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Digital Entrepreneurial Intention among Private Technical and Vocational Education (TVET) Students

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Abstract: The study aims to determine the intention of Technical and Vocational Education (TVET) students to become digital entrepreneurs. To achieve this purpose, Ajzen theory of Planned Behaviour was applied. This quantitative study was conducted through distribution of survey questionnaires which involving 185 participants from one of the private TVET institution located in Kajang. The respondents were determined based on simple random sampling technique. SPSS version 23 was applied to conduct different tests such as multiple regression and descriptive statistics. The result showed that students were highly intended to become digital entrepreneur. Specifically, the knowledge gain from classes had shaped the student’s positive attitude and more self-confident to be an entrepreneur. The contribution of this study also expected to help the management to produce more digital entrepreneurs in era of Industry 4.0.

Keywords: Digital Entrepreneurship, Theory Planned Behaviour, Technical Vocational Education and Training

Introduction

As entrepreneurship has become increasingly recognised for its roles especially in stimulating economic growth and reducing unemployment, governmental bodies around the world have sought ways to support entrepreneurship. In Malaysia, the Malaysian government is aware that entrepreneurship plays a vital role in generating economic growth and driving our country towards a high-income nation. Thus, various programmes and initiatives have been implemented by the government in enhancing entrepreneurial mind-sets and competencies among Malaysians (SME, 2016). To instil the entrepreneurial culture among students at all levels, relevant measures have been implemented by the Ministry of Education. Entrepreneurship determined as one of the elements in Cross-Curricular Elements. To further enhance the entrepreneurship culture and mind-set in HEIs, the Ministry of Higher Education has drawn the HEI Entrepreneurship Action Plan 2016-2020. Under the action plan, MoHE has outlined two main strategies which are developing holistic and comprehensive curriculum and strengthening the supportive learning system (MoHE, 2016a).

In the Eleventh Malaysia Plan (RM Ke-11), entrepreneurship has been identified as one of the main national focuses in the achievement of Vision 2020. Through providing comprehensive
entrepreneurial assistance and reducing overlapping activities, cooperation among the relevant agencies is hoped to be enhanced during this period. Furthermore, the setting-up of a special cabinet committee had been announced by the government to help young entrepreneurs to acquire more knowledge and skills to compete in the bigger market (The Sun Daily, 2016). With the setting up of the special committee, the government aims to achieve the target of producing 10,000 young entrepreneurs by 2020. The federal government and several related agencies seriously view efforts to assist young entrepreneurs not only in terms of capital, but also in developing business management skills. However, the percentage of graduates who are involved in entrepreneurship is still low despite various initiatives and policies drawn by the government to enhance entrepreneurship especially among the students of higher learning institutions. MoHE aims to produce 5% of graduates who are able tobe self-employed or involved in entrepreneurial careers after the completion of their studies by 2020 (MoHE, 2016a). However, only around 2% of graduates were involved in entrepreneurship after the completion of their studies (MoHE, 2016b). Many Malaysian graduates regard the entrepreneurial career as their second or third career option (Norasmah & Salmah, 2011). Entrepreneurship is the least favoured career option among Malaysian graduates as graduates usually expect to secure positions in the public and private sectors (Amran et al., 2014). According to the Job Status Update by MoHE (2010-2015), more than 90% of HEI graduates worked as employees, either in government sectors, multinational companies, local companies, government-linked companies or non-governmental organizations. The data gives the indication that many HEI graduates prefer to be job seekers rather than job creators. The low popularity of the entrepreneurial career could be attributed to low awareness concerning the potential for entrepreneurship among the graduates (Norasmah & Salmah, 2011). In view of the large percentage of graduates whom are left in the world of work, despite their exposure to entrepreneurial education, an investigation into factors influencing students’ aspirations toward digital entrepreneurship is needed.

Despite the efforts taken by the government, not many Malaysians aspire to choose an entrepreneurial career. According to the 2016/17 Global Entrepreneurship Monitor (GEM) report, Malaysia recorded the lowest Total Early-stage Entrepreneurial Activity (TEA) rate in Asia and Oceania region. In 2016, the percentage of individuals who are in the process or have started new venture was 4.7%, which ranked Malaysia at 62 out of 64 countries in GEM. Besides that, the report also shows that entrepreneurship is not seen as a primary career choice in Malaysia as compared to other countries in this region. Only 44.1% Malaysians regarded entrepreneurship as a good career choice. A good career choice indicator is based on the percentage of the adult population between the ages of 18 and 64 years who believe that entrepreneurship is a good career choice. In addition, the GEM 2016/17 Global Report indicated that Malaysians’ entrepreneurial intention was among the lowest in this region. The entrepreneurial intention rate of 4.9% in 2016, ranked Malaysia in 63th position out of 64 countries listed in GEM. The report has clearly shown that generally not many Malaysians have the aspirations to become entrepreneurs despite various supportive initiatives implemented by the government.

Many past studies indicated that TVET students have high intention towards choosing entrepreneurial careers (Hisyamuddin, 2007; Amran, 2014; Merhayati, 2014; Azlina, 2014; Kiiru et al., 2015; Ana et al., 2016; Asghar et al., 2016). However, there is lack of studies based on digital entrepreneurship especially among TVET students. These phenomena had triggered the interest of the researcher to investigate to what extent the TVET students who were exposed to E-Commerce knowledge had decided to venture into online business.
Research Questions
The research questions of this study are as below:

1. What is the level of TVET student’s intention to become digital entrepreneur?
2. To what extent attitude related with student’s intention to become digital entrepreneur?
3. Is there any relationship between social norms with student’s intention to become digital entrepreneur?
4. Do student’s perceived behaviour control correlated with their intention to become digital entrepreneur?
5. What is the most dominant factor which influences student’s decision making to become digital entrepreneur?

Literature Review

Theory of Planned Behaviour
Based on this theory which developed by Ajzen (1991) claimed that there are three important factors which predicts behaviour of an individual. Firstly, attitude which refers to the respondents’ perceptions toward the outcomes, benefits and favourability of online business which affects their goal to pursue an online entrepreneurial career. Secondly, subjective norm refers to the perceptions of what people around respondents’ lives think about engaging in entrepreneurial careers, including the surrounding culture of the respondents. Lastly, perceived behavioural control refers to respondents’ belief about their abilities in performing digital entrepreneurial activities and tasks, which include developing web page, and integrating social media platform into their virtual business. The relative contributions of the three antecedents are determined by each specific behaviour and situation (Ajzen, 1991). However, the predictive power of antecedents of entrepreneurial intentions is different across studies and countries (Iakovleva et al., 2011).

Entrepreneurial Aspirations among Student
The study on entrepreneurial intentions of students in the USA, Spain, and China, the respondents cited “the chance to implement own ideas”, “personal independence” and “creating something of my own” as the three main reasons to become an entrepreneur (Pruett et.al, 2009). It is consistent with the finding by Van Gelderen and Jansen (2006) which reported that autonomy is the main motive for business start-up among nascent entrepreneurs. The reasons for having the autonomy are to act in a self-endorsed manner, to have decision power, and to avoid boss or restrictions. Similarly, Barringer and Ireland (2012) stated that the three primary reasons for people to become entrepreneurs are to be their own boss, pursue their own ideas, and realize financial rewards. Based on the past findings, it can be concluded that the focus on autonomy and independence is the primary reason attracting people to pursue entrepreneurial career.

In Malaysia, a research conducted by Norfadhilah and Halimah (2010) which comprised of public university students, found that besides personal gain factors, contribution toward society is also one of the most influential reasons which influence students to choose entrepreneurial career. In the study which comprised of 420 university students from Universiti Islam Antarabangsa Malaysia, Universiti Teknologi Malaysia and Universiti Utara Malaysia, profit orientation (81%) was cited as the most dominant factor influencing students to choose entrepreneurial career, followed by the desire to achieve success (80%). Similar to the study by Norfadhilah and Halimah (2010), the research by Nor Aishah et al. (2016) also involved Malaysian public university students. Specifically, the samples in the study by Aishah et al. (2016) were 364 participants of Graduates Entrepreneur Scheme (GES) from 2003 to 2006. From the 13 entrepreneurial career intention items, “Becoming more successful”,
“Progress in selected career” and “becoming a successful entrepreneur” were the three items with the highest mean scores. Based on these findings, it can be said that Malaysian students believe that entrepreneurial career is a career option which can provide them opportunity to progress and become successful.

Although entrepreneurial career offers unlimited benefits and advantages, but the processes of entering entrepreneurial careers are very complex and unique. Thus, establishing an aspiration or goal to be an entrepreneur is important as it reflects the desire to become an entrepreneur (Callanan & Zimmerman, 2016). By forming entrepreneurial career aspiration or goal, it helps to direct one’s efforts or means in a more focused manner (Krueger, 1993; Callanan & Zimmerman, 2016). Schlaegel and Koenig (2014) also posited that the presence of entrepreneurial career aspiration has a strong impact on the act of becoming an entrepreneur.

Methodology

The correlational design is appropriate to be used in this study as the researcher intends to examine the entrepreneurial attributes possessed by students which are likely to influence their entrepreneurial career aspirations without experimentally manipulating them. This is in line with the nature of correlational research which allows the investigation of relationships in naturally occurring situations (Ary, Jacobs, Sorensen & Walker, 2014).

The population for this research were 185 respondents which were TVET students from one of the private institution in Kajang. The respondents were the students whom currently enrolled in E-commerce, Online Retailing and Digital Marketing courses in the institution. Those programmes were only been offered to the TVET students and that is the reason these group is selected as the unit of analysis. The sampling size was determined by Krejcie & Morgan (1970) table where the recommended sample size is 127. The researcher distributed 150 questionnaires to the students with permission of the lecturers during or after lectures. A total of only 130 questionnaires were able to use since the balance were incomplete.

The questionnaire for this research consisted few sections. Section A consisted of 8 items related to digital entrepreneurial. The items in this section were adapted from the instrument used by Hiysamuddin (2007) and Mastura (2009). Section B was about attitude towards entrepreneurship, which consisted of 12 items. The items in Section B were adapted from the instrument used by Hisyamuddin (2007) and Tarmudi (2015). Section C consisted of 8 items related to subjective norms, which were adapted from the instrument used by Hisyamuddin (2007) and Tarmudi (2015). There were 15 items related to entrepreneurial self-efficacy asked in Section D. “Entrepreneurial Self-Efficacy” items were adapted from the instrument used by Teng (2013).

The data collected from the instrument were coded and keyed-in into “Statistical Package for Social Sciences” (SPSS) version 23 software. Before analysing the data, the researcher conducted Exploratory Data Analysis to meet the assumption and requirement of inferential statistical tools.

Results

The descriptive and inferential analyses which provide answers to research objectives 1- 5 are presented below. In interpreting the research findings, the researcher refers to the interpretation scale by other researchers. For research objective 1, mean score is used as a reference and the mean score is interpreted based on the mean score interpretation scale by Norasmah and Salmah (2011). For research objective 2 – 4, Pearson correlation analysis (r) is used to determine the correlations coefficients and significant value. Correlation interpretation scale by Cohen (1988) is used as a reference. For research objective 5, multiple regression analysis is applied to determine the most
dominant factor which influences the students’ digital entrepreneurial intention.

**Level of Digital Entrepreneurial Intention**

Table 1 consists of descriptive analysis which was conducted by extracting the mean value and interpreting those average values. The result of this analysis will answer research question 1. From the Table 1, it is clearly show the entire mean score range from 3.00 to 5.00 which indicates that respondent’s intention ranged between moderate to high. Thus, it means that those TVET students whom exposed to entrepreneur education were highly inspired to be online entrepreneurs. Overall the descriptive results show that the students have high level of intention to be a successful digital entrepreneur in the future.

<table>
<thead>
<tr>
<th>Items</th>
<th>Mean</th>
<th>Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>I have an aspiration to be a successful cyber-entrepreneur</td>
<td>4.63</td>
<td>High</td>
</tr>
<tr>
<td>I wish to be a boss</td>
<td>4.55</td>
<td>High</td>
</tr>
<tr>
<td>I am sure that I will run my own online business in the future</td>
<td>4.48</td>
<td>High</td>
</tr>
<tr>
<td>I prefer to be online entrepreneur rather than working for others</td>
<td>4.41</td>
<td>High</td>
</tr>
<tr>
<td>I aspire to own a business</td>
<td>4.37</td>
<td>High</td>
</tr>
<tr>
<td>I will be an online entrepreneur in 5-year time after my study</td>
<td>4.26</td>
<td>High</td>
</tr>
<tr>
<td>I keep myself updated with the news of successful techno-entrepreneurs</td>
<td>3.97</td>
<td>Moderately high</td>
</tr>
<tr>
<td>I will choose digital entrepreneurial career once I have completed my study</td>
<td>3.91</td>
<td>Moderately high</td>
</tr>
</tbody>
</table>

**Correlation Analysis**

The researcher conducted this analysis to answer research question 2 to 4 which designed to investigate either there are significant relationships between the independent variables and the dependent variable. Prior to test, the researcher conducted Normality test to meet the assumption of Pearson Product Moment of Correlation. Since the skewness and kurtosis met the requirement which suggested by Ary, Jacobs and Walker (2014), therefore the researcher run the correlation analysis and the results were displayed in Table 2 below. The correlation coefficients found in all the variables were between the ranges of 0.4 to 0.8. In addition, all the p-value was lesser than alpha (0.05) which indicates there were existent of significant relationship between the variables. The result explain the pattern of the relationship where the more positive attitude towards digital business, more pressure from surrounding, and higher ability to use internet as business platform eventually creates higher the level of digital entrepreneurial intention. Among all the other variables, attitude towards entrepreneurship is the highest as compared to the other variables (subjective norms, and perceived behaviour control).

<table>
<thead>
<tr>
<th>Variables</th>
<th>n</th>
<th>Pearson (r)</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attitude towards Entrepreneurship</td>
<td>130</td>
<td>0.797</td>
<td>0.01</td>
</tr>
<tr>
<td>Subjective Norms</td>
<td>130</td>
<td>0.427</td>
<td>0.01</td>
</tr>
<tr>
<td>Perceived Behavioural Control</td>
<td>130</td>
<td>0.662</td>
<td>0.01</td>
</tr>
</tbody>
</table>
Multiple Linear Regression

From this analysis, the researcher will be able to determine how much the combination of the four predictor variables contribute to the students’ digital entrepreneurial intention. The ability of all the predictor variables together to predict the outcome variable was indicated by multiple correlation coefficient ($R$). Before conducting the multiple regression analysis, the researcher checked whether the assumptions of multiple regression analysis were met in order to get an accurate analysis. The assumptions of multiple regression analysis included sufficient sample size, linearity, normality, homoscedasticity, and multicollinearity.

Based on Table 2, since the $p$ value is lesser than 0.05 therefore attitude towards entrepreneurship and perceived behavioural control contribute significantly towards the prediction of digital entrepreneurial among the TVET students.

From the coefficient table, the researcher creates regression equation of this survey:

$Y = 1.359 + 0.487(X_1) + 0.081(X_2) + 0.398(X_3) + e$

<table>
<thead>
<tr>
<th>Predictors</th>
<th>B</th>
<th>SEB</th>
<th>$\beta$</th>
<th>t</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>1.359</td>
<td>.239</td>
<td></td>
<td>6.193</td>
<td>.000</td>
</tr>
<tr>
<td>Attitude towards Entrepreneurship ($X_1$)</td>
<td>.487</td>
<td>.050</td>
<td>.520</td>
<td>8.583</td>
<td>.000</td>
</tr>
<tr>
<td>Subjective Norms ($X_2$)</td>
<td>.081</td>
<td>.051</td>
<td>.105</td>
<td>1.770</td>
<td>.078</td>
</tr>
<tr>
<td>Perceived Behavioural Control ($X_3$)</td>
<td>.398</td>
<td>.030</td>
<td>.389</td>
<td>7.983</td>
<td>.000</td>
</tr>
</tbody>
</table>

Note: $R^2 = .390$; $F= 38.62$, Sig=0.001

Discussion

The result in this study is similar with previous studies which found that students from TVET institutions from entrepreneurship background tend to have higher intention of choosing an entrepreneurial career (Baharu et. al., 2011; Azlina, 2014; Merhayati et al., 2014; Amran et al., 2014; Ooi & Nasiru, 2015; Buli & Yesuf, 2015). The finding concurred with the view by Akmaliah (2009) which stated that entrepreneurship and business-related courses increase students’ motivation to become self-employed. Based on the further analysis, it is reported that the item “I have an aspiration to be a successful digital entrepreneur” has the highest mean score. The high mean score in this item can possibly be attributed to the entrepreneurship education in the studied TVET institute which has exposed the students to successful online ventures in Malaysia.

The high mean score in this study is consistent with the study by Zullina et al., (2015), it consisted of 62 business students from a polytechnic, and 52 technical students undertaking one compulsory management course at a public university. The study found that 52 (84%) of the business students had intention to start their business, as compared to 40 (78%) technical students. Besides that, the study also reported that 17 (27%) of the business students had intention to start their business immediately after graduation, whereas there were only 4 (8%) business students indicated the same intention. The results were also consistent with the finding by Hisyamuddin (2007) which showed that business/entrepreneurship students are likely to pursue entrepreneurial career in the future.

Based on these findings, it is encouraging to note that TVET students who have aspiration toward digital entrepreneurial career do not merely want to be an ordinary entrepreneur, but they also have the desire to progress and success in emerging online business. This study reports that there is a
significant positive correlation between entrepreneurial intention and the selected factors. In addition, this research also reported that the combination of the three research variables (attitude, subjective norms, and perceived behavioural control) has significantly contributed 39% to students’ entrepreneurial intention.

Conclusion

The findings explained clearly that TVET students have a high level of digital entrepreneurial intention. This shows that the students in general are confident with their ability in performing digital entrepreneurial tasks. The high level of digital entrepreneurial intention can be attributed to the entrepreneurship education exposed to the students in the colleges. In the entrepreneurship education component taught in colleges, the students are not merely given theoretical knowledge, but they are also required to perform several learning-by-doing hands-on activities such as drafting and designing business web-page and doing actual online business. Students’ engagement in a variety of practical learning activities, subsequently strengthen their confidence to be involved in digital entrepreneurship.

Thus, the researcher believes that the effective entrepreneurship education approach practised by colleges helps in enhancing students’ confidence in performing entrepreneurial tasks. The inclusion of various digital learning activities in the entrepreneurship is in line with the proposition by past studies which suggested that engagement in various learning activities increases students’ confidence and motivation to get involved in digital entrepreneurial activities. The students in this study generally agree that digital entrepreneurial career can provide them with various benefits such as favourable more financial awards, more opportunities for business opportunities, exposure to new technology, a comfortable life and self-potential development. In this study, it can be said that the students have the perception that they can obtain more utilities by choosing a digital entrepreneurial career.

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