

**THE IMPACT OF PAYOFF, SOCIETAL CONTRIBUTION, AND  
CONVICTION TO ENTREPRENEURIAL INTENTION AMONG CHINESE  
STUDENTS IN UNIVERSITI UTARA MALAYSIA**

**By**

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## **ABSTRACT**

The purpose of this study is to analyze the influence of payoff, societal contribution, and conviction on entrepreneurial intention among Chinese university students based on the Theory of Planned Behavior. The current efforts by the government of China to increase interest in entrepreneurship among Chinese students in response to the growing challenges of poverty and unemployment have motivated the conduct of this study. The population of the study covers the Chinese students in Universiti Utara Malaysia. Using correlation analysis, this study has found that all variables (i.e. payoff, societal contribution, and conviction) are positively correlated to entrepreneurial intention. A more robust test by means of multiple regression, on the other hand, shows that among other variables, payoff positively and significantly influences entrepreneurial intention. This shows that payoff is the most attractive element for Chinese university students to engage in entrepreneurship. Thus, focus on payoff is crucial in order to promote greater interest for entrepreneurship among Chinese students.

**Keywords:** entrepreneurial intention, chinese students, payoff, societal contribution, conviction

## ABSTRAK

Tujuan kajian ini adalah untuk menganalisa pengaruh ganjaran, sumbangan masyarakat, dan keyakinan terhadap kecenderungan keusahawanan dalam kalangan pelajar China di universiti berdasarkan Teori Tingkah Laku Terancang. Usaha-usaha terbaru oleh kerajaan China untuk meningkatkan minat dalam bidang keusahawanan dalam kalangan pelajar China sebagai tindak balas kepada cabaran-cabaran yang semakin bertambah contohnya kemiskinan dan pengangguran mendorong kajian ini untuk dijalankan. Populasi kajian ini merangkumi pelajar dari China di Universiti Utara Malaysia. Melalui analisis korelasi, kajian ini mendapati bahawa semua pemboleh ubah (iaitu ganjaran, sumbangan masyarakat dan keyakinan) mempunyai hubungan yang positif dengan kecenderungan keusahawanan. Ujian yang lebih mantap melalui analisis pelbagai regresi menunjukkan bahawa ganjaran memberi kesan yang positif dan signifikan terhadap kecenderungan keusahawanan. Ini menunjukkan bahawa ganjaran adalah elemen paling menarik bagi pelajar China untuk melibatkan diri dalam bidang keusahawanan. Oleh itu, tumpuan kepada ganjaran adalah penting untuk menggalakkan minat yang lebih mendalam terhadap keusahawanan dalam kalangan pelajar China.

**Kata Kunci:** kecenderungan keusahawanan, pelajar china, ganjaran, sumbangan masyarakat, keyakinan

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## **LIST OF ABBREVIATIONS**

CIAC	Centre for International Affairs & Cooperation
DBA	Doctor of Business Administration
GDP	Gross Domestic Product
PhD	Doctors of Philosophy
SPSS	Statistical Package for the Social Science
UUM	Universiti Utara Malaysia
VIF	Variance Inflation Factor

# **CHAPTER 1**

## **INTRODUCTION**

### **1.1 Background of the Study**

China has initiated market reforms since 1978 which have helped the country shift from an economy that is centrally planned to an economy that is market based (World Bank, 2014). These market reforms have also lead to rapid economic and social development. China's average GDP growth of around 10 percent a year has improved the lives of more than 500 million people who used to live in poverty (World Bank, 2014). With an estimated population of 1.3 billion, China has recently risen to become the second largest economy in the world and it is increasing playing a significant and influential role in the global market (World Bank, 2014)..

However as compared to advanced countries, China is still considered a developing country having a per capita income which is very small and market reforms which are yet to be fully realized and completed. According to an official data, at the end of 2012 there are still an estimated 98.99 million people who are living below the national poverty line of RMB 2,300 per year (World Bank, 2014). This means that China ranks second after India of having the largest number of poor in the world and as such poverty reduction remains a fundamental challenge in China.

In 2014 China's GDP growth stands at 7.4 percent, which is considered desirable for most countries. However, for the government of China, much is yet to be done. Job

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