

Factors Influencing UTHM Catering Students to Venture into Business as Side Income

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Abstract

This study was conducted to identify the factors influencing UTHM catering students to venture into business as a side income. Aspects studied include internal factors, external factors, and the dominant factors that influence UTHM catering students in venturing into business. 198 UTHM catering students from Cohort 13 to Cohort 18 were selected, with 132 samples being part of this study. Data were gathered using random sampling and analyzed using the Statistical Package for the Social Sciences (SPSS) version 25. The study found that the internal factor of interest (mean = 3.40) and external factors of finance and skills (both mean = 3.42) are the dominant factors influencing students to engage in business as a side income. The rising number of student entrepreneurs has sparked interest in the driving forces behind this trend. The findings demonstrate that motivation, social networks, financial support, and an entrepreneurial mindset all have a major impact on UTHM catering students' decisions to start a business as a side source of income. The study's conclusions also provide valuable insight into students' entrepreneurial goals and behaviors, highlighting the importance of cultivating an entrepreneurial mindset, providing financial resources, and building a network of people who can assist one another.

1. Introduction

Business is a career field that guarantees a decent amount of return that can give satisfaction to an individual or a group. In addition, business can help increase household income and develop the economic level of a country. This is also supported by Husaini (2017), that this is also to give birth to a productive and balanced generation and even help the government towards the establishment of Malaysia as a visionary and excellent country through the policy of National Transformation 2050 or TN50. The business proved to have a very bright opportunity, especially in the market where sellers and buyers want to reduce their respective costs for efficiency and an efficient and fast acceptance period. The main purpose is to attract users to browse and buy goods or services merchants offer (Farhan et al., 2016). Covid-19 has created a variable in the entire economy and the well-being of the entire population depending on the larger pandemic (Varshney et al., 2017). Nowadays, businesses often get a lot of attention from various parties.

1.1 Problem Statement

The first challenge faced by UTHM catering students is their lack of business knowledge. While they may have a basic understanding of business, they do not fully grasp the fundamental concepts needed to manage a business effectively. Without a proper understanding of these basics, it becomes difficult for them to operate a business systematically and efficiently (Interim, 2021).

Another issue is the lack of guidance in business management. Students often have to take the initiative to find a mentor or advisor who can help them navigate the complexities of running a business. According to Interim (2021), without guidance from experienced individuals in the business field, students may struggle to sustain and grow their businesses over time.

Furthermore, many UTHM catering students face financial challenges when it comes to covering their living expenses. Some students may have limited financial resources, which can drive them to seek business opportunities. The internet offers various ways to generate side or full-time income, providing students with opportunities to alleviate financial burdens (Syukri Ibrahim, 2016).

1.2 Purpose of the study

This study aims to explore the internal and external factors influencing UTHM catering students in pursuing business ventures as a source of side income. By identifying key motivators and challenges, the research seeks to understand how these factors shape students' entrepreneurial decisions and behaviors within the catering industry.

1.3 Objective of the study

1.3.1 Identify the internal factors influencing UTHM catering students to venture into business as a side income.

1.3.2 Identify the external factors influencing UTHM catering students to venture into business as a side income.

1.3.3 Identify the dominant factors influencing UTHM catering students to venture into business as a side income.

2. Literature Review

Entrepreneurial intentions are influenced by internal and external factors, with students' motivations, interests, and attitudes playing a central role. Research by Liñán et al. (2020) suggests that personal interest and intrinsic motivation are significant drivers for students considering entrepreneurship as a side income, especially in vocational fields such as catering. In particular, students who have a genuine passion for their field tend to be more entrepreneurial, seeking to expand their interests into business ventures. Additionally, studies by Hmieleski and Lerner (2019) support the idea that students with higher levels of entrepreneurial self-efficacy and interest in the subject are more likely to initiate business activities. This demonstrates that internal factors such as personal interest and motivation can strongly encourage students to venture into business, even while pursuing their studies.

Starting a business involves a number of challenges. Although the challenges may differ depending on the type of business being formed, the issue of internal and external forces remains a strategic barrier to business formation. According to Yusof et al. (2012), these difficulties are also widespread in Malaysia, where academic entrepreneurship was identified as one of the gaps in completing the entire research and development process all the way to the commercialization stage. Additionally, the study by Farida and Setiwan (2022) examines the significance of innovation and performance as mediating factors in the connection between competitive advantage and corporate strategy. The claim made by Farida and Setiwan (2022) reaffirmed the significance of examining the ways in which both internal and external elements influence the formation of a company endeavor. Additionally, this aligns with the study's objectives.

External factors such as financial access, entrepreneurial skills, and social networks are also essential in students' decision to enter business ventures. In a study by García et al. (2021), access to finance was identified as a major challenge for students with entrepreneurial aspirations, as they often lack sufficient resources to start their own businesses. Moreover, research by Simón-Moya et al. (2020) highlights the

importance of entrepreneurial skills, particularly in management, marketing, and strategic planning, in enabling students to succeed in their business endeavors. Catering students, in particular, benefit from both technical skills related to food preparation and soft skills needed for running a business, yet without adequate financial resources or mentorship, many are unable to launch their ventures. Similarly, studies by Martínez-Román et al. (2020) emphasize that external support, including access to entrepreneurial networks and mentorship, plays a critical role in overcoming these barriers and translating entrepreneurial intentions into actual business ventures.

3. Research Methodology

Research methodology refers to the systematic approach and techniques for planning, collecting, and analyzing data to produce evidence that supports the research. It includes the study design, population and sample, research instrument, validity and reliability of the instrument, and the data analysis methods.

3.4.1 Research Design

This study employs a quantitative research design using a questionnaire as the primary research tool. The questionnaire is divided into three sections: Part A, Part B, and Part C. The completed forms will be returned to the researcher for analysis using the Statistical Package for Social Sciences (SPSS) version 25. The data obtained will then be converted into statistical form for further analysis.

3.4.2 Population and Study Sample

The study focuses on UTHM catering students, specifically those enrolled in the Bachelor of Vocational Education (Catering) program from cohorts 13 to 18, comprising a total of 198 active students. A sample of 132 respondents was selected for the study. The selection of this specific population was made to ensure homogeneity in terms of academic background, as all participants are studying within the same field. Although these students specialize in catering, they often engage in business activities, selling a variety of products, including food, beverages, beauty products, health products, and cosmetics. Therefore, their entrepreneurial ventures are not limited to the food and beverage sector.

3.4.3 Research Instrument

The research instrument used in this study is a questionnaire, which is divided into four sections: Parts A, B, and C. Respondents are required to complete the questionnaire to provide the necessary data. Careful attention was paid to the design of the questions to ensure clarity and understanding, thus minimizing the risk of confusion. The accuracy and honesty of respondents' answers are crucial for ensuring the reliability of the data collected.

4. Results and Discussion

The findings of the study are presented based on the responses obtained from the questionnaire. To analyze the data, descriptive statistics such as frequency, percentage, and mean values were calculated for each section of the instrument. The results are presented clearly through tables and graphs to facilitate easier understanding and interpretation.

4.1 Demographic Information

Table 1 presents the gender distribution of respondents. Male respondents numbered 26, representing 19.7% of the total sample, while female respondents numbered 106, accounting for 80.3%.

Table 1: Gender Distribution of Respondents

Gender	Frequency	Percentage (%)
Male	26	19.7
Female	106	80.3
Total	132	100

Table 2 shows the distribution of respondents by year of study. The majority of respondents are from the third year, with 52 respondents (39.4%). The second year has 18 respondents (13.6%), while the first and fourth years have 18 and 44 respondents, respectively.

Table 2: Distribution of Respondents by Year of Study

Year	Frequency	Percentage (%)
Year 1	18	13.6
Year 2	18	13.6
Year 3	52	39.4
Year 4	44	33.3
Total	132	100

4.2 Descriptive Analysis of Part B

Table 3 presents the mean, standard deviation, and tendency levels for Part B and Part C of the questionnaire, which focus on internal factors such as interest, attitude, and motivation. The mean score for the question on interest as an internal factor is 3.42, indicating a high level of tendency, with a standard deviation of 0.385. The mean score for attitude is 3.36, and for motivation, it is 3.37, both indicating moderate levels of tendency.

Table 3: Analysis of Internal Factors for Catering Students Venturing into the Business Field

Item	Mean	Standard Deviation	Interpretation
Interest as an internal factor for catering students	3.40	0.385	High
Attitude as an internal factor for catering students	3.36	0.409	Moderate
Motivation as an internal factor for catering students	3.37	0.387	Moderate

Table 4 presents the analysis of external factors. The mean scores for finance (3.42), skills (3.42), and marketing strategy (3.40) are all high, with corresponding standard deviations of 0.415, 0.331, and 0.367. These external factors are found to have a high level of tendency among the respondents.

Table 4: Analysis of External Factors for Catering Students Venturing into the Business Field

Item	Mean	Standard Deviation	Interpretation
Finance as an external factor for catering students	3.42	0.415	High
Skills as an external factor for catering students	3.42	0.331	High
Marketing strategy as an external factor for catering students	3.40	0.367	High

5. Discussion

The findings from the questionnaires indicate that interest, finance, and skills are the most significant factors influencing UTHM catering students in venturing into business. Interest is a strong motivator, as it drives enthusiasm and persistence in pursuing entrepreneurial ventures. Finance is crucial, as it serves as the primary resource needed to fulfill personal and business-related needs. Skills are equally important, as they empower students to refine existing capabilities and acquire new ones, enhancing their ability to succeed in business and attract potential partners or investors.

The results show that external factors, marketing strategies, talents, and financial accessibility are highly influential, with mean scores ranging from 3.40 to 3.42. The high mean scores indicate a significant relation among respondents prioritizing these external factors while making business decisions, which suggests that respondents see these aspects as crucial to supporting their entrepreneurial pursuits.

The demographic information showed that the respondents' genders differed significantly. Based on the statistics, the sample was primarily composed of female respondents (80.3%; $n = 106$), with male respondents making up 19.7% ($n = 26$). This lopsided distribution shows that female students dominate the catering business. The data show that female students are likely to engage in catering-related businesses. The distribution of respondents by year of study reveals that students in their third year accounted for a large

percentage of respondents (39.4%, n=52). This indicates that third-year students are likely to launch private businesses due to their increased exposure to industry processes where they build networks.

The results of this study offer important information on what drives UTHM catering students to start their profitable private enterprises. Finance is essential since money is the main resource required to meet both personal and business-related demands. Skills are equally vital since they enable students to develop new skills and hone their expertise. current ones, which improves their chances of success in the business world and draws in possible investors or partners.

The results also show that students' entrepreneurial decisions are greatly influenced by both external (like money and abilities) and internal (like interest) variables. Adopting a self-employment motive is one of the greatest methods to assist students become independent after graduation, according to Ahmed et al. (2012), supporting Zarhari et al.'s (2020) assertion that self-employment strengthens a nation's economy and improves societal well-being. Numerous internal and external factors that influence the formation of entrepreneurial companies were found by these scholars. By putting some of the recommendations made in this study into practice, these internal and external problems can be addressed.

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These recommendations aligned with the research findings of Agustini et al. (2023), which stated that when starting a business, good financial, operational, and management practices should be developed. External factors can be addressed by considering competitors, market demands, and economic conditions. This is consistent with the assertion of Abubakar, (2017) that when businesses adapt to changes resulting from both internal and external factors, entrepreneurs may create, oversee, and achieve quantifiable success.

The results further show that interest is a powerful motivator since it fosters zeal and perseverance in pursuing business endeavors. Thus, one of the most important factors affecting students' decisions to start a business was motivation. The desire for autonomy, self-fulfillment, and financial freedom were the main drivers. This result is in line with earlier studies that have emphasized the significance of intrinsic motivation in promoting entrepreneurial activity. Students' entrepreneurial decisions were also found to be significantly influenced by social networks, financial support, and an entrepreneurial attitude. To assist their entrepreneurial aspirations, students underlined the need to take chances, use creative thinking, obtain finance, and create networks of support.

It is important to note that the results of the study have implications for the development of training and education programs that effectively promote entrepreneurship. According to the study's findings, education stakeholders may enable students to launch profitable firms by encouraging them to develop an entrepreneurial attitude while they are in training, offering them tools and financial support, and creating suitable business networks. The results of the study also showed that encouraging entrepreneurship and innovation among UTHM students could help them reach the previously indicated status. Students can be inspired to become prosperous entrepreneurs who can help propel economic growth and development when the stakeholders offer strong support networks, initiatives, and events.

However, as is common in research, this study had limitations, such as its concentration on UTHM catering students. To extend these findings to other contexts, future research analyzing the traits that motivate students from different disciplines and institutions to launch their enterprises will be essential.

6. Conclusion

In conclusion, this study identifies key factors that influence UTHM catering students in pursuing business as a side income. The research found that internal factors such as interest, and external factors such as finance and skills, play a dominant role in encouraging students to enter the business field. The study successfully addresses all the research questions and achieves the objectives set out at the beginning of the research.

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Conflict of Interest

Authors declare that there is no conflict of interests regarding the publication of the paper.

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