

# COMPARATIVE ANALYSIS OF SUSTAINABLE ENTREPRENEURSHIP AMONG THE EAST COAST HOMESTAYS IN MALAYSIA

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## ABSTRACT

The fluctuation statistic of tourists reception in Malaysia in year 2015 to 2017 cause the problems to the tourism sectors since tourism third largest contributor to Malaysia's economy. It due to the lack of entrepreneurial competencies among the entrepreneurs according to management inefficiencies, lack of skills and business knowledge, company failures and difficulties in raising funds for companies' start-up and expansion. Concerning to this issues, this study conducts a comparative analysis of sustainable entrepreneurship among the east coast homestays in Malaysia. This analysis identifies the distinction of sustainable entrepreneurship between Terengganu, Pahang and Kelantan's homestays by the entrepreneurial competencies that comprise opportunity, networking, commitment, management, learning and motivation. Meanwhile, the sustainable entrepreneurship is investigated in terms of economic, social and environmental sustainability. The hierarchical stepwise regression analysis using STATA 14 is applied to achieve the objective. The result shows that the commitment and management competencies are the common factors contribute to the sustainable entrepreneurship in Terengganu, Pahang and Kelantan. The motivation competency is the main factor contributing to the sustainable entrepreneurship in Terengganu and Pahang while the opportunity competency is the main factor contributing sustainable entrepreneurship in Terengganu. Besides, the motivation competency is the highest factor contributes to the economic and social sustainable entrepreneurship in Terengganu and Pahang. Whereas, commitment and opportunity competencies are the main factors contributing to the economic and social sustainability entrepreneurship in Kelantan, respectively. In addition, the motivation competency is the main factor contributing to environmental sustainability in Terengganu, Pahang and Kelantan.

**Keywords:** Sustainable Entrepreneurship, Entrepreneurial Competency, Homestay, East Coast.

## INTRODUCTION

Malaysia is the top ten countries receiving the high number of international tourists every year. According to Aziz et al. (2013), the tourism sector becomes the second largest contributor towards national income in Malaysia sectors after the manufacturing sector. One of the developed tourism products is homestay program being introduced to give the advantage and good impact especially to the tourism sector. Homestays are potential income sources for rural communities, according to their unique culture produce to be marketed as tourism products (Bachok et al., 2018). Homestay program is a Community-Based Tourism (CBT) program in which the tourists are given an opportunity to stay with the selected local family members. Consequently, the tourists can understand the local communities' daily life styles and learn their cultures. Besides, this program also encourages the local communities to be active in tourism activities and provides

them with more job opportunities (Mapjabil et al., 2011). Considering that homestay program is capable to evolve our country's development, the Ministry of Tourism in Malaysia officially makes this program as one of the Malaysia's tourism products and keeps promoting it around the world.

However, in year 2015 to 2017, Malaysia has faced the fluctuation statistic of tourists reception cause the problems to Malaysia's economy. This situation is caused by the lack of entrepreneurial competencies among the entrepreneurs due to management inefficiencies, lack of skills and business knowledge, company failures and difficulties in raising funds for companies' start-up and expansion. The problem of the competencies' weakness has led many rural entrepreneurs making decision to quit from engaging with this homestay programs since they cannot afford to manage the problem of tourist shortages. In addition, the income of homestay around MYR17 per head is too small to cover up their services (Kalsom, 2010). Mapjabil & Din (2010) stated that the government has admitted that most of the small scale tourism's entrepreneurs have no experience in addressing the diverse needs among tourists. Through Salime (2012) study on small entrepreneurs including the accommodation entrepreneurs, around 80% of them have SPM and below and less ten years' experiences. According to Faizal et al. (2014), there is a significant and positive relationship between education level of entrepreneurs and entrepreneurship sustainability. This problem should be overcome since the key of success for an entrepreneur depends on competencies, capabilities and desires in learning of new challenge like technical, economy and innovation exchange (Kyndt & Baert, 2015). In addition, the growth or development of human capital is driven by the vision and motivation of the entrepreneurs and therefore, the function of entrepreneurial competence is certainly based on strategic management and moral education (Mappigan & Agussalim, 2013; Racelis, 2014).

Moreover, most of empirical studies of sustainable entrepreneurship only concentrate on larger organization compared to the small and medium entrepreneurship and this in line with the study of (Perrini et al., 2007; Fuller & Tian, 2006; Jenkins, 2006:2004, Perrini, 2006; Williamson et al., 2006; Spence & Schmidpeter, 2003; Sarbutts, 2003). Concerning to this issues, the comparative analysis of sustainable entrepreneurship among the east coast homestays in Malaysia are conducted to identify the important factor that contributing to the sustainable entrepreneurship. In our study, we identify the effect of opportunity, networking, commitment, management, learning and motivation competence towards of sustainable entrepreneurship in the East Coast of Malaysia.

## LITERATURE REVIEW

In recent years, sustainability has been a major focus for most organizations due to the occurrence of climate change, regulatory pressures and social needs to be more responsible for the environment and social. Sustainability has been taken seriously and is a key focus in strategic goals by most organizations (Chouinard et al., 2011). According to Schaltegger & Wagner (2011), the characteristics of entrepreneurship sustainability are contributing to solve community and environmental problems through successful business. The sustainability of entrepreneurship is also defined as the discovery, creation, and exploitation of opportunities for creating present and future goods and services as well as maintaining nature, the community and providing profit in development (Patzelt & Shepherd, 2010).

The economic sustainability of the past and current still become an issue around the world. Policy makers need to pay attention to the economic performance in knowledge-based economy and real world (Doh & Kim, 2014). Environmental sustainability focuses on the impact

of the business on the environment. Social sustainability includes the context of humanity in the business, which emphasizes fairness in distribution and opportunity and in relation to health and education issues, inequality in income and poverty (Aggerholm et al., 2011; Harris, 2003). Social and environmental sustainability has long been established among business lexicons (Sengers et al., 2016; Shrivastava & Guimaraes-Costa, 2017). Thus, the response to the social and environmental demand on business operations is a major challenge to a business (Gunasekaran et al., 2014).

According to Patzelt & Shepherd (2010) studies, the motivation has a relationship with sustainability. Motivation plays a role to develop a personal economy in assisting others and the outside relationships of employers. Godemann et al. (2011) stated that the competence for motivation is the ability to induce individuals and others to take action. Entrepreneurship motivation is a success factor of entrepreneurs that can be improved with various steps in enhancing initiatives for individuals who are just starting new or existing business ventures in a safer and sustainable way (Raudeliūnienė, 2014).

Wals (2010) mentioned that learning competencies include knowledge, discipline, skills and attitudes that have a direct relationship to entrepreneurship and sustainability. Entrepreneurship education is carried out at the school level as well as at institutions of higher learning for sustainable development in the future. Krishnan's (2013) study proves that there is a significant direct relationship towards one of the entrepreneurial competencies that is learning competency with entrepreneurship sustainability in terms of sales, profits, investment returns and jobs.

In addition, the continuous commitment of tour operators is one of the capabilities and efforts to achieve indirect sustainability. The study by Ansari et al. (2013) demonstrates that commitment has a high level of sustainability among employers. According to Vijay & Ajay (2011), commitment is an activity to do the highest priority things in order to ensure a task completes. Additionally, building relationships and networking with the right individuals is very useful to address the lack of resources problem in SMEs.

Schaltegger & Wagner (2011) in their study explain that the improvement in management is a driving force to lead the companies in achieving sustainable development. While the opportunity competence is one of the most important factors in making successful entrepreneurial business (Noor Hazlina et al., 2010). Additionally, there is a new view stating that successful cooperative relationships are crucial for organizational sustainability in the travel industry (Go & Appelman, 2001). Hence, building relationships and networking with the right individuals is very useful to address the problem of resource shortage in SMEs (Vijay & Ajay, 2011).

## METHODOLOGY

### Sampling

This study is conducted in the East Coast of Malaysia. The sample is selected with random sampling that based on the 660 entrepreneur population of Terengganu, Pahang and Kelantan (East Coast) in Malaysia (Ministry of Tourism Malaysia, 2016) and referred to the Krejcie & Morgan (1970) Table. However, we face the difficulties and constraints of entrepreneurship cooperation's to obtain the sample required but the number of responded is 274 entrepreneurs (Table 1).

<b>Table 1</b> <b>SAMPLE SIZE AND NUMBER OF RESPONDED OF HOMESTAY ENTREPRENEURS IN EAST COAST OF MALAYSIA</b>				
<b>Zone</b>	<b>State</b>	<b>Population</b>	<b>Sample size</b>	<b>Number of Responded</b>
<b>East</b>	Terengganu	185	127	102
	Pahang	323	175	105
	Kelantan	152	108	67
	<b>Total</b>	<b>660</b>	<b>410</b>	<b>274</b>

## Hierarchical Analysis

We employ the hierarchical analysis to identify the effect of entrepreneurial competencies towards sustainable entrepreneurship including economic, social and environmental in the Terengganu, Pahang and Kelantan. The hierarchical analysis is to identify the change in two or more factors that contribute to the change in a dependent variable. According to Ismail et al. (2009), both of regression (linear and hierarchical) are known as multiple regression analysis. Meanwhile, the multiple regression is a process of predicting the dependent variable according to the predictor variable (independent variable) (Vessel et al., 2011). The multiple regression analysis can be represented by the Eq. 1.

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \dots + \beta_n X_n + \varepsilon$$

Where, denote  $Y$  as the dependent variable,  $\alpha$  as the constant.

$\beta_1, \beta_2 \dots \beta_n$  are the coefficients,  $X_1, X_2 \dots X_n$  are the independent variables and  $\varepsilon$  as the error term (1)

The hierarchical analysis is selected in this study using the stepwise solution. According to Diekhoff (1992), stepwise hierarchical analysis has its own advantage and more flexible compare to other hierarchical analysis. Through the hierarchical analysis, only the significant independent variables are retained and the insignificant variables are removed. Moreover, the stepwise hierarchical analysis can solve the multi-collinearity problem according to the high correlation among independent variables. It is because the high correlation variables are removed in the stepwise hierarchical analysis (Kinnear & Taylor, 1996). The change of R-square ( $\Delta R^2$ ) is computed by inserting the independent variables through the different steps by stepwise hierarchical analysis (Wampold & Freund, 1987; John, 2003). The advantage of stepwise hierarchical analysis is to compare between models. For example, suppose we have 2 models namely models 1 and 2. Model 1 is to identify the effect of  $X_1$  towards  $Y$ . Meanwhile, the model 2 is to identify the effect of  $X_1$  and  $X_2$  towards  $Y$ . Thus, the difference between these two models is  $X_2$  added into model 2. Therefore,  $R^2$  measures how  $Y$  can be predicted set score of  $X$ .  $R^2$  is interpreted as the percentage of contribution dependent variable that can be explained by independent variables (Berger, 2012). Hence, through both models as explained above,  $\Delta R^2$  can be identified. The addition of  $R^2$  is as result of differentiating between models 1 and 2.

$$R_2 = R_1^2 - R_2^2 \quad (2)$$

Where,  $R_1^2$  is for model 1 and  $R_2^2$  is for model 2.

## RESULTS

Table 2 presents the comparative analysis the contribution of entrepreneurial competencies towards sustainable entrepreneurship among Terengganu, Pahang and Kelantan. The motivation competency records the positive highest value of coefficient (0.564) followed by

management and commitment and the negative value of coefficient for learning competency. It consequently shows that it is the dominant competency contributing to the sustainable entrepreneurship. Therefore, the increase in 0.564 unit of motivation competency will increase 1 unit of sustainable entrepreneurship in Terengganu. Meanwhile, the negative sign of significant shows that the decrease in 1 unit of learning competency will increase 1 unit of sustainable entrepreneurship in Terengganu. Besides, Pahang also indicates that the motivation competency is the major factor contributes to the sustainable entrepreneurship with the highest coefficient (0.408) followed by management (0.214) and commitment competency (0.162). Whereas, the opportunity competence is the highest factor contributing to the sustainable entrepreneurship with the highest coefficient (0.198), followed by commitment (0.182), networking (0.168) and management competency (0.151). The R-squared is 0.740 of his step wise regression result for Terengganu shows that around 74.0 percent of the sustainable entrepreneurship are explained by motivation, learning, commitment and management competency while 26.0 percent is explained by other factors. Furthermore, 54.3 percent sustainable entrepreneurship in Pahang is explained by motivation, commitment and management competency while 45.7 percent is explained by other factors. Kelantan model records the lowest R squared and simultaneously shows that 34.8 percent of its sustainable entrepreneurship is explained by commitment, management and opportunity and networking competency while 66.2 percent is explained by other factors.

<b>Table 2 COMPARATIVE ANALYSIS ENTREPRENEURIAL COMPETENCIES TOWARDS SUSTAINABLE ENTREPRENEURSHIP</b>						
<b>State</b>	<b>Terengganu</b>		<b>Pahang</b>		<b>Kelantan</b>	
<b>Entrepreneurial Competency</b>	Coefficient	t	Coefficient	t	Coefficient	t
<b>Motivation</b>	0.564	5.360 (0.000)***	0.408	5.340 (0.000)***		
<b>Learning</b>	-0.171	-2.040 (0.044)**				
<b>Commitment</b>	0.210	2.010 (0.048)**	0.162	2.010 (0.046)**	0.182	2.460 (0.017)**
<b>Management</b>	0.214	2.340 (0.021)**	0.214	3.280 (0.001)***	0.151	1.700 (0.095)*
<b>Opportunity</b>					0.198	2.710 (0.009)***
<b>Networking</b>					0.168	2.500 (0.015)**
<b>Constant</b>	0.696	3.310 (0.001)***	1.075	5.630 (0.000)***	1.265	2.340 (0.023)**
<b>R-Squared</b>	0.740		0.543		0.348	

Notes: \*\*\*, \*\*and \* indicate significance at the 1%, 5% and 10%, respectively.

The comparative analysis entrepreneurial competencies towards economic sustainable entrepreneurship among Terengganu, Pahang and Kelantan is also conducted as in Table 3. Similar to the Table 1, the motivation competency is the highest competency contributing to the economic sustainable entrepreneurship of Terengganu with coefficient equal to 0.611. Additionally, the management and learning also positively and negatively contribute to the economic sustainable entrepreneurship respectively. However, the opportunity competency also contribute to the economic sustainable entrepreneurship. It clarifies the opportunity is one of the important factor

affect the economic entrepreneurship with coefficient 0.245. Moreover, the motivation followed by management competency affect the economic sustainable entrepreneurship of Pahang. Besides, the commitment followed by opportunity competency affect the economic sustainable entrepreneurship of Kelantan. The result shows that the motivation is the main factor contributing to the economic sustainable entrepreneurship of Terengganu and Pahang respectively while the commitment is the main factor contributing to the economic sustainable entrepreneurship of Kelantan. The R squared are 0.681, 0.470 and 0.238 clarify that 68.1 percent of economic sustainable entrepreneurship for Kelantan is explained by motivation, learning, management and opportunity competency, whereas, 47.0 percent of economic sustainable entrepreneurship for Pahang is explained by motivation and management competency and also 23.8 percent of economic sustainable entrepreneurship for Kelantan is explained by commitment and opportunity competency. Meanwhile, 31.9, 0.530 and 76.2 percent of economic sustainable entrepreneurship are explained by other factors.

**Table 3  
COMPARATIVE ANALYSIS ENTREPRENEURIAL COMPETENCIES TOWARDS ECONOMIC SUSTAINABLE ENTREPRENEURSHIP**

State	Terengganu		Pahang		Kelantan	
Entrepreneurial Competency	Coefficient	t	Coefficient	t	Coefficient	t
<b>Motivation</b>	0.611	5.120 (0.000)***	0.459	6.480 (0.000)***		
<b>Learning</b>	-0.256	-2.530 (0.013)**				
<b>Commitment</b>					0.437	3.890 (0.000)***
<b>Management</b>	0.221	2.190 (0.031)**	0.309	4.710 (0.000)***		
<b>Opportunity</b>	0.245	2.220 (0.029)**			0.207	1.820 (0.073)*
<b>Constant</b>	0.737	2.960 (0.004)***	1.128	5.210 (0.000)***	1.387	2.080 (0.042)**
<b>R-Squared</b>	0.681		0.470		0.238	

Notes: \*\*\*, \*\* and \* indicate significance at the 1%, 5% and 10%, respectively.

Table 4 compares the social entrepreneurial competencies towards social sustainable entrepreneurship between Terengganu, Pahang and Kelantan. The R square of social sustainable entrepreneurship model of Pahang is highest followed by Pahang and Kelantan. It shows that 76.5% of social sustainable entrepreneurship in Terengganu can be explained by motivation, learning, commitment and management competencies and 23.5% is explained by other factors.

**Table 4  
COMPARATIVE ANALYSIS ENTREPRENEURIAL COMPETENCIES TOWARDS SOCIAL SUSTAINABLE ENTREPRENEURSHIP**

State	Terengganu		Pahang		Kelantan	
Entrepreneurial Competency	Coefficient	t	Coefficient	t	Coefficient	t
<b>Motivation</b>	0.514	4.810 (0.000)***	0.403	5.790 (0.000)***		

<b>Learning</b>	-0.143	-1.680 (0.095)*				
<b>Commitment</b>	0.219	2.070 (0.041)**				
<b>Management</b>	0.213	2.300 (0.023)**	0.196	2.880 (0.004)***		
<b>Opportunity</b>					0.251	2.660 (0.010)***
<b>Networking</b>			0.168	2.350 (0.020)**	0.155	1.770 (0.082)*
<b>Constant</b>	0.765	3.580 (0.001)***	1.173	5.940 (0.000)***	2.636	4.760 (0.000)***
<b>R-Squared</b>	0.725		0.516		0.143	

Notes: \*\*\*, \*\* and \* indicate significance at the 1%, 5% and 10%, respectively.

Likewise, the similar explanations are also made to the social sustainable entrepreneurship in Terengganu and Kelantan. There are three competencies that significant and positively contribute to the social sustainable entrepreneurship in Terengganu comprising motivation, commitment and management while the learning competency negatively contributes to the social sustainable entrepreneurship. In other words, the increase in motivation, commitment and management competencies will increase the social sustainable entrepreneurship in Terengganu. Whereas, the social sustainable entrepreneurship in Pahang is positively affected by motivation, management and networking. Besides, the opportunity and networking competencies also positively contribute to the social sustainable entrepreneurship in Kelantan. The motivation competency is the highest affecting the social sustainable entrepreneurship in Pahang and Terengganu. Meanwhile, the dominant competency namely opportunity contributes to the sustainable entrepreneurship in Kelantan (Table 4).

We also conduct the comparative analysis of entrepreneurial competencies towards environmental sustainable entrepreneurship as in Table 5. We obtain that the motivation and commitment competencies contribute to 61.2% of environmental sustainable entrepreneurship in Terengganu which these competencies. Meanwhile, the motivation, commitment and management competencies contribute to 49.8% of environmental sustainable entrepreneurship in Pahang. Besides, for Kelantan, 21.9% of environmental sustainable entrepreneurship is affected by motivation and networking competencies. In addition, the commitment competency is the highest contributing to the environmental sustainable entrepreneurship in Terengganu while motivation is the main factor affecting the environmental sustainable entrepreneurship in Pahang and Kelantan, respectively.

**Table 5**  
**COMPARATIVE ANALYSIS ENTREPRENEURIAL COMPETENCIES TOWARDS ENVIRONMENTAL SUSTAINABLE ENTREPRENEURSHIP**

<b>State</b>	<b>Terengganu</b>		<b>Pahang</b>		<b>Kelantan</b>	
	<b>Entrepreneurial Competency</b>	Coefficient	t	Coefficient	t	Coefficient
<b>Motivation</b>	0.442	3.430 (0.001)***	0.458	5.170 (0.000)***	0.409	2.870 (0.006)***
<b>Commitment</b>	0.402	3.290 (0.001)***	0.220	2.340 (0.020)**		

<b>Management</b>		0.152	2.010 (0.045)**		
<b>Networking</b>				0.296	2.620 (0.011)**
<b>Constant</b>	0.500	1.820 (0.072)*	0.839	3.780 (0.000)***	1.700 (0.095)*
<b>R Squared</b>	0.612		0.498		0.219

Notes: \*\*\*, \*\*and \* indicate significance at the 1%, 5% and 10%, respectively.

## DISCUSSION

We present the results into four models in which the first is, the effect of entrepreneurial competencies towards sustainability entrepreneurship and next, the effect of entrepreneurial competencies towards economic, social and environmental sustainability entrepreneurship, respectively. We obtain that motivation competency is positively and the highest factor affecting the sustainable entrepreneurship in Terengganu and Pahang, followed by management and commitment competencies. It is line with Raudeliūnienė (2014) study in which the motivation competency drove the new entrepreneur to achieve the sustainable entrepreneurship. Meanwhile, learning competency negatively affects the sustainability entrepreneurship in Terengganu. Therefore, the increase in motivation, management and commitment competencies will increase the sustainable entrepreneurship in Terengganu. It shows that the sustainable entrepreneurship in Terengganu decreases due to the increase in learning competency. Our finding contradicts Mukaka (2012) & Rao (2011)'s in which they obtained that there was a positive relationship between learning competency with sustainable entrepreneurship with the correlation coefficient of 0.6 to 0.8, respectively. However, Kelantan shows the different result in which the opportunity competence is the main factor contributing to sustainable entrepreneurship followed by networking, commitment and management competencies. It also consistent with Krishnan (2013) finding in which the opportunity competency tended to increase the profit, sales performance and sustainable entrepreneurship. Thus, we expect that the sustainable entrepreneurship in Terengganu and Pahang can be improved by concentrating on motivation, management and commitment competence. According to Pakshir & Nair (2011), continuous commitments among entrepreneurs are effort to achieve the sustainability indirectly. It is also supported by Ansari et al. (2013) in which the commitment competency was strongly related to the sustainable entrepreneurship. Meanwhile, the opportunity, networking, commitment and management competence should be emphasized to increase sustainable entrepreneurship in Kelantan. Nuthall (2001) and Schaltegger & Wagner (2011) clarified that the capability of management was important to achieve the sustainable entrepreneurship and there is also the significant result between management and sustainable entrepreneurship. Additionally, based on Krajcovicova et al. (2012), the increase in the management level led to the sustainable entrepreneurship. However, we also obtain that the effect of entrepreneurial competency towards economic, social and environmental sustainable entrepreneurship. Since our study is new of conducting the effect of entrepreneurial competency towards economic, social and environmental sustainable entrepreneurship, we cannot compare our findings with the previous studies.

The economic sustainable entrepreneurship in Terengganu is positively affected by motivation, management and opportunity competencies and negatively affected by learning competency. We assume that the economic sustainable entrepreneurship in Terengganu can be increased by increasing the management and opportunity competencies. In Pahang, the motivation and management competencies contribute to the economic sustainability

entrepreneurship. Hence, the related parties should focus on the motivation and the management competencies in improving the economic sustainability entrepreneurship in Pahang. Besides, the commitment and opportunity are the dominant factors that should be strengthened to enhance the economic sustainability entrepreneurship in Kelantan.

The social sustainable entrepreneurship in Terengganu is positively related to the motivation, management and commitment competencies while learning competency is negatively related to the social sustainability entrepreneurship. Furthermore, motivation, management and networking competencies are the dominant factors should be paid attention because they play important role to improve the social sustainable entrepreneurship in Pahang. Besides, the social sustainability in Kelantan entrepreneurship can be enhanced by strengthening the opportunity and networking competencies.

The motivation and commitment competencies should be concentrated as they give the strength influence to the environmental sustainable entrepreneurship in Terengganu. Meanwhile, the environmental sustainability entrepreneurship in Pahang can be improved by increasing the motivation, commitment and management competencies. Besides, in Kelantan, the environmental sustainability entrepreneurship can be emphasized by encouraging the motivation and networking competencies.

## CONCLUSION AND RECOMMENDATION

Malaysia has been facing the sustainable entrepreneurship issue due to the lack of entrepreneurial competencies among the entrepreneurs due to management inefficiencies, lack of skills and business knowledge, company failures and difficulties in raising funds for companies' start-up and expansion. Consequently, it causes the fluctuation statistic of tourist's reception in Malaysia in year 2015 to 2017 and the problems to the tourism sectors since tourism third largest contributor to Malaysia economy. Therefore, this study explores the highest entrepreneurial competency between opportunity, networking, commitment, management, learning and motivation competencies contributing to the sustainable entrepreneurship in Terengganu, Pahang and Kelantan's homestay.

We present the results into four models in which the first is, the effect of entrepreneurial competencies towards sustainability entrepreneurship and next, the effect of entrepreneurial competencies towards economic, social and environmental sustainability entrepreneurship, respectively. We obtain that motivation competency is positively and the highest factor affecting the sustainable entrepreneurship in Terengganu and Pahang, followed by management and commitment competencies. Meanwhile, learning competency negatively affects the sustainability entrepreneurship in Terengganu. Therefore, the increase in motivation, management and commitment competencies will increase the sustainable entrepreneurship in Terengganu. Whereas, sustainable entrepreneurship in Terengganu decreases due to the increase in learning competency. However, Kelantan shows the different result in which the opportunity competence is the main factor contributing to sustainable entrepreneurship followed by networking, commitment and management competencies. Thus, we expect that the sustainable entrepreneurship in Terengganu and Kelantan can be improved by concentrating on motivation, management and commitment competence. Meanwhile, the opportunity, networking, commitment and management competence should be emphasized to increase sustainable entrepreneurship in Kelantan.

The economic sustainable entrepreneurship in Terengganu is positively affected by motivation, management and opportunity competencies and negatively affected by learning competency. We assume that the economic sustainable entrepreneurship in Terengganu can be

increased by increasing the management and opportunity competencies. In Pahang, the motivation and management competencies contribute to the economic sustainability entrepreneurship. Hence, the related parties should focus on the motivation and the management competencies in improving the economic sustainability entrepreneurship in Pahang. Besides, the commitment and opportunity are the dominant factors that should be strengthened to enhance the economic sustainability entrepreneurship in Kelantan.

The social sustainable entrepreneurship in Terengganu is positively related to the motivation, management and commitment competencies while learning competency is negatively related to the social sustainability entrepreneurship. Furthermore, motivation, management and networking competencies are the dominant factors should be paid attention because they play important role to improve the social sustainable entrepreneurship in Pahang. Besides, the social sustainability in Kelantan entrepreneurship can be enhanced by strengthening the opportunity and networking competencies.

The motivation and commitment competencies should be concentrated as they give the strength influence to the environmental sustainable entrepreneurship in Terengganu. Meanwhile, the environmental sustainability entrepreneurship in Pahang can be improved by increasing the motivation, commitment and management competencies. Besides, in Kelantan, the environmental sustainability entrepreneurship can be emphasized by encouraging the motivation and networking competencies.

Here, it can be concluded that the motivation, commitment, management, opportunity and networking competence play the important roles in improving the sustainability entrepreneurship in Terengganu, Pahang and Kelantan. Therefore, motivation, commitment, management, opportunity and networking competence should be enhanced in increasing the sustainability entrepreneurship. Motivation competence can be improved by encouraging the participation of the homestays' entrepreneurs in entrepreneurship seminar and forum. In the seminar and forum, the entrepreneurs can get motivated and learn the business affairs. At the same time, it can create the business networking among the entrepreneurs. It consequently will increase the networking competence. Besides, the entrepreneurs can take this opportunity to promote their homestays' products in and outside Malaysia. In addition, by the seminar and forum, the entrepreneur is realized on their commitment towards improving their homestays. Furthermore, the management competence should be trained among the entrepreneurs to enhance the efficiency, jobs quality, customers' satisfaction, innovation and jobs satisfaction.

“*Focus Group Discussion*” (FGD) can be held among “*Malaysia Tourism Promotion Board*” together with entrepreneurs from other states in Malaysia to assist and provide the facility to the homestays to ensure that the entrepreneurs are always competitive and secure. Besides, FGD is a discussion among which entrepreneur can exchange the information and ideas of future homestay activities development with other entrepreneurs. With the hope that through FGD, the “*Student Exchange*”, “*Excursion Tour*”, “*Cultural Exchange*”, “*Charity Works and Visiting School*” program can be implemented in the future in attracting the tourists to enjoy the interesting place in Malaysia.

Additionally, the government needs to expand the policies and development of homestay in urban and rural areas. It is in line with the development of homestays in Singapore in which its government manages to develop the homestays even though it is the developed countries and its environment is no longer oriented the village elements. Besides, the government also needs to enhance the efforts and concentrations on homestay programs by empowering the tourism development division such as establishing a special unit that only manages the homestay programs.

This unit needs to have the personnel and staff to monitor and look after all the homestay's program especially in non-developing areas where there is a lack of tourist' recipients.

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