The role of non-government organization in entrepreneurial leadership among students: a case study in Padang Terap district, Kedah, Malaysia

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Abstract: The development of entrepreneurship among the students in Malaysia currently gets full support from the government. Through Non-Government Organization (NGO) especially the Gabungan Pelajar Semenanjung Melayu (GPMS), mostly the Malay students were targeted in rural area and supported in the form of Student Entrepreneurship Program (PMW) which is implemented throughout schools with the aim to facilitate students who are interested in entrepreneurial leadership. Through Student Entrepreneurship Program, GPMS especially in Kedah state involved and supplies training for students who are competent in making business plans, by giving them ideas and opportunities to carry out entrepreneurial trainings. This support is expected not only to promote entrepreneurial spirit among students but also to make the community aware of the importance of entrepreneurship. This study aims to find out the relationship between achievement motivation and attitude, attitude and entrepreneurial characteristics, and achievement motivation and entrepreneurial characteristics of the students. The method used in this research based on qualitative analysis especially the in-dept interviews with the respective respond. The samples taken in this study are in 8 schools in Padang Terap District of Kedah state. The results obtained from this study show that there are significant achievement motivation and entrepreneurial characteristics, and achievement motivation and entrepreneurial characteristics of the students.

Key words: Achievement motivation; Entrepreneurial characteristics; Student entrepreneurship Program

1. Introduction

According to Schumpeter's view (1942), an entrepreneur is a person who is willing and able to convert a new idea or invention into a successful innovation. But there is discussion about the ability of the entrepreneurs to create successful innovation. So what are the perfect conditions for the entrepreneur and their followers to bring innovations on the market? According to Bass (1990) transformational and transactional leadership are the most important leadership styles, whereas transformational leadership is heavily relying on charisma, individual consideration and intellectual stimulation is transactional leadership relying on management by exception and contingent reward. This means that the manager only interfere when tasks and/or goal are not met with procedures and standards. "Entrepreneurial leadership is necessary for firms of all sizes in order to prosper and flourish". The challenge for leaders is to create an internal entrepreneurship as an integrated concept that encourages individuals in an innovative manner. It is this perspective that has revolutionized the way business is conducted at every level and in every country. It is a perspective that stimulates individuals to find the innovative spirit. It is, in effect, the essence of Entrepreneurial leadership (Kuratko, 2007).

2. Entrepreneurial leadership

Entrepreneurial leadership is essential in order to overcome the current challenges and crisis organization (Gupta et al., 2004). Leadership entrepreneur allows leaders to steer their organizations and solve problems through different measures of growth and organizational development (Chen, 2007; Swiercz and Lydon, 2002). It also has a great influence on the leader, especially in terms of efficiency in creating new opportunities to improve organizational performance (Okudan & Rzasa, 2006; Gupta et al., 2004).

In addition, entrepreneurial leadership to work to improve various aspects of education, especially school performance (Xaba & Malindi, 2010; Berglund & Holmgren, 2006; Collins et al., 2004; Eyal & Kark, 2004; Eyal and Inbar, 2003). Entrepreneurial leadership was emphasized to create an environment that supports change and innovation in school (Park, 2012). There are complexities and challenges of higher organization to improve the quality of education in public schools, the rapid changes in the environment, lack of resources and funding of schools is increasing (Xaba & Malindi, 2010; Eyal & Kark, 2004; Eyal and Inbar, 2003). However, there is a relationship between entrepreneurship, leadership practices and school performance and especially innovative school (Park, 2012).

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Entrepreneurial leadership refers to the efficiency of the trial to determine entrepreneurial leadership through three main approaches. First, they focus on the inherent characteristics that distinguish an entrepreneurial leader other leaders. Second, review the environmental and contextual factors that the leaders of the organization immediately to implement the principles of entrepreneurship and strategy in undertaking the task and their roles. Thirdly, exploring the social process in which leaders influence the entrepreneurial group of people to formulate their vision (Kempster & Cope, 2010; Gupta et al., 2004).

Personal Skills private fostering entrepreneurial leader appointed for entrepreneurial leadership, proactive, innovation and risk taking are those that show the most cited entrepreneurial orientation in personal and organizational level (Chen, 2007; Kuratko et al., 2004; Covin & Slevin, 1991). Proactive in creating and heading towards the future rather than passively are waiting to be affected by it. By being proactive, entrepreneurial leaders not only explore new opportunities for entrepreneurial activity, but also step into action and take full advantage of opportunities to improve organizational performance (Kuratko et al., 2007; Kuratko & Hornsby, 1999); Proactive influence entrepreneurial leadership 'creativity, the ability to identify opportunities, desire and intention to initiate entrepreneurial activities and perseverance in achieving their vision (Zampetakis, 2008; Kuratko et al., 2007; Kickul and Gundry, 2002).

Innovation is the ability and propensity of entrepreneurial leaders to think creatively and develop new and practical ideas relating to the recognition of opportunities, resources and problem solving (Chen, 2007; Rae, 2007; Gupta et al., 2004). Finally, the entrepreneurial leader must have characteristics which have a tendency to think and prudent 'risk taking'; a willingness to deal with uncertainty and explore new areas (Chen, 2007; Zhao et al., 2005; Mueller & Thomas, 2000). Efficiency function is entrepreneurial leadership capabilities that empower them to act differently from other types of leaders (Gupta et al., 2004). The efficiency of the tasks related to the presentation of entrepreneurial leaders, such as operations, finance, marketing and human resources (Swiercz and Lydon, 2002).

Entrepreneurial leadership can benefit the development of entrepreneurs among the students in the school, it formed in two ways; First, entrepreneurship, in general, and entrepreneurial leadership, in particular, have been considered as a way of thinking and lifestyle rather than just the creation of new businesses (Kuratko, 2007; Klein & Bullock, 2006; Hytti and O'Gorman, 2004). In this sense, the characteristics and entrepreneurial approach can be used to improve all aspects of education and schooling, especially through school leadership influences the behavior of individuals and the performance of their duties (Berglund & Holmgren, 2006). Features entrepreneurial leadership that is formed is part of efforts to improve school effectiveness simplify the process of innovation schools (Hamza Yusuf and Abdullah, 2009). Second, ongoing research focuses on the advantages of entrepreneurship organization (Holt et al., 2007, Kuratko et al., 2007; Gupta et al., 2004; Swiercz and Lydon, 2002; Kuratko & Hornsby, 1999) for the improvement of school organization. In this context, organizational innovation reflects the ability of schools to develop and implement new ideas that lead to critical changes and improvements in school (Eyal & Kark, 2004; Eyal and Inbar, 2003).

Innovation school has three main components including the ability to explore opportunities for new education, a tendency to take action and exploit opportunities for innovation and change that was implemented for in-school achievement (Eyal and Inbar, 2003). Therefore, entrepreneurial organization was used in schools to improve their success in providing effective teaching and providing new opportunities for students to explore entrepreneurship after they finish school.

Entrepreneurial leadership competencies, in turn, help school leaders to deal with the complexity and constraints of the school environment as a quick change, limited resources, the various factors that affect school performance and the urgent need to provide students with very competitive in the future (Xaba & Malindi, 2010; Morris et al., 2007; Eyal & Kark, 2004; Eyal and Inbar, 2003).

This efficiency also allows the principal to make dramatic changes and innovations required in public schools with a view outside the current status of the school and open new opportunities for school improvement (Eyal & Kark, 2004). While the first approach sees an important role in the adoption of individual entrepreneurial behavior, a second approach emphasizes the importance of entrepreneurship element in the organization of the school. Previous studies on innovation carried out in schools have provided empirical evidence that they cannot fundamentally change and improve school performance (Park, 2012; Eyal and Inbar, 2003). This can be partly attributed to the school leadership failed to provide a supportive environment for change and innovation in school (Park, 2012).

Several theories of motivation have been studied by researchers, including the general concept of motivation, namely the theory of motivation according to needs which is known as the Maslow theory (Robbins and Judge, 2010), which proposes that a person’s motivation develops according to the level of needs that has been satisfied. Later, this theory is followed by the theory of work motivation and achievement motivation. Work motivation theories include the motivation theory of Aldefer namely ERG, the two factors theory of Herzberg, the Need Urge theory of Murray, and the Expectation theory of Victor Vroom. Basically, each theory presents the emergence of motivation in a person in relation to his/her work. Then, the motivation theory was developed by David McClelland which is known as Achievement Motivation theory.
Therefore, this paper will examine the role of the NGO that is always dynamic, the so called Gabungan Pelajar Melayu Semenanjung (GPMS) has set a strategy to assist schools not only in academic development, but it also serves to help students, especially in the rural areas of growing entrepreneurial leadership characteristics that students can explore opportunities new entrepreneurship.

3. Student’s entrepreneurial development program

Student Entrepreneurship Program is meant to equip students with entrepreneurial knowledge, skills, and spirit, based on technological advancement, in order that they may become strong and successful entrepreneurs in facing global competition.

The development of entrepreneurship among the youth is one of the objectives of the GPMS Padang Terap District in Kedah State. Efforts to develop the economy and entrepreneurship implemented since students in school by organizing various economic and career development program for high school students.

As a youth organization that champions the aspirations of the nation, GPMS always stood firmly behind the government, especially in enhancing the Malay Bumiputera economic development of human capital as well as education of the nation. Economic and human capital development should be made as national agenda. The unfortunate fate of the Malay / Bumiputera if in a country with a population the majority Malay / Bumiputera but there are still many who are marginalized, left out and still shrouded in poverty. New Economic Policy (NEP) as a first step has been successfully bridge the gap between the races in this country. NEP has succeeded in changing the destiny of the Malay race and proved it changed the mentality of other people towards the achievement of the Malays. In the fight for the fate of the Malays, GPMS was played a role to assist the government in addition to acting as the emergence of a leader. GPMS also be used as a platform to collect as many Malay entrepreneurs who aspire to become hard and successful corporate leaders. For example GPMS Foundation plays a role in responding to this call to create a Bumiputera Commercial and Industrial Community (BCIC), GPMS continue to implement proactive measures in order to achieve the government’s vision.

The concept of the community, particularly Bumiputera participation in business and industry, as embodied in the NEP is not limited to ownership of property alone, but what is important is the existence of community entrepreneurs (entrepreneurs) among the Malays. Meanwhile, the Second Malaysia Plan (RMD) groove government's intention to create a cooperative society in a period Melayu descent through various measures, including financial assistance and training, creating the right business in the cities, establishing joint ventures with non-Malays to acquire knowledge, and market experience (Kamarul, 1983); to encourage the establishment of small companies and trying to change the attitude of the Malays towards business and enterprise.

During the implementation of the NEP was shown that incentives given by the government to 'raise' economic status among the Malays. Government held incentive to help the economic achievements, especially among Malay entrepreneurs. Additionally, too many agencies set up by the government to provide opportunities for Bumiputera gained extensive experience and can run their own businesses as entrepreneurs when accumulate enough capital.

Based on the inspiration towards national goals, GPMS of Padang Terap district in Kedah state set up with numerous programs for the economic development of Malay entrepreneurs and youth those careers in the district.

4. Student career program

The biggest challenges students after leaving school are their career in the future. For students who successfully pursue high but they may not be problematic for students who fail they are in the midst of the sky, do not know what job to do. For that reason, GPMS with the help of high school in the district annotated MARA agencies. The GPMS attempt to care about the future career of students. Various programs have been initiated by the GPMS to help MARA and Week aims 1) to provide opportunities and space for students to acquire specific skills; 2) allow students to choose careers that suit their interests and abilities; 3) enhance the potential of students and increase self-confidence; 4) exposure to careers as hospitality, catering, food, computers, mobile phones, retailing, farming, hydroponics, bakery and pastry, bakery, snack foods, sewing, batik, sculpture and others. To expose students with the skills and activities of the various career programs have been carried out such as career fairs.

In order to expose students to a variety of careers in the future GPMS collaboration with SMK Padang Terap and government agencies such as Week, Mara, TEKUN, National Entrepreneur Corporation Berhad (PUNB), CIMB Bank, Malaysia and Construction Academy (ABM) organized the Carnival career. Under this program various activities such as exhibitions, talks, stalls and fun sports. Through this program students can try new experiences can take part in activities provided they even had the opportunity to be exposed to aspects of the administration and management of an organization. The objective of the program is to 1) provide knowledge and experience to students in entrepreneurship and other opportunities 2) talents among school students. In addition, talks were also held lectures on entrepreneurship, which aims to expose students to the useful inputs required in the business world and the work of government.
agencies such as MARA, PUNB, TEKUN and CIMB Bank.
In addition to the entrepreneurship module, GPMS of Padang Terap cooperation with MARA also produces a module to be followed by facilitator career in the programs that run. Career module is known as self-development module. There are a number of issues highlighted in this module, namely 1) to evaluate the method of SWOT-strengths, weaknesses, opportunities and threats; 2) individual development plans which include entrepreneurial mindset, emotions entrepreneurship, technical skills and entrepreneurial personality; 3) generic skills, including human relations skills and individual skills; 4) network is categorized into two types of individuals and organizations; 5) The conflict involves two types of conflict between human beings and conflict of duties as well as methods to resolve conflicts; 6) consideration of self; 7) plans to realize its vision.

There are many entrepreneurship programs have been undertaken by the GPMS to introduce school students to entrepreneurship. Such as Beauty Basics Workshop Program Web site development, entrepreneurship program, a day with figures of businessmen, Carnival ICT entrepreneurs, entrepreneurs and Seminar Talks Career Entrepreneurship. The success of these programs, GPMS Padang Apply been working with Majlis Amanah Rakyat (MARA) Padang Padang Apply Apply and Youth Council.

5. Findings

Effectiveness of Economic Development Activities and Career Guidance

To evaluate the effectiveness of economic development activities and career students by GPMS, a total of respondents who had followed the course or entrepreneurship camps were interviewed by researchers and the results shown the respondents are interested after attended the programs organized by GPMS.

“After attending the camp, I manage to maintain the interest and desire to trade and interested in becoming entrepreneurs, now I've got it, many millions are coming from businessmen. After following the entrepreneurial camp I realized that a salaried employee is not an occupation. I am determined to become successful entrepreneurs in the future”

Respondent 1: “After participating in entrepreneurship courses and engage in entrepreneurial activities is my goal now tending towards the business that is involved in business activity, after following the entrepreneurial camp organized by GPMS I am now beginning to learn computer repair computer courses organized by the private sector.”

Respondent 2: “After joined the program especially the entrepreneurship camp, I felt interest in doing business in the next future. At least with the following entrepreneurship camps organized by GPMS I know a little bit about aspects of entrepreneurship or business...to pursue higher employment business will be my choice.”

Respondent 3: “I am now eager to become a successful entrepreneur. I aspire to become a successful entrepreneur figure in Padang Terap district in the future. Student entrepreneurship camp that I follow them; to some extent been growing awareness to me to be an entrepreneur. Disclosure and entrepreneurial knowledge gained from participating in entrepreneurship camps will not waste it and I will use when I graduate soon.”

Respondent 4: “After following the camp entrepreneurship and entrepreneurial carnival, I realized that the business provides a good return.”

Respondent 5: “Many of the things I learned after attending entrepreneurship courses and camps. To be an entrepreneur what is needed is experience and knowledge of the ins and outs of the business. If we do not succeed in their studies even though we still can achieve success in entrepreneurship. As long as we work hard; many entrepreneurs who became millionaires did not succeed in their studies but success in business. It shows where there's a will there's a way. Anything I still think what I will do business in the future.”

6. Conclusion

The entrepreneurial students’ achievement motivation has a significant influence after expose with the involvement of the NGO body especially the GPMS. This was shown the students who are from the rural area need information of motivation besides direction and persistence which influence the students’ attitude in entrepreneurial. The students’ motivation builds their entrepreneurial attitude after attended some activities organized by the GPMS.

This finding confirms that students who are committed to their entrepreneurial and try to find new opportunities, who are self-confident, creative and flexible, who always need immediate feedback, like to work hard and have high striving power, have the urge to excel, are future oriented, are willing to accept failure and have leadership ability, will establish entrepreneurial characteristics which have the ability to deal with risk, are result oriented, are energetic, have growth potential, act as task player, have multitasking ability and are improvement oriented. The motivation has a significant influence on entrepreneurial characteristics. The students’ achievement motivation and promote their entrepreneurial characteristics, which cause them to have multitasking ability and to be oriented to improvement and advancement after they finished their study in secondary school. Based on the results, the Student Entrepreneurship Program can be achieved by building students’ entrepreneurial characteristics through shaping students’ entrepreneurial attitude which is presented in the entrepreneurial learning design curriculum. When students have entrepreneurial attitude, their
entrepreneurial characteristics will be built. The students can be given soft skills which cause them to have commitment, self-confidence, creativity, and flexibility.

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