

EXPLORATION RELATIONSHIP BETWEEN ENTREPRENEURSHIP
EDUCATION AND ENTREPRENEURIAL INTENTION AMONG UTeM, UTHM
AND UTM STUDENTS

FARAH NADHIRAH BINTI MD LAZI

UNIVERSITI TEKNIKAL MALAYSIA MELAKA

CHAPTER 1

INTRODUCTION

1.1 Research Background.

Entrepreneurship education is crucial for the success of the nation's new mission of building a high – income economy. Thus, Prime Minister Datuk Seri Najib Tun Razak announced about the total allocation for Malaysia's Budget 2018 is RM280.25 billion. For entrepreneurs, SME corp allocated RM200 million to provide Malaysian's with training programs, grants and soft loans also Convenient loan of RM120 million for 1k FoodTracker 1Msia entrepreneurs, 1Msia Mobile Food Kiosk through Bank Rakyat & BSN, government to subsidized 4% from interest rate of the loan (Janice, 2017).

The 2018 budget is designed to foster the growth of entrepreneurship which is good for the economy and employment. Universities can play a role by helping them especially young graduates to take up the challenge of entrepreneurship to open their mindset as many people are afraid of starting their own business. University graduates are a target group for 4th Industrial Revolution, and entrepreneurship play a role, which is why universities need to upskill the graduates (Shamshubaridah, 2017).

In the 10th Malaysia Plan (10MP) alone, the government allocated RM1.04 billion to implement various entrepreneurship development programmes under the Ministry of Rural and Regional Development. Of the amount, RM520.1 million was allocated for entrepreneurship development programmes under Majlis Amanah Rakyat (Mara), while the balance of RM521.12 million was given out to other agencies under the ministry to implement their programmes. According to the Prime Minister, entrepreneurs needed to be aware of the evolution of the economic landscape that was riding the waves of the fourth industrial revolution, banking on the latest technologies and knowledge-based industries (Aiman, 2017).

Entrepreneurship is the basis for economic in Malaysia and also the entire world. Entrepreneurship is to be the symbol of business achievement and can be considered a pioneer for today's testimony on new business venture successes. Malaysia has developed itself into a newly industrialized country. Nowadays entrepreneurship becomes a commonly taught subject in universities. All of the public universities in Malaysia offers courses in entrepreneurship and this subject compulsory subject in universities. Beside that, some universities in the world offers a major field of academic programs in entrepreneurship besides the traditional business or management areas such as finance, accounting, marketing, human resources management and basic management (Amna, 2015).

In 1970 the government introduced the New Economic Policy (NEP), indirectly with the NEP it has to create awareness and opportunities for Bumiputera to make entrepreneurship as a career. From that, many various ways that government takes to encourage entrepreneurship among Bumiputera. In addition, the vision of Malaysia become a developed nation by the year 2020 which led government policies were moving the country towards industrialization and trade. Besides that, with the policy it can increase the entrepreneurial opportunity and producing more Bumiputera entrepreneurs (Saari, 2012).

Entrepreneurship activity has long been recognized as a catalyst for economic development while acting as a major driver in raising the level of innovation, creativity and competitiveness of a country. In the context of Malaysia, the entrepreneurial

development aspect, especially among Bumiputera communities, has been given serious attention beginning with the introduction of the New Economic Policy (NEP) in 1971. Through this policy the entrepreneurial development among bumiputeras has been an important agenda in the country in order to developing the Bumiputera Commercial and Industrial Community (MPPB), which has been identified as a major approach to restructuring the society and in ensuring the participation of Bumiputera more active in the country's economic development (Sappin, 2016).

The development of entrepreneurship, especially Bumiputera entrepreneurs, is focused on four target groups namely students, students / graduates of IPT, and youth and women. In the context of this target group, the Ministry of Higher Education (MOHE) is responsible for leading entrepreneurship development among students / graduates of IPT. In addition, with introduce entrepreneur subject at universities, it will give exposure to students about entrepreneurs and it can make student interest in entrepreneur field. University in Malaysia, entrepreneurship is a compulsory subject among their students (BERNAMA, 2017).

This research aims to explore and examine entrepreneurship education acceptance among students at UTeM, UTHM and UTM. Beside that, this research also determining the entrepreneurial intention of students in choosing entrepreneurship as a career. Respondent need to answer a survey questionnaire based on their opinions and interest in entrepreneurship.

1.2 Problem Statement

Entrepreneurship is one of the opportunities for greater financial success and can minimize unemployment. Normally, many students that have an interest in entrepreneurship as the career but they doesn't know how to create their own business. According to recent entrepreneurship research, entrepreneurship courses have mixed results on student entrepreneurial intentions, as measured by the College Student Survey, the entrepreneurial intentions of Chilean freshmen were not affected by the required entrepreneurship class. Entrepreneurial intention was defined as an individual psychological construct that demonstrates the intention to start a business (Paulina, 2015). From research that have been done by Paulina. She aspect the future research could look at what types of entrepreneurial competencies student develop or enhance during an entrepreneurship class or training.

Government has taken many steps to strengthen its education sector. Entrepreneurial education is compulsory in the university. Students from various academic programmes are required to take courses in foundations of entrepreneurial knowledge, skills and attitudes. However, it is unknown whether contextual founding conditions or rather personality traits that drove students' intention to self employment or become as a entrepreneur (Mumtaz, 2012).

So, there is the main problem of this research which is investigating the entrepreneurship intent among students. Besides that, another problem is to identify the impact of entrepreneurship education on the intention to become an entrepreneurship among UTeM, UTHM and UTM students. It is because entrepreneurship subject becomes a compulsory subject at all universities in Malaysia.

For instance, this phenomenon encourages researchers to study more profoundly about demographic student from UTeM, UTHM and UTM. This research examines the tendency of choosing a business graduates based on demographic factors like gender, background of study and family background. The study will examine whether there are differences in the demographic factors of the graduates and the selection of types business. Although there are various factors that influence the decision of students to entrepreneurship.

1.3 Research Question

There are three question have been set up to guide this research:

- a) What are the factors that contribute to the entrepreneurial intention among UTeM, UTM and UTHM student?
- b) What is the main factors that give impact on entrepreneurship intention among UTeM, UTM and UTHM student?
- c) What is the different between entrepreneurship education and entrepreneurial intention based on demographic factor?
- d) What is the relationship between the entrepreneurship education toward entrepreneurial intention?

1.4 Objective of Study

There are three objectives have been set up to guide the research. They are as follows:

- a) To identify the factors that contribute to the entrepreneurial intention among UTeM, UTM and UTHM student.
- b) To identify the main factors that give impact on entrepreneurial intention among UTeM, UTM and UTHM student.
- c) To evaluate the different between entrepreneurship education and entrepreneurial intention based on demographic factor.
- d) To examine relationship between entrepreneurship education toward entrepreneurial intention.

1.5 Scope of Study

In this study focus has been given to students at Universiti Teknikal Malaysia Melaka (UTeM), Universiti Tun Hussein Onn Malaysia (UTHM) and Universiti Teknologi Malaysia (UTM). The interest of students in entrepreneurship careers would be deduced from their perception towards entrepreneurship, their interest in entrepreneurship education and their opinion as to whether an entrepreneur is born or made. The survey sample will be choosing from students in this three university.

1.6 Important of the Study

The upsurge in entrepreneurial awareness is in tandem with the Malaysian government's aspiration to avoid dependency on the existing organization for employment opportunity rather to encourage young adults especially graduates to create employment via venture creation. The famous understanding of creating employers instead of employees has been widely preached to bolster interest in entrepreneurship among Malaysian given that new ventures contributes significantly to the gross domestic product and new job creation. Furthermore, to support the Malaysian vision of becoming a developed country by 2020, employment creation becomes more crucial. As a result, effort have been intensified and policies were drafted by the Malaysian government to encourage entrepreneurial activities and to promote the growth of self-employment nationwide through small business, petty trading, agriculture, and services (Badawi, 2006).

This study is also important for policy implementation on future development of entrepreneurial program for undergraduates. By having a good understanding on factors affecting entrepreneurial intention among students, all the plans that provided by government to them will be fully utilized. This research will provide insights to the state of entrepreneurship education for policy makers in Malaysia to inspire entrepreneurial intention, in turn, increasing new business venturing rate. Practical information will be provided when investigating in depth into the entrepreneurial intention as policy makers can make better and informed decisions in designing the

entrepreneurial course structure which helps in increasing the students' participation in business in future (Wong, 2012).

Therefore, the importance of this study is to identify the interest level among students at UTeM, UTHM and UTM in learning and choosing entrepreneurship as their future career. This research will concentrate on the topic of impact the entrepreneurship education with the intention to become an entrepreneurship education with the intention to become an entrepreneurship among UTeM, UTHM and UTM students. To best help students prepare for these new challenges, this research also indicates the level of students interest in entrepreneurship as a career choice and the impact of entrepreneurship education towards their intent to become entrepreneur.

1.7 Organization of the Thesis

The first part of this chapter is Introduction: Research background, Problem statements, Research question and objectives, important of the study, scope of study, and Organization of the thesis of the exploration relationship between entrepreneurship education and entrepreneurial intention among UTeM, UTHM and UTM students. The second part of this chapter provides a literature review, chapter three is about methodology, that the research I will using is Quantitative method : Theoretical frame work it has Research model; Hypotheses development and Measurement of the variable, Research design it has Population and sampling plan; Data collection method and Type of data; Instrument develop, Analysis techniques, and last is Respondent profile.

Chapter 4 is about data Analysis of relationship between entrepreneurship education and entrepreneurial intention. Chapter 5 Discussion and Conclusion: it will Discussion and research finding, Contribution to theory and body of knowledge, Implication to management, and Limitation and future Study. Last but not list is References we get the all journal and article that related about the proposal.

1.8 Summary

This chapter explore about the background of the study, problem statement, objective of study, scope of study and the importance of study. Besides that, from this chapter reader can know about the impact of entrepreneurship education on the intention to become an entrepreneurship among the students at UTeM, UTHM and UTM.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

In this chapter, I discussed about the background of the entrepreneurship. Besides that, this chapter also provides the previous research's done and funding. This chapter also presents theoretical frameworks that built the conceptual foundation for the study and guide the research design and methodology.

Entrepreneurship is a discipline, and thus can be learned, as is being done in increasing quantity and quality across the globe because entrepreneurship and innovation have been recognized as critical drivers of sustainable economic development and competitive advantage there has been increasing demand to produce and deliver high-quality entrepreneurship education (Hemant, 2015).

2.2 Definition of Entrepreneurship

Entrepreneurship is a complex term that's often defined simply as running your own business. But there's a difference between a "business owner" and an "entrepreneur," and although one can be both, what distinguishes entrepreneurship is a person's attitude (Jennifer, 2017).

Moreover, there is debate over the definition of an entrepreneur. Some experts have a wide definition that encompasses anyone who works for himself. Others have a narrower view point, suggesting that an entrepreneur doesn't just work interdependently but also, his business involves innovation and leadership. They do

tend to agree on the idea that an entrepreneur takes an idea, develops a business around it, manages the business, and assumes the risk for its success (Duermyer, 2017).

Entrepreneurship can be described by researchers and writer in terms such as new, innovative, flexible, dynamics, creative and risk-taking. Entrepreneurship also involves in the creation of value, the process of starting or growing a new profit making business, the process providing a new product or services, and the intentional creation of value through organization by an individual contributor or a small group of partners. Besides that, entrepreneurship can be defined as the process of creating something different with a value by devoting necessary time and effort, assuming the accompanying financial, psychological, and social risk and receiving the restitution rewards of monetary and personal satisfaction (Coulter, 2003).

According to Bruyat & Julien (2001), entrepreneurship is a concept that has been defined in various ways, ranging from narrow meanings such as starting own business, to broad conceptualizations such as work attitude that emphasizes self-reliance, initiative, innovativeness and risk taking. However regardless of definition emphasis, entrepreneurship is of relevance to recent career concepts such as the protean career, the boundaryless career, the post corporate career, and employability. Hall (2004), elaborate that protean career describes as a career orientation in which the person, not the organization is in charge. Success criteria are subjective (psychological success) and the persons core values driver career decisions. Potential career rely equally on adaptability to fit new situation and with a strong sense of identify, entrepreneurship can be a vehicle for those pursuing protean career as it offers opportunities for flexibility and self expression simultaneously (Gelderen, 2008).

According to Stevenson (1989), entrepreneurship is a process by which individuals pursue opportunities without regard to the resources they currently control. Besides that entrepreneurship can be defined as the discovery, evaluation and exploitation of opportunities create future service and goods by the natural individual through the creation new business venture (Saravanakumar & Saravanan, 2012)

2.3 Approaches to Entrepreneurship Education

In my own word, entrepreneurship education is an important education and has been introduced to learning institutions, whether at school, university and post-graduate training programs. There has been a growth in the development of entrepreneurship in Malaysia since the offering of entrepreneurship education in the mid-1990s.

The value and effectiveness of experiential learning, both generally in education and in entrepreneurial education in particular, is practically beyond debate and is demonstrated by the voluminous literature on this subject. Surprisingly, however, the literature contains very little description of the abundance and variety of experiential programs and courses actually offered in university entrepreneurship programs, much less the obstacles to launching such programs and courses, or proposed solutions to such obstacles (Noyes, 2017).

Entrepreneurial education in higher institutions is enhanced by instilling positive attitudes, encouraging good entrepreneurial characteristics, and fostering entrepreneurial behavior. This is thought to increase the attitude of students to work on their own and pursue entrepreneurship. Furthermore, the use of traditional methods and the development of a conducive entrepreneurship landscape are emphasized through the preparation of basic entrepreneurship skills for students to work on their own, encouraging creativity, innovation, and building their own career. Entrepreneurship programs, such as the Higher Education Entrepreneur Movement Program, at a tertiary level not only create more entrepreneurial thinking in students but can even help build a conducive entrepreneurial landscape (Norasmah & fadhilah, 2016)

In order to assess the effect of entrepreneurship education program (EEP), the present study follows Fayolle (2006) and Souitaris (2007) to incorporate EEP as an exogenous influence into the TPB. The central factor of the theory is the individual intention to perform a given behavior. Consequently, the model stresses that three key attitudes or independent antecedents predict intention: attitudes toward the behavior (the degree to which the individual holds a positive or negative personal valuation

about being an entrepreneur Autio (2001) & Kolvereid (1996), subjective norms (the perceived social pressure from family, friends or significant others Ajzen (1991) to start a new business or not, and perceived behavioral control (the perceived easiness or difficulty of becoming an entrepreneur). The theory predicts that the greater the favorable attitude and subjective norm with respect to the behavior, combined with a strong perceived behavioral control, the greater the intention will be to perform the particular behavior. This theory has been applied for the prediction of a wide range of human behaviors Fayolle (2006) including entrepreneurial intentions. This approach will be discussed in figure 2.1.

Figure 2.1 shows the framework developed by Fayolle (2006) which is commonly used to guide EEP studies. In the context of EEP, the TPB has been extensively used to frame examinations into the effects of the entrepreneurial education programmes on students' entrepreneurial intention the framework which is commonly used to guide EEP studies. The framework suggests that three main factors can be used in evaluating EEP: attitude towards the behaviour (entrepreneurial inclination), subjective norms (entrepreneurial attitude) and perceived behavioural control (awareness through self-efficacy, for example entrepreneurial awareness).

A number of studies have been conducted on entrepreneurial education programme (EEP) in terms of its effectiveness and factors that contribute to its success. In an era of rapid changes in technology, economic liberalization and globalisation, entrepreneurship is increasingly seen as a skill that could provide a good source of livelihood for graduates due to limited employment opportunities in the public or private sector. Furthermore, sustainable growth based on innovation and excellence requires an increasing number of new business set-ups. For these reasons, EEP has become an obligatory part of university education (Hasniyati, 2016).

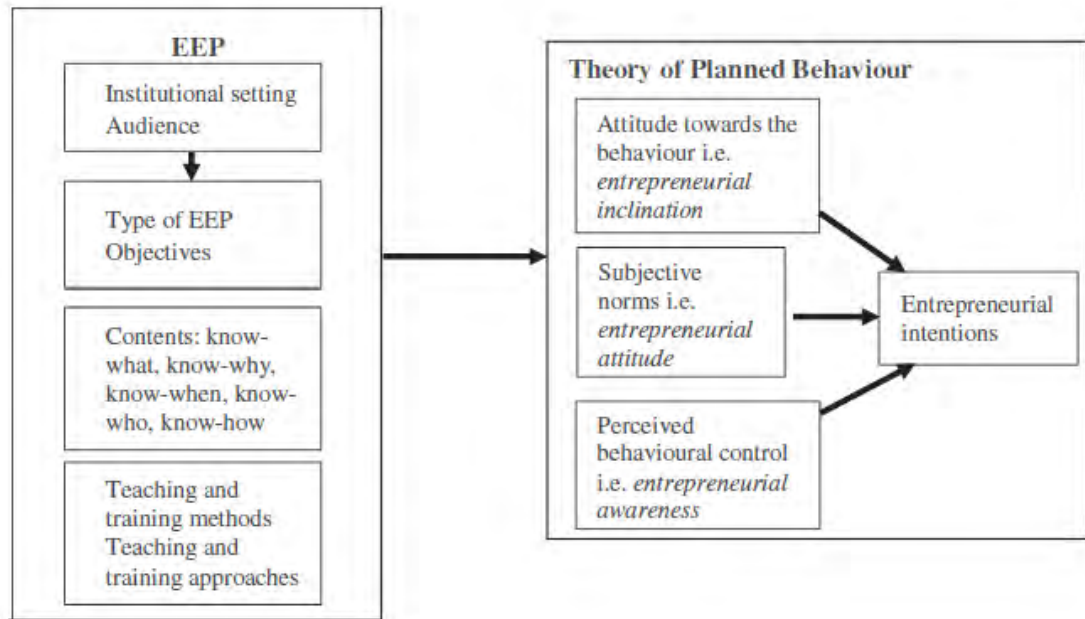


Figure 2.1: EEP assessment model. Fayolle et al. (2006).

2.4 Entrepreneurship in Malaysia

Recognising the importance of entrepreneurship education in promoting entrepreneurship development and the economy, Malaysia Ministry of Higher Education has taken the initiative by making entrepreneurship subjects compulsory to all students at the nation public universities. At the same time, these students are encouraged to take part in the many entrepreneurship activities at their respective universities - trainings, seminars, short courses, conferences and entrepreneurship events. The results of the effort can lead to less unemployed graduates and an increase in business opportunities, which will have a direct impact on achieving the developed nation status as envisioned by Malaysians. The entrepreneurship education in Malaysia is moving forward towards the right direction however issues and challenges still persist. This paper aims to review the entrepreneurship education in Malaysia by discussing the current situation of entrepreneurship education, the issues and challenges and recommending ways to improve the situation (Hardy, 2015).

The EEP in Malaysia is guided by two main government policies, i.e. the National Higher Education Strategic Plan 2011–2015 and the latest Higher Education Blueprint 2013–2025. The Plan focuses on mainstreaming entrepreneurship education, and was further strengthened by the Blueprint which highlights entrepreneurship as part of the vision and aspiration towards a paradigm shift in the Malaysian education system.

The growth of entrepreneurship in Malaysia is in tandem with business-friendly policies and concerted efforts of various parties. The government plays a pivotal role in providing financial and advisory services for upcoming entrepreneurs. Besides the government, educational institutions have also played an important role in promoting the interests of the students to become entrepreneurs after they graduated. The private sector contributes to the enhancement of entrepreneurship via internship programmes, for instance: final-year work placement programme and work experience (Ministry of Higher Education, 2007).

2.5 Definition of Entrepreneurial Intention

According to Krueger (1993), entrepreneurial intention is general are related to include such as factors as attitudes towards entrepreneurship in terms of perceived desirability of entrepreneurship as a career option, perceived feasibility in starting up for example entrepreneurial skills and personality traits and willingness to act an example actually start-up (Nabi & Holden, 2008).

According to Azjen's (1988,1991). Theory of Planned Behavior (TPB) which explains intentions by means of attitudes, Perceived Behavioural Control (PBC) and subjective normas. The second model is proposed by (Shapero and Sokol, 1982) and explains entrepreneurs intention on the basis of perceived desirability, perceived feasibility and the propensity to act. Although, (Kruger, 2000) regard these models are competing, they overlap to a large degree. Shapero's perceived desirability and perceived feasibility correspond to Ajzen's attitudes and perceived behavioral control,

respectively (Krueger, 1993). So, in both models intentions are explained by willingness and capability. Both models have consistently received empirical support (Gelderen, 2008)

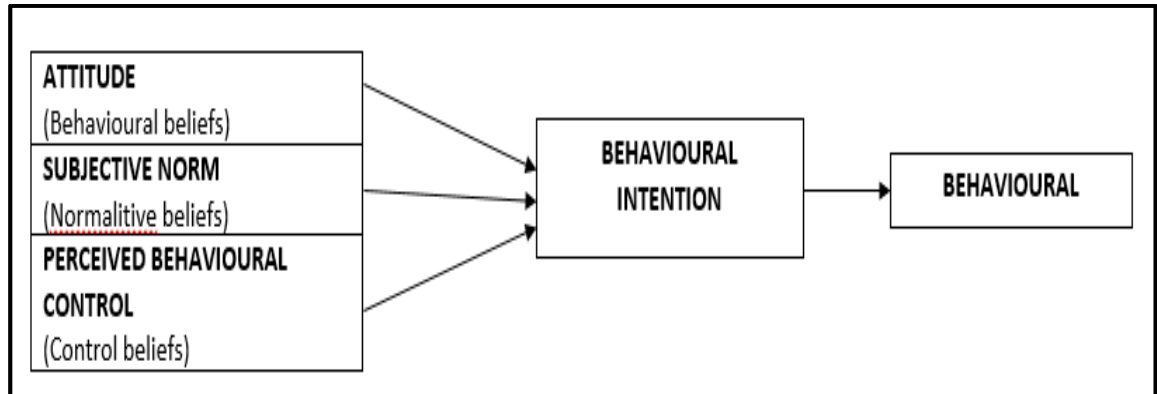


Figure 2.2: Ajzen's (1991) Theory of Planned Behaviour

Entrepreneurial intention can be defined as a conscious awareness and conviction by an individual that they intent to set up a new business venture and plan to do so in the future (Walmsley & Holden, 2010)

Based on Ajzen (1991) their future hypothesis that these intentions were the result of attitudes formulated through personal characteristics, life experiences and perceptions drawn from these prior experiences. According to Azjen there are three determinants of intention to act namely attitude towards the behavior as being like the degree to which a person has a favourable or unfavourable evaluation or appraisal of the behavior in question, subjective norm like the perceived social pressure to perform or not to perform the behavior and perceived behavioural control like the perceived difficulty or easiness of performing the behavior (Gerba, 2012)

According to Ajzen (1975, 1991, 2005) it also concerned about the intentionof students joins entrepreneurial programme and activities in university. Azjen also assumed that students who participate in entrepreneurial activities have interest in entrepreneurship. Their intention towards entrepreneurship is basically linked to their intention to participate entrepreneurial activities. An examples of entrepreneurial activities is business plan competition, which needs careful planning. To be entrepreneur, students must have intention to be entrepreneur. (Leung, 2012)

Based to Katz & Gartner (1988), intention models proved valid in predicting intentions to involve in entrepreneurial activities are suitable to be used in the present study to expect the intention of students to join in entrepreneurial activities. Business plan competition, entrepreneurship seminars/ workshop and incubation programme, utilization of any university support for starting a business are the several on campus entrepreneurial activities which are typical preparation process of new entrepreneurs who assemble resources and recruit people to incorporate the company (Leung, 2012)

According to Franke & Lütjhe (2004), expose that students intention to entrepreneurship is also directly influenced by perception towards entrepreneurship obstacles and enablers. In particular, the more positive students perceive the support for entrepreneurship, the stronger their entrepreneurial intention. Besides that they also investigated the influence of university environment on the intention of students for entrepreneurship. Their study found that students have lower entrepreneurial intention because they perceived that higher education does not have enough support in providing knowledge and experience to start up business (Astuti & Martdianty, 2012)

Attitude towards behavior is positive or negative evaluation of a person on performance of certain behaviours. Based on Gelderen (2008), there are five attitudes towards behaviours that affect a person intention to become entrepreneurship namely independence, challenge and accumulation of wealth as an interesting aspect for an individual, while lack of income security and high workload were perceived as uninteresting aspects to be entrepreneur (Astitu & Martdianty, 2012).

According to Ariff (2010) from their research, their believed that family members play a significant factor in encourage them to involve in entrepreneurial. Based on Soentanto (2010), found the strong evidence that parents become role models to their children, and that entrepreneurial parents give their children an opportunity to engage in business. Besides that, the parents can be influenced their children to be entrepreneur when their parents are entrepreneurial. (Farrington, 2012).

Based to Gulruh (2010), access to information is an important element for the intention to establish a new business. Having access to business information is the availability of information in the environment about how to run a business and

establishing a new venture. Access to finance is the ability of the individual to find financial support to establish a business since most of the banks and investors not willing to make investment in new ventures. Availability of capital is regarded as one of the common obstacles to establish a new business by potential entrepreneurs. (Akanbi, 2011).

According to Andre (2009), it has mainly focused on psychological characteristic, identifying them as responsible for determining entrepreneurial intention. In particular, entrepreneurial self efficacy in his or her ability to successfully perform entrepreneurial roles and tasks, and risk – taking propensity, or a function of the distribution of possible outcomes, the associated outcome likelihoods and their subjective values, have showed to determine entrepreneurial intentions (Akandi, 2011).

2.6 Model of Entrepreneurial Intent

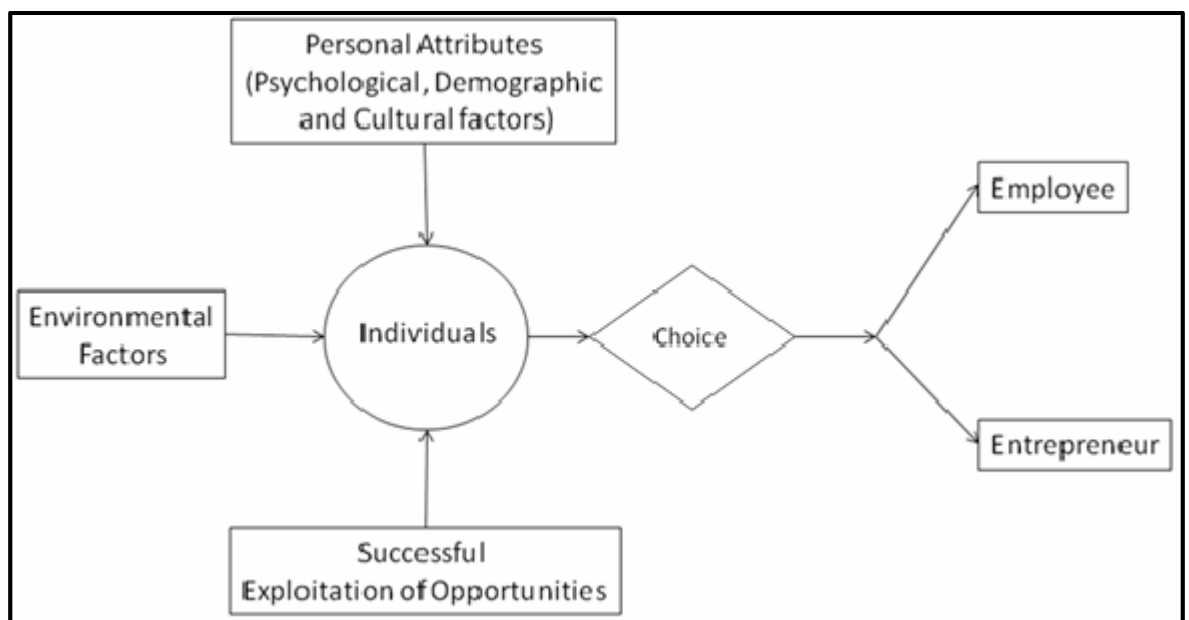


Figure 2.3: Research Model (KCP, Hussin & Ang, 2013)

The research model Figure 2.3 shows that there is a choice for an individual to choose for him or her self either to be an employee or to be an entrepreneur. However, there are several influencing factors that would encourage him or her to choose that career path. These influencing factors are the individual's personal attributes, psychological, demographic and cultural that resulting in his or her likings of the career. The education and the environment in which the individual has brought up with and the successful exploitation of opportunities that were available for him or her in the market.

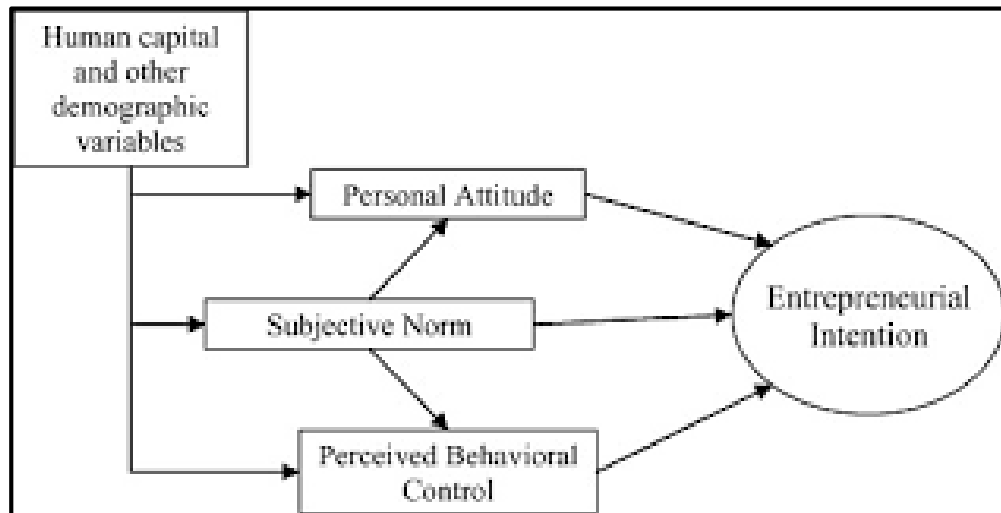


Figure 2.4: Factors that influence student's intention in entrepreneurship
(Liñán & Chen, 2009)

Figure 2.4 illustrate research factors that influence students intention in entrepreneurship. Personal attitude, subjective norm and perceived behavioral control is the other factors that influence entrepreneurial intention. In this research the exposure to entrepreneurial education is most important among students.

2.7 Research Framework

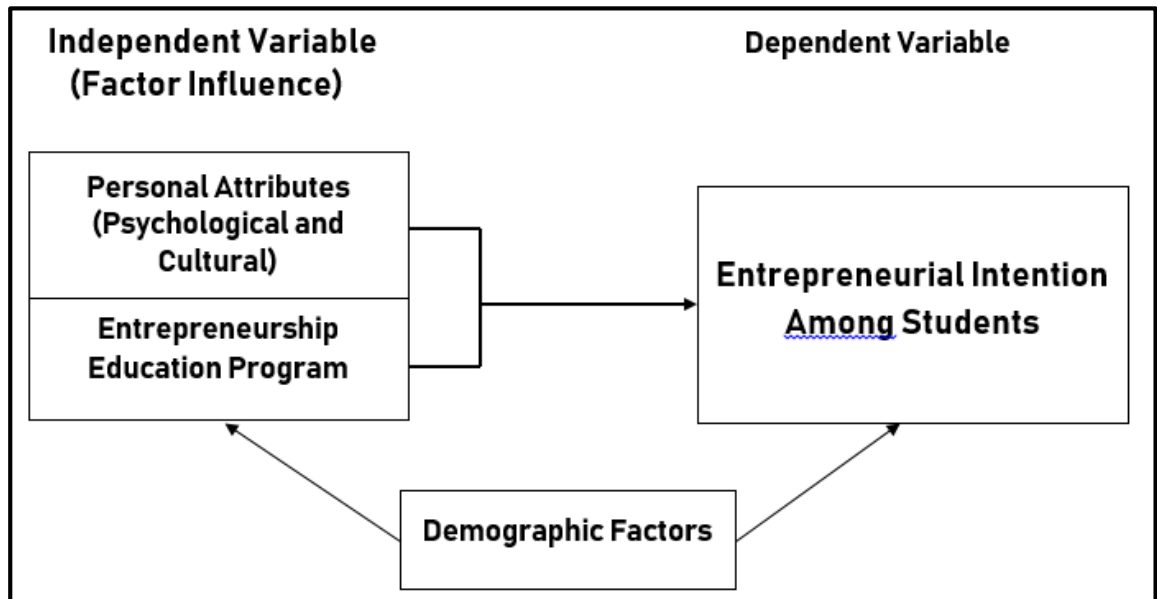


Figure 2.5: Theoretical Framework

Figure 2.5 shows the theoretical framework for research the exploration relationship between entrepreneurship education and entrepreneurial intention among UTeM, UTHM and UTM student. The researcher concludes the theoretical framework based on the literature review. The researcher divides the theoretical framework into variable such as independent variable and dependent variable.

2.7.1 Personal attributes

Personal attributes also determines if your choice of career is suitable or not , if you don't like taking orders from others or conforming to rules and regulations, you're better off running your own business rather than working for other people, even if you earn much less than you're actually capable of. No matter how much money you earn or how famous your job makes you, unless you're happy and satisfied when you go to work, you're never going to stay with it.

2.7.1.1 Psychological factors

To the best of our knowledge, the best known of primarily psychological theories is David McClelland's, 'theory of need achievement'. According to (McClelland,1961) a constellation of personality characteristics which are indicative of high need achievement is the major determinant of entrepreneurship development.

2.7.1.2 Cultural Factors

Globalization has increased the number of individuals who identify with more than one culture. Studies in cultural psychology suggest that the manner in which bicultural individuals manage their dual cultural identities has important implications for them and for their host societies. While existing studies have examined the psychological and sociocultural consequences of biculturalism, only little attention has been paid to understanding its economic consequences. Importantly, the effect that managing dual cultural identities has on bicultural individual's entrepreneurial intentions has remained unexplored. Given the fact that entrepreneurship is vital to the economic success of nations and biculturals are said to play an important role as founders of several new business ventures, it has become critical to analyze the impact that biculturalism has on bicultural individual's propensity to start new business ventures. This dissertation aspires to fill this gap in research.

2.7.1.3 Demographic factors

Different demographic groups may make distinct judgments about opportunities and capabilities. These may be embedded in historical, socio-economic

or cultural factors. At the same time, policy makers may seek to Stimulate these attitudes. Policy programs may explicitly target groups exhibiting low perceived or actual capabilities. Thus, particular sets of national conditions may affect perceived capabilities, both directly and indirectly. On average, individuals in factor-driven economies have higher perceptions that there are good opportunities for entrepreneurship, and that they have the capabilities to start businesses. These attitude measures tend to decline with greater development levels.

Development of new business through entrepreneurship directly impact on societies and economies grow and prosper. Although there has been considerable research based on psychological and economic approaches to entrepreneurship, the influence of socio-cultural factors religion, ethnicity, family, physical attribute, economic status and education, make an impact on entrepreneurial development process in developing country (Rahman & Farhana, 2014).

By providing experiential learning in financial literacy, entrepreneurship, and work readiness, these programs train young people to apply the “hard” skills learned in K-12 to real-world problems, preparing them to recognize opportunity in work of all kinds. Such programs also increase the rate of business creation according to one NFTE study, 36 percent of their grads actually started businesses, compared to 9 percent of the control group (Gerber, 2014).

2.7.2 Entrepreneurship Education Programs

According to Eden & Kinner (1991), education and training can positively influence self – efficiency. When we understand how self – efficiency influences the tendency to open new business and run them successfully we can trace the personal, behavioral and environmental factors that either encourage or discourage people to open business and refine entrepreneurial education to include not only knowledge about opening and running new business, but also confidence in being able to apply that knowledge effectively (Noel, 2002)

According to Knigh (1960), suggested that some aspect of vocational courses would be beneficial to entrepreneurs. He persisted in his belief that entrepreneurship education provided by business schools could have significant impact upon both the number and the quality of graduate entrepreneurs entering an economy. Other research were equally confident in their evaluation of the impact that entrepreneurship education would have on the stock of graduate entrepreneurs (Matlay, 2006)

According to Reynold (1997), found that education in general and entrepreneurship education in particular impacted positively upon individual predilection for self employment. According to Bates (1995), entrepreneurs with higher educational attainments tended to do better and their firms survived longer, than their counterparts that lacked formal education and training (Matlay, 2006).

According to Brown (1990), graduates who choose entrepreneurship education as part of their curriculum tend to have a higher propensity to engage in entrepreneurship activities. Furthermore, based on Callen & Warshaw (1995), argued that the likelihood of graduates embarking upon successful business creation increases further with their attendance of relevant MBA programmes. As most of these only admit students with prior work experience, the apparent increases in success could be explained by this and similar factors. Besides that, universities often provide a range of entrepreneurship education courses that outline, discuss and reinforce issues and solutions related to business venture creation, covering both pre- and post start – up phases. Besides that, graduates with relevant business experience could have obtained a relevant knowledge base contextual advantage and therefore would benefit considerably from this type of provision (Matlay, 2006)

Kolvereid & Moen (1997), concerning entrepreneurship education programme (EEP), entrepreneurship education and training have been found to influence both the current behavior and future intentions of students. Besides that, they found that entrepreneurship education had a positive impact, enhancing these characteristics and the likelihood of action at some point in the future. Moreover, there are significant differences between students who have attended entrepreneurship courses and those who have not (Fayolle, 2006).

According to Noel (2001) it is looked specifically at the impact of entrepreneurship education on the development of the entrepreneurial intention and the perception of self – efficacy. Based on their research the propensity to act as an entrepreneur, entrepreneur intention and entrepreneurial “self-efficacy” all reach the highest scores among the students who graduates in entrepreneurship (Fayolle, 2006)

Research found that entrepreneurial education can affect students intention toward entrepreneurship. A study conducted by Webb (1982), found that students who participated in entrepreneurship programs were more likely to start their own business than other students. Grubb (2006) have also conclude that university students within the business field whose primary discipline is management have been shown to process a more favourable view of careers in the small business area, particular since the working environment allows them to play a greater role in decision making. In addition, Peterman (2000) revealed that participation in an entrepreneurship programme significantly increased perceived feasibility of starting business. (Noel, 2001), also confident that entrepreneurship graduates more interest to launch business and had a higher level of intention and a more developed perception of self – efficacy. At the same time, Katz (2007) suggested that entrepreneurial training can add value by increasing the success probabilities of new ventures. Corresponding, Franke & Luthje (2004) found that entrepreneurial education and university support of entrepreneurship had a positive impact on entrepreneurial intention and also suggested that lack of entrepreneurial education leads to low level of entrepreneurial intention of students. Entrepreneurial education programme are source of entrepreneurial attitude and overall intentions to become future entrepreneur (Gerba, 2012).

2.8 Summary

This chapter discussed about definition of entrepreneurs and entrepreneurship intention, motivation and approaches in entrepreneurship, relevant studies on entrepreneurship education and also relevant studies on entrepreneurship career development. Then, it also discusses the methodology that used in this research project.