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Investigating Correlation between internal and external factors and Inclination to be Social Entrepreneurs amongst students at University Malaysia Kelantan

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Abstract

A social entrepreneur is a mission-driven individual who uses a set of entrepreneurial behaviours to deliver a social value to the less privileged through an entrepreneurially oriented entity that is financially independent, self-sufficient, or sustainable. Over the past three decades more and more have been written about social entrepreneurship, however research pertaining to student inclination to be ones is scarce. In this respect this paper investigates correlation between external and internal factors and inclination to be social entrepreneurs, using UMK students as a case. Results of the study showed both factors strongly correlated. The implication of the study is very clear, university not only inculcate entrepreneurship, concern toward social and environment but at the same time prepare conducive environment for social entrepreneurship. Sensitivity of environmental factors should be utilised to inculcate this inclination.

Keywords: investigate correlation, internal factors, external factors, inclination, social entrepreneurship;

1. Introduction

A social entrepreneur is a mission-driven individual who uses a set of entrepreneurial behaviours to deliver a social value to the less privileged through an entrepreneurially oriented entity that is financially independent, self-sufficient, or sustainable (Abu-Saifan, 2012). Leadbeater (1997) highlighted three factors that make social entrepreneurship different from other forms of entrepreneurship - entrepreneurial, innovative and transformatory. Social entrepreneurs realize where there is an opportunity to satisfy some unmet need that the state welfare system will not or cannot meet, and gather necessary resources (generally people, often volunteers, money and premises) and use these to make a difference (Thompson, Alvy, & Lees, 2000). In layman terms social enterprises have their capacity to transform economies address social needs unmet by the government, corporations, non-governmental organizations (NGOs) or the ecosystem (Samira Khan, 2015). Social entrepreneurs focus on social and environmental issues that have an impact and benefit to the community and society (Danna & Porche, 2008). Up until now the government of Malaysia has already been working to foster entrepreneurship and support start-ups. The aim is for the 100 Malaysian social enterprises to double over the next year and reach 1000 social enterprises in three years. During the launch of the Malaysian Social Enterprise Blueprint 2015-2018 in the mid May 2015, Prime Minister Datuk Seri Najib Razak spoke to the audiences of his vision of social entrepreneurship for Malaysia, why it is important, areas of focus and plan.

In this respect, the achievement of more number of social enterprises initiated by social entrepreneurs and their effectiveness to achieve Prime Minister aspiration augurs well for very rich, vibrant and social enterprise culture over the year to come. Hence, it is important to inculcate social entrepreneurship amongst younger generations, especially undergraduates because they are the ones who will walk the Prime Minister's talk.

Unlike previous studies on students' inclination to be entrepreneurs, there is still lack of study examining inclination of university students towards social entrepreneurship. Thus, the present study investigates the

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relationship between internal and external factors and university students' inclination towards social entrepreneurship, using University Malaysia Kelantan (UMK) as a case.

2. Literature review

Social entrepreneurship is a relatively new concept compared to 'conventional' or 'commercial' entrepreneurship. Its infancy status brings with it difficulties in definition. Although everybody has his or her meaning of it, not many of them are the same and the words used tend to depend on the perspective of authors.

Sullivan Mort et al.(2003) propose four key dimensions to a definition of social entrepreneurship: "the virtuousness of their mission to create better social value; unity of purpose and action in the face of complexity; an ability to recognise opportunities to create better social value for their clients; and their propensity for risk-taking, proactiveness and innovativeness in decision-making".

The term social entrepreneurship is usually used to refer to the rapidly growing number of organizations that have created models for efficiently catering to basic human needs that existing markets and institutions have failed to satisfy. Social entrepreneurship combines the resourcefulness of traditional entrepreneurship with a mission to change society. Social entrepreneurship offers insights that may stimulate ideas for more socially acceptable and sustainable business strategies and organizational forms. Because it contributes directly to internationally recognize sustainable development goals, social entrepreneurship may also encourage established corporations to take on greater social responsibility.

Social entrepreneurs are people with similar behaviours to conventional entrepreneurs but "operate in the community and are more concerned with caring and helping than with making money" (Thompson, 2002). In "How to Change the World; Social Entrepreneurs and the power of new Ideas", David Bornstein chronicles the development of Ashoka, bringing together stories of leading social entrepreneurs both living and past. He sees social entrepreneurs as: "transformative forces: people with new ideas to address major problems, who are relentless in the pursuit of their vision, people who simply will not take no for an answer and who will not give up until they spread their ideas as far as they possibly can"

Social entrepreneurs are probably just as likely to make it up as they go along, although courses in social entrepreneurship are beginning to emerge in academic institutions. These are being established as a vehicle to bring together business practice and the passion and energy of successful social entrepreneurs in an academic environment (Bornstein, 2004).

Two prime examples of social entrepreneurs are Muhammad Yunus and Bill Drayton. The 2006 Nobel Peace Prize winner Muhammad Yunus, founded the highly successful Grameen Bank in Bangladesh, providing credit to the poor to help them move out of poverty. Bill Drayton of Ashoka, actually the concept of "social entrepreneurship" emerged in the 1980s from the work of Bill Drayton at Ashoka, funding social innovators around the world. Both of them are often-cited social entrepreneurs and many articles have been written about them and their organisations.

3. Methodology

Data was gathered from a self-administered questionnaire conducted among university students (n= 142) in Universiti Malaysia Kelantan. The unit of analysis was the undergraduate students in five faculties, namely faculty of entrepreneurship and business, faculty of creative technology and heritage, faculty of agro-based industry, faculty of earth sciences and faculty of veterinary medicine. The questionnaire was adapted from various sources and used as a means of data collections. It has four pages that consisted of four parts: demographic profile, internal forces, external forces and inclination of social entrepreneurship. The scales used in the questionnaire was based on a 5-point Likert scale (with 1= strongly disagree, 2= disagree, 3= neither agree nor disagree, 4=agree, 5= strongly agree) for each close-ended question. SPSS version 22.0 was used to analyse the data.

The five constructs of social entrepreneurship, namely entrepreneurial personal traits, social concern, environmental concern, environmental factors and perturbation of the environmental are used to define the social

entrepreneurial profile of students. These constructs were from Brooks (2009) “Social Entrepreneurship” page 10; chapter 1; Figure 1.3.

The reliability of each constructs was determined using Cronbach’s alpha. In this study, a reliability coefficient of 0.50 is set as the criterion of acceptability (Felder & Spurlin, 2005). The reliability coefficients for each constructs are as follows: entrepreneurial personal traits = 0.63, social concern = 0.78, environmental concern = 0.78, environmental factors = 0.69, perturbation of the environmental = 0.72 and inclination of social entrepreneurship = 0.80. Thus all constructs fulfil the psychometric criteria of reliability.

The participation in this study was on voluntary basis. The questionnaires were randomly distributed to target respondents with the help of respective lecturers in classes or lecturer halls and the respondents were asked to return the questionnaires after the lectures or class. SPSS version 20.0 was used to analyse the data. Descriptive analysis, correlation matrix and multiple regression were performed to examine the hypothesised propositions.

4. Findings

4.1 The respondents’ profiles

Out of 142 participants, the respondents were heavily in favour of females with 74.6 per cent compared to males with only 25.4 per cent. In terms of ethnicity, majority were Malays with 74.6 per cent (n=106), followed by the Chinese 12.0 per cent (n=17), Indians 11.3 per cent (n=16) and others 2.1 per cent (n=3). This scenario is understandably as Malay students are the majority at public universities in Malaysia. **Incubation Role:** The center usually accepts incubation to various ventures such as “professor ventures,” “student ventures,” and “corporate ventures.”

As all of the respondents were studying at the undergraduate level, they were mostly aged between 20 to 23 years old, with 83.8 per cent (n=119), whilst 7.0 per cent or 10 respondents were at the age of below 20 and 9.2 per cent (n=13) was aged between 24 to 26 years. Meanwhile for the proportion of the respondents’ programmes of study, 26.1 per cent or 37 respondents were pursuing their studies in faculty of entrepreneurship and business, 15.5 per cent or 22 in faculty of earth sciences, 21.8 per cent or 31 respondents were studying in faculty of veterinary medicine and 29.6 % or 42 in faculty of agro-based industry. With regard to their university’s year of study, most of the respondents were students in year four (63.4 per cent; n=90), followed by year two students (26.8 per cent; n=38), year 3 (9.2 per cent; n=13) and year 1 (0.7 per cent; n=1).

4.2 The respondents’ analysis

Table 1 summarises the students’ responses in this study. The mean score and the standard deviation are presented. It was found that the environmental concern showed the highest scores.

Table1. Means and standard deviations for the constructs.

Construct	Mean	SD
Entrepreneurial personal traits	3.78	0.56
Social concern	4.14	0.49
Environmental concern	4.24	0.51
Environmental factors	3.87	0.54
Perturbation of the environmental	3.97	0.51
Inclination of social entrepreneurship	3.89	0.54

Interrelationships among internal constructs (entrepreneurial personal traits, social concern and environmental concern) and external constructs (environmental factors and perturbation of the environmental) were examined by a correlation matrix (see Table 2). All the constructs correlated significantly with each other. Interrelationships among internal and external constructs towards students’ inclination of social entrepreneurship also were examined by a correlation matrix (see Table 3). All the constructs correlated significantly with inclination of social entrepreneurship.

Table 2. Intercorrelations between all the constructs.

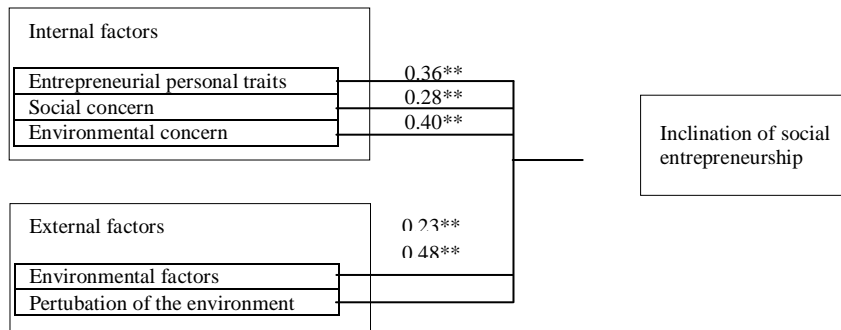
Construct	1	2	3	4	5
Entrepreneurial personal traits	-	0.50*	0.18*	0.27**	0.19*
Social concern		-	0.35**	0.16	0.29**
Environmental concern			-	0.08	0.34**
Environmental factors				-	0.36**
Perturbation of the environmental					-

Note: ** $p < 0.01$; * $p < 0.05$

1 = entrepreneurial personal traits; 2 = social concern; 3 = environmental concern;

4 = environmental factors; 5 = perturbation of the environmental

Table 3. Correlations between the external and internal forces towards inclination of social entrepreneurship.



Note: ** $p < 0.01$

5. Discussion and conclusion

The purpose of the present study was to investigate correlation between internal and external factors and inclination towards social entrepreneurship among UMK students. We hypothesized there is significant correlation between internal factors (entrepreneurial personal traits, social concern and environmental concern) as well as external factors (environmental factors and perturbation of the environment) and inclination of social entrepreneurship. All these factors were positively correlated to social entrepreneurial inclination. The implications of this study to UMK in particular and other universities in Malaysia in general to encourage the inclination of students to be social entrepreneurs can be seen in following lights. First students must be exposed to entrepreneurial activities in campus. Second they should be exposing to the idea of social and environmental issues, poverty and environment in their courses. Third, campus environment should be conducive to social entrepreneurship. Universities involvement in local communities especially disadvantage groups may expose them to reality. Fourth, changes in the environment such as environmental disaster or catastrophe as well as plight of poor people that occur nationally and internationally should be highlighted to their mindsets. By doing so more and more students will intern to be social entrepreneurs and at the same time establish their own social enterprises for the betterment of community and the natural environment.

In conclusion, personal traits and environmental factors are important aspect of social entrepreneurship. One cannot be inclined to be social entrepreneurs unless one's environment supports such actions. Campus environment should be nurtured in that particular way. In this respect what students have learned outside of their curriculum domain also paly roles in shaping their mindsets to be social entrepreneurs.

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