineering
FTMK	Faculty of Information and Communication Technology
FTK	Faculty of Engineering Technology
UTeM	Universiti Teknikal Malaysia Melaka
SPSS	Statistical Package for Social Science
H_0	Null Hypothesis
H_1	First Hypothesis
H_2	Second Hypothesis
H_3	Third Hypothesis
H_4	Fourth Hypothesis

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CHAPTER 1

INTRODUCTION

1.1 Background of study

Entrepreneurship is proposed as the process of doing something new and something different for the purpose of creating profit for the individual and adding value to society. Following Low and MacMillan's definition of entrepreneurship as "creation of new enterprise" (Low and MacMillan, 1988), we define entrepreneurial intention as the intention to start a new business.

The most obvious example of entrepreneurship is the starting of new business. There are a few characteristics that most successful entrepreneurs possess including ability to plan which entrepreneurs must be able to develop business plans to meet goals in a variety of areas, including finance, marketing, production, sales and personnel. Besides, communication skills should be able to explain, discuss, sell and market their goods or service. Last but not least is a basic management skill. Even if entrepreneurs hire others to deal with the day to day tasks of the business, entrepreneurs need to know whether their company has the correct resources.

Many universities in the world consider that entrepreneurship should be provided to all of students regardless the major subject they have. Therefore, not only social science students study this subject but even engineering students also study the something about entrepreneurship. Comparing the intention of social science and engineering students may result some differences between them. Many factors can affect to this intention.

Being as social science or business students, entrepreneurship subject may be considered as major subjects since it relate so much to business reality. But for engineering students this subject is considered as additional subject out of engineering subject. This research are try to understand why the difference between both is happen.

1.2 Problem Statement / Research Question

This research is conducted in order to find the potential entrepreneurs, especially among university students whether in social science or any other are, especially in engineering. This research is tried looking on entrepreneurial propensity entrepreneurial commitment and the opinion about entrepreneurship for engineering students than students of Social science in Universiti Teknikal Malaysia Melaka (UTeM). Not all students are interested in entrepreneurship and want to become entrepreneurs. While not all students who want to become entrepreneur are from social science field. Here, this research can explore the factors affects to entrepreneurial intention between them. Here, the research question to address to know of these factors:

1. What is the opinion of engineering students about the relationship between entrepreneurship and engineering matters?
2. What are the factors that affect entrepreneurial intention among Social science and engineering students?
3. What is the percentage student social science and engineering who are interested in pursuing a career in the field of entrepreneurship?

1.3 Research Objectives

The specific objective of this research are :

1. To understand the relationship about entrepreneurship with engineering matters based on students opinion.
2. To identify what factors that can affect attractiveness in entrepreneurship for student social science and engineering.
3. To analysis why entrepreneurial intention among social science and engineering students are different.

1.4 Scope of Study

This research have been done in Universiti Teknikal Malaysia Melaka (UTeM) covering some faculties in there. These faculties are FTMK, FKEKK, FTK, FKP, FKM and FPTT. This research involved with all student diploma and degrees includes students from year 1 until year 4. To sharpen the result, some comparison also involving Chinese and Malaysian students, while Indian students not covered since the small number of them. This research is limited to all items contained in the questionnaire distributed to respondents at least 100 students.

1.5 Significance of Study

This research is involved what are the factors that can affect entrepreneurial intention among university students. This is conducted in order to make the engineering students and social science students are intent with entrepreneurial. Intent is relatively weak among all students but significantly stronger among business students. Differences

are due to motivational structures rather than situational variables. Entrepreneurship is important because it helps to create employment and contribute towards research and development systems. It also provides self-sufficiency and wealth for nation and individuals.

Engineering student need a broad range of skills and knowledge beyond that of the technical. The role of the engineer has evolved from lone specialist to team player, from internally focused to globally aware, from reactionary to entrepreneur. Entrepreneurial intention is a state of mind that directs and guides the actions of the entrepreneur toward the development and implementation of a business concept. Diverse factors that influence the Entrepreneurial Decision do exist. These factors may be intrinsic such as the personal capabilities and prior knowledge or extrinsic as the environmental factors. Stimulating innovative and growth-oriented entrepreneurship is a key economic and societal challenge to which universities have much to contribute. Students with more positive attitudes, stronger subjective norms, and more perceived behavioral control with respect to entrepreneurship, have stronger entrepreneurial intentions.

Therefore, the entrepreneurship education is need as learning process to start as early as elementary school and progressing through all levels of education, including adult education in university. Regardless whether the field of engineering students or science social students the standards and their supporting performance indicators are a framework for teachers to use in building appropriate objectives, learning activities, and assessments for their target audience. Using this framework, students have progressively more challenging educational activities, experiences that enable them to develop the insight needed to discover and create entrepreneurial opportunities and also the expertise to successfully start and manage their own businesses to take advantage of these opportunities.

1.6 Summary

As a conclusion, not only social science students study this entrepreneurship subject but engineering students also study the something about entrepreneurship. Based on the research question, this research study seeks to identify, whether these influences affect their interest to become entrepreneurs in the future. Intent is relatively weak among all students but significantly stronger among business students. Differences are due to motivational structures rather than situational variables. Entrepreneurship is important because it helps to create employment and contribute towards research and development systems. It also provides self-sufficiency and wealth for nation and individuals.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

This chapter is discussed about the overview of entrepreneurial intention among university student. In this chapter, researcher discuss about what are the influence and persuasive message on entrepreneurial intention. In addition, it is cover the impact of entrepreneurial education among the students and also the differences between the intention of students in entrepreneurship among Malaysia students and Ethiopia engineering student. Lastly, the theoretical framework of the research had been drafted and also being shared that attached with it.

2.2 Overview about entrepreneurial intention among students

The literature examining motivations and personality traits of entrepreneurs has become very extensive. Despite abundant studies, results are still mixed and largely inconclusive regarding personality traits, social influences, and motivational factors as

explanatory variables (shaver and Scott, 1991). Within this literature, a special stream has developed that investigates the factors that predispose students to consider entrepreneurship or actually become entrepreneurs.(Kennedy, 2003). Fields of study are often used as variables that are meant to explain differences in entrepreneurial inclinations (Autio, 2001). One might assume that students of business administration have a higher propensity for entrepreneurship (Sexton and Bowman, 1986).

Entrepreneurial action falls clearly into the category of intention behavior. It suggests three conceptually independent antecedents of intention. The first is the attitude toward the behavior. This refers to the degree to which a person has a favorable appraisal of the behavior in question. Seconds, predictor of intention is the subjective norm, or the perceived social pressure to perform the behavior. Last but not least, the antecedent of intention is the degree of perceived behavioral control, which refers to the perceived ease of performing the behavior.

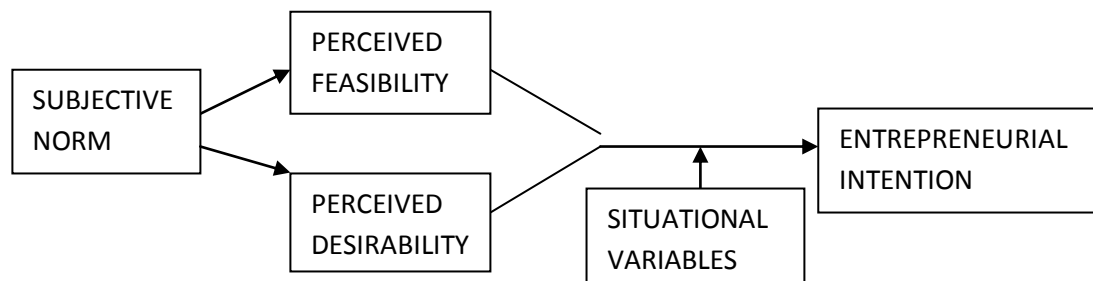


Figure 1.1: Generic intention model (Ajzen 1991)

The figure 1.1 above shows the intention model starts with the subjective norm and represents the other two predictors as the perceived desirability and the perceived feasibility of what is intended, with situational variables influencing the transformation.