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Profile and Entrepreneurial Literacy among Former Prisoners in Malaysia

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Abstract

This study is carried out with the objective of identifying the profile and entrepreneurship literacy among the former inmates in Malaysia. This study was conducted using a quantitative cross-sectional survey design. A total of 354 prisoners who have been released from detention but are still under the supervision of the Malaysian Prisons Department (JPM) have been selected as respondents to the study. Results shows that the majority of the respondents who took part with the study are those between the age of 31 years old until 40 years old (40.4 percent), Malays (78.8 percent), Muslim (86.4 percent) and mostly are men (93 percent) and not married (53.1 percent). Moreover, their education level are mostly at SPM level (42.7 percent) and were employed before they were imprisoned (88.1 percent). Results also shows that the income earned by most respondent before imprisonment are at the B40 level specifically at the B1 category which earned under the amount of RM2,500 a month (72.9 percent). Results on the interest of the respondent towards entrepreneurship shows that they are interested in doing business (59.6 percent) even though majority of them have never been involved in doing any business (66 percent), have any family members who are involved in entrepreneurship (62.1 percent) nor have they ever been taking any course in entrepreneurship (87 percent). Descriptive analysis of the study found that the entrepreneurship literacy among the former inmates at a high level (55.6 percent). Only 1.2 percent of them have a very low literacy level on entrepreneurship and the rest have a moderate level of entrepreneurship literacy (43.2 percent). The implication of this study would help the organization that provides assistance and hope in giving equal opportunity to former inmates to integrate into the community and begin a new life after their sentence in prison.

Keywords: Profile, Prisoners, Parole, Literacy, Entrepreneurship

Introduction

Former prisoners are usually faced with various challenges once released after serving their sentence in prison. The challenges faced by them are part of the process of their integration into society. Strickland (2018) in his study found that former prisoners who failed to get a job after completing their prison sentence are more likely to commit crimes again compared to former prisoners who successfully obtained a job. Travis (2005) presented three dynamic risk factors faced by the majority of former prisoners that inhibit their reintegration into society, employment, psychological conditions, and social relationships with family and people around them. A study conducted by Cooney (2012) found that the prisoners involved in an entrepreneurship training program will seriously consider entrepreneurship as soon as they are released as a preparatory step to return to society and avoid getting re-involved in crime or recidivism. The entrepreneurship program is a program that former prisoners can venture into to reduce poverty and livelihood and improve the lives of individuals and communities (Sutter, Bruton & Chen, 2019). Entrepreneurship is a determining factor of economic development (Hessels & Van Stel, 2011; Audretsch, et al., 2015) and social structural change (North, 2005). Ruhizan and Salma (2020) in their study affirmed that entrepreneurship is the economic backbone of a country which is a catalyst for economic change and development, especially in developed countries.

In entrepreneurship, literacy or entrepreneurial literacy is a knowledge or awareness that should be considered a domain studied among prisoners under parole or even former prisoners. UNESCO (2005) defines literacy as the ability to identify, understand, interpret, create, communicate, reason, and utilize writing materials involving diverse contexts. Literacy also involves a continuous learning process that allows individuals to achieve goals, build knowledge and potential to fully engage with the community and society. At the same time, entrepreneurship is a discipline pillar for economic development and growth (Ura Pin, 2012; Sutter et al., 2019). Through entrepreneurial activities, an individual can learn new business skills, develop strategies and implement planned programs (Inegbenbor, 2006; Barzdins, 2012). Ura Pin (2012) opines that entrepreneurial skills can be taught, and among the skills that can be learned are decision-making, creative problem-solving, consultation, strategic management, time management, project management, negotiation, selling, consulting and motivating others by example.

In addition, Bustamante (2014) stated that entrepreneurial literacy could be perceived as a learning process and a continuous application of entrepreneurship where the function of any literacy program is to improve knowledge, skills, attitudes, and the ability to carry out an activity. On the other hand, Norasmah (2009) expresses that technical skills are needed in entrepreneurship, especially in solving problems related to running a business, marketing products, preparing budgets, and working out profit and loss statements. According to her, conceptual skills involve analyzing, anticipating, identifying opportunities, restoring situations, making decisions and monitoring to advance and continue the business. A study conducted by Rashid and Faiz (2011) on the expectations of vocational training in prison for *serenti* trainees indicated that hope in re-defining their identity was identified as the main hope (94.8%), followed by the hope to start their own business (91.9%), the hope to improve existing skills further (89.0%) and lastly, the hope to be accepted for work (85.4%). Since entrepreneurial literacy is vital in identifying the ability and developing prisoners' careers to renew their life, this study was conducted to identify the profile and entrepreneurial literacy

among ex-prisoners. The study results are expected to be used as basic data and an important reference for parties interested in providing entrepreneurial skills training, job opportunities, reducing recidivism rates and providing suitable modules for personality and entrepreneurial skills among ex-prisoners.

Research Methodology

Research Design

This study used a quantitative cross-sectional survey design. It is done as a survey using research questionnaires. Quantitative research is a study that uses numerical data during the research process, starting with data collection, data interpretation and display of research findings (Arikunto, 2006).

Population, Sample and Location of the Study

The study population refers to ex-prisoners or paroled persons (ODP) who have been released from prison but are still under the Malaysian Prisons Department's (JPM) supervision. A total of 354 parole prisoners from six zones in Malaysia were selected as study samples. Among the states and zones involved in the study are the northern zone (Pulau Pinang and Kedah Parole Office), central zone (Selangor and Negeri Sembilan Parole Office), eastern zone (Terengganu Parole Office), southern zone (Johor Parole Office) and Sabah/Sarawak zone (Sabah Parole Office).

Data Analysis

The research data was analyzed using the "Statistical Package for the Social Science for Windows" (SPSS for Windows). The questionnaire form consists of several parts as follows:

Section A: Demographic Profile

This section contains 18 questions related to the respondent's profile and background. This demographic information is intended to obtain additional information about the characteristics of the respondents involved in this study. This information can also be used as a statistical analysis to strengthen the results of the study regarding the aspects related to ODP as a study respondent. There are two types of items used in this section, namely:

1. Single Choice Item

Respondents are asked to choose by marking (✓) in the box provided based on the statement of the item that suits them. For example, ethnicity, religion, marital status, the highest level of education, previous employment, business interests, previous business experience, family members' involvement with the business and social media account information owned by the respondents.

2. Open Items

This item requires respondents to state information without any options or categories. For example, age, estimated monthly income and type of business previously involved.

Part B: Entrepreneurial Literacy

This section consists of nine (9) questions related to the ex-prisoner's or paroled person's background. Entrepreneurial literacy refers to respondents' basic knowledge and awareness regarding entrepreneurial aspects and knowledge to start a business. A scale developed by

Fauziah et al. (2023) using nine (9) question items related to entrepreneurial literacy was used to measure the respondents' entrepreneurial literacy level. The reliability value of this scale is high at 0.880. The types of items used in this section are in the form of a four-point Likert scale where the options are arranged according to suitability, namely (1) strongly disagree, (2) disagree, (3) agree and (4) strongly agree. The level of entrepreneurial literacy of parole prisoners has been measured based on the mean score interpretation table as shown in Table 1 below:

Table 1

Table of the Mean Score Interpretation on the Level of Entrepreneurial Literacy among Parole Prisoners

Mean Score	Mean Score Interpretation
<.20	Low
2.01-3.00	Medium
3.01-4.00	High

Questionnaire Collection Process

At the beginning of the data collection process, an application was sent to the Director General of the Malaysian Prisons Department for permission to collect data. After approval, the researcher contacts the Parole Office and sets a suitable date to collect data based on the number of respondents determined by state/zone. Upon agreement, the study is conducted according to the agreement and the arranged dates. A briefing session was given to the Parole Officer in charge at the Malaysian Parole Office and the respondents involved in this study. The briefing session explains instructions such as ensuring that all needed information in the questionnaire is filled, answered honestly based on the parole prisoner's experience and returned in a complete state. In this study, the data collection is organised to ensure that the aims and objectives of the study can be fully achieved.

Data Analysis

Descriptive analysis shows the results of the data obtained (Chua, 2014). Descriptive analysis such as frequency and percentage are used to achieve the study's objective to identify the profile and entrepreneurial literacy among parole prisoners.

Findings

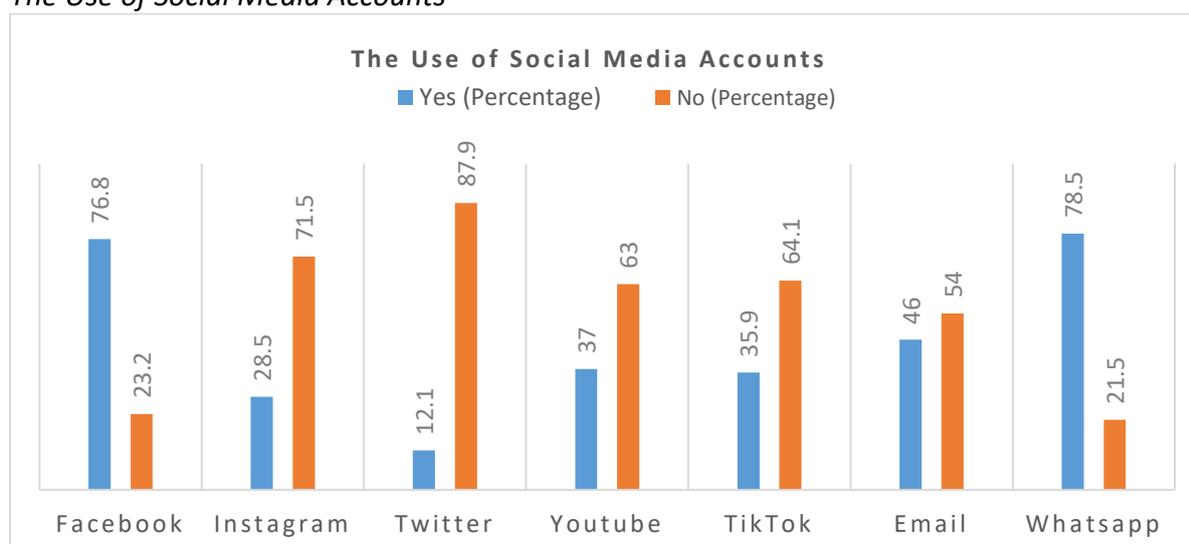
Personal Profile of Parole Prisoners in Malaysia: A total of 354 parole prisoners who have been released and are undergoing a period of supervision by the Department of Prisons in Malaysia have been selected to be involved in this study. The study analysis found that the majority of parole prisoners involved in the study are youth aged 18 to 40 years old (74.6%). The respondents involved in this study are Malay and Muslim (78.8%), Bumiputera (Sabah) (9%), Indian (6.5%), Chinese 4.2% and other races (1.4%). The study found that marital status of 58.5% of parole prisoners are single and unmarried, while the remainder of the respondents is married (24.3%) and divorced, i.e., widowers, with a percentage of 22.6%. The study found that the education level of most parole prisoners is SPM (42.7%) and SRP/PMR (16.1%), with a total of 64.5% of these two education levels. The remaining Malay prisoners involved in this study only had an education at the primary school level (16.1%) and did not attend school (2.8%). Only 10.5% of those recorded have a Skill certificate, Diploma (2.0%) and STPM certificate (2.8%). This analysis gives the impression that the majority of those

currently undergoing the prison supervision program consists of those still at the secondary education level only. The education aspect is crucial because it impacts the job prospects and the expected salary that parole prisoners will receive. Further analysis shows that the majority of these parole prisoners, 88.1%, had a permanent job before being imprisoned (88.1%), and 11.3% were unemployed and had a student status (0.6%). Of the majority of parole prisoners who have worked before imprisonment, 74.3% have an income of less than RM3969 per month. This income is categorized under the B40 group classification, which is the lowest household group.

Experience in Conducting Business Activities: In order to understand the background and experience of involvement in business and entrepreneurial activities, further research analyses the interests and business activities that parole prisoners have engaged in previously. The results of the analysis and survey conducted on 354 parole prisoners found that the majority, 59.6%, admitted that they are interested in venturing into business/entrepreneurship. However, 66% were identified as having no experience in business, with no family members ever being involved in business activities (62.1%). Only 34% of the parole prisoners have experience in business and admit to having family members involved in business (37.9%). This study also further recorded that 87% of the parole prisoners admitted that they had followed a course/program related to business. The results of this study indicated that the majority of parole prisoners hold basic knowledge in the field of business and have the potential to be given skills training in the field of entrepreneurship.

Use of Social Media Accounts: social media is a driving force in any business, especially from the aspects of product marketing, sales, dissemination of information, communication and getting customers. Lim (2011) opines that the use of social media is a critical visibility factor for those who want to build a business. At the same time, Cardella (2020) considered that the visibility factor could significantly impact entrepreneurs and those involved with business through the use of social media applications as a competitive marketing tool.

Table 2

The Use of Social Media Accounts

Based on the analysis of social media usage (Table 2) among parole prisoners, the study found that most of those involved in this study have social media accounts such as Facebook (76.8 per cent) and WhatsApp accounts (78.5 per cent) compared to other social media accounts. The survey on 354 parole prisoners found that only 46% had an email account, 37% had a YouTube account, 35.9% had a Tik Tok account, 28.5% had an Instagram account, and 12.1% had a Twitter account. The analysis indicated that the majority of parole prisoners have a Facebook account and use WhatsApp to convey information. Using these social media accounts can help them expand their business and sales networks if they are given appropriate entrepreneurial skills training.

Level of Entrepreneurial Literacy: Based on the analysis of the level of entrepreneurial literacy (Table 3), the study found that the majority of parole prisoners involved in this study showed a high level of entrepreneurial literacy (55.6 per cent) to a moderate level (43.2 per cent). Only 1.2 per cent of them showed a low level of entrepreneurial literacy. In this study, entrepreneurial literacy refers to the basic knowledge and awareness related to aspects of entrepreneurship, such as how to get business capital, knowledge about doing business, selling, calculating profit and loss and making bank loans for parole prisoners. The findings of this study show that the majority of parole prisoners have a good level of literacy and can be given appropriate training in the field of entrepreneurship.

Table 3

Distribution of entrepreneurial literacy levels among parole prisoners in Malaysia

Level	n=354	Percentage (%)
Low	4	1.20
Medium	153	43.20
High	197	55.60
Total	354	100

Thoroughly, data related to the distribution of entrepreneurial literacy shows that the majority of parole prisoners involved in this study implied a high level of literacy to start a business. The majority of 96.6 per cent of those involved in this study know that in starting a business, one needs knowledge/training (item 1) and capital (95.5 per cent-item 2).

Table 4

Percentage Distribution of Entrepreneurial Literacy Items

No	Item	Strongly Disagree P(%)	Disagree P(%)	Agree P(%)	Strongly Agree P(%)	Mean
1.	I understand that: business requires knowledge/training.	0.8	2.5	46.6	50.0	3.46
2.	business needs capital.	1.1	3.4	46.6	48.9	3.43
3.	attain the information to develop business.	1.1	7.9	40.4	50.6	3.40
4.	calculate profit and loss.	1.4	4.0	62.1	32.5	3.26
5.	selling technique.	1.7	8.2	57.6	32.5	3.21
6.	business methods.	1.7	10.5	57.9	29.9	3.16
7.	approach to get capital.	2.5	10.2	58.8	28.5	3.13
8.	how to make a bank loan.	4.0	18.1	52.8	25.1	2.99
9.	loans will be charged interest.	7.3	23.4	46.6	22.6	2.84

A total of 91 per cent suggested high literacy and knowledge in finding information to develop business (item 3). The rest, which is a total of 94.6 per cent, showed high literacy in calculating profit and loss (item 4), knowing about selling (90.1 per cent - item 5), conducting business (87.8 per cent - item 6) and getting capital to start a business (87.3 per cent item 7). This study of 354 parole prisoners also further discovered that a total of 77.9 per cent of the parole prisoners showed good entrepreneurial literacy and knowledge to handle bank loan matters. Only 22.1 per cent did not have literacy regarding the matter (item 8). Also, a majority (69.2 per cent- item 9) know that debt will be charged with interest.

The results of this study show that most of the parole prisoners involved in the study show a good level of entrepreneurial literacy and that stakeholders such as the Malaysian Prison Department should establish entrepreneurship programs in prison as one of the efforts towards empowering the career of prisoners. Based on a study conducted by Sauers (2009), prisoners who followed an entrepreneurship program in Texas and were involved with the entrepreneurship program were seen to be successful in changing themselves and leaving past criminal activities. In addition, 80 per cent of them were seen to have successfully obtained a job within 30 days after being fully released from prison custody. Cooney (2012) in his study found that most prisons do not assert entrepreneurial modules that can equip the prisoners with skills to build their personalities and careers to continue life after release so that ex-prisoners re-engage with activities that violate the laws of the country.

The personality aspect is an important aspect in building, mobilizing and shaping a successful entrepreneur. The theory of entrepreneurship according to the psychological approach emphasizes the aspects of the personality traits of an entrepreneur (Kwabena, 2011). A person's personality traits include things related to the need for achievement, locus control and risk-taking tendencies. The success an individual achieves is the result of their self-strength and not due to the factor of fate. While McClelland's theory of need for achievement (1971) states that entrepreneurs are driven to success influenced by elements from an early

age, brave to take responsibility and have the ability to be independent. The provision of information related to entrepreneurial profiling and literacy among inmates helps to provide useful information to stakeholders in the provision of employment opportunities, reduce recidivism rates and provide appropriate modules to enhance the personality and entrepreneurial skills among ex-prisoners.

Conclusion

In conclusion, the results of the study suggested that the majority of parole prisoners involved in this study show a high level of entrepreneurial literacy (55.6 per cent) to a moderate level (43.2 per cent). The majority of those involved in this study were between 31 and 40 years old (40.4 per cent), Malay (78.8 per cent), Muslim (86.4 per cent), and the majority were male (93 per cent) and still unmarried (53.1 per cent). The highest level of education among them is at the SPM level (42.7 per cent), and 88.1 per cent had a job before they were imprisoned and earned less than RM2,500 (group B40). Most of them also expressed an interest in getting involved with business (59.6 per cent). However, the majority of them (66 per cent) did not have any business experience and did not have family members involved in business (62.1 per cent). They have also never followed any business course (87 per cent) and 76.8 per cent of them actively have social media accounts such as Facebook. The results of this study are seen to have implications for the need to prepare entrepreneurship programs in prisons towards the empowerment of prisoners' careers. This initiative is part of an effort to change their way of life by becoming entrepreneurs after returning to society.

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