



Graduate Entrepreneur, A New Dimension for Graduate Employability: A Case Study at USIM

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ABSTRACT

Graduate entrepreneurs and entrepreneurial graduates (graduates with entrepreneurial attributes) are among two focal concerns of the Ministry of Higher Education of Malaysia. This is due to the increasing numbers of unemployed graduates in Malaysia. The study conducted by Centre of Students' Entrepreneurship Development of University Sains Islam Malaysia (USIM) is addressing on how the graduate entrepreneur could be a new dimension for graduate employability at higher institutions. This paper is also aimed to share USIM's best practices in intensifying efforts to encourage more students to actively participate in entrepreneurship activities as their career path upon graduation. This will ultimately contribute to more job creators instead of job seekers.

Keywords: Graduate Entrepreneur, Entrepreneurship, Graduate Employability

JEL Classifications: A23, J64, L26

1. INTRODUCTION

The Ministry of Higher Education of Malaysia (MOHE) has newly launched the Malaysia Education Blueprint (Higher Education) 2015-2025. The first shift was emphasized on holistic, entrepreneurial and balanced graduates. According to the MOHE (2015), there is a mismatch in the supply and demand of graduates, with employers reporting that graduates lack the requisite knowledge, skills and attitudes. This mismatch is only expected to get tougher to resolve as technological disruptions reshape industries and alter the types of jobs available. Preparing Malaysian youth to navigate this uncertain future not only requires imbuing them with transferrable skills and sound ethical foundations, but also the resilience and enterprising spirit to forge new opportunities for themselves and others. Therefore, it is important to move from a world of job seekers to a world of job creators.

The high number of 400,000 unemployed graduates in Malaysia reported also is worrying (Bernama, 2015). The unemployment

rate in Malaysia came in at 3.2% in November of 2015, slightly increased from 3.1% in the preceding month and above market expectations of 3.1% (Trading Economics, 2015). In this mission, various efforts were undertaken by the MOHE to increase the marketability of graduates produced by public higher education institutions. In addition to equipping themselves with academic knowledge, graduates must also possess soft skills and enterprise or business skills to enhance their competencies. Programs such as Industrial Training, Business Apprenticeship, Finishing School and Entrepreneurship Training were introduced. These programs were organized for students for preparation upon obtaining suitable employment, becoming entrepreneurs and creating jobs, have high competence and quality that have added value in terms of soft skills to meet the market needs.

The study conducted by Centre of Students' Entrepreneurship Development of University Sains Islam Malaysia (USIM) is addressing how the graduate entrepreneur could be a new dimension for graduate employability through a holistic entrepreneurship ecosystem.

2. LITERATURE REVIEW

2.1. Entrepreneur and Entrepreneurship

Entrepreneurship is a potentially promising field of scholarly inquiry. However, many claim that it lacks a substantial theoretical foundation (Bygrave and Hofer, 1991; Davidsson, 2008; Shane & Venkataraman, 2000) and thus needs more attention. According to Shane and Venkataraman (2000), many studies on entrepreneurship constitute research for some aspect of the setting (e.g., small businesses or new firms), rather than a unique conceptual domain. They believe that the approach does not provide an adequate test of entrepreneurship, since entrepreneurship is concerned with the discovery and exploitation of profitable opportunities.

Entrepreneur is a derivative of the French verb *entreprendre*; that means literally, to “undertake”. The German equivalent, *unternehmer*, closely translates to owner-manager (Drucker, 1985). Drucker (1985) described an entrepreneur as someone who searches for change, responds to it and exploits it as an opportunity. Bygrave and Hofer (1991) added to the definition of an entrepreneur as someone who perceives an opportunity and creates an organisation to pursue it. Essentially, entrepreneurs are agents of change, providing creative and innovative ideas for business enterprises; and helping businesses grow and become profitable (Kuratko & Hodgetts, 2004). Moreover, in today’s world, job creators are more envisioned than job seekers.

1.2. The Marketability of Graduates through Entrepreneurship Training

The high unemployment rate among graduates is not a new issue (Nooriah et al., 2013). In fact, this issue is of concern in many countries. According to Muhammad-Hazrul (2012), one of the measures to reduce this problem is by the introduction of Entrepreneurship Module implemented by the Ministry of Education to equip students with entrepreneurial skills relevant to the market so that graduates will be able to be independent in terms of their career. This module was built to help startups graduates (graduates entrepreneur) and produce graduates with entrepreneurial characteristics (entrepreneurial graduates).

Entrepreneurship as a career has been one of top agenda in many countries (Henderson & Robertson, 2000; He et al., 2006; Lüthje & Franke, 2003; Keat et al., 2011). This can be realized because entrepreneurship is considered as areas that can be studied (Henry et al., 2005). However, this is depends on the effectiveness of entrepreneurship education and training provided. The effectiveness of entrepreneurship education and training is recognized as an important factor to help youth improve entrepreneurship (entrepreneurial attitude) (Wang & Wong, 2004). These factors will form the interest of opening his/her own company in the future.

Studies by Sánchez (2011) showed that entrepreneurship training undertaken by students during the university affects the interest to run his/her own company after graduation. This study supports the theory of planned behavior, which was founded by Ajzen (1991) and has been used by most of the research to look into with the intention before doing anything (intentions to perform behaviors). For example is the study titled “Entrepreneurial Careers among

Business Graduates: Match-making Using Theory of Planned Behavior” conducted by Choy et al. (2005) The study found that there are several factors that influence the selection of a student to become an entrepreneur. These factors are subjective norm, attitude towards behavior and perceived behavioral control.

A study conducted in Singapore to see the interest in entrepreneurship by university students found that between three significant factors were gender, family background in business and education level (Wang and Wong, 2004). The study supports research conducted by Keat et al. (2011) in the northern part of Malaysia on aspects of family background in business will affect student interest in entrepreneurship. In addition, the government can also contribute to promoting entrepreneurship by creating more successful entrepreneurs as a guide, reduce the level of bureaucracy for new traders as well as reducing the stigma of failure (Wang and Wong, 2004).

3. USIM AS A HOLISTIC ENTREPRENEURSHIP ECOSYSTEM

USIM is an emerging Islamic university which is fully owned and funded by the Malaysian Government. Being the 12th public institution of higher learning in Malaysia, it aims to spearhead knowledge and be the global reference centre for Islamic Sciences. It was established since 1997 with the name of Islamic University College of Malaysia or Kolej Universiti Islam Malaysia. It has upgraded as university in 2007 and changed its name to USIM. USIM is located in Nilai, Negeri Sembilan, Malaysia where the location is very close to Kuala Lumpur International Airport. The campus also is strategically located near Putrajaya (the Government’s administration center) and is about 40 km to the capital city of Malaysia which is Kuala Lumpur.

USIM adopts a balanced approach between the physical and spiritual aspects, not only in the academic programmes offered but are also widely practiced throughout the university including administration and management levels. Against this backdrop, USIM embraces a holistic approach towards the delivery of knowledge, which unites reveal sciences (Naqli knowledge) and the rational sciences (Aqli knowledge). USIM thus offers a unique model to Islamic Higher Education setting it apart from other Islamic universities worldwide. The integration of religious sciences together with the social and physical sciences in all its programs provides a comprehensive understanding of current global problems and offers a fresh alternative in solving them.

The education paradigm at USIM is based on the basic principle that integrating religious sciences with social and physical sciences will not only provide a more comprehensive understanding of current global challenges, but also offer a fresh alternative in approaching and solving them. This is because of the universal nature of Islamic values, and history has proven that these values can be shared by all humankind; living together harmoniously with mutual respect and tolerance. It is also an effort towards reviving the scientific and technological feats of Muslim scholars in the past and moving it forward. USIM graduates are molded within this

ethos, so that they are not only able to function as professionals in their respective disciplines effectively, but at the same time are ready to contribute and make a difference to the society in the Islamic tradition.

At the moment, USIM has about 10,000 under graduate students and 2000 post graduate students with 550 academic staffs and 860 administrative staffs. USIM has established nine faculties which are Faculty of Economics and Muamalat (FEM), Faculty of Science and Technology (FST), Faculty of Dentistry, Faculty of Engineering and Built Environment, Faculty of Leadership and Management, Faculty of Quran and Sunnah, Faculty of Syariah and Law, Faculty of Major Languages Studies, Faculty of Medicine and Health Sciences. USIM has recently introduced a GIINA Model (Graduate of Integration Naqli Aqli Knowledge-GIINA) where students are aspired to fulfill the characteristics of balanced, holistic and entrepreneurial. This model is also consistent to the first shift of Malaysian Education Blueprint for Higher Education (2015-2025) which is to produce job creators and balanced citizens with entrepreneurial mindset.

3.1. Institutional Environment

Entrepreneurship in USIM is conceptualized in its philosophy, vision and mission as the thrust of the Islamic entrepreneurship culture is built into USIM's environment. USIM recognizes innovation as the main thrust of entrepreneurship. This is clearly shown in USIM's mission, "Committed to be an advanced knowledge institution based on Islamic Studies, and to spearhead new knowledge using cutting edge technologies to produce innovations, which can transform the country, the ummah and humanity."

In view of this, the ultimate motivation towards entrepreneurship is "Maslahah Ummah" or the well-being of the society. Hence, all innovations and inventions researched and created by USIM shall base on the wellbeing for the society. Supports for student enterprise are adequately found at USIM. Consultation, training, incubator, coaching, partnership are examples of support programs provided by USIM.

In USIM, Centre of Students' Entrepreneurship Development is the department authorized to assist the university to centralize all entrepreneurship programs and activities for students. Two main objectives of the foundation of the centre are to inculcate entrepreneurial attributes among the students as well as to encourage more entrepreneur graduates. In doing so, this centre provides premises and facilities for students to run their business in campus. A special building located at the Students' Entrepreneurship Centre is built and is known as Student Mall. 10 shop lots are provided for the students. Besides that, six movable and portable business kiosks are available for student enterprise activities. Students usually rent the business kiosks to generate fund for their co-curricular activities such as international visit and Global Islamic Student Outreach programs. In addition, canopies also are available for both students and staff activities. They may rent the canopies for business carnival or any other outdoor occasions. USIM yearly events namely convocation festival, new students' orientation week, open day are some of the examples that offer opportunities for students and staff to

experience doing business in campus. Temporary licenses are issued to students for this purpose.

In addition, KOSISWA USIM (Students Cooperative) is founded for students to actively doing business in campus. USIM supports the KOSISWA by offering business tender for example providing bags for students during the new students' orientation week. KOSISWA also has been granted with seven shop lots at the Students' Entrepreneurship Centre. This will ultimately help the KOSISWA which is run by the students.

The Students' Entrepreneurship Development Centre also provides students with trainings and workshops about business development. Most of the trainings are conducted with involvement from industries expert such as online business (Youthpreneur USIM), Hands on Programme of Entrepreneurship and Agropreneurs (Ministry of Agriculture). For instance, a special Islamic entrepreneurship module is developed by the lecturers called Latihan Asas Keusahawanan Islam Siswa or Basic Training for Muslim entrepreneurs and is held every mid-semester break. In this module, students are exposed to the basic about entrepreneurship such as preparing a business plan using business model canvas, sharing session from the graduate entrepreneurs of USIM, information about business grants and incentives from the financial institutions. In this module also, Islamic entrepreneurship is emphasized whereby the characteristics of a muslimpreneur is introduced. Students are encouraged to practice Dhuha prayer, reciting Surah Al-Waqiah and Al-Mathurat in order to strengthen their spiritual emotions.

3.2. Entrepreneurial Impact and Awards

USIM has been authorized with the autonomy status early this year. Since then, the university has planned about its financial sustainability in ensuring the operation and existence of the university. Among other strategies that are being implemented is USIM encourages fund generating activities to all its departments. Funds generated from academic events such as conferences, consultancies, trainings and publications are placed under "Enterprise Account". The ultimate aim is to be self-subsistence and be able to fund owns activities without grant from the government. Apart from that, USIM Tjjarah Sdn. Bhd. is founded as the university's business-arm for the financial sustainability.

The increasing numbers of memorandum of understanding and memorandum of agreement between USIM and industries also indicate entrepreneurial impact to USIM. Those agreements enable the university to widen its networking towards entrepreneurship activities. Affiliations with the industries and external parties such as Putrajaya Chamber of Commerce, Malay Businessmen and Industrialists Association of Malaysia, SME Corporations, Ministry of Agriculture and MOHE. International relationship also is developed with some regional universities regarding to entrepreneurship activities such as Islamic Convention of Entrepreneurship (iCEPS) organized by final year student from the FEM.

USIM has recently won a Special Merit Award during the Ministry of Education Entrepreneurial Award 2015 due to the successful

entrepreneurship activities and programmes conducted in the university. The university has also won several awards at the national level such as Second Place for Innovative Entrepreneurs, Best Case Study for Women in Social Enterprise and also Finalist for Enactus Malaysia National Cup.

3.3. Students' Engagement

The programme which was organized, catered and managed under Centre of Students' Entrepreneurship Development USIM itself inculcate and expose students to entrepreneurial values and skills, which include aspects of leadership, innovation, creativity, resilience, competitiveness, independence, calculated risk and the ability to identify and create opportunities (opportunity identification and creation).

For example, is the project under ENACTUS USIM. One of the projects under ENACTUS USIM called as GOLDEN OIL. This project was responded to the call of "green the earth." Golden Oil project is a new alternative in preserving the nature from pollution caused by the continuous disposal of used cooking oil and introduces it to the public as a new platform on how to encourage recycle as well as to earn additional income from the waste.

Furthermore, among the objectives of the project are to protect the environment from pollution resulting from direct disposal of used cooking oil, applying public awareness about the importance of protecting the environment and also to introduce a new platform to earn additional income from the waste. Through this project also, it is indirectly help the students themselves to enhance a positive attitude towards enterprise and entrepreneurship as a career in their life. The positive attitude among the students that can be developed from this project are raising awareness on the importance of proper management in handling the waste among community and increased side income for household.

3.4. Innovative and Entrepreneurial Teaching and Learning

Entrepreneurship course code MGC3012 is a compulsory course to all USIM students. Students are exposed to both theory and practical of entrepreneurship. The course is coordinated by FEM. Students must be able to demonstrate how entrepreneurial venture is developed starting from generating innovative ideas, feasibility study, preparing the business plan, implement the business (based on the business plan) and evaluate the performance of the business. Both monetary and non-monetary performance measures are discussed. The course evaluation is 80% on the practical aspects, and another 20% on theoretical aspects. For the practical elements, one special week called Minggu Keusahawanan Siswa (Students Entrepreneurship Week) is held. About 1500 students will be involved during the week from managing the event, selling products and providing services to USIM students and staffs.

Another course, Creative Thinking and Problem Solving code UTK2012 is the University's core course that using the entrepreneurial approach. The course is coordinated by Centre of Core Studies USIM. The course covers theory and practical aspects of creativity deployed to solve problems. Group-based project on creating innovative products (goods and services) that can solve

certain problem is the main outcomes of the course carrying 70% of the course evaluation. A 1-day exhibition and competition called SPARK (Seminar and Exhibition of Creative Products) is organized and is open to public for visit. Interested industry that interested to commercialize the product may approach USIM for further arrangements.

There are two faculties that are leading the entrepreneurial culture in USIM by having their own yearly event for entrepreneurship demonstration. Faculty of Science and Technology organizes iREKA (Islamic Innovation Student Competition) and Food Product Development Competition. Champions for both competitions are then invited to participate in the Islamic Innovation Expo (i-INOVA) as an annual event organized by Research Management Centre of USIM. i-INOVA is open to USIM members and other Universities to participate and showcase their inventions.

Another faculty that is actively involves in driving enterprise is FEM. Among other significant events that are held by FEM is iCEPS. This program is totally organized by the students taking Entrepreneurship course code MGC4013, a course offered by FEM for its final year students. Apart from its theoretical inputs, this course allocates 80% of its evaluation on creating business activities to generate funds. Collected fund is used for their planned activities namely, industry visits, annual dinner, and charity works. All USIM students, external vendors, are invited to take part in the event that usually runs for 4-5 days at identified venue. Participants are open locally and internationally.

Besides that, USIM also provide assistance in the process of getting Intellectual Property Rights leads by the Centre of Innovation, Industrial Relations and Community. This centre assists staffs and students who would like to commercialize their inventions and also match the researchers with the industries.

4. CONCLUSION

Comparatively, USIM is considered as a young and small university but having a strong aspiration towards a healthy entrepreneurial ecosystem and environment. All these could be realized through the support of all parties concerned, and Insha Allah (with God's willing) USIM would emerge as a leading university in "Pioneering Islamic Science; Spearheading Knowledge" as stated in its slogan. Having a holistic entrepreneurship ecosystem is one way for producing more graduate entrepreneurs that will eventually lead to graduate employability, specifically job creators.

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