I hereby confirm that I have examined this project paper entitled:

The Importance of Entrepreneurial Education Program as a Moderating Variable to
Boost Family Business Knowledge amongst Student in Universiti Teknikal Malaysia

Melaka

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I hereby acknowledge that this project has been accepted as part fulfillment for the Bachelor of Technopreneurship (BTEC) with Honours

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THE IMPORTANCE OF ENTREPRENEURIAL EDUCATION PROGRAM AS A MODERATING VARIABLE TO BOOST

FAMILY BUSINESS KNOWLEDGE AMONGST STUDENT IN UNIVERSITI TEKNIKAL MALAYSIA MELAKA

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Faculty of Technology Management and Technopreneurship

UNIVERSITI TEKNIKAL MALAYSIA MELAKA

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DECLARATION OF ORIGINAL WORK

I, MIRZA ZUHAIR BIN ZULKIFLI"

I hereby declare that the work of this exercise is mine except for the quotations and summaries that have been duly acknowledged."

Signature :

Name : MIRZA ZUHAIR BIN ZULKIFLI

Date :

DEDICATION

This Research Paper is dedicated

To my beloved family who have been my constant source of inspiration. They have given me the drive and discipline to grab any task with enthusiasm and determination. Without their love and support this project would not have been made possible.

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Thank you.

ABSTRACT

The Entrepreneurship Education Program seeks to provide students with the direction to stimulating them to self-employment in futures. By applying the theory of planned behavior, which is an attitude, subjective norms and perceived behavior control, this study have major purposes which are to investigate the effect of Importance of Entrepreneurial Education Program as a Moderating Variable to Boost Family Business Knowledge Amongst Student in Universiti Teknikal Malaysia Melaka Entrepreneurship Education Programs to the students' entrepreneurial intention in Universiti Teknikal Malaysia Melaka and make a comparison among students' entrepreneurial intention. Data onto this study was collected from structured quantitative questionnaires and responses were made on 4 Likert scale ranging from strongly disagree to strongly agree. The sample composed of 190 students in Universiti Teknikal Malaysia Melaka, from the collected data from PPK FPTT (Pusat Pembangunan Keusahawanan FPTT). The researcher was conducted a data analysis by using the correlation. The Entrepreneurship Education Programs will influenced the strength of a significant relationship between independent variables and a dependent variable. The researcher would like to recommend further research to study others criteria that will impact on students' entrepreneurial intention and expand the research location. Besides, the comparison means, among group of students who are joining Entrepreneurship Education Programs is higher than a group of students who do not join the Entrepreneurship Education Programs.

Keywords: Entrepreneurship Education Programs, Family Business Knowledge, Subjective norms, Perceived Behavior Control

ABSTRAK

Program Pendidikan keusahawanan yang bertujuan untuk menyediakan pelajar dengan hala tuju yang hendak merangsang mereka untuk bekerja sendiri di hadapan. Dengan menggunakan teori tingkah laku terancang, iaitu sikap, norma subjektif dan kawalan tingkah laku dilihat, kajian ini mempunyai tujuan utama iaitu untuk menyiasat kesan kepentingan Program Pendidikan keusahawanan sebagai satu perantara berubah-ubah untuk meningkatkan keluarga perniagaan ilmu kalangan pelajar di Universiti Teknikal Malaysia Melaka keusahawanan program pendidikan untuk pelajar niat keusahawanan di Universiti Teknikal Malaysia Melaka dan membuat perbandingan antara niat keusahawanan pelajar. Data ke atas kajian ini dikumpul daripada soal-selidik kuantitatif yang berstruktur dan jawapan telah dibuat pada Likert 4 skala antara amat tidak bersetuju kepada sangat setuju. Sampel terdiri daripada pelajar-pelajar 190 di Universiti Teknikal Malaysia Melaka, daripada data yang dikumpul dari FPTT PPK (Pusat Pembangunan Keusahawanan FPTT). Penyelidik telah dijalankan analisis data yang berpandukan hubung kait. Program Pendidikan keusahawanan yang akan mempengaruhi kekuatan hubungan antara pembolehubah bebas dan pembolehubah bergantung. Penyelidik ingin mencadangkan penyelidikan untuk mengkaji lain-lain kriteria yang akan memberi kesan pada niat keusahawanan pelajar dan mengembangkan lokasi kajian. Di samping itu, perbandingan bermakna, antara sekumpulan pelajar yang menyertai program pendidikan keusahawanan adalah lebih tinggi daripada sekumpulan pelajar yang menyertai program pendidikan keusahawanan.

Kata kunci: Program pendidikan keusahawanan, pengetahuan perniagaan keluarga, subjektif norma, kawalan tingkah laku dilihat

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CHAPTER 1

INTRODUCTION

1.1 Background of the study

Recently, many entrepreneurs have contributed to the development of business enterprises, by ingeniously utilize the existing resources in surrounding is regarded as a significant factor in job creation and economic growth. N. R. Babwah, (2013). According to OECD (2013), SME productivity in Malaysia is still lagging behind, Thus, Malaysia government is putting a lot effort to enhance develop the training program. "The Government is allocating RM50mil for this one-stop center, which consists of an integrated database related to entrepreneurs, intellectual property registration and patenting and funding facilities, among others." Hafsah, (2009) So, the trend of study in entrepreneurship, increasing and is quickly becoming one of the growing fast subdisciplines within the field of economics, management, finance and law, Mcclintock, (2013). According to the statement by Kong (2009), "In Malaysia, SMEs account for 99.2% of all business and companies and formed a backbone of industrial growth while providing employment for about 56% of the total employment."

Based on the research made by Christian, (2010). The number of Entrepreneurial Education Programs and courses is highly increasing in recent years at mostly education level. Similar to the situation happens in University in Malaysia, the important roles of entrepreneurship in the economy have stimulated Universiti Teknikal Malaysia Melaka (UTeM) to inspire students to become entrepreneurs by providing Entrepreneurial Education Programs to university students. Therefore, Entrepreneurial Education Programs could be one of the ways to boost the student's interest to become an entrepreneur in the future and as a moderating variable to boost student family business.

1.2 Problem Statement

During the budget speech on 28 September 2012, Malaysia's Prime Minister stated that around 180000 students graduate every year with diplomas and degree. However, Deputy Human Resources Minister, Datuk Maznah said that there is amount of 76200 graduates in Malaysia were unemployed. Based on the article of OECD (2013), Malaysia government has recognized that it is importance of entrepreneur to developing knowledge and innovation as entrepreneur to contribute the growth of Malaysia's economy, Zainalabidin, (2012). Hence, Malaysia government has initiated much effort to promote students at institutions of higher learning to become entrepreneurs by developing the entrepreneurship program.

Any entrepreneur program conducted has its own target and concept. Similar with the Entrepreneurial Education Programs conducted in Universiti Teknikal Malaysia Melaka. Abduh, (2012) claim that "in general, the objectives include, among others: enhancing students' understanding of entrepreneurial concepts and contributions of SMEs to the economy; developing the entrepreneurial mindset of the students; motivating students to be entrepreneurs; providing students with entrepreneurial concepts and skills relevant to the formation and development of new business; and providing circumstances conductive to students starting a new business." Thus, there

will be are problems that whether the Entrepreneurial Education Programs will bring impact to students to boost their family business.

1.3 Research Questions

Thus, research question that will be constructed as below:

- 1. Does students' intention towards boosting their Family Business influenced with the delivery of Entrepreneurship Education Programs?
- 2. What is the difference between the intentions of students to boost their family business in the future with the influences of Entrepreneurship Education Programs?

1.4 Research Objectives

The objective of this study is to examine the students' intention towards boosting their Family Business after joined the Entrepreneurship Education Programs. Furthermore, this study also will investigate the most significant factor to influence students' intention towards boosting their Family Business after joined the Entrepreneurship Education Programs.

The objectives of the study are stated as below:

- 1. To investigate the student intention towards boosting their Family Business influenced with the delivery of Entrepreneurship Education Programs.
- 2. To relate between among the intention of Family business students to become an entrepreneur with the influences of Entrepreneurship Education Programs.

1.5 Scope

The scope of this study is to investigate the students' intention towards boosting their Family Business with the influences of Entrepreneurial Education Programs in Universiti Teknikal Malaysia Melaka. Thus, the researcher was chosen three programs in University Teknikal Malaysia Melaka (UTeM) which is conducted by Pusat Pembanggunan Keusahawanan (PPK), it is Entrepreneurs Journey, Tech Biz, and Siswapreneur @ PPRN. The researcher was chosen these three programs because the main objectives of these three programs are intended to enhance and develop the students' intention towards boosting their Family Business. Besides, these three programs are still continuous offers by University Teknikal Malaysia Melaka. Thus, the target respondents in this research are the students in Universiti Teknikal Malaysia Melaka. They can give the response, whether the Entrepreneurial Education Programs will influence the relationship between attitude, subjective norms and perceived behavior control and their intention will become an entrepreneur in the future.

1.6 Limitation

There are several limitations occurring to in the research study. First, this research is to investigate the entrepreneurial intention of students in Universiti Teknikal Malaysia Melaka (UTeM) only, thus students from another university are not going to discuss. Second, the researcher will assume all respondents are answering with honestly. Third, this study was only focused on students' Behavior and does not take into account environmental or economic factors that may influence a student's entrepreneurial intention. Fourth, student who joined entrepreneurial program under Pusat Pembangunan Keusahawanan (PPK), such as Entrepreneurial Journey, TechBiz and Siswapreneur @ PPRN.

1.7 Importance of the project

The study will benefit on the university and authorities who are conducting the Entrepreneurship Education Programs. It was important to identify how the Entrepreneurial Education Programs to increase the student's entrepreneurial intention. Besides, the project also provides a deeper study on the key factor that will impact to the student's entrepreneurial intention. Success in the study will give the direction to organizers to design and make an improvement on Entrepreneurship Education Programs. Furthermore, the research will provide valuable feedback on Universiti Teknikal Malaysia Melaka, in order to offer a well-structured educational program to students.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

This chapter will discuss about the overview of Universiti Teknikal Malaysia Melaka (UTeM). The overview of the related faculty and entrepreneurship program also will discuss in this chapter. Second, this chapter will explain whether Entrepreneurship Education Programs's effect on students' intention towards boosting their Family Businesss regarding the variables of attitude, subjective norms and perceived behavioral control. Furthermore, the framework and hypothesis of this research also had been shown in previous section.

2.3 Entrepreneurial Intentions

According to McStay, (2008) states, intentions reflect an individual's willingness or plans to engage in a particular behavior. People who are favored of self-employment rather than choosing traditional salary based employment is said that people have entrepreneurial intention Dugassa, (2012). "In social psychology literature, intentions have proved to be a strong predictor of planned individual behaviors, especially when the behavior is rare, difficult to observe, or involves unpredictable time lags." Krueger, (2012) Thus, the model developed by Ajzen (1991) as cited in Tiago A., (2012) which is the theory proposes a model which can measure how human actions are guided and it was shows in the previous findings of Karali S.(2013) that the attitude, subjective normsand perceived behavior control of students who joined Entrepreneurial Education Programs is higher than the students who does not joined. Furthermore, the relationship between entrepreneurial intention and three elements in Theory of Planned Behavior (TPB) has been widely investigated. Zainalabidin (2012) and Karimi S., (2012).

2.3.1 Attitude

According to Karimi S., (2012) stress attitude toward behavior is the degree to which the individual holds a positive or negative personal valuation about being an entrepreneur. As Rifelly (2012) claim, a person who has a positive attitude in facing unpredictable risk will have a higher willingness become entrepreneurs, in contrast, a person's attitude toward his work effort is negatively correlated with the intention to entrepreneurship.

However, Rifelly (2012) also mentions that attitude is less stable and may change over time and different situations, so the student's attitude towards entrepreneurship can be influenced by educators or practitioners. According to Rakesh D. R. (2012) that attitudes are open to change and can be influenced by educators and by an environment that fosters entrepreneurial activity.

From an empirical point of view, the researcher would like to point that the students' mind will be more "entrepreneurial" after joined the entrepreneurship program because they had been trained to face with several obstacles and get influences with the practitioners' positive minds.

2.3.2 Subjective norm

According to Fishbein (1975) (as cited in Rifelly (2012) defined subjective norms as a form of influence from the social pressure, which affects the individual that has the intention to do something, and certain behavior, for instance Alain F., (2004) the subject's perception of other people's opinions of the proposed behavior.

However, Krueger (2000) points out that any "role model" or "mentor" will also the most important social influences to a person's intentions. This view is supported by Marina Z.S. (2012), "The opinions of important other (i.e. Family members, close friends and other influential people such as teachers, successful entrepreneurs, etc.) are believed to shape the formation of many entrepreneurial intentions."

This means that when students are attending the entrepreneurship program, their perception might get influenced by their mentor or other participants. Besides, Karali S. (2013) claims that the perception of important people of respondents think can influence their decision to become an entrepreneur. This is because, entrepreneurship program usually will need participants conduct in a team form, thus, students' perception will get influence through the team members and also the educators or practitioners.

2.3.3 Perceived behavioral control

There are different researchers to give the different definition about this variable. According to Karimi S,. (2012) defines the perceived behavioral control as somebody's perceived easiness or difficulty of becoming an entrepreneur. As Marina Z.S. (2012) points out, "If a person perceived doing business in a country as being difficult, unattractive, risky, or bringing low benefits, his/her attitude towards entrepreneurship might be negative." On the other hand, Alain F., (2004) perceived behavioral control appears quite similar to the notion of perceived self-efficacy. Bandura states that perceived self-efficacy is defined by people who are believes their capabilities to control over their own activities that affect their lives, Narjisse L.C., (2006).

According to the survey of Noel (2001), students who are attending an Entrepreneurial Education Programs show that propensity to act as an entrepreneur, entrepreneurial intention and entrepreneurial "self-efficacy" all reach the highest scores among the students who graduated in entrepreneurship. Besides, McStay D. (2008) also suggest that the pedagogical practices experienced by students in entrepreneurship program may positively impact their levels of entrepreneurial self-efficacy.

However, Indira S., (2012) defines the perceived behavioral control is the control beliefs deal with the presence or absence of requisite resources and opportunities. These control beliefs are based in part on past experience with the behavior, second hand information about the behavior, and by the experiences of acquaintances and friends or other factors. Due to the participants who are joining the Entrepreneurship Education Programs, they will have the opportunity to learn to manage their business and deal with successful entrepreneurs, thus, their perceived behavior control will be higher than others.

2.4 Entrepreneurial Education Programs

According to Alain F., (2006), Entrepreneurial Education Programs is "any pedagogical program or process of educating for entrepreneurial attitudes and skills, which involves developing certain personal qualities." The Entrepreneurial Education Programs was conducted to shift the paradigm of thinking that students not only be job seekers but the ability to generate employment. (Annual Report Ministry of higher education, 2011) Other than this, Zainalabidin M., (2012) also stresses that the Malaysian Government believes that Entrepreneurial Education Programs will improve the graduate's innovative enterprise skills to create business opportunities.

Numerous studies have attempted to explain that Entrepreneurial Education Programs are playing an important role to effect students' intention towards boosting their Family Business, (Marina Z.S., (2012). According to Fanny (2013), the understanding and capacity for pursuit of entrepreneurial behaviors', skills and attributes can be learned, developed and practiced through the Entrepreneurship Education Programs. Furthermore, according to Dr. Nakkula as cited in Onu, (2013), the leadership and confidence in students can improve after joining the Entrepreneurial Education Programs where such character traits may go unrecognized and underutilized. Thus, as Alain F., (2006) states the presence of Entrepreneurial Education Programs are incentives for students to choose an entrepreneurial career.

Moreover, Garavan and O' Cinneide, (as cited in Joao J.F. at el.) states that the aims of Entrepreneurial Education Programs as to equip the skill, knowledge and attitudes of entrepreneurship to participants. This can show out by the Entrepreneurial Education Programs which are conducted by Universiti Teknikal Malaysia Melaka (UTeM).

University Technical Malaysia Melaka (UTeM) has implemented restructuring and re-organization of the university through Administrative Circular No. 29/2014 came

into force on October 16, 2014, which finally establish Pusat Pembangunan Keusahawanan (PPK) in UTeM.

By structuring and organizing the Pusat Pembangunan Keusahawanan (PPK) was established and placed under the administration of the Assistant Vice-Chancellor (Industry and Community Relations) PNC-JIM. However, with effect from 1 December 2015, the Pusat Pembangunan Keusahawanan (PPK) has been upgraded as a Responsibility Center (RC) in UTeM. PPK main focus is to guide and create entrepreneurs in the fields of engineering, computing, management and so on. This is due to the high market demand for the latest tech stuff.

Around August 2014, the KDP leader, Prof. Dr. Salleh bin Yahya has established a new icon named Team Usahawan UTeM. This icon is a group of pioneers who have been specially set up to collect and attract students who have high interest in the field of entrepreneurship. Students who join Team Usahawan can get multiple benefits of entrepreneurship programs organized. Entrepreneurs Team strives to provide useful exposure and experience of entrepreneur's student or the student's success.



Figure 2.1: Team Usahawan icon, by PPK

2.4.1 Entrepreneur Journey

Entrepreneurial Journey program is a platform and help UTeM in producing entrepreneurs from the grassroots to provide theoretical and practical entrepreneurship to students. in other words, every student in UTeM is involved. Trough entrepreneurship program, UTeM is capable of producing UTeM student with more productivity and holistically. Where they not only excel academically but have the soft skills as well.

2.4.2 TechBiz

TechBiz Program is a short form for Technological Business Program which have a similarity with Entrepreneurial Journey, except it is focusing more on technology. Basically it is a platform to help UTeM in producing entrepreneurs from the grassroots to provide theoretical and practical entrepreneurship to students based on technological business.

2.4.3 Siswapreneur @ PPRN

Siswapreneur@PPRN is one of the initiative program developed by Kementerian Pendidikan Tinggi (KPT) under Public-Private Research Network program (PPRN). As participants to represent UTeM in this program, we are required to conduct a visit to any potential company/industry that listed in the PPRN database.

The objectives of this visit are: -

- To observe any problem existed in terms of management of the company
- To create network between university and industry
- To recommend any potential solution to solve the company problem.
- UTeM student able practice what they have learn from lecturers and contribute something valuable to the company.

2.5 Family Business

Family businesses differ in size from small community stores to multinational companies. In a family company, at least 50% of ownership and management role held by one family, either related by blood or marriage Dormio (2009). According to Chua (1999) as cited from Ghee (2015), the family business is a business administrated and managed with the intent to form and follow the vision of the business apprehended by a main combination controlled by members of the same family or a small number of families in a way that is potential to sustainable across generations of the family or families.

While specific definitions of family businesses are deliberated, most focus on relationship ties between family members who own and run a business Rogoff (2003). Indeed, it is the intersecting relationship between family members, the family part, and the business that is thought to procedure the unique set of features that clarifies performance differences between family and nonfamily businesses Habbershon (2003). This intersection also serves as a source of conflict within families and businesses Kellermanns (2004) as cited from Ghee (2015).

Family conflicts may arise due to differences over growth goals, succession decisions, product contributions, or even over seemingly ordinary issues such as those related to hours of operation. Conflicts within businesses may also be driven by family issues relating to time spent away from the home, marital differences, or inattention to important family events. Another case, such conflicts are often a direct result of close and repeated interactions between family members, the family part, and the business.