MALAY WOMEN ENTREPRENEURIAL SUCCESS: CHALLENGES AND BARRIERS

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Abstract: Toward the vision of bringing Malaysia as a developed country by 2020, the government of Malaysia has implement rigorous effort to encourage development in variety sectors as to obliterate the poverty by attracting the women to involve in economic sector. A part of current government initiative is raising women to be entrepreneurs as entrepreneurship have been recognized as the catalyst for economic growth and development of a country. Many women choose to be entrepreneur by full time or part time as a source of income. Malay women entrepreneurs have to face many challenges and emulation in business and economic sector as this field is monopoly by other ethnic in Malaysia. The challenges and barriers to the success of Malay women entrepreneurs have to be identified owing to the fact that the weaknesses need to be addressed in order to lead up Malay women entrepreneurs in achieving themselves and successful. Thus, this study is to review the challenges and barriers of Malay women entrepreneurs to success in the entrepreneurial and empowering women to enhance their economic contribution in entrepreneurship.

Keywords: Malay, Malay Women Entrepreneurs, Success, Challenges and Barriers, Woman Entrepreneurial Success

Introduction

Malaysia is a developing country with almost 32 million population consists of three major ethnics known as Malay, Chinese and Indian. According to the Statistic Department of Malaysia, in 2011, Malay is still the majority of the population which accumulated about 60% of the total population in Malaysia. However, in the other perspective primarily in the economic sector, Malay did not perform concomitant to the total population as majority. Malay is far behind in the economic sector. For the time being, the Chinese ethnic is conquering more than 50 percent of the economic activity in Malaysia. The government attempted to achieve the economy of Malaysia in reaching the vision of 2020 and the women are called-out to stick together in making the vision come true.

There are many women in developing countries involve in entrepreneurship as an opportunity to gained additional income whereas some of them quit job and start career as entrepreneurs. In
particular, the shrinking job opportunities in the market have also compelled these women to venture into business and entrepreneurship is seen as an attractive option (Alam, Senik & Jani, 2012). According to the Female Labor Participation Rate (FLPR), the rate wallowed at around 46% for many years until prior to 2010. This showed that for every 100 women of working age, only about 46 is working, including both full-time and part-time employment.

Table 1: Total population based on ethnicity 2015

<table>
<thead>
<tr>
<th>Ethnic</th>
<th>Female</th>
<th>Male and Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bumiputera</td>
<td>9 496 200</td>
<td>19 150 900</td>
</tr>
<tr>
<td>Chinese</td>
<td>3 218 500</td>
<td>6 620 300</td>
</tr>
<tr>
<td>Indian</td>
<td>996 000</td>
<td>1 988 600</td>
</tr>
<tr>
<td>Others</td>
<td>132 400</td>
<td>270 700</td>
</tr>
<tr>
<td>Non-citizens</td>
<td>1 158 300</td>
<td>2 965 300</td>
</tr>
<tr>
<td>Total population</td>
<td>15 001 400</td>
<td>30 995 800</td>
</tr>
</tbody>
</table>

Source: Social Statistics Bulletin Malaysia 2015

Bumiputera is consists of 99% Malays. As shown in Table 1 the female population for Malay ethnic is the highest among other ethnics in Malaysia and total of Bumiputera which including the male and female is about nearly 62% of the total population in Malaysia. Malay is the largest ethnic population in Malaysia and considered as the majority.

**Literature Review**

**Women entrepreneurial success**

Women entrepreneurs are define as someone who run a business, taking risk and innovate. Sidal (2014) agreed with Hunter (2006) that women entrepreneurs run a small business owned by them and manage the business according to the objective and their principal of practice. Success frequently very close linked and sometimes even used as synonyms to the terms such as growth and performance and the definitions of these terms seem to be blurred and intertwined (Reijonen & Komppula, 2007).

Traditionally the concept of success is defined in as a growth, profit turnover or return of investment and also by the number of the employees which all of this are in terms of financial performance. While in the aspect of non-financial measures of success are such as job satisfaction, autonomy and the ability to balance work and family. Furthermore, success could be seen as achievement of something being anticipated (Miller et al. 2006); as an achieved event, reached growth or an appreciated wish and businesses aim to get success irrespective of any pre-set definition of success. The definition of success could be subjective or objective depending on the person’s remark. The establishment period could be considered as the success period estimating 48months to 60 months. Any businesses that exceeding the critical period is success in surviving.
Men and women may theorized success differently. As for example, men may appreciate success as attaining fame and respect (external criterions). In the other hand, women define success when they achieve the accomplishment of their set targets or a matter of internal criterions (Aldrich & Cliff, 2003). Astonishingly, women owned business’s growth tendency is lower than males and it might not necessarily link with only financial gains. Additionally, women owned businesses choose to be smaller in size.

Commonly used gauge of success i.e. attainment of wealth (McMullen et al. 2006) may not be the truly echoed success measure. It may have been the possibility that women may set their success targets based on their internal standards and therefore, the success phenomenon is aimed to be explored for women in Malaysia as culture may likely to affect success perceptions (Usman, Buang, & Yousaf, 2015). Many women have sought entrepreneurship as a way to empower themselves and relieve the burden of gender and pay discrimination in the workplace (Mahmood, Mustapa, & Jamaludin, 2010).

**Malay women entrepreneurs in Malaysia**

According to the Global Entrepreneurship Monitor (GEM) 2012, the total entrepreneurial activity (TEA) in Malaysia was the lowest percentage compare to Thailand and China which are among the Asia developing countries. In Malaysia, even though there is a very small gap in entrepreneurship involvement between women and man only fewer women entrepreneurs are established compared to men entrepreneurs (Kelley, Brush, Greene, & Litovsky, 2012). Furthermore, prior to this, Table 2 is the summary of existing reviews of the Malay Women’s Entrepreneurship Literature. According to the summarization on Malay women entrepreneurship below, most of the methodology were qualitative. It appears that there is a paucity quantitative research on Malay women entrepreneurs particularly on Malay women entrepreneurial success. While numerous studies had examined women entrepreneurs (Aldrich, Reese, & Dubini, 2013; Greene, Hart, Gatewood, Brush, & Carter, 2003; Jennings & Brush, 2013; Terjesen & Lloyd, 2014), most of these studies were conducted in developed and western cultural spaces. There is still gap on women entrepreneur’s research as many of the researchers were focused on women entrepreneur’s performance rather than women entrepreneurial success.

<table>
<thead>
<tr>
<th>Year/Author</th>
<th>Topic</th>
<th>Methodology</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Idris, 2003)</td>
<td>Daya saing usahawan wanita Melayu menghadapi cabaran globalisasi</td>
<td>Quantitative</td>
</tr>
<tr>
<td>(Mahmood et al., 2010)</td>
<td>A Qualitative Study of Successful Malay</td>
<td>Qualitative</td>
</tr>
</tbody>
</table>
The establishment period is define as survive in the business for more than 48 months or 3.5 years. Other than that 99.9% entrepreneurs in Malaysia are in the small and medium enterprises category while 19.7% of total SMEs are owned by women (Department of Statistic Malaysia, 2012). This show that women entrepreneurs are play safe and choose the business which is not high risk as there are many obstacles and challenges faced by the women entrepreneurs to survive in their businesses. Moreover, gender plays an important role that reveals the notion of inter-sectionalism between gender and multiple influences that shape how entrepreneurs think about their own identities in an entrepreneurial setting (Rhouse, 2013).

In early 2016, it was reported that 1.18 million women entrepreneurs registered with the Companies Commission of Malaysia (CCM). However, by the end of 2016, according to the statistic provided by Companies Commission of Malaysia (CCM) the registered Malay women entrepreneurs were estimated nearly to 570,000. The involvement of Malay women entrepreneurs and their consciousness to register with CCM is still low relatively to the total women entrepreneurs that registered with CCM when Malays are the majority ethnic in Malaysia which equal to 60% of total population.

**Challenges and barriers**

There are few challenges and problems listed by Kim (1996) that faced by women entrepreneurs which including

- Lack of marketing knowledge
- Lack in pricing knowledge
- Less knowledge in management and administrative technique
- Social problem which including the trust, commitment and resentful towards rivals
- Personal problem such as conflict with the employees and business partners
- Personal problem cause by the conflict with family, stress and lack of social support
• Problem of product quality and services
• Knowledge problem

Mostly women entrepreneurs in Malaysia, faced variety of problems and challenges such as lack of capital and skills especially in marketing, lack of motivation and low confidence-level (Roddin, 2012). In other hand, weakness skill in making decision, marketing planning and capital gain were common factors faced by the failure women entrepreneurs (Abu Bakar, 2007). The issue of labor burden, limited access to financial resources, limited access to markets, low education and training, less access to networks and unfavourable government policies were among challenges faced by women entrepreneurs (Loveline, Uchenna, & Karubi, 2014).

According to Hisrich and Öztürk (1999), many women entrepreneurs faced lack of business training, less experiences in management, less in financial skills experiences, less in guidance and getting advices, while (Mitchelmore & Rowley, 2013) found out that most women entrepreneurs faced problems at early stage in getting the capital to start the business from the banks and financial institution.

In other aspect, problem with family was among other reason that barrier women entrepreneurs to success. Besides, family structure is playing another dominant role persisting women from entrepreneurial society. Women in transition economies suffered from traditional perceptions about women’s role in society, and these attitudes persist as for example, the women careers depend on the decision of their spouses rather than the other way around (Alam et al., 2012)

Table 3. Summary Of Existing Reviews On Challenges And Barries of Women Entrepreneurs

<table>
<thead>
<tr>
<th>Year/Author</th>
<th>Title</th>
<th>Population/Area</th>
<th>Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ghouse, Mcelwee, Meaton and Durrah (2017)</td>
<td>Barriers To Rural Women Entrepreneurs In Oman</td>
<td>Rural women entrepreneurs in Oman. 57 responses to a semi-structured questionnaire and face to face qualitative interviews with ten women entrepreneurs.</td>
<td>Discussed using the three dimensions of entrepreneurship identified by Wenneker and Thurik (1999) -conditions leading to entrepreneurship -characteristics of entrepreneurship -outcomes of entrepreneurship.</td>
</tr>
<tr>
<td>Mustapha and Subramaniam (2016)</td>
<td>Challenges and Success Factors Of Female Entrepreneurs: Evidence from A Developing Country</td>
<td>Ten female entrepreneurs from small and micro scale businesses in Selangor. Interviews were conducted with ten successful female entrepreneur who have</td>
<td>The interview results appear to indicate that support from family members is important and contribute to the sustainability of the business. The most challenging is insufficient/lacking of</td>
</tr>
<tr>
<td>Authors</td>
<td>Title</td>
<td>Entrepreneurs</td>
<td>Findings</td>
</tr>
<tr>
<td>---------------------------------</td>
<td>-----------------------------------------------------------------------</td>
<td>---------------</td>
<td>---------------------------------------------------------------------------------------------------</td>
</tr>
</tbody>
</table>
- Problems due to finance  
- Insufficient time in order to enhance skills through various training sessions.  
- Problems in creating high-quality contact networks that would enable them to successfully run their business.  
- Problems in the collection of quality information are identified  
- Lack of self-confidence |
| Ilhaamie, Arni, Rosmawani and Al-banna (2014) | Challenges of Muslim Women Entrepreneurs in Malaysian SMEs | Questionnaires were distributed to 250 Muslim women entrepreneurs in Malaysian SMEs | - Lack of finance  
- Lack of demand  
- Location problem |
| Loveline et al. (2014)          | Women Entrepreneurship in Malaysia: An Empirical Assessment of the Challenges Faced by Micro and Small Business Owners in Kuching-Sarawak | The population of this study is mainly Sarawak women entrepreneurs through the interviews and observation. | The issue of labor burden  
The issue of limited access to financial resources  
The issue of limited access to markets  
The issue of low education and training  
The issue of less access to networks  
The issue of unfavorable government policies  
Intense competition |
Table 3 is the summarization from the existing reviews of challenges and barrier of women entrepreneurs. The summarization is taken from the latest research done by the researcher recently.

**Proposed framework**

<table>
<thead>
<tr>
<th>Challenges and Barriers</th>
<th>Malay Women Entrepreneurial Success</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less experiences in management</td>
<td></td>
</tr>
<tr>
<td>Less guidance and advices</td>
<td></td>
</tr>
<tr>
<td>Financial problem</td>
<td></td>
</tr>
<tr>
<td>Lack in business knowledge</td>
<td></td>
</tr>
<tr>
<td>Lack of business skills</td>
<td></td>
</tr>
<tr>
<td>Lack in self-confidence</td>
<td></td>
</tr>
<tr>
<td>Risk-avoider</td>
<td></td>
</tr>
<tr>
<td>Lack of social support</td>
<td></td>
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<tr>
<td>Work-family Conflict</td>
<td></td>
</tr>
</tbody>
</table>

**Implication, Future Research and Conclusion**

As to reach the vision of Malaysia as a Developed Country status by 2020, the income per capita must be at least AS $15,000. It is a need for the government to ensure there are programs and support to help women in improving the economic growth by formal and informal employment to increase the household income. Entrepreneurship is one of the great opportunity to grab by women who are interested to own a business and capable to take the challenges and barriers. There are more challenges along the way toward the 21st century with all the technologies upgraded while in other hand the raw materials source is shrinking and the shortage in resources.
As to that reason, the innovative entrepreneurs should be born to create ideas in ensuring the limited resources could be fully use in a brilliant way. Malay as a majority ethnic have to take the chances and opportunities in entrepreneurship and be competitive in this globalization era. The focus of introducing women entrepreneurship program in Malaysia is still limited. Hence, there should be more initiative to empower women by providing various alternative entrepreneurship programs that suit to women entrepreneurs’ background. It is suggested that women’s groups and relevant business associations together with female entrepreneurs, should be involved earlier in the identification and design of the programs.

Women entrepreneurs also, need mentoring for guidance and career counselling, better access to credit lines, stronger networking and the chances to involve in the male-donated businesses. The future scenario in Malaysia will be the proliferation of more businesses in various industries, and that means more opportunities for skilled women.

References


