

Bandura's Agent in Well-Being Improvement and Poverty Eradication Among the Community in Kota Bharu, Malaysia

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Abstract

The community in Kota Bharu, particularly the asnaf group, plays a crucial role in improving their quality of life. They possess the capacity to act as agents of change in reducing poverty within their community. This study aims to explore how these agents implement strategies to enhance economic and social well-being through community development projects, using Bandura's theory of agency as a theoretical framework. A qualitative research approach was employed, utilizing in-depth interviews with participants to examine their business plans and monitor the outcomes of their entrepreneurial projects. Participants were selected through purposive sampling and were supervised over a period of time to assess their level of community development. The findings indicate that community members are able to apply Bandura's agency framework in mitigating poverty within their communities. By adapting a development module based on the four components of Bandura's agency, participants successfully improved their well-being and contributed to sustainable economic development. Furthermore, this study identifies several critical phases essential for ensuring the continuity of their efforts in overcoming future business challenges. Ultimately, the study aligns with the first United Nations Sustainable Development Goal (SDG 1) by contributing to poverty alleviation among marginalized populations.

Keywords

business project; economic well-being; poverty; sustainable development.

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1. INTRODUCTION

Poverty remains a central humanitarian, social, and developmental issue that continues to affect millions of people around the world. Despite substantial global economic progress, poverty persists in both developed and developing nations, particularly among vulnerable and marginalized communities. According to global development frameworks, poverty is not merely an economic condition characterized by low income, but a multidimensional phenomenon involving lack of access to education, health services, economic opportunities, participation in decision-making, and protection from vulnerability (Sen, 1999). In the Southeast Asian context, Malaysia is recognized as one of the more successful developing nations in lifting large segments of its population out of poverty. However, pockets of deprivation remain, especially among specific groups categorized as asnaf—those eligible to receive zakat assistance due to low income, unemployment, lack of resources, or other social challenges. Although government and religious institutions have implemented various poverty alleviation programs, sustainable empowerment of the asnaf community continues to require strategic interventions that enable individuals to act as agents of change in their own lives (Abdullah & Ismail, 2017).



In Kota Bharu, Kelantan, the asnaf community represents a group that is particularly affected by socio-economic limitations. While financial and welfare assistance is commonly provided, the ability of the asnaf to transform their living conditions depends on more than material support; it requires psychological readiness, skills, confidence, and the capacity to make decisions that improve their economic and social mobility. In this regard, Bandura's Agency Theory provides a useful theoretical foundation for understanding the mechanisms through which individuals exercise control over their lives and contexts. Bandura (1986) suggests that human agency is formed through four core components: intentionality, forethought, self-reactiveness, and self-reflectiveness. Individuals with strong agency possess the motivation and internal belief system necessary to take proactive action toward their goals. Applied in the context of poverty alleviation, agency becomes the foundation for empowering marginalized communities by enhancing their belief in their capacity to plan, take initiative, manage challenges, and evaluate their progress (Bandura, 2001).

The integration of agency within poverty reduction is also strongly linked to self-efficacy, which according to Bandura, refers to an individual's belief in their ability to organize and execute the actions required to achieve desired goals. When individuals believe they can influence their environment, they are more likely to seek opportunities, persist against challenges, and innovate solutions to economic constraints (Bandura, 1986). This assertion aligns with global development perspectives, including the United Nations Sustainable Development Goal 1 (SDG 1), which emphasizes the importance of empowering individuals and communities to eliminate poverty "in all its forms." Sustainable poverty eradication therefore requires not only external support structures but also internal capacity building, where people are supported to become independent economic actors rather than relying permanently on welfare systems.

Entrepreneurship represents one of the most powerful vehicles for enabling such empowerment. Numerous studies demonstrate that entrepreneurial programs and microfinance initiatives can help individuals in marginalized communities develop income-generating activities, improve self-reliance, and increase economic resilience (Yunus, 2010; Hulme & Shepherd, 2003). For asnaf communities, entrepreneurship offers a pathway out of dependency through the development of practical skills, business planning, financial literacy, and personal capability. In Malaysia, zakat institutions have increasingly adopted development-oriented strategies that support asnaf not merely as aid recipients, but as participants in economic value creation. Programs that emphasize entrepreneurship training, business coaching, and access to micro-capital have shown significant potential in helping communities improve income sustainability (Abdullah & Ismail, 2017). These efforts align directly with the concept of agency, as they require the active involvement of participants in decision-making, business management, and performance evaluation.

However, the shift toward agency-based empowerment is not without challenges. Many asnaf face structural barriers such as limited capital, constrained market access, low educational attainment, weak networks, and economic vulnerability caused by external market conditions. Psychological barriers, including low confidence, limited exposure to entrepreneurial role models, and fear of failure, also influence participation in economic development programs (Sen, 1999). Therefore, a theoretical lens that acknowledges both internal and external factors influencing human action is essential. Bandura's agency framework provides such a lens, offering a structured understanding of how individuals think, plan, act, and reflect within their socio-economic environment. It highlights that sustainable development must build not only economic opportunities but also human capabilities at the personal and collective level.

Given this background, this study examines how members of the asnaf community in Kota Bharu mobilize agency in developing entrepreneurial initiatives that aim to improve their standard of living. Through a qualitative approach, this research explores how community members conceptualize business opportunities, implement strategies, and navigate economic and social challenges. It investigates the psychological and behavioral mechanisms that enable agency development and assesses how these mechanisms contribute to well-being, income improvement, and long-term

independence. The findings of this study are expected to contribute to a deeper understanding of community-led poverty alleviation and to enhance academic and policy discourses on integrating psychological development, entrepreneurship, and sustainable development in marginalized communities. Ultimately, this research positions agency not merely as an individual asset, but as a cornerstone of community empowerment and poverty transformation.

2. METHOD

This study employs a qualitative research design to examine how Bandura's agency theory manifests in practical efforts to enhance well-being and eradicate poverty among the asnaf community in Kota Bharu. A qualitative approach is considered appropriate because it allows for an in-depth exploration of participants' experiences, perceptions, motivations, and decision-making processes, elements that are central to understanding human agency and behavioral transformation. Qualitative methods enable the researcher to capture rich, contextualized data that would be difficult to obtain through quantitative measures alone, especially when investigating psychological constructs such as intentionality, self-efficacy, forethought, and self-regulation within community development initiatives.

Data collection was conducted primarily through in-depth semi-structured interviews with selected members of the asnaf community who were actively participating in entrepreneurial initiatives supported by local development agencies or zakat institutions. Semi-structured interviews provided the flexibility to explore key issues while allowing participants to express their experiences in their own words. This method also offers opportunities for probing questions and follow-up discussions, ensuring that crucial aspects related to agency and empowerment are thoroughly investigated.

Purposive sampling was adopted to identify information-rich participants capable of providing meaningful insights into the phenomenon under study. Participants were selected based on specific criteria: they had to be recognized as asnaf, have participated in income-generating entrepreneurial projects, and demonstrate involvement in decision-making and personal economic development. This sampling strategy allows the research to focus on individuals who have experienced the shift from passive aid recipients to active agents of change, making them well-positioned to articulate the processes through which psychological empowerment and economic transformation occur.

The interviews captured narratives about how participants conceptualized and implemented business activities, overcame challenges, accessed resources, and developed personal motivation and confidence. Participants were asked to describe their backgrounds, motivations for entrepreneurship, training or assistance received, difficulties encountered, and strategies used to sustain their economic activities. These discussions provided valuable information on how elements of Bandura's agency theory—such as self-efficacy, forethought, and self-reflection—were demonstrated in their actions and development journey.

In addition to interviews, document review was conducted to strengthen data credibility. Documents such as training reports, development program guidelines, institutional publications, and progress records were examined to understand the broader structural context influencing the opportunities and limitations faced by the asnaf community. This triangulation of data sources improves the validity of the findings and ensures that interpretations are grounded in multiple forms of evidence.

Data analysis was carried out using thematic analysis. Interview transcripts and documents were coded to identify recurring patterns, themes, and concepts related to agency development, entrepreneurial decision-making, empowerment, and poverty alleviation outcomes. Codes were organized into broader thematic categories that reflected theoretical constructs drawn from Bandura's framework. This analytical approach made it possible to link participants' lived experiences with key theoretical dimensions of agency.

Throughout the research process, ethical considerations were strictly observed. Participants were informed about the purpose of the study, assured of confidentiality, and provided with the right to withdraw at any time. All identifying information was anonymized to protect participants' privacy. By

grounding the study in robust qualitative techniques and ethical standards, the research offers a reliable and insightful understanding of how psychological empowerment and agency contribute to poverty reduction among marginalized communities in Kota Bharu.

3. FINDINGS AND DISCUSSION

The findings of this study demonstrate that Bandura's agency framework provides a strong theoretical and practical foundation for understanding the processes through which members of the asnaf community in Kota Bharu work to improve their well-being and escape poverty through entrepreneurial activities. Through interviews and analysis, it became clear that participants exhibited the four major components of agency—intentionality, forethought, self-reactiveness, and self-reflectiveness—in ways that supported their efforts toward economic independence and social empowerment (Bandura, 1986). These actions were not only individual expressions of motivation and resilience but were also shaped by the socio-economic environment, institutional support, and collective learning mechanisms within the community.

One of the most evident findings relates to intentionality, where participants set explicit goals for income improvement and business development. Many participants expressed a clear desire to transition from dependency on welfare into self-sufficiency. They articulated business objectives such as increasing household income, providing better education for their children, and contributing positively to their communities. These goals served as motivational drivers that encouraged them to take significant steps toward entrepreneurship. According to Bandura, intentionality represents the proactive commitment to pursue specific outcomes (Bandura, 2001), and this was exemplified in the interview data. Several participants stated that their decision to embark on business ventures stemmed from a desire to break the cycle of poverty and achieve financial dignity—a finding consistent with earlier studies that highlight the importance of intrinsic motivation in poverty alleviation efforts (Sen, 1999).

In addition, many participants benefited from structured support systems such as microfinance schemes, zakat business grants, and community training programs. These support systems provided the foundational resources needed to start entrepreneurial activities, demonstrating that intentionality is strengthened when structural opportunities align with personal motivation. This finding aligns with Yunus (2010), who emphasized that microfinance can enable marginalized individuals to transform ambition into tangible economic outcomes. Participants described how access to startup capital helped them open shops, operate food stalls, engage in tailoring businesses, or participate in small-scale trading. Thus, intentionality was supported not just by internal commitment but by institutional mechanisms enabling action.

Forethought, the second key component of agency, was strongly reflected in the participants' strategic thinking and planning processes. Many participants described engaging in risk evaluation, market analysis, product selection, and cost management before launching their business. This demonstrates that they did not merely pursue entrepreneurship reactively but engaged in forward-looking cognitive processes. Bandura defines forethought as the ability to anticipate outcomes and guide behavior based on expected consequences (Bandura, 1986). Participants reported discussing business ideas with mentors, attending short courses, and analyzing competitors prior to implementation. These findings are consistent with Hulme and Shepherd (2003), who noted that successful poverty reduction initiatives often feature planning processes that help individuals anticipate market fluctuations and economic pressures. Even among participants with limited formal education, forethought was demonstrated through informal learning—such as observing successful businesses in the community or consulting peers who were more experienced. This underscores the value of experiential learning and peer support in fostering entrepreneurial foresight.

The findings also highlight the role of self-reactiveness, which refers to the ability to regulate and adjust behavior during the implementation of business plans. Participants shared examples of how they responded to financial difficulties, seasonal market shifts, and product demand changes. For example,

small food stall owners discussed modifying their menus in response to changing customer preferences, while retail traders diversified their product offerings to maintain customer flow during economic slowdowns. These behaviors demonstrate adaptive capability—an essential requirement for entrepreneurial success in fluctuating markets. Bandura states that self-reactiveness involves the execution of plans through self-regulation and sustained effort, even in the face of obstacles (Bandura, 2001). This was clearly visible among participants who described working longer hours, reducing operational costs, or seeking additional revenue channels when profits declined. The findings reinforce Abdullah and Ismail's (2017) assertion that effective poverty alleviation is linked not just to resource access but to the individual capacity to transform resources into productive action through adaptive problem-solving.

Furthermore, participants' ability to persist despite challenges reflects strong self-efficacy, which Bandura identifies as central to agency. Many participants shared stories of initial failure, financial loss, or family pressure but expressed belief in their ability to succeed if they continued learning and refining their strategies. This aligns with global research suggesting that individuals with higher self-efficacy tend to persist longer and demonstrate stronger resilience in entrepreneurial environments (Yunus, 2010). The presence of community encouragement, peer learning groups, and religious motivation—particularly the desire to live independently and avoid long-term reliance on zakat—also contributed to maintaining self-efficacy during difficult periods.

Finally, self-reflectiveness emerged as a critical component supporting long-term success. Participants reported taking time to evaluate business performance, reflect on mistakes, and identify areas for improvement. This reflective practice allowed individuals to adjust pricing strategies, modify stock levels, improve customer service, and engage in more efficient financial management. In some cases, participants revised their business models entirely—closing less profitable ventures and opening new ones based on market insights. Bandura (2001) notes that self-reflectiveness enables individuals to examine their progress, reinterpret experiences, and modify strategies to improve outcomes. The findings revealed that ongoing reflection was often supported by institutional mechanisms such as progress monitoring meetings conducted by zakat agencies, mentorship feedback, or informal peer discussions. This highlights the importance of structured reflection spaces in strengthening community capacity for continuous learning.

Despite overall positive experiences, several challenges were identified. Participants highlighted limited access to capital as a major barrier—especially for scaling their businesses. Some also lacked adequate business training, particularly in areas such as bookkeeping, digital marketing, and operational management. External economic factors, such as inflation, supply chain disruptions, and increasing cost of raw materials, also affected profits and stability. These challenges align with earlier literature suggesting that poverty reduction initiatives must address both individual capability and structural constraints (Sen, 1999; Hulme & Shepherd, 2003). However, participants who engaged in continuous learning, networking, and training demonstrated greater resilience and longer-term business sustainability. This suggests that agency development is not a one-time intervention but an ongoing process requiring holistic support systems including training, mentorship, financial inclusion, and market access.

Overall, the findings indicate that fostering a culture of agency and self-efficacy within marginalized communities can significantly enhance economic empowerment and contribute to sustainable poverty reduction. By applying Bandura's agency theory to practical entrepreneurial development, this study underscores that psychological empowerment is as crucial as financial assistance in transforming the economic lives of the asnaf community in Kota Bharu. The integration of intentionality, forethought, self-regulation, and reflective learning creates a dynamic pathway through which individuals build the capacity to shape their own socio-economic futures.

CONCLUSIONS

This study highlights the pivotal role of Bandura's agency theory in improving well-being and reducing poverty among the asnaf community in Kota Bharu. By fostering self-efficacy and proactive decision-making, community members have successfully initiated and sustained economic ventures that contribute to long-term poverty alleviation. The research findings suggest that structured support mechanisms, such as microfinance and entrepreneurship training, can further enhance agency and economic resilience.

The study aligns with the global agenda of poverty eradication under SDG 1, emphasizing the need for community-driven initiatives in achieving sustainable development. Future research should explore the scalability of agency-based interventions across different communities and assess the long-term impact of such initiatives on economic mobility. Policymakers and development organizations should consider integrating agency-based models in their poverty alleviation programs to ensure sustainable and inclusive growth.

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