

# A Trend Analysis of Business Funding Patterns and Sources Among Student Entrepreneurs at the Institute of Higher Learning Level: Implications for Entrepreneurship Education and Support Programs

Nurzaki Ikhsan<sup>1</sup>, Azuan Mohd Alias<sup>2</sup>, Nik Roselina Nik Roseley<sup>3</sup>, and Zakiyah Hasan<sup>4</sup>

<sup>1, 2, 3, 4</sup> Malaysian Academy of SME & Entrepreneurship Development (MASMED)

Universiti Teknologi MARA (UiTM), Shah Alam, Malaysia

<sup>2</sup> School of Mechanical Engineering, College of Engineering  
Universiti Teknologi MARA (UiTM), Shah Alam, Malaysia

## ABSTRACT

*Business funding plays a pivotal role in facilitating entrepreneurial ventures, enabling them to initiate or expand their businesses effectively. Diverse funding sources, such as personal savings, venture capital, business angels, business loans, and government assistance, have been recognized as crucial means of financial support. However, for student entrepreneurs currently pursuing higher education, the suitability of these funding options is subject to several complexities. The inexperience in commencing a business, the commitment to academic pursuits, and adherence to specific student policies and eligibility criteria necessitate a more tailored analysis. Therefore, this paper delves into a trend analysis of business funding exclusively among student entrepreneurs. Drawing on data sourced from the esteemed Malaysian Academy of SME & Entrepreneurship Development (MASMED), at Universiti Teknologi MARA (UiTM), Malaysia, this study investigates business funding sources, business funds secured, business categories, and the level of student involvement over multiple years. This empirical examination and subsequent discussion provide invaluable insights into discerning patterns and shifts in student entrepreneurial business funding strategies. By scrutinizing these trends, a prediction students' decisions to venture into entrepreneurship, particularly with regards to securing adequate business funding can be developed. Furthermore, this study's findings pave the way for more comprehensive investigations, guiding potential policy enforcements in both governmental and private sectors pertaining to business funding. Ultimately, the elucidation of these trends contributes to fostering an ecosystem conducive to the growth and sustenance of student-led enterprises, unlocking new avenues for economic and societal development.*

**Keywords:** *business funding; institute of higher learning; student entrepreneur; business angel.*

## INTRODUCTION

Entrepreneurship funding refers to the financial resources that entrepreneurs need to start, grow, and sustain their businesses. These funds are essential because launching and scaling a business often requires a significant amount of capital. There are various sources and methods of entrepreneurship funding, each with its own advantages and disadvantages. At the Institute of Higher Learning (IHL) level scenario, student entrepreneurship has gained momentum in recent years, with universities and colleges actively promoting entrepreneurial activities among their student populations. These initiatives aim to instil an entrepreneurial mindset and equip students with the skills needed to start and manage their own businesses. As a result, the number of student-led startups has been on the rise (Fayolle et al., 2016).

Additionally, the role of student entrepreneurs in fostering innovation and economic growth is increasingly recognized. Entrepreneurship program and activities at the IHL level has become one of the instrumental in preparing students for the challenges of starting and managing businesses during study (Rahim et al., 2015). Additionally, the support offered by government offices such as Ministry of Higher Education Malaysia (MOHE) and several agencies in organizing and offering various entrepreneurship programs has attract interest of student entrepreneurs in seizing business funding opportunities (Khairuddin et al., 2023; Looi & Maritz, 2021). Apart from that, there are also numbers of opportunities created by other parties that assist student to gain necessary fund to initiate and sustain a business venture. Thus, in this paper, a trend analysis of business funding patterns among student entrepreneurs at the IHL level over a defined period is presented. Additionally, the primary sources of business funding that student entrepreneurs have been utilizing are identified and analysed. Furthermore, the findings of this study are to examine the implications of these funding patterns and sources for the design and refinement of entrepreneurship education and support programs within the higher education system.

### **Role Of Institute of Higher Learning to Support Student Entrepreneur**

Institute of higher learning, or usually known as universities and college, play a pivotal role in nurturing and empowering student entrepreneurs on their journey to secure business funding (Mustapha et al., 2014). It establishes a comprehensive ecosystem that encompasses mentorship, educational resources, networking opportunities, and vital support mechanisms to help students transform their innovative concepts into thriving startups. One of the primary ways in which to lend support to student entrepreneurs is by offering incubator and accelerator programs. Hassan (2020) mentioned the incubators initiatives provide students with valuable assets such as workspace, guidance from experienced entrepreneurs and industry experts, and connections to potential investors (Hassan, 2020). In some instances, initial seed funding to jumpstart student-led ventures is also provided.

Pitch competitions and business plan contests, organized by universities or co-organized with agencies or third parties, provide platforms for students to showcase their startups to a broader audience. These events not only provide exposure but also offer opportunities to secure cash prizes or capture the attention of potential investors, thus significantly bolstering a student's funding journey.

Furthermore, universities can assist students in accessing various business funding. These include grants, special fund, and research funding, all of which can be utilized to support the development of their startups (Boldureanu et al., 2020). Universities often maintain links with external funding sources, such as venture capital firms, angel investors, and crowdfunding platforms, enabling students to navigate these options effectively. In addition to financial support, universities offer educational programs and workshops centered around entrepreneurship, finance, and fundraising. These courses equip students with the knowledge and skills necessary to secure funding for their ventures and effectively manage their startups (Lu et al., 2021). Ultimately, universities serve as robust support systems for student entrepreneurs striving to secure business funding. They provide a holistic approach that encompasses mentorship, education, resources, and networking, empowering students to transform their innovative ideas into thriving startups.

## Sources of Entrepreneurship Funding

Entrepreneurship is a vital driver of economic growth and innovation in Malaysia. To fuel the ambitions of budding entrepreneurs and support the growth of startups, access to various sources of funding is crucial. Malaysia, with its dynamic economy and entrepreneurial ecosystem, offers a diverse range of funding options for aspiring business owners. In this paper, the primary sources of entrepreneurship funding in Malaysia are shown as in figure 1.

**Figure 1. The Entrepreneurship Funding Sources**



One of the most prominent sources of entrepreneurship funding in Malaysia is government and agencies grants. The Malaysian government, through agencies like TEKUN Nasional (TEKUN), the Malaysia Digital Economy Corporation (MDEC), National Entrepreneurship Institute (INSKEN), and SME Corp, offers a variety of grants and subsidies to support different industries and sectors. These grants can cover research and development, market expansion, and technology adoption (Othman et al., 2021). They are often aimed at encouraging innovation and sustainability. For instance, the MyGrants program, managed by MDEC, supports tech-based startups and small and medium-sized enterprises (SMEs) by providing funding for projects that enhance digital capabilities. Such government support not only provides financial aid but also validates the potential of startups, making them more attractive to other investors.

Seed funding is the initial capital raised by entrepreneurs to prove the concept of their business. It typically covers early-stage activities like product development, market research, and building a prototype (Cornelius, 2020). Seed funding can come from personal savings, family and friends, angel investors, or small business grants. Many successful businesses have started with founders investing their own money into their ventures. This approach, known as bootstrapping, offers several advantages. It allows entrepreneurs to maintain complete control over their businesses and minimizes the need for external investors, which can come with strings attached (Garg & Gupta, 2021).

Venture capital is another crucial source of funding for entrepreneurs in Malaysia. The country has seen a surge in the number of venture capital firms in recent years, which are actively investing in startups with high growth potential (Alwi et al., 2020). Some well-known

Malaysian venture capital firms include Gobi Partners, 500 Startups, and Cradle Fund. Jamal (2023) revealed venture capitalists often invest in sectors such as technology, e-commerce, and fintech (Jamal, 2023). Venture capital investments not only provide funding but also bring valuable expertise and networks to the table. Startups receiving venture capital funding benefit from the guidance and mentorship of experienced investors, which can significantly increase their chances of success (Ibrahim, 2019).

On the other side, angel investors play a crucial role in Malaysia's entrepreneurship ecosystem. These individuals, often high-net-worth individuals, or successful entrepreneurs themselves, provide capital to startups in exchange for equity (Donckels & Miettinen, 2019). Angel investors are typically more willing to take risks compared to traditional lenders, making them an attractive option for early-stage startups. In Malaysia, organizations like the Malaysian Business Angel Network (MBAN) facilitate connections between entrepreneurs and potential angel investors. These networks help startups access much-needed capital and mentorship from experienced business leaders.

Crowdfunding has gained popularity as a source of entrepreneurship funding in Malaysia in recent years. Platforms like PitchIN, Ata Plus, and Crowdo allow entrepreneurs to showcase their business ideas and raise funds from many individual investors. This method democratizes access to capital and enables entrepreneurs to tap into a broader pool of potential backers. Crowdfunding is particularly beneficial for startups with innovative products or ideas that resonate with the public. It not only provides funding but also serves as a marketing tool, helping startups build a customer base and generate buzz around their offerings (Rahman et al., 2020; Razak et al., 2021).

The other source of funding is business loans. It is remaining a viable source of funding for entrepreneurs in Malaysia. While they may be more conservative than other funding sources, they are still an option for startups with a solid business plan and a track record of profitability (Gano-an & Chea, 2021). Malaysian banks such as SME Bank, Bank Rakyat and Agro Bank often offer various loan products tailored to the needs of SMEs and startups, making it possible to secure financing for working capital, equipment purchases, or expansion (Mohamad et al., 2022).

### **Challenges in Entrepreneurship Funding**

Entrepreneurship is often hailed as the engine of economic growth and innovation, but securing the necessary funding to turn entrepreneurial dreams into reality remains a formidable challenge. Entrepreneurs encounter a multitude of hurdles when seeking financial support for their ventures, and these challenges can significantly impact the success or failure of their startups (Wiklund et al., 2019). One of the most significant challenges in entrepreneurship funding is the ever-present risk associated with new and unproven ventures. Traditional lenders, such as banks, are often reluctant to provide loans to startups due to their lack of collateral and credit history. This risk aversion is compounded by the fact that many startups fail within the first few years of operation (Yusof et al., 2020). Consequently, entrepreneurs must explore alternative financing options, such as angel investors, venture capitalists, or crowdfunding platforms, to bridge the funding gap.

Another challenge is the intense competition for funding. In today's globalized and interconnected world, entrepreneurs must vie for the attention of a limited pool of investors.

Pitching a business idea to potential investors requires not only a compelling vision but also a thorough understanding of the competitive landscape and a well-defined business strategy (Jamaludin et al., 2020). Convincing investors to choose their venture over countless others can be a daunting task for many entrepreneurs.

The regulatory landscape can also pose significant obstacles to entrepreneurship funding. Government regulations and tax policies can vary widely from one region to another, affecting the ease of raising capital. Entrepreneurs often grapple with complex compliance requirements that add time and costs to the fundraising process. Navigating this regulatory maze can be particularly challenging for first-time entrepreneurs who lack experience in dealing with such matters (Kementerian Pembangunan Usahawan, 2019). Additionally, entrepreneurs frequently encounter challenges related to valuation. Determining the value of a startup can be a highly subjective and contentious process. Investors and entrepreneurs may have differing opinions on the worth of the business, leading to protracted negotiations and potential deal-breaking disputes. Accurate valuation is crucial, as it influences the equity stake that investors receive in exchange for their funding, as well as the overall terms of the investment.

### **Entrepreneurship Education and Support Programs Implications to The Business Funding**

Entrepreneurship education and support programs play a crucial role in shaping the success of aspiring business owners and startups, and their implications in the context of business funding are significant. These programs often provide valuable insights into the various funding options available to entrepreneurs, ranging from business loans and venture capital to crowdfunding and angel investors (Boldureanu et al., 2020). By educating entrepreneurs about these options, they empower them to make informed decisions regarding their financing needs. Furthermore, entrepreneurship education programs help individuals develop the skills and knowledge necessary to create robust business plans and financial projections. The table below shows the details summarized of implications of the Entrepreneurship education and support programs to the business funding (Ahmed et al., 2020; Guerrero et al., 2020; Nowiński et al., 2019).

**Table 1. Implications Of the Entrepreneurship Education and Support Programs to The Business Funding**

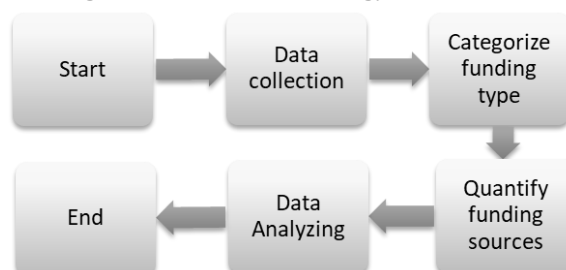
|                          |   |
|--------------------------|---|
| Curriculum Adaptation    | Entrepreneurship education programs need to stay current with the latest funding trends and sources. This means updating curriculum content to include topics like crowdfunding, blockchain-based financing, and venture capital. Students should be educated about the diverse funding options available to them and how to navigate these funding channels effectively. |
| Practical Application    | Entrepreneurship programs should emphasize hands-on, practical experience. Students should have opportunities to apply their knowledge by seeking funding for their own ventures, whether through traditional angel investors or modern crowdfunding platforms. Real-world experience is invaluable in understanding the nuances of securing funding.                     |
| Networking Opportunities | Support programs should facilitate networking events, pitch competitions, and mentorship opportunities with investors and   |

|                                  |   |
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|                                  | successful entrepreneurs. Connecting students with potential funding sources and mentors can significantly enhance their chances of securing funding.   |
| Incubators and Accelerators      | Universities and external organizations often run incubators and accelerators for student startups. These programs should align with current funding trends and provide access to relevant resources and mentorship. They can help startups prepare for funding pitches, refine their business models, and make connections with potential investors. |
| Access to Funding Resources      | Entrepreneurship support programs should maintain up-to-date databases of funding sources, including angel investors, venture capitalists, government grants, and crowdfunding platforms. Providing students with easy access to these resources can expedite the funding process.  |
| Cross-Disciplinary Collaboration | Entrepreneurship programs can benefit from collaboration with other academic disciplines, such as engineering, computer science, and design. Collaborative projects can lead to innovative startups that attract funding from various sources.  |
| Global Perspective               | As funding opportunities become increasingly global, entrepreneurship programs should foster a global perspective. Encouraging students to explore international markets and funding sources can expand their horizons and increase their chances of finding suitable investors.  |
| Continuous Learning              | Entrepreneurship is a dynamic field, and the sources of funding are constantly evolving. Support programs should emphasize the importance of continuous learning and adaptation. This includes staying updated on new funding trends, regulations, and emerging technologies.   |

## METHOD

This study adopts a quantitative methods approach. Data was collected from a diverse set of a local Malaysia public university, Universiti Teknologi MARA (UiTM) student entrepreneurs over a three-year period, focusing on student-led startups. Quantitative data include funding sources, amounts secured, and business types. To achieve the research objective, the methodology flow chart is shown as figure 2 below:

**Figure 2. The Methodology Flow Chart**



The first step in this research involves collecting and organizing business funding data for UiTM's student entrepreneurs reports for the years 2021, 2022, and 2023. This includes

Identify and categorize the various types of funding, calculating the number of successful funding and total funding amounts for each funding source (business grants, business loans, pitching competitions, venture capital, angel investors) for each year. Additionally, it entails calculating the percentage changes in both recipients and funding amounts for each funding source from year to year.

After gathering the data, the next phase is to identify and highlight the major trends in funding sources over the three-year period. This quantifying analysis should focus on shifts in the number of recipients and funding amounts. The proportion of funding from each category would also be determined by calculating the total amount of funds from each source and expressing it as a percentage of the total funding.

Other than that, it's essential to examine the factors or events that may have influenced these trends, such as changes in the business's strategy, evolving market conditions, or shifts in government policies. Assessing the level of reliance on each funding source is a critical aspect of the methodology. Based on the analysis, a recommendation to the business on how to adapt its funding strategy for greater stability and sustainability would also be discussed. It may include diversifying funding sources to reduce reliance on grants, exploring new avenues for financial support, continuously monitoring, and evaluating the effectiveness of funding channels, and developing contingency plans for the cessation of specific funding sources.

## **RESULT AND ANALYSIS**

### **Data Collection and Quantifying**

All the data were collected from the student entrepreneurs report gathered by Malaysian Academy of SME and Entrepreneurship Development (MASMED), an Entrepreneurship Center Office for UiTM's for the year 2021-2023. This data covers student information, student business information such as business category, company's name, company registration numbers and name of the product or service provided. Other than that, the report also revealed the business fund applied, funding sources and amount that was successfully received by the student entrepreneur. However, for this research, only business fund source and amount for the period or three years will be discussed, in general.

Table 2 shows a number of business funding recipients from UiTM's student entrepreneurs for three periods of year (2021-2023). After screening the data, it is found that the business funding can be categorized in 5 source categories (business grants, business loans, pitching competitions, venture capital, angel investors). Based on table 2, in 2021, the data indicates that the primary sources of funding for the business were business grants, business loans, and to a lesser extent, pitching competitions and venture capital. Business Grants were the most significant source with 37 recipients, while Business Loans accounted for 13 recipients. Pitching Competitions and Venture Capital had fewer occurrences, with 3 and 2 respectively. Angel Investors contributed only one instance of funding during this year.

Moving on to 2022, there is a notable shift in the funding landscape. Business grants experienced a significant drop from 37 recipients in 2021 to just 15 in 2022. However, pitching competitions surged to become the dominant source of funding, with 59 recipients, signaling a strategic shift in fundraising efforts. Venture capital remained relatively stable at 3

recipients, while business loans decreased to 6 recipients. Angel investors also maintained their contribution with one instance.

Looking ahead to 2023, the data suggests further changes in funding sources. Business grants continued to decline, now down to just 9 recipients. Pitching competition remained significant but decreased to 42 recipients, indicating some level of stabilization or potential saturation in this funding avenue. Venture capital and Business loans both stayed consistent at 3 and 0 recipients, respectively, with Business Loans appearing to have been phased out entirely. Angel Investors ceased their funding contributions entirely during this year.

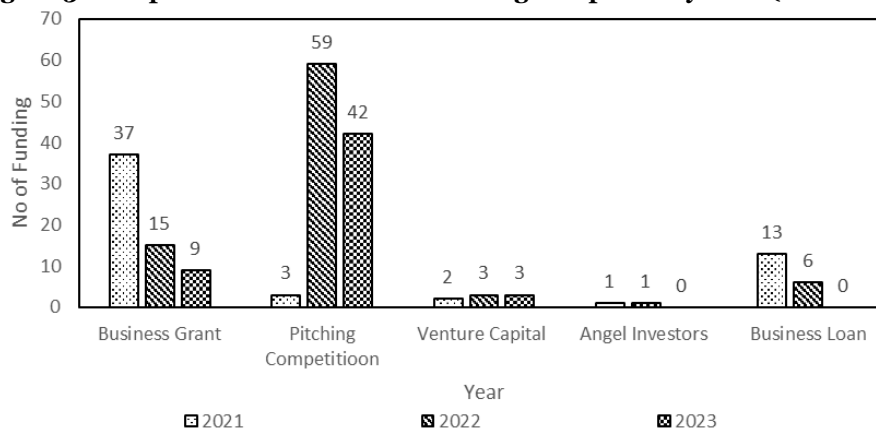
The data reflects a dynamic funding landscape for the business, with a notable shift towards pitching competitions as the primary source of funding in 2022, though this source slightly declined in 2023. The decline of business grants and the complete cessation of angel investor support in 2023 may raise questions about the sustainability of the current funding strategy. It may be prudent for the business to reassess its funding options, diversify its sources, and adapt its approach to secure the necessary financial support for its operations and growth.

**Table 2. Number Of Business Funding Recipients From 2021-2023**

| No. | Source of Fund       | 2021 | 2022 | 2023* | Total |
|-----|----------------------|------|------|-------|-------|
| 1   | Business Grant       | 37   | 15   | 9     | 61    |
| 2   | Pitching Competition | 3    | 59   | 42    | 104   |
| 3   | Venture Capital      | 2    | 3    | 3     | 8     |
| 4   | Angel Investors      | 1    | 1    | 0     | 2     |
| 5   | Business Loan        | 13   | 6    | 0     | 19    |

\*Data updated on August 2023

**Figure 3. Comparison Of Number of Funding Recipients by Year (2021-2023)**



Over the course of three years, from 2021 to 2023, the primary sources of funding for the business underwent notable shifts. Pitching competitions emerged as the dominant funding source, totalling 104 recipients, while business grants remained significant with 61 recipients, although they experienced a decline. Venture capital and angel investors played relatively minor roles, contributing 8 and 2 recipients, respectively, with angel investors ceasing to provide funding in 2023. Business loans, while substantial in 2021 and 2022, phased out entirely in 2023, resulting in a total of 19 recipients over the three-year period. This analysis



highlights the need for the business to adapt its funding strategy to maintain financial sustainability and diversify its sources in response to changing funding dynamics.

Table 3 shows a number of business funding amount in Malaysian ringgit from 2021-2023. Based on table 3, the data indicates that business grants were the most substantial source of funding, totalling Malaysian Ringgit, RM216,154.00 in 2021. This was followed by business loans at MYR 31,000.00, venture capital at RM2,200.00, and angel investors at RM20,000.00. Pitching competitions contributed a modest RM600.00 to the funding mix.

Moving to 2022, there was a significant shift in the funding landscape. Venture capital surged to become the most dominant source, contributing RM72,200.00, a substantial increase from the previous year. Business grants decreased notably to RM93,710.00, still significant but showing a decline. Pitching competitions also saw an increase, reaching RM17,375.00. Business loans remained steady at RM 26,400.00, while angel investors played a minor role with RM200.00.

In 2023, the data presents a further evolution in funding sources. Business grants decreased again to RM103,550.00, but they remained a significant source of support. Venture capital continued to play a substantial role at RM24,000.00, while Pitching Competitions declined to RM8,495.00. Notably, both business loans and angel investors ceased to provide funding during this year.

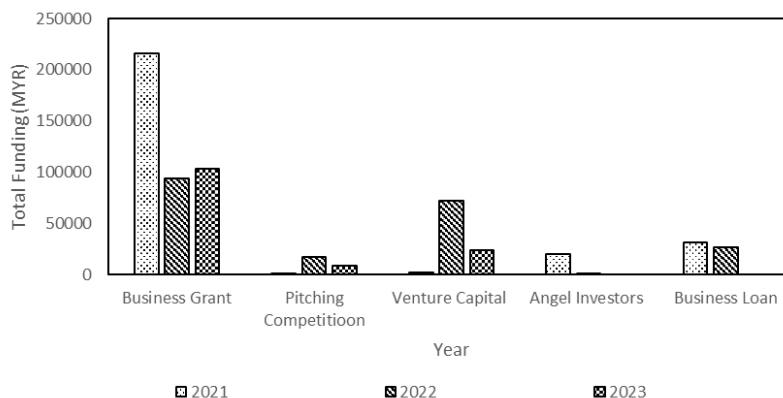
Business Grants, while significant, experienced fluctuations, and other sources like venture capital and pitching competitions played increasingly substantial roles, with the former peaking in 2022. The complete absence of funding from business loans and angel investors in 2023 raises questions about the business's future financial strategy.

**Table 3. Number Of Business Funding Amount in Malaysian Ringgit From 2021-2023**

| No. | Source of Fund       | 2021       | 2022      | 2023*      | Total      |
|-----|----------------------|------------|-----------|------------|------------|
| 1   | Business Grant       | 216,154.00 | 93,710.00 | 103,550.00 | 413,414.00 |
| 2   | Pitching Competition | 600.00     | 17,375.00 | 8,495.00   | 26,470.00  |
| 3   | Venture Capital      | 2,200.00   | 72,200.00 | 24,000.00  | 98,400.00  |
| 4   | Angel Investors      | 20,000.00  | 200.00    | 0.00       | 20,200.00  |
| 5   | Business Loan        | 31,000.00  | 26,400.00 | 0.00       | 57,400.00  |

\*Data updated on August 2023

**Figure 4. Comparison Of Number of Funding Amount by Year (2021-2023)**



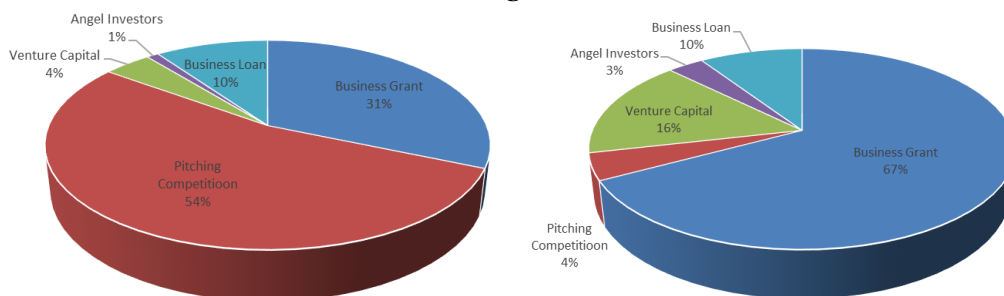
### Data Analysis

When considering both the number of recipients and total funding amounts, it becomes evident that the funding landscape for the business underwent significant changes over the three years. In terms of the number of recipients, the data showed that pitching competitions and business grants remained consistent sources of funding, with pitching competitions having the highest number of recipients across all three years. However, venture capital and business loans saw fluctuations in the number of recipients, with venture capital increasing notably in 2022.

Based on table 2 and figure 5, for a period of three years, a total of 104 recipients benefited from pitching competition (54%), followed by business grants which is recorded with 61 recipients (31%), business loans with 19 recipients (10%), venture capital and angel investor with 8 (4%) and 2 (1%) recipients respectively.

Now, when examining the total funding amounts in Malaysian Ringgit (RM), business grants were consistently the largest source of funding over the three years, with a total of RM413,414.00 or 67%. Venture capital, although fluctuating, also played a substantial role in providing funding, totalling RM98,400.00 (16%) over the period. Pitching competitions, while consistent in terms of recipients, contributed RM26,470.00 (4%) in total funding. A notable trend is the decline of angel investors and the complete cessation of business loans as funding sources in 2023. Angel Investors contributed RM20,200.00 (3%) over the three years, while business loans totalled RM57,400.00 (10%) but phased out.

**Figure 5. Comparison By Total Percentage of Funding Recipient (Left) And Funding Amounts (Right)**



The highest number of recipients are from the pitching competitions. However, the amount of business funding received fell far compared to others, this is due to the lower pitching competition prize value. Pitching competitions can be a valuable opportunity for startups to gain visibility and access to funding, especially in the early stages of their development, but the participant must identify the worthy competition they have to participate with the business plan and product, or service provided. On the other hand, even though about half of recipients received the business funding through the business grant, the total amount received is more than half of total funding amount received for a period of three years. This is due to the often offered by governments or organizations to support student entrepreneur activities with high value of grants. These grants are typically highly competitive and can provide a significant financial boost to businesses, making them a sought-after source of funding.

Venture capital firms typically invest in high-growth startups with the potential for substantial returns. The lower number of recipients might suggest that the businesses in question may not have fit the high-growth criteria or faced challenges in attracting venture capital investment. Angel investors are another relatively scarce source of funding in this dataset. Angel investors are individuals who provide capital to startups in exchange for equity. They often play a crucial role in early-stage funding, offering not just financial support but also mentorship and industry expertise. The small number here might indicate that finding suitable angel investors can be a more challenging task. Business loans appear to be a moderately popular funding source, with 19 recipients. Business loans involve borrowing money from financial institutions, lenders or loans provided by university, usually with an interest rate attached. While loans can provide a quick injection of capital, they also come with the obligation of repayment, which can be a significant financial commitment for businesses.

### **Impact on the Student Entrepreneurship**

The data reveals a significant shift in the business's funding sources over the three-year period. Notably, pitching competitions and venture capital saw substantial increases in both the number of recipients and funding amounts in 2022. This shift suggests that the business strategically explored and leveraged these sources to secure funding. However, the subsequent decrease in recipients and funding in 2023 indicates the need for continuous evaluation of the effectiveness of these channels.

While business grants remained the most substantial source of funding, the data shows fluctuations in both recipients and funding amounts. The business's ability to secure grants is commendable, but the fluctuations indicate potential challenges in maintaining consistent grant support. This highlights the importance of diversifying funding sources to reduce reliance on grants, which can be competitive and subject to changes in government or organizational priorities.

The complete cessation of funding from angel investors and business loans in 2023 is a significant development. This raises concerns about the business's adaptability and contingency planning in the face of changing financial landscapes. It underscores the need to establish alternative financial strategies and seek new funding avenues to ensure continued operations and growth.

The data demonstrates the business's adaptability in response to fluctuations in funding sources. This adaptability is a positive sign, indicating that the business can pivot its funding strategy based on the prevailing financial environment. However, it also highlights the importance of having a well-defined financial strategy that anticipates and addresses potential disruptions or shifts in funding sources.

To ensure financial sustainability, the business should focus on diversifying its funding portfolio, engaging in strategic planning, and exploring new funding options. The phasing out of certain sources and the volatility of others underscores the importance of a balanced financial approach. The impact of these funding shifts extends beyond finance; it affects the business's operations, growth potential, and strategic decisions. The business should consider the operational implications of these changes, such as adjusting budgets, scaling activities, and identifying alternative revenue streams.

### **Implications For Entrepreneurship Education and Support Programs**

The data highlights the importance of teaching future entrepreneurs about the significance of diversifying funding sources. Entrepreneurship programs can emphasize the risks associated with overreliance on a single funding avenue, such as grants, and educate students about the benefits of exploring various funding options. This knowledge equips aspiring entrepreneurs with the skills to adapt their financial strategies in response to changing market conditions. Besides, entrepreneurship education and support programs can use the data to emphasize the value of continuous evaluation and adaptation in entrepreneurship. By incorporating the concept of ongoing performance analysis and strategic adjustment into their curricula, these programs can empower students with the skills needed to assess the effectiveness of their business strategies and pivot when necessary.

Additionally, risk assessment and scenario planning can be integrated into entrepreneurship education. Educators can teach students how to identify and assess potential risks associated with different funding sources and guide them in developing contingency plans to navigate funding disruptions. Furthermore, the importance of building strong investor relations should be a key component of entrepreneurship education. Programs can provide guidance on investor engagement, pitching techniques, and strategies for attracting various types of investors, from venture capitalists to angel investors.

Entrepreneurship education programs should also emphasize the need for financial resilience planning. By educating future entrepreneurs on how to create financial resilience plans that consider diverse funding scenarios, programs can help students prepare for the uncertainties of entrepreneurship. Moreover, the analysis underlines the significance of adaptability and operational flexibility. Entrepreneurship programs can instil these qualities by incorporating real-world case studies and practical exercises that challenge students to adjust their business models and operations based on changing funding dynamics. Last but not least, monitoring regulatory changes and staying informed about the entrepreneurial ecosystem's evolving landscape should be part of entrepreneurship education. By teaching students to be vigilant about regulatory shifts that may impact funding sources or industry trends, programs can help them make informed decisions and stay competitive.

### **Enhancing The Business Funding in Future**

Based on the data, it shows various funding sources with fluctuating numbers of recipients and amount received over the three-year period. To enhance business funding, it's crucial to diversify funding sources. This can include seeking grants from multiple organizations, cultivating relationships with various angel investors, exploring venture capital options, and considering alternative financing methods such as crowdfunding or peer-to-peer lending. Diversification reduces reliance on a single source, making funding more resilient to fluctuations. Engaging with investors and understanding their preferences and criteria is essential. By actively communicating with potential investors and demonstrating the potential of the business, entrepreneurs can build trust and increase the likelihood of securing funding. Tailoring pitches and business plans to align with investor interests can be highly effective.

Business funding is influenced by the economic environment. Keeping an eye on economic trends, industry forecasts, and government policies can provide valuable insights. Businesses can strategize to align their funding requests with periods of economic growth and favorable

lending conditions. Other than that, networking within the business community is invaluable for accessing funding opportunities.

Attending industry events, joining entrepreneurial networks, and building relationships with local chambers of commerce can lead to connections with potential investors, partners, or organizations offering funding programs. Apart from that, the data highlights the need for adaptability. Businesses should be prepared to pivot or adjust their funding strategies based on market conditions. This may involve exploring different types of funding, adjusting the timing of funding requests, or being open to new funding opportunities as they arise.

## CONCLUSION

In conclusion, the data analysis offers valuable insights into the ever-changing funding landscape that the business traversed from 2021 to 2023. Throughout this three-year period, significant shifts in funding sources became evident. Notably, Pitching Competitions and Venture Capital gained prominence in 2022, although this was followed by a decline in 2023, underscoring the importance of ongoing assessment and adaptation of funding strategies. While Business Grants remained a crucial funding source, their fluctuating recipients revealed the challenge of maintaining consistent grant support. This emphasizes the necessity of diversifying funding channels to reduce reliance on grants. Additionally, the cessation of funding from Angel Investors and the phase-out of Business Loans in 2023 raise concerns about adaptability and the need to explore alternative financial strategies. The data underscores the importance of a well-defined financial strategy that anticipates disruptions, the imperative of financial sustainability through diversified sources, and consideration of operational implications stemming from these funding shifts. In summary, the dynamic financial landscape necessitates proactive financial planning, diversification, and adaptability to ensure the business's sustained success in the Malaysian market. Based on the insights gleaned from the data analysis, it is strongly recommended that the business takes several strategic steps to enhance its funding strategy and financial resilience. Firstly, diversification of funding sources should be a top priority to mitigate the risks associated with heavy reliance on a single source, as evident in the fluctuations of Business Grants. Secondly, a continuous evaluation and adaptation process must be established to monitor the performance of each funding source and respond promptly to changing trends, as observed in the fluctuations of Pitching Competitions. Thirdly, the development of a comprehensive financial plan that accounts for various funding scenarios will provide a structured approach to financial management. Additionally, considering the operational implications of funding shifts is essential for maintaining business continuity. Finally, engaging in investor relations efforts can foster strong relationships with potential investors, broadening the range of available funding avenues. These recommended measures collectively aim to ensure the business's financial stability and success in Malaysia's dynamic market environment.

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