

## **Entrepreneurship training under Perlis Youth and Sport Department (PYSD): A curious case of an effectively ineffective program?**

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### **1.0 Introduction**

Three months ago, Mr Azizi Mustafa, the Head of Youth Development Division in Perlis Youth and Sport Department (PYSD) was called upon by Mr Karim, his director for an emergency meeting. Judging by his body language, Azizi knew that Mr Karim was unhappy. Something wasn't quite right, assumed Azizi. Mr Karim then showed him a letter from the Ministry of Youth and Sport in which PYSD was required to submit a special report regarding department's failure to produce many young entrepreneurs in Perlis. As the person in charge of the youth development program, he knew that the ministry was actually referring to their flagship program known as the Entrepreneurship Training Program (ETP). On his desk, there were several claim forms submitted by the facilitators from the previous program. The amount was almost RM 10,000. It is almost similar to the limit of each loan provided by the department to successful applicant. He looked on the wall of his office. Several pictures of successful entrepreneurs coming through their program were hanging there. One of them received Entrepreneur of The Year from Malaysia Prime Minister three years ago. Another one on his right just signing a contract worth RM 2 million to supply IT system for a multinational corporation. However, he knew that the numbers was still not enough. Although numerous efforts have been undertaken via various training programs to promote and educate young Malaysian in Perlis to involve in entrepreneurship, the actual numbers who eventually becoming an entrepreneur was far from encouraging. Both Mr Azizi and Mr Karim knew the importance of entrepreneurs in driving the nation's economic growth as well as combating unemployment issues. In fact, numerous efforts have been taken by PYSD via the ETP programs to nurture entrepreneurship at all levels involving all kind of activities

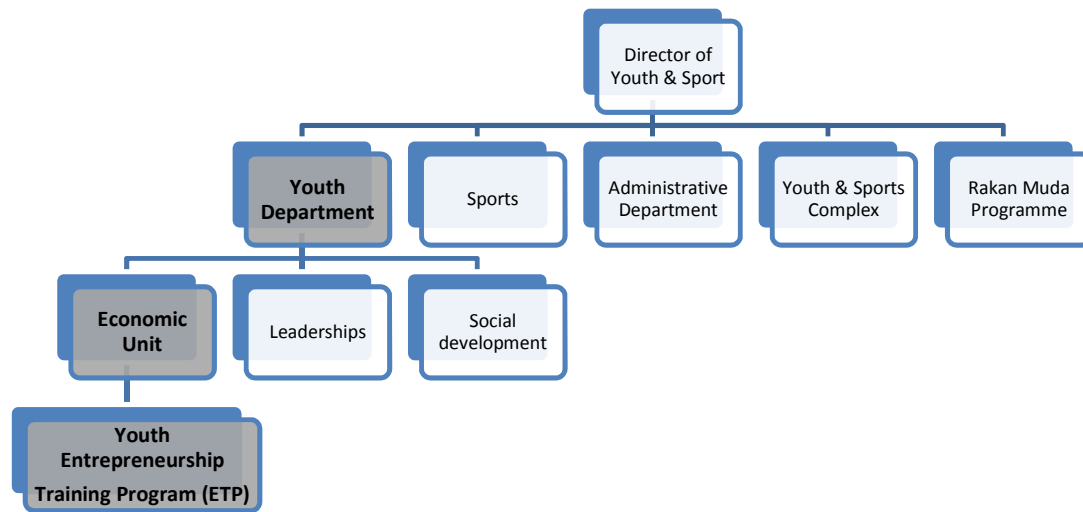
such as seminars, training, short courses and conferences. Despite all these, the effectiveness of PYSD entrepreneurship training programs remains debatable. Azizi remember two of his favourite quotes by Peter Drucker:

*“Entrepreneurship is neither a science nor an art. It is a practice” and “What gets measured gets improved”*

Azizi realized that he need to act fast. He formed a special team and set a three months timeline to carry out the investigation.

## **2.0 Perlis Youth and Sports Department (PYSD)**

Perlis Youth and Sports Department (PYSD) comprises of the administration division, youth development division, youth sport division, youth development sharing partner division (*Rakan Muda*), and complex development division. The primary function of PYSD is to provide training and skills development opportunities to as many youth as possible in various technical and vocational courses via institutions and non-institutional learning methodology. It is also the objective of the department to develop young and competitive entrepreneurs. The department also needs to realize the Ministry of Youth and Sport vision to be the best institute in providing skill training for the youth to achieve the country’s developmental needs. One of the important divisions under PYSD is the Youth Development Division. It is responsible to plan and organize skills development programs to ensure that the implementation of the programs is in accordance with the National Occupational Skills Standard (NOSS) and the industry standards. Generally the skill training concept uses the integrated approach where the implementation instills a number of training skills such as Theoretical and Practical Skills Training, Entrepreneurial Skills Training, Drills and Disciplinary Training, Leadership and Constitutional Studies, Religious and Spiritual Studies, Sports, Recreations and Fitness. Another important unit within the division is the economic unit for which is responsible to develop and facilitate up-and-coming young entrepreneurs in the state. The assistance is not limited to entrepreneurial-based training, but includes monetary funding and consultations too. The flagship training program is known as the entrepreneurship training program (ETP). Figure 1 illustrates the general organizational structure of PYSD and for which we can zoom in on the economic unit that is responsible for the entrepreneurship training program.



*Figure 1: Organizational Structure of Perlis's Youth & Sport Department (PYSD)*

### **3.0 The investigation**

For the past three months, Azizi and his team has carried out the investigations. They developed a set of questions (questionnaire) and interviewed selected ETP participants from three different training programs. Around 39 youths has participated in the interviews. Azizi highlighted that the interviews were based on a questionnaire that they have developed earlier, and each participants were asked for their responses using a pre-determined Likert-scale. Among important criteria that have been measured are satisfaction towards contents and objectives of the training programs, entrepreneurship readiness among the participants, level of knowledge, and opportunity to venture into businesses. Today, Azizi is requested to present the findings during PYSD management meeting. His boss, Mr Karim, has reminded him of how critical his investigation is to the future of PYSD entrepreneurship training programs. Azizi know that the Ministry is unhappy with the current outcomes of the ETP. His department is not only providing various entrepreneurship training program via ETP, they also provide special entrepreneurship start-up grant worth not more than RM10,000 to each successful participants. With these incentives, the ministry as well as PYSD expected more entrepreneurs can be produced upon completion of the ETP program. Unfortunately, that was not the case. Hence, the issues raised by Azizi's investigation team are the extent of which participants satisfied with the training programs (ETP) and how many would eventually venturing into business upon completion of the training program. The satisfaction issues refer

to the contents of the training module, fundamental entrepreneurship knowledge, and entrepreneurial readiness.

#### **4.0 The presentation**

In his presentation, Mr Azizi stated that generally participants of their training programs are satisfied with the effectiveness of the ETP's course contents and objectives. He pointed out that participants are satisfied with the entrepreneurship opportunity, and that they are also satisfied with the level of entrepreneurship knowledge that was given during the ETP trainings. In terms of readiness to venture into real business, Azizi said that his investigation show that participants are in good spirit and ready to move on into another level. When asked by Mr Karim, Mr Azizi then breaks his presentation based on the following dimensions. He said based on the mean value of 4.03 and a standard deviation of 0.59, Azizi and his team concludes that all participants are satisfied and perceived that the ETP course objective is effective. For the effectiveness of ETP course content, he said the team found that all participants agreed that ETP course content is effective. The mean is recorded at 4.09 with a standard deviation of 0.64. Azizi also reveal that entrepreneurship readiness has recorded a mean value of 4.12 with a standard deviation of 0.52. *"In fact, from all the mean values of ETP effectiveness assessment, it is the highest"*, said Azizi while emphasizing his point that PYSB should focus more on the entrepreneurship readiness through various support mechanism. In terms of entrepreneurship opportunity, Azizi explain that it is not as high as the entrepreneurship readiness. The mean value recorded is 4.03 with a standard deviation of 0.44. All participants agreed that entrepreneurship opportunity is effective. *"Through the ETP, we found that the effectiveness of entrepreneurship knowledge is also as high as other ETP measured dimensions with the mean value of 4.04 and a standard deviation of 0.622"*, explained Azizi.

The findings clearly puzzled everyone in the meeting room. While it seems that satisfaction of the ETP program and readiness to start a business is high, the actual number of participants who venture into real business six months upon completing the ETP program remain low and discouraging. What more intriguing, according to Azizi, is that entrepreneurship readiness recorded the highest score among the participants for which should be translated into higher number of real ventures. Instead, there seems to be a missing link between perceived readiness to start a business and actual action that were taken to start a business. If the trend continues, Azizi highlighted that PYSB and the government may not be able to produce more

young entrepreneurs even after investing millions on training programs and providing special start-up grants. He concludes the presentation by reiterating the important role of PYSD and relates it to a quote by Robert D. Hisrich in his book entitled “Entrepreneurship”:

*“Entrepreneurship may operate within an entrepreneurship ecosystem which includes government programs and services that support entrepreneurs, entrepreneurship resources (such as business incubators and seed accelerators), entrepreneurship education and training and financing (loans, venture capital financing, and grants)”*

### **5.0 What’s next for Mr Karim and PYSD?**

Upon listening to the presentation by Mr Azizi, Mr Karim chairs a special meeting to discuss the findings of the investigation and to identify future course of actions. It is acknowledged that albeit high satisfaction levels among participants of the ETP programs on all dimensions that were measured, actual endeavour into real business remain low. Although surprising, Mr Karim realize that the findings coincide with what happen at the national level for which entrepreneurial involvement among young Malaysians remains at dissatisfactory level. “That is why the government via various agencies has relentlessly trying to encourage young Malaysian to engage in entrepreneurial activities through numerous incentives and programs”, said Mr Karim in the meeting while acknowledging that abundant training initiatives has been developed and implemented for various target groups including young Malaysian in Perlis under PYSD governed programs. Hitherto, the effectiveness of entrepreneurship training program remains debatable. Mr Karim Mr Azizi and PYSD are now pondering further investigation on some pressing issues. Among them were (1) studies on potential performance measurement metrics for each ETP programs, (2) investigating barriers and limitations that prohibited many from venturing into the business, and (3) identifying potential new incentives and trainings to bridge the gap between entrepreneurial readiness and actual business ventures. They realize that these future investigations are essential for the future of the ETP program in Perlis, and young entrepreneurs’ aspirations in Malaysia. “Azizi, we are not effectively ineffective, aren’t we?”, questioned Mr Karim. “Well, either way next week we both have to go to the Ministry of Youth and Sport to present the report”, said Mr Karim before adjourning the meeting.