

UNLOCKING ENTREPRENEURIAL POTENTIAL: KEY FACTORS DRIVING ASNAF STUDENTS INTO BUSINESS

Nurul Labanihuda Abdull Rahman^{1*}
Hairulniza Binti Abd Rahman²
Nurul Farihin Mhd Nasir³
Nabilah Akemal binti Muhd Zailani⁴
Nadhilah Abdul Pisal⁵

¹ Faculty of Business and Management, Universiti Teknologi MARA, Perlis Branch, Arau Campus, 02600 Arau, Perlis, Malaysia

(E-mail: labanihuda@uitm.edu.my)

² Faculty of Business and Management, Universiti Teknologi MARA, Perlis Branch, Arau Campus, 02600 Arau, Perlis, Malaysia

(E-mail: hairulniza@uitm.edu.my)

³ Faculty of Business and Management, Universiti Teknologi MARA, Perlis Branch, Arau Campus, 02600 Arau, Perlis, Malaysia

(E-mail: nurulfarihin@uitm.edu.my)

⁴ Faculty of Applied Sciences, Universiti Teknologi MARA, Perlis Branch, Arau Campus, 02600 Arau, Perlis, Malaysia

(Email: nabilahakemal@uitm.edu.my)

⁵ Academy of Language Studies, Universiti Teknologi MARA, Perlis Branch, Arau Campus, 02600 Arau, Perlis, Malaysia

(Email: nadhilah@uitm.edu.my)

Article history

Received date : 1-3-2026

Revised date : 2-3-2026

Accepted date : 5-4-2026

Published date : 10-4-2026

To cite this document:

Abdull Rahman, N. L., Abd Rahman, H., Mhd Nasir, N. F., Muhd Zailani, N. A. B., & Abdul Pisal, N. (2026). Unlocking entrepreneurial potential: Key factors driving asnaf students into business. *International Journal of Accounting, Finance and Business (IJAFB)*, 11 (64), 130 – 137.

Abstract: *Entrepreneurship highlights the ability to start and manage businesses, which supports the overall economic development of a nation. It is a career path increasingly favoured by young people, particularly in developed countries. Nevertheless, previous studies have primarily focused on factors influencing the attitudes of Asnaf students in higher education toward entrepreneurship. This study aims to identify the factors that affect Asnaf students' inclination to engage in entrepreneurial activities. Using a qualitative case study approach, the findings reveal that both internal and external factors such as personal trait, religious values, family support, financial access, environmental influences, and technological competence significantly shape students' entrepreneurial tendencies. These factors enhance their motivation, creativity, management skills, and willingness to take risks. The findings suggest that mentorship programs, entrepreneurial education, and technology training will help Asnaf students develop their potential to become successful entrepreneurs and actively contribute to future economic development.*

Keywords: *Asnaf students, Entrepreneurial inclination, Entrepreneurship development*

Introduction

In Malaysia, the growing number of university graduates has intensified competition in the job market, making it increasingly difficult for many to secure suitable employment after graduation. To address this challenge, the Malaysian government has actively promoted entrepreneurship among students through various initiatives, including the Entrepreneurship Action Plan for Higher Education Institutions (EAP-HEIs) 2021–2025. The Malaysian government encourages university students to explore entrepreneurship by integrating it into academic programs (Nor et al., 2025). By integrating entrepreneurship into the curriculum, students are equipped with entrepreneurial skills and mindset which enhance their motivation and foster the key traits needed for business success. Acquiring this knowledge enables students to improve their financial security and contribute to poverty reduction efforts (Udeze, 2025).

This study focuses on entrepreneurship to empower Asnaf students, improve their livelihoods, and reduce poverty. With limited job opportunities for graduates, entrepreneurship provides an alternative career path that helps students achieve financial stability and a better quality of life. Developing these skills equips them to become self-reliant and prepared them for the challenges of the modern economy. Moreover, promoting entrepreneurship among students aligns with Malaysia's TN50 vision, which aims to position the country among the top 20 nations in economic growth, innovation, and citizen well-being. By fostering entrepreneurial skills, universities can create new employment opportunities, encourage innovation, and contribute to national development while helping students realize their potential.

Despite growing research on asnaf entrepreneurship, most studies focus on established entrepreneurs rather than asnaf students at the pre-entrepreneurial stage. Existing work is largely quantitative and emphasises external factors like financial support, while neglecting psychological drivers and the Islamic socio-economic context. Additionally, the role of institutional support and the transition from intention to actual business involvement remain underexplored, highlighting a key gap in understanding what drives asnaf students into business.

Literature Review

Entrepreneurship is the process of identifying, creating, and managing business opportunities with the goal of generating economic value. It plays a key role in driving economic growth, and contributing to social and financial stability in a nation. Entrepreneurship is crucial for economic development, generating employment, and reducing graduate unemployment (Mohamad et al., 2025). Despite thousands of graduates entering the workforce each year, many struggle to find suitable jobs, and this shows that academic qualifications alone are insufficient. Teaching entrepreneurial skills and encouraging students to start their own ventures can help them develop the mindset, creativity, and abilities needed to think and act like entrepreneurs. Therefore, entrepreneurship has become a popular career choice in Malaysia, especially among the young people, as it offers a wide market and requires relatively low capital.

Additionally, entrepreneurs play a significant role in driving the economic and social development of a country (Zaini et al., 2021). Asnaf students need encouragement to improve their livelihoods, and entrepreneurship offers a promising pathway for a more secure future (Hanafi et al., 2025). Furthermore, by providing support such as start-up funds, working capital, and skills training, it can help nurture a generation of competitive Asnaf youth entrepreneurs on a global scale (Abai et al., 2020). To date, there is a lack of studies monitoring the entrepreneurial skills of students in managing businesses and generating consistent income.

This study aims to cover the development of Asnaf students at UiTM Perlis Branch in terms of spirituality, knowledge, technical skills, and economic management. Therefore, it is crucial to examine the effectiveness of entrepreneurship programs, both theoretically and practically, among Asnaf students in public higher education institutions.

Methodology

This study employed purposive sampling to select Asnaf students at UiTM Perlis Branch, using a qualitative approach with an exploratory case study design. Semi-structured interviews were conducted with 12 students from five faculties: Faculty of Business and Management, Faculty of Sports Science and Recreation, Faculty of Applied Sciences, Faculty of Computer and Mathematical Sciences and Faculty of Plantation and Agrotechnology. Each faculty was represented by active Asnaf students who have registered with the Zakat, Sadaqah & Waqf Unit of UiTM Perlis Branch. The selection of students from diverse faculties allowed the study to capture a comprehensive understanding of the financial challenges faced by Asnaf students and their efforts to improve their family's economic condition. The interview data were transcribed and analyzed by coding the factors that influence the entrepreneurial inclination of Asnaf students into relevant categories, including themes and sub-themes. Thematic analysis was conducted using Atlas.ti9 software to identify patterns and insights from the data and it provides a structured understanding of the elements that shape students' interest and engagement in entrepreneurship. The sample size for this study was determined to be 12 participants, in line with the principle of data saturation in qualitative research. Empirical studies reported that 12 interviews were sufficient to identify all major themes (Ando et al., 2014, Braun & Clarke, 2021). Therefore, the selected sample size is deemed sufficient to generate rich, meaningful, and conceptually significant findings, consistent with established qualitative research standards.

Findings

An overview of the products sold by the participants is shown in Table 1. The Asnaf students offered a variety of products, including:

Table 1: Participant Products and Services

Products and Services	Explanations
Food and Beverages	A variety of homemade cakes, cookies, traditional cookies, beverages, and light snacks
Printing Services	Educational books, decorative items, and personalized gifts
Dropshipping Products	Clothing items such as T-shirts, hijabs, and other fashion apparel
Clothing and Accessories	Fashion items including scarves, hats, tote bags, socks, and other accessories.

Contributing Factors Influencing Asnaf Students to Engage in Business

The study identified six key factors influencing Asnaf students to engage in business, which can be divided into internal and external factors. Internal factors refer to influences that are originated from within the individual, including personal factors, religious factors, and family factors. These elements shape students' values, motivation, self-confidence, and sense of responsibility, encouraging them to consider entrepreneurship as a viable career path. On the other hand, external factors arise from the surrounding environment, such as financial, environmental factors and technological factors. These external elements provide support,

opportunities, and practical platforms for students to start and sustain a business. Together, both internal and external factors play a significant role in shaping students' interest in entrepreneurship, as they strengthen internal motivation while simultaneously creating accessible pathways for business involvement. This section highlights the factors identified by participants and corroborated by the literature as ways to address these issues.

Personal Trait

According to participant 7, she is doing business because she wants to try new things and earn her own income. This highlights the individual factors play a significant role in shaping students' involvement in entrepreneurship. Many students venture into business to prove that they can succeed independently while gaining valuable business experience that enhances their practical skills beyond the classroom (Mani & Manoharan, 2025). Some choose to become drop shippers as it requires low capital and offers flexible management, thus, it is suitable for balancing academic responsibilities. Despite facing challenges such as minimal or no profit at the early stages, maintaining a positive mindset is crucial for sustaining motivation and resilience. Personal experience in conducting business further strengthens students' confidence, decision-making abilities, and problem-solving skills (Kyambade et al., 2025). Additionally, entrepreneurship enables students to take responsibility for their personal needs, reduce financial dependence on others, and develop a stronger sense of accountability and self-reliance.

Religious Value

All participants indicated that entrepreneurship is encouraged in Islam because it enables individuals to earn income. In Islam, engaging in business is promoted as it encourages independence, ethical values, and the pursuit of halal income (Saputra, 2026). From an individual's perspective, this encouragement can strongly influence students to engage in entrepreneurship to develop independence and responsibility. By venturing into business, students not only seek financial support for their personal needs but also strive to build discipline, honesty, and perseverance values that are emphasized in Islamic teachings. Entrepreneurship allows them to gain practical experience, strengthen their confidence, and cultivate a positive mindset even when they are facing challenges or limited profits (Barlas et al, 2025). Therefore, religious values, combined with personal motivation and the desire for self-improvement, serve as important individual factors that drive students toward the field of entrepreneurship.

Family Support

Participant 4 mentioned that her mother encourages her, but she also advised her not to overdo it. She mentioned that this guidance helps her stay focused while balancing her studies and entrepreneurial activities. This reflects that individual factor influences students' involvement in entrepreneurship is often shaped by their family background and early life experiences. Early exposure to business activities from a young age can nurture interest, confidence, and practical understanding of how a business operates (Badawi, 2024). Students who have a wide network of contacts may find it easier to access resources, customers, and business opportunities. In some cases, family members provide initial capital, which reduces financial barriers and encourages students to start their own ventures (Li et al., 2025). Conversely, coming from a family with limited financial means can also motivate students to engage in entrepreneurship to support themselves and improve their family's economic situation. Experience in helping family members manage a business further strengthens entrepreneurial skills, while continuous motivational support from family enhances resilience, commitment, and the determination to succeed in the field of entrepreneurship.

Financial Access

Financial access was reported by participant 2 & participant 5, who shared their parents were not well and not working. Due to this reason, only the mother was the bread winner to support the family. These incidents left the students without extra funds to support their families, prompting them to start businesses to earn additional income. Hence, financial factor is the main reason that encourages students to engage in entrepreneurship. Many students start a business to generate side income and increase their overall financial resources, especially to support their daily expenses and reduce dependence on their families (Adelakun, 2024). The motivation to settle debts also pushes some students to venture into business as a practical solution to improve their financial situation (Shahriar et al., 2024). Entrepreneurship offers the advantage of controlling pricing independently, allowing students to manage profit margins and make strategic decisions based on market demand. Additionally, the potential to earn substantial profits serves as a strong incentive, inspiring students to take calculated risks and actively participate in the field of entrepreneurship.

Environmental Influences

Each participant noted that his or her friends showed their support by making a purchase. This indicates that environmental factors, such as friends and the surrounding community, also play a role in influencing students' involvement in entrepreneurship. Furthermore, support from friends, particularly in the form of encouragement and collaboration, helps strengthen their confidence to start and sustain a business (ul Amin et al., 2025). In addition, being inspired by successful entrepreneurs as role models, it drives the students' desire to achieve similar success (Maziriri et al., 2024). The residential area or living environment can also provide business opportunities depending on demand and market needs. Although entrepreneurship involves risks, it can be rewarding and worthwhile, especially when job opportunities are limited. Furthermore, being comfortable communicating with new customers helps build good relationships and enhances business growth.

Technological Competence

According to participant 11 & participant 12, selling products has become easier through various social media platforms such as TikTok, Facebook, and other online platforms. This shows that technological factors play a significant role in encouraging students to engage in entrepreneurship. Basic technological skills allow students to utilize digital platforms effectively for business activities. Previous study by Anjelita and Qonitah (2024) stated that using live streaming on TikTok enables them to promote their products and interact directly with customers in real time. Experience in selling on Shopee provides exposure in managing online transactions, customer service, and digital marketing strategies. Additionally, identifying business opportunities on Instagram (IG) allows students to expand their market reach and build brand awareness (Sriyanto & Muttaqin, 2024). Overall, the use of technology makes entrepreneurship more accessible, efficient, and competitive in today's digital era.

The findings of this study address the primary research question posed in the introduction: "Which factors affect Asnaf students' inclination toward entrepreneurship?" The results reveal internal and external factors such as personal trait, religious values, family support, financial access, environmental influences, and technological competence. Personal traits such as self-confidence, motivation, and risk-taking, along with religious values influence their mindset and perseverance in business. Family support and role modelling encourage students to explore entrepreneurial ventures, while access to capital and financial access determine their ability to sustain them. A supportive environment, such as mentorship programs provides students with

guidance and opportunities to develop their business ideas. In addition, technological skills allow them to innovate, reach broader markets, and manage their ventures more efficiently. Thus, these factors demonstrate the importance of a coordinated support system to foster entrepreneurship among Asnaf students.

Conclusion

In conclusion, this study contributes to enhance entrepreneurial skills and financial management practices among students and successfully addresses the research objectives. The findings are expected to help students overcome challenges in starting and managing businesses by supporting the development of sustainable entrepreneurial ventures. Future research could be conducted by examining industry specific entrepreneurial challenges and exploring the role of technology in facilitating business operations. It is essential to address the key factors that limit entrepreneurial success for fostering self-reliance and economic contribution among students. It is also recommended that future studies could include a more diverse group of students across variables such as age, gender, and background to gain broader insights. Furthermore, employing grounded theory and a mixed-methods approach could integrate both quantitative and qualitative data. This would allow for more robust data collection and a deeper understanding of the strategies students use to develop and manage their entrepreneurial activities.

Acknowledgements

This study was conducted using a grant from the *Geran Inovatif Zakat (GIZA)* from Universiti Teknologi MARA (UiTM), Cawangan Perlis, [Reference No.: 600-TNCPI 5/3/DDN (09) (010/2024)].

References

- Ando, H., Cousins, R., & Young, C. (2014). Achieving saturation in thematic analysis: Development and refinement of a codebook. *Comprehensive Psychology*, 3, 1–7.
- Abai, D. S. A., Awang, M. D., Yusoff, A. N. M., Majid, A. A., & Hamli, H. (2020). Bentuk Bantuan Modal Agihan Zakat Asnaf Dan Pencapaian Usahawan Asnaf Di Malaysia: Kajian Empirikal. *Malaysian Journal of Social Sciences and Humanities (MJSSH)*, 5(1), 93–99.
- Adelakun, O. J. (2024). Challenges faced by student entrepreneurs in managing income and savings in higher institutions: Evidence of Ondo State, Nigeria. *International Journal of Economics & Business Administration (IJEBA)*, 12(4), 87-98.
- Anjelita, A., & Qonitah, Y. R. (2024). Analysis Of Live Streaming Communication Strategies on Tiktok Social Media To Increase Sales: A Case Study on Tiktok Facetology. In *Bengkulu International Conference on Economics, Management, Business and Accounting (BICEMBA)*, 2,1231-1246.
- Badawi, B. (2024). Entrepreneurial character education from an early age. *Al-Hayat: Journal of Islamic Education*, 8(1), 197-208.
- Barlas, A., Emmanouil, M., Stamboulis, Y., Roscani, V., Lombardi, E., Scatena, L., & Fernandez, E. (2025). Students' Confidence Boost and Knowledge Improvement After Attending a Venture Building Program. *Balkan & Near Eastern Journal of Social Sciences (BNEJSS)*, 11.
- Braun, V., & Clarke, V. (2021). To saturate or not to saturate? Questioning data saturation as a useful concept for thematic analysis and sample-size rationales. *Qualitative research in sport, exercise and health*, 13(2), 201-216.
- Kyambade, M., Nkurunziza, G., Namatovu, A., Tushabe, M., & Kwemarira, G. (2025). Enhancing critical thinking and ethical decision-making through learner-centered strategies in business education. *Cogent Education*, 12(1), 2588420.
- Hanafi, A. G., Nor, N. F., Subri, N. I., & Mustafa, W. A. (2025). Improving Basic Literacy Skills Among Asnaf Youth To Empower Their Financial Literacy. *Advanced International Journal of Business Entrepreneurship and SMEs*, 7(23), 01-12.
- Li, L., & Kang, K. (2025). How do family support factors influence college students' online-startup thinking? *Journal of Entrepreneurship in Emerging Economies*, 17(2), 215-238.
- Mani, A., & Manoharan, G. (2025). Empowering the Next Generation: The Role of Youth Entrepreneurship in Shaping College Students. In *Sustainable entrepreneurship and family business for women's empowerment* (pp. 347-364). IGI Global Scientific Publishing.
- Maziriri, E. T., Nyagadza, B., & Maramura, T. C. (2024). Social entrepreneurial role models' influence on social entrepreneurial self-efficacy, social entrepreneurial intent, and social entrepreneurial action in South Africa: the moderating role of moral obligation. *Social Enterprise Journal*, 20(3), 278-317.
- Mohamad, Z., Alim, N. S. S. M., Rashid, N. K. A., Hassim, N. H. C., Anang, Z., Abdullah, S., & Nasir, A. (2025). The impact of digital entrepreneurial competencies, digital literacy and government support on digital entrepreneurship using regression analysis. *Economics*, 13(1), 289-308.
- Nor, A. I., Mohamed, F. S., Barre, M. M., & Hussein, M. A. (2025). The role of higher education institutions in promoting entrepreneurship development. *Cogent Business & Management*, 12(1), 2523417.
- Saputra, W. (2026). Islamic Entrepreneurship Education for Adolescents at the Rizki Bakti Negeri Foundation in Pekanbaru as an Effort to Foster a Halal Entrepreneurial Mindset. *Falsafa: Jurnal Multidisiplin Pengabdian Kepada Masyarakat*, 1(1), 115-131.

- Shahriar, M. S., Hassan, M. S., Islam, M. A., Sobhani, F. A., & Islam, M. T. (2024). Entrepreneurial intention among university students of a developing economy: the mediating role of access to finance and entrepreneurship program. *Cogent Business & Management*, 11(1), 2322021.
- Sriyanto, A., & Muttaqin, Z. (2024). From Instagram to Campus: The Impact of Social Media Marketing on Students' Interest through Trust and Brand Recognition. *Kalijaga Journal of Communication*, 6(2), 139-170.
- Udeze, J. C. (2025). Strategic Development of Entrepreneurial Skills Among Undergraduates in Science and Technology Education for Poverty Alleviation in Nigeria. *Journal Of Innovations in Science Education*, 1(1), 1-19.
- ul Amin, N., Kiani, A., Ahmad, N., & Weng, Q. (2025). Motivation by role models: Do they inspire or discourage us? Investigating the link between role models and entrepreneurial career intentions. *The International Journal of Management Education*, 23(2), 101090.
- Zaini, B. J., Sarkawi, M. N., Mansor, R., Bohari, A. M., & Mustaffa, M. A. (2021). Analisis Terhadap Faktor - faktor Yang Mempengaruhi Sikap Pelajar Asnaf IPT Terhadap Keusahawanan. Journal website: journal.zakatkedah.com.my, 3(1).