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MALAYSIA  
KELANTAN

**Determination of Risk Attitude Among UMK Students to  
Become an Entrepreneur After Graduation**

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### DECLARATION

I admit that this thesis entitled Determination of Risk Attitude Among UMK Students to Become an Entrepreneur After Graduation is the result of my own research except for the notes and summaries which I have just described the source and what have been cited as the references.

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## ABSTRACT

This study highlighted the risk attitude of UMK students and factors that influence student intention to become entrepreneur after graduating. In this study, the researcher has chosen to address the gap in the literature pertaining to students' intention in choosing entrepreneurial career. Through utilising the theory of planned behaviour, this study aims to determine the risk appetite of the students, to assess contribution of factors including risk attitude, personality traits, current economic environment and knowledge-experience towards intention of UMK students become an entrepreneur after graduating followed by the identification of the most influential factor towards making the decision. The sample of the study consisted of 150 students from all campus including Jeli, Pengkalan Chepa (Kota), Bachok and Padang Tembak. Data were collected through self-administered questionnaires. The findings of this study indicate that majority of the students are risk averse (63.3%). Besides, there is a significant relationship between risk attitude, individual knowledge – experience, personality traits and economic environment that explain the intention of students being entrepreneur after graduation.

## ABSTRAK

Kajian ini dijalankan untuk menilai sikap risiko pelajar UMK dan faktor yang mempengaruhi niat mereka untuk menjadi usahawan selepas menamatkan pengajian. Dalam kajian ini, penyelidik telah memilih untuk menangani jurang dalam kajian lalu yang berkaitan dengan niat pelajar untuk memilih kerjaya berkaitan dengan keusahawanan. Melalui penggunaan teori tingkah laku yang dirancang, kajian ini bertujuan untuk menentukan selera terhadap risiko di kalangan pelajar UMK, menilai sejauh mana faktor sikap risiko, sifat keperibadian, persekitaran ekonomi semasa dan pengetahuan-pengalaman terhadap niat pelajar untuk menjadi usahawan selepas tamat pengajian dan seterusnya mengenalpasti faktor yang paling berpengaruh terhadap niat keusahawanan dalam kalangan pelajar UMK. Sampel kajian terdiri daripada 150 orang pelajar dari seluruh kampus iaitu Jeli, Pengkalan Chepa (Kota), Bachok dan Padang Tembak. Data yang dikumpul melalui pengagihan soal selidik secara rawak dianalisa menggunakan Frekuensi Taburan, Korelasi Spearman dan Faktor Analisis. Penemuan kajian ini menunjukkan terdapat hubungan yang signifikan antara sikap risiko, pengetahuan individu - pengalaman, ciri keperibadian dan persekitaran ekonomi yang menjelaskan niat pelajar menjadi usahawan selepas tamat pengajian.

## **CHAPTER 1**

### **INTRODUCTION**

#### **1.0 Introduction**

Chapter one covers the background of the study which include students' interest towards entrepreneurial fields, factors of an individual to choose entrepreneurship as a career and how knowledge - experience, personality traits and current environment affect individual risk attitude in career choice as an entrepreneur. Then, this chapter presents the problem statements and its context. Hypothesis, research questions, research objective, followed by the scope and significance of the study were also covered in this chapter.

## 1.1 Background of study

Entrepreneurship can be widely defined as an introduction to new raw materials, goods, services, markets and organizing methods through the formation of new means, ends, or means-ends relationships (Eckhardt & Shane, 2003; Shane & Venkataraman, 2000). Furthermore, in recent years, entrepreneurship has been described as encompassing the transformational change that can be extended to social or institutional spheres (Battilana, Leca & Boxenbaum, 2009; Rindova, Barry & Ketchen, 2009). Scholars and practitioners believe that entrepreneurship is one of the key solutions towards poverty reduction and research on this topic is widely growing (Bruton, Ketchen, Ireland, 2013).

It has become a fact in literature which outlines that entrepreneurs or self-employed showed higher risk of tolerance compared to others. For example, positive relationships between risk tolerance and self-employment have been expressed both in the theory models by Kihlstrom and Laffont, 1979 and empirical investigations by Brown, Dietrich, Ortiz-Nuñez, and Taylor, 2011; Ahn, 2010; Macko and Tyszka, 2009; Ekelund, Johansson, Järvelin and Lichtermann, 2005. Individuals with higher degree of risk tolerance are more likely to enter self - employment as an option rather than necessity while most people with risk intolerant are likelier to enter salaried employment (Ahunov and Yusupov, 2017).

Individual risk tolerance is regarded as one of the key features for entrepreneurs (Knight, 1921; Kihlstrom & Laffont, 1979). Previously, several surveys from different countries such as the German Socio-Economic Panel Study in Germany (SOEP) and the Survey of Household Income and Wealth (SHIW) in Italy, have attempted to evaluate individual risk attitudes by providing questions on the respondents' willingness to participate in the hypothetical lottery or the willingness to pay for certain risk investment (Dohmen, Falk, Huffman, Sunde, Schupp & Wagneret, 2005; Guiso & Paiella, 2005; Cramer, Hartog, Jonker & Praag, 2002; Donkers, Melenberg, & Soest, 2001). Through this method, researchers look at the relationship between measured risk tolerance and entrepreneurship and sought positive relationships between the two (Caliendo, Fossen & Kritikos, 2009; Cramer et al., 2002; Guiso & Paiella, 2005; Dohmen et al., 2005). According to Ahn (2010), his research has stated that relative risk tolerance has a large, positive and statistically significant impact on the probability of entering self – employment.

Entrepreneurship research has become one of the most popular domains in academic circles (Keat, Christopher & Danny, 2011; Lee, Chang et al., 2005). Moreover, in education, courses in the field of entrepreneurship are also becoming increasingly preferred at college and university level (Keat, Christopher & Danny, 2011; Brown 1999). Many studies showed the importance of entrepreneurship education in creating successful entrepreneurs (Lee Wei Ni, Lim Bao Ping, Lim Li

Ying, Ng Huei Sern & Wong Jia Lih, 2012; Ooi, Selvarajah & Meyer, 2011; Lee, Chang & Lim, 2005; Tam, 2009; Gelard & Saleh, 2011). Therefore, the education system which provides sufficient knowledge, skills and encouragement for entrepreneurial development may increase the individual entrepreneurial intentions to perform the behaviour (Lee Wei Ni et al, 2012; Abdul Kadir, Salim & Kamarudin, 2011). There has been an increased inclination in entrepreneurship studies among both undergraduate and graduate students over the last decade (Amran et al., 2014; Keat, Christopher & Danny, 2011; Solomon, Weaver et al. 2005).

Some research showed that students' interest in entrepreneurial programs had identified the characteristics of entrepreneurs which found as the determinants of entrepreneurial intent (Amran, et al., 2014; Levensburg & Schwarz, 2007; Ede, Panigrahi & Calcich, 1998; Hatten & Ruhland, 1995; Hills & Welsch, 1986; Hutt & Van Hook, 1986; Sexton & Bowman, 1983; Hills & Barnaby, 1977). One of the factors explaining the inclination popularity of entrepreneurship is largely due to the positive effects it has on many countries as a catalyst that creates wealth and the generation of job opportunities (Keat et al., 2011; Gurol & Atsan 2006; Othman, Ghazali et al. 2005, Postigo & Tamborini 2002). This has been recognized that entrepreneurship is played an important role in the economy, and it is an activity that can lead to the economy growth. The importance of entrepreneurship to Malaysia's economic growth is evidenced by the number and variation of the mechanism and the support base exist for entrepreneurs, including funding, physical infrastructure and business advisors service (Fauziah & Rohaizat, 2004). However, another

research was conducted by Amran, et al., (2014) mentioned that, even though there has been an increased interest for entrepreneurship among graduates, but the number of participating graduates in entrepreneurial sector remains low. This can be explained by a study from Horwelda (2018) where most students and public have many ideas to start a new business, but they are not sure where to start.

The author discovered that knowledge, experience and skills are believed to have a positive influence on determining a person choice of becoming an entrepreneur. Knowledge can be said as a factor that drives the intention to form a new firm as stated in previous studies by Amran et al., (2014); Dickson, Solomon & Weaver (2008); Liñán, Rodríguez-Cohard & Rueda-Cantuche (2011). Besides, Arrighetti, Caricat, Landini & Monacelli, (2013) have discovered that the formation of new ventures is significantly influence by experience. In today's competitive work environment, limited job opportunities have resulted in intense competition in obtaining jobs. Thus, the current economic environment has prompted more individuals to venture into entrepreneurship as verified in Amran et al., (2014); Franke & Lüthje, (2004); Gurbuz & Aykol, (2008); Tucker & Selcuk, (2009); Schwarz, Wdowiak, Almer-Jarz & Breitenecker, (2009). Skills in entrepreneurship also play a role in entrepreneurs' success. Without a strong business skill, starting a business is very difficult. As mentioned by George (2011) a successful entrepreneur holds both the right characteristics and the right business skills, not just one or the

other. Among the important business skills are including the creativity, ambiguity, self-efficacy, communication, marshalling, problem solving and financial skills (Horwelda, 2018). The list of skills will guide you to run a business successfully. Furthermore, previous study by (Gibb, 1998; Kirby, 2003) mentioned that entrepreneurship skills and competencies are essential for the pursuit of effective entrepreneurship behaviour, individuality, collective and in society (Gibb, 1998; Kirby, 2003).

An article has been found on the "reference for business" website stated that market-based or free economies require individuals who are daring to take risks for creating, organizing, and successfully running new businesses (Horwelda, 2018; Zimmerer and Scarborough 2002). Being an entrepreneur offers individual to be involved with considerable risk when the rate for new venture is high. In order to become a successful entrepreneur, one must be able to thrive in whatever circumstances such as in a condition of risk and uncertainty. People's attitude towards risk are greatly differ. Some individuals prefer the less risky situation, and some are willing to take risk. The attitude towards risk can be divided into risk taker, risk neutral or risk averse depending on how the individual responds to the risk (Singh, nd.) The graduates' preferences are very important to know how far the risk attitudes of UMK students to become entrepreneur after graduation.

## 1.2 Problem Statement

Since the early 1980s, interest in entrepreneurship has grown worldwide (Fauziah & Rohaizat, 2004; Klofsten, 2000). The main factor in promoting this interest is due to the problem of economic recession from industrialized countries, the high unemployment rates and the fluctuations in the international trade and market cycles. According to the Labour Force Statistic Malaysia in October 2018, 3.3% of Malaysians are unemployed, of which 254,430 totals. This is not a small amount and being considered as in a critical state. Thus, this situation tends to increase the attention of the community to venture into entrepreneurship as a solution to the country's problems (Garavan & O'Cinneide, 1994).

In fact, some of the past studies and government have suggested entrepreneurship as a career option for students after graduation. The establishment of a special ministry for entrepreneurs which is the Ministry of Entrepreneur Development in 1995, clearly shown how government is concerned with entrepreneurship and entrepreneurial development issues in Malaysia (Mohamed Ariff & Yanti Abubakar, 2002). To venture into the world of entrepreneurship, an individual must be prepared to face risks and challenges that come with it.

According to Macko & Tyszka (2009), most of the entrepreneurs were risk taker. When someone decided to step out as an entrepreneur, one must be willing to take risk and get out of the comfort zone. Taking risk safely can actually reshape the future and enable an individual to do more with their life than their dreamed possible (Bhaskar, 2017). Thus, it was crucial to determine the individual's risk preferences to notice whether entrepreneurs were the main future career or not.

However, in the context of Malaysia, research on relationship between students' risk attitude and intention to become entrepreneur is lacking. Therefore, we will measure how far the risk attitude of these graduates want to be entrepreneurs to call for a more serious commitment. Besides, a previous study has shown that personal traits, knowledge experiences and economic environment are key factors in shaping a student into an entrepreneur (Amran et al., 2014). Hence, this study sought to examine whether there is a relationship between the three factors towards the intention of graduates to become entrepreneurs and how their risk attitude is related.

### 1.3 Hypothesis

- H<sub>a</sub>: The alternate hypothesis:

There is a relationship between risk attitude, individual knowledge – experience, personality traits and economic environment that explain the intention of students being entrepreneur after graduation.

- H<sub>o</sub>: The null hypothesis:

There is no relationship between risk attitude, individual knowledge – experience, personality traits and economic environment that explain the intention of students being entrepreneur after graduation.

### 1.4 Research Questions

1. What is the risk attitude of UMK students?
2. What is the relationship between personality traits, current economic environment and knowledge-experience towards risk attitudes of UMK students to become entrepreneur after graduation?

3. What is the relationship between risk attitude, knowledge–experience, personality traits and current economic environment towards intention of UMK students becoming an entrepreneur after graduating?
4. What is the most influential factor affecting student’s intention to become entrepreneur after graduation?

### **1.5 Research Objectives**

1. To determine the risk attitude of UMK students.
2. To analyse the relationship between personality traits, current economic environment and knowledge-experience towards risk attitudes of UMK students to become entrepreneur after graduation.
3. To identify the relationship between individual risk attitude, personality traits, current economic environment, knowledge-experience, and UMK student’s intention to be entrepreneur after graduation.
4. To determine the most influential factors affecting the students’ intention to become entrepreneur after graduation.

## **1.6 Scope of Study**

The scope of this study is focused on determination of risk attitude among UMK students to become an entrepreneur after graduating. The respondents will be randomly picked among active University Malaysia Kelantan students from all campus i.e. Jeli, Pengkalan Chepa, Bachok and Padang Tembak. A set of questionnaires was prepared before conducting the survey. Representation of 150 respondents were selected to participate in this study. This study will focus on determination of risk attitude among students, their personality traits, current economic environment, knowledge-experience, and intention to be entrepreneur after graduation.

## **1.7 Significance of Study**

The research was done to determine the risk attitude of UMK students to choose entrepreneurship instead of living on pay check after graduating. This study is important to measure individual's risk attitude in order to know whether they are risk taker, risk neutral or risk averse. This is also important to examine how far this risk attitude can influence someone's decision in determining post-graduate careers,

to be entrepreneur or not to be entrepreneur. Moreover, by this study also enable notify the factors such as knowledge - experience, personality traits and current economic environment that most influence the student's intention to become entrepreneur or not after graduation.

Besides, this study will help policy maker and university management to develop a better tailored program leveraging on most important factors based on student's risk attitude. Policy makers such as Member of Parliament or a corporation's board of directors can use this data to come out with a better policy suited with younger generations. Then, university management can also plan programs or activities to attract students to join entrepreneurial activities based on factors identified in this study including personality traits, current economic environment and knowledge – experience. Therefore, Deputy Higher Education Minister Datuk Dr Mary Yap Kain Ching's wish to develop the concept of "Learn and Earn" with an opportunity to earn personal income while studying in higher education institutions can be realized (The Star Online, 2017).

## CHAPTER 2

### LITERATURE REVIEW

#### 2.0 Introduction

This chapter are specifically focussing on theory and research findings made by previous studies on risk attitude determination on choosing entrepreneurship as their career after graduating. It defines the concept or risk attitude, entrepreneurial career and other relevant factors that influence the students' intention to become entrepreneur such as personality traits, knowledge – experience and economic environment. Besides, it also defined the relevant theoretical approaches of risk attitude and students' intention on career decision making.

## 2.1 Definition

### 2.1.1 The Concept of Risk

The Oxford English Dictionary (2005) has been defined risk as an exposure to the chance of losses, injury, bad condition or unpleasant circumstances that may have a chance to plunge into unwelcome event. Besides, the concept of risk is interpreting as the consequence of uncertainty (Puneet, 2012). Risk can be divided into three, either from positive perspective, neutral perspective or negative perspective. On the other hand, according to Reen (2008), risk is the possibility of physical, social or financial loss due to hazard. The probability of damage, loss, injury or any other negative occurrence would explain the negative perspective. However, in terms of the neutral perspective, risk is defined as the uncertainty about the outcome whether the good or bad outcome will occur from a decision. Then, the positive perspective can be described as 'thrill' (danger-induced feelings of excitement) (Rohrmann, 2005). Yet, it is quite surprising, because the meaning of the term risk is still far from wide consensus (Hillson, 2002; Hillson, 2003). However, although there are various responses and notions toward risk, the complete definition is regarded as unknown event or circumstances which if it happens, positive or negative effects will affect one of the project objectives (Hillson & Murray, 2004; Project Management Institute, 2004).

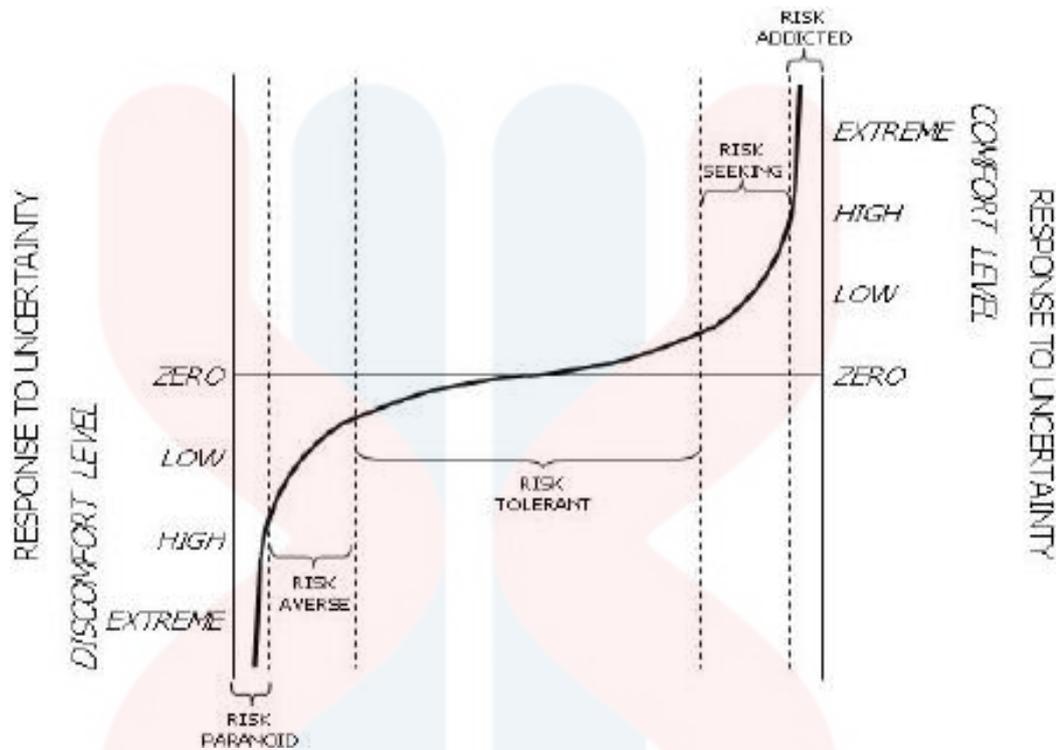
### 2.1.2 The Concept of Attitude

Eagly and Chaiken (2007) specifically stated the most conventional contemporary definition of attitudes as a psychological tendency expressed by assessing certain entities with less flexibility or disadvantages. Besides, attitude is a way of thinking or feeling about something which can also be translated as a tendency to act positively or negatively against certain ideas, objects or circumstances (BusinessDictionary.com, 2018). Attitude is closely related to individual behaviour and emotion. It is an internal human mental process that will determine the response to the situation (Richard, 2016). Attitude can easily change when it is affected by feelings or anything that may be pleasing or unpleasant to individual. This is a non-natural response that it will depend on the various influences of different circumstances.

The term "attitude" here refers to the selected response to the situation. Some attitudes may be regarded as a fix and difficult to change which represents the core value for an individual or group. In spite of that, attitudes also represent a choice which it may be easily influenced. Attitude is different from personal characteristic because attitude is a reaction to the situation, rather than being natural. Hence, different circumstances will affect one's attitude to change. We can conclude that if the influence on attitude can be identified and understood, as well as the detection of changes from the attitude, then everyone is allowing to proactively manage attitudes (Hillson & Murray (2006).

### 2.1.3 The Concept of Risk Attitude

Risk attitude is described as a mind-set towards taking or avoiding risks when making decisions on proceed with the decision under uncertain results (Rohrmann, 2005). Besides, according to Hillson & Murray (2006), risk attitude is the circumstances in which our minds will make choices related to uncertainty which is likely to have a negative or positive impact on the objective of the study. In addition, perceptions are able to influence both "risk" and "attitude" (Hillson & Murray, 2006; Slovic, Brackett & Mayer, 2004) including rational state of affairs (such as the state of being closed or responsible to someone or something, like conversancy, propinquity, manageability, or proximity), subconscious heuristics that operate at individual and group levels (for instance availability, group or collaborative decision making, or risky or cautious movement ) and emotions (Hillson & Murray, 2006).



**Figure 2.1:** Risk Attitude Spectrum

Source: Hillson & Murray-Webster (2005)

The key conclusions that investigators and practitioners are agreeable are the risk attitudes that present in the spectrum, as stated in Figure 2.1. The same uncertainty condition might generate different risk attitudes from each individuals or group. All this depends on how individual see uncertainty. Since attitude induced the behaviour, different individuals will react differently to the same situation as a consequences of different risk attitudes. One condition can be considered too risky for some individuals or groups and it is also acceptable for some other human groups (Hillson & Murray-Webster, 2005). Therefore, based on the figure above, comfort

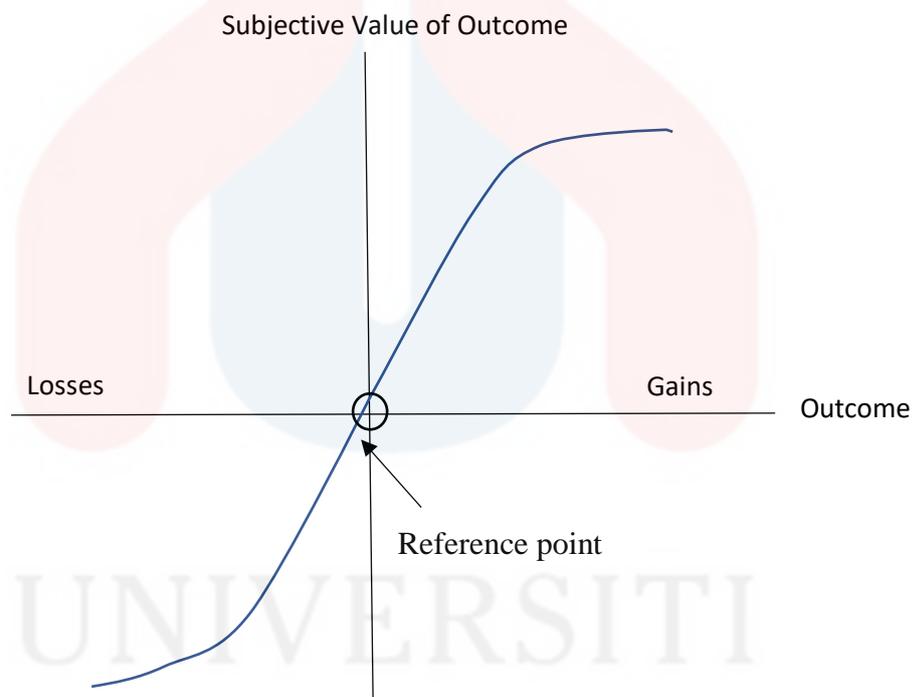
level and discomfort level are divided into extreme, high, low or zero. It is different according to their respective preferences against risk. Individual response towards uncertainty will determine whether the individual is risk addicted, risk seeking, risk tolerant, risk averse or risk paranoid.

Entrepreneur is seen as a career that is riskier compared to those who work on salaries. The salaries that the entrepreneur will accept is irregular or unfixed. Sometimes it can be very high, and sometimes it can be very low. This depends on current situation or surrounding. Thus, through this concept of risk attitude spectrum enable assess the students with a high - risk attitude specifically risk addicted or risk seeking will take entrepreneurship as main career after graduation. This is because the response to entrepreneurship uncertainty lies in extreme or high levels, in line with the entrepreneurship field that will facing with various risks and consequences.

## **2.2 Utility Theory Model**

The developed utility theory model shows the application of multicriteria analysis using subjective and quantitative information in solving objectives. The utility model was used to build construction by Ahmad and Minkarah (1987) which set the scores for competitive bidding environments using multidimensional utility theory.

This model divides the mark-up into three different divisions which are overhead, loss and profit. According to Dozzi, Abourizk & Schroeder (1996), the utility theory model is one of the three widely applied model classifications (probability, current value, utility) that can be used as a tool to help bidders determine a bid with the maximum expected value.



**Figure 2.2:** Prospect Utility Theory Model

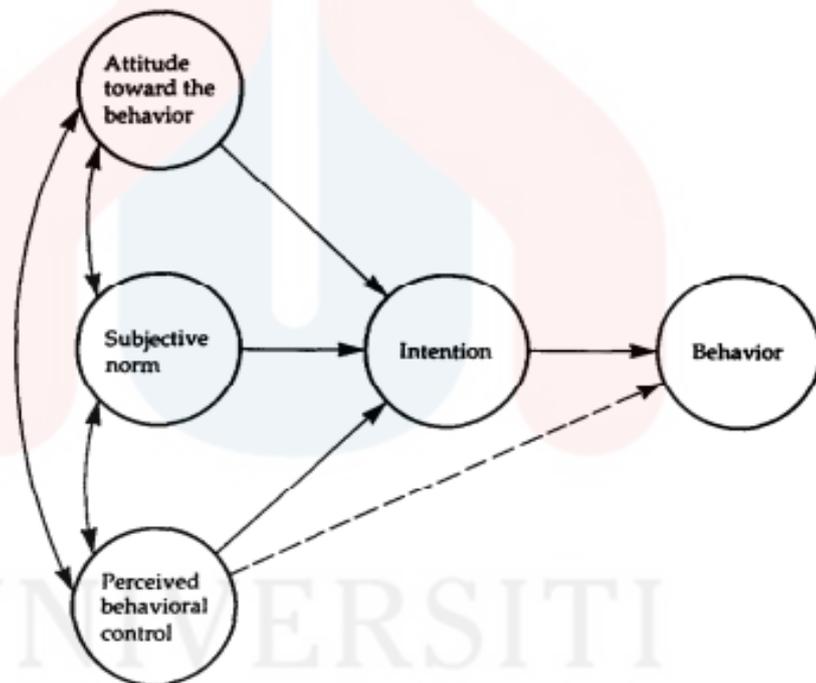
Source: Kahneman (2011)

The prospect theory value function of Utility Theory Model determines the value with respect to the reference point (or status quo). The value function for the loss domain (compared to the reference point) is steeper than for gains (profits). This leads to a decision called the losses aversion where losses are more painful than the same magnitude gains are more pleasant. Meanwhile, the value function is concave (risk of rejecting) above the reference point and convex (looking for risk) below it. Since the same choice is often explained in terms of different reference points, it poses the possibility that different ways of describing the same problem may divert the choice of risk seeking to risk averse (Doc Lecture, 2016).

### **2.3 Theory of Planned Behaviour**

Determination of risk attitude among UMK students become an entrepreneur after graduation is done based on Theory of Planned Behaviour (TPB). The theory of planned behaviour was proposed by Icek Ajzen in 1985 through his article "From intentions to actions: A theory of planned behaviour. Ajzen's (1991) has develop this TPB model which consist of three elements as antecedents of intention formation as in figure 2.3. They are namely as personal attitude, subjective norms and perceived behavioural control. There are many researchers who have conducted a study on entrepreneurial intention by using Theory of Planned Behaviour such as Siddig et al., 2018; Virginia Fernández-Pérez 2017; Ana Montes-Merino 2017; Lázaro Rodríguez-

Ariza 2017; Patricia Esther Alonso Galicia 2017. It found to be that attitudes, subjective norms, and perceived control influenced the intention and lead towards certain behaviour. Personal attitude is the extent to which individuals hold positive or negative personal judgments about becoming an entrepreneur (Emad & Siddig, 2018).



**Figure 2.3:** Framework for the Theory of Planned Behaviour

Source: Ajzen (1991)

## 2.4 Risk in Entrepreneurial Career

Entrepreneurship has been said to be one of the main elements that led to the positive economic development of a country as well as parallel to the well-being of the society (Siddig, Emadaldeen & Osman Afifi, 2018; Praag & Versloot, 2007). According to Krueger, Reilly & Carsrud, 2000, entrepreneurship is an intentional process and planned behaviour. Schmitt - Rodermund (2004) stated that one of the main obligatory for the success of entrepreneurial career was begin with someone's decision to pursue with entrepreneurship career (Amran et al., 2014). Developing career in entrepreneurship is a risky activity. Entrepreneurs create a business and take great responsibility as an owner, managing business and employees, also dealing with various risks and challenges. Even though the field of entrepreneurship looks easy to venture into, however, not everyone is suit to this career. any individual who have intention for this entrepreneurial career, need to be hardworking, creative, willing to take risk, responsible, have skills or knowledge and self - belief.

Individual intention to join entrepreneurship is depend on various factors such as education related factor, experience, family background, personality, financial factor and economic environment (Von Broembosen, Wood & Herrington, 2005; Kroon & Myer, 2001). According to previous study by Owusu- Ansah and Flemming (2001), entrepreneurs involved in entrepreneurship course are more likely to choose entrepreneurs as a career and start their own business compared to those who take

other course other than entrepreneurship or who did not attend any courses. Career decision making is very crucial as the individual life pattern will be formed. The decision to make choices is very complicated, and time consuming (Olsson & Frey, 2002). This process is the main challenge to be pursued (Amran, 2014; Sidek, 2006).

## **2.5 Personality Traits and Entrepreneurial Intention**

Amran et al. (2014) presents that personality trait has been the major determinant of the entrepreneurial intention as stated in some previous studies (Mohd Zain, Mohd Akram & Ghani, 2010; Douglas & Fitzsimmons, 2008; Costa, McCrea & Holland, 1984). Personality also claimed to have certain relationship with career goals (Roberts and Robins, 2000). Besides, based on previous studies, entrepreneurial intentions are said to be influenced by internal factor such as personality traits (Siddig et al., 2018; Brandstätter 2011; Littunen 2000).

Individual making decision on career choice based on personality types, because one's future will be determined (Jeofrey, 2017; Onoyase & Onoyase, 2009). According to Singh and DeNoble (2003), the features inherent in individual personality traits include the individual ability to perform the necessary behaviours

to produce certain performance achievements, to the extent that people believe that locus of control within the individual can influence outcomes, tolerance for ambiguity, and the needs of individuals achieving something that is significant while empowering skills and achieving a high standard for achievement (Amran et al., 2014; De Noble, Jung, Ehrlich (1999); Boyd & Vozikis, 1994). These elements are closely related to the individual's desire to fight for success in life. Besides, it also allows the ability to view, examine the situation before preparing for uncertainty and risk taking (Amran et al., 2014).

Previous studies have said that personality traits are focused on physical and mental activities and attitudes (Amran et al., 2014; Douglas & Fitzsimmons, 2008; Costa, McCrea & Holland, 1984). In addition, according to research by Amran in 2014, personality characteristics consist of elements such as achievement motivation, risk assumption of refusal, attitude on control and delegation. Furthermore, the key features of personality traits are also highlighted as the need for achievement, willing to take initiative, aspire to take responsibility, engage in various types of risks, self-esteem, entrepreneurial intentions, high readiness, high entrepreneurship acceptance, creative behaviour, locus of internal control, individual autonomy and independence needs, using full force and commitment to achieve success, team building and mutual cooperation in teamwork, able to work under pressure, have a high leadership attitude, analytical efficiency and tenacity (Amran et al., 2014; Martinez, Mora & Vila, 2007; Ramayah & Harun, 2005; Rodermund, 2004).

## 2.6 Knowledge- Experience and Entrepreneurial Intention

Knowledge is a familiarity or understanding of someone or something, such as facts, information, description, or skills, acquired through formal or informal experience or education. This can be generated by discovering, learning, observing, perceiving or practising. Knowledge can be referring as theoretical or practical understanding of a subject. In fact, it is important to have knowledge in carrying out something so that it can proceed better especially in business or entrepreneurship. Knowledge acquisition involves complicated cognitive processes of thinking, perception and communication (Dekel, 2006). Meanwhile, knowledge is also interpreted as related to the capacity of acknowledgment in human beings (Stanley, 2002).

Most public or private universities in Malaysia offer entrepreneurship courses regardless of the level of certificates, diplomas, degrees or in higher level. There are numbers of academic courses offered, either core or elective course (Amran et al., 2014; Hashim & Wafa, 2002). In fact, apart from involvement of entrepreneurship in academics, it is also offered to students in the form of co-curriculum activities and programs financed by the Ministry of Entrepreneurship and Development Corporation such as Graduate Entrepreneurship Training, Graduate Basic Entrepreneurship Course, and Graduate Entrepreneur Development Program (Amran et al., 2014). The objectives of the government to insist entrepreneurship

learning is to produce educated and capable graduates of entrepreneurship, as a product of a higher or reputable institute and later they will be ready to pursue their career in entrepreneurship (Amran et al., 2014; Nabi & Holden, 2008).

Entrepreneurship education is claimed to be essential for someone to start the venture and manage the business because it is strongly upsetting to one's intention. Sullivan (2000) stated that most entrepreneurs believe that the basic knowledge learned while participating in entrepreneurship academic courses is very important when it comes to deal with the real world. In fact, according to Amran et al., (2014), education is expected to be a positive element capable of inducing entrepreneurial intention.

Prime Minister of Malaysia, Tun Mahathir Mohamad once introduced Vision 2020 during the sixth Malaysia Plan presentation in 1991. This vision calls for Malaysia to achieve enough industrialization by 2020, encompassing all aspects of national economic development, social well – fare development, more stable and effective country politics and the balance of psychology. Hence, in order to achieve this objective, the production of a productive and knowledgeable workforce is very important. According to Doran (2018), entrepreneurs play an important role in stimulating the economic stability of a country. Armed with entrepreneurial skills, they are able overcome the difficulty by taking various smart measures to rectify market shortages (Amran et. al., 2014).

## 2.7 Current Economic Environment and Entrepreneurial Intention

The current economic environment has derived high unemployment rate due to the moderate economic performance that restraint a company or businesses to expand their workforce (The Star Online, 2017). Anthony (2017) has stated that the youth unemployment rate in Malaysia is three times higher at around 10.8% in 2017 compared to the main unemployment rate of 3.4% in 2017. Youth unemployment, which includes individuals aged 15 to 24 years (Dass, 2018) is stubbornly high from year to year. In those age groups, youth are comprised of individuals who do not finish school, just finished high schools or graduated from colleges and looking for jobs. This crisis will continue to occur as job hiring is very slow compared to the number of job seekers that is growing from time to time.

In fact, this youth unemployment problem will be a burden and affect the country's economy. If it is not controlled, this will trigger a very serious long-term negative impact. Nevertheless, while many are aware of this and various exposure and efforts have been made to enhance entrepreneurial spirit in order to recover the country's economy, yet entrepreneurs among graduates are relatively low (Amran et al., 2014). They prefer to work for others instead of opening their own business.

Gurbuz and Aykol (2008) proved that favourable economic environment clarified the entrepreneurial intentions among young educated public in Turkey (Amran et al., 2014). In fact, previous studies by Amran et al (2014); Almer – Jarz, Wdowiak, Schwarz and Breiteneker (2009); Selcuk and Tucker (2009); Franke and Luthje (2004) have proved the evidence that economic environment as the vital element for the determinations of entrepreneurial intentions. In literature of entrepreneurship, entrepreneurial intention is swayed by the external factor which is the environmental (Siddig et al., 2018; Fayolle 2008; Yeoh and Jeong 1995).

According to The Star Online in August 2018, Malaysia's economic growth forecast for 2018 has been lowered by the Bank Negara to 5% from an earlier estimate of 5.5% -6% (Ganeshwaran, 2018). The volatility of the world economy has shown that the world economy is disturbed after the 2008 economic crisis and noted that economic rates rose by only 3.1 per cent in 2015. This economic downturn has had an impact on the job sector in the country. Hence, the number of unemployment in Malaysia is increasing due to the lack of demand for labour (Norfatihah, 2018).

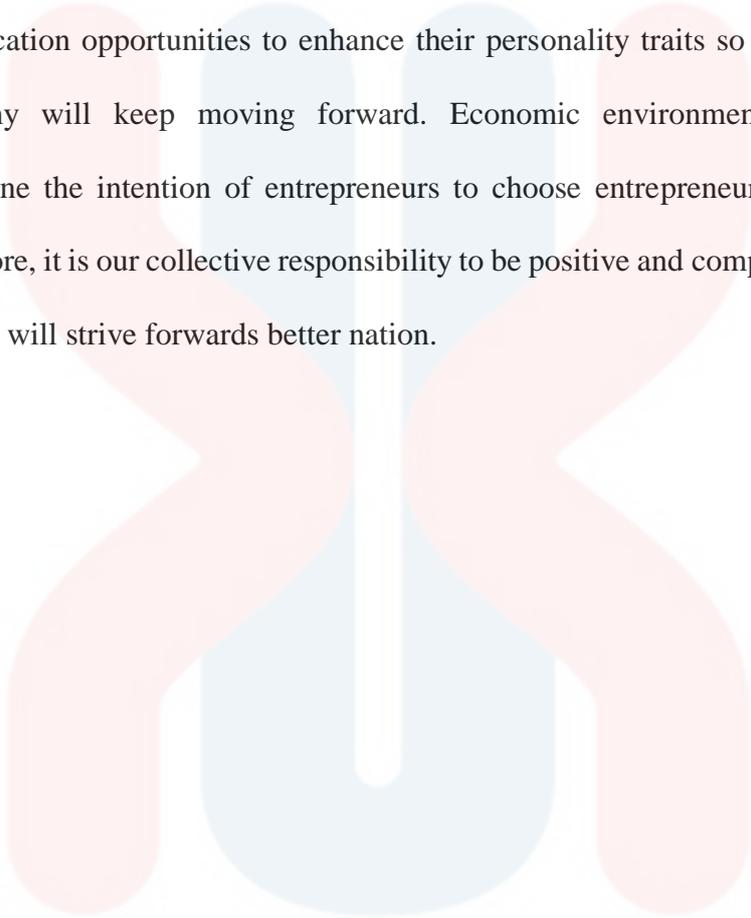
When economic downturn occurs, the business cycle will decline. For example, the demand for capital and services will fall. As a result from this situation, many workers will be deployed and later caused the number of unemployed individuals in our country to be increases. Here the current economic environment is very influential to determine a person's decision on career. However, the country's economy will experience ups and down. Even though in 2018 there was news about

the collapse of the economy, but in 2017, the International Monetary Fund (IMF) explained that the annual economic growth of the country has increased by 4.5% and Malaysia has been categorized as one of the countries with emerging economies. At this point, the wage sector is more secure same goes for those who get involved with the business or entrepreneurial sector (Hasan, 2017).

Malaysia has experienced a recession in 1997 and 1998. The impact that was experienced at the time was also the same as our current state nowadays where the unemployment rate is rising as many private institutions have fallen and workers are given notice to stop working (Nor Aini, 1998). Based on the 2000 Economic Report, the unemployment rate in 1997 has increased to 5.3% in 1998 from only 2.6%. Hence, we can conclude that the current economic situation could really affects the individual career decision making, especially graduates after graduation.

The study verifies that risk attitude, personality trait, current economic environment and knowledge - experience were important determinants of entrepreneurial intention among UMK students to become entrepreneur after graduation. Theory of Planned Behaviour and Utility Theory model were found relevant in entrepreneurial intention study in Malaysia. This discovery can be a benchmark for the formulation of a nation's future entrepreneurial education policy

as well as a more solid institutional education. Future generation can take advantage on education opportunities to enhance their personality traits so that the country's economy will keep moving forward. Economic environment will definitely determine the intention of entrepreneurs to choose entrepreneurs as their career. Therefore, it is our collective responsibility to be positive and competitive so that our country will strive forwards better nation.



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## **CHAPTER 3**

### **RESEARCH METHODOLOGY**

#### **3.0 Introduction**

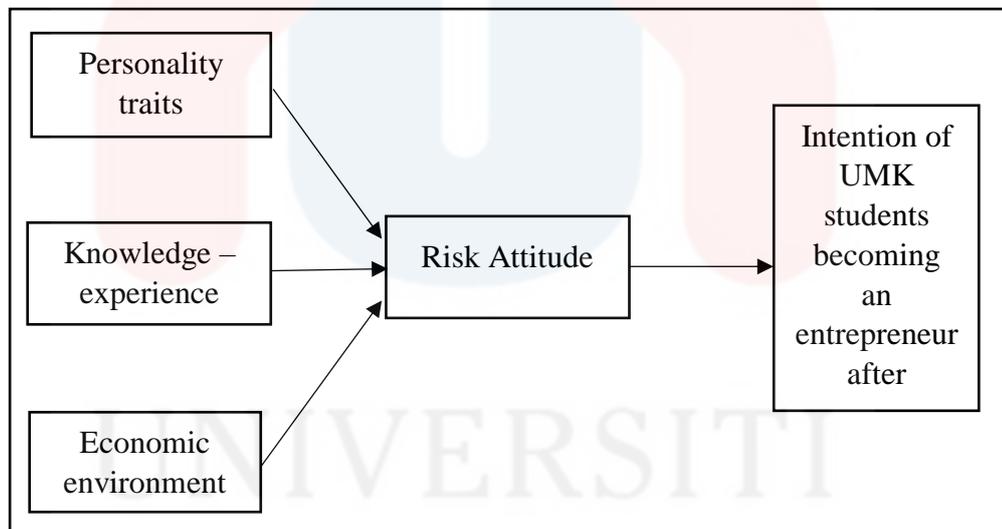
This section discusses the procedures used in this study. The research methodology used to obtain the data will be explained comprehensively and thoroughly. The first part of this study is discussing on the research design and the second part is the research framework. Furthermore, instrumentation, population, sampling, data preparation procedures, pilot study and data analysis are placed under the third part of the research.

### 3.1 Research Design

In order to gather the information from the respondent, quantitative research design was used. The independent variables for this study are knowledge - experience, personality traits and economic environment while the dependant variable are the risk attitude and intention of UMK students of becoming an entrepreneur after graduating. For the first section, a lottery question has been used to measure the risk attitude of UMK graduates by providing structured question for the reservation price of a hypothetical lottery and six questions with 11 - point Likert scale in order to self - assess their risk determination. Then, all statements in section C, D, E, F representing the personality traits, current economic environment, knowledge – experience and entrepreneurial intention were measured using 5 – point Likert scale. Data obtained was analyse by using SPSS 21.0 to perform data entry and analysis about demographic profile, independent and dependence variables.

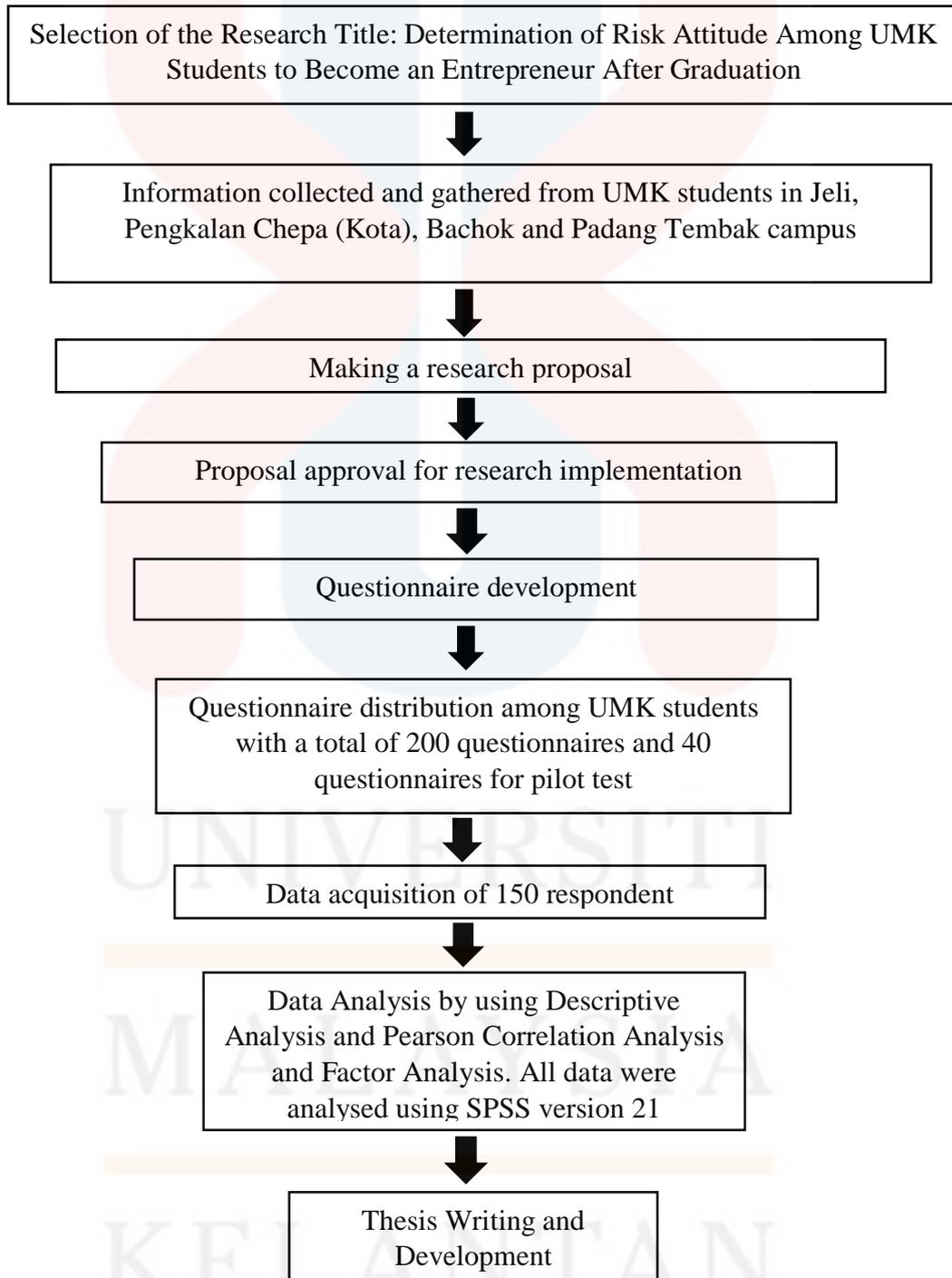
### 3.2 Conceptual Framework

Conceptual framework is prepared to determine the risk attitude and entrepreneurial intention among University Malaysia Kelantan students of becoming an entrepreneur after graduating. The dependent variable are the personality traits, knowledge – experience and current economic environment. Meanwhile, the independent variable are risk attitude and entrepreneurial intention (Figure 3.1)



**Figure 3.1:** Conceptual Framework (Adapted from Theory of Planned Behaviour Model by Ajzen,1991)

### 3.3 Research Flowchart



### 3.4 Instrumentation

A purposive sampling method has been conducted for this study where 200 questionnaires were distributed, and 150 questionnaires were return and usable. The respondents are comprised of UMK students from the Jeli Campus, Pengkalan Chepa (Kota), Bachok and Padang Tembak. The questionnaire was based on a study by Amran et al. (2014) that using the TPB to determine the student's intention to become an entrepreneur. Three factors used in determining risk attitude and entrepreneurial intentions of graduates are personality traits, knowledge - experience and current economic environment. Before the actual questionnaire was disseminated, a pilot test was conducted for 40 students to obtain the effectiveness and usefulness of the instrument.

This questionnaire comprises of six sections labelled as Part A, B, C, D, E and F. All information related to demographic background such as age, gender, race, campus and faculties are included in Part A. This information was collected to examine the impact of demographic factors whether it affects risk attitude and intention of UMK students to become entrepreneur or not.

Part B was designed specifically to assess risk attitude of respondents. All questions were adopted from Hartog, Ferrer-i-Carbonell, & Jonker (2002). Some modification was done to the questions to make sure it fits with the demographic of target respondents. It was divided into two sections; Lottery Questions 1 and 2, and self-assessed. The following Lottery Question 1 was asked to the respondents:

*“Suppose in a lottery game, the possibility to win RM1000 is 10%, then how much would you pay at most to buy a lottery ticket?”*

Lottery Question 2 were modified to incorporate the element of probability and sounds:

*“Now we change the conditions of the choice. Suppose you are offered RM100 in cash. Instead, however, you may choose a lottery ticket. The lottery has a prize of RM1000, but the probability to win has not yet been determined. We want you to think about different probabilities to win the prize of RM1000. How high should this probability be at least for you to take the lottery ticket rather than the RM100 in cash?”*

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Given the respondents answered a reservation price higher than the expected value, they were considered as risk taker, on the other hand, if they answered a same reservation price as the expected value, respondent was deemed a risk neutral, lastly if the respondents having a reservation price lower than the expected value, they will be recorded as risk averse.

The second section of this part was adopted from Dohmen et al. (2005). In this section, respondents were asked to complete a self-assessment by answering a set of 6 questions with a Likert scale ranging between 0 (not at all prepared to take risk) to 10 (very much prepared to take risk). Each of the questions we prepared to assess the risk attitude of respondents towards general situation, finance, recreation, career, health and education. A risk taker will answer higher than 5 on the scale; risk neutral, 5; and risk averse was expected to give answer lower than 5.

Then, Part C, D and E consist of the independent variables which are personality traits, current economic environment and knowledge–experience. The question in this section are referred to the previous studied that been done by Amran *et al* (2014). For these three parts of questions, the question asked is in nominal form and the choice of answers provided are in the form of 5 Likert scale (McLeod, 1997).

**Table 3.4.1:** Classification of score based on 5 Likert Scale

Score	Likert Scale
1	Strongly disagree
2	Disagree
3	Neutral
4	Agree
5	Strongly agree

The last part, F was the independent variable section. This part is to identify the intention of respondents for being entrepreneur after graduating. The answer choices were also measured by using the 5 - Likert Scale as in Table 3.4.1.

### 3.5 Respondents

Population and sample for this study are comprised of students in Universiti Malaysia Kelantan; Jeli Campus, Pengkalan Chepa (Kota), Bachok and Padang Tembak. The total of overall students in UMK is 6,500. However, due to time and budget constraint, only 150 respondents were collected from the survey disseminated.

### 3.5.1 Sample size

Generally, sample size can be determined by the size of population. However, according to Alreck & Settle (1995) and Roscoe (1975), the sample size selection for a study is considered as evaluating the budget as a statistic and the estimation made was useful to study all the contributions, not just money, but also time, energy and space. Krejcie & Morgan (1970) indicated that around 90 respondents are enough to use. However, Martin and Bateson (1986) have mentioned in their study that more data collection is better and encouraged, since the increase in sample size can lead towards the improvement of the statistical power. Roscoe (1975) stated that the use of sample size must be more than 30 but not exceed 500. The reliable number of sample size to be sufficient are between 10 to 20 respondents per estimated parameter (Kline, 2006). According to Kline (2011), the use of sample size of less than 100, sample size between 100 and 200 and sample size that is greater than 200 households are considered as small sample size. Meanwhile, medium sample size and large sample size respectively for structural equation modelling (SEM) analysis. Meanwhile, encouragement for the use of sample size of 500 is to avoid sample error exceeding 10% standard deviation and 98% of the time (Hill, 1998). Weston and Gore-Jr (2006) emphasis a sample size of 200 to be adequate and facing no difficulties with data such as missing data or non-normal distributions. Based on that, data were collected from 150 respondents as the sample size as it satisfies Kline (2011) and Roscoe (1975).

### 3.5.2 Sampling Procedure

The respondents in this study were selected through a purposive sampling technique. Purposive sampling, which also known as judgement, selective or subjective sampling, is a non-probability sampling technique which has been selected based on the characteristics of a population and the purpose of the study (Ashley, 2018). This sampling technique occurs when the selected element for the sample is selected based on the judgment of the researchers (Black, 2010). According to Lisa Cole, 2018, purposive sampling technique was selected because of the advantage in term of representativeness of sample. This sampling technique can be adopted even if the proportionality of the samples were uneven. Since researcher for this study found out that the number of respondents from all four campuses was not proportional, therefore this method was chosen. Other than this technique is applicable towards sample that lack of primary data sources, the other advantages that can be seen are cost effective and time consuming. Targeted samples can be achieved quickly depending on the researchers' judgment in selecting populations to participate in the study.

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### 3.6 Pilot Study

Pilot tests have been conducted before the actual studies in order to test the item on the questionnaire to check for its internal validity and reliability. According to Polit & Beck (2004), pilot study can be defined as small-scale versions or trial run as a preparation for a major study. The pilot study was conducted to determine whether the questionnaire was valid and reliable (Welman and Kruger, 1999). The authors stated that pilot study is required to detect possible disabilities in measurement procedures or it is important to identify items that are not clearly in the questionnaire. Thus, the aim of pilot study therefore is to detect any flaws in the questionnaire and correct the mistake before we do a real study (Joefrey, 2017; Burgess, 2001). Isaac and Michael (1995) stated that samples with a sum of N of 10 to 30 have more practical advantages, among which are simplicity of findings, simplifying calculations and analysis, and the ability to test hypotheses more easily. Hill (1998) also suggested 10 to 30 participants for pilots in survey research. Besides, Van Belle in 2002 suggested that researchers should use at least 12 respondents and observation to construct a confidence interval. Therefore, in this study, a total of 40 respondents were taken for pilot study as satisfies Van Belle in 2002.

### 3.7 Data Analysis

The data collected consist of descriptive and inferential statistics. Data on respondents' demographics and other variables (dependent and independent variables) are summarized and the descriptive statistics by means of measurement of mean, minimum, maximum, frequency, percentage and standard deviation were generated by using the SPSS version 21.0 to analyse and interpret the information. The inferential statistical analysis used was reliability test and risk matrix test.

#### 3.7.1 Reliability Test (Cronbach's Alpha)

Reliability test was carried out on each independent variable (knowledge - experience, personality traits and current economic environment) to find out the extent of the accuracy and truth of the question. According to Hatcher (1994), Cronbach Alpha is an indicator index of reliability associated with variations that contribute to the actual score of "underlying construct" and its formation is a hypothetical variable assessed.

Cronbach's Alpha was used in this study to assess the reliability of the questionnaire. When a stable response is obtained after repeated administration of the test, the variable is reliable. For a scale used as a research tool to compare groups, the alpha value may be less than the clinical condition, when the scaling value for the individual is attractive. To compare groups, alpha values from 0.7 to 0.8 are considered satisfactory. Higher values show higher equations. (Fatimah, 2018; J Martin Blend, 1996; Cronbach's Alpha.pdf, n.d.).

### **3.7.2 Normality Test**

Normality tests are used in statistics to determine whether a set of data is properly modelled by normal distribution (Sekaran & Bougie, 2010). This normality test is crucial in determining what kind of analysis we can use for our research. It precisely determines form of model selection for example of the data obtained in the study was non - normal distribution, thus Spearman correlation coefficient will be used while if normal data is present, Pearson correlation analysis will be applied. Kolmogorov – Smirnov test and Shapiro Wilk have been used to test the normality of the data. According to Mohamad (2016), if the sample size was 50 or less, Shapiro – Wilk test should be used, meanwhile if the sample size was larger than 50, Kolmogorov – Smirnov would produce better results.

### 3.7.3 Frequency Distribution

Frequency distribution refers to a summarized data group divided into mutually exclusive classes and the number of occurrences in the class. This is a way of showing irregular data such as the age of students in a university, different races in one institution, the number of graduates in a university, the income of people for a particular region, product sales within a certain period, and so on.

Then, this frequency distribution can be explained by table or graph. Additionally, the common method for describing frequency distribution is also through histograms, line charts, bar charts and pie charts. Frequency distribution is used for both quantitative and qualitative data. Thus, in brief, frequency distribution is a visual display that regulates and shows the number of frequencies so that irregular information can be interpreted more easily (Australian Bureau of Statistics, 2013).

As for the lottery question, distribution of responses can be divided into three categories namely risk averse, risk neutral and risk taker. Individuals who are more likely to risk averse will have a reservation price less than the amount of expected value. Meanwhile, risk taker or risk lover individuals is someone who would prefer to have a reservation price greater than the expected value.

Then, for people who are risk neutral, this determination cannot be interpreted appropriately. Therefore, we assume that the person whose score of the lottery question with a total of 5 or in the middle of the scale, it is considered as risk – neutral (Ding, Hartog & Sun, 2010).

#### **3.7.4 Correlation Matrix (Spearman Correlation)**

The correlation matrix is a table that shows the coefficient of correlation between variables. Each cell in the table shows a correlation between the two variables. The correlation matrix is used as a way of summarizing data, as inputs into more advanced analysis, and as diagnostics for advanced analysis. Usually, people will use correlation matrices as inputs for factor analysis and linear regression (Bock, 2018).

Spearman's correlation is a measure of the strength and direction of association that exists between two continuous variables. The Spearman correlation generates a coefficient called the Spearman correlation coefficient, denoted as  $r$  (Laerd Statistic, 2018). The purpose of correlational research is to investigate “the extent to which differences in one characteristic or variable are related to differences in one or more other characteristics or variables.” (Leedy & Ormrod, 2010).

According to Malawi (2012), correlation is the statistical method used to evaluate possible linear equations between two continuous variables. It is easy to calculate and interpret. It is measured by a statistic called the correlation coefficient, which represents the strength of the putative linear association between the variables in question.

According to Kent State University, correlation can take on any value in the range  $[-1, 1]$ . The sign of the correlation coefficient indicates the direction of the relationship, meanwhile the magnitude of the correlation on how closer the correlation coefficient to  $-1$  or  $+1$  indicates the strength of the relationship.

- $-1$  indicates the negative linear relationship
- $0$  indicate that there is no relationship
- $+1$  indicates there is a perfectly positive linear relationship

Meanwhile, the strength of the correlation can be assessed by several principles, where

- Value of  $r$  between  $0.1$  and  $0.3$  specify for the weak correlation
- Value of  $r$  between  $0.3$  and  $0.5$  show the medium or moderate correlation
- Value of  $r$  greater than  $0.5$  shows large and strong correlation

### 3.7.5 Kaiser-Meyer-Olkin (KMO) Test

Kaiser-Meyer-Olkin (KMO) is a test conducted to find out the extent to which our data is appropriate for the factor analysis. The value of the KMO is between 0 and 1. The rules to interpret the validity of the KMO test are as follows (Stephanie, 2016; Cerny & Kaiser ,1977):

- If the KMO value lies between 0.8 and 1.0, it indicates that sampling is sufficient.
- If the KMO value is less than 0.6, it indicates that the sampling is insufficient and further action should be taken to raise the value.
- Then, if the KMO value is close to zero, it means that the partial correlation is greater than the sum of correlation. This indicates that there is a widespread correlation which it poses problems for analytical factor.

### **3.7.6 Bartlett's Test**

Bartlett test is a test in statistics that is conducted to find out the appropriateness of the result to perform factor analysis. In fact, it is used to determine whether the samples in the experiment come from the population of the same variation, or the sum of the range of values. The significance value of Bartlett test with  $p < 0.05$  indicate the correlations among the variables (Snedecor, George, Cochran & William, 1989).

### **3.7.7 Factor Analysis**

Factor analysis is one of the important analysis tools used to investigate the variables relationship of complex research concepts. This analysis will explain the variance, where the highest variance will determine a factor that affects the dependent variables of the study. It can be applied to analyse the most influential factor towards certain variables. This analysis encourages researchers to investigate the concepts that are difficult to measure directly by the collapse of a large number of variables to some of the basic factors that can be understood (Maïke, 2018).

### 3.8 Risk Attitude

Each individual has a different priority towards risk. Some individuals generally prefer less risky situation, or some may be particularly fond of challenges. In fact, there are some other individuals who are just indifferent towards risk. So, briefly, risk attitude is comprising into three categories which are, risk taker / lover, risk neutral and risk averse. An explanation of risk attitude is easier in games or lottery concepts. The discussion below refers to the explanation made by William Spaniel in Game Theory 101: The Complete Textbook.

Someone who is risk – averse is ready to take a sum of money less than the expected value of the lottery. For example, if lottery games offered RM1,000,000 as a monetary reward to win the lottery, a risk averse person will be indifferent at an amount which is less than RM500,000. Risk aversion means that each individual preferred to pay less than the actual one. This option explains why some people buy insurance. Meanwhile, a person with a neutral risk preference only wants to maximize the expected value. For example, consider a lottery offered RM1,000,000 with 50% of the time and RM0 with 50% of the time.

A risk neutral individual will be indifferent between the lottery and receive RM 500,000 with certainty. A person who is risk prefer or risk taker requires a greater sum of money than the expected value of the lottery to be purchased. In the lottery games with total of RM1,000,000 of rewards offered, people who is risk averse will be indifferent at an amount which greater than RM 500,000. Risk taker means that the individual is willing to spend more than the actual price. A person who has that preferences are showing similar behaviour to a compulsive gambler. This principle can be presented as  $b > 1$  represents the priority of the risk taker;  $b = 1$  represents a neutral risk priority;  $a < 1$  represents the risk averse priority.

## **CHAPTER 4**

### **RESULTS AND DISCUSSION**

#### **4.0 Introduction**

This chapter presents about the data collected, result of Reliability Test, demographic profile of the respondents, Descriptive Analysis, Pearson Correlation Analysis, Linear Regression Analysis, Chi Square Test and Factor Analysis. All of data have been analyses using SPSS version 21.

#### **4.1 Demographic Profile of the Respondents**

This part describes a general profile of the respondents, which cover personnel data, such as gender, age, race, campus and faculties.

**Table 4.1.1:** Distribution of respondents according to their gender, age, race, campus and faculties

<b>Attribute</b>	<b>Categories</b>	<b>Frequency (n)</b>	<b>Percentage (%)</b>
Gender	Male	44	29.3
	Female	106	70.7
Age	<20 years	28	18.7
	21 -22 years	94	62.7
	23 – 24 years	27	18.0
	>25 years	1	0.7
Race	Malay	127	84.7
	Chinese	15	10.0
	Indian	7	4.7
	Others	1	0.7
Campus	Jeli	108	72.0
	Pengkalan Chepa (Kota)	24	16.0
	Bachok	6	4.0
	Padang Tembak	12	8.0
Faculties	Faculty of Agro – Based Industry	66	44.0
	Faculty of Earth Science	18	12.0
	Faculty of Bioengineering and Technology	24	16.0
	Faculty of Creative Technology & Heritage	6	4.0
	Faculty of Architecture & Ekistics	1	0.7
	Faculty of Entrepreneurship & Business	21	14.0
	Faculty of Veterinary Medicine	12	8.0
	Faculty of Hospitality, Tourism & Wellness	2	1.3

The result represents 150 respondents which is sampled from UMK Campus Jeli, Pengkalan Chepa (Kota), Bachok and Padang Tembak. Table 4.1.1 was summarized the background of respondents selected based on age, gender, race, campus and faculties. Majority of respondents were female that was 106 (70.7%) while only 44 respondents (29.3%) were male. Most of the respondent's category age was in the range of 21 – 22 years for about (62.7%), meanwhile second highest range of age was below 20 with (18.7%), followed by age range of 23 – 24 years (18.0%), while only 1 respondent (0.7%) were at age range above 25 years old.

After that, from 150 respondents, the race of students was mostly Malay which was 127 (84.7%) respondents followed by Chinese with 15 respondents (10.0%), Indian with 7 respondents (4.7%) and lastly the other race with only 1 respondent (0.7%). Majority of the respondents were from University Malaysia Kelantan Kampus Jeli with total of 108 students (72%). Meanwhile, 24 respondents were from Pengkalan Chepa (Kota) with (16.0%), followed by 12 respondents (8.0%) from Padang Tembak and lastly Bachok campus with only 6 respondents (4.0%). The reason why took Jeli campus students more than other campus was because Faculty of Agro-based Industry, especially the Agrotechnology course, was the main focus of this study. The inclination of entrepreneurship in the field of Agro - Based Industries such as agropreneur has further encouraged the selection of respondents among Jeli students. In addition, due to location and distance factors, respondents in Jeli was easier to be approached rather than other campuses which was more time – consuming and cost – effective.

In term of faculties, Faculty of Agro – Based Industry recorded the highest number of respondents with a total of 66 students (44.0%). Next, second highest respondents were from Faculty of Bioengineering and Technology with 24 respondents (16.0%), followed by 21 respondents from Faculty of Entrepreneurship and Business (14.0%), 18 respondents (12.0%) from Faculty of Earth Science and 12 respondents (8.0%) from Faculty of Veterinary Medicine. Then, among 150 respondents, only 6 (4.0%) respondents from Faculty of Creative Technology and Heritage, followed by 2 respondents (1.3%) from Faculty of Hospitality, Tourism and Wellness and lastly from Faculty of Creative Technology and Heritage with only 1 respondent (0.7%).

#### **4.2 Frequency Distribution of Risk Attitude**

The table below shows the measures of risk attitude based on the 2 lottery questions. This finding indicated that the distribution of responses across three categories: risk averse, risk neutral, risk taker. The determination of the three risk categories is based on the expected value.

Expected value (EV) is a concept used in statistics to help determine whether an action is beneficial or harmful. EV is useful in numerical statistics, in gambling or other probability situations, in stock market investments, or in many other situations with various results. To calculate the EV, you need to identify each possible result in the circumstances and probabilities or opportunities of any occurrence. The EV can be calculated based on any parameters that are likely to be measured, such as cost, price, duration, or number of units. The EV is not the prize you expect to win. If there are millions of dollars' worth of votes, the EV is not a gift; On the contrary, the EV is a pointer or measure that will help you make better choices in uncertain situations. The EV is calculated by multiplying every possible result with the probability of occurrence and then summing up the result.

**Table 4.2.1:** Frequency distribution of risk attitude by measure of lottery reservation price and lottery reservation probability

		<b>Risk Averse</b>	<b>Risk Neutral</b>	<b>Risk Taker</b>
<b>Lottery reservation price</b>	Frequency (n)	91	34	25
	Percentage (%)	60.7	22.7	16.7
<b>Lottery reservation probability</b>	Frequency (n)	95	39	16
	Percentage (%)	63.3	26.0	10.7

For the lottery reservation price, risk averse is defined as having a reservation price or probability below the EV and for the reservation probability as having a reservation probability above the probability that equates the cash payment to the expected value of the lottery (or below it for the Loose 100 Yuan Game) (Ding et al. 2010). Risk aversion is a human behaviour (especially consumers and investors), which, when exposed to uncertainty, they endeavour to lower the uncertainty. It is doubtful for someone to agree with the situation with an unknown result and rather than with a more predictable outcome but with lower the possibility of expected outcome.

For this study, we put our EV for lottery reservation price as equal to RM100. Hence, risk averse refers to individuals who tend to invest less than RM100 (RM99 and below). The result shows that most of the students in UMK was belong to the risk averse group with frequency of 60.7%. This is because, through the percentage and frequency of lottery reservation price questions, many students chose to pay less than RM100. This statement can be further reinforced with a study conducted by Ding et al (2010) who said that risk aversion is the dominant type of behaviour among his respondents, Peking University students.

Risk neutral is referring to the term used to describe a person's mental framework when deciding where to allocate money. Through the results achieved, only 22.7% of UMK students are classified as a group risk neutral. A risk – neutral individual only sees the potential profit of each investment and ignore the potential

downside risk. As an example, as what have been asked in the survey question, if the chance to win RM1000 is 10%, then the amount they will pay to buy a lottery ticket is RM100. Meanwhile, the number of percentages for risk lover of UMK students was the lowest with 16.7%.

Risk taker refers to individuals who tend to take risk. As an example, in studies showing about the purchase of lottery tickets, risk taker individual will choose to pay more than RM100 and be prepared to face any risk or any other possible outcomes. There were many previous studies in the economics literature on lottery valuation experiments (William, 2003). Another study by Kachelmeier and Shehata (K&S, 1992) has found that the individual risk preferences are dependent on reward given. Lotteries with high monetary rewards will get more risk taker individuals compared to risk averse. Therefore, it can be concluded here that, the value of rewards offered determined the risk preferences. The higher the rewards' value, the higher the risk preferences (risk taker).

**Table 4.2.2:** Frequency distribution of risk attitude by measure of self - assessed scaling measures.

<b>Risk attitude scales</b>		<b>Risk Averse</b>	<b>Risk Neutral</b>	<b>Risk Taker</b>
<b>General</b>	Frequency (n)	13	87	50
	Percentage (%)	8.7	58	33.3
<b>Financial</b>	Frequency (n)	23	83	44

	Percentage (%)	15.3	55.4	29.3
<b>Recreational</b>	Frequency (n)	10	86	54
	Percentage (%)	6.6	57.4	36.0
<b>Career</b>	Frequency (n)	11	68	71
	Percentage (%)	7.3	45.4	47.3
<b>Health</b>	Frequency (n)	36	75	39
	Percentage (%)	24.0	50.0	26.0
<b>Education</b>	Frequency (n)	12	59	79
	Percentage (%)	7.9	39.4	52.6

The table above shows the measures of risk attitude based on the 6 self-assessed scaling measures. The results for distribution of risk attitude scales based on self-assessment indicate that risk neutral is the most preferred risk compared to risk averse and risk taker. In terms of general, financial, recreational and health, risk averse individuals are the most dominant. However, it can also be concluded that risk is domain specific. Even though the respondent identifies themselves as risk taker, they might become a risk averse when it comes to health or financial (Ding et al., 2010). On the other hand, this result deviates from Dohmen et al (2005) who found respondents are most risk averse in financial matters, in matters of health and most risk taking in general risk. Likewise, in terms of recreational, chosen scale of respondents were risk taker. From the findings we can see that many UMK students are more likely to be neutral and do not want to take risks on general or financial, health and recreational matters because they might be afraid of potentially harmful outcomes due to age and gender factors.

Besides, in this study, some of the respondents are risk lover or risk taker in the domain of career and education. The study done by Dohmen et al. (2005) where the education respondents in his research was a bit more risk averse. Meanwhile, risk averse preferences in career and education is very low with percentage of 7% which may show that rather than taking the gamble and possibly receiving nothing, they do not want to be at risk. This may also be influenced by age, gender, education stage and so on. As respondents of this study are all university students, they will be more likely to deal with the risks involved with the education and subsequently with career risk after they have graduated. Therefore, from the findings of this study, we can conclude that UMK students' risk attitude are mostly risk taker or risk lover in order to become entrepreneur after graduation. Student's willingness to take risk determine to what extent that the individual is prepared to accept profit or losses.

### 4.3 Reliability Test

**Table 4.3.1:** Result of Reliability Test

Attributes	Cronbach's Alpha	No. of Items
Risk Attitude	0.846	8
Personality Traits	0.907	5
Current Economic Environment	0.754	5
Knowledge - Experience	0.884	5
Intention of Becoming Entrepreneur	0.916	3

Reliability is a major concern when a psychological test is used to measure some trait or behaviour (Rosenthal & Rosnow, 1991). This is important to see how far this test can repeat or confirm the accuracy of the question. The most popular testing method for internal consistency in behavioural science is the alpha coefficient. According to Cortina (1993), this coefficient is used to estimate the reliability of item-specific variance in unidimensional tests. The standards relating to these measurements are taken from Nunnally (1978) where he proposes that the predictor tests or hypothesised measures of a construct, if the reliabilities are or higher than 0.70, it will be sufficient enough. It determines the internal consistency and how closely the related set of items in the questionnaire. It is also stated that the rules of thumb of Cronbach's alpha coefficient, if alpha value that is more than 0.9 is excellent, 0.8 is good, 0.7 is acceptable, 0.6 is questionable, 0.5 is poor, and less than 0.5 is unacceptable (George & Mallery, 2003).

Table 4.3.1 shows the results of reliability test analysis that have been used in this study. In this study, Cronbach's Alpha has been used to determine the reliability that related to the objective of the study. As for the first variable which was the risk attitude of students towards the intention of becoming entrepreneur, the Cronbach's alpha was 0.846 with 8 items. The second and third variables used is personality traits and current economic environment which obtained the value of 0.907 with 5 items and 0.754 with 5 items respectively. The fourth variable is

knowledge – experience variables towards the intention of becoming entrepreneur after graduating with 0.884 value of 5 items and lastly the intention of students of becoming entrepreneur, the value was 0.916 with 3 items. Since all the five values are greater than 0.7, all the values are accepted. This means all the measurement scales items adopted in this study have internal consistency.

#### 4.4 Normality Test Analysis

Normality test was used to determine whether our analysis can be done by using parametric test or non- parametric test. Table 4.4.1 below shows the summarized results of Normality test obtained by using Kolmogorov – Smirnov Test.

**Table 4.4.1:** The Normality Test Results Using Kolmogorov – Smirnov Test

	Kolmogorov – Smirnov Test		
	Statistics	df	Sig.
<b>Risk Attitude</b>	0.448	150	0.000
<b>Personality traits</b>	0.420	150	0.000
<b>Current Economic Environment</b>	0.407	150	0.000
<b>Knowledge - Experience</b>	0.468	150	0.000
<b>Intention</b>	0.321	150	0.000

a. Lilliefors Significance Correlation

Based on Table 4.4.1, with a total sample size of 150, the Kolmogorov – Smirnov Test was used since the data obtained was more than 50. This test was applied since the data from this study was specified distribution with specified mean and variance. Given the p – value for all five variables including risk attitude, personality traits, current economic environment, knowledge – experience and also intention are 0.000. Since the value obtained was less than the significant value of 0.05, this shows strong evidence of abnormal data (non – normality) (Daniel & Wayne, 1990). Therefore, since the data is not normal, we need to use non-parametric test or better known as Spearman correlation coefficient analysis, to analyse the relationship between risk attitude, personality traits, current economic environment and knowledge - experience towards the intention of students to become entrepreneur after graduation.

#### 4.5 Spearman Correlation Analysis

**Table 4.5.1:** Results of Spearman Correlation Analysis Towards Intention Of UMK Students to Become Entrepreneur After Graduation

		<b>Personality Traits</b>	<b>Current Economic Environment</b>	<b>Knowledge - Experience</b>
<b>Intention of UMK Students Becoming an Entrepreneur after Graduating</b>	Spearman Correlation	0.511**	0.548**	0.464**
	Significant (2-tailed)	0.000	0.000	0.000

\*\* Correlation is significant at 0.05 level (2 – tailed)

Table 4.5.1 indicated that the correlation coefficient between personality traits and intention is  $r = 0.51$ , with  $p$  – value of  $0.000 < 0.05$ , meanwhile for current economic environment towards intention is  $r = 0.55$ , with  $p$  – value of  $0.000 < 0.05$  and knowledge – experience towards intention with  $r = 0.46$  and  $p$  – value of  $0.000 < 0.05$ . Therefore, the findings showed that the value of all three dependence variables are lower than the significance value of 0.05. Thus, it is clearly specified that these three factors involving personality traits, current economic environment and knowledge – experience have significant relationship towards intention. This showed that there was a positive correlation between personality traits, current economic environment and knowledge – experience with students’ intention of

becoming an entrepreneur after graduation. Students with high positive personality traits, current economic environment and knowledge – experience have greater entrepreneurial intention. For example, if Malaysia has a stable current economic environment, thus the intention of individuals to become entrepreneur also increase. As mentioned by Botha (2016) personality trait was significantly positively correlated with entrepreneurial intention. Thus, as result depicted, we can reject the null hypothesis, where, there is no relationship between risk attitude, individual knowledge – experience, personality traits and economic environment that explain the intention of students being entrepreneur after graduation.

**Table 4.5.2:** Results of Spearman Correlation Analysis Towards Risk Attitude Of UMK Students to Become Entrepreneur After Graduation

		<b>Personality Traits</b>	<b>Current Economic Environment</b>	<b>Knowledge - Experience</b>
<b>Risk Attitude of UMK Students Becoming an Entrepreneur after Graduating</b>	Pearson Correlation	0.229**	0.266**	0.199**
	Significant (2-tailed)	0.005	0.001	0.014

\*\* Correlation is significant at 0.05 level (2 – tailed)

Table 4.5.2 showed the correlation coefficient between personality traits and risk attitude with  $r = 0.23$ , with  $p$  – value of  $0.005 < 0.05$ , current economic environment towards risk attitude with  $r = 0.27$  and  $p$  – value of  $0.001 < 0.05$  and knowledge – experience towards risk attitude with  $r = 0.20$  and  $p$  – value of  $0.014 < 0.05$ . Hence, the results indicated that the value of all three dependence variables were lower than the significance value of 0.05. Thus, it was clearly specified that these three factors involving personality traits, current economic environment and knowledge – experience have significant relationship towards risk attitude. It showed that there was a positive correlation between personality traits, current economic environment and knowledge – experience with students' risk attitude of becoming an entrepreneur after graduation. Students with high positive personality traits, current economic environment and knowledge – experience have greater entrepreneurial intention. For instance, if the current economic environment in Malaysia is stable, then the risk attitude of the individuals to become entrepreneur also increase.

#### 4.6 Factor Analysis

Factor analysis was conducted to expose the factor underlying student intention to become entrepreneur after graduation. Kaiser-Meyer-Olkin (KMO) test was conducted to measure the suitability of the data from this study to perform factor analysis. Meanwhile, Bartlett's Test was performed to ensure the extent of the rightness of the data to run factor analysis (Zul Ariff, Nurul, Intan & Nursalwani, 2018; Tabachnik et. al., 2007). Table 4.6.1 shows the result of Kaiser – Meyer – Olkin and Bartlett's Test. The result for this study shows the value for KMO test which exceeds 0.6. Thus, this sampling is considered satisfactory and adequate (Stephanie, 2016; Cerny & Kaiser, 1977). Meanwhile, the Bartlett test result indicates that a highly significant result is a value with ( $p < 0.05$ ). Therefore, result shown from this study is appropriate for factor analysis since all values for each factor are 0.000 (Zul Ariff et al., 2018; Shaharudin, Junika, Wan Mansor & Jamel, 2010).

**Table 4.6.1:** Kaiser – Meyer – Olkin and Bartlett’s Test

		<b>Personality Traits</b>	<b>Current Economic Environment</b>	<b>Knowledge - Experience</b>
<b>Kaiser – Meyer Olkin Measure of Sampling Adequacy</b>		0.823	0.804	0.867
<b>Bartlett’s Test of Sphericity</b>	<b>Approx. Chi – Square</b>	435.145	363.830	587.457
	<b>Df</b>	10	10	10
	<b>Sig.</b>	0.000	0.000	0.000

As shown in Table 4.6.1, the results for the KMO test showed that the value for the first variable of personality traits is 0.823, while the value for second variables of the current economic environment is 0.804. The third variable, knowledge - experience, recorded the highest value with a total of 0.867 and the intention of students to become entrepreneur after graduation recorded the lowest value with 0.762. Since all values exceeded the satisfactory value of 0.6, thus, all variables are acceptable. Then, the Bartless test of Sphecicity with all the values of 0.000 indicates that there is intercorrelation between these four variables (Snedecor et al., 1989).

The result of factor analysis of personality traits, current economic environment and knowledge experience towards students' intention to become entrepreneur are shown in table below:

**Table 4.6.2:** Factor Analysis of Personality Traits Towards Students' Intention to Become Entrepreneur After Graduation

<b>Items</b>	<b>Factor Loading</b>
I think that entrepreneur is a successful career	0.642
I believe that my life will be more secure in the future if I choose entrepreneur as a career	0.510
I think people with higher confidence level will success in entrepreneur career	0.709
I believe that entrepreneur person is competitive	0.766
To me the person who choose entrepreneur as a career is a good leader	0.786
Variance (percent of explained)	68.257

In the part of personality traits towards students' intention to become entrepreneur after graduation, it presented five statements on a 5 – point Likert scale. All factors loading from this part have retained a value of 0.5 and above. The personality traits consisted of 5 sub – variables and has a total variance explained of 68.257%. The result of this factor showed that personality traits could influence the intention of UMK students to become entrepreneur after graduation.

**Table 4.6.3:** Factor Analysis of Current Economic Environment Towards Students' Intention to Become Entrepreneur After Graduation

Items	Factor Loading
The emergence of more entrepreneur in Malaysia are influenced by the current economic environment	0.653
Financial assistance from Government and NGOs helps many individuals to start a business	0.637
Due to limited employment opportunities, I choose to be an entrepreneur after graduation	0.555
High market demand from consumer influence me to start up a business	0.674
Entrepreneur career needs to face with higher risk taking	0.739
Variance (percentage of explained)	65.171

In the part of current economic environment towards students' intention to become entrepreneur after graduation, it also presented five statements on a 5 – point Likert scale. All factors loading from this part have retained a value of 0.5 and above. The current economic environment consisted of 5 sub – variables and has the lowest total variance explained of 65.171%. The result of this factor showed that the current economic environment could also influence the intention of UMK students to become entrepreneur after graduation.

**Table 4.6.4:** Factor Analysis of Knowledge – Experience Towards Students’ Intention to Become Entrepreneur After Graduation

Items	Factor Loading
In our institution, the students are encouraged to become entrepreneurs even though entrepreneurship are not the main course taken	0.747
I believe the education system provided by UMK on entrepreneurship helps to produce more successful entrepreneur	0.795
Knowledge and experience are the key to the success of an entrepreneur	0.825
I think people with creative thinking and behaviour can be a good entrepreneur	0.835
I believe, individuals who already have experience in the field of entrepreneurship will continue to choose entrepreneurs as a career	0.659
Variance (percent of explained)	77.199

In the part of knowledge - experience towards students’ intention to become entrepreneur after graduation, it also presented five statements on a 5 – point Likert scale. All factors loading from this part have retained a value of 0.6 and above. The current economic environment consisted of 5 sub – variables and has the highest total variance explained of 77.199%. The result of this factor showed that the knowledge – experience factor is strongly influenced the intention of UMK students to become entrepreneur after graduation.

The three factors which explaining the total variances are summarized in Table 4.6.5 below:

**Table 4.6.5:** Result of Factor Analysis

<b>Dimension (Factors)</b>	<b>Total Variance (Percentage of Explained)</b>	<b>Number of Items</b>
<b>Personality traits</b>	68.257	5
<b>Current Economic Environment</b>	65.171	5
<b>Knowledge – Experience</b>	77.199	5

The variances explained was the approximate strength of the relationship between the treatment or the factors and the variables depending on the researchers (Good & Fletcher, 1981). The percentage of variance described was used to measure how much variance was explained by each factor (Zul Ariff et al., 2018). From the findings, the highest variance explained was the knowledge – experience factors. This indicated that knowledge – experience factor was the most influential factor that determine the intention of UMK students to become entrepreneur after graduation with the highest variance explained by 77.199%.

## CHAPTER 5

### CONCLUSION AND RECOMMENDATIONS

#### 5.1 Conclusion

**Objective 1:** To determine the risk attitude of UMK students.

From the findings, this study presents risk averse was by far the dominant type of behaviour among UMK students, but risk – neutral also do exist referred towards certain condition such as general, financial, health and recreational matters. However, some respondents tend to be more risk taker when it comes to career towards risk attitude with 47.3% and 52.6% for education towards risk attitudes. This was happened due to vast amount of people who were more likely to take risks in something that can lead towards success and profit generation instead of something that might lead towards failure such as risk taking in financial and health related matters.

**Objective 2:** To analyse the relationship between personality traits, current economic environment and knowledge-experience towards risk attitudes of UMK students to become entrepreneur after graduation.

This study indicates that there was a positive relationship between individual knowledge – experience, personality traits and economic environment that explain the risk attitude of UMK students to become entrepreneur after graduation. The findings of the results could also hope to shed some new insights to the current entrepreneurship literature particularly in Malaysian settings.

**Objective 3:** To identify the relationship between individual risk attitude, personality traits, current economic environment, knowledge-experience, and UMK student’s intention to be entrepreneur after graduation.

This study indicates that there was a positive and significance relationship between individual risk attitude, knowledge – experience, personality traits and economic environment that explain the intention of UMK students being entrepreneur after graduation. The used of social cognitive approach of TPB has given positive outcomes. These results are anticipated to have certain implications to both universities and students alike.

**Objective 4:** To determine the most influential factors affecting the students' intention to become entrepreneur after graduation.

The most influential factor towards the intention of UMK students to become entrepreneur after graduation is greatly influenced by the knowledge – experience factor. The findings of this study can be utilized in Jeli campus context by enhancing knowledge-experience of students towards agropreneur in syllabus of courses in UMK. Then, it gives more exposure and hands on experience that agriculture is the job of the future to the students.

## 5.2 Recommendations

For future studies, more vigorous analysis with better hypothesis should be applied to explain for this phenomenon. The measure of risk attitude distribution can also be carried out more closely so that the results achieved will be more accurate and convincing. It is recommended that future studies may use wider population sample to increase the accuracy of the findings. Besides, future studies might introduce more other suitable moderating and or mediating variable such as attitude, family backgrounds, entrepreneurial orientation, and entrepreneurial alertness could be considered into the model that might add meticulousness to the study and subsequently enhances the theory.

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## APPENDIX A



**Determination of Risk Attitude among UMK Students to Become an Entrepreneur after Graduation**

The objectives of this study:

1. To determine the risk attitude of UMK students.
2. To analyse the relationship between personality traits, current economic environment and knowledge-experience towards risk attitudes of UMK students to become entrepreneur after graduation.
3. To identify the relationship between individual risk attitude, personality traits, current economic environment, knowledge-experience, and UMK student's intention to be entrepreneur after graduation.
4. To determine the most influential factors affecting the students' intention to become entrepreneur after graduation.

# QUESTIONNAIRE

## SECTION A: DEMOGRAPHIC BACKGROUND

Please answer all the following questions by ticking the appropriate box to indicate your answer.

1. Gender:

Male

Female

2. Age:

< 20 years

23 – 24 years

21– 22 years

>25 years

3. Race:

Malay

Chinese

Indian

Other: \_\_\_\_\_

1. Campus:

Jeli

Kota (Pengkalan Chepa)

Bachok

Padang Tembak

2. Faculties:

Faculty of Agro-Based Industry

Faculty of Earth Sciences

Faculty of Bioengineering and Technology

Faculty of Creative Technology and Heritage

Faculty of Architecture and Ekistics

Faculty of Entrepreneurship and Business

Faculty of Veterinary Medicine Faculty of Hospitality, Tourism,  
and Wellness

**SECTION B: RISK ATTITUDE DETERMINATION****SECTION B1: Lottery Questions****Lottery Question 1**

Suppose in a lottery game, the possibility to win RM1000 is 10%, then how much would you pay at most to buy a lottery ticket?

Please state (in Malaysian Ringgit):

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**Lottery Question 2:**

Suppose you are offered RM100 in cash. Instead, however, you may also choose a lottery ticket. The lottery has a prize of RM1000, but the probability to win has not yet been determined. We want you to think about different probabilities to win the prize of RM1000. How high should this probability be at least for you to take the lottery ticket rather than the RM100 in cash?

Please state (in percentage, %):

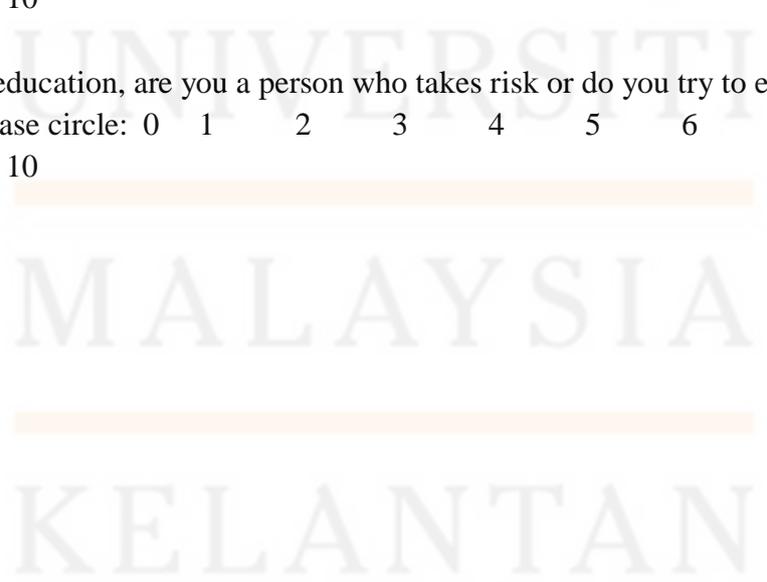
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**SECTION B2: Self-assessed**

Please self-grade your choice (ranging between 0-10) with:

0: “not at all willing to take risk” to 10: “very much willing to take risk”.

1. Generally, are you a person who takes risk or do you try to evade risks?  
Please circle: 0 1 2 3 4 5 6 7 8 9 10
2. Financially, are you a person who takes risk or do you try to evade risks?  
Please circle: 0 1 2 3 4 5 6 7 8 9 10
3. Recreationally, are you a person who takes risk or do you try to evade risks?  
Please circle: 0 1 2 3 4 5 6 7 8 9 10
4. Career wise, are you a person who takes risk or do you try to evade risks?  
Please circle: 0 1 2 3 4 5 6 7 8 9 10
5. In health, are you a person who takes risk or do you try to evade risks?  
Please circle: 0 1 2 3 4 5 6 7 8 9 10
6. In education, are you a person who takes risk or do you try to evade risks?  
Please circle: 0 1 2 3 4 5 6 7 8 9 10



**SECTION C: PERSONALITY TRAITS**

For **SECTION C**, you are asked to choose how much you agree with the given statement. Please read each item and give your answer by marking on the appropriate answer option from scale 1 (Strongly Disagree) to scale 5 (Strongly Agree)

1	2	3	4	5
Strongly Disagree	Disagree	Neutral	Agree	Strongly agree

Personality Traits		Strongly disagree	Disagree	Neutral	Agree	Strongly agree
C1.	I think that entrepreneur is a successful career	1	2	3	4	5
C2.	I believe that my life will be more secure in the future if I choose entrepreneur as a career	1	2	3	4	5
C3.	I think people with higher confidence level will success in entrepreneur career	1	2	3	4	5
C4.	I believe that entrepreneur person is competitive	1	2	3	4	5
C5.	To me the person who choose entrepreneur as a career is a good leader	1	2	3	4	5



## SECTION D: CURRENT ECONOMIC ENVIRONMENT

For **SECTION D**, you are asked to choose how much you agree with the given statement. Please read each item and give your answer by marking on the appropriate answer option from scale 1 (Strongly Disagree) to scale 5 (Strongly Agree)

1	2	3	4	5
Strongly Disagree	Disagree	Neutral	Agree	Strongly agree

	Current Economic Environment	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
D1.	The emergence of more entrepreneur in Malaysia are influenced by the current economic environment	1	2	3	4	5
D2.	Financial assistance from Government and NGOs helps many individuals to start a business	1	2	3	4	5
D3.	Due to limited employment opportunities, I choose to be an entrepreneur after graduation	1	2	3	4	5
D4.	High market demand from consumer influence me to start up a business	1	2	3	4	5
D5.	Entrepreneur career needs to face with higher risk taking	1	2	3	4	5

**SECTION E: KNOWLEDGE AND EXPERIENCE**

For **SECTION E**, you are asked to choose how much you agree with the given statement. Please read each item and give your answer by marking on the appropriate answer option from scale 1 (Strongly Disagree) to scale 5 (Strongly Agree)

1	2	3	4	5
Strongly Disagree	Disagree	Neutral	Agree	Strongly agree

	<b>Knowledge and Experience</b>	<b>Strongly disagree</b>	<b>Disagree</b>	<b>Neutral</b>	<b>Agree</b>	<b>Strongly agree</b>
E1.	In our institution, the students are encouraged to become entrepreneurs even though entrepreneurship are not the main course taken	1	2	3	4	5
E2.	I believe the education system provided by UMK on entrepreneurship helps to produce more successful entrepreneur	1	2	3	4	5
E3.	Knowledge and experience are the key to the success of an entrepreneur	1	2	3	4	5

E4.	I think people with creative thinking and behaviour can be a good entrepreneur	1	2	3	4	5
E5.	I believe, individuals who already have experience in the field of entrepreneurship will continue to choose entrepreneurs as a career	1	2	3	4	5

**SECTION F: BECOMING AN ENTREPRENEUR**

For **SECTION F**, you are asked to choose how much you agree with the given statement. Please read each item and give your answer by marking on the appropriate answer option from scale 1 (Strongly Disagree) to scale 5 (Strongly Agree)

1	2	3	4	5
Strongly Disagree	Disagree	Neutral	Agree	Strongly agree

<b>Becoming an Entrepreneur</b>		<b>Strongly disagree</b>	<b>Disagree</b>	<b>Neutral</b>	<b>Agree</b>	<b>Strongly agree</b>
F1.	I want to establish my own business after finishing my study	1	2	3	4	5
F2.	I'm determined to create a company in the future	1	2	3	4	5
F3.	I have thought seriously to start my own business after graduating	1	2	3	4	5

THANK YOU FOR YOUR COOPERATION

MALAYSIA

KELANTAN