ENTREPRENEURSHIP EDUCATION IN MALAYSIAN INSTITUTES OF HIGHER LEARNING (A 2015 REVIEW)

By

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OBJECTIVE OF THE STUDY

To identify the factors in the ecosystem that contribute towards an effective entrepreneurship education in Malaysian HLIs

To assess the current state and effectiveness of entrepreneurship education among Malaysian HLIs
STUDY APPROACH & METHODOLOGY

Study Processes
- EC
- Students
- Alumni
- Lecturers
- Employers
- EC
- Employers
- Vice Chancellor
- Deputy Vice Chancellor
- EC
- Employers
- Govt agencies
- Int’l Reports
- MOHE (MEA)
- SSM
- SME Corp
- SME Bank
- MPC

Total Respondent
- Students 2338
- Alumni 642
- Lecturers 220
- Employers 86

Breakdown of respondents by target group

Participating HLIs
- Community Colleges 9
- Public Universities 18
- Private Universities 21
- Polytechnics 5

Lecturer Respondents
- Community Colleges 106
- Public Universities 50
- Private Universities 18
- Polytechnics 16

Alumni Respondents
- Community Colleges 264
- Public Universities 48
- Private Universities 109
- Polytechnics 10

Student Respondents
- Community Colleges 999
- Public Universities 600
- Private Universities 622
- Polytechnics 117
**ENTREPRENEURSHIP EDUCATION ECOSYSTEM**

**EXTERNAL FACTOR**
- Overall Business Environment - Economic, Competition landscape
- Support from public sector and government agencies
- Support from MOHE
- Funding Support
- Support from the Corporate Sector
- Support from NGO
- Support from society in general

**INTERNAL FACTOR**
- Support from HLI’s Top Management
- The effectiveness of entrepreneurship centres
- Support from academic & non-academic staff
- Education Programme
- Development of entrepreneurs
- Competency of educators
- Readiness of students
The entrepreneurial framework conditions for Malaysia compared to other Competitive countries (based on GEM data, 2014)

Ease of doing business according to the World Competitiveness Yearbook (IMD), across five years
SUPPORT FROM PUBLIC SECTOR & GOVERNMENT AGENCIES

Policies, Infrastructure & Legislation
Funding Support

- Business Loan
- Venture Capital
- Grant
- Micro Finance
- Crowd Funding

2015- Malaysia is the first among ASEAN countries to have a legal framework for crowd funding

- 2014 GEM Report - Malaysia is in top 20 in Ease of Access to Loan
SUPPORT FROM THE CORPORATE SECTOR

- Collaboration
- Internship Opportunities
- Technical Support
SUPPORT FROM NGO & ASSOCIATION

1. Technical
2. Training/Programmes
3. Financial
4. Mentoring
CURRENT STATE OF EE

- Entrepreneurship Centre Maturity
- Education Programmes
- Development of Entrepreneurs
- Competency of Educators
CURRENT STATE OF EE
Entrepreneurship Centre Maturity

100% Establishment of EC

5% total UA
Generate income >30%

15 UA
Advisory Panel

100% of HLIs
Presence of Database

52% of EC
Strategic & Administrative Role

Driven by multiple parties
Succession Planning

UA received the highest
Support from MOHE for EE

Support from parents
Hugely absent

100% HLIs
Presence of guidelines for corporate sector engagement

Common Issues Faced by ECs

No clear role demarcation among different faculties and centres & Lack of Coordination

Obtaining buy-in esp Among fellow lecturers

Succession Planning

Support from parents
Hugely absent
CURRENT STATE OF EE

Education Programmes

53% HLIs
LO8 is present in 30% or more of their courses

57% HLIs
Incorporate more than 15% practical elements

52-75% of students
Encouraged to do Industry Attachments

70% HLIs
Able to adapt curriculum to Changes
Exposure received during EE

Percentage of alumni and student respondents, on whether the exposure they received through the EE curriculum assisted them to develop the entrepreneurial mindset.

Percentage of student respondents, on whether the exposure they received through the EE curriculum assisted them to develop the entrepreneurial mindset.

Percentage of alumni and student respondents, on how satisfied they were on the knowledge that they gained during EE, in terms of preparing them for entrepreneurship and in developing the entrepreneurial mindset.

Percentage of student respondents, on whether lecturers incorporated elements of entrepreneurial mindset in other courses.
WHAT THE STUDENTS WANT

- Improve activities/curriculum (48.7%)
- More practical elements (17.2%)
- Financial Support (7.9%)
- Mentorship (5.8%)
- Improve lecturer’s capability (3.4%)
CURRENT STATE OF EE

Development of Entrepreneurs

49%-70% students
Adequate Knowledge to Start A Business

23-51% students
Ease of starting a business while studying

89% students
Not aware of the presence of microfinancing

>90% students
Aspiration to start a business

90% HLIs
Encourage students to start a business while studying

70% HLIs
Have an incubator programme

Common Challenges identified by students

1. The ability to juggle between studying & commitment to business

2. Lack of initial capital to start the business
CURRENT STATE OF EE

Competency of Educators

- 20% lecturers: Entrepreneurship training programme
- Up to 20%: Entrepreneurial mindset pedagogy training
- More than 50%: Lecturers experience on EE
- 46-77% of lecturers: Have the latest knowledge
  - 77% private universities
  - 58% CC
  - 52% Public Universities
  - 46% Polytechnics
- 1067 lecturers: Niche Expertise

What the lecturers want

- More funding to run the programme
- More opportunities & involvement from business community & industry
- More time for students to involve in EE activities
- More recognition
- More time to focus on EE
IMPACT

Numbers of entrepreneurs who were aged 23-26 years with registered business VS unemployed Graduates VS Graduate Entrepreneurs
Aspiration to set up a business

Percentage of students and alumni who indicated that they were interested to set up a business, based on the various institutions:

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<tbody>
<tr>
<td>None at all/Not really, I haven’t really thought much about it</td>
<td>5</td>
<td>6</td>
<td>7</td>
<td>12</td>
<td>7</td>
<td>10</td>
<td>10</td>
<td>10</td>
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<tr>
<td>I am unsure, possibly in the distant future</td>
<td>22</td>
<td>20</td>
<td>24</td>
<td>19</td>
<td>24</td>
<td>23</td>
<td>23</td>
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<tr>
<td>Likely, after a few more years of working/Certainly</td>
<td>73</td>
<td>91</td>
<td>74</td>
<td>82</td>
<td>69</td>
<td>74</td>
<td>72</td>
<td>80</td>
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The perception on the presence of the entrepreneurial mindset elements by the various groups.
Achievement of KPI

- All HLIs have their own EC
- All EC have their own advisory panel
- ECs are able to generate 30% of their operating budget
- 100% of UAs have established a EC
- 85% UAs have established an advisory panel
- 17% UAs are able to generate more than 30% of their operating budget

- 30% of courses offered incorporate LO8
- 72% UAs incorporate LO8 into more than 30% of courses
- 83% UAs have incorporated 15% practical elements into the subject

- Entrepreneurship subject has 15% practical elements
- 89% UAs have clear guidelines to engage the corporate sector

- To have comprehensive guidelines to engage the corporate sector
- To involve 50% of the student population in entrepreneurship activities
- 39% of UAs are involving more than 50% of the student population in entrepreneurship activities

- 80% student satisfaction towards the entrepreneurship ecosystem
- The satisfaction rate is at 45%
The study have uncovered strengths & areas for improvement to harness the full potential of EE. Key recommendations to move forward are:

**EE POLICY**
- Define the focus at EE clearly
- What should the policy be in the pursuit to produce entrepreneurial academic & staff?

**IMPACT MEASUREMENT**
- Undertake a longitudinal study of EE
- Enhance tracking parameters

**EDUCATION PROGRAMME**
- Implement bespoke entrepreneurship programme
- Heighten corporate sector engagement
- Balance competing demands on the curricula
- A constant review of the curriculum

**COMPETENCY OF EDUCATORS**
- Define competencies required for EE
- Enhance facilitation techniques
- Have clear measurements for success

**DEVELOPMENT OF ENTREPRENEURS**
- Boost confidence
- Reassess the funding procedures
- Provide the necessary support & resources
THANK YOU
TERIMA KASIH