Factors Influencing The Reluctance of UKM Graduates To Choose Entrepreneurship As a Career

Nuruljannah Hamzah, Radin Siti Aishah Radin A. Rahman

To Link this Article: http://dx.doi.org/10.6007/IJARPED/v12-i3/18562 DOI:10.6007/IJARPED/v12-i3/18562

Received: 16 July 2023, Revised: 18 August 2023, Accepted: 01 September 2023

Published Online: 21 September 2023

In-Text Citation: (Hamzah & Rahman, 2023)


Copyright: © 2023 The Author(s)

This article is published under the Creative Commons Attribution (CC BY 4.0) license. Anyone may reproduce, distribute, translate and create derivative works of this article (for both commercial and non-commercial purposes), subject to full attribution to the original publication and authors. The full terms of this license may be seen at: http://creativecommons.org/licenses/by/4.0/legalcode
Factors Influencing The Reluctance of UKM Graduates To Choose Entrepreneurship As a Career

Nuruljannah Hamzah, Radin Siti Aishah Radin A. Rahman
Faculty of Education, Universiti Kebangsaan Malaysia (UKM), Malaysia
Corresponding Author’s Email: radin@ukm.edu.my

Abstract
Entrepreneurship is the government’s main focus to strengthen the country's economy. The target of the Ministry of Higher Education towards increasing the number of entrepreneurs among graduates is achieved through the program envisaged in the IPT entrepreneurship action plan. However, only some undergraduates make entrepreneurship a career of choice. Hence, this study aims to explore the factors that influence the reluctance of graduates of The National University of Malaysia (UKM) to choose entrepreneurship as their career. In addition, this study also examines the best strategies and recommendations to ensure that entrepreneurial careers are the career choice of UKM graduates. Next, the study uses a qualitative study design using a case study approach. Data is obtained through online interviews using sampling techniques aimed at three first graders. The transcription results are analyzed manually. The findings showed that family background, educational background, and capital constraints were not the factors in the refusal to choose an entrepreneurial career. In addition, exposure to entrepreneurial career freedom and support to engage in business activities is not the best strategy to attract graduates. Regular exposure can further enhance the desire of UKM graduates to choose an entrepreneurial career. However, this interest in careers needs to be applied to them first.

Keywords: Entrepreneurship, Career Selection.

Introduction
The Ministry of Higher Education (KPT) has targeted producing new entrepreneurs among university students (Arifin, 2020). Goals are essential to help an organization take appropriate steps to achieve its goals. According to Jalil (2021), the KPT has set a target to produce as many as 10,000 student entrepreneurs by 2021. The increase in entrepreneurs among students is also able to reduce the percentage of unemployment rate in Malaysia (Nor, 2017). On average, the country does not run away from unemployment problems—a series of graduates born yearly, as well as Malaysia (Majid & Ahmad, 2021). Based on the Graduate Statistics 2020 released by the Department of Statistics Malaysia (JPM) (2021), there was an increase in graduate unemployment in 2020 of 22.5% (37.2 thousand people), making the total graduate unemployment in 2020 at 202.4 thousand people compared to 165.2 thousand people in 2019. However, according to JPM (2021), more than 50% of graduates have successfully changed their unemployment status to work in less than six months. To reduce the unemployment rate, KPT has devised various measures to attract students to make entrepreneurship a career.

The higher education system in Malaysia has undergone various transformation processes to always be relevant and competitive in tandem with global competition. Launched on 7 April
2015, the Malaysian Education Development Plan 2015-2025 (Higher Education) or PPPM (PT) 2015-2025 outlines ten fundamental leaps focusing on stakeholder aspirations in higher education and ecosystem strengthening. According to Spikes 1 and 5 of PPPM (PT), the Ministry of Higher Education has drafted the Higher Education Institution Entrepreneurship Action Plan (PTK-IPT) 2016-2020 to foster entrepreneurial thinking throughout the higher education system to produce graduates with a holistic entrepreneurial spirit as balanced job creators and ensure the financial sustainability of the institution by taking more entrepreneurial actions on higher education funding sources to reduce dependence to the source of the kingdom. This aspiration is still maintained as the core of PTK-IPT 2021-2025.

PTK-IPT 2021-2025 was drafted to monitor the emerging challenges and opportunities in the global entrepreneurial environment and the changing local entrepreneurial landscape to produce graduates with competitive and sustainable entrepreneurial characteristics and obscurity. The government views an entrepreneurial career as an essential career. As Yusof and Tahir (2021) state, obsolescence is a career that can open up opportunities for the community to develop themselves. However, the desires of each individual are different. However, every individual wants to develop himself and build an excellent career (Yunus & Derus, 2006). From a national point of view, a country has a goal to achieve. Malaysia aims to be a developing, peaceful and stable country under the Shared Prosperity Vision 2030 (Anonymous, 2021). The main thing highlighted in the government's efforts to achieve the country's vision is restoring the country's economy from the COVID-19 pandemic. The impact of improving economic well-being will be identified through commercial and industrial ecosystems that are the main strategic drivers (KPDNHEP, 2019). Increasing entrepreneurial activity is an effort to re-treat the country's economic stability (MEDAC, 2019).

The topic of this paper focuses on the elements that discourage UKM graduates from choosing entrepreneurship as a profession. Previous studies have further emphasized the level of effectiveness of entrepreneurial programs on students. Various entrepreneurship programs have been implemented as a government initiative to produce more entrepreneurs. Sabarudin et al. (2022) conducted a study on the effectiveness of entrepreneurship programs at The National University of Malaysia (UKM). The results showed that the program positively impacted the students, thus encouraging students to engage in entrepreneurial activities. Igah and Daud (2018) conducted a study involving school students. The results from the study show that entrepreneurial programs have a high impact on the dimensions of entrepreneurial values.

The study by Latif and Rahman (2021) stated that the entrepreneurial attitude of students should align with the student's desire to venture into entrepreneurship. However, intense desire and intentions do not guarantee that such students enter the world of entrepreneurship. Entrepreneurial intents are frequently used as stand-ins for entrepreneurial acts, and the genesis of entrepreneurial intentions is an ongoing debate in entrepreneurial studies. However, entrepreneurial intentions often do not translate into action (Meoli et al., 2020). Rauch and Hulsink (2015) also states that while many shaped entrepreneurial intentions to students, only a tiny part converted these intentions into entrepreneurial behavior. As stated in the IPT Entrepreneurship Action Plan 2021-2025, several issues and challenges are raised. Some students are reluctant to choose entrepreneurship as a career is one of the issues. Aziz et al (2019) found that, based on the research, the average survey respondent had a high entrepreneurial intent but was not allowed to engage in business.
Previous studies have focused more on the formation of entrepreneurial intentions only. Therefore, it is desirable for the reviewer to study from different angles by emphasizing the factors that prevent students from choosing an entrepreneurial career after graduation. As a result of the previous findings and the gaps in the problems of the study, this study should be carried out to find out why there are better choices than an entrepreneurial career for graduates. How can an entrepreneurial career be the career choice of UKM graduates? If there is a shortage in terms of exposure to entrepreneurial knowledge students, what are the proposals to further increase the desire of graduates to choose entrepreneurship as a career? In the context of this study, this study is a case study, and the study focuses on UKM graduates. The issue highlighted in this study is that some students are reluctant to make entrepreneurship their career after graduation. Therefore, this study explores the factors influencing the reluctance to choose an entrepreneurial career in circles. The findings will help improve the introduction and application of entrepreneurial knowledge to students. The results of this study will also show the main problems students face in selecting an entrepreneurial career. This article will discuss the relevant previous studies, methods of data collection and analysis, discussion of findings, and overall conclusions of studies.

**Literature Review**

**Entrepreneur Career Selection**

Career selection is often highlighted in previous studies. It is because it will have a long-term impact on an individual's life. Therefore, selecting a career should be done more carefully (Salem et al., 2018). Most Institute of Higher Education (IPT) graduates often expect and set a target for them to earn a career in line with their graduation (Nadzri et al., 2015). However, reality in real life does not guarantee that they achieve such desires (Aziz et al., 2018). Amaran et al (2014) state that the mentality of eating salaries among graduates needs to be changed by being self-employed, for example, as entrepreneurs. This career should be highlighted today as an effort to reduce the country's unemployment rate among graduates. Entrepreneurial careers are seen growing in the country. It also significantly improves the country's economy (Mohamed et al., 2014). Each career has its advantages and an entrepreneurial career with unique. Mohammad and Othman (2018) study shows that entrepreneurship career selection among Vocational College students is high. In addition, a study conducted by Ismail@ Hj Ja’far et al (2021) showed that the level of desire of Form 6 students toward entrepreneurial careers is moderately high. These findings show that students have a high propensity for entrepreneurship. This finding is also supported by a study conducted by Sum et al (2021) that shows the willingness of graduates to choose entrepreneurship as a career field with a high average mean score. However, there are also previous studies that show the reluctance of graduates to choose an entrepreneurial career. According to Ling et al (2022), graduates are now seen as overly calculating in choosing jobs and contributing to the increase in the country's unemployment rate. They are also seen as needing to make entrepreneurial careers an alternative career after graduation (Nawang et al., 2018). As with the study conducted by Boon and Bohari (2010), students' interest in entrepreneurship is low. This issue has also been stated in the IPT Entrepreneurship Action Plan 2021-2025, where most students refuse to make entrepreneurship a career (Ministry of Higher Education, 2020).
Theory of Planned Behavior as a measuring tool of factors influencing the reluctance of UKM graduates to choose entrepreneurship as a career

According to Ajzen & Fishbein (1980) quoted from Ajzen (1991), the theory of organized behavior is an extension of the theory of reasoned action built on the limitations and weaknesses inherent in the original model. As in the theory of the origin of reasoned actions, the main factor in this Theory of Planned Behavior is the intention of the individual that leads to a behavior. Intent is considered a motivating factor that influences behavior. It shows the effort made to carry out a behavior (Ajzen 1991). As a general approach, the stronger the individual's intention to engage in behavior, the more likely it is that the intention is to be transformed into behavior.

Figure 1 shows the conceptual framework built for this study. Based on Ajzen's 1991 Theory of Planned Behaviour (TPB), the study framework for this research was established and changed according to the applicability of the study. This theory is a short-term model widely used for prediction and behavior change, including behaviors related to the use of technology (Ajzen, 2020). TPB proposes three (3) elements capable of measuring an individual's entrepreneurial intentions: attitudes, subjective norms, and control of displaced behavior. However, this study only uses elements of subjective norms (initial capital constraints) and external factors (family background and study background) that are considered appropriate to explore the reluctance of graduates to choose an entrepreneurial career as their preferred career.

**Figure 1: Conceptual framework**

Subjective Norms as a measuring tool of factors influencing the reluctance of UKM graduates to choose entrepreneurship as a career

The subjective norm is a function of subjective beliefs, representing the perception of other people's important priorities about whether a person should or should not engage in behavior (Conner et al., 2002). According to Utami (2017), an individual considers social norms to be an important matter. This social norm is considered a booster for an individual to respond or vice versa. The ability to perform a reaction depends on the level of motivation. According to Sentosa (2012); Ziadat (2014); Mishra (2014); Alam & Sayuti (2011) quoted on Khairuddin et al (2022) report subjective norm factors concerning behavioral intentions positively and significantly in various environments. In line with the above arguments, the subjective norm factor is also expected to influence the reluctance of UKM graduates to choose entrepreneurship as their career of choice. Following the context of this study, initial capital constraints are considered a factor for an individual to start a business.
Methodology

This study is qualitative in the form of a case study. The case study approach allows researchers to explore multiple issues in real-life settings. The value of the case study approach is well recognized in business, law, and policy but needs to be more in health services research (Crowe et al., 2011). Data for the study is gathered through interviews. The transcripts and analyses of the conducted interviews are used. The study's findings section follows with a detailed report on the data. The study placed during a predetermined time frame.

The population for this study consists of the first graduates of Universiti Kebangsaan Malaysia for 2021, which is 4470 graduates. According to Kim et al (2018), the sampling method is appropriate if the researcher places information or unique characteristics on the respondent. This case study involved three (3) UKM graduates who have yet to find a job or do business. The justification for selecting study respondents among UKM graduates is because they are among the graduates from the Public Institute of Higher Education, Malaysia. It is one of the public universities that is directly involved with the efforts of the MOHE to produce new entrepreneurs. The findings from targeted sampling cannot be generalized to a specific population. However, the data can inspire readers to picture the field studied (Idid, 1998).

The researchers used a semi-structured type interview approach. The reviewers chose to conduct semi-structured interviews because by conducting interviews, respondents were not bound to give answers compared to using a quantitative approach, that is, through research questions. Furthermore, by conducting interviews, respondents are free to ask questions to researchers as if they do not understand the questions presented to them. In addition, reviewers are also free to ask questions to the subject of the interview based on their answers. Reviewers develop an interview protocol according to the study questions before the interview session. However, the reviewer also asked questions to respondents spontaneously to the study subjects using language often used by respondents. If the respondents understand English better, questions will be asked in English. In addition, they are also given the freedom to use their daily dialect during interview sessions.

The research supervisor reviewed the interview protocols to ensure harmony between the study's objectives and the theme. Before constructing the question framework, the researchers also conducted a requirements test involving two graduates of Public Institutions of Higher Learning as a guideline in the construction of the study institution. Next, the respondent's verification of the interview data is carried out to improve the reliability of the study. Regarding to Jasmi (2012) quoted from Bogdan & Biklen (2003) verification with the respondent's signature on the data collected is one of the ways to increase the validity and reliability of qualitative data. The respondent's consent involves reviewing and interpreting the data provided to the subject to enable them to verify the accuracy of the information obtained (Lebar, 2006).

Generally, the verification process from the respondents of this study goes through three processes: transcript review, verification of the understanding and interpretation of the researcher, and verification of several categories and themes formed by the reviewer. During the interview, audio, and video recordings are taken. The purpose of the video recording is to display a facial expression of the answer to the researcher's question. This video recording is intended to support audio recording so researchers are more sensitive to each respondent's answers. After the interview is conducted, the interview is transcribed, and the researcher provides a copy of the text of the transcript to the participating respondent to re-read the entire content of the interview and the purpose of the interview information. Respondents
can correct false facts and sign the minute text (Appendix B). The transcript returned will then be corrected as agreed by the survey respondent. The validity and reliability of the data are enhanced through fact-correction, acknowledgment, and verification of data performed by the respondent.

Audio of the conversation during the interview session is recorded for data analysis purposes. The audio is transcribed after the following interview, coding with secondary data. The transcription text is also given to the survey respondents to obtain the validity of the respondent. According to Abdulkareem et al (2018), case studies are repeatedly analyzed using thematic techniques. This technique aims to identify and analyze the themes found in the data collected. Irfan & Hisham (2015) also noted that this method is very effective for analyzing patents and themes in any reference source to expand the research space in specialized knowledge. Thus, the researchers used thematic analysis to compare the problems related to the selection of an entrepreneurial career for each respondent based on the information encoded. This analysis is done manually, and all interpretations of the data are made vertically.

**Result**

**Background of Study Participants**

A total of three UKM First Degree Graduates (FDG) were treated as study participants. To facilitate the discussion, each FDG is given codes such as UKM First Degree Graduate 1 (FDG1), UKM First Degree Graduate 2 (FDG2), and UKM First Degree Graduate 3 (FDG3).

Exploring the factors that drive the reluctance of UKM graduates to choose an entrepreneurial career

The findings showed that all FDGs had no interest in entrepreneurial careers. Three themes emerge as a result of the interview, namely: (a) background and family origin, (b) education, and (c) capital constraints.

(a) Family background and origin

As a result of an interview with three FDGs, the study found that all FDGs have family members who run the business. The business is in the form of food sales and hair clipper services. All three FDGs stated that despite being exposed to the business process, they have yet to desire to enter this entrepreneurial world.

The interview results were also supported by an analysis of FDG observations during the interview. Based on the observations, all three FDGs showed facial expressions that showed they were not interested in choosing this entrepreneurial career. FDG1 and FDG3 also state that these entrepreneurial careers are only used as a last resort.

Examples of interview excerpts with FDG1 and FDG3 prove that they make an entrepreneurial career a last resort

"I do not even have plans to enter this business. I have plans to open a tuition center. That is even if there is no work" (FDG1 interview).

"I follow the situation. Maybe if it is too desperate. I did not get a job. Maybe I will venture into this" (FDG3 interview).
The researchers found that FDG was likelier to choose jobs under existing organizations rather than creating self-employment. FDG also states that family members, especially parents, do not influence career selection.

(b) Educational background
All the FDGs are non-graduates majoring in business and entrepreneurship. Based on interviews, FDG1 and FDG2 argue that graduates’ educational background or significance does not influence the choice of an entrepreneurial career. However, FDG3 said he partially agreed with the statement. It is because FDG3 found that the average acquaintance who majored in business and entrepreneurship was interested in something other than making entrepreneurship a career.

(c) Capital constraints
All three FDGs argue that capital is not a factor in the reluctance of entrepreneurial career selection. They argue that students can join the drop-ship as a prelude to entrepreneurial career engagement. They are starting with being a drop-ship and becoming the following agent to manufacture the product.

Study the best strategies to ensure that entrepreneurial careers are the career choice of UKM graduates
Two themes emerged as a result of the interviews conducted: (a) freedom and (b) support.

(a) Freedom
Table 1
*Shows the stated formulation of consent from the interview conducted:*

<table>
<thead>
<tr>
<th>No.</th>
<th>Aspect</th>
<th>FDGs</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Entrepreneurship is suitable as a permanent career</td>
<td>X</td>
</tr>
<tr>
<td>2.</td>
<td>Entrepreneurs are free to use the creativity and skills they possess</td>
<td>X</td>
</tr>
</tbody>
</table>

Table 1: FDGs consent formula

FDG1 and FDG2 agree that entrepreneurship can be a permanent career if the individual dares to take risks. FDG3 thinks that entrepreneurship can be used as a permanent career based on the business’s current position. If the business is stable, the individual can make it a permanent career. It is because, she argues, the stability of the business is more likely to ensure the success of the individual’s career. While it is known that entrepreneurial careers guarantee freedom to students, all three FDGs are determined not to choose an entrepreneurial career.

(b) Support
The following (Table 2) is a summary of all three FDGs who receive support and encouragement from family and acquaintances to participate in the entrepreneurship program
Table 2
The formula if all three FDGs receive support and encouragement from family and acquaintances to participate in the entrepreneurship program

<table>
<thead>
<tr>
<th>No.</th>
<th>Aspect</th>
<th>FDGs</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Will be considered to join an entrepreneurial career</td>
<td>1 X</td>
</tr>
<tr>
<td>2</td>
<td>Will be considered to join an entrepreneurial career</td>
<td>2 X</td>
</tr>
</tbody>
</table>

FDG1 and FDG3 said they would consider joining this entrepreneurial career as a part-time job only by participating in drop-ship activities. FDG2 states that she is an introvert and prefers to be ruled rather than ruled.

Studying the proposal further enhances the desire of UKM graduates to choose an entrepreneurial career
One theme appears as a result of the interviews conducted, namely: (a) Regular disclosure.

(a) Regular disclosure
FDG1, FDG2, and FDG3 state that diversifying entrepreneurial activities may attract students to enter entrepreneurial careers. According to FDG2, cultivating interest in students takes time and effort. She also believes this entrepreneurial career should not be introduced starting from schooling. She believes that as an entrepreneur, mature thinking is needed, and she believes that school students still need to reach the level of mature thinking. In contrast to FDG3, she thinks it is appropriate to be exposed to schooling because, while at university, it is time for the student to choose.

Discussion
The findings touched on factors influencing students' reluctance to make entrepreneurial careers a career choice after graduation. The findings show that family background does not affect a person's interest in an entrepreneurial career. It contradicts a study conducted by Nasharudin and Harun (2010), which stated that family background influences the selection of entrepreneurial careers. A study conducted by Tunggak et al (2012) supports this finding, which also found that the background of a business family is one of the essential factors influencing career selection.
Furthermore, the findings also showed that educational backgrounds do not influence a person's decision to choose an entrepreneurial career. Judging by the mass media today, the average successful young entrepreneur has no business-related educational background while studying. This finding was supported by Mamat (2020), who found that the individual's education differed from the motivation for selecting an entrepreneurial career.
Capital constraints are among the factors that are often used as a cause for an individual's reluctance to start a business. The study showed that study participants disagreed with the statement. They think that if the individual is eager to venture into the field, they are looking for a solution. The study also found that exposure related to business start-up assistance was not widely offered. Nevertheless, according to Makhbul and Hasun (2007), starting a new business requires considerable capital. The need for more capital or capital is one of the constraints or problems for would-be entrepreneurs and entrepreneurs (Amirul et al., 2017).
A study conducted by Izzat et al. (2020) shows that one of the factors of the reluctance of individuals to engage in entrepreneurship is due to capital. Next, Mtemeri (2019) argues that parental influence is significantly related to children's career decisions. Based on the information obtained from the study, most of the respondents will venture into the obsolescence field if they have family members' support. This finding is supported by the Boon and Bohari (2010) study, which states that parental support can increase one's desire to engage in entrepreneurial success. The same is true of the study conducted by Ismail @ Hj Ja’far et al. (2021), which states the same. In addition, this finding is also supported by the Nor and Ramli (2016) study, which shows that the main driver of entrepreneurs into entrepreneurship is the support of family members.

The findings showed that all three respondents had different views on exposure to entrepreneurial knowledge from the early stages. Only FDG3 thinks it is appropriate to expose entrepreneurial knowledge starting from school. According to Ramli and Abu Seman (2020), many researchers suggest that entrepreneurial education be applied to the theory of entrepreneurial intent. They argue that an individual's attitude towards entrepreneurship can be fostered by engaging in educational programs or entrepreneurial activities. In line with the research conducted by Saad and Sankaran (2021), the knowledge of entrepreneurship and students' awareness of entrepreneurship has a significant relationship. The findings of this study show that exposure to entrepreneurial knowledge to students should be done to increase students' readiness for entrepreneurial activities.

Conclusion
In summary, in this study, researchers have found that interest is the main thing needed to produce new entrepreneurs. Researchers also found that entrepreneurial careers are still a last resort among students. The implications of this study suggest that efforts to attract students to enter entrepreneurship should be diversified and exposed early. The exposure given should be in line with current trends and done continuously. Researchers suggest that future studies expand further.

Acknowledgements
I am deeply thankful to my supervisor, Dr. Radin Siti Aishah binti Radin A. Rahman, for their advice, unwavering support, and patience throughout my master's program. Their vast expertise and wealth of experience have inspired me throughout my academic research and daily life. My parents, relatives, and friends, please know that your encouragement and support meant more to me than words can explain. It is humbling to honor those who have supported my Masters on their journey, primarily out of goodwill. I am grateful to so many people for their encouragement and support.

Reference


