

THE IMPACT OF ENTREPRENEURIAL EDUCATION ON  
ENTREPRENEURIAL MOTIVATION AMONG UNIVERSITY STUDENT

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A project report submitted in fulfillment of the requirement for the award of  
Bachelor Technopreneurship

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**APPROVAL**

I/ We hereby declare that I/ we have read this dissertation/report and in my opinion,  
this dissertation/report is sufficient in terms of scope and quality as a partial  
fulfilment the requirements for the award of Bachelor of Technopreneurship with  
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## DECLARATION OF ORIGINAL WORK

I hereby declared that this report entitled  
**“THE IMPACT OF ENTREPRENEURIAL EDUCATION ON  
ENTREPRENEURIAL MOTIVATION AMONG UNIVERSITY STUDENT”**  
is the result of my own research except as cited in the references. The report has not  
been accepted for any degree and is not concurrently submitted in the candidature of  
any other degree.

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## DEDICATION

First thing first, I would like to thank Allah S.W.T and praise to Prophet Muhammad. This study is dedicated wholeheartedly to my mother, Nor Nizah Binti Hassan, my precious family members who were my source of inspiration and gave us strength when we thought about giving up, providing their moral, spiritual, emotional and financial support. I also would like to thank my supervisor and panel who guided me throughout this research and course mates that assisted me through the journey of research. Without their blessing and encouragement, this research will difficult to complete in the period of time given.

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Next, I am sincerely thanks to the researchers who have conducted and published online the similar study before. Although the study's research topic was different, in this final year project the theory and knowledge provided was useful as a reference.

The respondents who are willing to take the time to answer my questionnaire also receive appreciation. Last but not least, appreciation goes to those involved in this final year project directly or indirectly. Hopefully in the future this report will be a useful resource.

## ABSTRACT

In Malaysia, the twenty-first century saw the entrepreneurial education has leading to the economic growth of a newly emerging knowledge-based economy. Unfortunately, Malaysia has a high unemployment rate among young university graduates. Based on Department of Statistics in Malaysia, it illustrate that the percentage of unemployment rate increased from 3.3% in May, 2018 to 3.4% in April, 2019. This issue has triggered efforts by the Malaysian government to transform the country into a knowledge-based economy, where one of the key elements was 'Entrepreneur'. One of the government's challenges is how to change student's mindset to venture into business rather than looking for jobs. This study examines the impact of entrepreneurial education among UTeM's students in developing entrepreneurial motivation. The examination of concepts and conceptualizations of the theories in the literature allowed a theoretical framework to identify the research questions and the research gap. The research design was based on a theoretical framework, the independent variable of entrepreneurship education, including entrepreneurship curricula, teaching methodologies and universities roles in promoting entrepreneurship, to test the dependent variable of entrepreneurial motivation. A preliminary survey questionnaire was developed and pre-tested with all the student from all the faculty in UTeM to validate the variables and to make sure the questionnaire was in line with the responses requested. Based on the findings, entrepreneurial education which are entrepreneurial curricula, teaching methodologies and university roles have positively impact to entrepreneurial motivation. The findings of this research proposed recommendations and suggestions for further research as necessary and appropriate to explore entrepreneurial education and entrepreneurial motivation.

**Keywords:** Entrepreneurship, entrepreneurial education, entrepreneurial curricula, teaching methodologies, university roles, entrepreneurial motivation and UTeM.

## ABSTRAK

Di Malaysia, abad ke dua puluh satu telah menunjukkan bahawa pendidikan keusahawanan telah membawa kepada pertumbuhan ekonomi berasaskan pengetahuan. Malangnya, Malaysia mempunyai kadar pengangguran yang tinggi di kalangan graduan universiti. Berdasarkan statistic Jabatan Perangkaan di Malaysia, ia menggambarkan bahawa peratusan kadar pengangguran meningkat daripada 3.3% pada bulan Mei, 2018 kepada 3.4% pada bulan April, 2019. Isu ini telah mencetuskan usaha oleh kerajaan Malaysia untuk mengubah negara menjadi ekonomi berasaskan pengetahuan, di mana salah satu unsur utama ialah 'Usahawan'. Salah satu cabaran kerajaan ialah bagaimana mengubah minda pelajar untuk menceburi perniagaan daripada mencari pekerjaan. Kajian ini meneliti impak pendidikan keusahawanan di kalangan pelajar UTeM dalam membangunkan motivasi keusahawanan. Pemeriksaan konsep dan konseptualisasi teori-teori dalam kesusasteraan membenarkan rangka kerja teori untuk mengenal pasti soalan penyelidikan dan jurang penyelidikan. Reka bentuk penyelidikan berdasarkan kerangka teori, variabel pendidikan keusahawanan bebas, termasuk kurikulum keusahawanan, metodologi pengajaran dan peranan universiti dalam mempromosikan keusahawanan, untuk menguji pemboleh ubah motivasi keusahawanan. Soal selidik awal telah direka dan diuji kepada semua pelajar dari semua fakulti di UTeM untuk mengesahkan pemboleh ubah dan memastikan soal selidik itu sejajar dengan respon yang diminta. Berdasarkan penemuan ini, pendidikan keusahawanan yang merupakan kurikulum keusahawanan, metodologi pengajaran dan peranan universiti telah memberi kesan positif kepada motivasi keusahawanan. Tuntasnya, penemuan kajian ini mengesyorkan dan mencadangkan kepada penyelidikan lanjut untuk meneroka dengan lebih dalam mengenai pendidikan keusahawanan dan motivasi keusahawanan seperti yang diperlukan.

**Kata kunci:** Keusahawanan, pendidikan keusahawanan, kurikulum keusahawanan, metodologi pengajaran, peranan universiti, motivasi keusahawanan dan UTeM.

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**LIST OF ABBREVIATIONS**

SPSS	Statistical Package for Social Science
UTeM	Technical University of Malaysia Melaka
EE	Entrepreneurial Education
EC	Entrepreneurship Curricula
TM	Teaching Methodologies
UR	Universities Roles
EM	Entrepreneurial Motivation



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## CHAPTER 1

### 1.1. Introduction

In this chapter will reveal and describes the background of the research. It is explained and discuss how effectiveness the entrepreneurial education that influence student enthusiastic to become an entrepreneur either after they graduate or during their study. However, in this section also identify the entrepreneurial mindset of student in Universiti Teknikal Malaysia Melaka (UTeM). Besides that, this chapter also will cover the problem statement, research question and research objectives, scope, limitation, and the significance of this study.

### 1.2 Background of study

In this new era of globalization, Malaysia saw the growth of entrepreneurial education leading to the growth of a newly developed knowledge-based economy. Realizing entrepreneurs' are really needed in developing a knowledge-based economy, efforts are being made to encourage entrepreneurship in every possible way (Ramlee and Abu, 2004). Although Malaysia as a developing country, but it has a high unemployment rate from higher educational institutions among graduates. Figure 1 illustrate the unemployment rate in Malaysia currently. It shows that the percentage of unemployment rate increased from 3.3% in May, 2019 to

3.4% in April, 2019. Issues of unemployment is one of the biggest problems facing by the government of Malaysia in social development. One of the factors contributing to the current problem is the preference of graduates for being paid rather than self-employed (Muszafarsha and Woon, 2004; Fong, 2005).

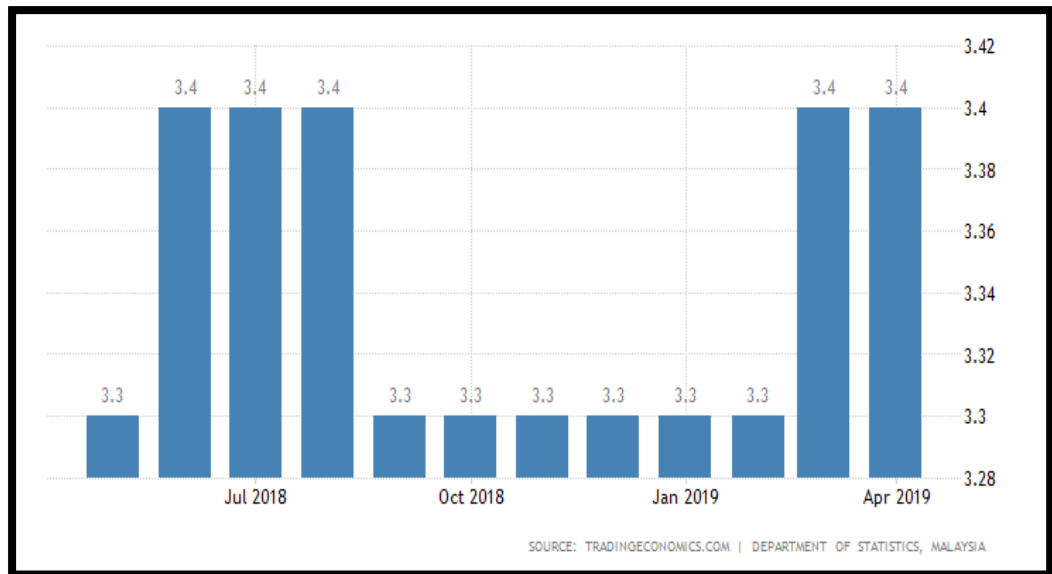


Figure 1: Unemployment Rate in Malaysia, by Department of Statistics  
( Jul 2018- Apr 2019)

Entrepreneurship will help graduates grow their own careers and increase the labor market by alleviating the current issue of unemployment (Norasmah, 2004). Many researchers have recognized entrepreneurship as answer or way out to the problem of unemployment among graduates (Kamariah et al., 2004; Salmah, 2006). The higher education institutions started offering structured entrepreneurial education and included it as one of the topics in the business and other curricula such as arranging lectures, conferences, short courses and student training (Cheng and Chan, 2004). However, Entrepreneurial motivation can be defined as the process of changing someone from nothing to a successful, excellent and powerful businessman that can contribute in economic development, create something valuable or opportunities and increasing wealth. It is means as various factors stimulate desires and activates enthusiasm in entrepreneurs which make them attain

a particular goal. Besides that, entrepreneurship also stand for the process of recognizing strengths and opportunities that help to realize one's dreams of establishing, growing or developing and running a new business by managing threats and risks effectively.

In the Malaysian context, due to the identification of race with economic activity, it can be said that attitudes towards enterprise creation were previously divided along racial lines at an individual level. Historically, the Chinese had a long entrepreneurial tradition, and to some extent the Indian-Muslim community, but the group of Malays lagged behind. The government now is making an efforts to increase the Malaysia's involvements in entrepreneurship in line to have a more fair distribution of wealth among the different races. All parties involved such as stakeholders, civil society, the government and private sector want to continue to thrive in today's society.

Another promising business scene is focus on the development of human capital, which is the name of general education. Training programs involving IT skills from formal and informal education systems and the cooperation of stakeholders are important. The roles of universities supporting entrepreneurship education and entrepreneurship skills for the students are growing (Mohamed and Lim, 2001). In line with the government's policy of improving the quality of human capital, education and training earned the highest allocation percentage at 20.6 percent. The 9th Malaysia Plan increased funding for education and training. To date, the government's business development allocation has a nationwide allocation of RM334.76 million schemes (9th Malaysia Plan).

### 1.3 Problem statement

The significance of entrepreneurship has been the focus and recognised throughout the world including Malaysia. The growing interest Malaysia's entrepreneurship is evident in the current developments, such as globalization and the rise of knowledge-based industries. Entrepreneurship can be seen as a key or potential to the solution of global competition and corporate reductions that affect to the unemployment issue or problem, particularly in Malaysia among the graduates (Ragayah and Smith, 2005; Ooi, 2008).

Regarding to that problem, university should play an important role in this situation. For instance, there are a lot of university in Malaysia that have entrepreneurship club such as in Universiti Teknologi Mara there are an entrepreneur club which called as ETC Club while Universiti Teknikal Malaysia Melaka (UTeM) have Centre for Entreprise and Technopreneurship Development (CREATE). These club should play a role to be more active to encourage students to become an entrepreneur in the future. They should provide a lot of programme, activity and many more to students have interested to become an entrepreneur as his career.

Datuk Seri Vijay Eswaran, Chairman of the QI Group, a multinational conglomerate headquartered in Hong Kong and Kuala Lumpur with operations in more than 30 countries, in 2017 said the students should be inspired to take risks and create jobs. He said conservative thinking often led students to work for someone before they went out to gain work experience on their own. "The world is moving very fast forward and jobs are changing with the assumption of artificial intelligence, automation and robotics. On the other hand, the population has grown," he said at the Universiti Malaya forum of a student. "Nevertheless, the

Chinese, Taiwanese, South Koreans, and Japanese are willing to get first experience, but they want to be their own bosses and create jobs while at the same time attracting others to work for them,” he added. Hence, Higher educational institutions should promote and encourage graduates instead of job seekers to become job creators.

Education for entrepreneurship has contributed to the growth in many countries of a newly emerging knowledge-based economy. The changes were interlinked globally and created huge business opportunities in innovative business activities for people. Education in entrepreneurship has become more important for higher education institutions, promoting creativity, innovation, creating and driving most nations' economies (Keats and Abercrombie, 1991; Gorman et al., 1997). In the majority of initiatives, the characteristics of entrepreneurship education have been identified to increase the awareness and understanding of entrepreneurship as a mechanism (Hills, 1988), and this awareness of entrepreneurship has been seen as a career opportunity (Solomon et al., 2002).

Furthermore, researchers draw entrepreneurial motivation to overall factors (Krueger et al., 2000). A person's attitude towards behaviours such as intrinsic rewards, social standards and the values of relevant groups including friends, family, colleagues and customers (Davidsson, 1995) were identified to have an effect of someone to become an entrepreneur. The self-efficacy of a person, the function of social networking, close by family members who have been an entrepreneurs (Rajiman, 2001), Socio-cultural conditions such as significance of work and entrepreneurship status in culture or society (Begley et al., 1997), obstacles and support, such as credit terms, loans for business and other incentives, have increased the individual's self-employment intentions (Frank and Luthje, 2004) and they were the predictor of someone to become an entrepreneur or known as entrepreneurial motivation.

The development of entrepreneurship in Malaysia is growing in importance both as a concept and as an activity. Previous study on entrepreneurship education in Malaysia focused on the common field of entrepreneurship which is the success elements of actual entrepreneurship and, to some extent, the characteristics of entrepreneurship (Nor Ezlika and Ong, 2000; Ariff and Abu Bakar, 2003; Noor and Ali, 2004; Nor Aishah and Yufiza, 2004).

In addition, Malaysia right now aims for a million Small Medium Enterprise (SME) entrepreneurs in 5 years said Prime Minister of Malaysia, Tun Dr. Mahathir Mohamad, 31 December 2018. In addition, Dr. Mohd Hatta said the Executive Board of Entrepreneur Development in each state would also play an important role in creating as many entrepreneurs in their area as possible. He said that the government would work with different agencies to help SMEs prepare for the 4th Industrial Revolution Wave. The Ministry's objective in line with Industry 4.0 is to ensure that SMEs are equipped with the knowledge to join the revolution. The student should therefore be taking apart right now to achieve this goal.

#### **1.4 Research question**

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

1. To what extend do the motivation on becoming entrepreneur among student of UTeM?
2. Does entrepreneur education can contribute on entrepreneurial motivation among UTeM's student?
3. What is the most important factor in entrepreneurial education that affect UTeM's student to become an entrepreneur?

#### **1.5 The research objectives**

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

1. To identify the motivation of UTeM's student to become an entrepreneur.
2. Determine whether entrepreneurial education could give a big impact on entrepreneurial motivation among UTeM's student.
3. To identify the important factor in entrepreneurial education that affect undergraduate student to become entrepreneur as the carrier.