

# ATTITUDES OF THE POOR AND DESTITUTE ASNAF TOWARD THE ENTREPRENEURSHIP PROGRAMME IN SELANGOR

**Ahmad Yusri Yaacob, Norasmah Othman, Nor Aishah Buang**

Faculty of Education, Universiti Kebangsaan Malaysia

Corresponding Email: [yusmat69@yahoo.com](mailto:yusmat69@yahoo.com)

## ABSTRACT

*Entrepreneurship programme is one of the various special initiatives of government agencies or NGO to develop entrepreneurship skills among target groups, including the underprivileged. Lembaga Zakat Selangor is one of the agencies running a special entrepreneurship programme (PKUAFM) for the poor and destitute asnaf (UAFM) in Selangor. This programme aims to provide a sustainable support to relieve the poverty and hardships of the poor and destitute asnaf through entrepreneurship skills. However, after several years of implementation, the percentage of active involvement and ability to exit their poverty level and destitute conditions among the asnaf is still low. Due to these issues, this study was conducted to evaluate the achievement of the UAFM who underwent the PKUAFM programme. A total of 360 participants (poor and destitute asnaf) were involved in a special survey, employing a set of questionnaires as survey instrument. The results of the data analysis revealed that the attainment of the UAFM undergoing the PKUAFM entrepreneurship programme is at a high level. This study also found that there was no significant difference in attitudes toward entrepreneurship between the female and male UAFM asnaf. A major implication of this study, is that the PKUAFM programme is still beneficial to the poor and destitute asnaf entrepreneurs. Therefore the PKUAFM programme should continue.*

**INDEX TERMS:** *Entrepreneur programme, attitudes, interest, poor and destitute asnaf entrepreneurs, Selangor Zakat Board*

## I. INTRODUCTION

Malaysian government has identified entrepreneurship as one of the significant factors for social and economic development, a highly regarded profession given its role to prosper society (Abu Bakar & Muhammad 2005). Toward that, various government agencies and private sectors combined their initiatives for developing entrepreneurship skills among the target groups. Among the agencies, the *Lembaga Zakat*

Selangor (LZS) has introduced a special entrepreneurship programme for the poor and destitute asnaf (UAFM) beginning in 2008 in Selangor (LZS 2009). The programme aims to transform the attitude and level of interest of the poor and destitute asnaf towards entrepreneurship in Selangor. Although there has been an increase of positive attitudes among the UAFM toward entrepreneurship as a career, yet the number of successful ones are still very low (LZS 2009). Therefore this study is conducted to identify the changes in the UAFM attitudes and levels of interest toward entrepreneurship, focusing on those who underwent the PKUAFM programme. Since 2011, the LZS through *Mais Zakat Sendirian Berhad* (MZSB), have implemented several strategies to develop UAFM entrepreneurship through the PKUAFM.

The PKUAFM program aims to train the UAFM as a means to enhance their livelihood and remedy their poverty and destitute issues. The PKUAFM programme provides free business capital and facilities to support the UAFM training and business start-up. Nevertheless, despite the various incentives given, the UAFM level of achievement is still low. A study by Siti Fatimah (2007) highlighted that from 250 trained, only about 60 were successful. This dismal number has raised a major concern as to why this has been the case. Has the programme failed to fulfil the requirement of the asnaf? Has the program failed to help the asnaf obtain entrepreneurship skills causing them to fail to be independent? Based on these issues, this study was conducted to (1) identify the UAFM level of attitude and interest toward entrepreneurship; (2) to identify their level of achievement according to gender.

## **II. STATEMENT OF THE PROBLEM**

The PKUAFM was launched by the Lembaga Zakat Selangor (LZS) in early 2005. Nevertheless, the LZS only provided basic business capital, business training and skills to the UAFM. It was rather modest, while in actuality, potential entrepreneurs also need to be exposed to various other courses to strengthen their knowledge in business (Akhtar Sahari 2007). Therefore, beginning 2011, the LZS through MZSB had attempted to provide more exposure and better entrepreneurship training to the UAFM. However, the fact remains that, the UAFM own attitudes and interest are vital factors in determining success or failures of entrepreneurship activities. Due to the UAFM poor attitude and interest, majority still lacked the capability to independently run their business. Many UAFM take the PKUAFM programme rather lightly. The effects of these issues contributed to negative attitudes toward the PKUAFM

run by the MZSB. Quite a majority of the UAFM still unprepared with positive attitudes toward business. Some UAFM also took advantage of the situation that, eventhough their entrepreneurship activities may be dormant, they can still expect assistance to still be rendered to them. It is noted that, despite free disburse of business capital, some UAFM have been rather irresponsible (Ahmad Shahir & Adibah 2010). Majority of the UAFM were not proactive and responsive to assistance given to them. Those UAFM are still not fully appreciative nor understood the benefits of the programme activities to develop their business.

A major problem faced by the UAFM is their own low level attitude and interest, posing risks of failure in entrepreneurship activities. The problem raised questions such the UAFM readiness to undergo the PKUAFM programme and change their attitudes and level of interest to positively embrace entrepreneurship. Also, the UAFM own initiatives to transform their attitude and interest to practice the entrepreneurship skills for successful business operations. And willingness of the UAFM to share their experience, learn from their own weaknesses and strengths, and from others undergoing the PKUAFM. According to Ab. Aziz and Zakaria et al. (2004); Norasmah et.al (2009); Salmah et al. (2010); positive attitudes and interest in entrepreneurship are vital to bring up the level of confidence, interest and success in entrepreneurship. Therefore the UAFM should have positive change of attitude and increase their level of interest toward entrepreneurship activities. Consistent evaluation is necessary to determine advantages and weaknesses of the PKUAFM programme from time to time. The LZS and MZSB as joint programme owners should know the level already attained or otherwise by the programme.

### **III. METHODOLOGY**

This study employed a survey technique through using questionnaires as instrument for data collection. The UAFM population covered the nine districts in the state of Selangor involving 1894 UAFM respondents (MZSB 2013). However the UAFM selected for the study are only those who have followed the PKUAFM programme and have conducted businesses for at least a year or so. Based on Krejcie dan Morgan (1970), this study take into account the population of 1894 UAFM and selected a number of respondents appropriate for the study. Therefore the number of UAFM respondents involved in this study is 360.

The questionnaire instrument is divided into 3 parts. The instrument is adapted and modified from Nor Aishah et al. 2005; Ab.Aziz and

Zakaria et al. 2004 dan Fatimah et al. 2009. Part A covers information on the background of the respondents, such as gender, age, marital status, educational status, types of business, business experience and amount and types of assistance received. Part B (4 items) covers attitudes of the UAFM toward entrepreneurship activities conducted. Part C (4 items) deals with evaluation of the UAFM level of interest after following the KPUAFM entrepreneurship programme. Pilot studies were conducted before the actual study was carried out to determine the validity and reliability of the instrument. The items received validity value exceeding 0.70.

An instrument may only be used when the high reliability is proven by the Cronbach Alpha. The items in the instrument employed exceeds Cronbach Alpha values, for Part A (0.82); Part B (0.89) and Part C (0.83). This means appropriately calibrated instrument is used for this study. To measure the level of attainability of the PKUAFM programme by the UAFM, the researcher adapted the mean score criteria interpreted by Jamil 2002 of the EPRD (2006). The five-scale Likert scores are as follows: 1.00-1.80: Very Low; 1.81-2.60: Low; 2.61-3.40: Medium; 3.41-4.20: High and 4.21- 5.0: Very High.

#### **IV. UAFM DEMOGRAPHIC PROFILE**

A total of 360 UAFM were involved in the study, where 50% were males and the other 50% were females. The two business types i.e food and services entrepreneurship were similarly divided between the two groups of respondents. As for their age groups, 3% of the respondents were below 25 years old, 11.9% aged between 25 to 35 years old. Followed by those aged between 36 to 45 years old at 39.2%. Those above 46 were at 48.2%. Regarding the UAFM marital status, 264 (73.3%) are married, 6 (1.7%), are unmarried, while male (formerly married) are 14 (3.9%). Single mothers or widower are 76 (21.1%). Regarding educational level, the data indicated that more than half of the UAFM possessed secondary education qualification such as Sijil Pelajaran Malaysia (SPM) and Skills Certificate 220 (61.1%).

This is followed by 70 participants (19.4%) who had a secondary level qualification of Penilaian Menengah Rendah (PMR). About 46 of them (12.8%) had primary school education. Another 17 (4.7%) of the UAFM possessed Sijil Tinggi Persekolahan Malaysia (STPM), Diploma dan Bachelor Degree. Only about 7 (1.9%) is without any formal educational. As for their business experience, the data indicated that a total of 136 participants (37.8%) had business experience between 3 to 5 years. This

is followed by those with experience of more than 5 years 116 (32.2%). Another 59 participants (16.4%) been in business between 2 to 3 years. While another 36 participants (10%) had between 1 to 2 years business experience. finally, the UAFM who have only 1 year experience is 13 (3.6%). Table 1 illustrates these demographic profile as follows:

Table 1 UAFM Demographic Profile

Background	Respondent Distribution	Number (n)	Percentage (%)
Gender Samples	Male	180	50%
	Females	180	50%
Types of Business	Food	180	50%
	Services	180	50%
Age	< 25 tahun	3	0.8%
	25 – 35 years old	43	11.9%
	36 – 45 years old	141	39.2%
	46 – 55 years old	139	36.8%
	>56 years old	34	9.4%
Marital Status	Bachelor	6	1.7%
	Married	264	73.3%
	Widow	14	3.9%
	Single mother/Widower	76	21.1 %
Education	No schooling	7	1.9%
	Primary Education	46	12.8%
	Secondary Education (PMR)	70	19.4%
	SPM/ Skills Certificate	220	61.1%
	STPM/Diploma/Bachelor Degree	17	4.7%
Business Experience	< 1 year	13	3.6%
	1 – 2 years	36	10%
	2-3 years	59	16.4%
	3-5 years	136	37.8 %
	>5 years	116	32.2%
Capital Aid	<RM 2000.00	53	14.7%
	RM 2000.00 – RM 5000.00	122	33.9%
	RM 5000.00	52	14.4%
	RM 5000.00 – RM 10,000.00	78	21.7%
	>RM 10000.00	55	15.3%

On business capital assistance, the data indicated that the UAFM who received between RM 2,000.00 to RM 5,000.00 are 122 (33.9%). Followed by 78 participants (21.7%) who received RM 5,000.00 to RM 10,000.00, those getting more than RM 10000.00 were 55 (15.3%). Further, the number of UAFM receiving RM 5,000.00 are 52 (14.4%), and lastly those getting less than RM 2000.00 are 53 people (14.7%). The distribution of the capital assistance is differentiated according to the types of business conducted and according to the business capacity of the UAFM.

V. FINDINGS AND DISCUSSION

Table 2: Level of Attitude Attained from PKUAFM

	Item	Min	S.P	Interpretation
i.	PKUAFM develops my self-dependency for entrepreneurship activities.	4.47	0.547	High
ii.	PKUAFM increases my self-confidence for business activities.	4.44	0.550	High
iii.	PKUAFM develops my diligence for business	4.53	0.532	High
iv.	PKUAFM helps me to make good business decisions.	4.57	0.534	High
Overall Mean		4.50	0.421	High
H-High; SD – Standard Deviation				
a.UAFM Attitudes to the PKUAFM				

Analysis of Table 2, shows that the mean score values between 4.44 to 4.57. The UAFM indicated the highest score value for item (iv) “PKUAFM enables UAFM to make good business decisions” (min =4.57, s.d = 0.534). This is followed by item (iii), “PKUAFM develop diligence in managing business” (min = 4.53, s.d = 0.532). Then item (i), “PKUAFM develops self-dependency in UAFM” (min = 4.47, s.d= 0.547). Finally, item (ii) “PKUAFM increase self-confidence in UAFM to out business activities” (min= 4.44, s.d= 0.550). An overall mean score for entrepreneurial attitude (UAFM) is 4.50 and standard deviation = 0.421 as the highest score. It could be concluded that the prevalent attitudes among the UAFM are compatible with the aims of the PKUAFM activities.

Therefore, the attitudes of the UAFM toward the PKUAFM have made a high impact on the attainment of the entrepreneurship activities conducted. The collaboration between MZSB and LZS in conducting the PKUAFM for the UAFM have provided adequate facilities to influence the UAFM attitudes in carrying out entrepreneurship activities. These findings corroborated those of Norashidah (2009) that noted positive attitude as an element that can develop entrepreneurship among university students. Overall, the attitudes of the UAFM is at the highest level. Therefore, UAFM viewed the PKUAFM as very important to develop positive entrepreneurial attitude in themselves.



Table 3 : UAFM Level of Interest in PKUAFM

	Item	Min	S.D	Interpretation
i..	UAFM manages business activities diligently	4.47	0.548	High
ii.	UAFM willing to spend extra time to enhance business quality	4.46	0.557	High
iii.	UAFM practice thriftiness and careful in making decisions for business activities.	4.45	0.561	High
iv.	UAFM cooperates with the MZSB to develop the business	4.50	0.583	High
v.	UAFM keep a saving to increase their their business fund.	4.49	0.563	High
	Overall Mean	4.42	0.434	High

H-High ;

SD- Standard Deviation

a. UAFM Level of Interest in PKUAFM

The results of the analysis of the UAFM level of interest after undergoing the PKUAFM is indicated in Table 3. The findings indicated that the PKUAFM has changed the attitude of the UAFM to be more positive toward business activities. On average, it shows that their level of interest is at high level with a mean of 4.42 (s.d 0.434). The item for cooperation with the MZSB for business development is at a high mean 4.50 (s.d 0.583). These findings concurred with the Bennett's Hierarchy Model (Bennett & Rockwell 2004) that studied participants' reaction to entrepreneurship programme. Item (v) dan (i) indicated that the UAFM prefer to keep a saving to increase their fund, and diligently manage their business. These support the Mc Clelland (1961) in Norashidah (2009) who noted that interest towards self attainment can lead to success in entrepreneurship.

Item (iii) concerns UAFM willingness to spend extra time to improve their business also contributed to high attainment of UAFM under the PKUAFM programme. Finally the UAFM level of being thrifty and carefulness in making their business decisions earns a mean of 4.45 (s.d 0.561). Shamsuri (2013), noted such effects of an entrepreneurship programme module may increase of interest and attitude to generate ideas among students of entrepreneurship. These features also parts of the micro entrepreneurship approach to identify traits of individuals with entrepreneurship interest (Bygrave & Zacharakis 2004, Kuratko& Hodgetts 2004; Stokes& Wilson 2006). A study by Nor Aishah (2005) highlighted that student's openness to any ideas or information are important for their business imagination process. The openness and imagination may generate huge number of ideas. According to Norashidah (2009), self control is necessary to become an entrepreneur who is able to handle risks and attain success. Fayolle et al. (2007) indicated that students who undergo entrepreneurship programme are more inclined to start business and possess strong determination to become successful entrepreneur.

In Islamic perspective, the characteristics of an entrepreneur is one who does not easily give up, courageous in facing challenges and regard difficulties as the trial and tribulations from Allah SWT, that need to be faced with acceptance and humility. The courage to take business risks shall also contribute to their success (Nadzri 2000; Kahiruddin 1996). Positive attitudes may enhance one`s level of interest to choose entrepreneurship as a career. This is noted by Hisrich et al.(2005), that an individual with strong determination to do something of interest, will act positively to achieve what is needed. Therefore, the UAFM level of attitudes after PKUAFM programme should be further enhanced to attain their target in entrepreneurship.

Table 4 t-test Results on the Level of UAFM Attitudes toward PKUAFM Based on Gender.

Gender	n	Min	s.d	Value t	Sig. level
Male	180	4.153	0.4104	0.656	0.512
Female	180	4.486	0.4324		

\*Level of Significance  $p < 0.05$

b. Variances in UAFM Attitudes toward PKUAFM according to Gender

Table 4 shows results of the t-Test analysis to test the differences attitudes of the UAFM undergoing the PKUAFM based on gender. The finding illustrated that there is no significant difference between male and female UAFM participants. This is evident with the value of  $t = 0.656$ ,  $p > 0.05$  (mean score for male  $i = 4.153$ , mean score for female = 4.486). Therefore the attitudes of the two gender is almost the same throughout the PKUAFM programme. This is evident in the items to indicate supports for the UAFM in PKUAFM as in Table 4. Such as the PKUAFM is able to develop self-independence and training the UAFM in making good business decisions. This finding support the study by Zuraini (2000), highlighting a significant factor that influenced the success of bumiputera entrepreneurs are knowledge in business, attitude, motivation to succeed and knowledge on capital and input required to enhance business performance.

Table 5: T-Test on UAFM Interest Level toward the PKUAFM According To Gender

Gender	n	Mean	s.d.	t Value	Sig. level
Male	180	4.494	0.405	0.874	0.383
Female	180	4.454	0.462		

\*Significant level  $p < 0.05$

d. Difference in UAFM interest toward the PKUAFM according to gender

Table 5 shows results of the analysis of t-test on the difference in the gender-based level of interest of the UAFM undergoing the PKUAFM.



The findings indicated that there has not been significant difference between male and female UAFM. This is evident when  $t$  value = 0.874,  $p > 0.05$  (mean score for male = 4.494, mean score for females = 4.454). The PKUAFM program trained both males and females UAFM in almost the same way. The findings indicate that high level of interest toward the KPUAFM is important for successful entrepreneurial activities. Another UAFM interest is keeping a saving fund to increase their saving rate. This finding is similar to Arkes & Garskes 1982; Sexton & Bowman (1984); Abu Bakar et al. 2006, that noted saving fund being a characteristic of a self-confident entrepreneur. Finally, the UAFM are willing to spend extra time to improve their business. These findings support Louw (2003) study, who indicated that characteristics of good entrepreneur are possession of interest, confidence, responsibility, belief and tolerance that shall increase products in entrepreneurship.

## VI. CONCLUSION

Based on the findings, it could be concluded that the PKUAFM has been successful to bring about some changes in attitudes and interests among the UAFM in entrepreneurial activities. Interestingly, there has not been any significant difference between male and female UAFM attitudes and interest toward PKUAFM. The use of the Stufflebeam Model 2007 in the evaluation of PKUAFM programme may assist UAFM to be more effective in business activities. In relation to that, the two variables may provide useful information to the LZS, MZSB dan UAFM. Any measures for the improving the lot of the UAFM should eventually enhance the PKUAFM programme in Selangor. The findings of this study may only be generalizable for the UAFM in Selangor, since the respondents of this study were only consisted of the Selangor UAFM. For larger generalizability in the future, the researcher should also include the UAFM in every state in Malaysia.

## REFERENCES:-

- Ab. Aziz Yusof, (2000). *Penilaian Prestasi: Kepentingan dan pemasalahan*. Kuala Lumpur: Utusan Publications
- Abu Bakar Nordin. (1986). *Asas Pendidikan*. Petaling Jaya: Heineman Malaysia
- Ahmad Shahir Makhtar & Adibah Abdul Wahab. (2010, July). *Pengurusan Zakat Di Negeri Selangor: Isu Dan Cabaran*. Presented paper at *National Convention on Planning and Wealth Management in Islam* organized by Jabatan Syariah, Fakulti Pengajian Islam Universiti Kebangsaan Malaysia.

- Bruce, BB & Amy. RG. (2008). Formalizing the front end of the entrepreneurship process. An Opportunity to Improve Entrepreneurship Education and Practice, *Journal of Small Business and Enterprise Development* 15(2):289-303
- Cronbach, LJ (1970). *Essentials of psychological testing* New York, Harper & Row Publicising
- Fatimah Tambi (2009). *Penilaian Perlaksanaan Program Pemulihan Khas Di Sekolah – Sekolah Rendah di Negeri Selangor Daripada Perseptif Guru Besar Dan Guru Pendidikan Khas* Universiti Kebangsaan Malaysia
- Hisrich, R.D., Peters, M.P & Shepherd, D. A (2005). *Entrepreneurship*. Sixth Edition. Irwin, N.Y: McGraw Hill.
- Isma Addi Jumri (2007). “Usahawan Asnaf Basmi Miskin Tegar” dalam Utusan Malaysia On-Line, <http://www.utusan.com.my/utusan/info>, 22 Mei 2007.
- Kuratko & Hodgetts (2007). *Entrepreneurship*. USA: Thomson Higher Education, h. 4.
- Laporan Tahunan Lembaga Zakat Selangor (2009).
- Mannan M.A. (2003). Public Sector Management of Zakat in Hannan S.A (eds.). *Zakat and Poverty Alleviation*. Dhaka: Islamic Economics Research Bureau.
- Norasmah, O. (2009). *Pelaksanaan Kaedah Pembelajaran Berasaskan Konsultasi dalam Pembudayaan Keusahawanan*. Seminar Pendidikan Sains Sosial sempena Kongres P&P UKM 2009. Bangi: Universiti Kebangsaan Malaysia.
- Norashidah Hashim (2009). *Kesediaan Keusahawanan Pelajar dan Persekitaran dalam Institusi Pengajian Tinggi di Malaysia dalam Melaksanakan Pendidikan Keusahawanan* Universiti Kebangsaan Malaysia
- Nor Aishah, B. (2006). *Kajian Keperluan Pendidikan Keusahawanan Secara Formal dalam kalangan Pelajar Fakulti Kejuruteraan dan Alam Bina dan Fakulti Pendidikan*. UKM: Sektor Pengkajian Keusahawanan di IPTA.
- Stufflebeam, DL. & Shinkfield A.J. (2007). *Evaluation theory, models and applications*. California: Jossey – Bass.