**Empowering Human Capital Through Comprehensive Entrepreneurship Training Project – The case of Rural Entrepreneurs in Freshwater Industry in Kelantan**

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**ABSTRACT**

**Background** One of the six National Key Result Areas (NKRAs) of Malaysia is to eradicate poverty by enhancing and sustaining the productivity of low income households. While the Government of Malaysia has made significant progress in reducing the number of low income households, yet 4% of the citizens is identified as extreme poor. The Rural Entrepreneurship Model (REMODE) for freshwater industry which is spearheaded and championed by Universiti Malaysia Kelantan (UMK) is a viable and sustainable solution. The uniqueness of the program is it utilizes the existing ecosystems to develop and nurture entrepreneurs. **Objective:** The four interrelated objectives of the project are: (i) to identify training need analysis of selected respondents of rural community pertaining to entrepreneurship as well as technical knowledge of freshwater industry, (ii) to establish entrepreneurship development program for red tilapia industry for each category of business value chain ;(iii) to understand and identify the ecosystem necessary to facilitate the aquaculture business; (iv) to establish entrepreneurship incubators in aquaculture industry. **Conclusion:** Government supports more to rural entrepreneur in training and development of entrepreneurship is a good initiative for their needs. The rural entrepreneurs may changing the mind-set, personality, attitude, motivational talks and technical skills.

**INTRODUCTION**

“While Malaysia has made remarkable progress in fighting poverty these last 40 years, however, fewer than 4% of the citizens are still classified as living in poverty. In managing the divide between Malaysia’s economically well-off and the disadvantaged, the raising of living standards of low-income households (LIH) was designated as a NKRA” [2]. During the year 2010, a total of 44,643 extremely poor households and 15,868 poor households were lifted from poverty through programs such as 1AZAM, provision of low cost homes and other initiatives by the Government. “In its Human Development Report 2010 [HDR 2010], the United Nations Development Program (UNDP) highlighted that from 1970 to 2010, per capita income in developed or rich countries increased 2.3% a year on average compared to just 1.5% growth for developing countries. However, there were exceptions, with several developing countries – including Botswana, China, Malaysia and Thailand – identified as having grown faster than any developed country. In fact these countries were cited as having undergone truly spectacular economic growth: between 1970 and 2010, China’s per capita income escalated twenty one-fold, Botswana’s ascended more than nine-fold and both Malaysia’s and Thailand’s climbed more than five-fold” [2]. In spite of significant developments, the job of eradicating poverty is incomplete and it requires concerted efforts from various agencies (public, private, NGOs and educational institutions) to completely eradicate poverty.

Through the conversation between the researchers and the communities in the district of Bachok, the fundamental issues pertaining to the present entrepreneurs among which include lack of commitment to the business, lack of knowledge in managing the business, insufficient labourers, low motivation, majority perceived fish farming business is less lucrative, and lack of information on the availability of subsidy and supports from the local agencies.
The fundamental questions addressed through this research programme are: [1] How to establish and execute a comprehensive entrepreneurship training programme (CETP) to train the poor households and/or potential entrepreneurs?; [2] What kind of education and training programs (capacity building) needs to be provided to the community and existing entrepreneurs?; [3] How can the existing ecosystem or environs be used to develop and enhance the community involvement in entrepreneurship aquaculture activities?; [4] How to further elevate the socio-economic level of the bottom 40% households in Kelantan through entrepreneurship education; [5] What kind of intervention mechanisms need to be in place?; [6] Is it possible to develop a generic REMODE programme that can be used by researchers and practitioners to train entrepreneurs in other industry sectors?

**Objectives Of The Programme:**

Project 2 will focus on social-impact assessment among the poor households and present entrepreneurs that include value system, culture and attributes, economic wealth and income activities that presently support the livelihood of the communities. While the specific objectives of Project 2 are as follows:-

1. To identify the present social and economic values of the locals in particular the bottom 40% households.
2. To establish entrepreneurship training program for entrepreneurs in aquaculture industry.
3. To understand and identify the ecosystem necessary to facilitate the aquaculture business.

**The Proposed Hypotheses:**

1. The entrepreneurship training programme will enhance the entrepreneurship mindset, attitudes and personality of the communities.
2. The entrepreneurship training programme will boost the entrepreneurship attributes of the communities.
3. The business and operations training programme will enhance the sustainability of the business among the entrepreneurs.
4. The training skills in aquaculture farming will increase the yield of the products (fish).

**Methodology (description of programme approach):**

This research methodology will adopt both quantitative and qualitative approaches. For quantitative approach the questionnaire survey will be adopted. For qualitative approach the following methods such as content analysis, interviews, and focus group interview and expert review will be applied. Total of 200 targeted respondents will be involved in this study. Selection criteria for respondents which are categorized as hardcore poor are those earning less than RM2,300 per month located in Gua Musang, Tumpat, Jeli and Bachok, Kelantan. Other criteria will include

1. rate of business growth
2. business reach (local, national and international),
3. rate of increase/decrease of customers.

**Synopsis:**

This project shall focus on two tiers. One is to conduct the social-impact assessment and the second tier is to develop entrepreneurship training programme. The programme shall cover from developing entrepreneurship values and attributes, technical knowledge in red tilapia cultivation, managing cash flow, human resource management, and work schedule. The study will be conducted through socio-economic survey and focus group interview.

**The stages of the research are as follows:**

**Phase 1:**

Social Impact Assessment will be conducted among the respondents in aquaculture industry. The purpose is to establish demography profile, income generating activities, to identify the ecosystem necessary to facilitate the aquaculture business.

**Phase 2:**

To conduct Training Need Analysis (TNA). The purpose is to identify the level of knowledge in entrepreneurship, business management and other aspects related to aquaculture business among the respondents.

**Phase 3:**

To develop the appropriate training programme and modules resulting from the TNA. A pre-training and post training evaluation form will be established. Expert review will be conducted to enhance the training contents. Three broad training programme will be developed:

1. Entrepreneurship Development programme
2. Business and Operations Training Programme
3. Technical Knowledge and Skills Programme for Aquaculture Industry

**Phase 4:**
To implement the entrepreneurship training programme among the 200 respondents. The first training programme will be conducted within 6 months. After the 6 months, once the potential entrepreneurs back at their site, continuous coaching and mentoring will be provided by the researchers from each project team. The evaluation or post-test will be conducted on a periodical basis of 6 months by the researchers in Project 2. The purpose is to detect the respondents’ progress in terms of mindset, entrepreneurship attributes and skills in managing the business.

Institutions involved: UMK
Duration: To be completed within 60 months.
Estimated budget: RM400,000
Location: Gua Musang, Jeli, Tumpat, Pengkalan Chepa
Targeted Respondents: 46 entrepreneurs

**Outputs**
- Human capital : 1 PhD
- IF Journal : 2
- Other Publication : 10

**IP : Entrepreneurship Training Module**
- SOP – Red Tilapia Farming

**Conclusion:**
The Comprehensive Training Project benefited the rural entrepreneur in terms of training and development in entrepreneurship (Changing the mindset, personality, attitude, motivational talks); Training and Development in business operation and management (Business planning, cash flow management, Human resources, Marketing, Logistics and supply chain); Training and Development in technical knowledge and skills (Fish breeding, Hatchery and pond management, Fish-based products, Fish nutrition, aquaculture and Logistics in Branding, labeling and packaging); Coaching and mentoring; and Counselling. Government supports more to rural entrepreneur in training and development of entrepreneurship is a good initiative for their needs. The rural entrepreneurs may changing the mindset, personality, attitude, motivational talks and technical skills.

**REFERENCES**