

Law Students and Entrepreneurship: A Study on the Relationship between Involvement in Entrepreneurship Programs and Interest to be Entrepreneurs with Special Reference to IIUM

¹Zuhairah Ariff Abd Ghadas, ²Herna Muslim and ³Zarinah Hamid

¹Associate Professor, Ahmad Ibrahim Kulliyah of Laws, International Islamic University Malaysia, Malaysia

²Master Student, Kulliyah of Economics and Management Sciences, International Islamic University Malaysia, Malaysia

³Associate Professor, Kulliyah of Economics and Management Sciences, International Islamic University Malaysia Malaysia

Abstract: In Malaysia, the Government has been supportive in inculcating entrepreneurship skills at the higher learning institutions through policies such as training providers, funding, infrastructure and facilities to encourage students to start their own businesses (Mohd Zahari Ismail, 2006). Such support is seen as one of the effort to transform the country's economy into a knowledge-based economy whereby entrepreneurship has been identified as one of the key elements to the development of the economy. It has been contended that in developing successful entrepreneurs, an early exposure in entrepreneurial courses is essential (Mansor and Othman, 2011). Law graduates in Malaysia are open to join either be the judiciary, government agencies, corporate and banking sectors or private practice. In most circumstances, law graduates will be attached to private firms and this eventually will lead to most of them opening their own legal firm. This means lawyers could not avoid standard business practices such as preparing cash flow report, business and succession plan and audit report. There are also many lawyers who end up in business, such as construction and trading companies. As such, law graduates are potential entrepreneurs. This paper intends to discuss the relationship between involvement in entrepreneurship programs and the interest of law undergraduates to become entrepreneurs when they graduated from the University. The study is based upon a survey conducted on law undergraduates of Ahmad Ibrahim Kulliyah of Laws, International Islamic University Malaysia (IIUM). A quantitative research methodology is adopted in this study.

Key words: Entrepreneurship Education, Entrepreneurship Interest, Law Undergraduates, International Islamic University Malaysia.

INTRODUCTION

At present, there are 22 public universities, 40 private universities and university colleges, 5 branch campuses of international universities, 25 polytechnics, 39 public community colleges and 470 private colleges which provides higher education opportunities in Malaysia (Kassim, 2011). In the Ninth Malaysia Plan (2006-2010), serious attention has been paid to entrepreneurial studies and the discipline of entrepreneurship was identified as one of the long-term strategies to address unemployment among graduates in this country (Mansor and Othman, 2011). Various measures have been undertaken by the government with the aim of achieving this goal and among the measures which are implemented by the Malaysian government is the inclusion of entrepreneurial courses from primary school level to tertiary level (Mansor and Othman, 2011).

To support the Government policy on entrepreneurship, the Malaysian Higher Education Entrepreneurship Development Policy was launched on 13 April (MOHE, 2010). The aim of this policy is to encourage the development of a more holistic and well organized Entrepreneurship Programme. The implementation of the policy is aimed at producing graduates from institutions of higher education with thinking and entrepreneurial attributes. At the same time increasing the number of entrepreneurs among graduates involved in business as a catalyst for the achievement of economic transformation of the country from a middle to a high income economy. Under Thrust Three of the Entrepreneurship Development Policy, the agenda is to strengthen the developmental and entrepreneurial empowerment programs at the higher learning institutions.

According to Kassim (2011), in formulating and implementing an effective strategy for entrepreneurship courses, the University has to deal with issues of competing institutional agenda, resource allocation and staff motivation and reward in carrying out its activities. Such activities are directed towards achieving a learning culture, which will result in greater numbers of students equipped and enthused to identify, create, initiate and successfully manage personal, business, work and community issues. The idea to have entrepreneurship

Corresponding Author: Zuhairah Ariff Abd Ghadas, Associate Professor, Ahmad Ibrahim Kulliyah of Laws, International Islamic University Malaysia, Malaysia
E-mail: zuhairah@iium.edu.my

programs at the higher learning institutions is seen as one of the mechanisms to inculcate interest in entrepreneurship to undergraduates.

This study looks into the relationship between attending programs held by the University and the interest in entrepreneurship of non-business students by conducting a survey on law undergraduates at the Ahmad Ibrahim Kulliyah of Laws, International Islamic University Malaysia. It is of interest to note that students who did not attend entrepreneurship program also have strong inclination towards becoming entrepreneurs. Such findings supported the literature, which states that entrepreneurship programs do not necessarily result into inclination in entrepreneurship.

Literature Review:

According to McMullan and Long (1983), the definition of entrepreneurship can be traced back more than 800 years ago to the French word 'entrepreneur' which means 'to do something' (Yusof, Sandhu, and Jain, 2008). In 1730, Cantillon used the term to describe a self employed person who has 'risk taking tolerance', a characteristic which is believed to be vital in providing for one's own well being (Outcalt, 2000). The rising of global competition based on agility, creativity, and innovation has triggered the world interest towards entrepreneurship (Lee, Lim, Pathak, Chang, and Weixing Li, 2006). Recently, more attention is given to entrepreneurship education research in order to enhance the number of entrepreneur and to boost the economic wellbeing. Having specific entrepreneurial education is important in this process (Lee *et al.*, 2006). Entrepreneurial education here refers "to the process of providing individuals with the ability to recognize commercial opportunities and the insight, self-esteem, knowledge and skills to act on them" (Jones & English, 2004, p.416).

Entrepreneurship education enables the students to gain skills and knowledge that are important to motivate them into venturing a new business (Lee *et al.* 2006). Furthermore, entrepreneurship education provides more and better entrepreneurial opportunities as it nurture the ability of students which raise their inclination and attitude towards entrepreneurship (Souitaris, Zerbinati, and Al-Laham, 2007). The impact of entrepreneurship programmes on the inclination of students towards entrepreneurship has not given consistent outcome. Some studies (Keat, Selvarajah, and Meyer 2011; Souitaris *et al.*, 2007; Pihie and Sani 2009) shows that entrepreneurship programme give a positive impact on the likelihood of students to become entrepreneur, while the other studies (Weber, Von Graevenitz, and Harhoff, 2009) demonstrates otherwise. It depends on what kind of programme and the teaching pedagogy applied.

In a study conducted on 417 respondents, consisting of final year students in business, engineering and computing, and IT programmes at Universiti Utara Malaysia (UUM), Universiti Teknologi Mara (UiTM, Kedah branch), and Universiti Malaysia Perlis (UMP), it was found that the students have greater tendencies to be involved in entrepreneurship as they are exposed to entrepreneurial courses (Keat *et al.*, 2011). Keat also added that, through entrepreneurial internship programme the intention of students towards becoming an entrepreneur could be stimulated as they are being exposed with the nature of work practice, the industrial perspective, and the real work experience (Keat, Selvarajah, and Meyer, 2011). Moreover, the skills and the high level of self efficacy from the experience of those activities will motivate students to start their own business. (Pihie & Sani, 2009).

According to Soutaris *et al.* (2007), entrepreneurship programmes have increased the overall entrepreneurial intention of students towards self-employment. Based on a study of 250 science and engineering students (124 taking the programme and 126 in a control group) from two universities in London and Grenoble, it shows that, inspiration programme outstand the other programme related benefit such as learning and resource utilization in influencing the subjective norm and intention of students to be an entrepreneur. Inspiration is invoked via an act of will which includes emotional element in it (Souitaris *et al.*, 2007). Soutaris *et al.* (2007) refer the 'programme-derived entrepreneurial inspiration' as "a change of hearts (emotion) and minds (motivation) evoked by events or inputs from the programme and directed towards considering becoming an entrepreneur" (p.573). As the students realize the positive perception of their family and friends about them being an entrepreneur as well as having entrepreneurial minded friends from the programme, this will increase their propensity to become entrepreneurs (Souitaris *et al.*, 2007). However, due to the time lag between entrepreneurial intention and behavior, the certainty of students venturing a business cannot be confirmed. Only if there is a study that could gauge the perception of the students after graduation can the accuracy of intention-behavior link be confirmed (Souitaris *et al.*, 2007).

According to a survey conducted by Weber, Graevenitz, and Harhoff, (2009) on 189 students from the Department of Business at Ludwig-Maximilians-Universit'at (LMU) Munich, the students' entrepreneurial interest declined as they went through the entrepreneurial course (Business Planning). Weber *et al.* (2009) asserts that, the courses enable the students to identify their true capabilities in entrepreneurship and subsequently give them a clear picture about what they want to do in the future. For Weber *et al.* (2009), entrepreneurship education is not meant to convince those without entrepreneurial capabilities to become an entrepreneur rather than as a medium for students to discover their entrepreneurship aptitude. Even though

entrepreneurship course do not necessarily increase the intention of students to be self employed, yet, by inserting it in curriculum may give a positive outcome in the sense that future failure could be lessened (Weber *et al.*, 2009).

Another concern is the different perception of training needs between trainers and participants as entrepreneurial development involves both “art” and “science” (Lee *et al.*, 2006). In developing training and support systems, many entrepreneurship programmes fail to address the social, cultural and educational background of the entrepreneurs (Lee *et al.* 2006). These factors, together with personal experience will shape the entrepreneurial identity of a person (Lee *et al.*, 2006). The programme should adopt a pedagogical approach that develop the independence, creativity, innovation, and risk taking attributes of students (Lee *et al.*, 2006).

Research Methodology:

The study is based on a survey conducted in 2011 among third and fourth year students at the Ahmad Ibrahim Kulliyah of laws, IIUM. These undergraduates are chosen as they will be graduating in another one or two year/s time. The data from the survey questionnaire is analyzed in SPSS using Cross Tabulation Test. There are three hypothesis tested for this study;

- The student who have interest to learn entrepreneurship skills tend to become entrepreneurs after they graduated
- The students who are involved in entrepreneurial programs either by IIUM or outside IIUM tend to be entrepreneurs
- The students who are involved in entrepreneurial programs tend to support the entrepreneurship education in the Kulliyah of Laws.

The Survey:

The survey was conducted to identify the relationship between attending entrepreneurs program and the interest to become entrepreneurs. The graduating law students (third and fourth year students) have been chosen because many of them will be involved in private companies which relate to entrepreneurship after they graduated. In fact, after a few years of practicing, many of them are expected to open their own law firm.

The total number of respondents of this study is 114 students, consisting of third year and final year law students from Ahmad Ibrahim Kulliyah of Laws. The 114 students consisted of 38 males (33.3%) and 76 females (66.7%). The respondents vary from third year students, which is 51.8% (59 students) and final year students, 48.2% (55 students). In terms of nationality, most of the students surveyed are local (95.6%) whilst the International students represent only 4.4% of the total population.

The Findings:

The students’ awareness in this study was determined by their responses. . It is expected that the students who have interest to be an entrepreneur will be more aware on the necessary entrepreneurial skills before they enter into real business. As shown in figure 1, 70% of students show their interest to pursue career in business.



Fig. 1: Students interest to be entrepreneurs.

Based on the survey, we found that many of them believe that being entrepreneurs is the only way they can gain more income and even the fastest way to be rich. However, for some students, the purpose to be involved in business is to be self-employed where they can make decision freely without being controlled by any superiors. Moreover, family also plays a vital role in shaping entrepreneurship interest among the students. The students with business oriented family have higher tendency of becoming entrepreneurs since they have to continue their family business. Other than that, there are also students who perceive an entrepreneurship as interesting and challenging through which they can gain experience, knowledge, and communication skills.

In terms of students’ interest towards entrepreneurial skills, figure 2 presents that more than 80% of Law students are interested to learn about entrepreneurial skills. This indicates that the students are highly aware of the importance of entrepreneurial skills to be acquired.

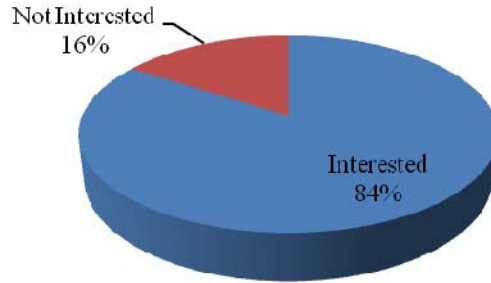


Fig. 2: Student interest towards entrepreneurial skills.

Table 1 indicates that there is a strong relationship between the interest on entrepreneurship skills and the tendency to become entrepreneurs after graduation among law students. In other words, the more interested the students on entrepreneurial skills, the more willing they are to be entrepreneurs. It is shown that, from 96 students who are interested in entrepreneurship skills, 81% are willing to be involved in business after their graduation. Indeed, for those who have no interest in entrepreneurship skills, only 11% of them have planned to be involved in business after they have graduated.

Table 1: The Percentage of students' interest in entrepreneurial skills and the interest to be entrepreneur after graduation.

	Wants to be Entrepreneur	Refuse to be Entrepreneur
Interested in Entrepreneurial Skills	78 (81%)	18 (19%)
Not Interested in Entrepreneurial Skills	2 (11%)	16 (89%)

Furthermore, the students awareness towards entrepreneurship is also determined through their involvement in entrepreneurship programs either by University or third parties like Persatuan Usahawan Muda Malaysia (PUMM), Youth Entrepreneur Society (YES), Kreative Entrepreneurs Association Malaysia (KREAM), and etc.

Even though the law students are in favour of learning entrepreneurial skills, yet, only few of them have ever attended the entrepreneurship programmes. Figure 3 shows that the number of students who are not involved in any entrepreneurship programmes exceeded the number of students who joined by 12%. The lack of involvement of law students may due to the heavy academic workload that they have to carry throughout the semester. For law students, they have to complete a minimum of 151 credit hours (for civil stream) and minimum of 161 credit hours (for *Shari'ah* stream). The workload is much higher as compared to that of Economics, Business and ICT students (i.e. 130-140 credit hours).

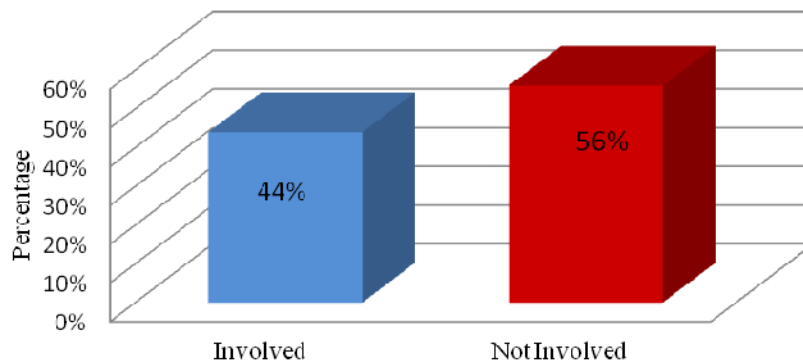


Fig. 3: Students Involvement in Entrepreneurship Programs.

Other than that, in terms of the relationship between student involvement in entrepreneurship programmes and the interest to be entrepreneurs, we can see from table 2 that 44% of students who are involved in entrepreneurship programmes are interested to pursue their career in business whilst 59% of students who were never involved in any programmes have interest to be involved in business. This shows that exposure in entrepreneurship programme is not the main factor that drives students to pursue their career in business. However, without knowledge and experience, it is hard for the students to survive and sustain in business. That is why entrepreneurial programmes have to be developed as a means to teach the students with at least the basic knowledge and skills of entrepreneurship.

Table 2: Students involvement in entrepreneurship programs and their interest to be entrepreneurs after graduation.

	Aspire to be Entrepreneur	Refuse to be Entrepreneur
Involved	42 (84%)	8 (16%)
Not Involved	38 (59%)	26 (41%)
Total	80 (70%)	34 (30%)

Despite their lack of exposure to entrepreneurship programs, most students still believe that having entrepreneurial education in their Kuliyyah is important. According to figure 4, from a total of 114 law students, 83% agreed to have entrepreneurship education to be included in their subjects while only 17% of them do not agree.

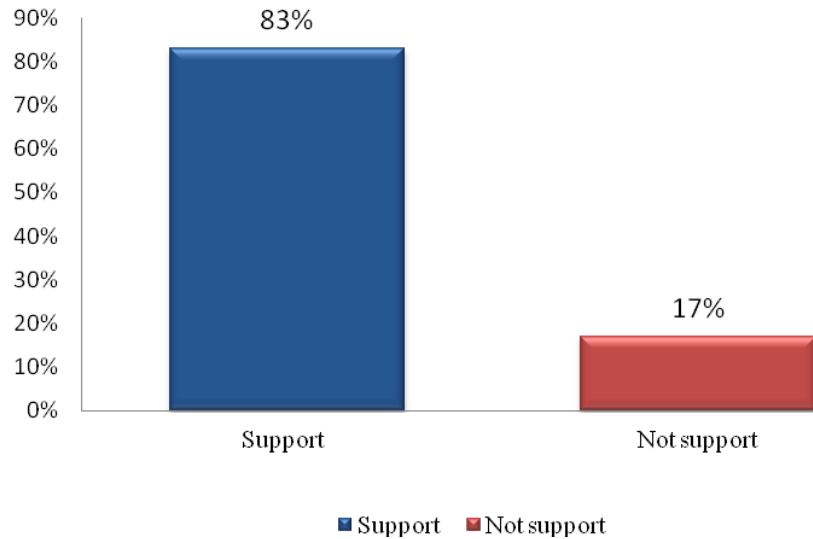


Fig. 4: Student`s Support towards entrepreneurial education.

Observation:

The above survey supported findings by Weber *et al.* (2009), which highlighted that the interest of students to become entrepreneurs does not necessarily relate to exposure or participation in entrepreneurship programmes or courses during their study period. In fact the survey by Weber *et al.*, indicates that the students' interest to become entrepreneurs declines when they had gone through the entrepreneurial programme. This is due to the fact that, these students get a clearer picture about entrepreneurships and their true capabilities in business. Weber *et al.* (2009) asserts that including the entrepreneurship course in the curriculum may not increase the entrepreneurial activities but could reduce the possible failure in the future.

Conclusion:

This study demonstrates that non-business students (represented by law undergraduates) also have high interest in entrepreneurship despite that they were not taught entrepreneurship courses. The survey also highlighted that although the students had not attended any entrepreneurship programs, they still have strong interest in entrepreneurships. These findings are useful for curriculum designers and Government agencies which undertake the tasks to develop entrepreneurships at higher learning institutions.

Findings of this study also indicate that efforts to inculcate interest in entrepreneurship should be extended to non-business students (represented by the law students) as they also have high inclination to become entrepreneurs. The entrepreneurship courses and programmes could be extended to non-business students by incorporating relevant programmes or activities in the existing curriculum without having to include specific entrepreneurship courses which will add more burden to their already packed syllabus.

REFERENCES

Jones, C. and J. English, 2004. A contemporary approach to entrepreneurship education. *Education+ Training*, 46(8/9): 416-423.
 Kasim, R.S.R., 2011. Malaysian Higher Education Institutions: Shaping an Entrepreneurial Agenda. *The International Journal of Information and Education Technology*.

Keat, O.Y., C. Selvarajah and D. Meyer, 2011. Inclination towards entrepreneurship among university students: An empirical study of Malaysian university students. *International Journal of Business and Social Science*, 2(4): 206-220.

Lee, Sang M., Seong-bae Lim, Raghuvar D. Pathak, Daesung Chang and Weixing Li, 2006. Influences on students attitudes toward entrepreneurship: A multi-country study. *Entrepreneurship Mgt*, 2: 351-366.

Mansor, M. and N. Othman, 2011. CoBLAS: Inculcating entrepreneurial culture among higher education institutions' students. *International Journal of Social Science and Humanity*, 1(1).

McMullan, W.E. and W.A. Long, 1983. An Approach to Entrepreneurship Education. *The Canadian Journal of Small Business*.

Mohd Zahari Ismail, PBU., 2006. Entrepreneurship Education in Malaysian Polytechnic: A Pedagogical Approach. Retrieved from <http://www.pbu.edu.my/pbu4/images/files/entrepreneurship%20education.pdf>.

MOHE, Ministry of Higher Education, 2010. MOHE implementation plan for development of innovative human capital at tertiary level. edited by H. Education. Malaysia.

Outcalt, C., 2000. The notion of entrepreneurship: Historical and emerging issues. CELCEE Kauffman Center for Entrepreneurial Leadership working paper.

Pihie, Zaidatul Akmaliah Lope, and Abdullah Salleh Abdullah Sani, 2009. Exploring the entrepreneurial mindset of students: implication for improvement of entrepreneurial learning at university. *The Journal of International Social Research*, 2(8): 340-345.

Souitaris, V., S. Zerbinati and A. Al-Laham, 2007. Do entrepreneurship programmes raise entrepreneurial intention of science and engineering students? The effect of learning, inspiration and resources. *Journal of Business Venturing*, 22(4): 566-591.

Weber, R., G. Von Graevenitz and D. Harhoff, 2009. The effects of entrepreneurship education. GESY Discussion Paper, pp: 269.

Yusof, M., M.S. Sandhu and K.K. Jain, 2008. Entrepreneurial inclination of university students: A case study of students at Tun Abdul Razak University (Unitar). *Unitar E-Journal*, 4(1): 1-14.