FACTORS INFLUENCING THE CHOICE OF ENTREPRENEURSHIP AS A CAREER AMONG UNDERGRADUATE STUDENTS

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A research project submitted in the partial fulfilment of the requirement for the degree of Bachelor of Technopreneurship with Honours (BTEC)

Faculty of Technology Management and Technopreneurship

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DECLARATION

I hereby declare that:

1) This research project is the end result of my own work and that due

acknowledgement has been given in the references to all sources of information

by printed, electronic, or personal.

2) No portion of this research project has been submitted in support of any

application for any other degree or qualification of this or any other university,

or other institutes of learning.

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DEDICATION

Special thanks to:	
My beloved parents	
Siblings	
Friends	

My supervisor: Dr Amiruddin bin Ahamat

For all the spirituals and moral support that had been given to me all the time.

APPROVAL

I hereby declare that I have read this dissertation and in my opinion this dissertation is sufficient in terms of scope and quality for the award of Bachelor of Technopreneurship with Honours (BTEC).

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ABSTRACT

This study was attempted to investigate the factors influencing the choice of

entrepreneurship as a career among undergraduate students. The purpose of this

research was to identify and determine whether attitude, subjective norms and

perceived behavioural control will impact career choice as entrepreneurship. A survey

approach has been adopted in this research where the data collected via a structured

questionnaire. The questionnaire was distributed to 370 respondents of undergraduate

students in UTeM. The data was then quantitatively analysed using the SPSS program.

For this study, descriptive analysis and multiple regression analysis are used in the

data analysis that helps to answer the research questions. Results showed that there

was significant relationship between attitude, perceived behavioural control and career

choice among undergraduate students. These research results contributed to illustrate

factors that can significantly influence the undergraduate students' intention to pursue

a career. Besides that, it may also provide inputs on aspects that need to be improved

to stimulate undergraduate students' interest.

Keywords: Entrepreneurship, Career Choice, Factors, Undergraduate Students

ABSTRAK

Kajian ini cuba mengkaji faktor-faktor yang mempengaruhi pilihan keusahawanan sebagai kerjaya dalam kalangan pelajar sarjana muda. Tujuan penyelidikan ini adalah untuk mengenal pasti dan menentukan sama ada sikap, norma subjektif dan kawalan tingkah laku yang dilihat akan mempengaruhi pilihan kerjaya sebagai keusahawanan. Pendekatan tinjauan telah digunakan dalam kajian ini di mana data yang dikumpul melalui soal selidik berstruktur. Soal selidik itu diedarkan kepada 370 responden pelajar mahasiswa di UTeM. Data tersebut dianalisis secara kuantitatif dengan menggunakan program SPSS. Untuk kajian ini, analisis deskriptif dan analisis regresi berganda digunakan dalam analisis data yang membantu menjawab soalan penyelidikan. Keputusan menunjukkan bahawa terdapat hubungan yang signifikan antara sikap, kawalan tingkah laku yang dilihat dan pilihan kerjaya dalam kalangan pelajar siswazah. Hasil penyelidikan ini menyumbang untuk menggambarkan faktor-faktor yang boleh mempengaruhi keinginan pelajar sarjana untuk meneruskan kerjaya. Di samping itu, memberikan input mengenai aspek yang perlu diperbaiki untuk merangsang minat pelajar siswazah.

Kata Kunci: Keusahawanan, Pilihan Kerjaya, Faktor, Pelajar Sarjan

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LIST OF SYMBOLS

% = Percentage

& = And

n = Number

sig. = Significant

 β = Standardize beta

t = t-value

p = p-value

R = Correlation Coefficient

 $H_o = Null Hypothesis$

H₁ = Alternative Hypothesis

LIST OF ABBREVIATIONS

11MP = Eleventh Malaysia Plan

AIM = Amanah Ikhtiar Malaysia

ATE = Attitude towards Entrepreneurship

BBA = Bachelor's Degree in Business Administration

FKE = Faculty of Electrical Engineering

FKEKK = Faculty of Electronics and Computer Engineering

FKM = Faculty of Mechanical Engineering

FKP = Faculty of Manufacturing Engineering

FPTT = Faculty of Technology Management and Technopreneurship

FTK = Faculty of Engineering Technology

FTMK = Faculty of Information and Communications Technology

GDP = Gross Domestic Product

GEM = Global Entrepreneurship Monitor

HEI = Higher Education Institute

ICT = Information and Communication Technology

MoHE = Ministry of Higher Education

PBC = Perceived Behavioural Control

PhD = Doctor of Philosophy

SME = Small and Medium-sized Enterprises

SN = Subjective Norms

SPSS = Statistical Package for Social Science

TPB = Theory Planned Behaviour

UPSI = Universiti Pendidikan Sultan Idris

UTeM = Universiti Teknikal Malaysia Melaka

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CHAPTER 1

INTRODUCTION

1.0 Introduction

Chapter 1 discussed the background of study regarding career choices as entrepreneurship among the undergraduate students. This study found out the problem statement that undergraduate students faced in this globalization world. Further, this chapter has outlined the research questions with research objectives. The scope, limitation and significant of study are presented next.

1.1 Background of the Study

Nowadays, individuals are focused on business to gain profit and earn their living. According to (Care, 1984), a profession could be considered as an individual life long-term project. One career could be in entrepreneurship, law, teaching, entertainment, business and others. It regularly included work and lifestyle to such an extent that the previous such that the former had involvement for the makeup of the latter. An individual could possibly get cash or live from a vocation, but an individual who had a career might just seem to be identified with the work and lifestyle inside, they became part of his personal status for intents and purposes.

It was very essential to have a procedure to choose a career route that could include choices on education and training for a specified career. Brown (2002) as cited in Njeri (2013) described the method of choosing a career as one of assessing one's potential and principles, analyzing the talents and skills needed for accomplishment in each occupation, and evaluating the job beliefs that will satisfy the various job choices available. Therefore, career planning was very important for undergraduate students to determine his or her career choice. As the wise Chinese philosopher, Confucius once said: "Choose a job you would love and you would never have to work another day in your life." Thus, choosing a career would impact an individual's entire working life and living style.

According to Cawley (2017), the study from Comparably states surveyed more 46,000 young workers concerned themselves more with benefit-life balance than with career progress. The data survey showed that 34 percent for work-life balance and 32 percent for career advancement. These numbers reflected a moving pattern in the expert world and concluded that work-life balance was very important to young generation workers. Today's, young generations have often been considered extremely materialistic (Ray, 2017). Mills (2016) stated that young generations were more desire for a luxury lifestyle filled with expensive things and standards of living. From the view, the people spent their entire lives yearning for money over joy. Therefore, in exchange for a career with their qualities, they were willing to give up part of their

salary. For example, the career of entrepreneurship can be achieved the work-life balance with the right balance of health and business (Egan, 2018).

A prevailing pattern in the 21st century was probably going to be ethnic business, with facilitated commerce, the accessibility of investment and the improvement of framework cause expanding the entrepreneurial activity in the developing countries. According to Lidovolo & Iravo (2016), entrepreneurship has been a major source of employment, monetary development and progress, promoting the quality of products and services, rivalry and financial adaptability. Entrepreneurship has developed rapidly and turned into a significant topic worldwide because of its importance to financial improvement and development. In addition, the business also improved and new markets were created (Saleh, 2014). If, as formulated in the government's "Vision 2020," Malaysia accomplished its objectives of becoming a developed nation by rebuilding the Malaysian education system in the next decade. Malaysia appeared to be conscious of the problem of promoting entrepreneurial education (Ahmad & Buchanan, 2015).

However, undergraduate students were finding real difficulty in securing a well-paid job due to many factors such as economically, socially and even politically. Furthermore, some other factors that influenced their career choices. They may include previous experiences, individual characteristics and aspirations for the future desired about their university life and how their university experience supports their future goals (Saleh, 2014). Furthermore, it has become more complicated and difficult for undergraduate learners to find the correct job. It causes increased career uncertainty (Trevor-Roberts, 2006 as cited in Assyifa, 2014). According to Wallace (2017), entrepreneurship was the best choice for young generations. They planned to use the university period to further their business goals and helped them to change the world. Thus, need to arise for the researchers to research the influencing factors in choosing entrepreneurship as a career among undergraduate students.

1.2 Problem of Statement

In this globalization world, competition in job markets came out with a variety of jobs. The unemployment problems faced by Malaysia in today society. The expanding graduate unemployment rate of graduates in Malaysia was attributed to the attractiveness of graduates (Jayasingam, Fujiwara & Thurasamy, 2018). The economic welfare depended on the rate of economic growth. This due to low economic growth and weak economic performance (Lidovolo & Iravo, 2016). Therefore, financial problems lead to lower product and service development, lower wage allocation, loss of evaluation revenue and a fall in gross domestic product (GDP) rate (UKEssays, 2013). The number of jobs in Malaysia has increased according to the published employment statistics for 2018. However, the number of unemployed people also increased in August 2018 to 525 000 compared with 518 600 in July 2018. In 2017 and August 2018, the unemployment rate remained unchanged at 3.4% (Mahidin, 2019).

Nevertheless, only a tiny proportion of learners instantly chose to be self-employed after graduation. This due to young entrepreneurs faced many unexpected challenges in the business. It might be due to a lack of entrepreneurial capital and knowledge (Horton, 2017). Therefore, it would cause the young generations failure to trust or lack of inspiration in their own business concepts (Lee, W. *et al.*, 2012). Young generations were also afraid to fail in starting a business. According to David (2015), the fact that an entrepreneur's business failed should not be a source of shame and doubt their ability to pull it off with their next venture. Nowadays, young entrepreneurs lack of need for achievement was less likely to engage in entrepreneurial activities that required individual expertise and effort, the low performance in business and self-efficacy also be low (Yimamu, 2018).

Besides that, many public and private universities lacked entrepreneurship course program. However, the Malaysian government's decision and increased entrepreneurial courses failed. Malaysia still lacked a number of entrepreneurs and the entrepreneurial intention is as low as 8.7% (Kelly, Singer & Herrington, 2011 as cited in Lim, Noraini & Suanda, 2017). Since the mid-1990s, numerous universities and institutions of higher learning in Malaysia have begun to implement classes on entrepreneurship or entrepreneurship for the purpose of self-employed graduate planning (Ahmad, 2013). Universities are anticipated to provide entrepreneurship education as an interventional instrument in manageable social order systems and equip them in a heavily globalized business center with vital entrepreneurial abilities and competing abilities (Cheng, Chan, & Mahmood, 2009 as cited in Ahmad & Buchanan, 2015). University has provided the entrepreneurship program with entrepreneurial knowledge but adequate dimension of capabilities such as communication skills, leadership, critical thinking and a strong personality (Jayasingam, Fujiwara & Thurasamy, 2018). It may not very effective to produce students with knowledge but not the skill in entrepreneurship. The previous study stated that the reason for fresh graduate unemployment was they did not match soft skills such as interpersonal skills, teamwork skills, communication skills and others with employers (Hinchliffe & Jolly, 2011).

Therefore, the undergraduate students were beginning to plan for their career. The issue that emerged here was that nowadays career opportunities are very scarce. In this case, the undergraduate students, especially the Final Year students should realize that competitiveness careers in job markets were very high. They should pay more attention to the issues as it is related to their careers. Thus, this study aimed to examine the critical factors that encourage undergraduate students to choose entrepreneurship as their career opportunity during or after their studies. (Lidovolo & Iravo, 2016).

1.3 Research Questions

The research questions presented below showing how the study objectives would integrate into the current research.

- 1. What are the attitude factors that influence the choice of entrepreneurship as a career among undergraduate students?
- 2. What are the subjective norms factors that influence the choice of entrepreneurship as a career among undergraduate students?
- 3. What are the perceived behaviour control factors that influence the choice of entrepreneurship as a career among undergraduate students?

1.4 Research Objectives

Based on the problem statement that had been discussed, the objective to be achieved of the research were as below:

- 1. To identify the attitude factors that influence the choice of entrepreneurship as a career among undergraduate students.
- 2. To investigate the subjective norms factors that influence the choice of entrepreneurship as a career among undergraduate students.
- 3. To evaluate the perceived behaviour control factors that influence the choice of entrepreneurship as a career among undergraduate students.

1.5 Scope of Study

This research focused on students in Malaysia. The scope of the study would focus on investigating the factors that influence the career choice among undergraduate students. Therefore, respondents were restricted from students in Universiti Teknikal Malaysia, Melaka (UTeM). Students from UTeM were selected because they came from different faculty as the research site for observation and empirical testing. To smaller the scope of findings, the researcher will have selected 370 students as respondents of the study.

1.6 Limitation of Study

This research was focusing on students in Universiti Teknikal Malaysia, Melaka based on the several threats of limitation of time and financial consideration that would make the importance of the research. Besides that, using questionnaires as a research instrument conducted with this research. Although the value of trustworthiness was high, their lack of serious responses, dishonesty and differences in understanding when answering the questionnaires could still be out of control.

1.7 Significance of Study

The aim of this study was to investigate factors that influencing the choice of entrepreneurship as a career among undergraduate students. By understanding the career choice of students, the government could prepare the ground for the future of undergraduate students in finding the jobs in the future. Besides, this study was helpful to scholars as it will be contributed into the debate on how to boost the field of entrepreneurship in order to tap into the need that the economy has and to provide a solution to the problem of unemployment.

Besides that, the results would help improve career preparation for undergraduate students. The government would improve and refine the factors identified the act as a guideline which is lacking and less worked on with respect to the career sector of the undergraduates.

1.8 Summary

In view of the above, this research aimed to investigate the factors influencing the choice of entrepreneurship as a career among undergraduate students. The researcher identified the main research questions to understand entrepreneur intention on the career choice. The next chapter explained on a literature review of past researchers on this topic and the research framework.

CHAPTER 2

LITERATURE REVIEW

2.0 Introduction

This chapter presented a review of literature related to the factors that influence the choice of entrepreneurship as a career among undergraduate students giving analysis and case scenarios from the local contexts. The chapter gave an overview of the variables and undergraduate students' influence on career choice. The chapter also presented theories on career choice and a conceptual framework of the study. The hypotheses will be formulated in this chapter and its relationship between the variables also explained.