Determinacy of the Factors Affecting Malaysian Youth to be Social Entrepreneurs

Atikah Mohd Zulkifle, Kamarulzaman Ab. Aziz and Louai Sarhan

Multimedia University, Cyberjaya, Malaysia

Correspondence should be addressed to: Atikah Mohd Zulkifle; eikazulkifle75@gmail.com

Received date: 25 November 2019; Accepted date: 20 January 2020; Published date: 24 February 2021

Academic Editor: Raudah Mohd Adnan

Copyright © 2021. Atikah Mohd Zulkifle, Kamarulzaman Ab. Aziz and Louai Sarhan. Distributed under Creative Commons Attribution 4.0 International CC-BY 4.0

Abstract

Social entrepreneurship has been considered as a possible solution to address poverty in developing countries. It can contribute greatly to the economic development of the countries whilst addressing social issues at the same time. Because of this, most of the developing countries are encouraging their citizens to pursue entrepreneurship in general and social entrepreneurship specifically. This paper intends to study the factors affecting Malaysian youth to be social entrepreneurs. The aim of this research is to present the study on identifying key factors and determinants of social entrepreneurial intention among the youth in Malaysia in order to gauge the viability of realizing the national goals. The underlying theory used for this study is Theory of Planned Behavior by Ajzen 1991, Social Entrepreneurship Intention by Mair and Noboa 2006 and the extended model of Hockerts 2017. A total of 92 youth respondents across Malaysia have been surveyed for this study. The findings show that Malaysian youth have less empathy towards social problems and males have high intention to be social entrepreneurs. The expected outcome of the study is a conceptual framework to understand the determinants for social entrepreneurship intention among youth in Malaysia and their traits. The discussions also explore the patterns among and between groups of the sample. Ultimately, the findings from the study will allow for recommendations of better policy interventions and programs to encourage the Malaysian youth to become social entrepreneurs as well as the creation of more impactful social enterprises.

Keywords: Entrepreneurship, Social Entrepreneurship Intention, Malaysian Youth.

Introduction

Social entrepreneurship has been considered as a possible solution to address poverty in developing countries. It can contribute greatly to the economic development of the countries whilst addressing social issues at the same time. Because of this, most of the developing countries are encouraging their citizens to pursue entrepreneurship in general and social entrepreneurship specifically. The
Entrepreneurship has been considered as a possible solution to address poverty in developing countries. It is a means of coping with unemployment problems by creating new job opportunities, and it is also seen as an engine of economic growth. It has been proven to make great contributions to the economic development of developing countries. Because of this, most of the developing countries are encouraging their citizens to pursue entrepreneurship (Hurry, 2007; Baron and Shane, 2008). As entrepreneurship is synonymous with self-employment, it is believed to be an effective strategy in managing issues such as unemployment, especially among the youth; low-employability of new graduates; lack of job opportunities during challenging economic climates; and more. Entrepreneurship is not limited to profit-making business in the world. While profit is essential for a sustainable business, it is not always the ultimate goal (Jilenga, 2017).

To date, the goal of the younger generation, particularly the millennials in our nation to set out on business enterprise, is still not yet fully explored and understood. Malaysia is a developing country that encourages students towards entrepreneurship as a career choice. The emphasis for this can be seen as great importance as can be seen in the Malaysia Education Blueprint 2015-2025 (Higher Education) where 10 “Shifts” had been outlined as the key factors that will lead to excellence for the Malaysian higher education system; “Holistic, Entrepreneurial and Balanced Graduates” is defined as the first shift. It is generally known that in the future, students are the backbone of entrepreneurship. Part of the government plan to impart entrepreneurial spirit among undergraduate students is by making entrepreneurship subject as a mandatory component for all programs at all levels irrespective of the field of study.

Making profit is not the ultimate goal in entrepreneurship, entrepreneurs can make profit while helping the community and solve the social issues at the same time. This is the explanation why social entrepreneurship has been developed and implemented in recent decades. The new social innovation mechanism and principles are aimed at improving the well-being of individuals, societies and territories in terms of social inclusion, job creation and quality of life (OECD, 2011, p.13). Other than that, researchers found social entrepreneurship to be one of the main strategies for improving people’s socio-economic well-being (Nasir & Subari, 2017). Such mechanism can be applied by social enterprises, some of which are social enterprises that provide the value to solve public problems and add value to the community. Rather, social entrepreneurship seeks to benefit the community by returning all profits to a social mission. The consequences of the ongoing financial crises have demonstrated the value of social enterprises, which in periods of adverse economic events have shown robustness and sustainable positive social impact on the societies they work in. Growth in social entrepreneurship and the social economy has been high on the list of priorities of the European Union for the

period 2014-2020 and social entrepreneurship includes creative and financially sustainable social activities (Brajevic et al., 2015). The social enterprise sector can be regarded as a key driver of financial translation. Social enterprises capitalize on the growing demand for value-oriented products and services from consumers. They give non-profits the ability to sustain and extend their services and goods through activities that generate revenue. A model of social enterprise allows many entrepreneurs and small businesses with a social agenda to start filling the gaps in rural areas and environmental services. Social enterprises may examine and grow market opportunities in persistently disadvantaged communities that would otherwise not occur. By producing two- or three-fold outcomes, social enterprises and social entrepreneurs serve as agents of change, slowly turning the economy into one that encourages prosperity and broadly shared benefits (Jilenga, 2017).

According to Peredo & McLean (2006), social entrepreneurs are individuals who aim to create some kind of social value, either alone or in a prominent way, and follow that goal through a mixture such as identifying and leveraging opportunities to generate that value, such as employing creativity, tolerating risk and failing to consider restriction on available capital. Other than that, social entrepreneurs usually have entrepreneurial traits such as risk-taking, creativity, appreciation of opportunities and resourcefulness (Austin et al., 2006; Peredo & McLean, 2006; Sharir & Lerner, 2006; Zahra, Gedajlovic, Neubaum, & Shulman, 2009). Additionally, someone exhibits characteristics of prosocial behaviour, such as strong ethical behaviour, moral authority, and positive social motivation (Bornstein, 2004; Dees, 1998; Nicholls, 2008). Meanwhile, hybrid company often referred to as social enterprise (Doherty et al., 2014) based on a specific social purpose (nutrition, improving education, health, and safety for sections of the population who are excluded, marginalized or suffering) aims at creating social value while obtaining profits and doing so in an innovative or entrepreneurial way (Certo & Miller, 2008; Chell, Nicolopoulou, & Karataş-Özkan, 2010; Corner & Ho, 2010; Dacin, Dacin, & Matear, 2010; McMullen & Warnick, 2016; Mair & Schoen, 2007; Miller, Grimes, McMullen, & Vogus, 2012). According to Haverkort (2016), social enterprise is described as a company that directly addresses social needs through its products and services or by the number of poor people it engages. It differentiates social enterprises from corporate social responsibility, which implicitly creates positive social change through the practice of corporate social responsibility. Social entrepreneurship concentrates primarily on social activities, while commercial entrepreneurship focuses on profit-making operations (Cukier, et al, 2011). Social entrepreneurship is important for groups with social needs. Therefore, social entrepreneurship as a creative social value generates activity that can happen within or through non-profit, corporate, or public industries. To meet the social needs, community needs the social entrepreneurs to assist them (Daudet al., 2018). Social entrepreneurship has been recognized as an effective tool for reducing poverty (Bloom, 2009; Ghauri, Tasavori, & Zaefarian, 2014), women empowerment (Datta & Gailey, 2012), catalyzing society’s transition (Alvord, Brown, & Letts, 2004), fostering balanced growth in the markets for livelihood (Ansari, Munir, & Gregg, 2012; Azmat, Ferdous, & Couchman, 2015), then making changes in the company change (Nicholls, 2008).

Entrepreneurship is essential to financial advancement, employment and innovation. Many studies of entrepreneurial intention among students in Malaysia had been done. Among the limitation or gaps found in reviewing these studies is that no study has been done relating to social entrepreneurship and the intention among the youth towards it, in addition the main underlying theory used for such studies is Ajzen’s Theory of Planned Behavior (TPB). The expected outcome from this research study will be a set of recommendations for better policy interventions and programs to encourage the Malaysian youth to become social entrepreneurs.
Social Entrepreneurship

There has been a tradition of addressing social problems for decades (Dees, 1999b; Alvord et al., 2004; Barendsen & Gardner, 2004; Okpara & Halkias, 2011). According to Alvord et al (2002), the lives of thousands of people around them were changed by policies that focused primarily on the issues of the oppressed and the disadvantaged. In addition, social entrepreneurship has become a major topic discussed and has drawn growing attention among policy makers, companies, civil society groups, college academics and financial institutions (Nicholls & Young, 2008). Social objective (Austin et al, 2006; Roberts & Woods, 2005; Peredo & McLean, 2006; Peredo & Chrisman, 2006) in the 1980s, social entrepreneurship originated from Bill Drayton’s activities at the Ashoka Foundation, which helps social innovators around the world in terms of funding, and Ed Skldoot of New Ventures, who help non-profits survey the new income source (Dees, 2001, 2007; Fulton & Dees, 2006; Noya, 2006; Sen, 2007; Schlee et al, 2008; Okpara & Halkias, 2011). According to Weerawardena & Sullivan-Mort (2001), social entrepreneurship drives a company to gain a sustainable competitive advantage that will allow them to fulfill their social mission. Social entrepreneurs have creative and outstanding leadership in social enterprises (Dees, 1998b) that tackles complex social issues (Johnson, 2000) while at the same time creating public wealth (Wallace, 1999).

Overall, there are three reasons for the emergence of social entrepreneurship. First, the interest in solving social problems has grown and it has led to ongoing sustainable and innovative ideas to address the complicated social problems (Johnson, 2000; Alvord et al., 2002; Santos, 2009) and also to set communities free from their struggles (Thompson et al, 2000) such as unemployment, inequalities access to the health care and social services (Catford, 1998), poverty, crime and social exclusion (Blackburn & Ram, 2006). In fact, the issue raised is not resolved by the public sector but does not attract the attention of the private sector at the same time (Darbin & Jenkins, 2006). Next, because of this, the private sector and the government have no clear effort to develop or provide services to solve the problem (Bach & Stark, 2002; Shleifer, 1998). So, Comelius et al (2008) strategies are provided to improvise services by public service subcontracts without the involvement of the government. Third, in the social sector, business leaders have contributed to the global increase in social capital (Shaker et al, 2008) and as an effort to create wealth for the society (Wallace, 1999). As a result, the public, private and voluntary activities of social enterprises overlap (Perrini & Vurro, 2006). As a result, non-government organizations have taken the initiatives to solve the problems in the social sector. Currently, there are two demands facing the non-profit organizations. First, the public’s lack of trust in foundations, charities and government in the administration of social services contributes to the need to improve efficiency and business practices (Shleifer, 1998; Okpara & Halkias, 2011). Second, the need to continue the way the conventional funding tools are adjusted and the demands for these insufficient resources are increased (Johnson, 2000; Mort et al, 2003; Okpara & Halkias, 2011). As a result, social entrepreneurship is executed with a specific social and community goal (Harding, 2004), is deemed necessary and intended not only for complex social issues (Nicholls, 2006) but also to improve the efficiency of non-profit organisations (Reis & Clohesy, 1999; Jiao, 2011).

Witnessing the social entrepreneurship, now becoming a global phenomenon, is not a new thing. Nicholls (2006) explains the aspects of social entrepreneurship differs based on the geographical region. Such variations referred to Kerlin (2006) originate from the different forces that model and reinforce the territory in each area. Referring to Poon (2011), the exposure and growth of social entrepreneurship are different in different geographic regions in the world but they can be grouped based on two criteria which are the market-based form of social enterprise and the hybrid-based form of social enterprise. Africa and North America emerged with the market-based form while Europe and Latin America (Poon, 2011) are
hybrid-based which combines the social value creation and the economic (Alter, 2003). The non-profits and foundations’ exposure have led the social entrepreneurship activities in USA (The Economist, 2004b). Nevertheless, the role of the market is still hugely not aware of social ventures in many emerging economies in Asian countries and the interface between civil society and the state is a more productive location for socially entrepreneurial activity (Nicholls, 2006, p.5).

Social Entrepreneurship in Malaysia

In addition, strategic plans such as the Malaysian Social Enterprise Blueprint, revealed social entrepreneurship in 2015. To promote more social entrepreneurs and to organize social enterprises by 2018, few strategic plans have been made. Established in 2013, the Magic division that set out to run the social enterprise sector in Malaysia is called Magic Social Enterprise. In addition, RM20 million was allocated to Magic Social Enterprise to fund social enterprises from the previous government. The former government aimed at achieving at least 1000 social enterprises by 2018 (NST, 2015).

In 2018, the Ministry of Entrepreneur Development (MED) has come out with National Entrepreneurship Framework with the theme of Strategic Thrusts & Objectives. In Strategic Thrust 2, MED emphasizes Comprehensive and Integrated Entrepreneurship Development. The 10th strategic objective of National Entrepreneurship Framework from Thrust 2 is to provide entrepreneurship skills for unemployed graduates. Newly reconstruct plan based on current modus will be introduced as a forum not only to help unemployed students, but also to create job creators by providing additional entrepreneurship modules for the graduates with relevant training. The new concept was designed to help unemployed students through a variety of programs, including:

1. Collaborating with relevant agencies to provide actual, real business training set up to improve the knowledge and new interest of graduates as job creators;
2. To meet students through the national program for Entrepreneurial and Employability Outreach;
3. An Intensive Boot Camp for Graduates already in business;
4. Providing university students with the right approach to entrepreneurial understanding;
5. Providing employability training with industries such as soft skills and job training such as GLCs, VDP companies and also Government tender receiving companies as part of their Corporate Social Responsibility (CSR) programme.

In addition, in Strategic Thrust 3, MED emphasizes Boosting Entrepreneurship Among B40. The 14th strategic objective of National Entrepreneurship Framework from Thrust 3 highlights social entrepreneurship. According to MED, social enterprise is a crucial goal for MED to inspire people to address social and environmental issues. Co-operatives are one of the resources for achieving this goal, since their inherent DNA blends business and community building. Furthermore, people should be involved and active in the different socio-economic agenda in a meaningful and positive way that allows the economy to be mobilized through community unity without relying too much on the government. By cooperatives, social entrepreneurship (SE) will be encouraged to bring social change to the society by individuals who combine the practical and result-oriented business approach with social reformer goals. SE can be used by aspiring entrepreneurship as a method to encourage the society to tackle specific social and economic needs.

Because of their inspired vision, many social entrepreneurs are trying to solve social challenges for economic returns. Social enterprises in Malaysia are beginning to be recognized as in 2015 as Malaysian Social Enterprise Blueprint has been established by the former government. A research study conducted in Malaysia found the level of
social entrepreneurship activity to be high despite the average intention of the students to be social entrepreneurs. In comparison, students at public universities are more involved in social entrepreneurship than private universities (Radin A Rahman et al., 2016). In addition, Malaysia ranked 9th out of 10 countries worldwide as a social entrepreneur and it ranked 5th out of 44 countries worldwide as the best place to be a female social entrepreneur (Thomson Reuters Foundation, 2016). Although the region has experienced rapid economic growth in recent decades, nations have become wealthier but have failed to address social challenges such as urban poverty, unfair access to education and sustainability in the environment.

A research study of “The State of Social Enterprise in Malaysia” has been done in 2018 by the British Council and supported by United Nations ESCAP, the Malaysian Ministry of Entrepreneur Development and Yayasan Hasanah. It was conducted by Tandemic with input from Social Enterprise UK. Other than that, they are several partners in Malaysia that contributed to this research which are: MaGIC, Yayasan Hasanah, Agensi Inovasi Malaysia, AirAsia Foundation, Impact Hub Kuala Lumpur, myHarapan, Yayasan Sime Darby, Sime Darby Property, NeOOne Associates and Petrosains. The result of the research been done will be explained as below.

Figure 1.1: Percentage of Social Enterprises Established by Year

Figure 1.1 shows the percentage of social enterprises established by year. Social enterprises are relatively young in Malaysia, in the year before 1998 the percentage is 4% and decreased years after that and increased with 8% in the year of 2012 but decreased in year 2013 and climbed up again from the year 2013 to 2016 before decreasing in year 2017 and onwards. Figure 1.1 shows that throughout the year, year 2016 has the highest percentage with 20% and this result is due to the Malaysian Social Enterprise Blueprint that was announced in 2015. The Malaysian Social Enterprise Blueprint is a roadmap for three years from 2015-2018.
Figure 1.2: Main Area of Focus

Figure 1.2 shows the percentage of the main area to focus on by social enterprises. Data show that the most area to focus on is mainly education with 35%, then environmental and sustainability with 26%, next is food and beverage with 21%, followed by art, culture and heritage with 18%.

Figure 1.3: Common Challenges for Social Enterprises

Figure 1.3 shows the common challenges for social enterprises; 55% contributes to cash flow followed by lack of awareness of social enterprise in Malaysia with 36%. In Malaysia, social entrepreneurship is relatively new compared to the west countries. Therefore, there are still limited
studies of social entrepreneurship intention been done by the researchers in Malaysia.

Figure 1.4: Mission and Goals in Social Entrepreneurship

Figure 1.4 shows the mission and goals in social entrepreneurship. The highest percentage of the mission and goals is 34% which is to create employment opportunities, then 31% which is to support vulnerable and marginalised communities, next is 27% to improve particular community, followed by 24% to protect the environment as well as 21% to promote education and literacy and lastly 20% to improve health and well-being. Employment is the main concern for social enterprises and it contributes to the economics of growth.

Figure 1.5: Beneficiaries of Social Enterprises

Figure 1.5 shows multiple groups that benefit from social enterprises. 59% of the groups is the local community, 46% is the organisations which consist of sub-groups and lastly 40% are the employees of organisations. The main contribution of the existing social enterprises in Malaysia is to solve community problems and social issues.

Table 1.1 Prevalence rate and estimated number of social enterprises among NGOs

<table>
<thead>
<tr>
<th>Source</th>
<th>Total number of NGOs</th>
<th>Social enterprise prevalence rate</th>
<th>Expected total number of social enterprises</th>
</tr>
</thead>
<tbody>
<tr>
<td>NGOs</td>
<td>69,760</td>
<td>3.47%</td>
<td>2420</td>
</tr>
</tbody>
</table>

Table 1.1 shows the prevalence rate and estimated number of social enterprises among NGOs. Based on other relevant research, the researchers estimated the prevalence rate of organisations that exhibited social enterprise characteristics. NGOs and the wider social sector are becoming more interested in social entrepreneurship. It was reported in the previous study by MaGIC in 2015 that 28% of the social enterprises surveyed started as non-profit organizations and later adopted business models. In Malaysia, NGOs are typically organized in the form of either Company Limited by Guarantee (CLBG) or as societies / associations as charitable companies. The former is regulated by the Companies Commission of Malaysia (SSM), the latter by the Registrar of Societies (RoS).

Figure 1.6 shows the forms of Finance and Funding of Social Enterprises in 2017. The most common source of funding was bootstrapping 39%, with many social entrepreneurs investing to launch their projects and finance their operations in their own capital. Social enterprises have also drawn on external sources of funding for their ventures, with 32% using donations, 26% receiving grants from...
foundations, and 25% receiving government grants. In 2017, twenty-one percent of respondents received no external funding or raised it.

**Literature Review**

**Theory of Planned Behavior**

The Theory of Planned Behaviour (TPB) is an extension of the Theory of Reasoned Action (TRA) (Fishbein & Ajzen, 1975; Ajzen & Fishbein 1980). Both models are based on the assumptions that by analyzing the information available to them, individuals make logical, reasoned decisions to participate in specific behaviors. In addition to attitudes and subjective norms that include the theory of reasoned action, the main contribution of the TPB is the concept of perceived behavioral control. Perceived behavioral control defines as a person's perception towards the ability of performing the particular behavior (Ajzen, 1987). Acknowledging that at least some of the behaviors social psychologists want to explain and understand, Ajzen added a new construct, which is called perceived behavioral control, that is not under complete volitional control. A behavior perceived as easy to perform is high in perceived control of behavior; one perceived as difficult to perform is low in perceived control of behavior. TPB claims that a person who has a high perception of behavioral control over a particular behavior is more likely to have the intention of practicing that behavior and is more likely to act on that intention in the face of challenges and setbacks than someone who has a low perception of behavioral control (Ajzen, 1991).

According to Ajzen (1991), as in the original theory of reasoned action, the intention of the person to perform a particular behavior is a key variable in the theory of planned behaviour. Intentions are thought to represent the motivational factors that affect a behavior; they are indicators of how much people are willing to work, how much effort they want to make to execute the action. As a general rule, the better the willingness to engage in behaviour, the more likely its performance should be. It has been suggested that some idea of behavioral control has been proposed in more general models of human behaviour, designs in the form of "facilitating factors" (Triandis, 1977), "the context of opportunity" (Sarver, 1983), "resources" (Liska, 1984), or "action control" (Kuhl, 1985). Usually, the assumption is made that motivation and ability interact in their behavioral performance effects. Typically, the assumption is made that motivation and skill interfere in their behavioral performance effects. Intention should therefore be expected to influence performance to the extent that the person has behavioral control, and performance with behavioral control should be increased to the extent that the person is motivated to try (Ajzen, 1991). Nevertheless, the interpretation of behavioral control is of greater psychological importance than actual control and has an effect on intentions and actions.

Perceived behavioral control is most compatible with Bandura's (1977, 1982), which is the concept of perceived self-efficacy explained as "the concerned with decisions as to how well the behavior required to deal with prospective circumstances can be executed" (Bandura, 1982, p. 122). A great deal of knowledge about the role of perceived behavioral control derives from the systemic research programme of Bandura and his associates (e.g., Bandura, Adams, & Beyer, 1977; Bandura, Adams, Hardy, & Howells, 1980). Such studies have shown that the behaviour of individuals is strongly impacted by their confidence in their ability to do it (perceived behavioral control). Self-efficacy beliefs can affect activity choices, activity preparation, performance commitment, thinking patterns and emotional reactions (Bandura, 1982, 1991). TPB positions the philosophy of self-efficacy or perceived behavioral control within a more general framework of relationships between beliefs, attitudes, intentions and behaviour (Ajzen, 1991).

According to Ajzen (1991), the theory of planned behavior proposes three conceptually independent determinants of intention. First is attitude towards the behavior, it refers to the extent to which an
individual has a favorable or unfavorable evaluation or appraisal of the behavior in question. Second predictor is the social variable called a subjective norm which applies to perceived social pressure to accomplish the behavior or not to accomplish the behavior. And the third predictor of intention is the level of perceived behavioral control which refers to perceived behavioral ease or difficulty of conduct and is presumed to represent past experiences and expected impediments and obstacles. As an overall rule, the greater the attitude and subjective norm, and the greater the perceived behavioral influence, the stronger the intention of a person to execute the behavior under consideration should be. It is predicted that the relative importance of attitude, subjective norm, and perceived behavioral control in intention prediction may differ across behaviors and circumstances. Therefore, it can be found in some applications that although attitudes have a significant impact on intentions, attitudes and perceived behavioral control are adequate to interpret for intentions, and all three predictors contribute independently. Theory of planned behaviour (1991) prevails as the most known model of behavioral intentions and has been widely used in literature as a framework for recognizing and predicting behavioral intentions in various contexts (Schlaegel & Koenig, 2013).

Individuals can have a lot of beliefs about any behavior, but at any given moment they can only attend to a relatively small number (Milier, 1956). The prevailing determinants of a person’s intentions and actions are these salient beliefs. Three types of salient beliefs are different between each other. Behavioral beliefs are assumed to affect attitudes towards behavior. Next is normative belief which subjective norms constitute the underlying determinants. Lastly, control beliefs which produce the foundation of behavioral control perception.

It has been proposed that in certain cases, we should consider not only perceived social pressure but also personal feelings of moral obligation or responsibility to fulfill or deny such behavior (Gorsuch & Ortberg, 1983; Pomazal & Jaccard, 1976; Schwartz & Tessler, 1972). These moral obligations are likely to affect intentions, subjective (social) norms, and perceived behavioural control in conjunction with attitude. It is suggested that social entrepreneurial attitudes should be affected by the concerns of entrepreneurs about social issues, growth and financial return value. Nevertheless, through the orientation of social innovation, it is suggested that this influence should be indirect. Social entrepreneurship attitude is concerned with a personal judgment of the value, benefit and favourability of entrepreneurship that affects the purpose of entering into a new venture (Ajzen, 2002). According to Rosairo and Potts (2016), innovation has driven entrepreneurship, implying that entrepreneurship is a way of escaping poverty in developing countries.

Social Entrepreneurship

There has been a tradition of addressing social problems for decades (Dees, 1998a; Alvord et al., 2004; Barendsen & Gardner, 2004; Okpara & Halkias, 2011). According to Alvord et al (2002), the lives of thousands of people around them were changed by policies that focused primarily on the issues of the oppressed and the disadvantaged. In addition, social entrepreneurship has become a major topic discussed and has drawn growing attention among policy makers, companies, civil society groups, college academics and financial institutions (Nicholls & Young, 2008). Social objective (Austin et al., 2006; Roberts & Woods, 2005; Peredo & McLean, 2006; Peredo & Chrisman, 2006) in the 1980s, social entrepreneurship originated from Bill Drayton’s activities at the Ashoka Foundation, which helps social innovators around the world in terms of funding, and Ed Skloot of New Ventures, who help nonprofits survey the new income source (Dees, 2001, 2007; Fulton & Dees, 2006; Noya, 2006; Sen, 2007; Schlee et al., 2008; Okpara & Halkias, 2011). According to Weerawardena & Sullivan-Mort (2001), social entrepreneurship drives a company to gain a sustainable competitive advantage that will allow them to fulfill their social mission. Social entrepreneurs have creative and outstanding leadership in social
enterprises (Dees, 1998b) that tackles complex social issues (Johnson, 2000) while at the same time creating public wealth (Wallace, 1999).

Overall, there are three reasons for the emergence of social entrepreneurship. First, the interest in solving social problems has grown and it has led to ongoing sustainable and innovative ideas to address the complicated social problems (Johnson, 2000; Alvord et al., 2002; Santos, 2009) and also setting communities free from their struggles (Thompson et al., 2000) such as unemployment, inequalities access to the health care and social services (Catford, 1998), poverty, crime and social exclusion (Blackburn & Ram, 2006). In fact, the issue raised is not resolved by the public sector but does not attract the attention of the private sector at the same time (Darbin & Jenkins, 2006). Next, because of this, the private sector and the government have no clear effort to develop or provide services to solve the problem (Bach & Stark, 2002; Shleifer, 1998). So, Comelius et al (2008) strategies are provided to improvise services by public service subcontracts without the involvement of the government. Third, in the social sector, business leaders have contributed to the global by increase in social capital (Shaker et al., 2008) as an effort to create wealth for the society (Wallace, 1999). As a result, the public, private and voluntary activities of social enterprises overlap (Perrini & Vurro, 2006). Currently, there are two demands facing the non-profit organizations. First, the public’s lack of trust with foundations, charities and government in the administration of social services contributes to the need to improve efficiency and business practices (Shleifer, 1998; Okpara & Halkias, 2011). Second, the need to continue the way the conventional funding tools are adjusted and the demands for these insufficient resources are increased (Johnson, 2000; Mort et al., 2003; Okpara & Halkias, 2011). As a result, social entrepreneurship is executed with a specific social and community goal (Harding, 2004), is deemed necessary and intended not only for complex social issues (Nicholls, 2006) but also to improve the efficiency of non-profit organisations (Reis & Clohesy, 1999; Jiao, 2011).

Witnessing the social entrepreneurship now becoming a global phenomenon is not a new thing. Nicholls (2006) explains that social entrepreneurship across the geographic region has been set diversely. Such variations referred to Kerlin (2006) originate from the different forces that model and reinforce the territory in each area. Referring to Poon (2011), the exposure and growth of social entrepreneurship are different in different geographic regions in the world but they can be grouped based on two criteria which are the market-based form of social enterprise and the hybrid-based form of social enterprise. Africa and North America emerged with the market-based form while Europe and Latin America (Poon, 2011) are hybrid-based which combines the social value creation and the economic (Alter, 2003). The non-profits and foundations’ exposure have led the social entrepreneurship activities in USA (The Economist, 2004b). Nevertheless, the role of the market is still hugely not aware of social ventures in many emerging economies in Asian countries and the interface between civil society and the state is a more productive location for socially entrepreneurial activity (Nicholls, 2006, p.5).

Social Entrepreneurship Intention in Malaysia

According to Bosma et al. (2016), interest in social entrepreneurship by practitioners, policymakers and academics had increased boomly over the last decade. A study identifying the level of entrepreneurial intention and social entrepreneurship among higher institution students in Malaysia by Radin A. Rahman et al., (2016) pointed that the students with higher education institutions indicated only moderate levels of entrepreneurial intention but they showed higher levels toward social entrepreneurship activities. This suggests that the youth in Malaysian universities have higher interest or passion towards social issues and activities. Arguably this is in line with the global trend over the years where university students often get involved in activism (Jason, 2018).
Nga and Shamuganathan (2010) discussed that social entrepreneurs should have specific divergent characteristics of their personalities because their actual behaviors or actions are similar to those of their personalities. The characteristics of personality could be explained as having a high movement towards the intentions and the way social entrepreneurs acted. Because of that, social entrepreneurial decision making is influenced majorly by personality traits. According to Nga and Shamuganathan (2010), there is an effect on social entrepreneurship dimension by some of personality traits like agreeableness, openness and conscientiousness. The result of this research should be able to activate a model shift towards better implementation of social entrepreneurship through education by promoting the values of sustainable development in the future businesses of the graduates.

Jabar et al. (2016) suggested that the problems of socially marginalized or disadvantaged people can be solved by enhancing the social entrepreneurship practice in Malaysia, especially among university students because they were future Malaysia’s social entrepreneurs. This study applied the Theory of Planned Behavior proposed by Ajzen (1991) which included three factors; attitude towards behavior, subjective norm and perceived behavioral control, that might affect the formation of individual’s intention. The study conducted by Jabar et al. (2016) revealed that the level of awareness (attitude towards social entrepreneurship), peer pressure (subjective norm) and social entrepreneurship program (perceived behavioural control) were partially influencing the intention of university students to generate an innovative solution for social entrepreneurship. Hence, universities should put some effort in order to promote the benefit of social entrepreneurship towards the nation and help the students to realize that social entrepreneurship was not solely focused on the profit but it also involved the creation of a business that aimed for both, profit as well as social need (Jabar et al., 2016)

Ayob et al. (2013) applied the entrepreneurial version of Shapero and Sokol (1982) and Krueger and Brazeal (1994) to identify the social entrepreneurial intention among undergraduates from the view of an emerging economy. This study could be claimed as one of the earliest studies investigating empathy and exposure as antecedents to the perceived desirability to start social entrepreneurship projects and perceived feasibility of setting up social enterprises, which in turn shaped intention to establish social enterprises. This study would eventually have practical and empirical significance which might be usable for both researchers and universities in order to discover the determinants of social entrepreneurial intention among undergraduates who would become the leaders of the country. This study also was expected to contribute effectively and efficiently towards more sustainable and equitable economic and social development (Ayob et al., 2013)

In general, majority of the scholars concluded that social entrepreneurship exemplified elements of recognition of social responsibility, sustainability and development of character in order to assist social entrepreneurs in realizing the impact of the communities they served (Nga & Shamuganathan, 2010). In fact, the youth, especially students, who were having similar characteristics as potential social entrepreneurs would lean more on making social entrepreneurship as a career option when they graduated (Radin A Rahman et al., 2016). Thus, it was important to understand and investigate the aspects that motivated individuals to develop social entrepreneurship intention which in turn would lead towards social entrepreneurship behaviour.

**Youth Entrepreneur**

In 3rd July 2019, an amendment to the Youth Societies and Youth Development Act (Amendment) 2019 (Act 668) was passed by the Dewan Rakyat. The amendment was done by Syed Saddiq Syed Abdul Rahman, Minister of Youth and Sports. The former Ministry of Youth Malaysia has suggested to amend the age of youth to be between ages...
of 15-30. Previously, the age of youth was between 15 and 40. The reason of the amendment is reducing the gap in generation, accelerating youth maturity and reducing youth risk behavior.

Referring to the new age of youth in Malaysia, the Entrepreneur Development Ministry does not lower the youth age limit to 30 in order not to deprive young entrepreneurs from the opportunity to participate in the development programs of the Ministry. According to Mohd Redzuan Yusof, the Minister of Entrepreneur Development, the changes in age limits would not affect plans for entrepreneurial development programs involving youth. YEN is the Ministry of Youth and Sport’s National Blue Ocean Strategy (NBOS) initiative to tackle the social and economic issues of youth. The Ministry of Youth and Sports introduced the latest initiative’s collaboration with MDEC which is providing entrepreneurship course for the youth. The entrepreneurship course called “eUsahawan Young Heroes” aims at producing 10,000 youthpreneurs in digital business (Youth Entrepreneurial Network).

Other than that, in August 2019, the Ministry of Youth and Sports collaborated with myHarapan in organizing a program for social entrepreneurship which was called Facing Up with Social Entrepreneurship (F.U.S.E). The program is offered to Malaysians only while the age category is divided into two which are 13-17 years old (High School) and 18-25 years old (Higher Learning Institution Students/Public). This program is focusing on youth as the eligibility of the age category covering the age of the youth which is 15-30 years old. The idea of the problem solving needs to meet one of the themes given which are:

1. Sports
2. The Empowerment of the Unfortunates
3. Animal Welfare
4. Education
5. Social Innovation

Issues of unemployment in the local economy in the context of current fluctuations in global market demand and situations of economic crisis have contributed to the need for every community or its communities to find opportunities for self-employment, particularly for the youth (Chigunta, 2001; Schoof, 2006). The existing limited job opportunities and lack of independence in wage employment prompted efforts in the form of entrepreneurial ventures to search for greener pastures in self-employment. The level of self-employment or entrepreneurship among the youth in Malaysia is not as high as one might think and predict. Nevertheless, the government and society laud the youth entrepreneurial efforts, especially in the times of economic crisis. Various training programmes, research and other activities related to youth development, for example entrepreneurship, were organized by the Ministry of Youth & Sports and The Institute of Youth Development Research Malaysia (Chan et al., 2009).

Promoting youth entrepreneurship will not only help to reduce poverty, but will also make young people understand that they have alternatives to making their own future by starting up their own businesses and they do not have to wait until they get a job (Khan et al., 2016). Referring to the Institute of Youth Research in Malaysia, in 2018 the latest statistic available shows the population of the youth is 15.1 million. But the country’s development programs focus mainly on 18-25-year-old. Malaysia was able to foster entrepreneurship among youth through the programs of SMEs. The majority of the respondents of youth entrepreneurs are male then followed by female entrepreneurs, while ethnicity is mainly Malay, then Chinese followed by Indian and others that represent different ethnicities in a small group mostly in the area of Sabah and Sarawak. Meanwhile, their qualifications for education are limited to secondary schools. The entrepreneurial traits of the youth entrepreneurs are self-esteem, then honesty and integrity, next is determination and perseverance followed by effort to seek out opportunity and lastly sociability. The majority (88.19%) of young entrepreneurs with regard to the origin of their businesses reveals that they did not
inherit their existing business compared to 11.81% who revealed they inherited their existing business (Chan, 2009; Khan, 2016). The entrepreneurial traits of the youth entrepreneurs are self-esteem, then honesty and integrity, next is determination and perseverance followed by effort to seek out opportunity and lastly sociability.

In 2016, research from British Council shows the result of gender balance in leadership of SMEs in Malaysia and data show 79% of leaders in SMEs was male while 21% was female. While for the age of social enterprise leaders based on a survey done by MaGIC in 2015, 19% of leaders were between 18-30 years old while the highest was 36% which were leaders between 31-40 years old. As for the gender leadership in social enterprise for the year 2015, 57% was male while 43 was female but the recent data in year 2018 show that the percentage dropped to 45% for males while for females increased to 54%.

Meanwhile, the study of youth entrepreneurship development in Malaysia higher learning institutions concluded that in order to increase youth’s enthusiasm and motivation to run a business, the curriculum on entrepreneurship education needs to highlight role models in entrepreneurship as part of the curriculum. A major concern is the lack of business planning and low level of self-efficacy found in Malaysian higher learning institutions’ students, and it indicates that further improvisation of the entrepreneurship education or program is required. It is suggested that Malaysian higher learning institutions must improve their entrepreneurship education or program by incorporating more entrepreneurship-related training and development in the form of motivational seminars or discussions as well as symposia and e-business workshops both inside and outside HLIs (Din, Usman, & Anuar, 2017).

Research Methods

Mair and Noboa (2006) developed the framework of social entrepreneurial intention by combining the model of Theory Planned Behavior (Ajzen, 1991) and Entrepreneurial Event Formation (Shapero & Sokol, 1982) with perceived desirability and perceived feasibility. Empathy and moral judgement are categorized under perceived desirability while self-efficacy and perceived social support are categorized under perceived feasibility. The combination model resulted as the antecedent of intention. According to Krueger (1993), attitude and social norms are categorized under perceived desirability while perceived behavioral control (internal & external) is categorized under perceived feasibility. The following framework below is adapted from Hockerts (2017) who extended the model by Mair and Noboa (2006). The first to advance the hypothetical idea about the antecedents of social entrepreneurial intentions were Mair and Noboa (2006). Their model, drawn from entrepreneurial intention theory (Krueger, 1993; Krueger, Reilly, and Carsrud, 2000) and, specifically, Ajzen (1991) theory of planned behavior (TPB), sets that intentions are reliable and powerful predictors of actual behavior. Mair and Noboa (2006) argue that several unique aspects of the social entrepreneurial context require an adaptation of the traditional measures used in the TPB and entrepreneurial intentions’ models. They propose the following four antecedents of social entrepreneurial intentions:

- empathy as the proxy for attitudes toward behavior,
- moral obligation as a proxy for social norms,
- self-efficacy as a proxy for internal behavioral control, and
- perceived of social support as a proxy for external behavioral control.

Hockerts (2017) then extended the model by including “prior experience with social organizations” as another antecedent of social entrepreneurial intention.

This study adapted the model by first replacing “moral obligation” with “social awareness” as the proxy for social norms. Hockerts (2017) (p. 108) defined moral obligation “as being positioned between the act of moral judgment and the formation of moral intent.” And the proxy for social
norms is considered to be suitable, since the variable measures the sense of being responsible. Thus, it is argued that social awareness is also a suitable proxy for social norms as it measures the presence and awareness in one’s shared environment leading towards helping behavior. Secondly, this study replaced “prior experience with social organizations” with “prior entrepreneurship experience” as it is believed that such experience would be a stronger influence in the formation of the social entrepreneurship idea and, thus, intent. Plus, “social awareness” and “prior entrepreneurship experience” together are expected to provide grounds for the formation of ideas for solving societal problems or issues in entrepreneurial manner. In addition, there are two new independent variables added in the framework for this study which are “Cosmopolitanism” and “Cultural Intelligence”. Cosmopolitanism has been used to study in general entrepreneurship mainly in transnational elite entrepreneur but no research done yet in context of social entrepreneurship. Meanwhile, cultural intelligence has frequently been studied in context of culture in commercial entrepreneurship. Since social entrepreneurship covers society, community and social as a whole, there will be a variety of cultures and due to that this variable is used to study in social entrepreneurship context.

Theoretical Framework

![Theoretical Framework diagram](image)

Figure 1.8: Theoretical Framework
The instrument which in the survey consists of 9 sections which are namely: Demographic, Empathy, Social Awareness, Self-Efficacy, Perceived Social Support, Prior Entrepreneurship Experience, Cosmopolitanism, Cultural Intelligence and Social Entrepreneurship Intention. The first section was given as Multiple-Choice Questions while sections 2 to 7 are measured with 5-points Likert scale (Kothari, 2008); the rating is on continuous scales from (1- Unlikely) to (5-Likely) while the middle point is (3-Neutral).

The time horizon for this study will be the Cross-sectional; gathering data and examining the information of the group of respondents at a single point of time. This is suitable for the nature of this study where we have a limited timeframe to complete the project whilst collecting primary data in the natural setting. The unit of analysis for this study is individual with a number of characteristics which are:

1. Malaysian citizen;
2. Students at institutions of higher learning in Malaysia;
3. Age 18 to 30 years old.

**Findings**

As the findings for this paper, SPSS analysis was used to analyse the data. A total of 92 university students has taken part in this pilot study. 49 of them were females while the balance of 43 were males. The total age range is between 19 and 30 years old.

<table>
<thead>
<tr>
<th>Constructs</th>
<th>N</th>
<th>Items Mean</th>
<th>Std. Dev.</th>
<th>Cronbach’s Alpha</th>
<th>No. of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Empathy (Emp)</td>
<td>92</td>
<td>3.721</td>
<td>6.082</td>
<td>0.729</td>
<td>12</td>
</tr>
<tr>
<td>Social Awareness (SA)</td>
<td>92</td>
<td>3.680</td>
<td>6.988</td>
<td>0.913</td>
<td>13</td>
</tr>
<tr>
<td>Self-Efficacy (SE)</td>
<td>92</td>
<td>3.648</td>
<td>7.700</td>
<td>0.906</td>
<td>15</td>
</tr>
<tr>
<td>Perceived Social Support (PSS)</td>
<td>92</td>
<td>3.630</td>
<td>2.907</td>
<td>0.843</td>
<td>5</td>
</tr>
<tr>
<td>Prior Entrepreneurship Experience (PEE)</td>
<td>92</td>
<td>2.750</td>
<td>1.837</td>
<td>0.708</td>
<td>7</td>
</tr>
<tr>
<td>Cosmopolitanism (Csm)</td>
<td>92</td>
<td>4.103</td>
<td>3.649</td>
<td>0.89</td>
<td>6</td>
</tr>
<tr>
<td>Cultural Intelligence (CQ)</td>
<td>92</td>
<td>3.859</td>
<td>5.384</td>
<td>0.913</td>
<td>10</td>
</tr>
<tr>
<td>Social Entrepreneurship Intention (SEI)</td>
<td>92</td>
<td>3.129</td>
<td>12.799</td>
<td>0.969</td>
<td>12</td>
</tr>
</tbody>
</table>

The main study constructs were Emp (12 items), SA (13 items), SE (15 items), PSS (5 items), PEE (7 items), Csm (6), CI (10) and SEI (12 items), were measured using a total of 80 items. The items were measured by a five-scale, itemized rating scale. In order to determine the internal reliability of the items used to measure the constructs tested in this study, reliability analysis was carried out. Cronbach’s Alpha is a coefficient of reliability that indicates the extent to which the items are positively correlated. Hypothetically, the higher the value of the coefficient, the more reliable the instrument will be. In this study, the coefficients were within the range of 0.700 to 1.000 for all constructs (refer Table 1.2). This indicates high reliability and internal consistency of the survey instruments.

Correlation analysis (refer Table 1.3) indicated that in general the variables have
significant interaction among them. Specifically, Emp has significant correlation only with SA, SE, PSS, Csm, and CSI. Next, Social Awareness is shown to have significant correlation with Emp, SE, PSS, PEE, CSM, CSI, and SEI. This gives good indication for the adapted model for this study where Social Awareness and Prior Entrepreneurship Experience are introduced to Hockerts’ model. Self-Efficacy has significant correlation with all variables. Whilst Perceived Social Support has significant correlation with all except for Prior Entrepreneurship Experience. Prior Entrepreneurship Experience has significant correlation with SA, SE and SEI. This further justifies our introduction of Prior Entrepreneurship Experience to the model in replacement of Prior Experience with Social Organizations. Csm is correlated with Emp, SA, SE, PSS, and CI. CI is correlated with Emp, SA, SE, PSS, PEE, and CSM. Lastly, SEI has significant correlation with SA, SE, PSS, and PEE.

Table 1.3 Correlation Analysis

<table>
<thead>
<tr>
<th></th>
<th>Overall Emp</th>
<th>Overall SA</th>
<th>Overall SE</th>
<th>Overall PSS</th>
<th>Overall PEE</th>
<th>Overall CSM</th>
<th>Overall CI</th>
<th>Overall SEI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall Emp</td>
<td>1</td>
<td>.383**</td>
<td>.474**</td>
<td>.463**</td>
<td>.084</td>
<td>.573**</td>
<td>.453**</td>
<td>.0155</td>
</tr>
<tr>
<td>N</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
</tr>
<tr>
<td>Overall SA</td>
<td>.383**</td>
<td>1</td>
<td>.754**</td>
<td>.419**</td>
<td>.582**</td>
<td>.361**</td>
<td>.421**</td>
<td>.369**</td>
</tr>
<tr>
<td>N</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
</tr>
<tr>
<td>Overall SE</td>
<td>.474**</td>
<td>.754**</td>
<td>1</td>
<td>.665**</td>
<td>.463**</td>
<td>.479**</td>
<td>.570**</td>
<td>.402**</td>
</tr>
<tr>
<td>N</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
</tr>
<tr>
<td>Overall PSS</td>
<td>.463**</td>
<td>.419**</td>
<td>.665**</td>
<td>1</td>
<td>.488**</td>
<td>.488**</td>
<td>.586**</td>
<td>.479**</td>
</tr>
<tr>
<td>N</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
</tr>
<tr>
<td>Overall PEE</td>
<td>.084</td>
<td>.582**</td>
<td>.463**</td>
<td>.488</td>
<td>1</td>
<td>.450**</td>
<td>.560**</td>
<td>.564**</td>
</tr>
<tr>
<td>N</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
</tr>
<tr>
<td>Overall CSM</td>
<td>.573**</td>
<td>.361**</td>
<td>.479**</td>
<td>.488*</td>
<td>.450**</td>
<td>1</td>
<td>.774**</td>
<td>.099</td>
</tr>
<tr>
<td>N</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
</tr>
<tr>
<td>Overall CI</td>
<td>.453**</td>
<td>.421**</td>
<td>.570**</td>
<td>.586**</td>
<td>.560**</td>
<td>.774**</td>
<td>1</td>
<td>0.160</td>
</tr>
<tr>
<td>N</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
</tr>
<tr>
<td>Overall SEI</td>
<td>.155</td>
<td>.369**</td>
<td>.402**</td>
<td>.479**</td>
<td>.564**</td>
<td>0.099</td>
<td>0.160</td>
<td>1</td>
</tr>
<tr>
<td>N</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
<td>33</td>
</tr>
</tbody>
</table>

Conclusion

Even though there is a rapid growth of the economy, there is still a lack of the solutions of youth unemployment, poverty and others. The public sectors are not able to solve social and community problems alone, therefore private sectors had come into the picture in order to provide the solutions to solve the problems. In 2016, Thomson Reuters Foundation has done a survey and the result has shown that Malaysia is in the 9th rank out of 10 countries in the world to be a social entrepreneur. Not just that, Malaysia is one of the top countries that is favorable towards female social entrepreneurs. This suggests that social entrepreneurship has good growth potential in Malaysia and is able to become a viable strategy to address not only the
domestic social and community problems but also to give the right supports as well as targeted interventions; this may become a key contributor towards economic growth. Therefore, this study is expected to contribute to the body of knowledge that will enable policymakers and relevant agencies to plan and design targeted interventions that would promote the growth of the local social entrepreneurship sector as well as offer programs focusing on the youth as they are the key group to be acculturated for establishing a sustainable pool of local social entrepreneurs. Plus, governments invest in their younger generations as the youth is the future of a country.

Acknowledgement

This research was supported by the Fundamental Research Grant Scheme (FRGS) from Ministry of Education Malaysia [Grant Code: FRGS/1/2017/SS03/MMU/02/10].

References


