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Entrepreneurial Inclination Among Business Students: A Malaysian Study

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ENTREPRENEURIAL INCLINATION AMONG BUSINESS STUDENTS

A Malaysian Study

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Entrepreneurship has been the fundamental topics of discussion among the politicians, economists, and academics. Business creation is especially critical in developing countries to stimulate economic growth. The present study attempts to examine entrepreneurial inclination among students who are a potential source of entrepreneurs. The findings of the present research study indicate that majority of our business students are not entrepreneurial-inclined. They do not seem to possess strong entrepreneurial characteristics and entrepreneurial skills, and they are not keen in starting a new business. The roles of higher institutes of education and the government in promoting entrepreneurship are discussed.

Abstract



Keywords: *Entrepreneurship, entrepreneurial characteristics, entrepreneurial inclination, Malaysia.*

The importance of entrepreneurship has been well recognized by the government, the academic community, and the researchers. Business creation and the cultivation of an entrepreneurial culture within the country have been the fundamental topics of discussion among the politicians, economists, and academics. This interest is based on the argument that new businesses contribute to job creation, economic development, and political and social stability (Kuratko and Hodgetts, 2004; Postigo, Iacobucci, and Tamborini, 2003; Wennekers and Thurik, 1999).

Governments have a major interest in encouraging enterprises. They are well aware of the importance, both economic and political, of small new firms in an economy. The government understands the crucial roles played by entrepreneurial firms in contributing to the economic performance of the country. Entrepreneurial firms play a key role in innovations that lead to technological change and productivity growth. They are also the main mechanism by which many enter the economic mainstream of the society by setting up new companies in every sector of the economy. New business-

es bring innovation to the market and create millions of new jobs (Kuratko and Hodgetts, 2004; Wickham, 2004). As reported by Koh (1996), “the Government of Singapore has identified entrepreneurship as one of the most significant factors (if not the most significant) in the process of growth and development of its national economy” (p. 12).

As a result, governments are willing to provide ample support to new startups either financially or non-financially. In addition to capital grants and tax breaks, new firms are often given a head-start through consulting services and training. Examples are the Small Business Administration in the USA, and the Training and Enterprise Councils in the UK (Kuratko and Hodgetts, 2004; Wickham, 2004). In sum, “governments aim to support entrepreneurial businesses because they have an interest in their success. Entrepreneurs bring economic prosperity, provide social stability and generate tax revenue” (Wickham, 2004, p. 193).

In academic, there has been a marked increase in entrepreneurship education. Many universities have recognized the significance of entrepreneurship and have designed curricula specifically for entrepreneurial learning. Education in entrepreneurship is a fast growing area in the United States and throughout the world (Hisrich, Peters, and Shepherd, 2005; Koh, 1996). During the 1970s, very few schools offered entrepreneurial courses in the US. But today, more than 600 schools offer such courses and they are reporting an increase in student enrollment in this area (Kuratko and Hodgetts, 2004). Other scholars such as Gorman

and Hanlon (1997) and Vesper and Gartner (1997) have also reported an increase in the number and importance of entrepreneurship programs over the past 25 years.

Many universities have established centers for entrepreneurship and they organize annual conferences in this theme. Most of these centers provide education programs in entrepreneurship, engage in entrepreneurial research, and conduct outreach activities with entrepreneurs. They also develop programs, in conjunction with the government, to promote entrepreneurship and to serve as incubators of dynamic new entrepreneurs (Kuratko and Hodgetts, 2004; Postigo, Iacobucci, and Tamborini, 2003).

LITERATURE REVIEW

With regard to research in entrepreneurship, numerous studies have been done on entrepreneurial personality traits, entrepreneurial skills, demographic characteristics of entrepreneurs, entrepreneurial intentions, and motivating factors and obstacles for setting up new business. The personality or trait approach attempts to identify a set of psychological characteristics that would distinguish entrepreneurs from non-entrepreneurs. Within the area of research in entrepreneurship, studies involving characteristics of entrepreneurs have been conducted most frequently (Herron and Robinson, 1993; Koh, 1996). A review of the literature shows that many psychological characteristics are deemed to be associated with entrepreneurs—need for achievement, locus of control, risk taking, tolerance of ambiguity, self-confidence, innovation, personal control, self-es-

teem, problem-solving, need for independence, hard workers, work ethic (working hard), pursuit of excellence, mastery, dominance, taking ownership and accountability, ability to capture opportunities, persistence and determination, self-starting, goal-setting, resilience, receptive to new ideas and change, assertiveness, eager to learn, commitment to others, hope of success and fear of failure, energy and mobility, and effective leadership (Entrepreneur's Handbook, 1981; Franke and Lüthje, 2004; Hisrich, et al., 2005; Johnson, 2001; Kuratko and Hodgetts, 2004; Littunen, 2000; Robinson, Stimpson, Huefner, and Hunt, 1991; Wickham, 2004). Of these characteristics, need for achievement and locus of control, have received the most attention in the studies of entrepreneurship to date (Koh, 1996).

Scholars have attempted to identify and assess the important entrepreneurial skills which enhance entrepreneurial performance. Wickham (2004) stated that entrepreneurs require two sorts of skills to run a business venture effectively—general management business skills and people management skills. General management business skills include strategy skills, planning skills, marketing skills, financial skills, project management skills, and time management skills. People management skills include skills in leadership, motivation, delegation, communication, and negotiation. Hisrich et al. (2005) divided the skills needed by entrepreneurs into three main areas—technical skills, business management skills, and personal entrepreneurial skills. Technical skills are “know-hows” such as oral and written communication, technical know-how, ability to orga-

nize, network building, and coaching. Business management skills involve planning, goal setting, decision making, control, negotiation, and skills in the basic functional areas such as marketing and finance. Those are the skills needed to start, develop, and manage a business venture. Personal entrepreneurial skills refer to those skills that differentiate entrepreneurs from managers. They include inner control, risk taking, innovativeness, persistence, leadership and change orientation.

Galloway, Anderson, Brown, and Wilson (2005) examined students' perceptions of the skills required for entrepreneurship. The skills students perceived to be important for starting a business or becoming self-employed are communication, organization, initiative, problem solving, creativity, finance, people management, negotiation, confidence, team-working, and perseverance.

The demographic approach to the identification of entrepreneurs assumes that people with similar backgrounds possess similar underlying stable characteristics. If this assumption holds, it will be able possible to predict entrepreneurship in unknown populations by identifying demographic characteristics of known entrepreneurs (Robinson et al., 1991). The demographic variables examined in this type of research include birth order, role models, marital status, age, education level, race, gender, occupation of parents, and the number of siblings (Crant, 1996; Hornaday and Aboud, 1971; Koh, 1996; Postigo et al., 2003; Robinson et al., 1991).

Table 1: Sample Items of the Nine Entrepreneurial Characteristics

<u>Entrepreneurial Factors:</u>	<u>Personal-Opportunistic Factors:</u>
Be independent/own boss	Able to work from home
Use own creative skills	Make a lot of money
Do enjoyable work	Further career objectives
Frustrated with previous jobs	
<u>Market-Opportunistic Factors:</u>	<u>Financial Needs Factors</u>
Meet a service or need	Earn a reasonable earning
Exploit a market opportunity	Get off the dole

Both demographic variables and psychological characteristics have been widely linked to entrepreneurial intentions or inclination. The common way of measuring entrepreneurial intentions is one's judgment about the likelihood of starting a new business in the future; and those who have a high probability or interest of starting a new business are classified as entrepreneurially inclined (Crant, 1996; Franke and Lüthje, 2004; Henderson and Robertson, 2000; Koh, 1996; Postigo, et al., 2003; Robinson et al., 1991). Postigo et al. (2003) found that the percentage of students seriously thinking of setting up a new firm was significantly higher for those whose parents were entrepreneurs or executives, compared with those whose parents were manual or office employees. There are also some contradictory results regarding the relationships between demographics and entrepreneurial intentions. Crant (1996) found that entrepreneurial intentions were related with gender, education level, and whether a parent is an entrepreneur (entrepreneurial family). However, Koh (199) found no relationships between entrepreneurial intentions and gender, age, marital status, the number of siblings, birth order, and family influence.

In making the decision of becoming entrepreneurs, individuals are influ-

enced by various factors such as work experience, motivation, personality, family environment, and societal norms (Watson, Hogarth-Scott, and Wilson, 1998). These influencing factors include individual or psychological components, social, and economic features (Henderson and Robertson, 2000). Several studies have examined empirically the motivating factors and barriers for business start-ups. For example, Watson et al. (1998) identified four types of factors in motivations for start-up—entrepreneurial factors, personal-opportunistic factors, market-opportunistic factors, and financial needs factors. Specific factors under each of these four types are listed in Table 1.

In their study of young adults' attitudes to entrepreneurship as a career, Henderson and Robertson (2000) found that the primary reasons for considering a business start-up were "being one's own boss" and "to make money." For those respondents who were not contemplating the option of starting up a new business, the reasons cited were "do not have the qualities," "not a risk-taker," "want a family life," "no capital to invest," and "it involves too much work." However, the study by Postigo et al. (2003) indicated that earning money was not the major reason for becoming an entrepreneur. The

student respondents in the study indicated personal (non-economic) reasons as the most important for setting up their own firms. The top three reasons given by the respondents were “to put into practice own ideas,” “personal independence,” “to create something of one’s own.” As for the difficulties in starting up their own firms, the top three reasons given by the respondents were “too much risk,” “lack of initial funding,” and “too much competition.”

Given the importance of entrepreneurship in an economy of the country and the students as the potential source of entrepreneurs, much research is needed on student entrepreneurship. However, how entrepreneurially inclined are our students, the future labor force of our society? The purpose of the present study is to address this issue. Specifically, the study attempts to answer the following questions:

1. Do business students possess entrepreneurial characteristics? Is there a difference in entrepreneurial characteristics between genders, majors of study, and entrepreneurial inclinations?
2. What is the proportion of the business students in study that indicates a high probability of starting a business in relation than those indicating a low probability of starting a business? Can entrepreneurial inclination be associated with gender, majors of study, birth order, and family influence?
3. How competent are the business students in terms of entrepreneurial skills? Is there any difference in the level of competency between genders, majors of study and entrepreneurial inclinations?

4. What are the perceived motivating factors and barriers of the business students for starting up a business?

The present study adopts the definition of entrepreneur by Mamat and Raya (1990). Entrepreneur is “a person who undertakes a venture, organizes it, raises capital to finance it, and assumes all or a major portion of the risk” (p. 1).

RESEARCH METHOD

The present study aims to (1) describe the entrepreneurial characteristics and skills of university business students, and their motivating factors and barriers for starting up a business; (2) examine group differences in their entrepreneurial characteristics and skills base on gender, major of study, and entrepreneurial inclination; and (3) determine whether there is an association between entrepreneurial inclination and gender, major of study, birth order, and family influence. Hence, this is a descriptive study in conjunction with T-test as the test of difference and chi-square test as the test of association.

Sample

The data for this study were collected from 200 final-year students pursuing a bachelor degree in business. Convenience sampling, a non-probability sampling technique was used. A total of 200 survey questionnaires were distributed. Survey questionnaires were personally distributed and collected from 100 students majoring in Business Administration and another 100 students majoring in Accounting in a private university, yielding a response rate of 100%. Gaining data access is a major concern in any primary data

research study. Hence, this private university was chosen as the target population due to the ability of the present researchers to gain physical access or entry to the data source. The sample consisted of more females (80%) than males (20%) with an average age of 22 years. Almost all of the respondents are of Chinese ethnic origin (95%).

Measurement

Entrepreneurial Characteristics

Nine commonly cited entrepreneurial characteristics were included in this study to assess whether the students possessed entrepreneurial traits. They are innovation (4 items), confidence (4 items), internal locus of control (5 items), need for achievement (4 items), opportunity seeking (5 items), risk taking and faith (4 items), persistence (4 items), diligence (4 items), and initiative (4 items). The items used to measure each of these psychological characteristics were taken from the Entrepreneur Self Diagnosis Questionnaire by Mike McLoughlin. Two sample items for each characteristic were given in the table below. Respondents were asked how often they behave, feel, or believe with respect to each item using the scale ranged from 1 = never to 4 = always.

Entrepreneurial Inclination

To measure entrepreneurial inclination, respondents were asked to indicate their probability of starting a business upon the completion of their study (either after their undergraduate or graduate study). Following the approach by Koh (1996), respondents who indicated a high or very high probability of starting a business were classified as entrepreneurially

inclined; and those indicated a low or very low probability were classified as non-entrepreneurial inclined.

Birth Order and Family Influence

The respondents were asked whether they are the first born (yes/no); whether any of their family members or close relatives owned a business when they were growing up (yes/no); and whether any of their family members or close relatives owns a business now (yes/no). The last two questions were used to determine family influence or family entrepreneurial inclination. This method of measuring family entrepreneurial inclination was adapted from Koh (1996).

Entrepreneurial Skills

The competency of entrepreneurial skills among the respondents was measured using the three categories of skills by Hisrich et al. (2005). They are technical skills, personal entrepreneurial skills, and business management skills as described above. Respondents were asked to indicate their level of competency in each specific skill under the respective skill areas, using a scale ranging from 1 = very incompetent to 6 = very competent.

Motivating Factors and Barriers for Business Start-ups

Twenty-five items used to measure motivating factors and barriers for starting a business were taken from Postigo et al.'s (2003) study. Sample perceived factors for starting own business are "personal independence," "to accumulate a personal fortune," "to earn more than an employee," and "to be the head of an organization." Sample perceived factors for not start-

Table 2. Sample Items of the Nine Entrepreneurial Characteristics

Entrepreneurial Characteristics	Sample Items
Confidence	<ol style="list-style-type: none"> 1. I believe I can overcome obstacles. 2. I know I can do what I set out to do.
Diligence	<ol style="list-style-type: none"> 1. I treat my own convenience as less important than getting the job done. 2. I will do almost anything to finish a task on time.
Initiative	<ol style="list-style-type: none"> 1. I can see for myself what action needs to be taken, I do not depend upon others to tell me. 2. I do not like to wait till I have to take action, I act before I am forced to.
Innovation	<ol style="list-style-type: none"> 1. I develop new ideas. 2. I believe there are always new and better ways of doing things.
Internal locus of control	<ol style="list-style-type: none"> 1. It is I, not luck nor fate, which influence the outcome of events in my life. 2. I cannot wait and watch things happen; I prefer to make things happen.
Need for achievement	<ol style="list-style-type: none"> 1. I take pleasure in responding to challenges, so competition makes me work harder. 2. I will work with anybody as long as get things done and achieve my goal.
Opportunity seeking	<ol style="list-style-type: none"> 1. I try to see my problems as opportunities. 2. If an opportunity arises I act on it immediately.
Persistence	<ol style="list-style-type: none"> 1. If I am faced with a problem I try again and again to solve it. 2. If one solution does not work, I try to find another.
Risk taking and faith	<ol style="list-style-type: none"> 1. I am not afraid to take risk if I have a good chance of succeeding. 2. I am willing to risk the loss of money to do something I know to be right.

Table 3. Means and Standard Deviations of the Entrepreneurial Characteristics

Entrepreneurial Characteristics	Mean*	Standard Deviation
Diligence	2.68	0.50
Confidence	2.61	0.48
Risk taking and faith	2.58	0.50
Need for achievement	2.57	0.44
Opportunity seeking	2.57	0.54
Initiative	2.56	0.50
Persistence	2.54	0.52
Innovation	2.52	0.53
Internal locus of control	2.51	0.45

*On a 4-point scale: 1 = never, 2 = sometimes, 3 = usually, 4 = always.

ing own business are “too much risk,” “lack of initial funding,” “fear of being unsuccessful,” and “I doubt my entrepreneurial abilities.” Respondents were asked to pick five items for rea-

sons starting and five for reasons not starting a new business and ranked the items according to the degree of importance.

Table 4. Test of Difference in Entrepreneurial Characteristics Based on Gender

Entrepreneurial Characteristics	Mean of Male Group (n = 37)	Mean of Female Group (n = 163)	Significance Level
Confidence	2.71	2.59	p < .173
Diligence	2.75	2.66	p < .426
Initiative	2.59	2.56	p < .675
Innovation	2.57	2.51	p < .492
Internal locus of control	2.60	2.49	p < .663
Need for achievement	2.54	2.58	p < .492
Opportunity seeking	2.62	2.56	p < .555
Persistence	2.61	2.52	p < .314
Risk taking and faith	2.72	2.54	p < .047*

*Significant at $p < .05$.

Table 5. Test of Difference in Entrepreneurial Characteristics Based on Major of Study

Entrepreneurial Characteristics	Mean of BBA Group (n = 100)	Mean of BAC Group (n = 100)	Significance Level
Confidence	2.64	2.59	p < .462
Diligence	2.71	2.64	p < .311
Initiative	2.57	2.56	p < .915
Innovation	2.52	2.52	p < .947
Internal locus of control	2.48	2.54	p < .348
Need for achievement	2.59	2.55	p < .519
Opportunity seeking	2.60	2.54	p < .479
Persistence	2.52	2.56	p < .633
Risk taking and faith	2.60	2.56	p < .575

RESULT AND DISCUSSION

Research Question 1

Do our students exhibit entrepreneurial characteristics? Is there a difference in entrepreneurial characteristics between types of gender, majors of study, and entrepreneurial inclinations?

Table 2 presents the means and standard deviations of the nine entrepreneurial characteristics included in the study. The means ranged from 2.51 to 2.68 on a 4-point scale. Diligence is the variable that achieved the highest mean among all of the entrepreneurial characteristics. This is in consistent with the general perception of the Chinese people that they are the hard-working group. Overall, the results show that the respondents were

rather weak in the qualities of an entrepreneur.

T-tests were performed to test the difference in each of the nine entrepreneurial characteristics with respect to gender, majors of study, and entrepreneurial inclinations. The test results were presented in Tables 4, 5, 6. The results show that:

1. Male students were significantly higher in risk taking and faith than the female students.
2. There is no significant difference in all of the nine entrepreneurial characteristics between Business Administration students (BBA group) and Accounting students (BAC group).
3. The entrepreneurial-inclined group was found to be more confident and

Table 6. Test of Difference in Characteristics Based on Entrepreneurial Inclination

Entrepreneurial Characteristics	Mean of Entrepreneurial-Inclined Group (n = 79)	Mean of Non-entrepreneurial Inclined Group (n = 121)	Significance Level
Confidence	2.71	2.55	p < .021*
Diligence	2.77	2.62	p < .069
Initiative	2.61	2.53	p < .247
Innovation	2.60	2.47	p < .080
Internal locus of control	2.58	2.46	p < .071
Need for achievement	2.61	2.55	p < .361
Opportunity seeking	2.67	2.50	p < .030*
Persistence	2.60	2.50	p < .180
Risk taking and faith	2.62	2.55	p < .305

*Significant at $p < .05$.

active in seeking opportunity than the non-entrepreneurial inclined group.

Research Question 2

What is the proportion of the students indicating a high probability of starting a business (entrepreneurial inclined) in relation than those indicating a low probability of starting a business (non-entrepreneurial inclined)? Is entrepreneurial inclination associated with gender, major of study, birth order, and family influence?

Seventy-nine of the 200 respondents (40%) indicated that they have a high or very high probability of starting a business upon completing of their studies. One hundred and twenty-one respondents (60%) indicated a low likelihood of starting a new business upon graduation. These results show that majority of the students (60%) are not keen in setting up a new venture or to be self-employed (based on their indication of a low probability of starting a new business upon graduation.)

Chi-square tests were used to examine whether there is an association between entrepreneurial inclination and

gender, major of study, birth order, and family influence. Results show that entrepreneurial inclination is associated with gender—male students are more entrepreneurial inclined than female students. However, the test result may be interpreted with caution due to the relatively small sample size of males (n = 40) in relation to the number of females (n = 160) in this study. Nevertheless, the result is in line with Chen, Greene, and Crick’s (1998) that male students expressed a higher intention to become entrepreneurs than did female students. As for the major of study, there is no significant difference between BBA and BAC students in entrepreneurial inclination. Similarly, entrepreneurial inclination was found not to be associated with birth order and whether any family members or close relatives own a business before and now (family influence).

Research Question 3

How competent are our students in terms of entrepreneurial skills? Is there a difference in the level of competency between types of gender, majors of study, and entrepreneurial inclinations?

Table 7: Means and Standard Deviations of Entrepreneurial Skills

Entrepreneurial Skills	Mean*	Standard Deviation
Technical Skills		
1. Writing	3.71	1.09
2. Oral communication	3.91	1.09
3. Monitoring environment	3.80	1.05
4. Technical business management	3.70	1.03
5. Technology	3.70	1.04
6. Interpersonal	4.04	1.00
7. Listening	4.02	0.93
8. Ability to organize	4.11	0.96
9. Network building	3.84	1.00
10. Management style	3.84	1.04
11. Coaching	3.79	1.01
12. Being a team player	3.97	1.05
Overall	3.87	0.69
Business Management Skills		
1. Planning and goal setting	3.97	0.99
2. Decision making	3.95	1.07
3. Human relations	4.00	1.03
4. Marketing	4.07	1.03
5. Finance	3.84	1.04
6. Accounting	3.82	1.14
7. Management	4.07	0.97
8. Control	4.03	1.01
9. Negotiation	4.05	0.93
10. Venture launch	3.91	0.95
11. Managing growth	3.91	0.96
Overall	3.96	0.71
Personal Entrepreneurial Skills		
1. Inner control/disciplined	4.04	1.02
2. Risk taker	3.75	1.11
3. Innovative	3.94	1.03
4. Change oriented	3.96	0.95
5. Persistent	3.87	1.07
6. Visionary leader	3.96	1.06
7. Ability to manage change	3.91	1.14
Overall	3.92	0.76

* On a 6-point scale: 1 = very much incompetent, 2 = much incompetent, 3 = somewhat incompetent, 4 = somewhat competent, 5 = much competent, 6 = very much competent.

Table 7 shows the means and standard deviations of the entrepreneurial skills under the respective categories—technical skills, business management skills, and personal entrepreneurial skills. The means of individual entrepreneurial skills range from 3.70 to 4.07. By looking at the individual means and the overall means of the three skill categories, we can conclude that the respondents were only somewhat competent in entrepreneurial skills.

T-tests of difference were used to examine the difference in competency of the overall technical skills, business management skills, and personal entrepreneurial skills. As seen in Tables 8-10, it has been found that:

1. Male students are more competent than the female students in the overall technical skills.
2. There is no significant difference in the competency of entrepreneurial skills between Business Adminis-

Table 8. Test of Difference in Entrepreneurial Skills Based on Gender

Entrepreneurial Skill	Mean of Male Group (n = 37)	Mean of Female Group (n = 163)	Significance Level
Overall technical skills	3.66	3.91	p < .048*
Overall business management skills	3.85	3.99	p < .294
Overall personal entrepreneurial skills	4.03	3.89	p < .306

*Significant at $p < .05$.

Table 9. Test of Difference in Entrepreneurial Skills Based on Major of Study

Entrepreneurial Skill	Mean of BBA Group (n = 37)	Mean of BAC Group (n = 163)	Significance Level
Overall technical skills	3.84	3.90	p < .512
Overall business management skills	3.87	4.05	p < .068
Overall personal entrepreneurial skills	3.83	4.00	p < .114

Table 10. Test of Difference in Entrepreneurial Skills Based on Entrepreneurial Inclination

Entrepreneurial Skill	Mean of Entrepreneurial-Inclined Group (n = 79)	Mean of Non-entrepreneurial Inclined Group (n = 121)	Significance Level
Overall technical skills	3.91	3.84	p < .491
Overall business management skills	4.08	3.89	p < .053
Overall personal entrepreneurial skills	4.11	3.79	p < .003*

*Significant at $p < .01$.

Table 11. The Top Five Motivating Factors and Barriers for Starting Up a Business

Ranking	Motivating Factors	Barriers
#1	To create something of one's own	Lack of initial funding
#2	Economic independence	Too much risk
#3	Personal independence	Too much competition
#4	To put into practice own ideas	Fear of being unsuccessful
#5	To earn more than an employee's earning	Doubt of own entrepreneurial abilities

tration students and Accounting students.

- Those who are entrepreneurial-inclined indicated a higher level of competency in the personal entrepreneurial skills.

Research Question 4

What are the perceived motivating factors and barriers for starting up a business?

The top five motivating factors and barriers for starting up a business are presented in Table 11. It can be seen from the table that the top five reasons given for starting up a business are both personal and economic related, with personal or non-economic attainment as the most important factor. In the case of difficulties in setting up a new venture, the students indicated fiscal pressure and uncertainties as the

main reasons. They are afraid of risks and competition and cast doubts about their competency in entrepreneurship. These findings are similar to those by Postigo, et al. (2003). The Argentinean and Italian students in their study cited non-economic reasons as the most important for setting a business; and they are also fear of risk, getting fund, competition, and own entrepreneurial abilities.

In summary, the result shows that:

1. The student respondents have indicated a low-moderate level in entrepreneurial characteristics and entrepreneurial skills.
2. Majority of them are not keen in starting a business upon graduation.
3. In comparison between business administration students and accounting students, no significant differences were found in terms of entrepreneurial characteristics, skills, and inclination.
4. Male students are found to be more risk taking, more entrepreneurial inclined, and more competent in technical skills than female students.
5. The entrepreneurial-inclined group perceives themselves to be more confident, keener in seeking opportunities, and more competent in personal entrepreneurial skills than the non-entrepreneurial inclined group.
6. Birth order and family background (whether any family members own a business now and before) have no impact on students' entrepreneurial inclination.
7. Financial rewards and personal achievement are the motivators for students to start a new venture.
8. However, they are discouraged to start a new venture because of fund-

ing, risk, competition, fear of failure, and a lack of confidence in their abilities.

CONCLUSION

The findings of the present research study show that majority of our business students in the sample are not entrepreneurial-inclined. They do not seem to possess strong entrepreneurial characteristics and entrepreneurial skills, and they are not keen in starting a new business. They concern about the risks associated with new business creation and initial funding. In addition, they lack of confidence in their abilities to compete. These findings are consistent with those reported by Franke and Lüthje (2004)—“Unlike entrepreneurship programs, *general business management* education seems to have no significant influence on entrepreneurial intentions” (p.6). According to Chen et al.'s (1998) study, the number of management courses taken by the students has no effect on entrepreneurial decision. Furthermore, students taking entrepreneurship classes scored significantly higher in entrepreneurial self-efficacy than those taking non-entrepreneurship classes. Rae (1999) also claims that (as cited in Galloway, et al., 2005) the skills traditionally taught in business schools are not enough to make students successful entrepreneurs. These arguments imply that the traditional curricular content and teaching method in business schools are not adequate in promoting entrepreneurial spirit among the students.

As stated by Postigo et al. (2003), business creation by university graduates is especially important in developing countries “because the industrial

structure is based on traditional firms with relatively low or moderate technological content. Such firms do not play a significant role as ‘incubators’ for dynamic new entrepreneurs.” (p. 3) In discussing the roles of universities in promoting entrepreneurship culture, the authors suggest that universities should form partnerships with their students and the business community with the aim of promoting self-employment as a career path. Universities should provide entrepreneurship education with the following objectives:

1. Cultivate an entrepreneurial culture within the university to foster economic growth.
2. Enhance students’ competency with essential entrepreneurial skills.
3. Help reduce student unemployment by producing entrepreneurs.
4. Improve students’ capabilities and confidence in managing risks associated with new business start-ups.
5. Provide information on the opportunities and instruments for raising business funds.

For the roles of government in promoting entrepreneurship, the government can act as a catalyst and a sponsor for new business ventures. The support from the government may be in the form of direct assistance. Financial, technical, and educational assistance

may be given to aid fresh graduates who intend to start a new business. Financial assistance could be in the form of government grants to launch an innovative idea or product; or in the form of cheap loans and credit. Government scientists and engineers may help businesses solve difficult technical problems. And government agencies may offer free consulting and training services with respect to managing a business (Dollinger, 2003).

However, the findings of the present study could not be generalized to all Malaysian universities. The generalization of the findings of the present study is limited to business students of Chinese in origin. More studies are needed to examine entrepreneurial inclination of business students of other races (as in Malaysian population) from both private and public institutes of higher education. Future research may also examine entrepreneurial inclination of students with non-business majors. More data are needed to provide evidence to support the present research findings and for comparison purpose within the student population. Research on the implementation of more entrepreneurial-specific programs in universities and their effectiveness may also be needed in the future.

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