Agripreneurial Intention among Young Business Graduates

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Abstract: The low level of public involvement in the agricultural sector in many developed and developing countries have led to a magnitude of the food security crisis. Malaysia has a large proportion of young people and has a high rate of youth unemployment. One answer is to encourage recent graduates to start businesses in the agriculture sector. This article presents data that examined the intention of the young graduate to venture into the agricultural sector, using attitude, social norms, and perceived behavioral control to solve the current food security crisis. Data was collected from young graduates who have taken business and entrepreneurship courses at the university. A self-administrated online questionnaire was designed and distributed to these young people. This study contributes to the insight into the young generation of graduates’ intention to venture into the agricultural sector as well as provides suggestions or recommendations for future studies.

Keywords: Agricultural Sectors, Young Graduates, Theory of Planned Behaviors, Intention.

1. Introduction and Background

Malnutrition, lack of food supply, and poverty have always been long-standing issues. The government and their people, especially in developed and developing countries, have been paying extra attention to the escalating global food crisis as a result of the steady increase in children lacking food and nutrition worldwide as a result of the increase in population, which has led to the catastrophic level of severe malnutrition among children under the age of 5 throughout the world. Across Asia and the Pacific region alone, an estimated 74.5 million children under 5 are stunted (too short for their age) whereas 31.5 million suffer from wasting (too thin for height). The vast majority of these children are from Southern Asia. Nearly 9 percent of the world’s population faces hunger and about 840 million people, would have insufficient access to food by 2030, according to the United Nations (UNICEFs, 2018).

The reasons for the food crisis vary from country to country including hyperinflation, rising commodity prices, and environmental disasters such as floods or droughts. The idea of improving food security and the resilience of the local food system to protect against economic slowdowns and downturns as well as those caused by climate change must then be promoted further. The concept of food security encompasses more than just having enough food to eat. Additionally, the standard of food and the dependability of global supply systems are relevant. Lack of food security can lead to conflict, civil unrest, poverty, and hunger. Ensuring food security is crucial due to the rise in climate change, the increase in the world’s population, and even supply chain interruptions like those caused by the pandemic (Bene, 2020; Siegner, Sowerwine & Aey, 2018; World Health Organisation, 2021).

Society and government are now immediately concerned with creating awareness, especially among young people to take the opportunities to become agriculture entrepreneurs to increase the supplies of locally grown food. The current trends have encouraged local entrepreneurs into taking opportunities in marketing local food to add to the stock of food in the country. Concurrent shifts in using robots, GPS technology, temperature and moisture sensors, aerial images, and smartphone apps are being used to increase food production, been also used in many regions of the world including Malaysia to ensure more profitable, efficient, safer, and more environmentally friendly method (Mogili & Deepak, 2020; Sivarethinamohan, Yuvaraj, Shamuga Priya & Sujatha, 2021; Yin, Cao; Marelli, Zeng, Mason & Cao, 2021, Muangprathub, Boonnam, Kajornkasirat, Lekbangpong, Wanichsombat & Nillaor, 2019; Rathinam, Surendran, Shilpa, Grace & Sherin, 2019).
According to Peng (2019), the concept of food security is defined as “whenever the availability of nutritionally adequate and safe foods, or the ability to acquire acceptable foods in socially acceptable ways, is limited or uncertain”. Food security, as practically measured in the United States, is experienced when there is (1) uncertainty about future food availability and access, (2) insufficiency in the amount and kind of food required for a healthy lifestyle, or (3) the need to use socially unacceptable ways to acquire food (National Research Council, 2006). Apart from the most common constraint being lack of economic resources, food security can also be experienced when food is available and accessible but cannot be utilized because of physical or other constraints, such as limited physical functioning of the elderly or disabled (National Research Council, 2006).

In Malaysia, the COVID-19 pandemic has worsened food security concerns among low-income families and forced many children to adopt less healthy diets, leaving them at greater risk of malnutrition. According to our Families on the Edge study, 6 in 10 households living in low-cost flats in Kuala Lumpur are unable to buy enough food for their families (Chek, Gan, Chin & Sulaiman, 2022). Around a quarter of Malaysia's food supply comes from imports. A common item such as chili which is found in most Malaysian cuisines is imported by almost two-thirds from Thailand (Murdad, Muhiddin, Osman, Tajidin, Haida, Awang & Jalloh, 2022).

Unfortunately, Malaysia brought in an astounding RM63 billion worth of food in 2021. The twelfth Malaysia Plan 2021–2025 focuses on measures to boost economic growth, ensure the nation’s prosperity can be spread more fairly and equitably, and maintain environmental sustainability to achieve the objective of "Malaysia Prosperous, Inclusive and Sustainable." The two-year COVID pandemic has had a tremendous impact on every industry, including tourism and aviation, and Malaysia and the rest of the world are currently enduring the biggest economic and health crises ever.

The unemployment and poverty crisis happening around the world does not exclude Malaysia. According to statistics, the COVID-19 pandemic's disastrous consequences caused Malaysia's unemployment rate to rise from 3.9 percent in March of the previous year to 4.7 percent in March 2021. The number of employed persons increased by 0.6 percent to 15.33 million, but the unemployment rate rose by 23.4 percent to 753.2 thousand. In the interval, the labor force increased by 1.5 percent to 16.08 million people. In February 2021, the unemployment rate was 4.8 percent (Department of Statistics, Malaysia, 2021).

In areas where there have been problems regulating the prices of commodities in 2022, the rate of inflation is significant. Customers worry about the scarcity of particular products, such as chicken, wheat, chilies, and cooking oils. Customers do gripe about paying exorbitant meal prices at restaurants and shopping centers. Because of inflation, people’s purchasing power has decreased and they are not making enough purchases to meet their family’s needs, which has further contributed to concerns about food security and malnutrition. Lack of supply and underutilized resources (including financial resources and other resources like transport and manpower) are two possible explanations for why Malaysians endure food security. This caused other issues like a lack of inexpensive access to good quality food.

The country’s total food imports continued to increase at an average rate of 4.1 percent per annum from RM45.3 billion in 2015 to RM55.4 billion last year (Ahmad, 2021). The importation of foodstuffs was necessary to cover the shortage of local production and meet domestic demand, especially for foodstuffs that were not economical to produce in the country such as temperate fruits and vegetables, onions, potatoes, wheat, sugar, and sugar preparations. The top five types of food imports for the past year were coffee, cocoa, tea, and spices; grain; vegetables (RM5.1 billion); feedstuffs (RM6.2 billion) as well as other food products and preparations (RM6.6 billion) (Ahmad, 2021).

Food has become more unaffordable, making it difficult for unemployed people to get a balanced diet. People who frequently consume nutrient-poor diets may be at an increased risk of developing obesity, heart disease, hypertension, diabetes, and other chronic diseases. This will have a significant financial and social impact on society in terms of health care. The government’s efforts to reduce food imports with the involvement of private companies and professionals, where the government provided tax exemption incentives. Companies that had just ventured into the field of food production were given tax exemption for 10 years. All the finding has clearly shown that Malaysia is experiencing a food crisis, however, the awareness of young people in agriculture is still unknown.
Targeting, young people, who have more energy and hence be utilized in agriculture is the central focus. Young people are more technology savvy and can learn to apply updated technology and conduct research in agriculture to increase yields and income. The increase in population in Malaysia has led Malaysia to import foodstuffs every year, including basic ingredients such as rice and meat. The role of young people is increasingly important with the development of food insufficiency. Therefore, young people can help further strengthen the Malaysian economy as a strategy to address this basic food shortage by making a career to become a modern farmer.

The government has offered various incentives and incentives to participate and innovate in agriculture to increase crop and livestock yields and has already produced several successful young agricultural entrepreneurs. A career as a modern farmer or entrepreneur in agriculture can provide the same high income as the manufacturing industry and others but young people still have not taken the challenge and not much is known whether there are changes in their belief among young people that to become an entrepreneur in the agricultural industry can provide high-income earning is unclear. The minimal young participation and their understanding of contributing to economic growth and becoming involved in the agricultural sector need some insight into understanding the dimension that underlies their behavioral intention. Therefore, it is very important to ensure that the attitudes of young people toward becoming agriculture entrepreneurs are known to know their intention to shift into the agriculture sector.

Cultivating agricultural entrepreneur’s intention, especially young people can be linked to agricultural innovation and at the same time, contribute to the economic development of a country by creating job employment opportunities (Ridha & Wahyu, 2017; Widiyanti, Setyowati & Ardianto 2018; Tiraieyari & Krauss, 2018). Entrepreneur intention is defined as a conscious state of mind that precedes action and directs attention toward entrepreneurial behaviors such as venturing into agriculture (Musa, Idris, & Haris, 2021; Sarkar, Wagi, Rahman, Memon & Qian 2022). Research confirms that intentions play an important role in the decision to venture into a farmer (Bednarikova, Bavorova, & Ponkina, 2020; Magagula & Tsvakirai, 2020). The finding of this study provides insight into stimulating the young generation to venture into agricultural participation. Therefore, it is important to investigate young entrepreneurial intentions in agriculture for current and future industry development (Geza, Wendy, et al, 2021). There is a need for decision-makers, policymakers, and researchers in the area of agriculture to further promote participation and collaboration within the organization in shaping the issues on food security and future food systems to increase youths’ intentions to engage in agribusinesses.

Research Objectives
The following was the general objective of this study:

- To determine whether the young graduate’s attitudes have a significant relationship to agricultural entrepreneurial intention to venture into agricultural sectors
- To determine whether the young graduate’s subjective norms have a significant relationship with agricultural entrepreneurial intention to venture into agricultural sectors
- To determine whether the young graduate’s perceived behavioral control has a significant relationship with entrepreneurial intention to venture into agricultural sectors

Research Questions
Based on the research background and problem statement, this study seeks to address the following research questions.

- Do the attitudes have a significant relationship toward young people’s intention to venture into agricultural sectors?
- Does the subjective norms have a significant relationship with young people’s intention to venture into agricultural sectors?
- Does the perceived behavioral control have a significant relationship with young people’s intention to venture into agricultural sectors?
Conceptual Framework and Hypotheses Development

Figure 1: Theoretical Framework

2. Literature Review

Theory of Planned Behavior
The theory of planned behavior symbolizes a theory that links an individual’s beliefs and behavior. This concept was previously proposed by Fishbein and Ajzen (1977) in the Theory of Reasoned Action. In an attempt to improve the predictive power of the theory of reasoned action, a few dimensions were added including perceived behavioral control. Following its inception, the extended framework of Reasoned Action Theory was later known as the Theory of Planned Behaviors. Until today, the Theory of Planned behavior is regarded as one of the most predictive persuasion theories. It has been applied to studies to examine the relationship among beliefs, attitudes, behavioral intentions and actual behavior in various fields such as advertising, public relations, advertising campaigns and healthcare (Ajzen et al., 1991, 2002). The theory states that attitude toward behavior, subjective norms, and perceived behavioral control, together may predict an individual’s behavioral intentions and actual behaviors. For attitudes towards behavior, an individual’s positive or negative evaluation of self-performance of the particular behavior was fundamental.

The concept is the degree to which the performance of the behavior is positively or negatively valued. It is determined by the total set of accessible behavioral beliefs linking the behavior to various outcomes and other attributes. While subjective norms are used to test an individual perception of a particular behavior, it is influenced by the judgment of significant others (Ajzen, 2002). This dimension purportedly examines how the individual decision is affected by the other’s influence rather than do the decision by them. Perceived behavioral control is an individual’s perceived ease or difficulty in performing a particular behavior. It is assumed that perceived behavioral control is determined by the total set of accessible control beliefs (Ajzen, 1991). The TPB assumes that intention is the most important predictor of behavior. The intention is determined by attitude (the individual’s positive or negative evaluation of the behavior), subjective norm (perceived social pressure to perform or not perform a behavior), and perceived behavioral control (PBC; perceived ease or difficulty of performing a behavior; also thought to be a direct predictor of behavior). Attitude, subjective norm and PBC are informed by underlying behavioral, normative and control beliefs respectively. The discussion results in the following hypotheses:

H1: The attitude of young graduates has a significant relationship with the intention to venture into agricultural sectors.
H2: the young graduate’s subjective norm has a significant relationship to the intention to venture into agricultural sectors
H3: the young graduate’s perceived behavioral control has a significant relationship with the intention to venture into the agricultural sectors

Thus, the effectiveness and the success factors due to having the right intention for the entrepreneurs is the main concern for not only the academic but also the nation in realizing the goals to become a high-income
country and a better standard of living. This study is done to utilize the TPB theory to predict intention for entrepreneurship through the dimension of attitude, subjective norm, and perceived behavioral control (Figure 1).

3. Research Methodology

This study utilized the quantitative method of the survey that focuses on university students from the faculty of Business and Management. Convenience sampling was conducted among participants of different categories of business disciplines within the Faculty of Business and Management in UiTM, Puncak Alam, Selangor. The survey yielded 209 responses and after data screening, 209 usable and completed responses were used in the analysis. The sample size was 200 and was calculated based on recommendations by Bullen & Brack (2014). Data collection was conducted online for a two-month period, which is from 1 November 2022 to 31 December 2022. The participation was voluntary and the respondents have some basic knowledge on urban farming and some even had experience in farming due to some homegrown fruit or vegetable plant in their house compound for the past three months.

The participant was required to complete the survey, which were designed in the form of structured self-administrated close-ended questions that comprises four sections. Section A was related to the demographics of the respondents whereas Section B gathered the experience of the respondent on their agricultural activities. Next, Section C asked the respondent their perception of attitude, social norm, and perceived behavioral control and finally, questionnaires that were related to student intention toward involvement in agricultural activities. In this study, Section D was measured on a five-point Likert scale (1 = strongly disagree to 5 = strongly agree). A list of measurement items were presented in Table 2. The measurement of items was obtained and adapted from Linen & Chen, (2009) and Shah & Soomro, (2017).

The cross-sectional data were collected and analyzed using SPSS (Statistical Package for Social Sciences) together with descriptive analysis. Correlation and multiple regression were used to look for associations between variables and to test any cause and effect between two variables respectively. As such, the mean rating and standard deviation of a particular attribute shall provide insight into individuals’ behavior and intention to engage in entrepreneurship.

4. Results

The summary of the demographic profiles of the respondents was shown in Table 2. The study found that the majority of the respondents were female with 69.4%. Meanwhile, for their age group most of the respondents who fell below 22 old reported 78.5%, and more than 22 years old reported 21.5%. Remarkably, most of the respondents (94.3%) are from the degree program while from diploma courses 5.7%. Most of the respondent’s parents do not come from an agricultural background and only 17.2 % come from parents working in the agricultural sector. Lastly, only 29.7 % know that they were various agencies can be contacted to aid and able to give subsidy them in starting a business in the agricultural sector, while 70.3% do not know (Please refer to Table 1.)

Table 1: Demographic statistics (N=209)

<table>
<thead>
<tr>
<th>Demographic statistic</th>
<th>Male</th>
<th>Female</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Male</td>
<td>Female</td>
<td>30.6</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td></td>
<td>69.4</td>
</tr>
<tr>
<td>Age</td>
<td>More than 22</td>
<td>21.5</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Less than 22</td>
<td>78.5</td>
<td></td>
</tr>
<tr>
<td>Education background</td>
<td>Degree course</td>
<td>94.30</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Diploma course</td>
<td>5.7</td>
<td></td>
</tr>
<tr>
<td>My family background is in the agriculture sector</td>
<td>Yes</td>
<td>17.2</td>
<td></td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>82.8</td>
<td></td>
</tr>
<tr>
<td>Knowledge for agriculture</td>
<td>no</td>
<td>70.3</td>
<td></td>
</tr>
<tr>
<td></td>
<td>yes</td>
<td>29.5</td>
<td></td>
</tr>
</tbody>
</table>
Table 2: The Scope of Variables in this Study

<table>
<thead>
<tr>
<th>No</th>
<th>Variables</th>
<th>Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>intention</td>
<td>6</td>
</tr>
<tr>
<td>2</td>
<td>attitude</td>
<td>5</td>
</tr>
<tr>
<td>3</td>
<td>social norms</td>
<td>3</td>
</tr>
<tr>
<td>4</td>
<td>Perceived behavioral control</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>18</strong></td>
</tr>
</tbody>
</table>

Reliability Assessment

Subsequently, the normality of the data was conducted using SPSS and was further tested for reliability using Cronbach’s alpha. The reliability of the measurement items for all the variables is as indicated in Table 2, and the values of Cronbach Alpha obtained from the test were between 0.581 and 0.944. Therefore, the instrument used in the study was consistent and highly reliable.

Table 3: Reliability test of the measurement items

<table>
<thead>
<tr>
<th>No of items</th>
<th>Cronbach’s Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>intention</td>
<td>0.944</td>
</tr>
<tr>
<td>attitude</td>
<td>0.804</td>
</tr>
<tr>
<td>Perceived behavior control</td>
<td>0.739</td>
</tr>
<tr>
<td>Subjective norm</td>
<td>0.581</td>
</tr>
<tr>
<td>Overall (total)</td>
<td>18</td>
</tr>
</tbody>
</table>

Regression analysis

The result shows that there were significant relationships between the independent variable (attitude, and perceived behavioral control) and the dependent variable: intention to venture into agricultural activities except for the factor of subjective norms. The significant value of the independent variable showed is equal to 0.000 which is less than 0.05 (p>0.05).

Multiple regression in Table 4 below shows that ANOVA F-test, the P-value of every independent variable is 137.602 and its significant value is equal to 0.000, which means that its significant value is less than the alpha value of 0.05. It is clearly can be seen that all the independent variables used in this research were significant and its hypothesis can be tested.

Table 4: Multiple Regression ANOVA

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>111.913</td>
<td>3</td>
<td>37.304</td>
<td>137.602</td>
<td>.000</td>
</tr>
<tr>
<td>Residual</td>
<td>55.576</td>
<td>205</td>
<td>.271</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>167.489</td>
<td>208</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), attitude, subjective norms and perceived behavioral control
b. Dependent variable: intention to venture into agricultural activities.

Multiple regressions in Table 5 show the R squared result value was equal to 0.668 this had shown that 66.8% of the variance in the selected dependent variable which is a factor that influences young graduate intention to venture into agricultural activities purchased intention can be explained by the changes in the selected independent variables which is attitude and perceived behavioral control except for subjective norms. The rest of the percentages are explained by the other factors which are not included in the model.
Table 5: Multiple Regression—Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std Error of the estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.817a</td>
<td>.668</td>
<td>.663</td>
<td>.52068</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), attitude, subjective norms and perceived behavioral control

**Hypothesis Testing**

Based on the multiple regression coefficients Table 6 shows the summary of the hypothesis results. H1 and H3 have a significant relationship based on the p-value less than 0.05 except for H2.

Table 6: Coefficients of the Regression Model

<table>
<thead>
<tr>
<th>Variable</th>
<th>Unstandardized coefficients</th>
<th>Standardized coefficients</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Standard Error</td>
<td>Beta</td>
</tr>
<tr>
<td>(Constant)</td>
<td>-.801</td>
<td>.205</td>
<td>-3.913</td>
</tr>
<tr>
<td>attitude</td>
<td>.688</td>
<td>.061</td>
<td>.541</td>
</tr>
<tr>
<td>Subjective norm</td>
<td>.022</td>
<td>.052</td>
<td>.018</td>
</tr>
<tr>
<td>Perceived behavior control</td>
<td>.449</td>
<td>.057</td>
<td>.382</td>
</tr>
</tbody>
</table>

a. Dependent variable: intention to venture into agricultural activities

**Discussion**

The premise of this study is that insufficient young participation in Malaysia's agriculture sector threatens food security and undermines efforts by the government to promote economic growth and reduce unemployment. The study made the argument that programs to engage young people in the agriculture sector should begin by looking at their intentions to pursue career opportunities in the field using the concept of planned behavior.

The association of attitude, subjective norms, and perceived behavioral control in influencing the intention to venture into agricultural activities among young graduates in Selangor was established. Thus, the objective of the study to understand the relationship between the independent variable and dependent variables has been achieved. This research found that attitude and perceived behavioral control have a positive relationship with agripreneurial intention. In terms of attitude, the finding shows that there exists a positive relationship between attitude and agripreneurial intention. The young graduates perceived that being a modern agricultural entrepreneur implied more advantages and interests among various career choices. If they are given the opportunity and resources, they would like to start a business in the agricultural sector which think gave them great satisfaction. This result is in line with Shidiq (2020), Simbeko et. al (2023) and Sahni, Janjhua & Sharma (2020) finding that attitude and agricultural intention have a favorable association.

Following that, perceived behavior was discovered to have a positive relationship with agribusiness intention among graduates. As a result, these graduates believe they have complete control over the situation because they believe that being an entrepreneur in agriculture is very easy and that the chances of failure are lower than in other types of business. It is found in the previous study that; perceived behavioral control is prominent in influencing the decisions to become agripreneurship. This outcome supports Manigo (2021) and Shidiq (2020) findings that perceived behavioral control and agricultural intention have a positive connection. The results of this study, surprisingly, showed that subjective norms did not have a major impact on the decision of young graduates in Selangor to engage in agricultural pursuits. These recent graduates believe that careers in agriculture and business are unappealing to their close friends and family. To assist these recent graduates in achieving their goal of becoming future prosperous agricultural entrepreneurs, it may be necessary to continue supporting them as they engage in agricultural operations. These recent grads are aware that engaging in agricultural endeavors will increase the amount of food on the market. In order to emphasize the activity that might allow people to enter into agriculture could lead them to realize their intention, various things can be done to promote agricultural activities.
5. Managerial Implications and Recommendations

By educating others about the potential for growing locally sourced, climate-appropriate fruit and vegetables in their backyards, we can help these young graduates in their goals. More information should be shared about agricultural careers, which recent graduates should carefully explore since the earning potential is good. This will help to address the issue of food availability while also protecting the environment. It is suggested that those recent graduates be encouraged regularly to use their imaginations to manage the unused land for agricultural purposes more effectively. Future research may focus on additional elements that could affect a graduate’s decision to engage in agricultural pursuits.

Conclusion
In conclusion, young graduates have a crucial role to play in the development and growth of the agricultural sector in Malaysia. Despite the challenges faced by the industry, including the aging workforce and there are numerous opportunities for young graduates to make a meaningful impact in this sector. By pursuing careers in agriculture, young graduates can contribute to the development of sustainable farming practices, promote food security, and improve the livelihoods of rural communities. With the right knowledge, skills, and attitude, young graduates can make a significant contribution to the agricultural sector in Malaysia and help ensure its future prosperity.

References


