The Effect Of Family Business Background On Entrepreneurial Intention Among Students From Kolej Komuniti In Kelantan

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Abstract
Entrepreneurial education encourages students to seek for knowledge and inculcating enthusiasm to learn entrepreneurship. It is basically focusing on developing and nurturing their interest in entrepreneurship. The research aims to identify the role of subjective norm, attitude and institutional support on the entrepreneurial intention referred as the Theory of Planned Behavior (TPB) and its effect on the moderating of family business background among students from Community College in Kelantan. The data was analyzed by using SEM Amos to test and verified the hypothesis of the study. The survey was done on a sample size of 205 respondents from different courses students at KKK for the enrollment of March 2016 intake. The research findings are intend to aid policy makers in promoting and developing future entrepreneur in Community Colleges especially in social and educational areas through strengthening institutional support in subject areas deemed to significantly affect entrepreneurial intention among the students. The findings suggested that there are relationship between subjective norm, institutional support and entrepreneurial intention. The effect of moderation is partially moderated by family business background between subjective norm and entrepreneurial intention. Implication for education institutions and policy makers to bring forth students’ entrepreneurial intention to increase entrepreneurship among students KKK are proposed.

Keywords: Theory of Planned Behavior, entrepreneurial intention, institutional support, family business

1.0 INTRODUCTION
Community colleges are established to provide an alternative route or another viable option for post-secondary students through the instruction of skills, training and education. It also provides training and skills to the underprivileged members of the society by encouraging a quality learning environment and using tools such as up-skilling training, re-skilling and multi skilling to local workforce needs and a strategic network for the purpose of strengthening the socio-economic activities and well-being of local communities. Community colleges pioneered change by strengthening the Community College program launched on July 14, 2011, in accordance with the New Economic Policy initiated by Dato’ Seri Mohd Najib bin Tun Abdul Razak at the Invest2010 conference in Kuala Lumpur. The program have been implemented using a modular approach that is related to opportunities to enhance skills to students in technical and vocational fields. This program offers 135 different courses by 2015 compared with 52 programs in 2014. This program is in line with government's desire to develop world class human capital. The aspiration of a higher education is to create the best system so
that, Malaysia can be able gain the world economy benefit. Malaysia Education Blueprint (Higher Education) 2015 – 2025 [MEB(HE)] 2015 - 2025, builds on current achievements that require major changes in the system that also involves the role of the Ministry to achieve the desired goals. In particular, the Ministry intends to foster an entrepreneurial mindset in the entire higher education system, and create an education system that produces graduates in entrepreneurship, not just looking for work. Entrepreneurship is the first pillar in the Malaysian Education Blueprint (Higher Education), which is towards creating holistic graduates, entrepreneurship characterized and balanced in terms of personality and behavior. 
Pelan Pengukuhan Keusahawanan Kolej Komuniti, Jabatan Pendidikan Kolej Komuniti (JPKK or the Entrepreneurial Reinforcement Plan of Community Colleges, Department of Community Colleges) focuses on the development of Community College students that they may possess entrepreneurial characteristics and competencies, be competitive and with high self-esteem in line with the Dasar Pembangunan Keusahawanan Institusi Pengajian Tinggi (Entrepreneurial Development Policy of Higher Education Institutions). The main goal of this plan is to provide guidelines in implementing entrepreneurship programs at Community Colleges in order to encourage the development of the human capital through imbibing the values and ideals of entrepreneurship. 
In an effort to achieve the above goals, the government has developed Pelan Strategik Pengukuhan Keusahawanan Kolej Komuniti based on six core areas of Dasar Pembangunan Keusahawanan which is an establishing a center for entrepreneurship at JPKK and a Community College; providing education and entrepreneurship programs that are planned and holistic; strengthening entrepreneurship development programs ; creating an effective measurement mechanism; providing a strengthening competency of entrepreneurship coordinator.

2.0 Problem Statements

According to Amanat Tahun 2009 by the Minister of Higher Education, Dato’ Seri Mohamed Khaled bin Nordin, about the training, internship and entrepreneurship programs, stated that Malaysian must be encouraged to change their mindset in view in the concept of self-employment as a viable alternative to salaried employment. According to Zainol et al (2012), realizing the significance of it, the Malaysian government has seriously looking into the way of encouraging and promoting the spirit and culture of entrepreneurship among its people through varieties of supporting mechanisms and policies.

Until 2011, statistics show that a total of 286 entrepreneurs have been born of the strengthening program and entrepreneurial culture in community colleges throughout Malaysia. (Source from the www.puskom.com.my). Refer from Davidsson, (1995) in Rozita and Yuserrie (2010) the process-based approach of studying entrepreneurial intentions has become increasingly widely used. Also from Asri et al (2012) the factors need to be studied in entrepreneurial intention because it can prove to be an important predictor of entrepreneurial behaviour.
The tendency of students from Kolej Komuniti in Kelantan to become entrepreneurs after graduation is very low. Referring to the Bahagian Kolaborasi & Keusahawanan, Jabatan Pendidikan Kolej Komuniti at technical meeting No.1/2017, shows that the graduates' level of job marketability among Kolej Komuniti in Kelantan graduates is less than 76% (RMK-11), the Jeli Community College with 17.91%, Pasir Mas Community College (71.43%) and Kok Lanas Community College (56.43%). This data shows there are still a large number of unemployed graduates. The number could possibly be lessened if the graduates can work on their own rather than finding jobs from others. This situation shows that that entrepreneurial aspects are still under-emphasized in increasing the percentage of employed graduates.

This study realize the need for Community Colleges to integrate entrepreneurship into the curriculum. Thus, it concentrates on the three main factors in influencing entrepreneurship intention namely: (1) subjective norm, (2) attitude, and (3) institutional support in evaluating the students’ intention to pursue entrepreneurship activities after graduation.

3.0 Research Objectives
From the background mentioned above, the objective of this research will be to find out the determinant factor of student’s entrepreneurial intention in Kolej Komuniti in Kelantan (KKK). Specifically the study is supposed:

1. To determine the significant difference between the subjective norm, perception towards attitude and institutional support as factors in influencing entrepreneurial intention among the students KKK.
2. To determine the moderate effect of family business background on the relationship between subjective Norm and entrepreneurial intention among the students KKK.

4.0 Research Questions
The study aims to answer the following research questions:
1. Is there a significant difference between the subjective norm, perception towards attitude and institutional support as factors in influencing entrepreneurial intention among the students KKK?
2. In which group (family business background and non-family business background) the relationship between subjective norm and entrepreneurial intention among the students KKK?

4.1 Hypothesis Statements
Hypothesis 1: Subjective norm, attitude and institutional support have significance difference in influencing the intention of the students to pursue entrepreneurship.

Hypothesis 2: Family business background will moderate the relationship between subjective norm and entrepreneurial intention.
5.0 Literature Review

5.1 Entrepreneurship Education

The study refers to theories formulated by Thomas (2006), where he asserted that the person’s skill depended on his ability to search for knowledge and his willingness to learn entrepreneurship, and it is related to his intention in developing his interest in entrepreneurship and all aspects related to it. This is further supported by David (2004), where he identified that entrepreneurship education using effective learning models is very instrumental in providing and building knowledge to potential entrepreneurs. Referring from Susan et al. (2015), entrepreneurial training programs improve students’ competencies and intentions for undertaking a business venture such as competencies are achieved through courses in accounting, finance, marketing, and management.

5.2 Theory of Planned Behavior

Another theory from Ajzen (1991) used an intention-based model and approach to explain an individual’s intention to perform in a given behavior. Intention indicates how hard people are willing to try, and how much effort they are planning to exert in order to perform the behavior. This theory was used in the study to validate its ability to explain intention in performing a particular behavior (Bidin et al., 2012). This research used the theory planned behavior (TPB) to explain the intention among students KKKin venturing to entrepreneurial activity in the future. According to the theory there are three conceptually independent determinants of intention towards behavior, namely: attitudes towards the behavior, subjective norm, and perceived behavior control (Ajzen, 1991).

5.3 Attitude and Intention

Referring from Ajzen (1991)’s theory of planned behavior, attitudes towards performing a behavior refers to perceptions of personal desirability to perform the said behavior. Further explanations from Riani et al. (2012) emphasized the attitude exhibited by the students in entrepreneurship are influenced by attitudes towards entrepreneurial intentions. Attitudes are defined as the beliefs and perceptions about the willingness to personal behavior, which in turn related to expectation about the impact of personal decisions (Mokhtar and Zainuddin, 2010). Ajzen (1992) mentioned that attitude towards behavior means the degree to which an individual has a favorable or unfavorable evaluation of behavior.

5.4 Subjective Norm and Intention

Referring from Sivarajah and Achchuthan (2013), subjective norm and community support has a profound influence towards entrepreneurship as a career choice, which means that the more favorable the attitude and the subjective norm with respect to becoming self-employed the stronger the individual intention to become self-employed and the more positive community support received by the student the higher will be their entrepreneurial intention. Subjective norm refers to perceived social
pressures and perceived behavioral control refers to the perceived easiness or difficulty of an individual becoming an entrepreneur (Abbas, 2015).

5.5 Perceived Behavioral Control and Intention

Ajzen (1991) also explained the importance of perceived behavioral control (PBC) in relating to an individual’s perception on the degree of easiness and difficulties in performing such behavior. It is assumed to reflect past experience as well as anticipated obstacles. Bidin et al. (2012), said intentions area affected by perceptions of access to necessary skills, resources and opportunities to perform a behavior. Referring from the previous researches, it has shown that environmental barriers and institutional support have shown control over the behavior of the entrepreneurship intention (Schwarz et al. 2009). Environmental support can be exhibited in banking services and ease of obtaining the capital for these initiatives to materialize.

5.6 Entrepreneurial Intention and Family Business Background

Referring from Gurel et al (2010), parents and their businesses can be potential influential factors for their children in developing their entrepreneurial intention. Zellweger et al (2011) referred from findings suggest that students with family business background are pessimistic about being in control in an entrepreneurial career, but optimistic about their efficacy to pursue an entrepreneurial career.

6.0 Research Methodology

6.1 Theoretical Framework

State the modification in the Figure 1, are based on the theories of Schwarz et al, (2009), Riani et al, (2012), Bidin et al, (2012) and Mokhtar & Zainuddin, (2010) and are arranged on the framework as suggested. This figure illustrates that subjective norm, attitude entrepreneurship and institutional support from the KKK has a direct effect on the entrepreneurship intention of the students and the moderation effect to determine as a family business background.
6.2 Research Background

To obtain data on the variables identified in this study, questionnaires were used and randomly distributed. A total of 205 questionnaires were distributed randomly to selected students and out of them, 50% was male and 50% was female. The breakdown of the respondents who have taken a course or training on entrepreneurship and who will be entrepreneurs eventually is further explained in the table below.

<table>
<thead>
<tr>
<th>No.</th>
<th>Courses</th>
<th>Community Colleges</th>
<th>Total of students</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Certificate of Beauty and SPA</td>
<td>Kok Lanas</td>
<td>42</td>
</tr>
<tr>
<td>2.</td>
<td>Certificate of Hair and Salon</td>
<td>Kok Lanas</td>
<td>34</td>
</tr>
<tr>
<td>4.</td>
<td>Certificate of Business Operating</td>
<td>Pasir Mas</td>
<td>20</td>
</tr>
<tr>
<td>5.</td>
<td>Certificate of Pastry</td>
<td>Jeli</td>
<td>29</td>
</tr>
<tr>
<td>6.</td>
<td>Certificate of Fashion</td>
<td>Jeli</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td><strong>Grand Total</strong></td>
<td></td>
<td><strong>205</strong></td>
</tr>
</tbody>
</table>

The questionnaires contained items that measure the key variable of attitudes, subjective norm, perceived behavioral control and intention were adapted from Riani et al., (2012). All items were measured on five-point Likert scale, ranging from ‘1’ “strongly disagree” to ‘5’ “strongly agree.” The research instrument consists of questionnaire items that meet the objectives of this study.

Probability sampling is a procedure in which each element of the population has a fixed probability chance of being selected a sample. On the other hand, non-probability sampling relies on the researcher’s personal judgement
rather than chance to select sample elements. Based on the research purpose and data collection method, the probability sampling technique was applied in this study. Since, refer from Hair et al. (1998) and Awang (2012), suggested and offered for the minimum sample size depending on the model complexity and basic measurement model characteristics as shown in the Table 2 below.

**Table 2: The Minimum Sample Required by Structural Equation Modelling**

<table>
<thead>
<tr>
<th>Model Characteristics (Number of model constructs and items)</th>
<th>Item Commonality</th>
<th>Minimum Sample Required</th>
</tr>
</thead>
<tbody>
<tr>
<td>Five or less latent constructs. Each latent construct has more than three items.</td>
<td>0.6 or Higher</td>
<td>100 samples</td>
</tr>
<tr>
<td>Seven or less latent constructs. Each latent construct has more than three items.</td>
<td>0.5 or Higher</td>
<td>150 samples</td>
</tr>
<tr>
<td>Seven or less latent constructs. Some construct have less than three items (just identified model)</td>
<td>0.45 or Higher</td>
<td>300 samples</td>
</tr>
<tr>
<td>More than seven latent constructs. Some construct have less than three items (just identified model)</td>
<td>0.45 or Higher</td>
<td>500 samples</td>
</tr>
</tbody>
</table>

**6.3 Reliability Coefficients (Cronbach Alpha)**

The next step is to measure reliability for items under each component. Refer from Hair et al. (1998), every items should measures the reliability to what extent the measurement items are consider with the latent construct that they should measure and how the construct is measured.

**Table 3: The Reliability Coefficients (Cronbach Alpha)**

<table>
<thead>
<tr>
<th>Construct</th>
<th>Cronbach’s Alpha</th>
<th>Cronbach’s Alpha Based on Standardised Items</th>
<th>No. of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subjective Norm S1</td>
<td>0.861</td>
<td>0.863</td>
<td>3</td>
</tr>
<tr>
<td>Attitude Towards Entrepreneurship A1</td>
<td>0.952</td>
<td>0.953</td>
<td>4</td>
</tr>
<tr>
<td>Institutional Support K1</td>
<td>0.916</td>
<td>0.915</td>
<td>3</td>
</tr>
<tr>
<td>Entrepreneurship Intention I1</td>
<td>0.929</td>
<td>0.932</td>
<td>3</td>
</tr>
</tbody>
</table>
7.0 Results And Findings
Hypothesis 1a – 1c
To determine the factors of entrepreneurial intention, a basic analysis techniques developed for analyzing the interrelationships among multiple variable in a model and the regression for the subjective norm, attitude towards entrepreneurship, institutional support and entrepreneurial intention.

![Figure 2: Result from SEM using AMOS Graphic](image)

Structural Equation Modelling (SEM) using Amos is used to test hypothesis the competing claims of hypothesis. Referring from the Figure 2 and the data in Table 4, the implied results were:

i. Subjective norm has significant effect on entrepreneurial intention. The probability of getting a critical ratio as large as 1.963 in absolute value is 0.050. In other words, the regression weight for subjective norms in the prediction of entrepreneurial intention is significantly different from zero at the 0.05 level (two-tailed).

ii. Attitude towards entrepreneurship has no significant effect on entrepreneurial intention. The probability of getting a critical ratio as large as 0.444 in absolute value is 0.657. In other words, the regression weight for attitude towards entrepreneurship in the prediction of entrepreneurial intention is not significantly different from zero at the 0.05 level (two-tailed).

iii. Institutional support has significant effect on entrepreneurial
intention. The probability of getting a critical ratio as large as 1.985 in absolute value is 0.047. In other words, the regression weight for institution support in the prediction of entrepreneurial intention is significantly different from zero at the 0.05 level (two-tailed).

Table 4: The Regression Path Coefficient and Its Significant

<table>
<thead>
<tr>
<th>Construct</th>
<th>Construct</th>
<th>Estimate</th>
<th>S.E.</th>
<th>C.R.</th>
<th>P</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entrepreneurial Intention</td>
<td>Subjective norm</td>
<td>0.216</td>
<td>0.110</td>
<td>1.963</td>
<td>0.050</td>
<td>Significant</td>
</tr>
<tr>
<td>Entrepreneurial Intention</td>
<td>Attitude towards entrepreneurship</td>
<td>-0.067</td>
<td>0.152</td>
<td>-0.444</td>
<td>0.657</td>
<td>Not Significant</td>
</tr>
<tr>
<td>Entrepreneurial Intention</td>
<td>Institution Support</td>
<td>0.139</td>
<td>0.070</td>
<td>1.985</td>
<td>0.047</td>
<td>Significant</td>
</tr>
</tbody>
</table>

Based from the findings, the emphasis of the Community Colleges on integrating entrepreneurship principles is important in transforming the direction of Technical and Vocational Education Training (TVET) programs being offered. Students who were exposed to entrepreneurship through entrepreneurship modules and inclusion of entrepreneurship in the curriculum are likely to exhibit an efficient understanding on the concept. Therefore, enabling them to pursue entrepreneurship education and careers in the future. It also shows that the institution has provided important avenues in encouraging them to undergo entrepreneurship studies. Refer from the findings, it is also mention that attitude towards is not significant on entrepreneurial intention because the individual or students has a favorable and unfavorable evaluation to perceived behavior. TVET can contribute a lot more for the students in the technical aspect as well as in improving the image and status of skills and vocational education particularly on entrepreneurial education and training. Students from Community Colleges may not be eligible to enter the academic pathway but they can still be productive and efficient through entrepreneurship, therefore increasing their chances towards gaining and creating employment.

Hypothesis 2

The path of interest moderator test was measured based on respondent’s family business background. The data is split under two separate data and indicated presence of family business background with “1” for “yes” and “2” for “no”. Referring from Awang (2012), as for the moderator variable, it can be measured using any scale (nominal, ordinal, interval and ratio). Among the popularly used moderating variables in research are the respondent’s demographic characteristics (nominal) and the level of treatment variable applied (ordinal). To test the moderating role of the control variables on the relationship between subjective norm and entrepreneurial intention, SEM using Amos suggested the Multi-Group CFA as an alternative method for assessing the effect of moderator variable in the model.
The moderation is significant since the difference in Chi-Square value between the constrained and unconstrained model is more than 3.84. The difference in Chi-Square value is (107.281 - 92.076) = 15.205, while the difference in Degree Freedom is 60 – 59 = 1. For the test to be significant, the difference in Chi-Square value must be higher than the value of Chi-Square with 1 degree of freedom, which is 3.84 (Awang, 2014). The test of hypothesis for moderation that has been carried out found that the moderator variable “respondents’ family business background” does moderate the causal effects of subjective norm on entrepreneurial intention.

The moderation test for non-family business is significant since the difference in Chi-Square value between the constrained and unconstrained model is more than 3.84. The difference in Chi-Square value is (110.264 - 96.227) = 14.037, while the difference in Degree Freedom is 60 – 59 = 1. The result shows support for the hypothesis that family business background is partial moderation in the relationship between subjective norm and entrepreneurial intention.

8.0 Discussions and Recommendations
Based from findings, the study recommends the following measures for the institution to consider:

i) To transform the TVET system, program offers must be monitored and adapted to the constantly changing business environment and curriculum designs for technics and vocational education must be attuned to current trends in the business environment. In relation to
this, professional accreditation bodies must also look into these concerns and must gain consensus in addressing such issues.

ii) To improve students’ entrepreneurship intentions in Higher Education especially in Community Colleges, more entrepreneurial trainings and opportunities for business trainings motivation may be designed.

iii) Students should be provided with more opportunities to participate in internships, cooperative efforts and business opportunities. The students of Community College have to learn and engage in proactive behaviours so that they would be able to take initiative such as by starting their own businesses or generating business ideas.

iv) The curriculum on entrepreneurship education must be improved in such a way that it is geared towards enhancing awareness and positive attitude among students of Community Colleges towards becoming an entrepreneur or having their own businesses. Incentives and appropriate facilities for students who strive to be young entrepreneurs must also be provided, whereby private companies may be engaged in developing a business center unit on campus.

v) The finding indicate that contextual factors such as family businesses background have a moderating affect on the entrepreneurial intention among students. This was an expected result of our research, thus our hypotheses were supported.

vi) To further improve the study, future researchers can look into the effect of attitude, personal background and other norms in influencing entrepreneurship decisions among incoming students and graduating students.

9.0 Conclusions

Based on the analysis and testing conducted in this study, the study concludes that:

1. The institutional support and subjective norm is perceived to influence the intentions of the students from KKK to pursue entrepreneurship the most, as compared to attitude. This finding support the statement of Shwarz et al (2009) stating that environmental factors are a significant in influencing entrepreneurship decisions also from (Riani et al, 2012 and Bidin et al, 2012) mentioned that subjective norm was positively related to the intention.

2. The SEM shows that the provision of institutional support significantly affects the decisions of the students to pursue entrepreneurship, supporting the finding of Shwarz et al (2009), that stresses the importance of institutional factors in influencing decisions pertaining to entrepreneurship pursuits. The other supporting was finding from Tammubua et al (2015), mentioned that the successful government policy on entrepreneurship education at university level has given a solid evidence to sustain similar programs. The entrepreneurship subject can be a compulsory course at senior high school as well. The curriculum difference lies on the course contents and approaches.

3. As predicted, for each of the two control variables, the results confirmed the significant positive and partially of moderating role of
each of the control variables. Having a family business tradition moderates the factors named as subjective norm. This statement is supported by Kunday (2014), working at a family provides the opportunity to gain entrepreneurial skill along with ability to acquire and develop new business ideas. The parents with entrepreneurial background preferred that their children to join them in the family business, while those who were not said they will be happy if their children landed on a job after graduation and go into own business when financial condition improves. This statement is supported by Magsino & Opulencia (2015), the parents still prefer that their children engage in business immediately after graduation to become an entrepreneur.

References


