Social Enterprise for School Dropouts through Digital Lifestyles – Adapting from USA Success Stories

Noormaizatul Akmar Ishak¹, Muhamad Zulkiflee Osman², Wan Nor Ashiqin Wan Ali¹, Syed Zulkarnain Syed Idrus¹, Azizan Bahari¹, Nur Azila Azahari¹

¹School of Human Development and Technocommunication (iKOM), Universiti Malaysia Perlis (UniMAP)
²Universiti Kuala Lumpur Business School

mzulkiflee@unikl.edu.my
maizatul@unimap.edu.my

ABSTRACT

Digital lifestyle has become a culture that each and every of us has to adopt and adapt to. The stability of Malaysia’s economy makes the quality of its citizen’s education and standard of living improve along with the income ranks. On the other hand, there is still a huge problem with regards to the school dropouts that influence the quality of life and social impact in Malaysia. These school dropouts should be exposed to self-regulating and self-employing so that they can be independent and able to move forward themselves away from the perils of crime. By manipulating the current digital lifestyles, majority of the school dropouts are familiar with the Information and Communication technology (ICT), the Internet and mobile gadgets. This paper recommends that the Malaysian authorities should come out with a prototype of the business model of Social Enterprise (SE) in order to deal with school dropouts that prefer to run business online as their income to support their lives. Some adaptation from the successful SE in the United States of America (USA) could be adapted in order to match with the Malaysian scenarios. The authorities might also work out spin-off businesses through provision of seed funds, including from interested private sectors, to these youths.

Keywords: Social Enterprise, social networks, school dropouts

1.0 INTRODUCTION

It is very challenging to keep the youths in today’s schools’ environment since youths do not perceive education as important as their parents view. The school dropouts’ crisis among the teenagers need a very severe attention. Azmi
and Hashim (2014) stated that even the students in the Primary School level are also a part of the statistics of school dropout. The school dropouts are defined as young people or youths who could not persist maintaining schooling because they are lacking the ability to deal with the school system, or refused it with the purpose of pursuing different lifestyle.

The school dropouts’ problem is a long time issue for decades in Malaysian education. Since the early of 1970s, Malaysian’s government had been trying to treat the school dropouts’ problem by setting up a committee as the initial action. The Director of Planning and Research Division at the Ministry of Education, Murad Mohamad Noor, was appointed as the chairperson of the committee. The committee’s 1973 report on school dropouts contained the proposals to be implemented in stages by the government. These stages have been improved over the years to accommodate with the situations and contexts of the Malaysian education systems.

The youth development and self-regulating are important phases in life for establishment of human capital that permits young people to keep away from poverty and lead better, and probably have a more fulfilling life (Awogbenle and Iwuamadi, 2010). When the students drop out from the schools before they complete their education, the countries like Malaysia have to deal with the challenge to put into practice the lifelong learning education. If this problem continues for more decades ahead, then it is critical in order to increase productivity and employment opportunities for its citizen, besides enriching the soul and mind with knowledge quality (Azmi and Hashim, 2014). The Malaysian government aims the access to the national educational opportunities to be opened as varied as possible in developing human capital of its citizens. For that reason, it is essential to endow with the knowledge of science and technology to the students so that they will become talents as well as workers who can play a role to the national development (Azmi and Hashim, 2014).

The digital lifestyles basically involve the Information and Communication Technology (ICT) applications and gadgets as part of the way to communicate and perform works. Among the ICT term is Web 2.0 that often is used interchangeably with Social Network, that refers to applications such as wikis, blogs, Internet-based networks, and websites for sharing multimedia content, group radio and instant messaging, as well as older forms of online collaboration (Taylor-Smith and Lindner, 2009). The most important rationale in making use of Social Networks tools is to encourage online participation by getting in touch with more people in the target group. This will persuade them to get involved, to facilitate viral marketing of the project, and to keep people interested, through regular updates and the chance to establish comparatively sustainable
computer-mediated relationships (Taylor-Smith and Lindner, 2009). In addition, most of the Social Networks tools are also free to use by the users. Nevertheless, this paper is of the standpoint that the school dropouts can look for the chance to create earnings through keeping Social Networks sites up to date and make available information. No doubt it requires entrepreneurs to perform their tasks and these needs to be reasoned into any valuation of resource consumption in using these tools.

In line with a report produced by the Malaysian Communications and Multimedia Commission (MCMC) in 2014, the survey conducted with regards to educational attainment has found one-third of users in Malaysia (33.7%) have attained a medium level of education. In this context, medium refers to the Sijil Pelajaran Malaysia/Sijil Pelajaran Vokasional Malaysia (SPM/SPVM) and Sijil Tinggi Pelajaran Malaysia (STPM). This is followed by low education group; primary school, secondary school, Penilaian Menengah Rendah (PMR) (27.8%) and high level of education; diploma, advanced diploma, degree and higher degree (21.7%). It is shown statistically, that education is not a solid indicator of mobile phone usage as most phones are made user friendly, especially smart phones.

In 2003, Lee (2003) has seen that the ICT has been transforming one’s lifestyle into “Digital Life Style”. So digital lifestyles become a norm for decades around the world. The technology, however, do not appear from nowhere: they are developed, designed, and marketed in specific social contexts which reflect broader economic cultural, and social factors (Thomas 2011). The digital natives are by no means as technologically fixated or as technologically proficient as is often assumed. They do not necessarily have the skills, the competency or the natural fluency that they are assumed to possess (Thomas 2011). Users can create, share, and enjoy multimedia information in their own personalized virtual space in mobile environment (Lee, 2003). In digital lifestyle aggregators, all communications will be done through multipurpose digital devices and mobile applications where more information is published digitally on the webs and more people will read them than from anywhere else. Therefore, the secret of creating money is in offering an integrated environment for users to use Internet such as instant messaging, built-in digital camera, image gallery, cell phone gateways, personal publishing, and web services easily and seamlessly (Charmonman and Chorpothong, 2005).

Majority of young people’s use of ICT is ordinary rather than outstanding. It is characterized not by vivid indications of innovation and creativity, but by relatively routine forms of communication and information retrieval (Thomas 2011). Digital civil society offers easily accessible multimedia contents for
diversified user applications, communication and information infrastructure to support such access from user, and intelligent user devices to deliver such digital contents in user friendly manner (Lee, 2003). No doubt that present day children have many of the same interests concerns and preoccupations as children in previous generations – even if the ways in which they manifest these through their use of technology are likely to be rather different. (Thomas 2011). The perception of the generation gap does echo some tenacious anticipations and fears about the future it takes on dissimilar forms in different historical and cultural situations. Nevertheless it may also have an economic impact either directly or indirectly (Thomas 2011). Youths are the people who is extremely unpredictable market; and not to forget that the pace of technological change appears to be accelerating. Digital lifestyles has grown rapidly. With the mixture of fearful anxiety and wishful thinking about ICT, it appears to be highly intoxicating for companies – and indeed for governments – whose businesses seem contually more insecure (Thomas 2011). Generating income through online business is exploiting the Internet for trading - selling and buying - of products and services. It includes advertising and catalogs of products and services by the seller, ordering of the products or services by the buyer, checking of the buyer's credit by the bank, manufacturing or taking the products from the shelves to be sent to the buyer, transferring of money from the buyer’s account to the seller’s account, as well as providing after-sales services (Charmonman and Chorpothong, 2005). Other than online business, digital lifestyle makes the entertainment and learning accessible digitally such as e-Learning, e-News e-books and e-Government (Charmonman and Chorpothong, 2005).

Alive and Kicking’s company was created by the inspiration to kill two birds with one stone. It starts up and ongoing activities are as a charity that makes sports balls in Africa, and adopts the Lean Start-up principles in its growth. Basically, Alive and Kicking is a Social Enterprise that manufactures balls in Kenya, Ghana, and Zambia to meet its intention of giving balls for children, provide jobs for adults and health awareness through sport (Ellarby, 2013). Today, Social Enterprise is extensively defined as businesses that operate for social purposes (Defourny and Kuan 2011; Kerlin 2009). It has created a centre of attention and significant policy interest within the western world and beyond. Therefore, it is something noble to explore how to empower the youths who are school dropouts can benefit from the Social Enterprise concept. With their digital lifestyles, online business can be a part of their income generation through Social Enterprise initiatives in Malaysia.

The online business has tremendously makes full use of the Internet, and digital lifestyles is already a culture. In five years back, Otto-Rieke (2010) noticed that two out of three businesses in Germany operate with a travel agency using
online applications. Online offerings have raised market share in this sector, with standard services increasingly found and booked on the Internet. This can be a potential for saving costs as the travel amount rises. While half of small- to medium-sized enterprises do without the services of a travel management company, 84% of businesses with over 1,500 employees do take advantage of such services (Otto-Rieke, 2010). Therefore, this could be a potential sector for the school dropouts to create income in Malaysia too.

The development from free-market economics en route for responsible entrepreneurship indicates the changing cultural framework and interactions between society and entrepreneurship. It is the move towards socially responsible entrepreneurship, accountable to society, reflects ethically and environmentally sustainable values (Rae, 2010). In accordance with Burégio, Maamar and Meira (2015), a Social Enterprise architecture have got to be robustly coupled with Web 2.0 technologies to keep up the enterprise in stretching out to stakeholders, consist of customers, suppliers, competitors, and regulatory authorities. In the Social Enterprise, the unspecified people can be stakeholders and as a consequence interact with the Social Enterprise for instance in the discussion group members. However, for the traditional enterprises, that is non-Social Enterprise, the stakeholders must be known in advance (Burégio, Maamar and Meira, 2015).

The distinctiveness of contemporary entrepreneurship such as Social Entrepreneurship apparently can be recognized due to its structure. Social Entrepreneur has individual-team leadership within a social context; opportunities create multiple forms of value: financial, creative, social, ecological, socially connected and networked; collectivist and inclusive; ethically responsible, economically and environmentally sustainable; sensitive to resource stewardship; conservation and re-use; longer term sustainable growth and development; feminine values: relational, collaborative, intuitive working which complement; masculine attributes of competition, and grassroots enterprise and resourcing (Rae, 2010).

The media content which youth are exposed to, and in the way this content is delivered are continuously evolving with respect to the surroundings. The new media forms such as chat rooms, E-mail, and many sites on the Internet demand interaction with the users, more engaging as the consumers will be able to step into virtual worlds in which their whole bodies, not only their eyes and ears, are involved (Brown and Cantor, 2000). It is regrettable that nowadays, children and youth have been exposed as a profitable commercial market segment. The media is capable of being exploited to influence youth and impinge on their behavior (Brown and Cantor, 2000) and this including the
school dropouts. As a result, through the Social Enterprise, this paper wants to encourage the school dropouts to take the opportunities of digital lifestyles to create income without setting any hurdles of the education background, age, gender, race, capital and geographical areas.

2.0 CURRENT ISSUES

Basically, in the primary schools students are taught to have the basic skills of reading, writing and calculating, while the scientific skills are promoted too (Ministry of Education Malaysia, 2011a). In Malaysia, Primary School Achievement Test (UPSR) is the first public examination acquired by students at the end of Year 6 to assess their achievement in acquiring the basic skills of writing, reading and mathematics before they move on to secondary education (Othman & Md Salleh, 2005). There are five compulsory subjects tested in the UPSR - Malay Language Comprehension, Malay Writing, English, Mathematics and Science subjects, while Chinese and Tamil are offered at the National Type Primary School (SJK). However, there are still a small number of students who left school because of their short of interest in education. According to Wee (2011), the percentage of dropout students in Primary School stage which follows the school system under Ministry of Education for the period 2006 to 2010 was at a rate of 1:32 percent.

Rasinski and Pedlow (1994) have conducted studies that find vocational education can decrease the school dropout setbacks. This effort corresponds with implementation of Basic Vocational Education which provides opportunities for Year 6 leavers who not succeed to reach minimum achievement-oriented academics to remain in the school system where they will acquire within their means, interests and potential some capabilities in the field of vocational training (Ministry of Education, 2011c). Basic Vocational Education program is introduced and implemented generally to prevent student dropouts at primary and secondary levels due to various factors such as slow learner, disciplinary problems, delinquency, socio-economic problems, and so on. It is designed to produce human capital that is skilled, critical, creative and innovative through the environment-oriented learning experience of the working world. Curriculum undertaken also led to the construction of identity, competence development and development of entrepreneurship vocational skills competency. Muhamed (2012, January 4) also believed that not all students are academically inclined and skilled students need to be trained in order to produce more skilled workforce. Vocational education with the right skills is a key factor in any strategy to decrease the problem of low accomplishment among students (Cassen and Kingdon, 2007). However, the other challenge is
once these school dropouts are neither interested in academic nor vocational. They cannot stay focus in the classroom setting or workshop. They prefer to work only when there is a need to earn some money. The rest of their time, they like to spend time playing futsal or hanging around in the shopping complex with friends.

This paper examines the contribution of Social Enterprise to the empowerment of Malaysian school dropout youth in creating income by manipulation of the present digital development in the society. The effect of having a raising number of citizens who are not concerned to finish their schools’ education and get decent qualification or skills is unhealthy for the country to progress its economic productivity and competitiveness (Ministry of Education, 2011c). Lacking the right education, these school dropouts would stumble on difficulty to get an employment.

By understanding the issue of school dropouts in Malaysia, the authorities are able to discover the possibilities for these youth to create their income through digital lifestyle that is widespread in society. It is expected that youth can be assisted in self-regulating through Social Enterprise. Indirectly, it contributes towards improving the existing policies on youth by providing a model of financial education to citizen especially the school dropouts through Social Enterprise.

The entrepreneurship is facing the change of nature as an outcome of a process of learning and adaptation in the digital lifestyles environment. Rae (2010) recommended that teachers take part as a key role in defining and informing the new entrepreneurship via research, innovative learning and co-creation of knowledge with new era entrepreneurs. He adds up that in order to comprehend the new entrepreneurship such as Social Entrepreneurship, it is necessary to associate it to different contexts of people learning process, innovate and develop new era enterprises, and the type of new business models they expand to create value. There is growing convergence between ‘mainstream’ entrepreneurship as it shifts towards the different era paradigm and social entrepreneurship, which has enlightened and created new insights into the possible for responsible entrepreneurship (Rae, 2010).

Unquestionably, there is a lot of entrepreneurship programmes have been fabricated as an involvement mechanism in promoting youth entrepreneurship (Awogbenle and Iwuamadi, 2010). Among the centre of the programmes there are programmes that active in creating employment opportunities for self-employed youth as well as the other young people they employ; bringing alienated and marginalized youths back into the economic mainstream and
providing them a sense of meaning and belonging; assisting to address some of the socio-psychological problems and delinquency that arise from joblessness; helping youths extend new skills and experiences that can then be applied to other challenges in life; promoting innovation and resilience in youth; promoting the revitalization of the local communities by providing valuable goods and services; and capitalising on the fact that young entrepreneurs may be particularly responsive to new economic opportunities and trends.

In the United States of America (USA), the supporters of optimistic youth growth have disagreed that participation in organized activities might facilitate optimal development (National Research Council and Institute of Medicine, 2002). For that reason, policymakers should give more opportunities for the American youth to be engaged in such activities. In connection with that, this paper solidly believes that the study will succeed with the significant support from Fulbright programmes which had been active for decades around the world.

It is the intention of this paper to promote an outreach programme that will help the school dropouts youth to acquire self-regulating, self-employed, financial literacy, and become good citizens. By building up interest in deciding for Social Enterprise around the world, Malaysian authorities such as Ministry of Education, Ministry of Youth and Sports, and Ministry of Human Resource should have a master plan to deal with this confront in changing the school dropouts in becoming digital entrepreneurs. For the new business concepts and models to be initiated, the policy makers themselves need to have the appropriate knowledge and exposure, and understand the competitive advantage of Social Enterprise over their traditional business competitors.

3.0 RESEARCH METHOD TO EXPLORE SOCIAL ENTERPRISE IN MALAYSIA

In normal practices, social science researchers persist of using the tried and true methods of social psychology and sociology such as content analysis, surveys, and experiments when conducting researches (Brown and Cantor, 2000). On the other hand, the emergent media environment and digital lifestyles have insisted on these methods to be adapted to put up with what we have come to know about the processes being studied, and the difficulties in studying some of these phenomena such as Social Enterprise using standard methods (Brown and Cantor, 2000).

The adaption to qualitative approach and analysis seems to be the appropriate way to explore how the school dropouts perceive the digital lifestyles, financial
education and Social Enterprise as a mode of income generation for them. Ultimately by having the source of income, they can be a good citizenry and contribute in helping other school dropouts by working under or with them. In addition, variants in Social Enterprise around the world are in part due to their connection with specific socioeconomic conditions within their context (Kerlin, 2009).

Moreno-Romero (2015) studied the Social Enterprise in Spain, and has implemented Kerlin’s institutional framework (2013) that analyzed the five most important elements that influence the conformation of country-level Social Enterprise models: A rich mix of cultural, local, regional and global hierarchies (including social classes) and political-economic histories, the type of government, the stage of economic development, the model of civil society and international influences.

Those five most important elements in Kerlin’s Social Enterprise framework could be used to guide the Malaysian researchers to construct the open-ended semi-structured questions when conducting individual interviews and focus group discussions. It also involves firm commitment with Social Entrepreneurship, Social Innovation and Digital Lifestyles learning during this period. This exploratory study method is a reflective information told by multiple discourses of Social Enterprise from policy, education, media and practice where the researchers are acting as a speaker, educator, reviewer of refereed papers, and engaged participants working with right financial educators, entrepreneurs and business support professionals. It is worth to mention that as a cultural movement, Social Enterprise is manifested in such discourses, which make explicit significant governing ideas, concepts, phrases, assumptions and values. Among the factors to the discourse included are political and government policy, close-to-government organizations, academic research, and other Social Enterprise entities in Malaysia. Direct engagement with school dropouts and entrepreneurs at educational, networking events and other encounters should also play a part to this study of self-regulating the school dropouts.
In the Initial Research Design phase, the previous researches on this topic from the literature reviews could be referred to view the deepness of the issues that have been studied and from what angle. This phase is very important to determine the data that can be collected from the right samples within the stipulated time. Since the success stories of the Social Enterprise in USA is seen as the best example, then every detail of the participants to be involved in the study have to be verified and informed. The setting of Malaysia and USA might not be the same but as for the digital lifestyles concerned, both are similar.

Then follows by Data Collection phase. To have a general idea of Social Enterprise in Malaysia, it is suggested to conduct a focus group discussion with at least 10 participants who were school dropouts in each session in order to understand the real issue. Since Malaysia has 14 states, therefore each state should have a minimum one focus group discussion. From the school dropouts in the focus group discussion, the snowballing sampling can be applied to identify other participants for individual interviews. Focus group discussion shall also be conducted with participants specially chosen from the related agencies with the knowledge and information on school dropouts. The data from related agencies and Ministries could be used to understand the sample. This information will be used to triangulate and support this study’s objectives. It is best if the same focus group discussion and interviews with the participants in USA could be performed too. The similar focus group discussions could be conducted with successful school dropout programs (Social Enterprise) but only...
limited to two due to constraints on resources – time, researchers, distance and budget.

Expert Reviews are the most significant in qualitative approach of this study. The experts’ review is important because their views and comments can confirm and strengthen the findings from the focus group discussion done. Experts shall be drawn from Malaysia and USA as they could be from the policy makers and the Social Enterprise initiator themselves. In the case of USA for example, at least two focus group discussions with successful Social Enterprise in USA and interview the experts in USA in order to understand and learn how they do it successfully with the school dropouts. As the biggest economy producer in the world, it is very fruitful and interesting to explore what drives the school dropouts in USA to generate income through digital initiatives while encouraging social enterprises locally.

During the Data Analysis, the researchers’ knowledge, expertise and experience must be experienced to interpret the data and construct the findings. The researchers have to seek in order to understand the phenomena (Social Enterprise) in context-specific setting (digital lifestyles). The quality of the study must be based on data rigorousness, validity and reliability, credibility, transferability and trustworthiness to reflect the interpretivist (interpretivism) conceptions. Triangulation is a strategy for improving the validity and reliability of evaluation of findings. It is used in order to control bias and establishing valid propositions because traditional scientific techniques are incompatible with this alternate epistemology. Triangulation strengthens a qualitative study by combining methods – individual interviews, focus group discussion, reports and expert reviews.

Another paradigm in qualitative research is constructivism that views knowledge as socially constructed and may change depending on the circumstances. From the social perspective such as “the view that all knowledge”, and therefore all meaningful reality as such, is contingent upon human practices, being constructed in and out of interaction between human beings and their world, and developed and transmitted within an essentially social context.

To conclude the findings, all data that being collected from Malaysia and USA should be triangulated during the analysis process. The theme emerged from the data would be interpreted and a proposed Social Enterprise model could be constructed for school dropouts further development in Malaysia. School dropouts are not a topic restricted only to Malaysia. There is many other countries face similar school dropouts problem of their teenagers because of various factors. The successfullness of Social Enterprise outreach programme in
the USA to help solve the problems of the communities in its own country and overseas could be adapted in Malaysia too. The school dropout youths might not complete their basic education but they have the energy and desire to improve their lives in a healthy way if the government provides the appropriate guidelines and support.

Brown and Cantor (2000) suggested that research conducted with the public interest in mind, such as the study on school dropouts, should be peer-reviewed, critiqued, and made accessible in a timely way to all stakeholders, including other researchers, parents, teachers, youth service workers, and policy makers. Through this study it would help especially the young school dropouts in the development of their economic self-regulated through digital lifestyles enterprise activities. This is not only harmonized the efforts of government in educating good citizenry, but also added toward promoting positive digital lifestyles among the school dropouts.

With current scenario where school dropouts at young age can be manipulated into crimes, this topic is recent, very critical and cannot be ignored as its potential impact is huge on the economy as well as political stability of the country. The school dropouts might not have good proper education, degree or qualification, but in today’s scenario where digital civil society is the trend, they can manage their lives comfortably, healthily while distancing themselves from criminal activities. They are commonly exposed to the Internet and mobile applications despite their family’s economic difficulty which denies them ready access to the technology. Nonetheless, they must be taught on how to empower and self-regulated themselves with the talents and skills that they could acquire, and from there, proceed seriously to improve themselves. Social enterprise and financial education could significantly help school dropout youths to create income and thereby get better their livelihood.

4.0 CONCLUSION

For time being there is no legislation or Act on Social Enterprise in Malaysia that could guide the process of promoting this outreach programme compared to, for example, Australia (Barraket, 2015), Spain (Moreno-Romero, 2015), United States of America and United Kingdom (Sepulveda, 2014).

In his study, Barraket (2015) showed that Australian Social Enterprises see a smaller amount of public investment in core services, which is a contrast to other countries, such as the United Kingdom, where in the recent past
government commitments to ‘growing’ social enterprises were seen as associated with public sector spending.

Today youths are encircled by media environment with the massive exposure to the same kind of content in their everyday lives (Brown and Cantor, 2000) that leads them to digital lifestyles. For that grounds, this paper regards that communication and multimedia industry in Malaysia specifically and globally in general could provide a platform for the school dropouts to create income by supporting in:

a) self-regulated – the school dropouts have the ability to motivate themselves and others in good citizenry.
b) self-efficacy where dropouts believe in their own abilities to deal with common life challenges, and can deal with not only in their own feeling about themselves, but whether or not they achieve their goals in life,
c) self-employed - financial education exposure through business model canvas workshop for the dropouts,
d) independent support – identifying the right channels that interest the dropouts,
e) social interaction where dropouts can be trained to have entrepreneurial mind and attitude, and
f) appropriate channels and skills training for the dropouts through mobile application access point,

It is the intention of this paper to explore the long-term attitude or behavioural change of the school dropouts, rather than short-term effects. The true focus of this paper is to have an interest outcome in rendering the research design incapable of uncovering the all important impact of digital lifestyles, education systems and implementation (Brown and Cantor, 2000) for the school dropouts. For these reasons, the Malaysian government ought to anticipate the need for more longitudinal, observation and participatory studies that look at multiple media sources (such as smart phone, desktop and laptop) in digital lifestyles and how the school dropouts manage their self-regulated and self-employed.

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