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Determinants of Entrepreneurial Intention among Private University Students in Sarawak: Personal Traits as Moderator

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Abstract
Sarawak government would like to churn more young generation entrepreneurs in the state. However, in Malaysia, there is an absence of enterprising education, lack of prior entrepreneurial experience and most of the parents do not support their children to be an entrepreneur. Graduate are still job seekers, not job creators. Thus, this study is conducted to determine the factors that influence (prior entrepreneurial experience, perceived feasibility, social influence and entrepreneurial education) entrepreneurial intention and personal traits (locus of control and need for achievement) as a moderator among private university students. 400 sets of questionnaires were distributed, and the data was analyzed by using Statistical Package for Social Science (SPSS) version 23 and PROCESS Model. The findings showed there is a significant relationship between perceived feasibility, social influence, entrepreneurial education and entrepreneurial intention. Personal traits did not moderate the relationship. As such, the present study helps to design potential solutions to raise graduates’ involvement in entrepreneurship field which include (1) conduct entrepreneur education such as campaigns, seminars and workshops, (2) optimize online technology, and lastly (3) present awards, conduct competition, and share success story at university levels.

Keywords: Entrepreneurial Intention, Prior Entrepreneurial Experience, Perceived Feasibility, Social Influence, Entrepreneurial Education, Personal Traits.

Introduction
Rising unemployment among Malaysian graduates is an alarming issue which accounted for approximately more than 250,000 graduates annually. Leo (2018) reported that there are 1 out of 5 graduates remain unemployed in 6 months. This is due to the fact that most graduates tend to have job seeking intentions in mind rather than being job creators once they have completed their studies. Hence, entrepreneurship is seen as one way to create job opportunity among the
graduates. In this study context, entrepreneurship refers to any individual who is enthusiastic to embark on forms of arbitrage involving new business’s financial risk (Minniti & Levesque, 2008) or inventing something useful while continues to be creative and innovative to meet the customers’ demands (Timmons, 1989; Rabi, Ghazali, Rohaizad, & Zulkefli, 2018; Abazeed, 2018).

Realizing on the importance of entrepreneurship, serious devotion has been given towards its concepts and activity due to its vital roles on economic development, creation of job opportunities, sources of innovation as well as increase of country’s yield or production (Almahry, Sarea & Hamdan, 2018). Echoing this trend, various supporting mechanisms and initiatives have been instituted by the government for entrepreneurs. For instance, Malaysian Government has introduced an initiative termed ‘Entrepreneurship Action Plan for Higher Education Institutions (2016-2020)’ which aims to involve 15% university students in entrepreneurship activities as well as 5% graduates to choose entrepreneurship as a career choice. In Sarawak, particularly, Goh (2018) also asserted that the state government would like to churn more young generation entrepreneurs in the state.

Various studies have also shown that there are numerous important contributing factors that could influence entrepreneurial intention among university students. The present study, in the context of Sarawak’s private university students, uniquely revealed that perceived feasibility, social influence and entrepreneur education were significant determinants of entrepreneurial intention, whereas, personal traits (i.e. locus of control and need for achievement) were found to be not related to entrepreneurial intention. Nevertheless, prior entrepreneurial experience remains as insignificant determinant to entrepreneurial intention as suggested by previous studies.

**Literature Review**

Entrepreneurship consider as constantly evolving in manner and require innovative process as well as professional skills which will frequent need the consolidation manner of new strategic and appropriate projects which may lead to desire positive outcomes (Oliveira, 2010). In simple words, entrepreneurship is not about gaining the knowledge through formal learning in the classroom but rather a concept which is refer as the way people be and act in a focus mind-set in a unique way looking at every corner for possibility lead to successful outcome (Almeida, Ahmetoglu & Chamorro-Premuzic (2014). Thus, entrepreneurial intention refers to an individual’s intention to select entrepreneurship as his or her career of choice (Akanbi & Owoseni, 1988). Numerous entrepreneurship studies (Akanbi & Owoseni, 1988; Khan, 2013; Mamun, Che Nawi, Mohiuddin, Shamsudin & Fazal; 2017) believe that the entrepreneurial intention is the person’s state of mind which manoeuvres intention and attitude of a person in pursuing new business venture. The intention is purely created through freedom and a person’s will which are influenced by holistic thought processes that trigger the individual to act entrepreneurially (Khan, 2013). The current study highlights four determinant factors that influence entrepreneurship intention namely prior entrepreneurial experience, perceived feasibility, social influence and entrepreneurial education. Further discussion also includes moderating effect of personal traits towards entrepreneurship intention.

Carr and Sequeira (2007) stated experience of an individual may extent their
entrepreneurial intention into positive or negative towards business profession. Before start up a business, individuals should have prior entrepreneurial experience to gain the knowledge about entrepreneurship industry. The best way of an individual to learn more information and knowledge about entrepreneurship industry is through direct experience with entrepreneurs or observing entrepreneur. Krueger (1993) stated that the better an individual finds an entrepreneurial experience the more grounded would be the engaging quality of an entrepreneur.

Individuals have to believe that they really have the ability to start up a business before they decided to become an entrepreneur. Perceived feasibility implies the person’s discernment on his or her capacity to effectively start a business and it is said to be indistinguishable with self-adequacy (Boyd and Vozikis, 1994). Peng, Kong, and Turvey (2015) stated that perceived feasibility as one of the critical variables affecting the desire of an individual to start a business. The higher of an individual’s perceived feasibility, the more confidence of an individual want to become an entrepreneur. Ozaralli and Rivenburgh (2016) asserted that perceived feasibility corresponds quite well with perceived behavioural control in Ajzen’s TPB model.

Koe, Rizal, Abdul and Ismail (2012) stated the relationship between social norms and entrepreneurial intention are significant. Scott and Twomey (1988) mentioned that family foundation and role model of parent has been observed to be the most unmistakable factor that influences early socialization and thus arrangement of mentality towards entrepreneurial intention. This is because often parents are the only ones who have the earliest direct connection with individuals, so that, parent’s role model is important to affecting individual towards intention.

Entrepreneurial education is the wellspring of a sort of innovative demeanour and instilling the entrepreneurial knowledge and skill will open the mind-set of the future graduates in embarking as entrepreneur. Thus, entrepreneurial education is a very important variable to encourage student’s entrepreneurial intention (Barba-Sanchez & Atienza-Sahuquillo, 2017; Souitaris, Zerbinati & Al-Laham, 2007). With entrepreneurial education, educational systems are able to provide entrepreneurial environment for the students through curriculum design that will stimulate their interest into pursuing entrepreneurial activities. Furthermore, education and training activities normally will focus on providing the platform to transmit useful information through various mechanisms which may include the instrumental skills to begin and build up a new business enterprise (Honig, 2004).

Personal traits mean as manners to show a specific sort of reaction crosswise over different circumstances (Rauch & Frese, 2007). Personality plays a basic role in the testing of the entrepreneurial intention and assume as an imperative region of enthusiasm with the person (Rauch & Frese, 2000). Akanbi and Owoseni (1988) stated that personal traits included several characteristics such as locus of control, risk-taking behaviour and innovativeness. On the other hand, Karabulut (2016) viewed personal traits included other characteristics except for locus of control and risk tolerance which is needed for achievement and entrepreneurial alertness. Nevertheless, few scholars have postulate argued that personality may be considered as one of the imperative element of a multidimensional model of the antecedents, forms, and ecological variable that could influenced business and new pursuit creation (Seibert & Zhao, 2006).
The research model as per Figure 1 is underpinned by theory of planned behaviour (TPB) by Ajzen (1991) used to explain if an individual’s performance of a certain behaviour or action (entrepreneurial intention) is determined by his or her intent to perform based on the specific behaviour or antecedents (prior entrepreneurial experience, perceived feasibility, social influence, entrepreneurial education). Thus, TPB in this present study will include personality traits as moderator which Nakayama (2016) suggested to include other factor(s) which may influence individual intention or decision of action.

Figure 1 The Research Framework

**Materials and Methods**
Before the actual study was administered, pilot study phase was administered to validate all the instruments utilized in this study; an exploratory factor analysis had been performed a total of 103 valid questionnaires to confirm both the validity and reliability aspects of the instrument by using Statistical Package for Social Science (SPSS) version 22 software. In actual study phase, study was conducted among the 400 private university students in Sarawak, a valid number to represent the population, which was calculated using the formula based on Krejcie and Morgan (1970), Kaiser-Meyer-Olkin (KMO) value of all the variable is higher than 0.7. Eigenvalue is more than 1.0 and for Bartlett’s test of Sphericity, p-value below the value of 0.05 which revealed the significance difference of correlation matrix from identity matrix (Hair, Anderson, Tatham & Black, 1998). The research instrument was adopted from past researchers and all of which has good reliability value, with the Cronbach alpha exceeded 0.7 as seen in Table 1.
Table 1: The Research Instrument(s)

<table>
<thead>
<tr>
<th>No.</th>
<th>Instruments</th>
<th>Number of Items</th>
<th>Sources</th>
<th>Cronbach Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Prior Entrepreneurial Experience</td>
<td>4</td>
<td>Miralles, Giones &amp; Riverola (2016)</td>
<td>0.80</td>
</tr>
<tr>
<td>2</td>
<td>Perceived Feasibility</td>
<td>12</td>
<td>Mukhammad, Jauhar &amp; Masrury, (2013)</td>
<td>0.92</td>
</tr>
<tr>
<td>3</td>
<td>Social Influence</td>
<td>3</td>
<td>Leong (2008)</td>
<td>0.86</td>
</tr>
<tr>
<td>4</td>
<td>Entrepreneurial Education</td>
<td>11</td>
<td>Rudhumbu (2016)</td>
<td>0.74</td>
</tr>
<tr>
<td>5</td>
<td>Personal Traits (Locus of Control)</td>
<td>14</td>
<td>Leong, (2008)</td>
<td>0.88</td>
</tr>
<tr>
<td>6</td>
<td>Personal Traits (Need for Achievement)</td>
<td>5</td>
<td>Leong, (2008)</td>
<td>0.87</td>
</tr>
<tr>
<td>7</td>
<td>Entrepreneurial Intention</td>
<td>9</td>
<td>Nieuwenhuizen &amp; Swanepoel, (2015)</td>
<td>0.94</td>
</tr>
</tbody>
</table>

Findings

Based on the actual study been conducted, descriptive statistic revealed that majority of the respondents are female (53.4%), age between 21 to 25 (63.5%), undertaking degree program (76.0%), and in the final year (29.8%). Most students want to be an employee (70.3%) and only (29.8%) want be a self-employed upon graduation. Majority 66.8%) do not have entrepreneur experience and another 133 students (33.3%) have entrepreneur experience.

Table 3 shows the result of hypotheses testing, using regression for direct relationship and PROCESS MACRO for moderator. It can be concluded that perceived feasibility, social influence and entrepreneurial education is significantly related to entrepreneurial intention. However, prior entrepreneurial experience was not significantly related to entrepreneurial intention. In addition, personal traits do not have the moderating effect on the relationship between all the independent variable and entrepreneurial intention.
Table 3 Hypotheses Testing

<table>
<thead>
<tr>
<th>No</th>
<th>Hypotheses</th>
<th>Significance Level</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>There is a relationship between prior entrepreneurial experience and</td>
<td>β = -0.19</td>
<td>Not Supported</td>
</tr>
<tr>
<td></td>
<td>entrepreneurial intention.</td>
<td>p = 0.677</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>There is a relationship between perceived feasibility and</td>
<td>β = 0.321</td>
<td>Supported</td>
</tr>
<tr>
<td></td>
<td>entrepreneurial intention.</td>
<td>p = 0.000</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>There is a relationship between social influence and entrepreneurial</td>
<td>β = 0.278</td>
<td>Supported</td>
</tr>
<tr>
<td></td>
<td>intention.</td>
<td>p = 0.000</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>There is a relationship between entrepreneurial education and</td>
<td>β = 0.325</td>
<td>Supported</td>
</tr>
<tr>
<td></td>
<td>entrepreneurial intention.</td>
<td>p = 0.000</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Personal traits moderate the relationship between prior</td>
<td>LLCI = -0.106</td>
<td>Not Supported</td>
</tr>
<tr>
<td></td>
<td>entrepreneurial experience and entrepreneurial intention.</td>
<td>ULCI = 0.115</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Personal traits moderate the relationship between perceived</td>
<td>LLCI = -0.142</td>
<td>Not Supported</td>
</tr>
<tr>
<td></td>
<td>feasibility and entrepreneurial intention.</td>
<td>ULCI = 0.096</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Personal traits moderate the relationship between social influence and</td>
<td>LLCI = -0.037</td>
<td>Not Supported</td>
</tr>
<tr>
<td></td>
<td>entrepreneurial intention.</td>
<td>ULCI = 0.132</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Personal traits moderate the relationship between entrepreneurial</td>
<td>LLCI = -0.131</td>
<td>Not Supported</td>
</tr>
<tr>
<td></td>
<td>education and entrepreneurial intention.</td>
<td>ULCI = 0.114</td>
<td></td>
</tr>
</tbody>
</table>

Note: *P< significant level

Discussion

Perceived feasibility refer to the individual's insight on his or her ability to adequately in starting up with entrepreneurship activity (Carr & Sequeira, 2007). Individual have to predict and measure the ability of themselves to increase the possible successes when build up a business. Perceived feasibility is one of the most grounded frame of mind factors affecting people's entrepreneurial intention (Pihie, & Bagheri, 2013). Thus, perceived feasibility is an important factor that will influence entrepreneurial intention. In relation to this study, most of the students predicted they have the ability to solve the problem, able to lead and possess the relevant communication skills as well as creative when they intend to becoming an entrepreneur in the future. When they believe that they have the ability and they will become more aggressive in
entrepreneurial intention. Hence, the study’s result is in line with prior literature that argues perceived feasibility as one of the critical variables affecting the desire of an individual to start a business. In other words, the students have higher confidence in becoming an entrepreneur when they have a strong set of mind in their ability to pursue entrepreneurial venture.

One of the possible reason for the significant relationship between social influence and entrepreneurial intention is because of the role model factor which can apply in social influence on individual to move towards becoming an entrepreneur (Linan & Fayollem, 2015). Integrated effectively along with a positive social impact including role models and appropriate attitudes will have more intense impact in individual’s intention (Umeh & Patel, 2004). Role model is important because young generation can easily be influenced by other people who close to them (Umeh & Patel, 2004) Similarly, this study is supported by Sata (2013) who found out that those students whose family are engaged in business venture have more intention in setting up entrepreneurial venture. In this sense, family act as a role model that could greatly influence the students’ intention in pursuing new venture once they have completed their studies. Nevertheless, more efforts need to be done to convince those students with no family business background as a way to stimulate their intention to choose entrepreneurship as their career choice. Therefore, more emphasis should be given to entrepreneurial education since it plays vital role in exposing these students to perform more entrepreneurial activity and thus motivating them to choose entrepreneur as a career choice.

Realizing on the importance of entrepreneurship education, this research study also revealed that the students who have the intention to embark as entrepreneur as career does not really need a higher educational qualification rather they appropriately to have the knowledge and skills about entrepreneurial. This is in line with the studies done by Sata (2013) and Mamun et al. (2017), who asserted that the knowledge and skills should be closely linked to entrepreneurship such as self-realization, independence, creativity and confidence in which it would sparks their interest in entrepreneurial field. Entrepreneurial education not only a hypothetical instruction, yet incorporates viable instruction, with the goal that college graduates have the arrangement and support to dive into the pioneering scene. In addition, training is relevant because training can change the student’s personal attitude in relation with the person’s competencies, skills as well as cultural conscience (Paço, Ferreira, Raposo, Rodrigues & Dinis, 2011). This could be the reason for the significant of the study as having some knowledge about the field would lead to have intention becoming an entrepreneur. As such, greater efforts in boosting attractiveness of entrepreneurship education should be stipulated by educational systems as way to create more entrepreneurship interest among the university students.

The linkages between prior personal experience and entrepreneurial intention is really weak (Emberland & Rundmo, 2010). It does not anticipate consideration towards an entrepreneur intention. Which mean, the prior entrepreneurial experience in not really importance towards students. This may be the possible reason for the insignificant of the relationship. This may be due, majority of the respondents age is still considered too young at age between 21 to 25 (n = 254, 63%), so they have not gained enough experience in their life. In a similar train of thought, a study conducted by Drnovsek and Erikson (Sata, 2013) revealed that a person’s intention towards entrepreneurship is dependent on its previous experience.
Therefore, in relating to this study context, the university students clearly have limited to no experience in doing entrepreneurial activity which also explained the insignificance of this factor in this study. Most of their times were mostly spent for studying or working part-time and thereby, prior entrepreneurial experience is still limited among the students. In addition, using the quantity of years worked to measure the measurement related prior experience will restrain the comprehension of related knowledge impact on individual intention (Baron, 2009).

Lastly, this study shows that personal traits did not moderate the relationship between the independent variables and entrepreneurial intention. The possible reason for not being significant is maybe because of the age factor. At the young age, the students so much influence by external factor such as social influence by either by their parent, teachers, and friends. Another possible reason probably the students in this context matter the most is the education as well as the culture that we are currently adopting to in Sarawak which also influence the entrepreneurial intention among the students (Linan et al., 2011). Thus, their respective personality traits which refer as a unique way on how a person acts, thinks and feel (Pappas, 2017); have no impact on them to have or not to have the intention as entrepreneur.

Conclusion

The major finding of this study showed that the prior entrepreneurial experience, perceived feasibility, social influence and entrepreneur education are significant determinants towards entrepreneurial intention among private university students in Sarawak in this study. Meanwhile, personal traits (i.e. locus of control and need for achievement) did not act as moderator between the relationship.

Thus, the results of this study may be of the interest to any university’s top management towards perceiving positively which lead to fostering strategies to promote and enhance the entrepreneurship intention to adopt appropriate measures to promote and support entrepreneurship. Firstly, it is suggested for the university management to conduct more entrepreneurship training, workshop and activities in order to increase entrepreneurial intention among students in line with Malaysia Entrepreneurship Action Plan of Higher Education Institutions (2016-2020). Secondly, the university management could also develop entrepreneurial skills among students through various platforms such as conducting campaign, exhibition or even organizing competition which related to entrepreneurial topics. In view of current trend tremendous active usage in online platform, the university management may also fully consider to utilize online technology by developing newsletters or specific website for the purpose to create awareness about entrepreneurship. Furthermore, the university may invite few successful alumni to share their success stories at the university level. With recommendations as above, it would benefit more young generation entrepreneurs to have better enterprising education, improve their prior entrepreneurial experience and they would be able to become job creator instead of job seeker.

However, there is a limitation in this current study, for instance, to the extent that the Sarawak’s context of analysis is unable to be fully generalized due to some other factors may relevant to this current context which should be addressed and investigated in other studies. Thus, future research in relation to the business activity, may address the methodological issue.
to examine the relationship of entrepreneurial intentions from other determinants such as entrepreneurial attitudes through qualitative method.

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Conflict of Interest: None

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Ozaralli, N., & Rivenburgh, N. K. (2016). Entrepreneurial intention: Antecedents to


