THE FACTORS THAT INFLUENCE STUDENTS' VIEWS ON SELF-EMPLOYMENT AMONG IKBN STUDENTS

WAN NUR SYUHADA WAN ISMAIL[1], SHAMSUL HUDA ABD RANI[2]

ABSTRACT. Objective: The purpose of this paper is to examine the influence of college experience, family support and role model towards students' views on self-employment. **Methodology:** A questionnaire survey was administered to 338 IKBN (Institut Kemahiran Belia Negara) students in Northern region of Malaysia. This group was selected as respondents because they were exposed to focus on technical and skills-based learning to be skills worker that can produce a product or provide a service and these will lead them to be self-employed after their graduation. This study utilize simple random sampling as a sample technique and using SPSS version 22 to analyze the data obtained. The analysis technique used are descriptive analysis, reliability, normality and regression analysis. **Results:** This study indirectly found that there is significant relationship between independent and dependent variables. The main finding in this study indicate that all the independent variables tested support the students' views on self-employment. Besides that, the research also found that family support is the most influence and plays important roles in sharpen students' views on self-employment. **Implication**: This research contributes to both theoretically and practically. Consistent with the Knowledge Spillover Theory of Entrepreneurship, technical knowledge has capability in sharpening views on self-employment. This knowledge rises opportunities and able to sharpen views on self-employment among students.The research findings expected that IKBN can

---

[1] *Corresponding author, School of Business Management, University Utara Malaysia, syuhadaismail2109@gmail.com.*

[2] *School of Business Management, University Utara Malaysia, shuda@uum.edu.my.*

produce more skillful of self-employments among graduate students. Thus, this can help government in controlling and reducing the unemployment rate in Malaysia.

Keywords: self-employment, college experience, family support, role model

JEL Classification: L26

Introduction

Malaysia government has implemented the technical and vocational training institution in order to enhance competencies and competitiveness among the youth (Nur Hanis, Shamsul Huda & Donny, 2016). The development of this institution proves that government emphasizes the importance of entrepreneurship among the youth since their main syllabus focus on skill-based learning. There are several numbers of vocational and technical training institutions in Malaysia including the National Youth Skills Institute (IKBN). The Ministry of Youth and Sports Malaysia was introduced IKBN on 1964 with the initial objective to solve the unemployment problem. This institution offers skills training programmes among the youth (Ministry of Youth and Sport, 2017). Through this, skills-based students are encouraged to be self-employed or venture their own business.

Problem Statement

Malaysia has a high rate of unemployment due to the economic situation that is unstable and many private companies closed under this influence (Department of Statistics Malaysia, 2017). According to Malaysia

Statistical Department, the unemployment rate in January 2017 was 3.5 percent. Meanwhile, based on year-to-year comparison, there is stated that the unemployment rate was 0.1 percent higher than January 2016. According to Norasmah and Salmah (2009), the number of graduates who have intention to involve in entrepreneurship has increased but the number of those who put the intention and views into actions is still low. The reviews on the passion in entrepreneurship among graduate student in higher learning institutions have shown a positive development over the last decades (Buzeye, 2013). Therefore, based on those findings, the researchers were interested to investigate the passion of students who are weak in academic knowledge but have the potential skills for self-employment.

Literature Review

Views on Self-employment

Abdulkarim (2012) defined self-employment as the act of working for oneself. Self-employment or entrepreneurship always been related with the entrepreneurship education among students (Fretschner & Weber, 2013). It is supported by the study by Zaroug, Samir and Abd Syed (2016). They found that there is a significant relationship between entrepreneurship education and entrepreneurial intention among university students. Besides, they found that student with a previous entrepreneurial experience have the desire to create their own business or to be self-employed. Nabi et al. (2016) also found there is a significant relationship between entrepreneurship education and self-employment or entrepreneurial intention among the first year student. They fill the gap of the study by Linan, Urbano and Guerrero (2011) which is focused on the latter stages of university students' journey.

College Experience

Pace (1984) defined college experience as the events that occur in the college environment. Education from college, especially entrepreneurship education, gives students a great experience that can sharpen the students' views on self-employment (Titilayo, 2015). Robert (2014) study on the

influence of the college environment on the entrepreneurial intention of student, found that the college environment have significantly impact on the student intention to have own business.

Family Support

Drennan, Kennedy and Renfow (2005) found that family members, especially the parents, play a crucial role in establishing the desirability and in sharpening the views of students on self-employment. It is confirmed by Rajani and Sarada (2008), whereby family support plays a crucial role in entrepreneurial intention.

Role Model

Giuliano Guerra and Roberto Patuelli (2014) have done a study on the presence of role model on self-employment rates of the natives in order to show that the role model matter in aggregate decision outcomes regarding self-employment. Therefore, they found that role model have positive impact on the self-employment rates of immigrants.

Therefore, the hypothesis is generated according to the previous findings as below:

H1: College experience influences students' views on self-employment
H2: Family support influences students' views on self-employment
H3: Role model influences students' views on self-employment

Research Methodology

This study employed quantitative approaches by using descriptive methods in order to evaluate and generalize the result of the sample to the population. Descriptive analysis was done using the analytical tools of SPSS version 22. The research was conducted through self-administrated questionnaires to do the survey among the students of IKBN. The population for this study is IKBN students in the Northern region of Malaysia. Based on the Department of Skill Development, Ministry of Youth and Sports Malaysia, the statistical number of IKBN students in Northern region for January 2017 is around 2,707. This group was selected

as respondents for this study because they were presumed to focus on technical and skills-based learning to become skilled workers that can produce a product or provide a service and these will lead them to be self-employed after their graduation.

This study also used the simple random sampling for the sampling frame based on IKBN student lists name that are listed by the Ministry of Youth and Sport Malaysia, 2017. By looking at this list, the researchers selected the respondents from the Northern region randomly from the list and attached the authorization letter to the related IKBN for the permission to distribute the questionnaire to the selected respondents. After the permission was received, the researchers distributed the questionnaire.

Data Analysis

In quantitative research, data analysis is important for analyzing the collected data. It helps researcher to conduct arranged testing of the data and develop explanations, and assist in testing the hypothesis (Joel, 1996). Following are presented some of the analysis that has been conducted in this study.

Descriptive Analysis

Descriptive analysis can be defined as a method of describing, displaying, organizing and explaining the characteristic of the sample in a tabular and graphic form to provide summarized measures (Johnson & Christensen, 2000). It helps in providing a summarization of data that have been analyze. The purpose of this study is descriptive or explanation study where it reveals the influence of college experience, family support and role model towards students' views on self-employment. The aim of descriptive analysis is to understand the demographic of the respondents such as gender, age group and programs of study.

Regression Analysis

The regressions were carried out to determine the independent variables as well as the contribution of these predictors: college experience, family support and role model on prediction to the students' views on

self-employment as dependent variable. This analysis does not refers to one technique, but it refers to the family techniques which can be used to test the relationship between two variables (Pallant, 2011). Thus, this analysis indirectly shows the correlation between college experience, family support, role model and students' views on self-employment.

The correlation between independent and dependent variables must be tested before the pursuit of the regression analysis. This is because regression analysis cannot be tested if there is no relationship between two variables. Cohen (1988) suggests that 0.10 to 0.29 correlations is considered weak, 0.30 to 0.49 is seen as a moderate relationship, while 0.5 and above is regarded as a strong relationship.

While, for the regression analysis, Gliner et al. (2009) suggested that the independent variable influences the dependent variable if the value is below the significant level of $p < 0.05$. Therefore, it indicates that there is no influence between independent and dependent variables if the value is above the significant value. The results for correlation and regression analysis are as below.

H1: College experience influences students' views on self-employment

Table 1 indicates there is a positive relationship between college experience and students' views on self-employment. This can be seen through the significant value (0.01) which is less than 0.05.

Table 1. The Correlation for College Experience (N=306)

		Students' views on self-employment
College Experience	Pearson Correlation	0.461
	Sig (2-Tailed)	0.01

Correlation is significant at the 0.01 level (2-tailed)
Source: authors' calculation

Based on the Table 2, college experience significantly influenced the students' views on self-employment. This can be proven where the p-value (0.000) and the standardized coefficient is 0.461 (*B*=0.461). Therefore, H1 is supported.

Table 2. The Linear Regression for College Experience

Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	2.004	0.185		10.847	0.000
College experience	0.451	0.050	0.461	9.054	0.000

Dependent variable: Self-employment; R^2: 0.212; F: 81.982
Source: authors' calculation

H2: Family support influences students' views on self-employment

According to Table 3, there is a positive relationship between the two variables (Sig. value less than 0.05).

Table 3. The Correlation for Family Support (N=306)

		Students' views on self-employment
Family Support	Pearson Correlation	0.492
	Sig (2-Tailed)	0.01

Correlation is significant at the 0.01 level (2-tailed)
Source: authors' calculation

Based on the linear regression analysis on table 4, the p-value is 0.01. A standardized coefficient is 0.492. Thus, family support significantly influenced the students' views on self-employment and H2 is supported.

Table 4. The Linear Regression for Family Support

Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	2.154	0.155		13.884	0.000
Family support	0.390	0.040	0.492	9.862	0.000

Dependent variable: Self-employment; R^2: 0.242; F: 97.264
Source: authors' calculation

H3: Role model influences students' views on self-employment

According to Table 5, there is a positive relationship between the two variables (Sig. value less than 0.05).

Table 5. The Correlation for Role Model (N=306)

		Students' views on self-employment
Role Model	Pearson Correlation	0.445
	Sig (2-Tailed)	0.01

Correlation is significant at the 0.01 level (2-tailed)
Source: authors' calculation

Thus, Table 6 shows role model influences students' views on self-employment. This can be seen through the p-value which is less than 0.05 (0.000) and the standardized coefficients is 0.445 (B=0.445). Hence, H3 is supported.

Table 6. The Linear Regression for Role Model

Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	2.448	0.138		18.010	0.000
Role model	0.317	0.037	0.445	8.671	0.000

Dependent variable: Self-employment; R^2: 0.198; F: 75.187
Source: authors' calculation

Researchers performed the multiple regression analysis in order to see the most influence of dependent variable towards dependent variables. Therefore, the result in Table 7 shows that, the F value is 43.006 and the significant value is 0.000 which is less than 0.05. Thus, this analysis shows that college experience, family support and role model are significantly influence students' views on self-employment.

Table 7. Multiple Regression analysis

	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	1.668	0.183		9.101	0.000
College experience	0.213	0.061	0.217	3.460	0.001
Family support	0.195	0.055	0.246	3.536	0.000
Role model	0.125	0.045	0.176	2.751	0.006
R Square =	0.299				
ANOVA: F =	43.006				
R =	0.547				

Source: authors' calculation

Finding and Discussion

College experience influences students' views on self-employment

The finding of this study shows that college experience influenced the students' views on self-employment. Therefore hypothesis one (H1) is supported since the significant value (p-value) for college experience is less than 0.05 referred to the multiple regression analysis. This finding is line with the study of Anderson (2011), who claimed that university environment may influence the students' life and their future development. This research found that the IKBN provide a proper learning and environment condition such as classrooms, libraries, laboratories and others (Pace, 1984). Shernoff et al. (2015) claimed that designing learning environments in order to promote interest, concentration, focus and intrinsic motivation is a worthy aspiration. Through this, it will affect their students experience, thus helps in strengthen the views of student to become self-employment. It is supported by Franke and Luthjie (2004), whereby they states that the assessable on the college environment might encourage student intention to become self-employed or entrepreneur. Therefore, college or university plays an important role in guiding students' future, which is by teaching them a good technical-skills lesson.

Family support influences students' views on self-employment

The finding of this study indicates that family support influenced the students' views on self-employment. Thus, hypothesis two (H2) is supported. Based on the regression analysis, family support was the most influenced on IKBN students' views on self-employment, where the value of standardized coefficients Beta for family support is higher than the other variables. This result is in line with the study by Ahmad Yasruddin, Nik Abdul Aziz and Nik Azyyati (2011) which also shows that the family support positively influence the entrepreneurial inclination. In the present case, the research indicates that family members of IKBN students encourage them to become self-employment or venture their own business. The research also found that the intention to become self-employed is high because most of IKBN student got supports from their family members. The support can be tangible or intangible. This finding is supported by the other scholar where the support from family members can be a moral support (Renzulli et al., 2000), early funding (Bygrave et al., 2003) and information and contacts (Steier, 2009). Though this support, it will motivate students to start up their own business or venture. This statement is correlated with the Taylor and Thorpe (2004) study where personal, family and peer influences can affect graduates' entrepreneurial motivation and career aspirations.

Role model influences students' views on self-employment

Role model has a significant influence on students' views to be self-employment. Therefore, hypothesis three (H3) is supported. The finding seemed to be similar with the result by Drennan, Kennedy and Renfrew (2005) which showed that students who have a role model prefer to become self-employed rather than the students who do not have a role model. From this study, it has been identified that some of the IKBN students have their own role model, thus it will motivate them in viewing themselves to become self-employment. Mueller (2004) found that the role model enhance students' views to be self-employment by providing encouraging to turn their views into reality. According to Bosma et al. (2012), the decision of the individual might be influence by others behavior or opinions. Therefore, the function of role model is to influence students to become like them.

Conclusion

The purpose of this study was to examine the influence factors of college experience, family support and role model towards students' views on self-employment. This study indirectly found that the there is a significant relationship between the variables. The main findings in this study indicate that all the independent variables tested support the students' views on self-employment. Besides that, the research also found that family support is the most influential and plays an important role in sharpen students' views on self-employment. Hopefully, IKBN can produce more students to be self-employment after they finish their study and not just wait to be employed by others. Through this effort it can helps in reducing the unemployment rate in Malaysia apart from bringing benefits to the economic growth of the country.

REFERENCES

Abdulkarim, J. (2012). Entrepreneurship in Technical and Vocational Education 3: *Practical Entrepreneurship and Self Employment*. Umuahia: Dgood Konceptz.

Ahmad Yasruddin Md Yasin, Nik Abdul Aziz Nik Mahmood & Nik Azyyati Nik Jaafar. (2011). Students' entrepreneurial inclination at a Malaysian Polytechnic: a preliminary investigation. *International Education Studies, 4*(2), 198-205.

Anderson, A. R., Jack, S. L. & Dodd, S. D. (2005). The Role of Family Members in Entrepreneurial Networks: Beyond the Boundaries of the Family Firm. *Family Business Review*, *18*(2), 135–154.

Bosma, N., Hessels, J., Schutjens, V., Van Praag, M. & Verheul, I. (2012), Entrepreneurship and role models. *Journal of Economic Psychology*, *33*(2).

Buzeye Zegeye. (2013). Factors Explaining Students Inclination Towards Entrepreneurship: *Empirical Study of Ethiopian University Students*. (April), *1*(4).

Bygrave,W., Hay, M., Ng, E. & Reynolds, P. (2003). Executive forum: a study of informal investing in 29 nations composing the Global Entrepreneurship Monitor. Venture Capital*, 5*(2), 101–116.

Department of Statistic Malaysia. (2017). *Unemployment Rate in Malaysia*. Retrieved from www.dosm.gov.my.

Drennan, J., Kennedy, J., and Renfrow, P. (2005). Impact of childhood experiences on the development of entrepreneurial intentions. *The International Journal of Entrepreneurship and Innovation*, *6(*4), 231-238.

Franke, N. & Luthje, C. (2004). Entrepreneurial intentions of Business Students: A benchmarking study. *International Journal of Innovation and Technology Management*, *7* (1), 1-24.

Fretschner, M. & Weber, S. (2013). Measuring and understanding the effects of entrepreneurial awareness education. *Journal of Small Business Management*, *51*(3).

Guerra, G., Patuelli, R., (2014). The influence of role models on immigrant self-employment: a spatial analysis for Switzerland*. International Journal of Manpower*, *35*(1/2).

Linan, Francisco, David Urbano & Maribel Guerrero. (2011). Regional Variations in Entrepreneurial Cognitions: Start-up Intentions of University Students in Spain. *Entrepreneurship and Regional Development, 23* (3–4): 187–215.

Ministry of Youth and Sport Malaysia. (2017). *KBS Info*. Retrieved from www.kbs.gov.my.

Mueller, P. (2006). Entrepreneurship in the region: Breeding ground for nascent entrepreneurs? *Small Business Economics, 27*, 41-58.

Nabi, G., Holden, R., & Walmsley, A. (2010). Entrepreneurial intentions among students: towards a re-focused research agenda.

Norasmah & Salmah (2009). Attitude towards choosing a career in entrepreneurship amongst graduates*. European Journal of Social Science,* 1*0*(3), 419-434.

Nur Hanis Md. Salleh, Shamsul Huda Abd Rani & Donny Abdul Latief. (2016). The Influence of College Experience on Entrepreneurial Intention among IKBN Students. *Sains Humanika*, UTM Press, *8*(4-2).

Pace, R. C. (1984). Measuring The Quality of College Student Experiences. *Entrepreneurship and Regional Development, 23* (3–4): 187–215.

Rajani, N. & Sarada, D. (2008). Women entrepreneurship and support systems. *Student Home Community Sci*, *2*(2), 107-112.

Renzulli, L., Aldrich, H. E., & Moody, J. (2000). Family matters: Gender, networks, and entrepreneurial outcomes. *Journal of Social Forces, 79*, 523–546.

Robert J. Trebar. (2014). The Influence of The College Environment on The Entrepreneurial Intention of Students. *Thesis and Dissertation*. University of Toledo.

Shernoff, D.J., Kelly, S., Tonks, S.M., Anderson, B., Cavanagh, R.F., Suparna Sinha, S., Abdi, B., (2015). *Student engagement as a function of environmental complexity in high school classrooms. Learning and Instruction, 43 (*52-60).

Steier, L. (2003). Variants of agency contracts in family-financed ventures as a continuum of familial altruistic and market rationalities. *Journal of Business Venturing*, *18* (5), 597–618.

Taylor, D. W., and Thorpe, R. (2004), Entrepreneurial learning: a process of co-participation. *Journal of Small Business and Enterprise Development, 11*(2), 203-211.

Titilayo, O. G. (2015). The Influence of Entrepreneurship Education and Students' Views on Self-employment among Postgraduate Students in Universiti Utara Malaysia. *Master Thesis*. Universiti Utara Malaysia.

Zaroug Osman Bilal, Samir Marwan Hammami & Syed Ahsan Jamil (2016). The Influence of Entrepreneurship Education and Previous Entrepreneurial Experience on Student's Desirability to Self-employment: A Case of Heis in Dhofar Region in Oman. *International Journal of Economic Research, 13*(4). 1737-1749.