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Entrepreneurial Characteristics Among Community College Students Living in Urban and Rural Areas

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Abstract

Fostering entrepreneurial characteristics in students is important at both low and high education levels. Therefore, this study is important to look at to what extent has the application of these entrepreneurial characteristics been emphasized by students and lecturers. The objective of this study is to identify the level of entrepreneurial characteristics of the students at Selangor Community Colleges and to identify if there is any difference in entrepreneurial characteristics of urban and rural students. This quantitative form of study involved 110 respondents who were students of Certificate in Electrical Technology at Selangor Community Colleges. A questionnaire instrument was used to collect data and the data were then analyzed using the Statistical Package Social Science (SPSS) version 23.0 software. A descriptive analysis was conducted to obtain mean values, while inference analysis was to obtain significant values through t-test. The results of the study showed that entrepreneurial characteristics of the students as a whole were at a moderate level with an average mean value of 3.53. While the overall t-test results showed no significant differences in entrepreneurial characteristics between urban and rural students.

Keywords: Characteristics of Entrepreneurs, Urban Entrepreneurship, Rural Entrepreneurship, Type of Entrepreneurs, Community College.

Introduction

The field of entrepreneurship is a very important aspect for higher learning institution students in the country. This field is important as it leads in generating country's economy (Norasmah & Sumathy, 2012) and is a catalyst for the sustainability of community activities (Ravi & Aishah, 2016). Entrepreneurial activity seems to be contributing to the economy as entrepreneurs set up new businesses, create jobs, generate creativity and innovation and make use of the country's resources to the maximum level (Shahrin & Noraini, 2011).

Entrepreneurial activity is the process of making decisions and actions continuously by an entrepreneur, from establishing the business up to the process of managing a business (Mahmood et al., 2014). Entrepreneurs not only need to have the characteristics of a designer, a catalyst for

creativity and innovation as a result of their entrepreneurial knowledge, but they must also be able to apply their entrepreneurial knowledge and skills for the purpose of survival (Eriniwati, 2014). An individual who chooses a career as an entrepreneur is no longer bound by the assessment and work performance from his employer or others, but will have the opportunity to manage his own economy (Trump, 2007). An entrepreneur should not see problems as obstacles, but always look at problems as opportunities for business. Entrepreneurship is a career field that becomes the focus of the researcher in encouraging Community College students to enter the field immediately upon graduation. Community College students in various fields have the ability to become successful local or international entrepreneurs.

Problem Statement

The career selection among community college graduates, which is a technical and vocational education and training (TVET) institution, in 2017 recorded only 6.60% of the graduates had chosen a career as an entrepreneur, while 89.80% chose to work under an employer and the rest were 3.60% (Ministry of Higher Education Graduate Studies Survey Report 2017). Compared to other countries, this percentage is lower than that of skilled graduates who became entrepreneurs in Australia, which was 9% (Australia Pacific Technical College, 2017). Meanwhile, a graduate detection study on TVET students in Kathmandu, Nepal showed that 18% of the graduates ventured into entrepreneurship (CTEVT, 2016). Although various entrepreneurial activities are conducted at the Community College to foster entrepreneurial characteristics in students, there are also several aspects that are important in creating an entrepreneur which is still at an unsatisfactory level. Among them are the creative and innovative aspects, the willingness to take risks and the willingness to challenge and seize new opportunities (Norani & Norisham, 2011).

Research Objectives

Two research objectives were developed by the researchers in this study to assist in the process of conducting the study. The objectives of this study are:

- i. Identify the characteristics of entrepreneurs possessed by students of Electrical Technology Certificate at Selangor Community Colleges.
- ii. Identify the differences in entrepreneurial characteristics of the Electrical Technology Certificate students at Selangor Community Colleges living in the urban and rural areas.

Research Questions

The questions in this study are:

- i. What is the level of entrepreneurial characteristics possessed by Electrical Technology Certificate students at Selangor Community Colleges?
- ii. Is there any difference in terms of entrepreneurial characteristics between Community College Electric Technology Certificate students living in urban area and rural area?

Research Hypothesis

H₀ : There are no significant differences in entrepreneurial characteristics between urban and rural Selangor Community College Electric Technology Certificate students.

Literature Review

Entrepreneurial Characteristics

A study by Dam K.V. et al. (2010) stated that there were six entrepreneurial characteristics or behavior that a graduate student needed to have, namely 'entrepreneurial knowledge', 'career adaptability', 'occupational self-efficacy', 'creative thinking', 'networking skill' and 'teamwork skill'. In addition, the characteristics of an entrepreneur include the ability to explore opportunities and develop awareness of risk, creativity and innovation in business and employment-related activities (Husaini et al., 2008). It includes the aspects of the ability to identify business opportunities, the ability to plan business and the ability to self-employ.

Entrepreneurs should also have problem-solving skills, where students with TVET background are more into skills or practices such as designing, investigating and experimental inquiry (Yee et al., 2010). Communication skills are also important if the characteristic of an entrepreneur who is capable of convincing others is mastered. There has been a study that showed that students' communication skills in presentation activities were at a moderate level (Yahya & Muhamad, 2010). The characteristics of a good entrepreneur are someone who is highly committed and willing to work hard, ethical and honest, creative, good in communication, dare to take a risk and good in judgment and decision making (Zain, 2016; Muhazzab, 2009). A study by Mohd et al. (2017) showed that respondents agreed that the level of knowledge of an individual could develop the individual's interest in entrepreneurship, even when it was risky. In addition to willing to take a risk, an entrepreneur also has high fighting spirit and tolerance (Barnett et al., 2013; Mamdouh, 2007).

It is argued that 13 other entrepreneurial characteristics that empower entrepreneurs are initiative, view and seize opportunities, competence, seek information, emphasize high quality work, commitment towards work agreements, competency-oriented, systematic planning, problem solving, self-confidence, firmness, ability to convince others and competency characteristic of the ability to use influence strategies (Hanim et al., 2010). Planning a task before starting it and not giving up easily, are the most dominant entrepreneurial characteristics that can be seen in students (Shahrin and Hemalatha, 2010). According to Shahrin (2010) in his study, 82.2% liked challenging work of entrepreneurial characteristics where 'I can use my creativity and capability' and 81.3% had the ability to solve problems on their own. These characteristics show that students practice entrepreneurial characteristics in solving problems. A total of 24.7% of students did not use entrepreneurial characteristics in their daily activities.

Differences Between the Characteristics of Urban and Rural Entrepreneurs

The entrepreneurial characteristics also take into account the aspects of an individual's place of residence, whether urban or rural. A study has been conducted by Talib et al. (2012) to study the effectiveness of increasing rural community participation in entrepreneurship. The results showed that the participation in entrepreneurial activities of the majority of respondents in Kampung Natoi or 66% of them was low, while 79% of respondents in Kampung Tradisi Paya Pahlawan showed a moderate level of participation in entrepreneurship. This study shows that entrepreneurial characteristics involving the factor of place of residence, whether urban or rural area, can affect their readiness to venture into entrepreneurship

Despite the impact of the economic contribution given by rural entrepreneurs, little research has been conducted on rural entrepreneurship, especially in terms of exploiting entrepreneurial opportunities and in particular the relation to the entrepreneurial characteristics of the human

capital itself (Pato & Teixeira 2014). The ability to exploit business opportunities is an important feature of entrepreneurs in the early stages of the entrepreneurial process which has so far adopted limited empirical concepts and findings (Choi & Shepherd 2004; Pato & Teixeira 2014). Recognition of individuals who have the characteristics of a successful entrepreneur in economic, social and rural development has long been implemented and many entrepreneurship development programs in rural areas that include skills, knowledge and individual values of entrepreneurs have been conducted (Dwyer & Findeis, 2008).

Methodology

This study involved two community colleges to represent the population of Electrical Technology Certificate students at Selangor Community Colleges. The community colleges are Kuala Langat Community College and Sabak Bernam Community College. Both were chosen as the study locations because there were only two community colleges with electrical engineering certificate students in Selangor. The study respondents were 110 students representing the study population of 150 students. In order to determine the study sample of the population of 150, the researchers used Krejcie and Morgan's (1970) table as a reference. The researcher found that 108 samples were required for this study, however, the researcher was able to obtain 110 respondents.

According to Chua (2006), simple random sampling can ensure that individuals in the population have the same opportunity to be selected as a respondent in the study. Therefore, the simple random sampling method is appropriate and has been used by the researcher in this study. Whereas a set of questionnaires were used for data collection. The five-point Likert's scale was used in the questionnaire set to help respondents choose the appropriate response to the question.

To answer the question of this study, all responses from the respondents obtained through the questionnaire items provided were analyzed using a quantitative method. The data gained were transferred and analyzed using the SPSS software. A descriptive statistical analysis was used to see the mean score level for the data obtained through the questionnaires. The Mean Score in this study was used to see the respondents' tendency towards the question of each item in the questionnaire, whether they were more likely to agree or disagree. Table 1 shows the interpretation of the mean score used by the researcher.

Table 1. Mean score interpretation (Nunnally, 1994)

Mean score range	Interpretation
1.00 – 2.33	Low
2.34 – 3.66	Moderate
3.67 – 5.00	High

The mean score interpretation level, according to Nunnally (1994), shows that if the mean score obtained is within the range of 1.00 to 2.33, it means that the mean score interpretation is low. For scores ranging from 2.34 to 3.66, the mean score interpretation level is at a moderate level. Whereas for the mean score range of 3.67 to 5.00, the mean score interpretation is at a high level. T-test was used to determine whether the mean of a group of samples was exactly what the researcher expected and also to determine the mean of two groups was similar or not. Meanwhile, in this study, the researcher used a t-test to test whether there was a difference in mean scores for two samples consisting of urban and rural respondents.

Findings and Discussions

Finding and Discussion of Research Question 1

The findings showed that the overall average mean for the component of student entrepreneurial characteristics was at a moderate level of 3.40. Table 2 shows the mean score for each of the entrepreneurial characteristics that the students have.

Table 2. Mean score of students' entrepreneurial characteristics

Item	Components of Entrepreneurial Characteristics	Interpretation Level		Standard Deviation	Rank
		Mean Score	Level		
1	Initiative	3.75	High	0.696	5
2	Willing to take a risk	3.15	Moderate	0.740	13
3	Perseverance	3.80	High	0.661	3
4	Creative	3.20	Moderate	0.701	12
5	Problem-solving Ability	3.13	Moderate	0.718	14
6	Seize the Business Opportunity	3.64	Moderate	0.896	7
7	Self-confidence	3.88	High	0.810	1
8	Positive	3.77	High	0.699	4
9	Hardworking	3.73	High	0.877	6
10	Honest	3.81	High	0.914	2
11	Able to Convince Others	3.11	Moderate	0.850	15
12	Assertive	3.57	Moderate	0.851	10
13	Innovative	3.23	Moderate	0.809	11
14	Systematic	3.58	Moderate	0.871	8
15	Efficient	3.58	Moderate	0.980	9
Overall Average Mean		3.53	Moderate		

According to Table 2, the mean interpretation level of entrepreneurial characteristics in students shows that most entrepreneurial characteristics in students are at a moderate level. The analysis results show that "self-confidence" entrepreneurial characteristic has the highest mean score of 3.88. The "willing to take a risk" is an entrepreneurial characteristic that has the lowest mean but is still at a moderate level of mean score.

The finding in regards to the level of entrepreneurial characteristics possessed by the students was only at a moderate level. The results of this study are supported by a study conducted by Shahrin and Hemalatha (2010) on the entrepreneurial characteristics of fourth year Life Skills students at Malaysia Technology University (UTM). The results showed that the entrepreneurial characteristics of the students were also at a moderate level. This finding is further supported by Hanim et al. (2010) who stated that students who had a formal entrepreneurship education would have better entrepreneurial competence characteristics than students who received an informal entrepreneurship education. The results of the studies that support the findings of this study are very

accurate as Community College students, in particular, are more exposed to the training in practical skills in their field and is not directed towards entrepreneurship in details. Thus, although lecturers apply entrepreneurial characteristics to their students at a high level, the results of entrepreneurship learning directly and formally are more meaningful than the application of entrepreneurial characteristics to students indirectly.

Finding and Discussion of Research Question 2

To analyze this study question, independent t-test was also used to analyze the comparative entrepreneurial characteristics between urban and rural students. Table 3 shows the results of the t-test conducted.

Table 3. Comparative t-test of student readiness to venture into entrepreneurship between urban and rural students as a whole

	Place of residence	N	Mean	Standard Deviation	Mean Error
Entrepreneurial characteristics	Urban	40	3.4483	0.56346	0.08909
	Rural	70	3.5733	0.48333	0.05777

Independent sample t-test									
	Levene's Test For Variance Equation		T-test For Mean Equation						
	F	Significance	t	df	Significance	Mean difference	Error difference	95% Confidence Interval of the Difference	
								Lower	Upper
The same difference is assumed	1.432	0.234	-1.22	108	0.222	-0.125	0.10182	-0.326	0.07683
The same difference is not assumed			-1.17	71.542	0.243	-0.125	0.10618	-0.336	0.08669

The results of the independent t-test based on the respondents' perceptions of the hypotheses analyzed to answer this study question showed that there were no significant differences between the entrepreneurial characteristics possessed by urban and rural students of Electrical Technology Certificate. This is because the p value shows a significance level above 0.05, which means that the H₀ hypothesis is accepted. In Table 3, the independent t-test results based on the respondents' perceptions of the hypotheses analyzed showed a significant p = 0.222 value (p > 0.05).

The mean of rural student characteristics is higher than that of urban students, which is 3.57 compared to 3.45.

Test results have shown that there was no difference between the entrepreneurial characteristics possessed by urban and rural students. There were more rural respondents than urban respondents in this study. The application of entrepreneurial characteristics in students was at the same level, irrespective of where they came from. Although the urban students were more exposed to the entrepreneurial environment, it did not affect the entrepreneurial characteristics possessed by the students in this study.

This statement is supported by Azlizan Talib and Hamzah Jusoh (2012), the involvement of rural community in entrepreneurship activities is still not encouraging. As the urban and rural education systems are similar and the entrepreneurial curriculum adopted at Community Colleges throughout Malaysia is the same, the application and teaching of entrepreneurship subjects to students is based on uniform content. Hence, students who study at Community College, both urban and rural students, will be exposed to entrepreneurial knowledge in the form of the same curriculum. This factor results in no differences in entrepreneurial characteristics between urban and rural students as each has the same application of entrepreneurial characteristics.

Conclusions and Recommendations

From the studies conducted, several conclusions can be drawn from the findings. The high entrepreneurial characteristics possessed by the TVET students certainly give students an advantage on their readiness to venture into entrepreneurship. In applying the creative and innovative entrepreneurial characteristics, it does not only rely on delivering the theories, and as a result, students find it difficult to understand and apply their experience and skills to become entrepreneurs. Thus, the focus on practical and structured entrepreneurship training as well as effective theoretical knowledge can produce students who are ready to become entrepreneurs.

The Department of Polytechnic and Community College (JPPKK) in general and the Community College in particular need to take initiatives to enhance entrepreneurship skills among lecturers and students. This is because the results of the study in general showed that entrepreneurial characteristics in students were only at a moderate level. In this regard, the researcher recommends that the relevant parties will provide comprehensive and efficient training for lecturers to become entrepreneurship experts and reference for the students. Lecturers need to constantly provide business opportunity information to students so that they will not miss out in seizing the wide range of business opportunities. Community College lecturers also need to gain more exposure in the field of entrepreneurship to be constantly updated with new knowledge in the business world in order to become an example for the development of students' identity in entrepreneurship.

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