Research Paper

The Determinants of Entrepreneurial Intention of MBA Graduates in Malaysia

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Abstract

Entrepreneurs are perceived to be the “engines of economic growth” to the country. They have brought tremendous contributions to a country specifically Malaysia economic growth as well as social development such as innovation, job creation, etc. and hence had greatly reduced unemployment rate of the country. Knowing the factors that could predict entrepreneurial intention is significant for the reason entrepreneurial behaviour is an outcome of intention. Throughout the year, although entrepreneurial intention has been broadly studied and discussed by researchers internationally, numerous categories of the studies had been carried out like entrepreneurial intention among the female, the youth generation, the educated individual, and many more but the question of their appropriateness in the local context still remains. To date, none of the research in this area had been carried out specifically to the group of MBA graduates in Malaysia. Knowing that an MBA graduates are usually perceived as highly educated group but the questions lies on what factors affect their intention to pursue entrepreneurship. As such, this conceptual paper proposes a research framework by extending Ajzen’s (1991) theory of planned behaviour (TPB) to study entrepreneurial intention among the MBA graduates in Malaysia. Specifically, entrepreneurial intention is the dependent variable; meanwhile, Knowledge, attitude, subjective norm and perceived behavioural control act as the mediating variables (the independent variables). The Entrepreneurial Intention Questionnaire (EIQ) was used to gather data on entrepreneurial intention among participants. An explanatory research design has been adopted in this research by utilizing primary data to evaluate the determinants of entrepreneurial intention among MBA graduates in Malaysia. Questionnaires survey has been created by the researcher which has been distributed among the MBA graduates to identify their determinants of entrepreneurial intention. A total of 112 MBA graduates were selected for the study regardless of their location (in Malaysia), age, gender, working experiences and job title. Statistical software SPSS version 22 was utilized to perform data analysis for validity and reliability based on the questionnaire received from all the respondents. The result form the data is highly reliable as the Cronbach alpha value stood at 0.7.

Key Terms: Entrepreneurship, MBA graduates, Planned Behaviour, Entrepreneurial Intention, Malaysia

1. Introduction

The primary purpose of this research is to identify the Determinants of Entrepreneurial Intention of MBA graduates in Malaysia. As Malaysia is one of the fast-growing countries among the South-East-Asia
country which also consists of the highest numbers of entrepreneurs in multiple sectors throughout the
country. Numerous empirical studies had been carried out to support that education and knowledge does
play an important role in determining success or failure in business. Thus, entrepreneurship is
importantly determining country growths as well as generating more job opportunities to strengthen the
economic growths. Entrepreneurs have contributed significantly to the economy and society; particularly,
job creation which has been considered as one of the major contributions of entrepreneurs.

Entrepreneurship, start-a-business and self-employed can be regarded as synonymous (van Gelderen et
al., 2008; Schwarz et al., 2009). Entrepreneurship has becoming more popular recently as a career choice
(van Gelderen et al., 2008). Especially in recent decade, Malaysian government had initiated numerous
programs to encourage more entrepreneurs by providing many supports such as financial support,
training, infrastructure and coaching (Mohamad et al., 2014). In fact back in 1995 whereby the
government had already set-up a ministry specifically for entrepreneurs namely Ministry of Entrepreneur
noticed that the entrepreneurship education is highly significant to the country to produce and develop
graduates based on entrepreneurship as their targeted career in future.

The intention is importantly related to a person's preference to become an entrepreneur whereby it
varies from one another such as age, gender, family influences, education background, attitude, race, etc.
In regards to this, Ismail, et al., (2009) had conducted a research which had studied the inter-relationship
between entrepreneurial intentions versus demographic profile. Technically this research had analysed
two elements which will influence entrepreneurial intention which is the economic traits and personality
traits.

Research Aim and Objectives

The research aim of this research is to study and analyse the impact of numerous factors which may
contribute to influence the entrepreneurial intention among MBA graduates in Malaysia.
Specific Objective:
1. To evaluate the impact of Personality Traits on Entrepreneurial Intention.
2. To evaluate the impact of Knowledge on Entrepreneurial Intention.
3. To evaluate the impact of Perceived Behaviour Control on Entrepreneurial Intention.
4. To evaluate the impact of Attitude on Entrepreneurial Intention.
5. To evaluate the impact of Subjective Norm on Entrepreneurial Intention.

Research Questions

The corresponding research questions are listed as below:
1. What is the impact of Personality Traits on Entrepreneurial Intention?
2. What is the impact of Knowledge on Entrepreneurial Intention?
3. What is the impact of Perceived Behaviour Control on Entrepreneurial Intention?
4. What is the impact of Attitude on Entrepreneurial Intention?
5. What is the impact of Subjective Norm on Entrepreneurial Intention?

2. Literature Review

There are plenty empirical researches being carried out in this sector of entrepreneurial intention which has been related to multiple segments like self-employment, education, etc. Research conducted by Hussain (2015) stated that the reason why an individual determination to become an entrepreneur and not to be an entrepreneur. Thus, such research based on entrepreneur intention is important to study and evaluate the level of a person’s intention to become an entrepreneur. There are many researches being conducted and proved based on empirical study in Malaysia as well as many developing countries.

In a study conducted by Gulruh and Aykol (2008), focus on entrepreneurial intention based on educated
person in Turkey. The researcher had adopted the Theory of Planned Behavior (TPB), entrepreneurial
intention, contextual aspects and demographics factors. The survey consists of total 324 respondents
from university students from third and fourth year who are studied in sciences and engineering,
economics and administrative division located in Istanbul. This study has determined the entrepreneurial
intention has significant with family business and gender. Base on Guerrero, Rialp and Urbano (2008)
research, similar results have been produced which determining entrepreneurial intention. Concurrently,
the TPB evaluation had shown an important and positive influence towards entrepreneurial intention based on the research framework of perceived behavioural control, challenge, subjective norm and economic opportunity. Conversely, students choose to look for job in an organization instead of being an entrepreneur due to they worried of the challenges and workload. These results were received from the analysis conducted under the security and workload variable which has significant but negative impact on entrepreneurial intention. In this research, it is surprisingly for the use of TPB on entrepreneurial intention have indicated a reverse result towards building up a new business as the individuals favoured to work in organization rather than be an entrepreneur. However the researcher had explained that the reason is due to Turkey is an evolving country and it will be much safer to be an employee for job security instead.

Proposed Conceptual Framework

![Diagram](source: Ajzen, 1991)

Based on the empirical research conducted and discussed in clause 2.3, the researcher has abstracted the critical variable which can be conceptualized to establish the hypothetical framework. The framework in this study is constructed based on Ajzen’s (1991), The Theory of Planned Behaviour which comprises Subjective Norm, Knowledge, Perceived Behavioural Control and Attitude to analyze the Entrepreneurial Intention among MBA graduates in Malaysia. The conceptual framework assists in formulating the hypothesis and therefore constructs the questionnaire. Thus, all the independent variables are to be examined to identify the important relation to the dependent variable.

**Subjective Norm and Entrepreneurial Intention**

Ajzen’s (1991) defined that subjective norm is the perceived social pressure to engage or not to engage in a behaviour. The subjective norm is also referring to an individual belief are normative beliefs, which their determination to perform a given behaviour might influence some important person or who are close to them. According to Armitage and Conner (2001), has stated that an individual intention in the context of subjective norm is influence by friends, family and what others expect about accomplishment of entrepreneurial behaviour or the decision making may be approved or not by the surrounding people.

The following hypothesis is developed:

H1 = Subjective Norm has a significant positive impact on entrepreneurial intention

**Knowledge and Entrepreneurial Intention**

The main determination to be a great entrepreneur is by having suitable learning, knowledge and encouragement. Based on Turker and Sonmez Selcuk (2009)research, elements that affecting an individual intention to become an entrepreneurial is via a recognized entrepreneurial program which allow an individual to acquired essential entrepreneurial knowledge. Therefore, there is high possibility an individual will become an entrepreneurial by adopting the essential entrepreneurial education and knowledge through a professional institute (Engle et. al, 2010)

The following hypothesis is developed:

H2 = Knowledge has a significant positive impact on entrepreneurial intention.
Perceived Behavioural Control and Entrepreneurial Intention
Ajzen, (1987) defined that perceived behavioural control expresses individual's perceptions of their capability to perform a given behaviour. It identifies with a person's observation on the level of ease and challenges in performing such conduct, and it is expected to reflect past involvement and in addition unforeseen difficulties (Azjen and Driver, 1992). There are many studies and researches have applied perceived behavioural control theory in their research which has given a significant relationship between perceived behavioural control and behavioural intention (Ajzen and Driver, 1992; Krueger et. al., 2000; Souitaris et. al., 2006).

The following hypothesis is developed:
H3 = Perceived Behaviour Control has a significant positive impact on entrepreneurial intention.

Attitude and Entrepreneurial Intention
Attitude is a significant determination of intention which an individual has beneficial and non-beneficial to acquit the behaviour (Ajzen, 1987). Nevertheless, in many studies conducted, researchers have confirmed that there is a huge significant relationship occurred between attitude and entrepreneurial intention towards entrepreneurial behaviour (Kautonen et. al., 2009; Moriano et. al., 2011). In fact, attitude has shown some significant result in predicting entrepreneurial intention towards money, change and entrepreneurship (Schwarz, 2009).

The following hypothesis is developed:
H4 = Attitude has a significant positive impact on entrepreneurial intention

3. Research Design and Methodology

In this research paper, explanatory research is engaged as it supports in covering sample size and enable the research to be representative one (Greener, 2008). Therefore, explanatory research will support further clarification in this study to the researchers to comprehend the important factors of the determinant of an entrepreneurial intention among MBA graduates in Malaysia by compiling and analysing the sample size. In this research will identify an individual factor affecting an entrepreneurial intention to become an entrepreneur. In this research paper, researcher had shown the dedication in obtaining the results of the analysis through the information collected to discover the entrepreneurial intention. Therefore, in order to quantify and conclude the outcomes from this sample of population, quantitative research method was applied (Ni et al., 2012). The researcher employed the survey particularly the questionnaires received from the participants to analyse the elementary impact of an MBA graduates towards entrepreneurial intention. Researcher collected primary data through distribution of questionnaire to his targeted participants specifically to an MBA graduates in accommodating the researcher to obtain sufficient number of respondents at the lowest cost. In fact there are multiple channels to conduct primary data collection like interview, survey, observation, etc. (Sindhu, 2011). As stated by the researcher Sekaran (2003), web-based or internet based can be regarded as primary data for questionnaire distribution.

Questionnaires which were developed in responsible manner became an important instrument where declarations are usually associating to particular people, team or whole population. Contrarily, should the questionnaire and scale being developed inadequately or shifted out from the topic, then the whole research survey will be insignificant or unreliable based on the respondents feedback or views. The researcher applied the knowledge and the theory planned behaviour models to evaluate entrepreneurial intention. The used of entrepreneurial intention questionnaire which was developed and tested by Linan F. & Chen Y. (2009), which was designed specifically for the theory of planned behaviour model applied to entrepreneurship (Linan F., et al. 2011; Linan F., 2008). These types of questionnaire have been verified in developed counties as well as developing countries which were initially examined in Spanish as well as Taiwanese samples (Otuya R. et al., 2013; Gerba, 2012). In the data collection process, the prepared questionnaires beginning with the declaration by the participants to confirm he or she is an MBA graduates then followed by the participants demographic information like gender, age, monthly income, years of working experiences and job title. And then the questionnaire followed by identifying the variables with the Knowledge (5 questions), Attitude (5 questions), Subjective Norm and Perceived Behavioural Control. The questionnaire ended with last 5 questions which been developed to evaluate the dependent variable – Entrepreneurial Intention. The respondents were requested to provide the answers
based on the 5 Likert-type scales which (1) = strongly disagree; (2) = disagree; (3) = neutral; (4) = agree and (5) = strongly agree.

The objective of this study is to assess a person’s relationship towards entrepreneurial intention and entrepreneurial background (Malebana, 2014). Cronbach’s alpha measuring tool has been applied to measure and test the reliability of the data received as well as to confirm the adequacy of the data (Sekaran and Bougie, 2010). In the survey, questionnaire have been distributed to participants randomly irrespective of their location, age, gender, industries, years of working experiences, position held in an organization, etc. so long that they are an MBA graduates. This is to ensure the information collected is accurate and genuinely to analyse a person’s entrepreneurial intention. A total of 112 responses are received and utilized in the sample for the analysis.

4. Results and Discussion

The reliability test was conducted for the single dependent variable of Entrepreneurial Intention and the independent variables such as Knowledge, Attitude, Subjective Norm and Perceived Behavioural Control. In order to verify the reliability of the data, Cronbach’s Alpha and inter-item correlation method were utilized. Cronbach’s Alpha coefficient will be utilized to verify the internal consistency and reliability of the data collected and the value requires to be more than 0.70 (Ringim et. al, 2012). Should the value be more than 0.70 then it can be considered the internal consistency of the questionnaire shall remain, and the data obtained is reliable. Concurrently, the inter-item correlation utilized to identify the correlation between individual items which should surpass or higher than 0.3 (Hassan and Diallo, 2013). Cronbach’s Alpha Coefficient will be utilized in this research to identify the reliability of the data received.

<table>
<thead>
<tr>
<th>Item Name</th>
<th>Number of Items</th>
<th>Cronbach’s Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>All variables</td>
<td>25</td>
<td>0.926</td>
</tr>
<tr>
<td>Knowledge</td>
<td>5</td>
<td>0.735</td>
</tr>
<tr>
<td>Attitude</td>
<td>5</td>
<td>0.947</td>
</tr>
<tr>
<td>Subjective Norm</td>
<td>5</td>
<td>0.717</td>
</tr>
<tr>
<td>Perceived Behavioural Control</td>
<td>5</td>
<td>0.899</td>
</tr>
<tr>
<td>Entrepreneurial Intention</td>
<td>5</td>
<td>0.843</td>
</tr>
</tbody>
</table>

Table 1: Cronbach’s Alpha Value on variables (Source: Developed using SPSS for this research)

Refers to table 1 result shown above, the Cronbach’s Alpha value based on the actual responses of 112 respondents with Knowledge equals to 0.735, Attitude equals to 0.947, Subjective Norm equals to 0.717, Perceived Behavioural Control equals to 0.899 and Entrepreneurial Intention equals to 0.843. Hence, according to Cronbach’s Alpha condition, value falls between 0.60 to 0.99 will ascertain the stability and consistency of each questionnaire in this research. The Cronbach’s Alpha results shown in table 8 above indicates a high reliability which can be concluded that the instrument in the survey questionnaire has superior reliability with reference to internal consistency (Ringim et. al., 2012).

Analysis of the Assumptions for Multiple Regression

(1) Analysis of the Autocorrelation

James Durbin and Geoffrey Watson created the Durbin-Watson model to analyse the relationship of values at given period (Saunders, et al., 2009). According to The Durbin Watson Statistic, the assumption must be no autocorrelation. The value can be at the range from 0 – 4, value of 2 represent there is no autocorrelation exist (Dufour & Dagenais, 1985).

Table 2: Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.902a</td>
<td>.814</td>
<td>.808</td>
<td>.4191</td>
<td>2.104</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Perceived Behavioural Control, Knowledge, Subjective Norm, Attitude
b. Dependent Variable: Entrepreneurial Intention

The table 2 above derived from the linear regression indicates the Durbin-Watson value at 2.104. The data shows no autocorrelation when the value is close to 2 (Saunders, et al., 2009). This means the sample favour the presumption of instance independence and no impact of one sample with another (Bakon and Hassan, 2013; Hair et al., 2010).
(2) Analysis of Collinearity (Assumption of No Multicollinearity)

The Multicollinearity level is decided utilizing Variance Inflation Indicator (VIF), while since some level of correlation is allow which referred as Tolerance level will take into consideration as well (Cohen, et al., 2003). To quantify the rate at which the standard error of approximated coefficients has been expanded, Variance Inflation Indicator (VIF) analysis to be adopted. Tolerance represents the rate in total variance is distinctive (Hair, et al., 2010).

Table 3: Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
<td>Tolerance</td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>.021</td>
<td>.336</td>
<td></td>
<td>.062</td>
<td>.951</td>
</tr>
<tr>
<td>Knowledge</td>
<td>-.035</td>
<td>.072</td>
<td>-.022</td>
<td>-4.93</td>
<td>.623</td>
</tr>
<tr>
<td>Attitude</td>
<td>.563</td>
<td>.068</td>
<td>.566</td>
<td>8.303</td>
<td>.000</td>
</tr>
<tr>
<td>Subjective Norm</td>
<td>-.048</td>
<td>.071</td>
<td>-.032</td>
<td>-6.82</td>
<td>.496</td>
</tr>
<tr>
<td>Perceived</td>
<td>.458</td>
<td>.076</td>
<td>.404</td>
<td>6.030</td>
<td>.000</td>
</tr>
</tbody>
</table>

Based from coefficient analysis in table 3 above, the VIF value is in the average range of 1.91 denoting no existent of multicollinearity (Kline, 2010). VIF between 5 – 10 indicating some level of correlation exists whilst VIF value above 10 indicating the coefficient is extremely correlated (Saunders, et al., 2009). There is another method to validate this is by measuring the tolerance level (O’Brien, 2007), where by the tolerance coefficient shall be lesser than 1.0 which also be met by the tolerance value tabulated above with average range in 0.614 (Tabachnick & Fidell, 2013). Hence, denoting no multicollinearity exist.

(3) Assumption of Normality of the Dependent Variable

The histogram provides a graphical prediction of the normal distribution which forms the bell curve or not representing the assumption of normal distribution is attained (Das & Imon, 2016).

Refers to figure 8 below shows the dependent variable - Entrepreneurial Intention is symmetrical distributed. The Standard Deviation value equals to 0.982 indicating the variation coefficient is low (Kothari, 2004). The pinnacle of the curve is centrally positioned plus the both end of the curve is evenly skewed to form a nice bell-curve which denoting a balanced distribution.

Figure 2: Histogram of Normality of Dependent Variable – Entrepreneurial Intention
(4) Assumption of Normality of the Residuals

To confirm whether the distribution is normal, P-P (Probability-Probability) plot will be adopted by evaluating the linearity of the distributed pattern. The evaluation of the P-P plot is how samples distributions are closely accrued showing the degree of consistency between the samples to justify the empirical validation (Das & Imon, 2016). In figure 9 below, the assumption shows the residual have normal distribution. The result from the P-P plot shown that the plots are distributed closely to the linear line and hence indicated that the result meets the assumption that the distribution is normal.

![Figure 3: P-P Plot of Normality of The Residuals](image)

(5) Assumption of No Homoscedasticity

In this section, the analysis of homoscedasticity is been carried out by utilizing Scatterplot to analyze the assumption that the variance of the interrelationship between the Independent variable and the dependent variable are uniform for all measurement (Hair, et al., 2010). Contravention of this indicates heteroscedastic increases which mean unequal variance, and hence generating error to the model (Greene, 1993).

Figure 4 below shows a standardized residual being distributed equally among the dependent variable showing normality is achieved (Kline, 2011).

![Figure 4: Scatterplot of Entrepreneurial Intention – Dependent Variable](image)

Below figure 5 shows the homoscedasticity analysis of each individual variable where by standardized residuals are being distributed equally.
Multiple Regression Analysis

The purpose of Multiple Regression Analysis is to analyze the influence of the independent variables on the dependent variable. According to Saunders, et al., (2009), the analysis enable researcher to identify the importance of impact as well as the degree of impact of change by examining the underlying dimensions among the variables and delivering the evidence to validate the construct.

(1) Model Fitness and Explanatory Power

The Model Summary tabulated R, R Square and Adjusted R Square which are the indicators to measure the model fitness. The Coefficient of correlation between the predicted value and the observed value is provided by the R value. The R Square value provides the percentage of variation which is within the regression line out of the total variation (Hair, et al., 2010). The greater the value indicates better coefficient between the predicted value and the observed value. The Adjusted R Square is utilized as reference for comparison to ensure the R Square is not artificially inflated.

<table>
<thead>
<tr>
<th>Model Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td>-------</td>
</tr>
<tr>
<td>1</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Perceived Behavioural Control, Knowledge, Subjective Norm, Attitude
b. Dependent Variable: Entrepreneurial Intention

Table 4: Model Summary

Based on the table 4 data shown above, R Square value equal to 0.814 represents 81.4% of the variance in the Entrepreneurial Intention (dependent variable) is interpreted by the fluctuations in the independents
variables. The acceptable R Square range above 0.75 denoted to be substantial, 0.50 denoted to be moderate and value 0.25 is regards as poor (Henseler, et al., 2009). Therefore, in this research the R Square falls above 0.75 which denoted to be highly substantial range.

Model Significance

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>32.534</td>
<td>4</td>
<td>20.633</td>
<td>117.453</td>
<td>.000b</td>
</tr>
<tr>
<td>Residual</td>
<td>16.797</td>
<td>107</td>
<td>.176</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>101.331</td>
<td>111</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Entrepreneurial Intention
b. Predictors: (Constant), Perceived Behavioural Control, Knowledge, Subjective Norm, Attitude

Table 5: Model Significance

According to Hair, et al., (2010), the P-Value (Sig) needs to be under 0.05 in order to be significant. As shown in table 5, the Sig value equal to 0.000 which denoting the model is highly significant in predicting Entrepreneurial Intention

Analysis of Hypotheses

Table 6: Significance of Hypotheses

The results of this research are shown in Coefficient table 6 above to study the significance and impact of each independent variable in the regression mode. The Beta Coefficient value is utilized to measure how significant the independent variable functions as predictors affect the dependent variable. The higher the Beta Coefficient value indicates the greater impact of the independent variable towards the dependent variable. Two independent variables being Attitude and Perceived Behavioural Control have positive impact to the dependent variable while the other two independent variables being Knowledge and Subjective Norm have negative impact to the dependent variable - Entrepreneurial Intention.

Based on table 6 results above show independent variable being Attitude with Beta Coefficient of 0.566 (P=0.000), Perceived Behavioural Control 0.404 (P=0.000) are significant to Entrepreneurial Intention. The model can be constructed as: \( \text{Entrepreneurial Intention} = 0.566 \times \text{Attitude} + 0.404 \times \text{PBC} \)
Table 7: Hypotheses Validated Status

| H1 = Knowledge has a significant positive impact on Entrepreneurial Intention. | 0.623 | 0.022 | Rejected | The Beta Coefficient of -0.022 indicates that Knowledge has -2.2% negative impact on E.I. Therefore Knowledge is concluded to be insignificant for E.I. |
| H2 = Attitude has a significant positive impact on Entrepreneurial Intention. | 0.000 | 0.566 | Accepted | The Beta Coefficient of 0.566 indicates that Attitude has 56.6% positive impact on E.I. Therefore Attitude is concluded to be significant for E.I. |
| H3 = Subjective Norm has a significant positive impact on Entrepreneurial Intention. | 0.496 | -0.032 | Rejected | The Beta Coefficient of -0.032 indicates that Subjective Norm has -3.2% negative impact on E.I. Therefore Subjective Norm is concluded to be insignificant for E.I. |
| H4 = Perceived Behavioural Control (PBC) has a significant positive impact on Entrepreneurial Intention. | 0.000 | 0.404 | Accepted | The Beta Coefficient of 0.404 indicates that PBC has 40.4% positive impact on E.I. Therefore PBC is concluded to be significant for E.I. |

In order for hypothesis to be accepted, each independent variable P value needs to be lesser than 0.05. Should the P value exceed 0.05, it will be rejected as it denoted the model as insignificant impact to the analysis (Hair, et al., 2010).

To summarize the analysis shown in table above, there is positive and significant impact of H2: Attitude and H4: Perceived Behavioural Control towards Entrepreneurial Intention as P values are met with below 0.05. On the other hand, Hypothesis H1: Knowledge and H3: Subjective Norm is rejected as the P value exceeded the given threshold of 0.05.

From the result shown, Knowledge and Subjective Norm have no significant value towards the dependent variable – entrepreneurial intention. Both subjective norm and knowledge does not meet the P-value as well as the standardized Beta Coefficient and therefore both variables are rejected in this research. In fact, multiple researchers also found that the independent variable – subjective norm has no significant impact in forecasting entrepreneurial intention (Liñán and Chen, 2009; Autio et. al., 2001; Krueger et. al., 1997). Influence from family, close friends, people who used to know, people who being recommended, etc. have negligible contribution among MBA graduates and this can be explained with locus of control (Mesihovic and Sestic, 2016).

5. Conclusion

The goal of this research is to determine the entrepreneurial intention to pursue into entrepreneurship among MBA graduates in Malaysia. The Theory of Planned Behaviour (Ajzen, 1991) has been chosen to measure a person’s intention had yielded some interesting results based on the proposed conceptual framework. This analysis was carried out on 112 respondents who are an MBA graduates through questionnaire survey in Malaysia. The objective of this research had given important information showing that there is no significant value for independent variables of Knowledge and Subjective Norm towards the dependent variable – entrepreneurial intention.

There are few limitations being identified in this research paper during the evaluation process and this information could assist research for future studies. The sample collected for this research was limited to 112 respondents only with randomly chosen based on those who has met or known with MBA qualification. The targeted respondents’ location is another limitation as it may limit to the researcher limited resources.

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Finally, future research should focus a wider scope of research from age, area coverage which includes east Malaysia and west Malaysia in order to study a more complete Malaysia context. Second most important matter is to allow longer duration to reach more respondents as well as sufficient time for participants to respond rightfully without rushing and eventually produce more meaning results.

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