

Factors that Contribute to Green
Entrepreneurship Inclination
Among Generation Y
in Melaka

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SUPERVISORS' CONFIRMATION

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FACTORS THAT CONTRIBUTE TO GREEN ENTREPRENEURSHIP
INCLINATION AMONG GENERATION Y IN MELAKA

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DECLARATION

“I admit that this report is the result of my own, except certain explanations and passages where every of it is cited with sources clearly.”

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DEDICATION

I would like to dedicate the appreciation to my family members especially my lovely parents and siblings who have supported me spiritually and financially. Secondly, to my beloved supervisor and panel who guided me throughout the research from the beginning of research until its finished. Last but not least, to my housemates and course mates that assisted me through the journey of research.

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ABSTRACT

Melaka Green Entrepreneurship has gained momentum lately due to global warming, environmental awareness, contributions from governments and other agencies. The participation of green entrepreneurship businesses has begun capturing the world's attention especially in Melaka, Malaysia. In order to increase green entrepreneurship engagement, Generation Y considers one of the generations who is showing interest in green entrepreneurship were can arise a new opportunity in economy, job creation and environmental innovation in the future. Therefore, this study is conducted to determine and investigate the actual factors that contribute to green entrepreneurship inclination among Generation Y in Melaka, Malaysia. This research was using a qualitative method and a questionnaire survey was distributed at the local resident of Melaka. There are 300 Generation Y respondents who take part in answering this questionnaire survey. The researcher also used a few data analysis in this research. The methods used were Pearson's correlations, Cronbach's Alpha, and Multiple Regressions. There are three factors in this research that contribute to green entrepreneurship inclination. The factors were sustainability orientation, sustainable education and self-efficiency. There was a significant relationship between factors contribute to green entrepreneurship and green entrepreneurship inclination. The result from the analyzed data shows that out of three variables researched which were sustainability orientation, sustainable education and self-efficiency, All of them were having a significant drive toward green entrepreneurship inclination among Generation Y in Melaka. In conclusion, the outcome of the study indicates that sustainability orientation is the most important factor that contributes to green entrepreneurship inclination to Generation Y. In addition, the government of Melaka should increase the involvement, create tailor-made programs and education that related to sustainability and green aspects as a recommendation to future study were

will arise more participation or opportunities of green entrepreneurship inclination among all generations.

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CHAPTER 1

INTRODUCTION

1.0 Introduction

Chapter 1 will discuss overall the background of the study where reflect the brief explanation of the research. A specific problem was defined and the research objective was formulated. Based on research objectives, the research question was created and the research objectives will meet by the end of this study. Other than that, this chapter also will focus on the problem statement, scope of the study, and the importance of the study.

1.1 Background of Study Green Entrepreneurship

According to Nk, (2015) the word green entrepreneurship resides between two terms on the environment and entrepreneurs. Green entrepreneurs also define as players in a green economy that includes economic and environmental where have given rise to new opportunities in the market, job creation, and environmental development Demuth, (2014). Green entrepreneurs are very important for a country's economic development because they contribute to the job and the desired change. In Malaysia, green entrepreneurship is not quite new to the entrepreneur, businesses and institutions. Many efforts and development have been formulated over the years to strengthen green practice among young entrepreneur and businesses where could create more green entrepreneurship in Malaysia. To realize that goal, Malaysia has long undergone sustainable development policy reforms with the process of greening the Malaysian economy that began in the early 70s by introducing regulations to manage palm oil pollution (Nordin, 2019). Since then, a five-year development plan has integrated the importance of environmental conservation or ecology in the Malaysian economy. Other than that, SME and entrepreneur development program from "MyHIJAU" also one of Malaysia's initiatives to promote the growth of local entrepreneurs and SME more practices in green business.

Besides, MyHIJAU Program also seeks to promote the introduction of environmentally friendly practices in the country while catalyzing the growth of Malaysia's green economy, which involves encouraging renewable products and services produced in Malaysia. The programs were realized by the Malaysian government to further enhance the participation and involvement of the local communities especially the younger generation towards green practice in green businesses. In addition, the government of Melaka also implemented various initiatives to increase the participation of green entrepreneurs and local communities in the awareness of environmental protection and the creation of eco-friendly businesses. One of the initiatives is Melaka government already committed to remain a leader in the development of green technology not only in Malaysia country but globally. The effort was initiated seven years ago with a vision to make Melaka a Green Technology City by 2020 (Mamat, 2017) . Moreover, the government of Melaka recently unveiled the Malacca Green Award (AHM) 2019 as an award for

entrepreneurs and corporate agencies for the production of the Green Project, Green Products, Green Innovation, Corporate Social Responsibility (CSR) Program and the Green Community (Majid, 2019) . The initiatives and programs provided or implemented by the government of Melaka can create more green entrepreneurs and communities of citizens who care about the environment and sustainability of living.

Mukonza, (2016) posited that it requires some time for green entrepreneurship to come. The focus of green entrepreneurs on Generation Y is a deliberate effort by the Malaysia Government to promote sustainable business in the future. Most of Generation Y entrepreneurs in Malaysia today tend to have a strong desire to become owners of green businesses. This is due to the strong interest and support of green entrepreneurship in Malaysia's social and economic environment. At the same time, Generation Y in Malaysia has also gained a lot of exposure and awareness of green entrepreneurship in sustainable educations such as green issues and green practices presented by the Malaysian government itself. (Ahmad, Halim, & Ramayah et. al 2015). Furthermore, youth entrepreneurs have the necessary capabilities, practical information, and knowledge needed for entrepreneurial green business. This is because, the entrepreneurial spirit has been placed more between Generation Y than the entire generation (Szamosi & Szamosi, 2014). In conclusion, it can declare that Generation Y can be seen as a new entrepreneur who trying to harness their potential for green entrepreneurship and be seen as a useful felicitous to today's Generation.

1.1 Problem Statement

1.2.1 Environmental Problem

Before the concept of green entrepreneurship was introduced and developed worldwide, the world often experiences less stable environmental issues due to the impact of climate change especially the lack of renewable natural resources such as petroleum, natural gas, and minerals (Nordin, 2019). Environmental changes are happening at a faster rate than previously thought where not only environmental issues, economic growth that has contributed to the rising living standard, has sometimes been accomplished in a way that threatens and destroys the world in more detail.

Even though green entrepreneurship is less practice among Generation Y as compared to SMEs entrepreneurship and the large multinational companies, it is hard to ignore that the business activities among young entrepreneurs have somehow created a negative effect on the Malaysian environment and nature. This is due to the reduction of the environmental impact of economic activities by many businesses and lack of knowledge about the importance of green practice through their businesses. The Malaysian government should design many green programs or new curriculum structures that will focus more on green and sustainable learning for all businesses, student and communities particularly Generation Y.

1.2.2 Job Opportunities

In the future, it is becoming more important for the young generation to be self-employed. Because Malaysia is a small country in the world, the young generation can no longer rely on employment. As more jobs become irrelevant in the future, it becomes more difficult for Generation Y to get a job, especially a student (Vogel et al., 2010). Besides according to the statistic of the Malaysian Labor Force in January 2015, the unemployment rate increased to 3.1 percent compared to 3.0 percent in December 2014, were given the creation of more jobs (Department StatistDepartment of Statistics Malaysia, (2016). This happened mainly due to the growing number of workers entering the market. With that, The Malaysian government has also worked to increase the number of young entrepreneurs to enter more in the entrepreneur business especially those who care about the environment where can drive the stability of the economy.

1.3 Research Objective

This research consists of three main objectives that explore factors that contribute to the inclination of green entrepreneurship inclination among Generation Y. Following are the main objectives:

- RO1. To determine the factors that drive green entrepreneurship inclination among Generation Y.
- RO2. To analyze the relationship between factors contribute to green entrepreneur and green entrepreneurship inclination among Generation Y.
- R03. To identify the most significant impact of green entrepreneurship inclination among Generation Y.

1.4 Research Question

This research question to determine, identify and analyze factors that contribute to green entrepreneurship inclination among Generation Y. This research achieved the research objectives by answering the following research questions:

- RQ1. What are the factors that drive green entrepreneurship inclination among Generation Y
- RQ2. What is the relationship between factors contribute to green entrepreneur and green entrepreneurship inclination among Generation Y
- RQ3. What is the most significant impact of green entrepreneurship inclination among Generation Y

1.5 Scope of study

The scope of study in this research most relevant to the title. It is important to conduct this research if have the main scope. The research was held at the resident of Melaka. The researcher was using questionnaires and data collection techniques as the research model. Target respondents of the questionnaire were Generation Y who live at the resident of Melaka and the researcher collect 300 samples from the respondent. The data collection was from real-time to support the research. The results of the research were used for further validation.