A Conceptual Model for Entrepreneurial Quality among Students of Higher Education Institutions (HEI) in Malaysia

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Abstract
Entrepreneurship is critical for the economy as entrepreneurship is an engine of economic progress, job creation as well as social adjustment. In Malaysian context, the role of entrepreneurship is critical as Malaysia has envisioned being a fully developed country by the year 2020. Further to this, entrepreneurial quality in student entrepreneurs is important to be studied as they can help in the survival as well as succession of the business. This paper aims to propose a simple yet comprehensive conceptual model by identifying the psychosocial factors that influenced the development of entrepreneurial quality among student entrepreneurs. An extensive review of literature available has been carried out to achieve the purpose. Several psychosocial factors namely, social support, university experience and mentoring are found to be the antecedents for entrepreneurial quality among student in Higher Education Institution (HEI) in Malaysia.

Keywords: Student Entrepreneurs, Entrepreneurial Quality, Hei, Malaysia

Introduction
Entrepreneurship plays important role in supporting economic activities in the country by creating job opportunities, thus contributes to development of the country gross domestic product (SME Report, 2006). Considering the significant effect to the economic development and prosperity, the government has put a great effort in promoting entrepreneurship activities among the people. Beside as a catalyst to the wealth creation, the activities would also benefit in terms of less dependence on the government in providing job opportunities. Thus, to nurture
attitude towards entrepreneurial activities among youths, it can be done through entrepreneurship education process (Gorman et al., 1997; Kourilsky and Walstad, 1998).

Previous study shows that entrepreneurship is a discipline in similar to other subject and it can be learned. A person neither born nor fated as an entrepreneur and far inherit the genes as entrepreneur as well. Researchers believed that entrepreneurs can be created by way of training and nurturing. Drucker (1994) in Tan and Ng (2006) said that, most of what you hear about entrepreneurship is all wrong. It’s not magic, it’s not mysterious; and it has nothing to do with genes. It’s a discipline and, like any other discipline, it can be learned.

Based on this argument, the entrepreneurship programs offered by local universities either in forms of core subject or embedded in the curriculum is aimed to produce as many as possible graduate entrepreneurs. Nevertheless, the impact was not satisfactory when it fail to attract graduates to venture into entrepreneurship activities after study. This phenomenon attract a question why universities failed to produce graduate entrepreneurs like other institutions such as technical and other vocational training centers. A study conducted by Cheng, Chan. W.S and Mahmood (2009), revealed that the effectiveness of the entrepreneurship education in Malaysia with regards to improve the entrepreneurship knowledge and inclination towards the activities among students were correlated to the content of the curriculum. The study revealed that the content did not meet the requirement and unmatch to the students’ expectation.

The main objective of entrepreneurship education in HEI is to produce entrepreneurs among graduates. The program was promoted based on the decree entrepreneurship can be nurtured and learnt. In addition, continuous exposure about entrepreneurship would enhance the inclination to venture into this activities. As a matter of fact, beside that, family background, personal experience and surrounding environment are able to influence a person towards entrepreneurship activities. A person with family background involved in business has higher inclination towards entrepreneurial activities compares to others who did not (Dahlan, Hakimin, et al, 2009).

The early and continuous exposure has generate tacit knowledge which positively influence a person behaviour to venture into business in particular. On the other hand, students with entrepreneurship education have positively correlated to inclination towards venturing into business. They owned entrepreneurs characteristic and act entrepreneurially compare to other student without such exposure (Cheng et al, 2009). Thus, the entrepreneurship education becomes vital to nurture and encourage students to choose entrepreneurship as a career. Theoretically, the more entrepreneurs graduate are expected to be produced from entrepreneurship education process. Conversely, students who work as employee could perform better as they possesed entrepreneurs characteristic. At present, workers who can act entrepreneurially are more preferable by the employer as they are able to deal with dynamic of business environment (Tan and Ng, 2006).
This paper focuses on two main objectives. First, to identify psychosocial factors to be the antecedents for entrepreneurial quality among HEI student. Second, to develop a conceptual model for entrepreneurial quality among HEI student in Malaysia. The remainder of the paper is structured into six sections as follows: Section 2 justifies the problem statement of the study. Section 3 describes research methodology. Section 4 provides an extensive review of literature on entrepreneurial quality among HEI student. Then, a conceptual model on entrepreneurial quality among HEI student is proposed in Section 5. Finally, Section 6 concludes the discussion.

**Problem Statements**

Given the rapid changes in socio-economic and socio-political factors, universities are now playing a more significant role in the development of social and national economic growth (Co and Mitchell 2010). Many universities are focusing more on the role of promoting economic and social development than on their traditional function of research and teaching (Mok 2010). This is helping universities to become part of an important societal subsystem in which education takes place thought entrepreneurial activities (Keat 2011). Therefore universities and other institutions of higher learning have been given the mandate to play a lead role in solving the graduate unemployment problem by introducing entrepreneurship education to give student the necessary entrepreneurial skills and behaviour for their future undertakings in business ventures (Staff 2007). Entrepreneurship education is therefore considered as an important mechanism inculcating and promoting entrepreneurial spirit among student.

Entrepreneurial development programs organized by various ministries and agencies government have a variety of target groups. Among them are the peasants, youth, government employees who wish to retire early, to be retired military personnel, civilians and graduates. According to the report of HEI 2011, since 1989, the government has focused on new target groups of students in universities and institutions of higher education (HEI) through program known as Graduate Entrepreneurial Development Program (GEDP). GEDP main goal is to change the minds of the students so that a career as an entrepreneur and thus overcome the problem of unemployment among graduates.

Although entrepreneurship education and program has been running for more than two decades, the graduates are reluctant to engage in entrepreneurship career. Only 1.9% chose to be self-employed (MOE, 2012). Lecturers lack of knowledge, some are without entrepreneurship skills, lack in experiences, training and mastery of teaching methods (Siti Noor, A., Noor Hanisa, A. H., & Salwuan, A. H. 2010). There exist practical gaps in the implementation of entrepreneurship education in HEI. It reflects an imbalance in the entrepreneurship education program to produce entrepreneurs among students.
Research Methodology

This paper uses qualitative approach by systematically review all relevant literature from various databases. To have a clear and precise guidance in reviewing the literature, two research questions are developed. First, what are the psychosocial factors for antecedents of entrepreneurial quality? Second, what is the proposed conceptual model for the entrepreneurial quality among HEI student in Malaysia. In searching for literature only articles in established journals are reviewed including Proquest, EBSCO, Web of Science - Social Citations Index and Business Source Premier. A literature search produced a total of more than 50 articles, of which 32 are randomly picked for detailed review.

Literature Review

4.1 Entrepreneurial Quality

Research on entrepreneurial quality has become an interest in the field of entrepreneurship. Entrepreneurial quality has been defined in many ways by the previous researchers. In defining the concept of entrepreneurial quality, the previous researchers looked at entrepreneurial quality from various perspectives. As the studies on entrepreneurial quality are growing, the term also has also been defined from various perspectives. Most of the previous studies defined entrepreneurial quality as any good and important value and characteristics possessed by the entrepreneurs (Frederick, 1931; Yusuf, 1995; Guzman and Santos, 2001; Cumplido & Alcalde, 2002; Cumplido & Linan, 2007; Shuhairimi et al., 2009; Hvide, 2009). In addition, other researchers have looked at the entrepreneurial quality from the psychological perspectives (Valtonen, 2007; Krauss, Frese, Friedrich & Unger, 2005; Darroch & Clover, 2005) and skills and competency perspective (Bath, Smith, Stein & Swann, 2001).

In brief, in the past studies, most of the researchers defined entrepreneurial quality as good and important characteristics possessed by the entrepreneurs. Thus, with the consideration of the definitions by the previous researchers, this paper defined entrepreneurial quality as essential characteristics that lead to entrepreneurial success. To date, there are studies conducted on entrepreneurial quality (Darroch & Clover, 2005; Shuhairimi, Azizi, Ku Halim & Saaodah, 2009; Cumplido & Linan, 2007; Valtonen, 2007; Litunen, 2000, Cumplido & Alcalde, 2002; Sambasivan, Yusop & Mohani, 2009; Valtonen, 2007; Gurol & Atsan, 2006; Kuip & Verheul, 2003; Koh 1996). Most of the previous research on entrepreneurial quality focused on Small Medium Enterprise (SME) and Small Medium and Micro Enterprise (SMME) (Darroch & Clover, 2005; Cumplido & Alcalde, 2002; Sambasivan et al., 2009).

Based on past research on entrepreneurial quality, limited attention has been given to understanding the entrepreneurial quality in graduate entrepreneurs (Dodd, Anderson & Jack, 2005; Kuip & Verheul, 2003). Studies on entrepreneurial quality among graduate entrepreneurs are important particularly in Malaysia to encourage and to provide knowledge for individuals,
societies as well as the institutions in the development of entrepreneurial quality among graduate entrepreneurs. Thus, looking at the importance of entrepreneurial quality among graduate entrepreneurs in contributing to entrepreneurial success, the presence of this paper is hoped not just to increase the number of graduate entrepreneurs but also to increase the number of successful graduate entrepreneurs in the future. Therefore, there is important to study on the entrepreneurial quality among graduate entrepreneurs in developing and producing successful entrepreneurs for the future.

4.2 Model of Entrepreneurial Quality

The literature review and the Model of Entrepreneurial Quality were the basis in developing the conceptual framework in this study as the model is said to have a comprehensive explanation of entrepreneurial quality (Darroch & Clover 2005). The existing entrepreneurial quality model was adapted to the graduate entrepreneur context. Looking at the model of Entrepreneurial Quality by Guzman and Santos (2001), there are two factors namely global environment factors and personal environment factors. Global environment factors are the external factors that are unavoidable and out of individual entrepreneurs control (Cumplido & Linan 2007). However, there are many studies in entrepreneurship that have been looking at the external factors of the entrepreneurs rather than the personal factors of the entrepreneurs (Darroch & Clover 2005; Ma & Todorovic 2009; Cumplido & Linan 2007). Therefore, this study looked at different perspectives from the previous model. Psychosocial factors have been identified as the antecedents to entrepreneurial quality. Psychosocial factors are the combination of psychological and social environment factor of an individual.

4.3 Antecedents to Entrepreneurial Quality

Several researches have been conducted on the psychosocial factors which proved to have a relationship with entrepreneurial quality. In search of an integrated approach, the researchers tried to synthesize psychology and social to explain entrepreneurship (Srivatsava 2011). According to Berk (2007), psychosocial factors focus on how society shapes and influences a person’s personal development and the quest for identity. Since this study looks at student entrepreneurs, several psychosocial factors related to student are highlighted as the antecedents of entrepreneurial quality. In this study, factors that crucial for individual identity are focused such as social support, university experience and mentoring (Greene & Saridakis 2007).

4.3.1 Social Support

Social support is important to human due to its crucial role in the development of a person (Eshbaugh 2010). Social support is particularly unique as the relationships frequently long lasting (Vijver & Toth 2009). Vijver & Toth (2010) proved that human development can be enhanced by social support. Furthermore, the greater the support entrepreneurs obtain, the
more they will be able to adopt certain motivational behaviors. Although the role of social support is always considered important at the start-up stage, however, in reality social support continues to act as key network contacts and provides assistance for entrepreneurs in later years (Dodd et. al 2005). In student context, student entrepreneurs have more advantages in receiving beneficial support from informal networks, friends and family as well as from customers and suppliers compared to non student entrepreneurs (Pickernell et. al. 2011).

The findings in the previous research showed that social support was positively related to entrepreneurial quality among students entrepreneurs. This is supported by Pickernell et. al (2011) who pointed that graduate entrepreneurs have advantage in terms of received beneficial support from informal networks or trade associations, family and friends at national or international level. Being graduates, they have exposed to the university life which they are always gain support from family, friends and colleagues in order to survive and to succeed during their studies. Therefore in doing business, the social support is always needed in order to develop quality in themselves.

### 4.3.2 University Experience

Lin (2011) in her studies claimed that university environment may influences the student’s life and development in future. In fact, the student’s perception on campus environment act as a predictor of their university experience (Gloria et al 2005). A research conducted by Lin (2011) revealed that the more students accept and interact with the university environment, the more satisfaction they have with their life at the university and the better they grow throughout their university career. Individuals have the opportunity to develop range of generic skills and also abilities for better impact in the future from their university experience (Greene & Saridakis 2007). In addition, graduates who employ positive coping skill, will build interpersonal and social networks that in turn will enhance the abilities and inspire the sense of belonging as well as the development of identity (Lin 2011).

### 4.3.3 Mentoring

Mentoring is defined as a supportive relationship between a youth or young adult and someone who offers support, guidance and concrete assistance as the younger partner goes through a difficult period, takes on important tasks or corrects an earlier crisis (Gay 1994). In mentoring process, mentors help protégé in terms of career development and personal growth (Kram & Isabella 1985). Mentoring in entrepreneurship is described as a form of relationship between an entrepreneur (mentee) and experienced entrepreneur or manager (the mentor) (Jean & Audet 2009). From the relationship, the mentee or protégé will be able to develop as both an entrepreneur and a person. In entrepreneur context, Richard et. al (2009) pointed that mentoring are beneficial in terms of acquisition of new knowledge, increase confidence and in new relationships involvement. As for graduate entrepreneurs, they have advantages to access business advices from other successful person or mentor (Pickernell et. al 2011).
Doherty (1999) claimed that mentor may act as a teacher to enhance a person’s skills and intellectual development. Additionally, Beckett (2010) pointed that successful mentoring has long term effects since it helps mentees to grow and develop the quality to become mentors of tomorrow. From the findings, it showed that, mentoring is significantly related to entrepreneurial quality among graduate entrepreneurs. This is supported by Pickernell et. al. (2011) who claimed that, as graduate entrepreneurs, they have advantage of having a wider networks and resources. Therefore from the advantage of availability to get access to successful entrepreneurs, the graduate entrepreneurs are believed to have mentors in helping them to develop and increase their entrepreneurial quality.

5. Proposed Conceptual Framework

Based on the reviewed of relevant literature available, a conceptual model for the entrepreneurial quality among HEI student in Malaysia has been developed. This study suggests that several factors such as social support, university experience and mentoring are considered important factors for the entrepreneurial quality. The proposed model for this study is presented in Figure 1 as follows:

![Figure 1. A proposed conceptual model for the entrepreneurial quality among HEI student in Malaysia](image)

Based on the literature above, these hypotheses were developed:
H1: Social support influences entrepreneurial quality among graduate entrepreneurs.
H2: University experience influences entrepreneurial quality among graduate entrepreneurs.
H3: Mentoring influences entrepreneurial quality among graduate entrepreneurs.

Conclusion

This paper concludes that entrepreneurial quality among student entrepreneurs play an important role in determining entrepreneurial success. The presence of psychosocial factors such as social support, university experience and mentoring in this study have been found to contribute to entrepreneurial success in graduate entrepreneurs. Psychosocial factors such as social support and mentoring also help in developing entrepreneurial quality among graduate
entrepreneurs which in turn will lead to entrepreneurial success (consequences). Additionally, even though the psychosocial factor such as work experience and university experience do not have a significant relationship with entrepreneurial quality among graduate entrepreneurs, however, these factors have the direct relationship with entrepreneurial success in graduate entrepreneurs. Limitation of the present study is that we have confined ourselves to published articles, both academic or practitioner, which are available to us from the four chosen databases. There may be articles not brought to our attention, hence, interpretation of the proposed model in this study entrepreneurial quality among student are limited.

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