

# Exploring the Socioeconomic Impact of a Public University Branch Campus on its Surrounding Community

Roshima Said, Norasmila Awang\*, Leily Adja Radjeman, Jaya Kumar Shanmugam

Faculty of Accountancy, Universiti Teknologi MARA, Cawangan Kedah, Kampus Sungai Petani, 08400 Merbok, Kedah, Malaysia

\*Corresponding Author

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## ABSTRACT

The present study attempts to analyse the socioeconomic impact of the existence of a public university branch campus (in a northern region of peninsula Malaysia) on its surrounding community. This study is an exploratory study that focuses on the socioeconomic impact on the local community, brought on by the existence of a public university branch campus. A cross-sectional design was applied in the process of data collection. To assess the socioeconomic impact of the presence of a public university campus on the local community, a questionnaire survey was distributed to the local community surrounding a branch campus of Universiti Teknologi MARA (UiTM), in a northern state of peninsula Malaysia. The survey involved 50 communities within a 5 km radius and a 10 km radius of the campus. The study's findings revealed that the community's income generation ranked first, followed by job opportunities, local development, and business growth in neighbouring communities. The study's findings revealed that higher education is viewed as the nation's major vehicle for improving citizens' socioeconomic conditions in the new economy. The study's findings will also be relevant to state and federal legislators as they explore strategic ways to help rural communities with essential infrastructure and services. Policymakers should begin by providing adequate employment opportunities in rural areas as a means to guarantee long-term development.

**Keywords:** Socioeconomics, Higher Education, Social Impact, Economic Impact, Public University.

## INTRODUCTION

Higher education institutions are critical strategic entities and are esteemed in many communities. Many of them are engaged in sustainable development efforts at national and international levels. Furthermore, higher education institutions are being driven to rethink their position in society and assess their interactions with various constituents, stakeholders, and communities. Higher education institutions are expected to produce outputs in ways, volumes, and forms that are important to the process of the knowledge society. To address the needs of various stakeholders, such as the community, businesses, students, the government, and others, higher education institutions must strike the right balance in their operations. Some stakeholders seek an education, a career, or a return on investment, while others rely on the expertise of professionals in various research fields from public and private universities. As a consequence, higher education is one of the most significant investments a nation can make in its people since it provides employees with professional, technical, and managerial skills while also fostering the attitudes and changes required for socialisation and modernisation, as well as the development of society as a whole (Pee and Vululleh, 2020).

Higher education also plays an important role in achieving the sustainable development goals (SDGs), such as no poverty (SDG1), good health and well-being (SDG3), gender equality (SDG5), decent work and economic growth (SDG8), responsible consumption and production (SDG12), climate action (SDG13), and peace, justice and strong institutions (SDG16). The fourth Sustainable Development Goal (SDG4) seeks to ensure that the public has access to high-quality education and lifelong learning opportunities. Owens (2017) looked at how higher education fits into the development plan and addresses the Sustainable Development Goals. The study ended by linking together several components, such as publicly funded research and regional higher education

partnerships, that are required for higher education to play a renewed role in the context of sustainable development. Universities may utilise University Social Responsibility (USR) as a tool to assist the community in alignment with the SDG programme. According to Shaari et al. (2018), USR is a university philosophy that aims to improve ethical attitudes as well as to develop and engage with local and global society. As a result, social, economic, environmental, technical, and ecological development will continue. USR also catalyses social change because it entails the creation of an ethical quality policy that governs the performance of the university community.

Higher education helps the economy and individuals achieve social and economic success by increasing the supply of educated workers, delivering more innovations, including managerial innovations, increasing demand for certain goods and services, and providing institutions that promote political and economic values (Volchik et al., 2018). Individuals may acquire a wide range of personal traits at universities. Education is one of the essential aspects of people's lives since it is through education that individuals acquire human thinking, cultural and political knowledge, and social obligations (Zaki and Snake, 2020). Furthermore, Lima et al. (2021) employed a systematic literature review to give insight into the socioeconomic effects of university-industry interactions. The review investigates the environment in which these exchanges occur, the method or channel for technology transfer, and the associated socioeconomic implications. The study classified the impact into three aspects, which are economic, social, and financial. The study also emphasised that the stakeholders who benefit from these exchanges should promote dialogue among constituents and develop policies to improve socioeconomic impact based on interests and priorities.

Higher education institutions usually play an essential role in community development and indirectly lead to many positive impacts that extend well beyond the confines of their institutions. Fundamentally, part of the mission of public and private universities is to serve and contribute to the socioeconomic well-being of the surrounding community. Through research, innovation, and community engagement, higher education institutions contribute to their local communities, the regional and state economies, the country, and the world. One of the major purposes of the development of higher education globally is to increase contribution to the development of local communities, cities, and regions (Hackney, 1986).

Educational institutions have major roles to play in defining a community's competitiveness in the global economy. In most countries, education is also considered a major path to higher economic benefits and social mobility, making it of greatest importance to individuals at the lower end of the socioeconomic system's social structure (Abu-Saad, 2015). Further, Borralho et al. (2015) delved into the potential effects of having Higher Education Institutions (HEIs) on the economic and social viability of regions, particularly in low-density rural areas. According to Borralho et al. (2015), higher education has a variety of direct and indirect effects on the local/regional economy and community. Higher education also induces both short and long-term impact due to the transformation that it brings in the social and technological capital of the community. Furthermore, higher education has both short and long-term consequences due to the change it generates in the region's social and technological resources. The findings of the study show that higher education institutions have a considerable and crucial impact on the surrounding economy, as well as on scientific, cultural, and social dynamics. Stakeholder analysis was used by Jongbloed et al. (2008) to analyse the roles and duties of universities towards society and to examine the interactions with their numerous constituencies, stakeholders, and communities. According to the study, in today's social structure, higher education and experiential learning providers will have to sustain good communication with a wide range of communities and stakeholders, including government agencies, students, businesses, research sponsors, communities, and regional governments. When the authority steps aside, the university must establish its legitimacy in terms of how the nation it serves perceives and evaluates its services.

The socioeconomic impact of education is essential to a community's development. In developing nations, economic growth is the most effective tool for eliminating poverty and enhancing social progress. Tilak (2010) looked at the link between post-secondary education and development indicators and discovered that higher education is vital for advancement. Institutions of higher learning have a significant impact on the development of sustainable societies. Higher education, which is considered a "transformation catalyst" for sustainable development, can change people's views and improve the community (Žalėnienė and Pereira, 2021). At present, there is a lack of empirical research on identifying the socioeconomic impact of public universities on their

surrounding communities in Malaysia and other parts of the world. Hence, this study is expected to add to the existing literature on higher education institutions' contributions to society's socioeconomic growth and the achievement of sustainable development goals (SDGs). Higher education institutions are seen as catalysts and contributors to social change, particularly in their communities' socioeconomic aspects. Higher education institutions must prepare for socioeconomic shifts to assist in the development of communities for the betterment of society. Therefore, the current study attempts to assess the socioeconomic impact resulting from the presence of a public university branch on its surrounding community.

## **LITERATURE REVIEW**

A comprehensive analysis of a proposed project's entire costs and benefits, including the distribution of costs and benefits across the community, alternative development possibilities, and effective mitigation measures, is known as an economic impact assessment (Crookes and De Wit, 2002). The net change in money in a community caused by tourist spending on an event or attraction is defined as an economic impact (UN, 2015). To have an economic effect, the funds must be new dollars not previously spent in the community. Travis et al. (2018) performed one of the evaluations, reviewing research on the economic effect of Cooperative Extension and Agricultural Research Centers undertaken by a southern Land-Grant University (LGU) in the United States. The association of the public and LGU encourages economic impact studies that focus on business innovation. The study's preliminary findings show that both public and private innovations and technical assistance affect the economy in some way. Social impact assessment is concerned with issues that affect people, directly or indirectly, as a consequence of development or other planned interventions (Vanclay, 2003). Comprehensively, it is also the process of analysing, overseeing, and managing planned interventions (policies, programmes, plans, and initiatives) to see if they have beneficial or harmful social effects on the community. Chen et al. (2021) stated that a good understanding of the communities' needs is necessary to maintain and improve the social licensing of institutions to operate and develop.

People who contribute, public venues and personal property are all examples of visible and invisible components of social capital. Interactions between the recipient and carer groups significantly promote community ties. Interestingly, increased team effectiveness, the growth of entrepreneurial firms, more robust leadership effectiveness, improved supply chain interactions, the value derived from strategic alliances, and the development of societies have all been justified by using social capital. According to Leonard and Onyx (2003), social capital has three core dimensions, namely:

Bonding capital - which is related to strong family ties.

Bridging capital - referring to weaker relations among friends and acquaintances.

More formal ties are linking members of voluntary organisations.

Bonding capital is usually allied with solid ties among a limited group (family and relations), and bridging capital is associated with loose ties across communities. In another study, Hashim et al. (2020) justified four elements of social capital associations which are:

Economic benefits with social capital.

Bonding capital with age and income.

Bridging capital with employment.

Local community's association with education.

Furthermore, UNESCO (2007) stated that education is significant for social and economic development, creating knowledge societies, and achieving a sustainable future. Education is a fundamental and influential tool associated with societal, economic, and environmental factors that shift communities toward a more sustainable future. Higher education institutions are, in fact, a part of the community that may assist locals in surviving in today's society. A study conducted by Wang (2020) reveals the role of higher education institutions as an

institutional anchor and as a mediator of economic development in bridging traditionally divided efforts between various universities. The results contribute to entrepreneurship education research and practice and universities' efforts to foster inclusive entrepreneurial ecosystems and equitable growth via entrepreneurial activities. The educational system is a component of the social system that educates and prepares individuals for their present and future lives by providing them with information, trends, and values that will influence their personalities and behaviour to attain sustainability (Zaki and Snake, 2020). Meanwhile, in another circumstance, Shaari et al. (2018) stated that Universiti Teknologi Malaysia (UTM) has positively affected its local community by resulting in income improvement and elevating its status and education level. In addition, the surrounding community identified the existence of UTM with these terms: 'feasible', 'quality', 'full resources', 'good facilities', and 'strategic location'.

A university campus is more than just a place to nurture ideas and talents; it is also a location for teaching, learning, and research (Dyason, 2018). Dyason (2018) also added that it also contributes significantly to its host community's economic growth and development. The appearance of a university in a region or the presence of a university system in a state can significantly impact educational opportunities, cultural options, recreational options, and the trend and inclination of regional economic vitality (Swenson, 2012). Universities are enormous, hire many people, serve an even larger number of people, and account for a significant portion of regional income, both directly and indirectly. A university impacts the types of businesses that exist in a given area, as well as real estate values, the availability of goods and services in the area, and private and public infrastructure investments (Swenson, 2012). According to Foster et al. (2021), apart from enhancing living quality, entrepreneurial education plays a significant role in today's global development since productivity is expected to decrease Indonesia's unemployment rate. Young people are encouraged to establish their own companies as a means of escaping poverty. To summarise, most universities have significant and long-lasting economic and social impacts.

Mustafa et al. (2012) discovered that corporations could improve their stakeholders' trust, stability, and reputation by taking on social responsibilities. Studies have shown that socially responsible activities supported by companies can influence the companies' performance. Companies that practice good corporate citizenship are more likely to gain a competitive edge (Lockwood, 2004). Universities should also operate the same way. According to Vasilescu et al. (2010), an organisation should develop social responsibility initiatives in the same way that other organisations do to increase stakeholder satisfaction. Similarly, universities play critical roles in environmental preservation and increasing public responsiveness or awareness (Jamillah, 2011). Indirectly, the university benefits the community in terms of daily life by enhancing their social and economic productivity. According to Akdere and Egan (2020), higher education institutions should place a greater emphasis on faculty development as a form of community service. With the establishment of a local university, new facilities such as shopping districts, internet cafes, restaurants, religious centres, and economic opportunities will grow. For example, at the UiTM Kedah branch, 7,800 pineapple suckers were planted on vacant land as part of a pineapple cultivation programme in 2020. This project was developed by a group of lecturers, university students, and members of the general public (source: UiTM Kedah's official website). It marked the start of a new economic venture that indirectly benefits the local economy by purchasing fertilisers, pineapple suckers, and planting equipment. As a result, the community enjoys a lush green landscape that improves the soil and produces clean air.

Education institutions also have roles to play in the present pandemic COVID-19 era to help the community get through this rough period. Van Schalkwyk (2021) stated that the number of papers speculating on the future possibilities of South Africa's institutions is increasing as the COVID-19 pandemic continues. According to the description provided in the study, most universities have changed the methods of learning programmes. However, the university's function remains a social institution that should respond accordingly to socio-economic changes. According to Arrais et al. (2021), university initiatives can assist the government by looking at the public's needs during the pandemic, such as:

Alerting the society on the risks of the pandemic, with an emphasis on establishing observatories that assist local governments in understanding the disease's evolution and implementing measures to prevent it.



Providing direct assistance to local communities, focusing on adding beds in university hospitals to treat COVID-19 patients and manufacturing personal protective equipment.

Finding ways to prevent and treat the disease, focusing on developing COVID-19 tests and conducting phase 3 vaccine trials.

These responsibilities are beneficial to the public at large since the pandemic affects the whole population.

In another research, Alhassan and Goedegebuure (2015) showed that talent development programs had made a favourable impact on the socioeconomic position of microcredit recipients in Ghana's Northern Region. The programmes improve the recipients' ability to provide a good education for their dependants, enhance their families' healthcare, obtain more household assets, and increase their empowerment. Gennaioli et al. (2013) suggested that regional education is a critical component in determining regional progress. A significant portion of the budget should be dedicated to assisting the poor in acquiring survival skills through skills programmes and associated courses. Excellent programmes and learning systems can provide participants with a long-term capability to actively participate in economic activities that would help them acquire experience, competencies, self-confidence, and a positive perspective on having a better quality of life. The study is also in line with Leng et al. (2018), who stated that programmes and skills development are two techniques that can help people get out of poverty.

One of the tools in reaching zero poverty or less poverty is through sustainable development programmes. According to Brundtland and Khalid (1987), sustainable development (SD) is classified as "development that meets current demands without jeopardising future generations' capability to survive." The three primary components of sustainable development related to the quality of life are i) social sustainability, ii) economic sustainability, and iii) environmental sustainability. Practising SD is beneficial to the community and is critical to secure our earth from any advances that may harm humans and the ecosystem. Saner et al. (2019) stated that 193 countries met in 2015 to accept the 17 Sustainable Development Goals (SDGs) prepared by the United Nations General Assembly that are set to be achieved by 2030. All of the goals address the three aspects of sustainability described earlier. It can be said that almost every developed country has adopted the SDGs, as they help in the sustainability management of means and resources and, at the same time, focus on the conservation of the environment.

Sustainable higher education plays an important role that leads to forming an essential part of other goals, which are no poverty (SDG1); good health and well-being (SDG3); gender equality (SDG5); decent work and economic growth (SDG8); responsible consumption and production (SDG12); climate action (SDG13); and peace, justice and strong institutions (SDG16). SDG 4, which is quality education, is one of the main factors in achieving the agenda of the SDGs. According to Ilham et al. (2020), universities play a vital role in engaging youth and generating knowledge and expertise by implementing the SDGs. Besides, universities positively impact companies' social commitment primarily via learning (Carl and Menter, 2021). Furthermore, education should go beyond the formal curricula, emphasising soft skills and critical thinking, which are significant components of pro-environmental behaviour. This statement is supported by studies conducted by Zwickle et al. (2014), UN (2015), and Salleh et al. (2020). Wilson and Gough (2020) mentioned that research university constituents are highly engaged in developing their positions as anchor institutions in their surrounding communities as higher education institutions evolve in the twenty-first century.

Aside from SDG activities, universities may help the community via University Social Responsibility (USR) initiatives. According to Shaari et al. (2018), USR is a university philosophy that aims to improve the ethical approach towards social responsibility and develop and engage with the local and global community. As a result, social, environmental, technical, ecological, and economic expansion will be sustained. USR also catalyses social change, as it entails the establishment of an ethical quality policy that governs the university community's performance. This is accomplished by managing the university's educational, cognitive, labour, and environmental impact in an interactive dialogue with society and its communities to promote long-term human development through education.

Rodríguez-Hernández et al. (2021) investigated how socioeconomic status (SES) and academic performance in higher education are measured and whether prior academic achievement, university experience, and working status mediate the relationship between SES and academic performance in higher education. When determining SES, the research found that education, job, income, household resources, and community resources should all be considered. When these factors were taken into account, the results revealed a weak link between SES and academic performance in higher education. Universities play an essential role in assisting communities, whether directly or indirectly. Collaborations between public universities, governments, and non-governmental organisations (NGOs) help the community improve its socioeconomic situation in some way. On the other hand, the poor must strive to break free from poverty so that they may get access to better education and nutrition, fulfil the needs of their dependants, and be able to contribute towards economic growth.

## RESEARCH METHODOLOGY

This study is an exploratory study that focuses on the socioeconomic impact on the local community, brought on by the existence of a public university branch campus. A cross-sectional design was applied in the process of data collection. To assess the socioeconomic impact of the presence of a public university campus on the local community, a questionnaire survey was distributed in 2021 to the local community surrounding a branch campus of Universiti Teknologi MARA (UiTM) in a northern state of peninsula Malaysia. The survey involved 50 communities within a 5km radius and a 10km radius of the campus.

The validation instrument was subjected to content and face validity tests. The content validity of the developed items guarantees that they are sufficient and representative of the variables being assessed. Face validity also helps to reflect the degree to which a measure represents what it is meant to determine (Nunnally and Bernstein, 1994). Before the pilot study was carried out, three experts in the field helped to verify the instrument in both procedures. The pilot study was a success, with a Cronbach alpha of more than 0.70 (Nunnally, 1967).

The two-part self-administered questionnaire is considered the main data collection method for this quantitative research. The first section of the questionnaire is used to determine the respondents' demography, such as nationality, age, gender, and level of education, as well as economic factors, such as monthly income and daily spending. The second part of the questionnaire focuses on the socioeconomic impact of the existence of a public university branch campus on the local community. To probe the responses, the relevant construct items were evaluated on a 5-point Likert scale ranging from (1) strongly disagree to (5) strongly agree regarding views of the local community on socioeconomic impacts (Cameron et al., 2002). The data was analysed using SPSS version 27.0, which is a complete statistical method that can simultaneously assess relationships between variables. Descriptive analysis of the demographic profile and Pearson's correlation test were the preferred methods of analysis, given that the framework of this study contains several formative constructs.

## FINDINGS OF THE STUDY

### Descriptive Analysis of Demographic Profile

From the total of 57 respondents (Table 1), 32 respondents were male (56.1 per cent), and 25 respondents were female (48.3 per cent). In terms of marital status, 23 respondents were single (40.4 per cent), 29 respondents were married (50.9 per cent) and 5 were categorised under others (8.8 per cent). Concerning religion, all the respondents were Muslim (100.0 per cent). Most of the respondents reported their income at less than RM 2,000 (57.9 per cent), followed by the range from RM 2,001 to RM 4,000 (21.1 per cent), RM 4,000 to RM 6,000 (14.0 per cent) and more than RM 6,000 (7.0 per cent). In terms of education level, most of the respondents have secondary education (66.7 per cent). Regarding employment, 28.1 per cent of the respondents were government servants, and 36.8 per cent were self-employed.

Demographic Profile	Frequency	Percentage (%)
Gender		
Male	32	56.1

Female	25	43.9
Ethnic		
Malay	57	100.0
Marital Status		
Single	23	40.4
Married	29	50.9
Others	5	8.8
Religion		
Islam	57	100.0
Education Level		
Primary Education	3	5.3
Secondary Education	38	66.7
Tertiary Education	16	28.1
Occupation		
Government Servant	16	28.1
Private Sector	11	19.3
Self-Employed	21	36.8
Others	9	15.8
Income		
Less than RM 2,000	33	57.9
RM 2,001 - RM 4,000	12	21.1
RM 4,001 - RM 6,000	8	14.0
More than RM 6,000	4	7.0

Table 1: Respondents' Demographic Profile

Table 2 shows the descriptive analysis of the socioeconomic impact on the surrounding community due to the existence of a public university branch campus (UiTM) in a northern state in Malaysia. Table 2 shows that the highest socioeconomic impact on the surrounding community is income generation, followed by job opportunities, local development and growth of business in its surroundings.

	N	Minimum	Maximum	Mean	Std. Deviation
Transportation Service	57	1	5	3.47	1.037
Local Development	57	1	5	3.54	1.053

Business and Services Opportunities	57	1	5	3.53	0.966
Public Facilities	57	1	5	2.91	1.106
Growth of Business	57	1	5	3.54	0.927
Knowledge	57	1	5	3.30	0.944
Income	57	1	5	3.63	0.858
Job Opportunities	57	1	5	3.61	0.861
Crime Issues	57	1	5	2.33	1.091
Valid N (listwise)	57				

Table 2: Descriptive Analysis of Mean of Socioeconomic Impact on the Local Community

Cronbach's alpha reliability coefficients typically range between 0 and 1, as shown in Table 3. The coefficient, on the other hand, has no lower bound. Cronbach's alpha coefficient approaches 1.0, indicating that the scale's items have a high degree of internal consistency. All variables had a high degree of internal consistency and reliability. While increasing the value of alpha is partially dependent on the scale's item count, it is worth noting that this has diminishing returns. Additionally, an alpha of 0.840 is a likely target. Additionally, while a high Cronbach's alpha indicates that the scale's items are internally consistent, this does not necessarily imply that the scale is unidimensional.

Variables	Statistics for Scale	N	Mean	Variance	SD		
		14	40.38	54.894	7.409		
		Mean	Minimum	Maximum	Range	Max/Min	Variance
	Items Mean	2.884	1.447	3.638	2.191	2.515	0.643
	Items Variances	0.864	0.253	1.365	1.113	5.407	0.124
	Inter-Item Correlations	0.251	-0.774	0.848	1.622	-1.095	0.119
	Item Total Statistics	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted	Internal Consistency
Gender	Item 1	38.94	52.887	0.240	0.286	0.841	Good
Marital Status	Item 2	38.60	56.159	-0.177	0.318	0.858	Good
Qualification	Item 3	37.09	52.123	0.312	0.810	0.838	Good
Occupation	Item 4	38.30	57.605	-0.261	0.799	0.870	Good
Income	Item 5	38.55	49.209	0.331	0.738	0.839	Good



Transportation Services	Item 6	36.89	43.880	0.721	0.799	0.811	Good
Local Development	Item 7	36.83	42.536	0.795	0.846	0.805	Good
Business and Services Opportunities	Item 8	36.89	43.923	0.736	0.794	0.811	Good
Public Facilities	Item 9	37.45	44.383	0.587	0.572	0.821	Good
Growth of Business	Item 10	36.79	43.997	0.819	0.827	0.807	Good
Knowledge	Item 11	37.15	45.695	0.620	0.747	0.819	Good
Income	Item 12	36.74	44.194	0.859	0.834	0.805	Good
Job Opportunities	Item 13	36.77	43.835	0.862	0.847	0.804	Good
Crime Issues	Item 14	38.00	50.391	0.194	0.343	0.852	Good
Reliability Coefficients for Item 14		Alpha	Standardised Item Alpha				
		0.840	0.824				

Table 3: Items Analysis for Reliability Coefficients

The Pearson Chi-Square Test was used to determine the relationship between demographic characteristics and socioeconomic impact, as shown in Table 4. The findings indicated a significant relationship between qualification and business and service opportunities (17.476,  $p < 0.026$ ), followed by business growth (15.536,  $p < 0.050$ ). Similarly, the occupation is highly valued in terms of business and service opportunities (22.999,  $p < 0.003$ ); public facilities (19.345,  $p < 0.013$ ); business growth (14.132,  $p < 0.048$ ); and finally, income (17.906,  $p < 0.022$ ). Otherwise, the other demographic characteristic was income, which was statistically significant at 24.770 ( $p < 0.016$ ) for business and service opportunities, followed by business growth at 15.507 ( $p < 0.025$ ) and income at 18.823 ( $p < 0.039$ ). Additionally, because the  $p$ -value is greater than the chosen significance level ( $\alpha = 0.05$ ), the gender variable has no significant relationship with socioeconomic impact. Thus, the findings indicate that insufficient evidence exists to suggest a link between gender and socioeconomic effects.

## DISCUSSION AND CONCLUSION

Sustainable higher education plays an important role that leads to other sustainable development goals, amongst others, no poverty, good health and well-being, decent work, economic growth, and strong institutions. The fourth Sustainable Development Goal (SDG4) aims to ensure inclusive and quality education and promote lifelong learning opportunities for all. Higher education is valuable for an individual and beneficial to the economy and society. The present study attempts to analyse the socioeconomic impacts of a public university branch's existence (UiTM) on its surrounding community.

According to the findings of the current study, the community's income generation ranked first among the socioeconomic impacts brought on by a public university branch's (UiTM) presence, followed by job opportunities, local development, and business growth in nearby towns. It demonstrates that there are significant

connections between perceived socioeconomic impact and the existence of the university's branch campus. The socioeconomic impact components (income generation, job opportunities, local development, and business growth in the surrounding area) are perceived as important elements of the economic growth of the community. The results of the current study indicate that the presence of a public university branch is linked to the economic growth of its surrounding area. Economic development is the most effective tool for eradicating poverty and improving living standards in developing countries. Tilak (2010) investigated the relationship between post-basic education and development indicators and found that higher education plays a significant role in development. Additionally, increases in university presence are positively linked with greater future economic development. Universities seem to impact not just the area in which they are established but also neighbouring regions, with the most significant benefits on those that are physically nearest (Valero and Van Reenen, 2019). According to Crawley et al. (2020), academic institutions may have a larger effect on society and, in particular, on economic development.

On the other hand, the findings indicate that the relationship between socioeconomic impact and demographic performance also indicates significant engagement with the surrounding communities. Pastor et al. (2012) conclude that by educating students, universities make their local economies more dynamic, providing benefits on both the supply (linked to increased productivity resulting from increased human capital) and demand (linked to the injection of demand due to university expenditure and investments). The university becomes a catalyst for the local economy. Additionally, Scull and Cuthill (2010) examined a project that increased access to higher education for communities from marginalised socioeconomic backgrounds and emphasised the critical role of a long-term strategy in developing high educational performance and economic growth.

Institutions of higher learning have a significant impact on the development of a sustainable society. People's mindsets are formed via higher education, which is seen as a "transformation catalyst" for sustainable growth (Žalėnienė and Pereira, 2021). Thompson (2014) described higher education's role in community development as an institution that facilitates the planning and implementation of systemic community outreach investments. The present study's results indicate that UiTM has a significant impact on its surroundings and society as a public institution. Since the establishment of this public institution, the surrounding area has seen a surge in socioeconomic development. According to the study's results, the existence of UiTM has led to a substantial increase in growth in the surrounding area. The increased income of the surrounding community reflects the advantages they get due to the university's presence.

Demographic Profile vs Socio-economic Impact		Transportation Services	Local Development	Business and Services Opportunities	Public Facilities	Growth of Business	Knowledge	Income	Job Opportunities	Crime Issues
		$\chi^2$ , p-value								
Gender	Male	4.102 (0.392)	4.784 (0.310)	4.813 (0.307)	3.302 (0.509)	3.956 (0.412)	5.016 (0.286)	6.573 (0.160)	7.655 (0.105)	3.842 (0.428)
	Female									
Qualification	Primary School									
	Secondary School	13.058 (0.110)	9.221 (0.324)	17.476 (0.026)***	10.330 (0.243)	15.536 (0.050)**	6.131 (0.633)	9.712 (0.286)	5.673 (0.684)	2.971 (0.936)
	University									
Occupation	Government									
	Private	11.695 (0.165)	13.290 (0.102)	22.999 (0.003)***	19.345 (0.013)**	14.132 (0.048)**	8.717 (0.367)	17.906 (0.022)**	12.799 (0.119)	8.595 (0.378)
	Self-employed / Employer									

Income	Less than RM 2,000									
	RM 2,001 - RM 4,000	15.495	17.288	24.770	20.268	15.507	17.375	18.823	9.586	11.442
	RM 4,001 - RM 6,000	(0.215)	(0.139)	(0.016)***	(0.062)	(0.025)*	(0.136)	(0.039)*	(0.652)	(0.491)
	More than RM 6,000					**		**		

Table 4: Crosstab between Demographic Factors and Perceived Socio-Economic Impacts

\*\*\*significant at  $\alpha < 0.05$ , 95% confidence interval

The presence of a public university branch (UiTM) has also been regarded as a factor in the growth of public amenities. Due to the demand for such services among the students, a financial service facility was developed in the retail district of a nearby town, which serves both the students and the community. The condition of the roadways has been steadily improving. Part of the business operators' incomes are generated from sales to the university's (UiTM) students and staff, who have been frequent consumers. In addition to local growth, a public university branch (UiTM) has been linked to an increase in the number of business and service outlets. The region's population is growing, and so is the number of businesses operating in the area. These have ultimately led to an increase in income and employment possibilities. This research also found a perceived low number of crime cases in the surrounding area, and this is probably related to the university's presence. A plausible explanation for this is that the community living around the area is primarily made up of people who work as public officials, such as staff of the campus (UiTM) and educators who work in schools. These are working individuals preoccupied with their daily activities and are less likely to be involved in crime.

Knowledge transfer is concerned with how institutions benefit their recipients (community) and how the process can grow and enhance the institutions' current levels of knowledge. Furthermore, a suitable knowledge transfer procedure would enable a partner to learn, experience, and appreciate a wide range of new information (Radin Firdaus et al., 2020). Additionally, the need to find common ground and be socially conscious is particularly imperative in commercialisation, privatisation, and centralised control. Universities are increasingly required to demonstrate their worth to the knowledge society, with teaching and research playing a more visible role in enhancing the economy's distinctive capabilities (Jongbloed et al., 2008). The presence of a public university branch campus (UiTM) around many regions has also been considered to affect community understanding. Through social agendas and programmes, the university must have indirectly transmitted its inherent knowledge culture of a higher learning institution into its society. University (UiTM) staff and students have frequent interactions with the community during their daily activities, such as during lunch breaks at their favourite stalls, during visits to the grocery stores, or even when the staff routinely drop and fetch their children at pre-schools. This situation may become a viable method of information transmission. The knowledge culture has influenced the community for as long as the university has been in existence. In addition to these indirect processes, the university (UiTM) has been very conscientious in initiating continuous community programmes through Corporate Social Responsibility (CSR) activities that involve direct knowledge transfer efforts, such as teaching people how to improve and market their small-industry village products.

The results of this study can be explained by Cumulative Causation Theory by Myrdal (1957). This theory postulates on how institutions can contribute to regional economic divergence or convergence. The cumulative causation reflects the initial change in the system that stimulates a series of interconnected effects that magnify the original change. For example, an investment in an area can intensify its economic activity, and the reinvestment of its profit back into the system can further magnify its economic growth (Singh, 2022). Thus, the presence of UiTM benefits its surrounding community, as it can act as a catalyst that triggers the development in its surrounding area. For instance, it can increase the demand for housing, transportation and other related services. It can attract the local community to establish small businesses such as restaurants and bookshops and

provide services such as laundry and e-hailing services. These effects are expected to be cumulative over time, and the cycle will lead to further improvement in the socioeconomic standing of the community.

The study demonstrates the influence of higher education institutions on people, society, and the economy. For the last two decades, the presence of a public university branch (UiTM) has assisted the socioeconomic growth of its surrounding community. According to the study's results, higher education institutions can be primary avenues for the nation to improve people's socioeconomic standing in this new economy. The study's results have some significant implications. First, the results may help evaluate a higher education institution's community development effort and determine how the institution should allocate future resources. For instance, higher education institutions should be encouraged to design and offer a short course on entrepreneurship that benefits the small business owners in the community. These business owners can gain essential knowledge on accounting, finance and business management to help them run their business effectively. Additionally, the findings of this study may assist higher education institutions that are actively engaged in community development to think about methods to improve awareness regarding their activities among the wider public, authorities, and board of governors. They can establish outreach programmes as one of their community engagement efforts. The programmes may include community service projects, workshops and other collaborative efforts involving faculty members, students and the local community. Promotions and awareness about the programmes can be made via various advertising platforms and through community leaders. The study's findings will also be relevant to state and federal legislators to explore strategic ways to help rural communities with essential infrastructure and services. Policymakers should begin by providing adequate employment opportunities and infrastructure to rural areas to guarantee long-term development. The policymakers should foster collaborative efforts between universities and the local community by providing grants for programmes such as entrepreneurship programmes, joint research projects and knowledge transfer programmes. The government could also implement policies that encourage the establishment of a local community education hub in universities. Through their participation in this education hub, the local community can gain new knowledge and skills. This may be useful for community members to improve their socioeconomic status. Additional funding and continuous support from the government are essential for the successful implementation of this initiative.

This study has limitations that may be addressed in future research. The current study is restricted to a branch campus of a public university (UiTM) in the northern region of peninsula Malaysia. It is recommended that a comparative study be carried out in other rural or urban campus settings to examine the various socioeconomic impacts on the community. This research is both exploratory and quantitative and helps identify several major socioeconomic elements that affect the community. However, qualitative research may be equally compelling in assessing current community needs.

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