



Faculty of Technology Management and Technopreneurship

**ANALYSING THE INTENTION OF INSTITUT KEMAHIRAN
MARA JASIN GRADUATES TO BECOME
ENTREPRENEURS**

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(Technology and Innovation Management)**

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**ANALYSING THE INTENTION OF INSTITUT KEMAHIRAN MARA
JASIN GRADUATES TO BECOME ENTREPRENEURS**

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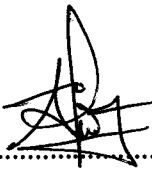
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- A. Questionnaire (The Intention of Institut Kemahiran MARA Students To Become Entrepreneur After Finish Their Study)

DECLARATION

I declare that this project paper entitle “Analysing The Intention of Institut Kemahiran MARA Jasin Graduates To Become Entrepreneurs” is the result of my own reaesrch except as cited in the references. The project paper has not been accepted for any master and is not concurrently submitted in candidature of any other master.

Signature : 

Name : **Mohd Afis Bin Ayem**

Date : *26 June 2013*

DEDICATION

This project paper is dedicated to my beloved parents, wife and children.
Thank you for your support in order to complete this project.
Thank you.

ABSTRACT

This study aims to identify the entrepreneurial intention of Institut Kemahiran MARA (IKM) Jasin, Melaka students to become entrepreneur after finish their study. It has always been the interest of our government to promote entrepreneurship and new venture in business as mean to increase economic growth for the nation and creating jobs to help to reduce the problem of unemployment. There are a few objectives in this study to identify factors entrepreneurial intention, syllabus entrepreneurship, the personality and attitude of entrepreneurship, equipment and supporting systems in the institution. It also looks about the training and instrumental readiness factors in this study. There are many institutions and education sector try to develop and implement the entrepreneurship element in their organizations. All of them try to make their student have a good knowledge about entrepreneurship. In the reality world, many of the people try to run the business whether part time or full time business. The changing of the technology also makes an important role for this situation. A survey was conducted using questionnaires to obtain information related to with the study. The questionnaire used consists of 58 items based on the study. The collected data analyzed using Statistical Software Package for the Social Sciences (SPSS) for Windows Version 20. The study is focusing on the final semester student in IKM including the automotive, mechanical and electric programmed. The findings suggest the personality or attitude, syllabus, training, equipment and supporting system in IKM can contribute the entrepreneurial intention among the students at the institutions. This study also can help the other side of agency or organisations to develop any entrepreneur activity and programme for all the students in the education institution.

ABSTRAK

Kajian ini dijalankan bertujuan untuk mengenal pasti kecenderungan pelajar di Institut Kemahiran MARA (IKM) Jasin, Melaka untuk menjadi usahawan selepas menamatkan pengajian mereka. Menjadi kepentingan pihak kerajaan untuk menggalakkan bidang keusahawanan dan usaha baru dalam perniagaan bertujuan untuk meningkatkan pertumbuhan ekonomi negara dan mewujudkan peluang pekerjaan untuk membantu mengurangkan masalah pengangguran. Terdapat beberapa objektif di dalam kajian ini untuk mengenalpasti faktor-faktor kecenderungan keusahawanan iaitu sukatan pelajaran keusahawanan, personaliti dan sikap keusahawanan, peralatan, kelengkapan serta sistem sokongan di institusi. Ia juga mengkaji mengenai latihan dan persediaan di dalam kajian ini. Terdapat banyak institusi dan sektor pendidikan cuba untuk membangunkan dan melaksanakan elemen keusahawanan dalam organisasi mereka. Kesemua mereka cuba untuk membuat pelajar mereka mempunyai pengetahuan mengenai keusahawanan. Realitinya, ramai orang cuba untuk menjalankan perniagaan sama ada separuh masa atau sepenuh masa. Perubahan teknologi juga memainkan peranan yang penting. Satu kajian telah dijalankan dengan menggunakan kaedah soal selidik untuk mendapatkan maklumat yang berkaitan dengan kajian ini. Soal selidik yang digunakan mengandungi 58 item. Data yang dikumpul dianalisis menggunakan perisian Statistik untuk Sains Sosial (SPSS) Versi Ke-20. Kajian ini memberi tumpuan kepada pelajar semester akhir di IKM termasuk program automotif, mekanikal dan elektrik. Hasil kajian menunjukkan personaliti atau sikap, pelajaran, latihan, peralatan dan sistem sokongan dalam IKM boleh menyumbang niat dan kecenderungan keusahawanan di kalangan pelajar-pelajar di institusi. Kajian ini juga boleh membantu pihak atau organisasi lain untuk membangunkan apa-apa aktiviti usahawan dan program untuk semua pelajar di institusi pendidikan.

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CHAPTER 1

INTRODUCTION

1.1 Research Background

Educational institutions in Malaysia are growing very fast. There are many types of institutions offering varieties of programmes with different levels of education, especially for Malaysian students. Most of these programmes require the students to learn Entrepreneur subject in order to complete their studies. Nowadays, entrepreneurship is very important thing in Malaysia. There are many educational institutions try to develop and implement the entrepreneurship element in their organizations. All of them try to make their students to have a good knowledge about entrepreneurship. Meanwhile, in the reality world, many people try to run a business whether part time or full time business. The changing of the technology also makes an important role for this situation.

In budget 2013, the Malaysian government has tried to make an entrepreneur and technical as an important element for the education sector. They combine a technical and entrepreneur aspects to become tehcnopreneur in the market. The government also provides a few incentives and subsidy for the people to start their own business. Many agencies involve in this effort, such as MARA, SME Bank, Agro Bank, FAMA, TEKUN and others. These agencies also provide a lot of training and programme to help the customers to be successful in their business.

According to the Malaysian Prime Minister, YAB Dato' Sri Mohd Najib Tun Haji Abdul Razak, the small-scale entrepreneurs, particularly Bumiputera entrepreneurs lack quick and easy access to loan facilities. With the establishment of Tabung Ekonomi Kumpulan Usaha Niaga (TEKUN), these entrepreneurs are able to start and develop their businesses (The Budget 2013).

This scheme has a good channel in order to help people especially the graduated students to become entrepreneur. The entrepreneur element in educational institution can make students more independent and creative to compete with other people. It's time to increase a number of entrepreneurs in Malaysia.

1.2 Problem Statement

In reality, we know that not all people would like to be an entrepreneur, or can be a successful entrepreneur. In educational sector, some of the students are not really interested about entrepreneur. For example, in Institut Kemahiran MARA (IKM) Jasin, Melaka the students are not attracted to become an entrepreneur after completing their studies. Majority of the students focus on the technical programme and subjects only.

It is not an easy attempt to make the students to be an entrepreneur because not all students have background in business, or family members who involve in business. Majlis Amanah Rakyat (MARA) has a lot of strategies and steps to strengthen its entrepreneur elements in their education sector, which leads to the implementation of new MARA motto, which is “Entrepreneurship and Global Education”. Students in IKM focus mainly in technical subjects, which involve a lot of technical skills and hands on. There are many factors such as background, motivation, environment, social, personality and others that can persuade the students to become entrepreneur.

In this research, we will try to determine the factors that can persuade students to have an intention to become an entrepreneur after completing their studies. We can get the data directly from the students, staff and management team. Maybe we can look into the element of syllabus, equipment, and support from the organizations as well as the method of learning process in the institutions. There is a need to conduct a study focusing on a few elements in order to achieve the target of entrepreneurship in IKM.

The following problem statements would be covered in this study:

1. What are the main factors that can influence IKM Jasin students to become entrepreneur after finishing their studies?
2. Are there any relationship between the personality, syllabus and equipment provided in influencing the IKM Jasin students to become entrepreneur after finishing their studies?
3. How to make training to become one of the factors which can contribute to the IKM Jasin students' interest to become entrepreneur after finishing their studies?

1.3 Research Objectives

There are a few objectives to run this study. The general objective of the study is to find out the entrepreneurial personality and the number of entrepreneurial intention from IKM students.

This study is to focusing the following objectives:

1. To identify the main factors that can influence IKM Jasin students to become entrepreneur after finishing their studies.
2. To identify the relationship between personality, syllabus and equipment in influencing IKM Jasin students to become entrepreneur after finishing their studies.
3. To identify the contribution and process of training for IKM Jasin students to become entrepreneur after finishing their studies.

1.4 Justification and Significant of the Research

This research is important to know about the strategy and to identify a few factors which influence the IKM Jasin students to be an entrepreneur after finishing their studies. The syllabus in IKM focuses on the technical area and more to hands on base. So, we can try to discover if there is any relation between the personality, syllabus and equipment support, as well as its effectiveness to the students in order to promote them to be an entrepreneur at the end of their studies.

In IKM Jasin, there is a programme to assist and encourage students to become entrepreneur, called 'Incubator Programme'. However, it does not work properly because of lack of students' interest to attach to the programme. Thus, in this study we can discover about the style or strategy on how to improve the syllabus, co-curriculum and other factors to help the students to be an entrepreneur.

Until now the academic department always try to modify the syllabus in entrepreneurship subject. They are not already having a standard module and always change in a short time. So, this study can help the academic department to review about the entrepreneurship syllabus and co-curriculum in all the institution.

1.5 Contribution of the Research

This research can help the management of MARA and IKM Jasin to achieve their target of technical entrepreneur. In this study we can know about the improvement in the educational support, especially to make students more alert and have a good tendency to be an entrepreneur.

This research also can help to have a good programme and action plan to settle a few problems and issues in order to increase a number of entrepreneurs from IKM Jasin. It is hoped that the management of MARA and IKM Jasin can develop a new strategy to scrutinize the education system in their institutions.

The barriers and a few factors also can be identified in order to encourage the students towards entrepreneurship after finishing their studies. The lecturer team can also increase their performance for the future plan especially for the students.

This study also can be used as a guideline for the management and academician to plan the activities for their students. It can identify and know the relationship between the attitude or behavioural of the students to become a successful entrepreneur. Furthermore, IKM Jasin and MARA also can easily achieve their key performance indicator for this programme and activity.

1.6 Assumption, Scope and Limitation of Study

1.6.1 Assumption of Study

The assumption about this study is to get results about how to have some plan and strategy to develop an entrepreneur programme or activity for IKM Jasin students. It also focuses for the final semester students before go to industrial training. Maybe in this study can know how to attract more students to join the 'Incubator Programme' and training in IKM Jasin, which can be used as a route to be an entrepreneur in their life.

At the same time, we can try to have one method or guideline for the 'Incubator Programme' and training to be successful. For this being, the 'Incubator Programme' is not opened for all the students. The programme is offered only for the students who are interested to become entrepreneur.

It is also hoped that this study can make a rule and policy for incubator training programme. This study also can be used by all IKMs in Malaysia and other institutions as a reference. As for industrial sector they can know that IKM students can be entrepreneur after finishing their studies. This study focuses for the final year students and a few management staff.

1.6.2 Scope of Study

The scope of the study will focus on the entrepreneurial intention among the final semester students in IKM Jasin, Melaka only.

1.6.3 Limitation of Study

The study will observe the final semester students in IKM Jasin, Melaka only. The limitation would be to get the feedback from the other semester students. Maybe the information is also limited to justify a few issues and information. We also have constraints with the time to get all the respondents from all IKMs in Malaysia.

1.6.4 Organization of the Thesis

This research is aimed for the final semester students in IKM Jasin, Melaka. We can get data or survey from students in different programmes with different background of their studies. The lecturer and technical person as well as the management line in the programme can help to contribute their idea in order make this study succeed.

The data and information can be collected directly from the final year students and people in IKM Jasin with a few methods such as interview, questionnaire and others. The data and questionnaire can be distributed to the three main departments such as Automotive, Electrical and Mechanical department in IKM.

The management of MARA also have a data especially about the number of entrepreneur from IKM students. So, I can ask them about the group of the students who are interested to be entrepreneurs.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

Nowadays, entrepreneurship is one of the important issues in Malaysia. There are many institutions and education sector try to introduce and implement the entrepreneurship element in their organizations. All of them try to make their student have a good knowledge about entrepreneurship.

In reality, we must know not all the people can be a successful entrepreneur. The education sector becoming more challenge and complicated with the government principle in order to become fully developed country in the year 2020. All the education institutional including all the IKM in Malaysia is taking up the challenges by updating their co-curriculum and programmed to improve their institutional.

Technopreneurs is entrepreneurship that applies and use of technology expertise in the production of products, services, business management and business-related decisions. The education is becoming challenge for the government as the nation strives to become fully developed country by the year 2020. The institution is taking up the challenges by updating their co curriculum and content of their programs and used the latest technologies to improve the delivery system.

According to the Global Entrepreneurship Monitor (GEM, 2000) report, the general attitude of the public toward entrepreneurship and the understanding and support of the importance of entrepreneurship in society are key social and cultural norms. In several European countries for instance, the study was very clear that society's negative posture with respect to creativity, innovation and change significantly reduced the number of people engaged in starting new firms.

In the Malaysian case, and at the risk of over-generalization, it can be said that on an individual level, attitudes toward enterprise creation have been previously divided along racial lines (due to the identification of race with economic activity), although the situation is beginning to change as the whole of Malaysian society begins to modernize and social restructuring begins to take effect.

Historically, the Chinese (and to an extent the Indian-Muslim community) have had a long tradition of entrepreneurship, and their community members have had less resistance to the whole notion of entrepreneurship. In fact, the handing over of family businesses from father to son was the norm for these groups.

This was in contrast to the Bumiputera community who, as a whole, did not have a tradition of entrepreneurship. Rather, they were used to being either employed in the government service, or self-employed as agricultural farmers or smallholders. Nevertheless, there were exceptions to the rule where Bumiputeras were involved in business, although the numbers were small.

2.2 Definitions

They have a few definitions for the term and word in this study for us to understand about the analysis. Maybe some of the theory or words have a difference understanding by different people.

a) Intention

The decision to start a new firm is assumed to be planned for some time and thus preceded by an intention to do so. However, in some cases this intention is formed only shortly before the actual decision and in some cases the intention never leads to actual behaviour.

b) Entrepreneurship

One of the definition by the (Shapero 1982) said, entrepreneurship is defined as having a passive and active component with propensity to induce changes oneself, but also the ability to welcome and support innovation brought by external factors by welcoming change, taking responsibility for one's actions, positive or negative, to finish what we start, to know where we are going to set objective and meet them, and have the motivation to succeed.

Entrepreneurship is not just the abilities and skills to run an enterprise but include a set of other key competencies and goes beyond a narrow perspective. It includes planning, organizing, analyzing, communicating, doing, and de-briefing, evaluating and recording progress in learning.

Other important aspects of entrepreneurship include identifying one's personal strengths and weaknesses, displaying proactive behaviour, being curious and creative, understanding risk, responding positively to changes and the disposition to show initiative.

c) Entrepreneurial Intention

Psychological research shows that intention is a crucial predictor of subsequent planned behavior (Bagozzi et.al, 1989). Consequently, entrepreneurial intention is a decision to form a new business venture that is planned rather than being conditioned. An individual may have the potential of being entrepreneur because own competency and self-efficacy but may not make the transition into entrepreneurship because of a lack of intention.

d) Attitude

Include self-reliance, open mindedness, respect for evidence, pragmatism, commitment to making a difference, assertiveness, competitiveness, independence (Garther, 1985).