Social Entrepreneurship in Higher Education Institutions in Malaysia: Conceptual Framework

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ABSTRACT

The implementation of educational policies is often related to entrepreneurs. Social entrepreneurship policies have become the newest phenomenon in Malaysia in the country's attempts to reduce and eradicate poverty. Until today, there is limited knowledge on how social entrepreneurship can become a catalyst for a community's economic advancement and closing the social gaps within the society. This paper aims to explain further and provide knowledge regarding social entrepreneurship as a strategy to enhance national higher education policies. Through extensive literature analysis, social entrepreneurship is placed within the context of higher education institutions in implementing ethical and moral values. This conceptual framework encompasses the concept of economic development, social development of a community, social entrepreneurship principles, the less fortunate, and the role of the suggested higher education institution. This paper will contribute to future literature regarding social entrepreneurship and can help the entrepreneurial system as they establish social enterprises based on real
solutions for communities. The results of this research are expected to assist various parties, such as academics, policymakers, social entrepreneurs, government and private companies, and the community, in better understanding social entrepreneurship. It will also spread the impact of social entrepreneurship into the existing social entrepreneurial education system in Malaysia. Therefore, the discussions around the social entrepreneurship model will measure whether social entrepreneurship has been carried out to its fullest according to the fundamental concept of overcoming and helping solve social problems, exceptionally the less fortunate.

**Keywords:** Conceptual Framework, Educational Institution, Higher Education, Malaysia & Social Entrepreneurship

**INTRODUCTION**

The biggest challenge in countries both less developed and developing is poverty. A majority of the worldwide population has been affected by the COVID-19 pandemic. This global crisis has increased efforts on a governmental level from developing and developed countries to help the less fortunate overcome the emerging issue by focusing on improving entrepreneurial activities (Blanda & Urbancilova, 2020; Lateh, 2018; Belitski, Guenther, Kritikos & Thukik, 2021). One entrepreneurial activity that is highly associated with social issues is social entrepreneurship (Ramly, Sum, Ishak & Lim, 2021). Although social entrepreneurship is still new in Malaysia, this practice has to be expanded to existing and future entrepreneurs (Gupta, Chauhan, Paul & Jaiswal, 2020). Hence, more efforts must be made to improve social entrepreneurship to help develop community welfare in Malaysia. Private companies and institutions in Malaysia have already implemented the practice as it strongly influences their surroundings.

The emerging trend has opened up many opportunities for educational institutions to improve their entrepreneurial programs (Wahid, Rahman, Mustaffa & Samsudin, 2019; Garcia-Gonzalez & Ramirez-Montoya, 2020). Concurrently, many other countries have also endeavoured to increase public awareness by introducing social entrepreneurship at a higher education level, as it could indirectly positively affect efforts to develop the national economy (Roslan, Hamid, Ijab & Bukhari, 2019). From the perspective of the benefits of social entrepreneurship and humanitarian practices, social entrepreneurial activities can increase local community income and enhance the proficiency obtained by graduates, especially in mastering the latest technology. Social
entrepreneurship can be seen as an aiding factor to help a country out of an economic recession. Thus, chance should be used by all crisis-stricken nations, including developing countries such as Malaysia (Torres & Augusto, 2020).

According to the Department of Statistics Malaysia under the Prime Minister’s Department, July 2021, there has been an increase of 22,400 degree-holders and 14,400 additional graduates on a diploma level (Department of Statistics Malaysia, Statistik, 20 July, 2021). As expected, the number of graduates continues to increase each year. However, according to statistics (Berita Harian, 2021), due to the COVID-19 pandemic that affected the whole country, an estimated 330,557 graduates are unemployed. They are faced with economic instability and a dire lack of job opportunities. Unfortunately, the Malaysian government cannot issue a large amount of allocation to assist educational institutions in strengthening entrepreneurship programs.

Nevertheless, looking at existing policies, the government has provided funds to start businesses for graduates and collaborated with MaGIC, namely the Ministry of Entrepreneur Development and Cooperatives, the Malaysia Cooperative Societies Commission, and the Malaysian Global Innovation and Creativity Centre. These ventures have been made to increase job opportunities for graduates. Therefore, in an attempt to enhance efforts to promote social entrepreneurship in institutions of higher learning in Malaysia, the Malaysian government, through the Ministry of Higher Education (MOHE), has allocated RM650,000 to be distributed to public universities, polytechnics, and community colleges to train 600 students in the field of social entrepreneurship.

A local university in Malaysia, Universiti Pendidikan Sultan Idris (UPSI) has been appointed as the primary coordinator of the program and is assisted by 21 mentors from other public institutions of higher learning (IPTA). The implementation of this program will result in more social entrepreneurs to be born, further adding to the achievements of the Leap in the Malaysian Education Development Plan (Higher Education) 2015-2025 which has already increased the budget allocation for the Ministry of Education in order to produce graduates who are more holistic, entrepreneurial, and balanced. With the allocated funds, depending on the activities carried out by the university and the creative and innovative ideas, the number of graduates who can yield this opportunity is also quite limited; hence there are still many who cannot be helped.
Prior research has focused on the impacts of social entrepreneurship on assisting social issues and economic problems in local communities, encouraging the spirit of volunteerism, aiding the needy and attention given to the community, exceptionally the less fortunate (Halberstadt, Niemand, Kraus, Rexhepi, Jones, & Kailer, 2021; Ashrafi, Sarker, Hashim, Haque & Nayan, 2020; Tu, Bhowmik, Hasan, Asheq, Rahaman & Chen, 2021; Yusoff, Awang & Sidik, 2021). Some studies emphasised the role played by students at the level of schools and institutions of higher learning (IPT), through volunteer activities in helping the local community (Lorenzo-Afable, Lips-Wiersma & Singh, 2020; Hasanah & Malik, 2020; Erro-Garces, 2020).

Furthermore, this is coupled with issues of inclination, emotion, creativity, and out-of-the-box thinking and values that can be applied among students, participation problems and innovative approaches to transforming the local community (Shu, Ho & Huang, 2020). Even so, how social entrepreneurship efforts among students at the university level in Malaysia can be practical and give a lasting impression in helping the less fortunate is still a question. Therefore, this study aims to try to answer this question by studying the role of institutions of higher learning in adopting the concept of social entrepreneurship that is to be applied to help not only the less fortunate but also simultaneously help the students themselves to change towards cultivating a model personality of a better and more successful entrepreneur. Is what is being practised now sufficient, or is it necessary to create a measurement showing that the university has played a role in carrying out entrepreneurial activities well?

CONCEPTUAL FRAMEWORK

**Concept of Social Entrepreneurship**

Social entrepreneurship has two roles: impacting the economy and reducing social problems. It is crucial to resolve the poverty issue in the country, and this can be seen in how the government has sought to diminish this economic disparity gap by adding RM 50 million in allocation to achieve its goal. An example of social entrepreneurship in Malaysia is non-governmental organisations or NGOs, established to fight for the public interest rather than individuals or commercial. It is synonymous with the term NGO which is a voluntary organisation. Such organisations in Malaysia include Yayasan Salam to help the oppressed, PEMADAM for education and drug addiction prevention programs, and Persatuan Pengasih Malaysia, which focuses on youths under 18. All of
these institutions provide voluntary services and programs to help the community. The existence of social entrepreneurship today combines the objectives of mutual profit-based entrepreneurship intending to increase the care for the community and the weak or troubled (Dwivedi & Weerawardena, 2018; Ribeiro-Soriano, 2017).

The success of some start-up companies implementing the concept of social entrepreneurship is increasingly being talked about. They are not only seen as companies based on volunteerism and high civic commitment alone. Companies such as Joe’s Barbershop (Langkawi), Myfizro (Aiskrim Malaysia), Coffeezone.my in Tawau, and Yuhaso Car Wash in Penang are among those who have successfully opened their businesses with high innovation. (Avila Angulo, 2021). Single mothers who are not working, youths who are not working in the field they learned in tertiary education, youths who have only graduated at the SPM level, and youths who have problems are helped by this type of business. There are critical differences between social and traditional entrepreneurship, which can be seen especially in the primary mission of the established organisation and its impact on the targeted market.

The concept of social entrepreneurship differs from other entrepreneurial models because of the quest for influence related to the identified mission. In recent years, Malaysia has witnessed incredible progress in the field of social entrepreneurship and attracted the attention of various government and private sectors such as MaGIC, Yayasan Amanah Belia, DHL, Sime Darby Property, and British American Tobacco. Social entrepreneurship emphasises how to eradicate stress and social problems of society by creating products or services that can help relevant communities (Rokis, Basir & Fauzi, 2018; Ramli, Ramli, Nazri & Harun, 2021). There are some interesting ideas about social entrepreneurship that can contribute to underprivileged communities such as animal care centres, which help conserve the environment, kobuniti that sell fresh produce to the local community, and Tailor Community Malaysia that provide business training to housewives and single mothers who have no fixed income to support the family (Rasyid & Bowen, 2021).

**Scenario of Social Entrepreneurship on a University Level in Malaysia**

In the content of the entrepreneurship syllabus offered at universities such as UiTM, students can open their own business or expand an existing
business and provide advisory services to anyone in need, following the skills learned throughout their studies. The syllabus also considers the elements of technological, communication, psychological, and religious skills that lead to the internal development of a student (Ab Hassan, 2021; Almahry, Sarea & Hamdan, 2018).

Every graduate has the potential to contribute excellent and thoughtful ideas to help with the social issues of the community. However, at the university level, there are few activities to attract their interest in social entrepreneurship. The charity project organised by Khind Starfish Foundation is among the initiatives for all students in Malaysia to plan grassroots projects in Malaysia in order to promote happiness and address the root causes of poverty and underdeveloped education (Mandyholi, Iwu & Nxopo, 2017). Eligible projects are given maximum funding of RM10,000 per project. However, not many selected projects continued as social entrepreneurship after graduation (Kickul, Gundry, Mitra & Bercot, 2018). In university, students are still exposed to doing business purely for financial gain. However, like other businesses, capital can be a significant problem, and projects are only on paper and not practised.

To succeed in social entrepreneurship, would-be entrepreneurs need to identify the mission or community to be helped. Such social entrepreneurship programs can significantly impact raising the entrepreneurial agenda at university-level institutions. For graduates, instead of capital injections, several agencies are used to introduce these start-up companies to investors. The government also offers several incentives for tax relief and accreditation. In August 2021, a Social Impact Matching Grant (SIM) amounting to RM10 million had already been offered, and MaGIC Malaysia has already been given the responsibility of overseeing the issuance of SIM Grants on behalf of the government. The grants aim to support social entrepreneurship and leverage the ability to raise funds, increase community awareness of social innovation and improve solutions for good social and ecosystem outcomes. This, in turn, provides more opportunities for the unemployed to build success through social entrepreneurship (Byun, Sung, Park & Choi, 2018).

The Less Fortunate

One of the largest government agencies in Malaysia, the Inland Revenue Board of Malaysia (IRB) has taken the initiative to distribute 5,055 food baskets to the needy through their Caring Revenue CSR Program. The
program is a series of food donations and necessities launched by the Ministry of Finance in July 2021 to help the underprivileged. This is an activity of a very caring company aiming to help ease the burden of the underprivileged population whose recipients have already been identified - they are affected by the COVID-19 pandemic crisis and have no fixed income. This effort must be implemented across the whole country, not only in Peninsular Malaysia but also in Sabah and Sarawak. Various other companies can come forward and are encouraged to help these affected groups. Contributions are also given on a one-time basis to urban underprivileged households and the B40 income group to strengthen the community's economic, welfare, and survival aspects.

**Implementation of Social Entrepreneurship in Higher Education Institutions in Helping The Less Fortunate**

Social entrepreneurship refers to those who have searched for better methods of executing a job and resulting in experiencing a boost of economic development. Entrepreneurs must utilise the available resources around them optimally and with limited facilities. They must also be able to increase productivity and efficiency more optimally and have extraordinarily positive values armed with integrity and wisdom in one’s self (Chou, 2018). Entrepreneurs are expected to always think outside the box, desire change, and use every opportunity around them so they can be put to good use. Other than for the business to make a profit and achieve the company's goals, they practice the noble values taught in religion when they do business (Sengupta, Sahay & Croce, 2018).

Social entrepreneurship is often associated with the nature of charity, philanthropy, universal human welfare, a sense of responsibility for the people around them, as well as responsibility for their environmental environment. Entrepreneurs do not think of profit alone, do not ignore the rights and needs of others who cannot afford it, and play a role in reducing the gap between the rich and the poor in a society. (Saiz-Alvarez, 2019). In Malaysia, the concept of social entrepreneurship has been developing well. It has attracted many, especially academics and policymakers, to think alike and help to raise social entrepreneurship to a higher level. As an institution in Malaysia, UiTM (Universiti Teknologi Mara) can take on a significant role to help so that it can provide the greatest impact to efforts in upholding social entrepreneurship by supporting policymakers in the Ministry of Education Malaysia. Therefore, as discussed and introduced below, a model that can be applied by higher education institutions such as UiTM to eradicate social problems
significantly to help the less fortunate.

THE ENTREPRENEURSHIP MODEL

This concept can be introduced at the university level and applied to eradicate poverty, improve the economy, and help the less fortunate groups (Ibrahim, Aslina & Wan Mohd Zaifurin, 2016). The model starts with the idea towards creating a small business with a social mission. The business idea is refined and developed with a mentor, who can come from lecturers or external parties. The mentor collaborates with advice or sources of monetary funds at the university level to lead a group of students to run the business to achieve a social mission. The group of students will use the skills learned at the university level during their time at the university to offer services and benefits to the local community; this will also benefit the students themselves because they can hone the talents and skills they possess in themselves. Communication skills, creative thinking, and problem-solving skills that arise when faced with problems, as well as using their ideas and creativity to solve all problems, will have been honed while still studying at the university.

The government and many other parties such as alumni, the public like parents and prospective employers are also included in the agenda when developing a course that can be offered to the public by a university in Malaysia under the Malaysian Qualifications Agency (MQA). The various institutions that have collaborated have also helped drive contributions to the improvement of each program offered by a university from time to time (Bozhikin, Macke & da Costa, 2019). Social entrepreneurs typically start from small initiatives and are more focused on solving the problems within their surroundings (Klofsten, Fayolle, Guerrero, Mian, Urbano & Wright, 2019). Activities such as cleaning mosques, and schools, helping flood victims, and visiting orphanages, older people's homes, and mosques have already been done by students. However, such activities revolve more around charity work and not a business. They need to change their charitable activities to business mission activities, namely social entrepreneurship.
Among practical business ideas in university that the author can suggest are as listed below:

1. An online platform that can be used to assist small and medium industries.
2. Train students to conduct tuition for underprivileged school children.
3. Train students to help pregnant mothers and assist in the process of childbirth.
4. Volunteer in helping provide support to cancer patients.
5. Train students to create a business plan for the company to make a loan.
6. Provide exposure for students to help in kindergarten care centres and the elderly.
7. Help students by bridging the local community's gap through neighbours' help with cycling activities.
8. Help students by farming with the local community for vegetables and fruits.
CONCLUSION

Social entrepreneurship is a field that has a mission not only to increase income but at the same time be able to solve the problems that exist in the local community. The noble values that are embedded in students can nurture them to become entrepreneurs who will be more successful in the future. Participation and involvement towards social entrepreneurship during their studies can add value to a graduate through the skills they have acquired that can be forever remembered. A university the size of UiTM has a role in supporting and helping assess the social cohesion and stability, national resilience, and well-being of a developed and stable Malaysian society. The foundation as a university can provide a huge impact that we should measure to improve the future.

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CONFLICT OF INTERESTS

The authors declare no competing interests, such as financial or personal relationships, regarding the writing of this article.

AUTHORS’ CONTRIBUTION

Noorita bt Mohammad, conceptualizing and designing the article. Nini Hartini Asnawi and Norfazlina Ghazali, reviewing and updating literature. Nor Fazalina Salleh and Mardhiah bt Mohammad, synthesizing and interpreting the relevant literature. Lennora Putit, critical revision for a more imperative intellectual article content.

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