Research Paper

Entrepreneurial Intention among the Babysitters in Malaysia

Saraswathi R Ramasamy
School of Accounting and Business Management,
FTMS Global Malaysia
E-mail: saras75@hotmail.com

Dr. Ismail Nizam
Head of MBA Programs,
School of Accounting and Business Management,
FTMS Global Malaysia,
Cyberjaya
E-mail: nizam@ftms.edu.my

Abstract

The purpose of this study is to find out the entrepreneurial intention among the babysitters in Malaysia. Theory of Planned Behaviour is used in order to determine and evaluate the impact of Knowledge, Attitudes, Subjective Norm and Perceived Behavioural Control on the babysitters’ intention to become entrepreneurs. The research design for this study is explanatory research. The researchers rely on primary data for this research, collected through a survey. The researchers generate the questionnaire and distribute among the babysitter in order to achieve the targeted result. A total of 150 questionnaires are distributed and 134 responded to the research. The study found that the knowledge, attitude and perceived behavioural control have significant positive impact on the entrepreneurial intention among the babysitters in Malaysia. Subjective norm is found to have no significant impact on the entrepreneurial intention. The attitude is found to have the strongest impact on the entrepreneurial intention.

Key Terms: Entrepreneurial Intention, Knowledge, Attitude, Subjective Norm, Perceived Behavioural Control

1. Introduction

In the last two decades empirical study into the field of entrepreneurship has developed massively. A drastic change can be seen in last few years, Malaysian government also has encouraged individual who want to become an entrepreneur has an option to register as a babysitter. There are many research have been done in developed and in developing countries which show that the intention of the babysitters’ to become an entrepreneur has been increasing. In Malaysia, The Association of Registered Childcare Provider Malaysia (ARCPM) is a non-profit organisation registered with Registrar of Societies and they work closely with Ministry of Woman, Family & Community Development. They were assigned to ensure the quality of alternative another childcare provided. In collaboration with 14 State Association
throughout the country, ARCPM work carefully by making sure the children's will received excellence attention by professional childcare provider (ARCM, 2013). Babysitter's intention to become entrepreneur can be fulfilled by registering under ARCPM and become a registered childcare provider. ARCPM is the one and only organisation selected by Malaysian Government to have activity of trainers since 2004 and Government offer funding to conduct the training. ARCPM conducting Day-care course and ARCPM had given grant to conduct this course (ARCM, 2013). The overall aim of the paper is to study the entrepreneurial intention of the babysitters in Malaysia with the following specific objectives:

- To determine the impact of knowledge on entrepreneurial intention.
- To assess the impact of attitude on the entrepreneurial intention.
- To gauge the impact of subjective norm on entrepreneurial intention.
- To evaluate the impact of perceived behavioural control on entrepreneurial intention.

2. Literature Review

2.1 Definition of Entrepreneurship and Entrepreneurial Intention

Low and Macmillan define entrepreneurship as “creation of new enterprise” (Low, 1988). Intention, for Ajzen (1991), has to do with someone's belief, perception and action that involve intellectual process among the entrepreneur. Norris F. Krueger et al., (2000) define entrepreneurial intention as the gradual processes which involve the intention to start a business and the actual formation of the business. The intention of setting up the new business will be the planned behaviour and normally will be affected by the individual’s attitude.

Pillis & Reardon (2007) defines entrepreneurial intention as the intention to start a new business. On the other hand Riccardo Fini et al., (2009) define entrepreneurial intention as a cognitive representation of the actions to be implemented by individuals to either establish new independent ventures or to create new value within existing companies.

Zhengxia Peng et al., (2012) argue that the entrepreneurial intention is a mental orientation such as desire, wish and hope of and individual that influences their choice of entrepreneurship. Each individual is different and largely influence by factors such as education, experience, present role of models and demographics. The aim to construct a business is a function of the degree of favourable or unfavourable evaluation of the behaviour of an individual. Therefore entrepreneurial intention can be define as an intention to create a business with the favourable attitudes towards the skill behaviour (Amari Farouk et al., 2014).

2.2 Review of the Underlying Theory

In the act of creating a new business an individual behaviour require some planning and the theory of planned behaviour states that this intention is expected to be adopted by the given individual (Ajzen, 1991). According to Ajzen (1991, the theory of planned behaviour can be categories into three constructs.

The first will be the attitude towards the behaviour. Every single person’s attitude is the basis for their own motivation and personal accomplishment. This means that the individual need to convince that their behaviour can produce a desirable outcome (Heuer, 2012). The second will be related to subjective norms. The subjective norms are a task of the belief an individual holds about the agreement or dissatisfaction of performing the target behaviour by specific person or group (Octício, 2012). The third variable will be the Perceived behavioural control. Ajzen (2002a) argues that perceived control behavioural control is quite same as to Bandura's concept of self-efficacy.

Perceived behavioural control (PCB) will be greater when the attitude is more favourable as well with the subjective norm. It shows that the intention to execute the behaviour will be much stronger. Intention of the individuals to perform on certain behaviour will be the significant
notion of the theory of planned behaviour. The PBC explain the actual position and the individual’s expectation as to the success of the behaviour. The subjective norm and the attitude towards behaviour considered to be the ancillary role in the theory (Ajzen, 2002a).

Components of the theory of planned behaviour are similar to the ones offered in expectancy theory (Shapero, 1982). According to Shapero (1982), perceived desirability and perceived feasibility are related to the theory of the planned behaviours attitude and PCB. Variance is only on subjective norm because under the theory of planned behaviour the role of prevailing social norm were emphasized.

There are limitations on theory of planned behaviour. It is said the individual successful in performing the desired behaviour once they acquired the opportunities and resources irrespective of the intention. Theory of planned behaviour does not take into account the environment and economic factors which could affect an individual’s intention to perform behaviour. An individual’s conduct results from their direct decision making process and it can’t change over time. This theory is centred on the belief that individuals are sensible and make logical judgement based on the existing information and insensible motives are not measured (Truong, 2009).

2.3 Empirical Review, Conceptual Framework and Hypotheses

![Conceptual Framework and Hypotheses](image)

<table>
<thead>
<tr>
<th>Knowledge</th>
<th>Attitude</th>
<th>Subjective Norm</th>
<th>Perceived Behavioural Control</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**H1:** There is a significant positive impact of knowledge on the entrepreneurial intention.

**H2:** There is a significant positive impact of attitude on the entrepreneurial intention.

**H3:** There is a significant positive impact of subjective norm on the entrepreneurial intention.

**H4:** There is a significant positive impact of perceived behavioural control on the entrepreneurial intention.

Figure 1: Conceptual Framework and Hypotheses

2.3.1 Knowledge and Entrepreneurial Intention

Among young individual the possibility of choosing their own entrepreneurial career is much influence by having adequate knowledge, education and inspiration. Turker & Selcuk (2009) argues that an individual will gained entrepreneurial knowledge which can lead to their intention to become entrepreneur. According to Engle et al., (2010) the training and courses provided by the experience coordinator with entrepreneurship skills will affect the individual’s likelihood to engage in entrepreneurship. Even an entrepreneur can apply their own knowledge to influence their own children to become an entrepreneur. In line with this subject of entrepreneurship are being taught to students in order to provide skill and competencies and have self-employment as a career option (Birdthistle, 2008).

Therefore, the following hypothesis is formulated:

**H1:** Knowledge has a significant positive impact on entrepreneurial intention.

2.3.2 Attitude and Entrepreneurial Intention
According to Ajzen (1991), attitude considered to be a significant factor in explaining intention towards the entrepreneurship. He describe attitude as “the grade to which a person has a positive or negative assessment or review of the behaviour in question”. There is an important link between entrepreneurial intention and attitude (Moriano et al., 2011). Attitude plays an important role compare to other factors in explaining entrepreneurial intention (Do Paço et al., 2011). Hassels et al., (2008) argue that entrepreneurial intention consist of an individual's attitude towards the necessity for financial security, importance of wealth, work load prevention and autonomy. Based on study done by Schwarz (2009) found that attitude towards change; money and entrepreneurship were indeed some good predictors of entrepreneurial intention. According to Shook & Bratianu (2010), an individual's attitude forms based on their belief for the possible outcomes. The more favourable the chance is, the stronger the intention of an individual to do the behaviour will be.

Therefore, the following hypothesis is developed:

H2: Attitude has a significant impact with entrepreneurial intention

2.3.3 Subjective Norm and Entrepreneurial Intention

Ajzen (1991) Refer social norm as “perceived social pressure to perform or not to perform the behaviour” and it is a social factor and being another originator of intention. There was a controversial result from the past literature on the relationship between social norms an entrepreneurial intention. Moriano et al., (2011) argue that social norm is a major explainer of entrepreneurial intention. Even Hassels et al., (2008) feel the same and further explain that an individual who having entrepreneur within the family and friends will have a positive social norm with regards to entrepreneurship. On the other hand subjective norm refers to the social and cultural pressure on the individual to perform particular performance. The main points here are the family members and surrounding people's expectation on the desirability of the individual to become an entrepreneur. This subjective norm measures what will be the respondent's perception if the respondents become an entrepreneur.

Do Paço et al., (2011) sense that social standard plays a weak role in forecasting the entrepreneurial intention and it is immaterial in influencing entrepreneurial intention. This variable needs further investigation due to the contradicting results of the predictability of social standard. Ajzen (1991) argues in addition to attitudes which influencing the behaviour through intention, he pointed out that the perceived social pressure from one's peers impacting ones intention to decide to perform or not to perform a specific behaviours and this is refer as subjective standard.

Hence, the following hypothesis is formulated:

H3: Subjective norm has a significant impact with entrepreneurial intention

2.3.4 Perceived Behavioural Control and Entrepreneurial Intention

According to Ajzen (1991), behavioural command is defined as “identify comfort or struggle of performing the behaviour”. Many researchers found identify behavioural command is same as “self-effectiveness” example of the researchers who are in the same view are Shook, (2010), J.A Moriano et al., (2011) and Schwarz (2009). There were more babysitters planned to start up a business and when they are confidence enough to perform the task related to entrepreneurship then it is known as self-effectiveness. The optimistic influence that identifies behavioural command had on entrepreneurial intention has also been revealed in Do Paço et al., (2011), Moriano et al., (2011).

As such, the hypothesis below is formulated;

H4: There is significant impact between perceived behavioural control and entrepreneurial intention
3. Research Design and Methodology

The research design for this research is explanatory research. In order to support the research proposition the researchers requires generating questionnaire based on literature in order to see what results of the research is estimated to be tracked by the data analysis. Therefore, explanatory research design was engaged as it is supporting in covering sample size and makes the study to be representative one (Greener, 2008). Researchers focus on investigating and examining the factors that influence the babysitter’s intention to become an entrepreneur, the level of their entrepreneurial intention and realising babysitter’s consciousness towards entrepreneur profession.

In this study the researchers collected data thoroughly to achieve more detailed knowledge on entrepreneurial intention. In order to quantified and generalised result from the sample of population, quantitative research method was adopted (Lee Wei Ni et al, 2012). Researchers used a pre-developed questionnaire in order to acquire replies from the respondents to examine the elements that impact babysitter’s entrepreneurial intention.

For this study the researcher used the entrepreneurial intention questionnaire that was design and tested by (Liñán & Chen., 2009). The questionnaire for entrepreneurial intention was designed for the theory of planned behaviour as it is applied to entrepreneurship (Linan, 2008; Liñán et al, 2011). This type of questionnaire has been confirmed in both developed and developing countries and was originally tested on Spanish and Taiwanese samples (Otuya R. et al, 2013; Gerba et al, 2012).

In this research, the questionnaire consist of questions that were based on the 7 Likert-type scale which is 1 = strongly disagree and 7 = strongly agree and nominal scale. Likert type of scale are used for entrepreneurial intention which contains of (5 items), the knowledge towards becoming entrepreneur (9 items), the attitude towards becoming an entrepreneur (9 items), perceived behavioural control (6 items), subjective norm (4 items) and entrepreneurial intention among individual (9 items) whereas nominal scale were used for gender (1=Male and 2=Female) and past entrepreneurial exposure ((1=Yes and 2=No). The studies mainly concerned with the relationship between entrepreneurial intention and backgrounds of entrepreneurial intention (Malebana, 2014). For this purpose the independent variables were the attitude towards becoming an entrepreneur, the knowledge towards entrepreneurship, perceived behavioural control and subjective norm while the dependent variable was entrepreneurial intention. Cronbach’s alpha was use as a measuring instrument in order to test the reliability of the data (Garson, 2009). The target population for this research will be babysitter in the area of Puchong, Selangor.

This research is part of a larger study on babysitter’s participation in Puchong area. They are selected because they have strong foundation regarding babysitting knowledge and they are currently in the critical stage to decide their future career path (Ahmed I. et al, 2010; Zain et al, 2010). These research designs was applied to the questionnaire and were distributed to 150 babysitter’s in Puchong Selangor, Malaysia. Out of 150 questionnaires, 134 were filled up and return to the researchers. This research is part of a larger study on babysitter’s participation in Puchong and was design in order to focus on entrepreneurial intention among the babysitters.

4. Results and Discussion

This section of the paper summarizes the key findings of the research. Multiple Regression is employed as the key analytical technique to test the hypotheses. Prior to Multiple Regression analysis, some fundamental diagnostics and assumptions for Multiple Regression are analysed, namely (1) assumption of homoscedasticity, (2) assumption of normality of residuals, (3) assumption of singularity/multicollinearity and (4) analysis of multivariate
outliers. After satisfactory results for these diagnostics are achieved, Regression Analysis is conducted to test the hypothesis.

As Table 1: Model Summary shows, the R Square of the Regression Model is 0.528 which means that 52.8% of variation in entrepreneurial intention is explained by the independent variables included in the Regression Model (namely knowledge, attitude, subjective norm and perceived behavioural control). According to Neter et al (2013), in the field of social sciences involving study of human behavior, an R Square lower than 50% is normal.

### Table 1: 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>.726a</td>
<td>.528</td>
<td>.513</td>
<td>.62596</td>
<td>1.671</td>
</tr>
</tbody>
</table>

a. Model Summary  
b. Dependent Variable: Entrepreneurial Intention

Table 2: ANOVA shows the statistical significance of the overall regression model analysed in the paper. As the significance value (p-value is 0.000 in this case) is less than 0.05, the regression model is statistically significant.

### Table 2: ANOVA

<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>56.432</td>
<td>4</td>
<td>14.108</td>
<td>36.005</td>
<td>.000b</td>
</tr>
<tr>
<td>1</td>
<td>Residual</td>
<td>129</td>
<td>.392</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>106.978</td>
<td>133</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Entrepreneurial Intention  
b. Predictors: (Constant), Perceived_Behavioural_Control, Subjective_Norm, Knowledge, Attitude

Table 3: Coefficients summarises the parameters of the regression model. The standardized beta coefficients shows the impact of each independent variable on the dependent variable (Entrepreneurial Intention). As presented below, Knowledge, Attitude and Perceived Behavioural Control has 31.7%, 31.9% and 23% impact on Entrepreneurial Intention respectively which are also statistically significant as the p-values (Sig.) are less than 0.05. However, Subjective Norm has a negligible -1.3% impact on Entrepreneurial Intention which is also not statistically significant as p-value (Sig.) is more than 0.05.

### 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>(Constant)</td>
<td>1.497</td>
<td>.338</td>
<td>4.426</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Knowledge</td>
<td>.272</td>
<td>.066</td>
<td>.317</td>
<td>.000</td>
</tr>
</tbody>
</table>

Page 32
The following Table 4 shows the summary of Hypotheses Testing Results

<table>
<thead>
<tr>
<th></th>
<th>Hypothesis</th>
<th>Beta</th>
<th>P-Value</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>Knowledge has a significant positive impact on entrepreneurial intention.</td>
<td>0.317</td>
<td>0.000</td>
<td>Accepted</td>
</tr>
<tr>
<td>H2</td>
<td>Attitude has a significant positive impact on entrepreneurial intention.</td>
<td>0.319</td>
<td>0.000</td>
<td>Accepted</td>
</tr>
<tr>
<td>H3</td>
<td>Subjective norm has a significant positive impact on entrepreneurial intention.</td>
<td>-0.013</td>
<td>0.864</td>
<td>Rejected</td>
</tr>
<tr>
<td>H4</td>
<td>Perceived behavioural control has a significant positive impact on entrepreneurial intention.</td>
<td>0.230</td>
<td>0.006</td>
<td>Accepted</td>
</tr>
</tbody>
</table>

The result of p-value 0.000<0.01 obtained by the researchers show that there is positive impact (31.7%) of knowledge on entrepreneurial intention. The outcome of the research is in line with other studies in this field such as Dohse and Walter (2009) and Paço et al. (2011).

The result from the analysis above shows attitude has a significant positive impact of 31.9% on entrepreneurial intention. This result is supported by Kolvereid and Moen (1997). On the other hand, subjective norm proven to be insignificant when measure by its overall model of multiple regression. The result of subjective norm’s p-value of 0.864 which is similar by way of Krueger et al. (2000); Liñán & Chen (2009); showing there is negative impact of subjective norm on entrepreneurship intention. The negative impact could be due to the frequent modifications on social environment, family, friends and peer group and it did not influence the babysitters in making decision (Lee Wei Ni et al., 2012). Usually babysitters will take into account the external factors such as business experience and financial support before starting-up own business.

Based on the result from the analysis above there is positive impact of perceived behavioural control on entrepreneurial intention. The higher perceive behavioural control, the greater the intention of the babysitter to be an entrepreneur (Basu & Virick, 2008; Ruhle et al., 2010). Wood & Bandura (1989) explains that perceived behavioural control will rise when there is entrepreneurship education among the individual which could lead to higher entrepreneurial intention.

5. Conclusion

This paper concludes that knowledge, attitude and perceived behavioural control has a significant positive impact on entrepreneurial intention while subjective norm has no significant impact on entrepreneurial intention. Attitude of the babysitters is discovered to be the one that has the highest impact on the entrepreneurial intention followed by knowledge and perceived behavioural control. The finding sheds light on how societies and governments should prioritise entrepreneurship initiatives where emphasis may not be place on subjective norms or social norms. The entrepreneurship programs should primarily focus on changing attitude or encouraging activities that encourage entrepreneurial attitude which could start from parenting through schools and institutions of higher learning. Emphasis should also be
placed on entrepreneurial education since the study discovered that education having positive impact on entrepreneurial intention.

Reference


Duygu Turker, Senem Sonmez Selcuk, (2009) "Which factors affect entrepreneurial intention of university students?", Journal of European Industrial Training, Vol. 33 Iss: 2, pp.142 - 159


Lee Wei Ni et al, 2012. ENTREPRENEURIAL INTENTION: A STUDY AMONG STUDENTS OF HIGHER LEARNING INSTITUTION.


Ruhle et al., 2010. The heirs of Schumpeter: An insight view of students’ entrepreneurial intentions at the Schumpeter School of Business and Economics., University of Wuppertal, Germany.: Paper presented at the Schumpeter School of Business and Economics.


Zain et al, 2010. Entrepreneurship Intentions Among Malaysian Business Students. 6(3), .. Canadian Social Science,. Vol. 6(No. 3), pp. pg. 34-44.