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THE VOICE OF THE NAM WOMAN

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FOREWORD

YB Dato' Sri Shahrizat Abdul Jalil

Minister of Women, Family and Community Development

Studies have shown that the number of woman entrepreneurs in Malaysia have increased in the past three decades following our emphasis in industrialization, the growing interest in privatization, self-employment and business oriented employment. Women can be found in the once male-dominated enterprises like the banking and financing sector, food manufacturing, general trading and public service. The fact that female students exceeded the university intakes of the opposite gender has helped to shape the employment and entrepreneurship landscape of the country.

Women entrepreneurship has also recently become an important pool of resources for Malaysia's economic growth. Women account for about half of the total population of the country, with an increasing representation at the professional, managerial and technical levels. Their involvement with entrepreneurship is thus consistently increasing.

However, the gender gap in women is still wide in the Malaysian business world, as is the case even in other parts of the world. The number of Malaysian women who

make it to the international market also is still negligible. Women may make up the numbers but still are not given enough opportunity to make a notable difference.

Therefore it is important that women transform their mindset in line with the changing times in the business milieu and produce quality products and services which are capable of penetrating the global market.

The Malaysian government, mindful of the fact that the status of women is a good indicator of a dynamic and progressive nation, is taking steps to increase the participation of women at all levels in both the public and private sectors, including entrepreneurial ventures. Existing laws and related regulations are being and will be reviewed to create a more conducive environment that encourages greater women participation in entrepreneurship. The creation of my Ministry to specifically look into the issues and welfare of women is also the manifestation of this aspiration and commitment by the government. And the creation of NIEW is to give greater significance to the emancipation of women in the NAM countries so as to enable the empowerment of women.

While the government is actively playing its role and laying the foundation for bigger participation of women in entrepreneurship, the private sector should also play their parts. This is to lend credence and give better significance to our fight for the emancipation of women in society.

Thank you.



FOREWORD

Y. Bhg. Dato' Dr Noorul Ainur Mohd Nur

Secretary-General

Ministry of Women, Family and Community Development

Malaysian woman entrepreneurs are increasingly urged to take advantage of the unprecedented rate of growth of the Small and Medium Enterprises (SMEs). There are already more woman entrepreneurs making their mark in business with some already entering the Malaysia's millionaires club and some even given the tag as 'iron lady' for their tremendous success.

Malaysian women carving their names as top economists or CEO of leading business agencies in the country and even on the world stage, is nothing new compared to say, a decade ago. We are slowly taking away the curtain of gender prejudice and accept the fact that women are equally capable as their male counterparts.

However, many more works need to be done to improve the thousands entrepreneurial performances of women who are on their way up with their products and innovations. They are facing a considerable number of obstacles and constraints. These include identifying the market for their products, source of finance, proper business advice and information sharing with their peers about market trend and needs.

Many researches have been carried out to determine the correct policies and the best approach to tackle the problems. Various research endeavours are also being undertaken to identify factors affecting or influencing the performance of woman entrepreneurs.

Based on the Census of Establishments & Enterprises 2005 by the Department of Statistics Malaysia, a total of 82,911 business establishments were owned by the woman entrepreneurs. In term of sectors, 89.5 percent involve in services sector, while manufacturing recorded 7.5 percent women participation and agriculture, three percent.

Although the statistics show that the involvement of women in the manufacturing and agriculture sectors are still very low compared with their male counterparts, this should be seen as an opportunity for them to explore businesses for additional family income and more importantly as a career choice.

The Malaysian Government has embarked on developing capacity building initiatives through various Ministries and agencies to create, promote and nurture more women entrepreneurs, in line with the Fourth Thrust of the National Key Result Area (NKRA), which is to develop 4,000 woman entrepreneurs by the year 2012. Women must jump on the bandwagon and be willing to learn and join the rank of successful woman entrepreneurs.

Thank you.

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FOREWORD

Y. Bhg. Tan Sri Datuk (Dr) Rafiah Salim

Director

NAM Institute for the Empowerment of Women (NIEW)

Woman entrepreneurs are fast emerging as the driving force in global economy that policy makers cannot afford to ignore. Women's entrepreneurship has been recognised during the last decade as an important untapped source of economic growth. They have created new jobs for themselves and others and by being different also provide society with different approach to management, organisation and managing business problems.

The subject of women in entrepreneurship has begun to colour public discourses more prominently these days. Their participations in the perceived less important economic development and growth in specific industries (primarily retail, education and other service industries) have changed. Women are now beginning to venture into the high-tech and manufacturing sector which used to be the "men-stream". Although I must admit that their participations are still small, the future is looking up for them as our government is giving all the support to ensure there are equal opportunities between man and woman entrepreneurs in Malaysia.

Studies have shown that woman entrepreneurs too have demonstrated the ability to build and maintain long-term relationships and networks, to communicate effectively, to organize efficiently, to be fiscally savvy and to be aware of the needs of their environment.

Most successful woman entrepreneurs are naturally endowed with the qualities of entrepreneurship. Their maternal instincts generate enormous strength and determination that drive the fear away from them to start or run a business enterprise. They may face certain challenges and obstacles that are not akin to their male counterparts. Women with children experience even more demand on their time, energy and resources. However, they have shown their ability to balance the conflicting demands on their life and have made a great success of both.

Women also need to adapt and adopt the online and digital age in doing business as this is important because digital application gives woman entrepreneurs the flexibility to balance their lives between developing their business and taking care of their families. The online and digital form of enterprise also gives them low overhead, high productivity, and minimal ownership of capital assets. With a large digital consuming market, an educated class of digital entrepreneurs and low barrier to market, there is going to be more entrepreneurial economic activities than we have ever seen before.

Thank you.

THE INFLUENTIAL FACTORS IN DECISION-MAKING PROCESS AMONG MALAY WOMAN ENTREPRENEURS: A CASE STUDY IN TOK BALI, PASIR PUTEH, KELANTAN, MALAYSIA

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ABSTRACT

Kelantanese women have been known to be independent and actively engaged in daily businesses and commercial activities. Women's involvement in business is due to their desire to continue the family tradition, for survival or to get a better life instead of contributing to the economy of the area. This paper elucidates the influential factors that shape some Malay women's entrepreneurship behaviour and its impact on the economy of their family. Using grounded theory approach of qualitative research methodology, six women have been interviewed. The analysis from the indepth interview transcriptions reveals what triggers the entrepreneurial behaviour among women in the fishing area of Tok Bali and its impact on the whole economy in fishing area of Tok Bali. The study shows that despite Kelantan women's active participation and advancement in business, they still do not play a significant role in contributing to the nation's economy. Thus, the characteristics of entrepreneurship among them do not exist. Therefore, most of the respondents cannot be categorized as having entrepreneurial behaviour as most of their businesses are just small-scale enterprises to support their family. They do bring a change to their family's economy and play a role in changing their family's economic condition but do not act as catalyst for economic change. It can be concluded that factors that lead to decision making to entrepreneurship are situational factors (survival, time); social support (family, supplier); and human factors (self motivation, market attractiveness and family tradition).

Keywords: entrepreneurship behaviour, decision-making factors and process, Malay women entrepreneurs

INTRODUCTION

Entrepreneurs have one of the most highly involving and demanding economic roles because they take initiative, carry risk, and assume autonomy in the organisation and management of resources, often with limited knowledge (Knight, 1921 and Harwood, 1982). Their attitude and social norms are two crucial processes of starting a business venture or taking concrete actions towards realising business start-ups. As a marginalized group in politics, economy and social, women make up a large form of untapped human resource that reserve their participation in the labour force (McElwee and Al-Riyami, 2003). Since women are also the human capital of a nation, it is important that they are no longer marginalized in the nation's development by equipping them with the skills and knowledge to survive in the challenging economy. Kelantanese women have been known to be very independent and actively engaged in daily businesses and commercial activities. In the local market places, their aggressive entrepreneurial behaviour surpasses that of their male counterparts, controlling and overseeing the flow of the trade even proven to be more industrious in many sectors. They are known as hard and dynamic individuals who are independent, persistent and diligent. This may be a great source of inspiration for the rest of the Kelantan people. Everyday, thousands of Kelantanese women conduct business in this state, especially in popular markets and shopping areas. Hence, there is a need to develop an understanding of the woman entrepreneurs in interpreting their patterns of decision making in venturing into entrepreneurship. This paper elucidates the influential factors that shape some Malay women's entrepreneurship behaviour and its impact on the economy of their family.

LITERATURE REVIEW

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Entrepreneurship and decision making literatures mainly discussed the underlying business activity and its fundamental importance for problem-solving, the development of business plans, and goal-directed behaviour. Decision-makers often arrive at solutions intuitively without being able to report how they attain the result (Agor, 1986 and Watson, 1992) as intuitions are like hunches that may or may not lead to correct insights or solutions (Bowers, Regehr, Balthazard and Parker, 1990). The importance of decision-making has been well recognized by researchers: "If one process in particular characterizes the manager's or entrepreneur's job it is that of making decisions or solving problems" (Mosley, O'Brien and Pietri, 1991).

Decision-making behaviour has been defined as the "learned, habitual response pattern exhibited by an individual when confronted with a decision situation" (Scott and Bruce, 1995). The behavioural decision theory literature elucidates decision-making procedures used to counter the limited human ability to process information. For example, studies have investigated heuristics, the 'rules of thumb' used to reduce mental effort and to simplify decision-making (Busenitz and Barney, 1997).

However, relying on heuristics may interfere with successful problem solving if expert knowledge is applied inappropriately. Therefore, even if decision-makers are aware of the need for creative strategies that go beyond the heuristics they normally employ, there is still the problem of knowing when applying expertise is counterproductive and creative thinking is necessary.

Most theories concerning the decision-making (Mintzberg et al., 1976, Papadakis et al., 1998 and Mador, 2000) gravitate around a model of decision-making, which comprises three components: the environment, the specific characteristics of the decision to be taken and the entrepreneur himself. These three independent variables are in constant interaction while following the path of the decision process. Likewise, Schneider and De Meyer (1991) state that the elements that are expected to influence strategic processes are the manager's individual characteristics, internal organizational context, and environmental factors. Papadakis et al. (1998) state that an in depth understanding of decision-making behaviour, an integrative model, which includes decision specific, environmental and organizational factors, is needed. Thus, there are three levels of analysis: the person (the entrepreneur), the environment, and the strategic decision process itself.

The entrepreneur influences the parameters of the strategic decision process by the approach adopted either rational, emotional or intuitive. The decision process will affect the entrepreneur by bringing profit or loss to the business and will thus (possibly) reshape the entrepreneurial knowledge and experience. The entrepreneur influences the environment by the very act of the venture creation and by the further strategic decisions he meets. In the opposite direction, the environment is constantly forwarding impulses for entrepreneurial actions (opportunities, threats and so on). These environmental stimuli act as driving forces for the entrepreneur to make strategic decisions. The strategic decision process influences the environment by introducing advanced new methods of production or innovations. Conversely, the environment, being highly turbulent, brings uncertainty and probabilities of negative outcome, which shapes the decision making process and most often reflects in satisfactory instead of optimal decisions.

Busenitz and Barney (1997) argue that entrepreneurs simply do not have the time to go through a thorough, rational decision making process. Papadakis et al. (1998) states that an in depth understanding of decision-making behaviour, an integrative model, which includes decision specific, environmental and organizational factors, is needed. Such results are in line with Thompson (1967) who suggested that in cases of high uncertainty, managers act in an 'inspirational' manner, by making obsolete any formal procedures and rules usually followed. Busenitz and Barney (1997) also claim that more extensive use of heuristics in strategic decision-making may be a great advantage during the start-up years. According to Papadakis et al. (1998), the decision specific characteristics influence the decision-making process more than any other environmental, organizational, or managerial factor.

Furthermore, Levander and Raccuia (2001) find that entrepreneurs often deal with a situation without planning in advance, which decreases the firm's performance when confronting with more complex problems. Furthermore, changeability of the environment will lead to the increased use of an opportunistic strategy and a lack of munificence in the environment will lead to an extensive use of reactive strategies. Their overall results show that the undifferentiated prejudice by advisors and banks, that top down planning is always good, has to be modified.

METHODOLOGY

The primary data collected during the fieldwork in Tok Bali and Semerak included observations and in depth interview. Using grounded theory approach, six female entrepreneurs in Tok Bali and Semerak in Kelantan were interviewed. The indepth interview protocol took about two hours during the three-month fieldwork along the peripheral coastal fishing area among dried fish sellers, restaurants owners and keropok sellers. These six respondents are not enough to generalize the entrepreneurship and decision-making behaviour of woman entrepreneurs in Tok Bali fishing area but they can provide the pattern of decision-making among female entrepreneurs in a fishing area.

FINDINGS AND ANALYSIS

In the present study, the number of respondent was undetermined. However researchers had the opinion that seven respondents understudied are enough to generalize the entrepreneurship and decision-making behavior of woman entrepreneurs in Tok Bali Fishing area. They are among those who have business in various categories. Table 1 below lists the name and nature of business of the respondents.

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Women in the area of Tok Bali are mostly involved in six types of businesses namely selling rice at the food stall, making '*keropok*', selling *keropok*, making and selling *keropok*, making dried fish, selling dried fish, and grocery store selling various products including fruits and vegetables. Decision to venture into the business varies according the nature of business they are in. In general, woman entrepreneurs in the peripheral area studied (Tok Bali) set up their businesses mostly due to situational factors.

The average age of the respondents is 45, with the youngest 23 years old and the oldest 68 years old. They are all married and with at least 5 or more children (up to 12). Types of business in the area range from selling rice at the food stall to making and selling *keropok*. There are women who play the role to improve the family's income, at the same time empowering themselves to do so; there are single mothers and a woman whose husband is bedridden; therefore a motivating factor

Table 1: Demographic profile of the respondents

Res-pondent	Name	Age	Marital status	No of children	Nature of Business	Years in business
1	Pn. Rosnani Mat Yusof	49	Married (husband sick)	7	Food stall selling rice for breakfast and lunch	10
2	Kak Yah	48	Married	12	selling local vegetables & chicken, dried fish, noodle, fruits & local kuihs/ Small Grocery shop	4
3	Aminah (Mok Su) & Pok Su	42	Married	5	Keropok Losong, keropok lekor dan keropok kering	3
4	Masitah Mustapa	40	Married	5	Making and Selling Keropok and other fish's product.	10
5	Norzita	23	Married	-	Food stall	3 month
6	Mah binti Dollah	68	Married	8	Selling Keropok and salted fish	5

to start-up a business as they are the primary breadwinner of the family. However, it was found that these are not the main reasons that led to their decision to start their businesses.

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The bigger scale business in the area is only related to 'making and selling *keropok*'. Only a number of women in the area are also involved in food making business that is having a food stall to sell rice, fried banana, fried *keropok* and etc. It is interesting to note that most businesses operated are synonymous from one another. This indicates that women in the area mostly do business due to "herd mentality" with the perception that "if other people can do it, why can't I?" as stated by one of the respondents.

To compare with the initial decision or motivation to start business, for those involved in food stall, selling rice for breakfast and lunch, the motivation to do so is usually due to poverty. The need to help feed the family urged them to open the business. However, most salted-fish business respondents started their businesses not because they are the primary breadwinners of the family but mainly because

others around them do it. Initially, they were just utilizing the available resource, i.e., the extra fish brought back by their fisherman husbands to increase the income to get out of poverty circle. More enterprising women get additional fish supply from suppliers that they trust in their area. Another reason is, due to their low education level, lack of other skills, and because others around them do this, this is the only business opportunity they can think of. For *keropok* business owners, most of them venture into the business due to family tradition and market attractiveness. Grocery store owners, on the other hand, enter the business due to self- motivation, and to gain extra income for the take home pay.

Human factors are seen as important for success among woman entrepreneurs in Tok Bali area. Humility, sincerity, hard work and confidence are among the factors that contribute the most for business survival among women in Tok Bali. Apart from that, support from spouse, family members, suppliers and the government will also be contributing factors to their survival. Our findings revealed that those who are successful are mainly those who received assistance from the government in terms of finance, training, counseling as well as technical support. Academic knowledge is not the main contributing factor for them to become an entrepreneur but experience and skill were found more significant. Thus it can be concluded that women entrepreneurial success in Tok Bali is related to human factor, support, training/counseling, cognitive factor and capital.

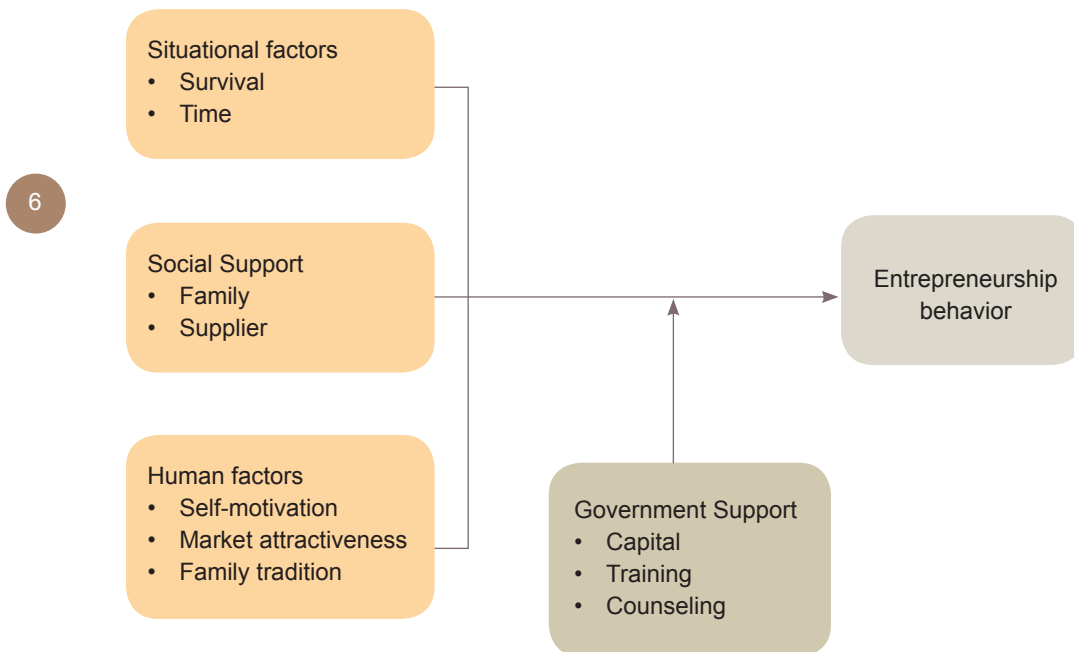


Figure 1: Proposed Framework For “Influential Factors Of Women Entrepreneurship Behavior”

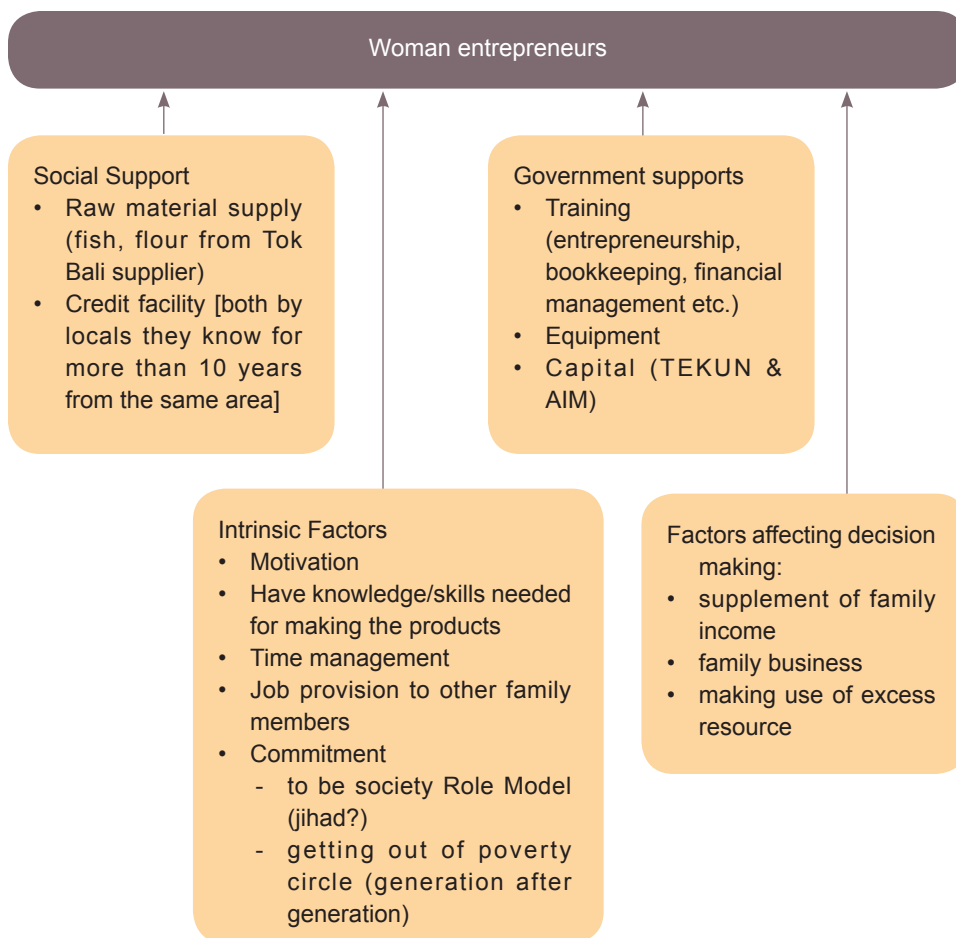


Figure 2 Motivation Factors to Encourage Enhancement among the Woman Entrepreneurs in Tok Bali and Semerak Area

CONCLUSION

A sufficient amount of reliable data can help to interpret what is going on inside the fishing community which can help to inculcate the entrepreneurial behaviour among Malay women in the fishing community. It can be concluded that factors that lead to decision making to entrepreneurship are situational factors (survival, time); Social Support (family, supplier); and human factors (self-motivation, market attractiveness and family tradition). In general, they do not think of risks associated to their business as well as who their competitors are. Business is only focused on their peripheral area and they have no intention to further develop network or market their products outside the area. Determination on marketing aspect is dependent on the middle men. Thus, they have empowered the middle men to distribute their products and determine the price.

These women are prone to start on smaller capitals as they do not want to suffer from losses that affect them financially. Their surrounding environment also affects their decision-making process as they tend to be involved in businesses that people around them do. Most of them do not have business knowledge, skills, and working capital. These women often do not see the range of choices that they make on a daily basis especially when the choice has been impulsive. It is important to learn to recognise what drives their impulses in order to develop a greater self-understanding. Freedom to make choices about their business or about conflict is important as it places control in the hands of each individual.

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WOMEN ENTREPRENEURSHIP IN INDIAN TRADITIONAL INDUSTRY: THE ROLE OF GENDER IN THE PRODUCTION OF HANDCRAFTED TEXTILES

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ABSTRACT

In examining the 'representation' of gender in the making of Indian handcrafted textiles, this paper focuses how the 'social-concerns' of gender development - as well as their relation to 'material culture' are constructed. The processual view of 'material culture', examines the 'given cultural construction' of gender defining the roles and duties of the women in a social and religious context, embarking upon to address the issues of entrepreneurship and identity. The ethnographic material presented here from Orissa and Bihar based upon the issues of 'representation of women', 'resistance and domination' and 'gender development', raises the question whether such 'social concerns' reach the real issues or are they *just a 'representation'*. It shows how the shifting meaning and identity of 'gender' and 'material' alters as a consequence of projects. The research analyses various phases of development of gender in relation to handcrafted tradition, uncovering the loop holes of projects, structures of power relation and alternate identity which blur the boundaries of *real and imagined worlds*. I argue that these findings reveal the ambiguity of what lies in 'representation', which often contradicts reality. Therefore the said objective on achievement of entrepreneurship seems oscillating within the 'imagined state'. Thus, the 'representation' of gender in the Indian handcrafted textile is *contextual and changeable*.

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INTRODUCTION

This paper explores the role of gender and their relation with the material culture in the making of Indian handcrafted tradition. Travelling across the time and space, narrating the passage of material in the past and present, handcrafted and

hand embroidered textiles reflect significant contribution of gender. Although the association of women with the textiles connote meaning of symbolic connection of thread encompassing several stories together onto the fabric their role is least recognized in the male biased society. This thread of tradition narrates the picture of women as per the 'given cultural construction' of gender, defining the roles and duties of women in social and religious context, as starting point when addressing the issues of inequalities and identity.

Living within the patriarchal structures of society handcrafted works of art led to the shifting identity and position of women with the intrusion of gender development projects. Commoditization of art and craft created new economic avenues and resulted in shifting identities and position of gender, such as purposes and attitudes towards the form and function of practicing crafts. Thus, there has been an altering of the meaning of the material objects with which craftspeople engage and the processes they use when working with them. Therefore, this paper presents an examination of the handcrafted textile projects in relation to gender, material, and representation in the social and economic contexts. My field study covered in the later part of the paper considers varied expression of gender and material culture in the concurrent handcrafted tradition for comparative analysis in *each* case study.

The first section of the paper illustrates how Sujuni - a recycling material translated from the personal space to the recreation of stories, from biographies to representation, thereby, creating an alternate identity and source of livelihood. The representation of 'liberal rural woman' in *sujuni* could be considered as a fantasy or a reality which they dream of or an illusionary image as part of marketing strategy. The second section of the paper considers the *Bandha*-ikat textiles of Orissa. Hand woven textile projects resulted in the expansion of hand loom industry crossing the boundaries of gender and caste providing an alternate identity promising a new platform in the social and economic context. However, the end result of material asks the reader to rethink whether the textile project failed as a gender development strategy or non pragmatic factors.

The following section elaborates representation and implementation with regard to each case. Then, a comparison of the case studies is made, which addresses the intention, planning, outcome following an examination of relations between intentions, typically with reference to the role of gender in the handcrafted tradition in social and economic contexts.

SUJUNI- RECYCLING TO RECREATION OF PERSONAL BIOGRAPHIES

This section of the paper narrates how the recycling craft practice translated to recreation of personal biographies with the commoditization of handcrafted tradition. The research analyses the position of women as per the 'given cultural construction' of gender, addressing the processual approach of *sujuni* from the personal space

to commercial place, travelling from the raw form of art to the expression and representation of gender roles and aspirations. It will address how the craft re-refined as a contemporary narrative art, representing and debating gender justice and sustaining communities.

The various interventions implemented in the Muzaffarpur district of Bihar seemed positive in terms of their efforts to expand the quilt-making of rural women in the villages, who have been engaged in recycling the old clothes for personal purposes. Circulating old clothes within the family or bartering the old clothes in exchange for utensils (Norris, 2005) are common phenomena and some are stored for several years together, for recycling within household work or personal usage were reshaped into quilts. These clothes had the passage of time, their own stories, memories and biographies or life histories (Hermann, 1997) stitched to them. This exemplify how such commodities - like people - have social values (Appudurai, 1986) which circulate within the house and are recreated in the form of quilts, locally called as *sujuni*.



1. Women practicing sujuni, Muzaffarpur, Bihar, 2007. Photography: Pankaja Sethi. 2. Recycling old sarees, Cuttack, Orissa. 2007. Photography: Pankaja Sethi. 3. Drawing stories prior to sujuni, Muzaffarpur, Bihar, 2007. Photography: Pankaja Sethi 4. Sujuni in detail, Muzaffarpur, Bihar, 2007. Photography: Pankaja Sethi

In the making of sujuni quilt several narratives and life biographies connected with the old sarees and clothes taken together give the shape of birth quilts and mattress. These materials are bound together by layering the materials, stitching and amalgamating and reshaping into a single piece adding a new dimension and meaning to it (plate 2). The layered *sujuni*, embodied with stories of several years, is quilted with running stitches and enhanced with figurative patterns (plate 2), is the usual social process of recycling and reusing. This household craft practiced by the women (plates 1 and 4) is part of recreation and also an economic way of reusing the old clothes by circulating within the family for personal utilitarian purposes.

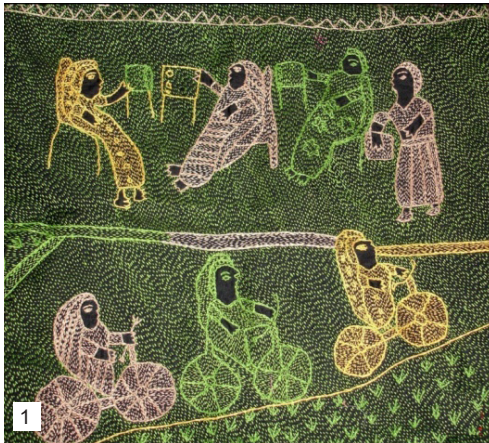
In the process of recycling reusing and recreating women continued making handcrafted sujuni quilts passed on from mother to daughter from one generation to the other. The quilted tradition of sujuni reflect the cultural expression, a personal commodity of women stitching years of stories together into one fold connotes the role of gender and sustainable craft practices to meet the ends and means. In the villages Bihari women abiding by the norms and regulation of social structure veiled themselves to meet the social expectation. Women's aspiration and identity is of least importance even though they belong to the Rajput-warrior higher caste community. In spite of the inherited identity (caste) my aim is to show the plight of these women veiled in the saree, do not enjoy the equivalent status and identity as men. The social boundaries and expectations restrict them to the household premises, confining their lives to the social and biological role of procreation, whereas, men engage with the outside world for sustenance. Ong (1987) maintains that women's position in Malaysia is a culturally given construction defining the low status and inferior position of women. Moreover, culture dictates the roles, obligations and duties of women. The privileged gender (men) belonging to the higher caste enjoys the double condition of status and power and dominates the underprivileged gender. Thus in the social and cultural context women's status is already constructed in the patriarchal structures of Bihar, and is an accepted reality. Such a stereotypical representation of gender is challenged by the development bodies and various interventions, which raise the issues of women's identity, female infanticide, domestic violence and other social concerns. Such feminist resolutions opened prospects for changing aspects of women's identity and promoting equality with men but to what extent planning is successful and address the key issues is ambiguous.

With the expansion of craft sector gender development projects aimed to provide a platform to earn a livelihood in an effort to put women on an equal footing with men. These concerns are recognized and represented in planning with the intention to resolve the problems of women who are subordinate to men as per the given cultural construction of the society. Arguably, such interventions are little concerned with deep social problems but rather are inclined towards developing production for the capitalist market. The socio-economic view - construct the ideas of 'women in development' with prescriptions for successful outcomes, however, such models of success hardly alter the subordinate position of women in reality. Within the 'patriarchal structures' the development project reached its success by opening new

economic avenues for the women in an economically backward society where men make a small amount of income either through agriculture or petty landowning jobs. These interventions, premised on the agenda of women's empowerment to enhance the position of the weaker sex, are often a masked agenda of personal autonomy or capitalistic interest who celebrate these 'concerns' to represent the cause. Such interventions oppose social boundaries to portray the image of rural *abla nari* or 'rural liberal women' without breaking down any existing social relations. It is *just a representation*, equivalent to 'imagined development' which is constructed as part of strategic planning of policy and practice and this raises issues concerning the representation of women, which is the core theme of this section.

The gender development projects adapted the recycling technique to create contemporary craft goods for the international and domestic market. These projects endorsed women to produce the same within their social sphere, thereby encouraging them to earn livelihoods. In this process several Self Help Groups and Societies established in order to conduct women's sustainable livelihood projects. Such commoditization of *sujuni* represented women's identity within a patriarchal society by creating an alternative livelihood for *the alternate*.

During the intervention, the purpose of making *sujuni* transformed to production which was traditionally an act of creation, a sensory process of collecting and recreating within the sphere of house. It entails a craftsmanship which required patience, was crafted and drafted within the limitation of time and space, had its own personal story and sensory feel in itself. Thus, implementation of the project refined and re-refined the craft utilizing the existing skill and technique of women to re-create the *sujuni* in order to fit the criteria for the mass market. As a result of this the original purpose of making altered although the process of making remained the same. *Sujuni* promoted itself as a women's expression of art and the only medium of expressing inner feelings of women in a patriarchal society. This medium of self expression provided a new space and freedom of expression which altered from the social arena to market for which she received wages. The economic aspect expanded to become a mass scale project for the subordinate as it created a possibility of earning an income which never previously existed. Female workforce participation increased their employment prospects compared to the men - who are semi skilled - leading to a shift in balance of power. Thus, women could contribute to the family in the same way as men. Therefore, this project became a success in addressing some of the social concerns of women. However, the representation of women in *sujuni* also reshaped their imagery. The production and consumption of *sujuni* altered the meaning of narratives embodied in the original purpose of making to encompass them an economic avenue. However, in this process not only the quilting which was refined but also the stories were recreated as a contemporary narrative form of art. The stories illustrated the imagery of women as 'rural liberal women' (plate 5 and 6); it seemed they are no longer under the subjugation of men and escaped the barrier of social boundaries. In the patriarchal society where their position was never contested, the demand for *sujuni* created a new space and place



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1. Rural women cycling to town to learn computers, 2006. Photography: Pankaja Sethi.
2. Women collecting mangoes, 2005, Photography: Pankaja Sethi

of identity. This positive end result of sustainable development participation does imply the successful outcome in relation to objective, planning and its relation to implementation. However, representation of the new identity of Rajput women, which I will illustrate in the following section, remains only in the textiles and portrays social and economic patterns which are contrary to the reality of the lives of females.

The stories of Rajput women climbing mango trees and driving auto-rickshaw as illustrated on the *sujuni* shows a world which females appear to have conquered. Such stories are not only dramatic but also are confronted by the patriarchal structures which women abide by, as part of the norms of the society, rather than engaging in the activities belonging only to the male sphere. It is possible to argue that the images of female lives presented on the *sujuni* could provide women with a medium to escape from the real world to that of the imaginary. My field experience suggests that roles and duties of married or unmarried women are articulated, defining their given position in the society. Crossing such boundaries means disintegrating the cultural construction. Some of the stories depicts social issues and 'social concerns', such as female infanticide, health and family planning, education and dowry cases which are the key concerns of 'development'. However, to what extent gender development projects reach and engage meaningfully with these concerns is questionable.

Although this intervention provided sustenance for poor Rajput women, who contributed towards the education of children and other aspects of family welfare in several cases, the imagery of women in stories showing them engaging openly in trading activities is a realm of men, which cannot be an acceptable reality in such a traditional society. Moreover, certain stories visualize 'a world without men', which raises the concept of the ambiguity of *real and imagined worlds*. Men and women have reciprocal roles in procreation and building the society together, which makes it doubtful whether such an assumption can ever be true. To what extent

these stories are reality or non reality is not my concern. Stories could be part of recreation or a world of fantasy which Rajput women dream of. This fantasy may be their aspiration but do they realise this. The stories recreated in the process of this intervention maybe women's choice or another kind of imposition *to represent* the expected outcomes of the development intervention. Women may never get the chance to express what they really feel.

During my experience, *sujuni* as a medium of expression in the form of storytelling-wall hangings, stoles, and bed covers representing the fancy images of rural Rajput women accelerated the production and consumption process. The fantasy world of stories created in *sujuni*, although only a representation is a great marketing strategy to sell them as a 'contemporary narrative art', 'stitching women's lives' and their aspirations. To some extent this process of manipulation in terms of representing the stories to get the attention of customers and to represent the identity of women through works of art seems inevitable.

However, the position of the Rajput women in a patriarchal society remains unchanged. Even though an alternate income stream provided security and an opportunity for them to earn a living, women still accept their position in the society, as determined by the men. Thus, women continue to be subordinate to men as a matter of choice. Therefore, the fantasy stories of 'rural liberal women' as projected and intentionally recreated in *sujuni* craft remains only in the textile - although, as a livelihood project it succeeded.

INTERPRETING *BANDHA*-IKAT OF ORISSA

This part of the paper illustrates to what extent *bandha* (Oriya term for ikat- resist textiles) hand loom projects in the Nuapatna region of Orissa emerged as a successful gender development project. In examining the processual view of development this section considers the historical passage and the position of women in the making of hand woven textiles. Furthermore, commoditification of symbolic textile to commodity as a result of handloom projects proceeds to the question whether such project alter the 'given cultural construction' of gender or it is *just a representation*.

Commodification which is the said objective and outcome of development policy and practices considered transformation of the symbolic textile –*khandua*. The development of weavers and promotion of hand loom which is the expected outcome of projects connotes paradox of meaning especially when linked to the cultural context of *Khandua* meant for religious purposes. Whilst, tracing the roots in history of *khandua*, the identity of which is the central theme in this section, was especially assigned to the traditional weaving communities to weave the symbolic representation of Hindu religion. Donation of cloth to temple such as *khandua* was a ceremonial offering embodied with motifs of lotus, elephant, and lion; enchanting

the devotion and love towards the Jagannath (Hindu God-Vishnu). This textile represents the religious significance interwoven with the symbolic interpretation, a symbolic act of creation and devotion. The region of Nuapatna glorifies the making of *khandua* as a historical process as an imagined past which development project recreated and initiated as an economic avenue, the future as an improvement upon past connections.

For the development policy usual concern is to address the 'social concern' or the 'problem' of textiles sector and 'realize the programme designs in practice' (Mosse, 2005:3). Therefore goal of implementation attached to the subjective action is deemed to make development of hand loom possible as a source of gender-sustainable livelihood to address the social concerns and problems. The state interest in religious- *khandua* textiles – channels funding for several implementation and design intervention programmes. This symbolic act of weaving in social and cultural contexts recreated in an economic context in the name of development as a result of planning shaped a new social structure of society and institution. Such commodification blurs the definition of development, which becomes an ambiguous or 'unstable term' (Edelman & Haugerud, 2005:1). To what extent the imagined ideal future in the name of gender development as anticipated and expected actually results in success is central to the definition of 'development'. This also contributed to the production of socio-economic and cultural configuration that we describe today as development.

The gender development projects included planning, increased intervention programme and skill up gradation of textiles simultaneously addressing the issues, people's well being and welfare. The intervention programme conducted several weeks, months and annual planning and documentation representing the said objective. Thus, planning justified the objective and its outcome before it is achieved. It aimed at the development as an enlarged domain, encompassing weavers, a marginal group of people which includes lower caste people and women. Among the targeted communities apart from weavers, are people belonging to lower castes, who never engaged in the act of making of *khandua*, women belonging to weaving communities are always subordinate to men in the production of textiles. During the training programme and design intervention, attendance of weavers and women endorsed either by government or other institution in the workshops provided daily wages and a platform to participate on equal grounds. Such strategic planning provided an opportunity for the marginalised to incorporate weaving skills thereby, encouraging all section of communities or 'community development' (Dore & Mars: 1981) to take up weaving as a source of livelihood (especially women). Moreover, women who engaged only in spinning, winding and other miniscule areas of weaving production opened to the new realm from the subordinate space to the predominate place of men (plate 8-10). As a result of this women's role in the making of hand woven textiles received recognition and came into the picture. Even though women contributed their maximum time doing household activities, extra income raised through weaving endorsed their family to a certain extent. Such shifting position of



1. Spinning the yarn, Jajpur, Orissa, 2008. Photography: Tanuja Sethi. 2. Assisting in Warping, Jajpur, Orissa, 2008. Photography: Tanuja Sethi. 3. Weaving. 2007. Photography: Pankaja Sethi. 4. Contemporary Saree. 2008. Photography: Tanuja Sethi.

identity bridged the gap between communities, crossing the barriers and hurdles of stereotype given construction of gender and caste. Thus, such process of planning created a social change, resulting in the expansion of the hand loom industry in Nuapatna, crossing the social boundaries of caste and *gender identity*. Furthermore, as a result of this social change all the villages surrounding Nuapatna of diverse communities together are engaged in the textile production and this intervention constructs the image of 'community development' and 'gender development'.

In this process the identity of *khandua* amalgamated with the *Khandua pata* the bridal saree which more or less resembled the pattern of *Khandua*. Although the context and meaning was different from the original purpose but its identity remained attached to the new form of *khandua*. The fixed identity of *Khandua* moved to a processual identity (Hall, 1996). Moreover, in the process of commercialization and various interventions, flow of contemporary designs, technical enhancements of loom broadened the area of production targeted silk sarees for the mass consumption for the Oriya middle class women. The identity of *Khandua* is still seamlessly stitched to the mass produced sarees which is nowhere closer either to *Khandua* or *Khandua pata*. The popularity of such sarees emerged as a part of community development. The end result of this process of commercialization



Khandua Saree, Orissa, 2007. Photography: Pankja Sethi

which aimed at textile for the masses by the masses could provide sustainability to several sections of community (including women) and fair wages to certain extent, even though some of the communities introduced themselves to the weaving. As a consequence of commodification of the textile with an economic value attached to it, which neither embodies any social message nor symbolic significance apart from providing livelihood to women or weavers fell into the web of supply and demand chain of market. The idea of 'community and gender development' though proved success in providing livelihood to many; mass production driven in the direction of commodification altered people's attitude. The act of creation or symbolic association of weaver disintegrated resulting in degradation of textile in process of mass consumption and production. Furthermore, organisations who promoted themselves as endeavoring to create a new identity of women in the patriarchal society, collapsed. Women choose to subordinate themselves to men rather than prioritise weaving as a way of achieving economic independence. This is because cultural boundaries confine women to household activities and the issues of morality restrict women to remain within the social boundaries, hence, they accept subordination to men. Moreover, gender mobility allows men to engage in trading in the market, whereas, even if women weave the textiles, it is inappropriate for them to engage in market trading. While comparing the case of Sujuni with ikat weavers social boundaries constrain women's position. However, to a large extent it is the women who restraint their aspiration as they see their position as per the 'given cultural construction of gender'. Hence, men remained in the advantageous position.

However, the end results of commodification reduced the textiles to a disgraceful state when compared to the original beauty and context of the weaving skills involved, and reached a stage where it cannot be reversed. Although, this intention was not the expected outcome of planning, the loop holes of development were skillfully projected as if some areas have been ignored and it requires further intervention and funding. Thereby re-framing the ideas of development with the issues of improvement of poor thus opened channel for further development.

CONCLUSION

The outcome of the textile projects in Nuaptana can be regarded as a success to a certain extent, in terms of engaging several communities together in weaving, which led to the emergence of a massive hand loom industry encompassing all castes and *crossing gender boundaries*. It can be argued that the social concerns which are constructed are often imaginary and the 'gender development projects' formed on the basis of these concerns are set up with the primary intention of obtaining funding. This raises the question of why such development policy translates into viable and useful development interventions.

Concerning the representation of gender in the Indian handcrafted textiles, 'structures of power relation' undermines the position of women as per the 'given cultural construction' of gender. Commoditisation of existing skill and craft practices aimed to address such 'concerns', thus, disintegrating the given cultural construction of gender- shifting the position and identity to a certain extent. However, to what extent commoditization process altered the meaning of gender as well their relation with material culture seems ambiguous. Comparative analysis of both the case studies in Orissa and Bihar raises the question whether such gender development projects address the real issues and concern or it is *just a representation*.

In the Muzaffarpur district of Bihar; socio- economic benefits would not have arisen if goals of gender development were created in a way which validated this. However, stories depicted in *sujuni* of 'rural liberal women' are simply a projection of end result. The imagery of women illustrated in *sujuni* seems another form of imposition. An imposition which is evident in all the development cases, to control the women is to control power embarking upon another silent power relation. As discussed earlier it is the end result which is imperative rather than the cause. The new identity of Rajput women, with labels such as 'stitching women's lives' or 'self expression of women' conceals the social context of poor Bihari women. Furthermore such images strengthen the new alternate identity, which is simply a representation in art.

However, planning in Nuapatna region emerged as a 'community development' strategy encompassing a broader section of society as a whole. Although the loopholes in the project indicate visible sign of 'underdevelopment', the design of planning is such that it represents the same as the area for further development. On one hand the end result provided socio-economic prospect for several people, crossing the boundaries of gender and caste. On the other hand, commoditised *khandua* raise the questions concerning degradation of quality resulted due to mass production. These models provide a context for action rather than reality or cause. It proceeds to the question of whether this *is* development of gender in relation to material culture.

While comparing all the case studies, development seems only in representation whether in theory or in planning. These projects are conceptualised well. Thus, am I

not in the same position as them in terms of representing the other? Being involved as an equal participant in development of arts and crafts has made me rethink my own position and the implications arising from this. To be critical of development is to question my own role. In order to question is this development of gender in the cultural context of hand crafted tradition seems ambiguous as in each case representation has variable outcomes.

Since the development models are determinants of 'representation', the end result considers re-defining 'development' of gender. The strategies of planning, state control, dependency theory, loopholes of development, and representation are visible in all cases. These consequences of commercialization through development projects achieved the desired outcomes in relation to stated objectives. While comparing and analyzing the entire project presented in this paper, development aimed at retaining the regional identity in relation to gender thus by commoditising the arts or crafts. To question objectives of gender development, underdevelopment or *underdeveloped in an infinite period of development* seems unclear. Thus, the successful representation of gender in the cultural context of hand crafted textiles in each project is *contextual and changeable*.

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HOW RELIGIOUS VALUES AFFECT ENTREPRENEURIAL BEHAVIOURS AMONG MUSLIM BUSINESSWOMEN IN THE DISTRICT OF PENDANG, KEDAH

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ABSTRACT

Factors may vary in different environment, religious and cultural backgrounds which influence women to venture into business and entrepreneurship. This paper discusses to what extent religious and cultural values have an influence on how women interpret their entrepreneurial behaviours and practices. Insights into the influence of religion and cultural values are based on a study of 31 Malay rural business women in Kedah, Malaysia. This study shows that the women business-owners asserted that the success or failure of an entrepreneur depends not only on inherent socio-psychological attributes or socio-economic attributes but also placed importance on being a pious, committed and a dedicated Muslim woman. They are able to construct the relationship between religious values and their contribution to business success. Hence, this paper will attempt to interpret how Islam influenced their entrepreneurial behaviours and practices. Meanwhile, this paper may stimulate interest and raises questions about how religious ideas influence the economic activities and how religion had played a significant role in their success in business.

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Keywords : religious values, entrepreneurial behaviors, work ethics, Islam.

INTRODUCTION

There are several studies on the impact of economic and political environment on entrepreneur's business performance, but just a few studies on the impact of the entrepreneur's cultural and personal background on their business practices (Alwis and Senathiraja, 2003). A study by Waldinger (1990) have shown that cultural

background influence their ethnic business. He highlighted that the business success with strategies, heavily depends on the nature of ties among co-ethnics and on the shape of social networks in which immigrants are embedded. Simon (1995), too studied the enterprise culture and how an entrepreneur influence to act in such a way. Most of the culture in any society basically develop due to religion. It provides the philosophical foundation for beliefs and values (Alwis and Senathiraja, 2003). According to Nanayakkara (1997), as a result of the sophistication of Asian societies some unique norms and values have developed which are reflected in the conduct of business and management of organizations. These norms and values have close resemblance to some aspects of Buddhist ways of life as practiced within many reformulations of Buddhism in different parts of Asia.

Therefore factors may vary in different environment, religious and cultural backgrounds which influence women to venture into business and entrepreneurship. This paper discusses to what extent religious and cultural values have an influence on how women interpret their entrepreneurial behaviors and practices. Insights into the influence of religion and cultural values are based on a study of 31 Malay rural business women in Kedah, Malaysia. This study shows that the women business-owners asserted that the success or failure of an entrepreneur depends not only on inherent socio-psychological attributes or socio-economic attributes but also placed importance on being a pious, committed and a dedicated Muslim woman. They are able to construct the relationship between religious values and their contribution to business success. Hence, this paper will attempt to interpret how religion that is Islam influenced their entrepreneurial behavior and practices.

BACKGROUND OF STUDY

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For the purpose of this study, I have focused on the District of Pendang in the state of Kedah in the north of Malaysia. This district and state are categorized as developing states with the majority population being ethnic Malay, especially in rural areas. There are significant reasons for selecting this area. Firstly, there is a need to conduct a study of the rural women in this area as no previous study has been done. Secondly, it is clear that there has been an 'emergence of a particular group of woman entrepreneurs' who have the potential to contribute to the nation's economy and the labour market. An extensive review of the literature clearly reveals significant limitations in the existing literature on entrepreneurship, particularly that of rural women entrepreneurs. Recent studies have been conducted on female entrepreneurship but not many have focused on a rural setting.

The first stage in sampling involves identifying the 'relevant population'; which in this case is the Malay businesswomen in the state of Kedah, Malaysia. The 'sampling unit' is the individual person in that population. Kedah has various programmes and development agencies geared towards improving the social and economic situation of Malay women in the rural areas. Since the inception of these agencies

the vast majority of Malay women have become participants and beneficiaries and are the target groups of the development process. One such agency is Amanah Ikhtiar Malaysia (AIM).

As a result of a brief pilot study carried out at the initial stage of the research, the office of AIM provided a list of names and addresses of Malay women business owners, all of whom were participants in the programme. With this superficial survey and preliminary assessment and with the help of AIM officials I have selected 31 samples. McMillan and Schumacher (1989) agree that the determination of the sample size should take into consideration several factors such as the type of research, the research hypothesis, financial constraints, the importance of the results, the number of variables studied, the methods of data collection, and the degree of accuracy needed. Based on the judgment and suggestions of earlier researchers, I managed to select 31 cases (the number of respondents also depends on the length and time of the fieldwork). De Vaus (1991) and Mason (1996) also argue that a smaller sample can be anticipated if there is less variation in the population and their responses. The selection of samples was based on the following criteria to provide sampling units appropriate to this study:

- i) Women who had been in business for more than 2 years. This is to ensure they are committed to business and have experience of being a businesswoman in a business environment.
- ii) The women selected were spread over a variety of different types of business at various AIM Programme centres and could be categorized as petty traders, owners of family farms and plantations and micro-enterprise owners.
- iii) Women/participants were all able to make their loan repayments as scheduled by the evaluation committee of AIM and had a substantial monthly income (a criteria set by AIM in considering the participants as 'successful' in business).
- iv) Participants were all accessible.
- v) Participants were all willing to participate in the study.

REVIEW OF LITERATURE

Studies of entrepreneurs have greatly interested researchers from various academic and practitioner orientations. This has generated classical works on the effects of entrepreneurship on economic development and the factors which might explain entrepreneurial behaviours. Much of the research has focused on the socio-economic and personal characteristics of successful entrepreneurs with the hope that such research would assist in the early identification of those individuals who have the potential to become successful entrepreneurs. Some other research has focused on sociological factors such as role models, socio-economic status, ethnicity and educational backgrounds associated with entrepreneurship (Belcourt, 1988; Brah, 1992; Dhillon, 1991; Maimon, 1998; Maimon, 2001).

Stevenson (1990) has summarised research on entrepreneurship into three major areas: background factors and personal characteristics, psychological attributes and traits, and situational factors. One of the earliest studies on entrepreneurs found that people with certain social experiences and backgrounds are more likely to start up their own companies (Cooper, 1981), for example people whose parents started businesses. One of the earliest piece of research (Brockhaus, 1988) revealed that people who start their own business are also found to have a certain psychological make-up as a result of their family upbringing or past socialization.

Subsequent research has suggested that formal and informal learning experiences contribute to entrepreneurial success (Bird, 1989). Chong (1993), concluded from a study undertaken in an Asian environment that entrepreneurs are essentially products of their own society. They are prepared for entrepreneurship by the socialization processes of their culture and society, channelled into entrepreneurship by their local social structures, and then catapulted into entrepreneurial actions by their immediate social circumstances.

The important early German sociologist Max Weber (1958), has argued that industrialization first took place in Protestant areas of Europe primarily for cultural reasons. In *The Protestant Ethic and the Spirit of Capitalism*, Weber (1958) examines the relationship between the rise of certain forms of Protestantism and the development of Western capitalism. Specifically in his exploration of the influence of culture and values in generating entrepreneurship Weber has argued that the values of Protestantism have variously motivated individuals to pursue business as a way of living. Other early researchers Schumpeter (1934) and Cochran (1949) also emphasized the importance of cultural values in promoting the spirit of entrepreneurship, and Hofstede (1991) emphasised that religion and race are among the cultural factors often seen to have a major influence on individuals' entry into entrepreneurship.

Subsequently, Lee (1996) and Redding (1986, 1990) have also placed emphasis in their writings on the role and influence of Chinese ethnicity and culture on entrepreneurial success. These scholars have identified that the combination of Chinese family dialect, family structure and culture, and the Confucian value system may exercise a particular influence on the setting up of a business. Gupta attempts to explain how the success of Indian entrepreneurship may be due to cultural values in his book *Indian Entrepreneurial Culture: Its Many Paradoxes* (1994). This empirical study of 150 entrepreneurs from Calcutta has revealed a model that suggests a pattern of eclectic entrepreneurship forged out of the interaction between two distinct sets of forces. One set is represented as the plane of entrepreneurial autonomy by qualities of individualism, social conditioning, and the propensity to exploit structural opportunities, while the second set of forces is made up of structural determinants such as religion, culture, and socio-political conditions.

A similar study was also conducted by Patricia Sloane (1999) on urban Malay entrepreneurs in Malaysia. Through deploying an ethnographic approach in the research methodology, the study attempts to explore the complex themes of Islamic duty and financial obligation which underlie Malay life in relationships with parents, spouse, cohorts and the community and in relation to the development of entrepreneurship in the Malay community. The study also explored a redefinition of Islamic economic beliefs and meaning which have shaped the Malay understanding of entrepreneurship. However, this study has focused only on urban Malay entrepreneurs who might have a different interpretation of the meaning of entrepreneurship. I intend that my study fills the knowledge gap by exploring similar themes with some other Malay entrepreneurs, specifically Malay rural business women. My study hopes to provide an understanding of a different kind of interpretation of how Islamic economic beliefs and meanings have shaped the Malay understanding of entrepreneurship.

The study by Alwis and Senathiraja (2003) among small and medium scale business in Sri Lanka have shown that business value formation is influenced by the socio-cultural and personal background factor such as age, ethnicity, religion and education. The study shows that Sinhalese and Tamil are highly religious businessmen and more ethical.

THE INFLUENCE OF RELIGION ON ENTREPRENEURIAL BEHAVIOURS

The following discussion is an attempt to interpret how Islam has influenced the entrepreneurial behaviours and practices of the businesswomen in this study. According to Zainah (1987), 'from the time they discarded their animistic beliefs and embraced Islam during the days of the Malacca Kingdom (15th Century), the Malays have never changed their religion'. Noraini (1984) has further stressed this point and states that Islam is a significant ideological force that influences Malay women's way of life and is an important factor influencing the development of the Malays.

Islam is the official religion of Malaysia. All Malays are Muslim, whereas the majority of Chinese are Buddhists or Christian and Indians are usually Hindus. As Muslims, the Malays practise and uphold the Five Pillars of Islam, that is, the professions of the Faith, the daily prayers, the fasting during Ramadhan, payment of the annual tithe (*zakat*), and the pilgrimage to Mecca. Islam, which literally translated means 'total submission', is not only a belief system but also a way of life. Muslims are expected to run their lives according to '*koranic*' injunctions (Afshari, 1987: 10)

In support of these statements earlier studies have argued that religion has an influence on economic activity including Geertz's (1956) famous study of pious Muslims in Indonesia, Bellah's (1970) study of the correlation between the religion of the Tokugawa and bureaucratic values which are conducive to economic growth,

Gupta's (1994) study which sought to explain entrepreneurial success through religious values in India and, most recently, a study by Sloane (1999) which focused on the 'Islamic view' of entrepreneurship among the urban Malay Muslim entrepreneurs of Malaysia. All these studies were mapped along the lines of Weber's study of Calvinist entrepreneurs in seventeenth – century Europe.

Due to the complexity of issues in analyzing and examining the wide scope of religious ideas that influence economic activity, the analysis is structured along the following aspects: (i) The teachings of Islam on economic practices and work ethics; (ii) The Islamic perspective on female employment.

The Teachings of Islam on Economic Practices and Work Ethics

In exploring the relationship of these factors to entrepreneurship among rural Malay women, what I gathered, observed and realized from interviews and observations during conversations was that their religious upbringing and teachings, specifically as Muslim women and as Malay village women, influenced their interests, aspirations, behaviours and practices in how they ran their businesses. This started with their aspiration of wanting to improve their quality of life and to be a dedicated Muslim through practicing the teachings of Islam. The interviews indicate that these Malay businesswomen tried to interpret the practice of doing business as work, which they regarded primarily an act of devotion to God.

I became curious about the idea that being a businesswoman is primarily an act of devotion to God. In order to find out more about this perception, I had to carry out more interviews and cross-checked the views with the literature. Having reviewed Syed Othman's (1994) 'The Role and Influence of Religion in Society' and M. Bassioumi's (1993) 'Business Ethics in Islam', and Rawlins (2004) I became convinced that Islam can play a positive role and influence all aspects of human life, including economics.

Islam has a very clear position on this matter. The Holy Prophet of Islam had clearly elaborated his saying: "*Sustenance consists of ten parts: nine in trade and one in other belonging.*" (Al-Ghazali, Ihya ulum-uddin, Vol.2). This saying of the Holy Prophet is an unmistakable dictum to Muslims to participate actively in commercial activities for the stability and development of society. Indeed, the Prophet himself was a businessman before he became the Prophet, and many of his close companions were successful businessmen. The religious importance of individuals' involvement in trade and commerce is reiterated by some of the sayings of the Holy Prophet. He spelled out the significance of the trader in the following sayings: "*Righteous businessmen will be the first to enter paradise*", and "*A truthful merchant will be raised on the Day of Judgment together with the truthful and the martyrs.*" (Cited in Bassiouni, 1993).

These sayings of the Holy Prophet provide clear direction for Muslims of the importance to involve themselves in trade and commerce, where they are required to subscribe to ethical and moral practices while carrying out their commercial activities. Indeed this principle is a winning formula for Muslims to adopt if they want to succeed in business today, because it takes into account the earning of profit (the bottom-line of any business) through social responsibility. In fact this is an approach that can lead to market optimization. The Holy Quran instructs Muslims: *“Oh ye who believe! Eat not up your property among yourself in vanities: But let there be amongst you traffic and trade by mutual good-will”* (Holy Quran 4:29). The Holy Prophet further elaborated: *“Endeavouring for lawful earning is a religious struggle.”* These instructions of Islam provide the sense of purpose and mission for Muslims in carrying out their business, and enable Muslim businessmen to continuously improve their commercial involvements. ‘The above positions of Islam on trade and commerce should encourage and motivate present day Muslims to participate actively in this profession. They should aspire to play in key position locally and internationally in the present economic scenario. This is a religious requirement, failing which can reduce the Muslim economic and social position in society’ (Nik Mustapha, 2000:68).

Muslimahs throughout history have demonstrated their business savvy through *musharakah* (partnership). For example, in the years before Muhammad’s prophethood, Khadijah Khuwaylid was a successful businesswoman in Mecca, who every year would employ men to trade on her behalf. She provided capital financing to these merchants and made them equity partners in her trade and profits. One of the merchants she hired was Muhammad whom she later married (Alsahhaar, 1976). After Muhammad became a prophet, Khadijah resumed control of her business affairs so that Muhammad could pursue his religious mission (Haykal, 1976). In this example, not only is it clear that Islam allows for women to own and operate a business but the entire Muslim world is indebted to Khadijah, the original businesswoman who contributed greatly to its growth.

Having noted the historical importance of the role of the Islamic businesswoman I would also like to elaborate ‘the conception of work’ here from the perspective of Islam because of its far-reaching implications for the Malay businesswomen in this study. As Othman Alhabshi (1996) writes, the first implication is that there are at least three forms of rewards for one whose work is counted as a devotional act. Firstly, s/he obtains the material rewards which s/he pursues. Secondly, s/he also obtains the material rewards of the satisfaction of successfully completing a task which s/he set out to do. Thirdly there is the reward Allah promised to all His servants in the hereafter for their devotional acts. Those who seek only material rewards will obtain only such material rewards, and they will be deprived of reward in the hereafter.

The second implication is that the follower of Islam is highly motivated to perform tasks to the best of his/her ability; as motivation triggered by the sincere intention

to serve Allah, desiring his/her efforts to be counted as service to Allah. The sincere intention which accompanies such work will keep the believer continuously aware of being closely observed by Allah, accountable to Him in everything s/he does, every second of every hour and every hour of every day.

The believer is motivated by the awareness that his/her performance will be well rewarded in this world and in the hereafter, and that the rewards are commensurate with the standard of the performance. As such s/he is inspired to work to his/her best ability in order to receive full recompense.

The third implication is that the believer can develop into a proactive, diligent, disciplined, reliable, and organized performer. These characteristics are typical of the highly motivated worker, who normally performs best when s/he is satisfied with the material rewards. The motivation of a sincere intention of being a good servant of Allah creates a superior degree of commitment and devotion.

The fourth implication is that the believer will always attempt to keep away from immoral practices in the course of his/her duties. Immoral practices may involve any action that will affect his/her integrity, trustworthiness and character. In other words s/he should avoid various vices which may include backbiting, slander, rancour, envy, miserliness, ostentation, pride, and conceit. Whilst avoiding vices is the first phase of forming a good character, the enhancement of such a character with virtues completes the process of good character building. As such, the believer will also attempt to improve his/her character by continuously exhibiting patience, gratitude, hope, fear and truthfulness.

A fifth implication is the development of quality workers with excellent performance, considered to be the net result of the Islamic conception of work. Workers who are primarily motivated by a sincere intention to excel for the sake of their Creator, imbued with strongly grounded moral values, will undoubtedly produce superior outputs, whether in the form of goods or services, provided they are given the opportunity to do so.

Islamic Perspective on Female Employment

To elaborate the Islamic attitudes and perspectives on Muslim working women, I summarize here the writings of Mehrun Siraj (1984) on that issue. Islam does not forbid women to work and earn a living. Muslim women have held jobs outside the home from the time of the Prophet, the best examples being that of Khadijah, the Prophet's first wife who was a trader and a business woman and Fatima, his daughter, who spun wool for a wage so that her earnings could supplement the income of her husband Ali.

Women's right to work, as with any other right in Islam, is subject to certain basic principles. The nature of the work undertaken and the conditions under which it has

to be carried out should not conflict with these basic principles. First, the job should not involve doing that which is prohibited by Islam, such as the sale of alcohol or prostitution. Secondly, it should not interfere with the performance of the obligatory prayers five times a day or the obligatory fast during the month of 'Ramadhan'. For Muslims it is important that the prayers be said at the prescribed times. These and other *Hadith* emphasize the importance of prayer to a Muslim so it is of great importance that any work undertaken by a Muslim should not result in neglecting or failing to pray at the prescribed times.

Thirdly, the workplace should not expose women to physical or moral dangers. There should not be a mixing of the sexes which might lead to 'fitnah', 'khalwat' or 'zina', loosely translated as backbiting or gossip, close proximity and adultery. The main aim of this rule is to protect the woman's reputation so that there is no loss of respect for her. It is for this reason too that she is enjoined to dress modestly. For the married woman there are two additional conditions: her husband must agree to her working and her job should not be the cause of the breakdown of the family unit, because the preservation of the family as a stable unit of society is a principle of paramount importance in Islam. Finally, another principle that applies equally to men and women is that in any kind of employment there should be no exploitation of the worker.

Using these perspectives as a framework, I have sought to analyse the economic practices of the women under study and explore to what extent religious values have shaped the economic and business-related behaviour of Malay rural businesswomen. This discussion is intended to highlight relevant aspects, including performing the pilgrimage, the dress code, performing rituals and the concept of rewards.

FINDINGS AND DISCUSSION

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Influence of Religion to Venture into Business

Data from the recorded interviews and transcriptions show that Islamic teachings have some bearing on these rural Malay woman entrepreneurs during the process of starting-up a business and in their subsequent business practices. From the 31 women I talked with and interviewed it can be observed that they addressed these typical expressions and reasons of why they decided to become an entrepreneur:

"... Islam preaches that we should work hard and have a better quality of life. This has inspired me to start – up in business because I have many children and I want to help increase my husband's income. However, I cannot perform my work in business too freely because there are restrictions to the mobility of married Muslim women which I have to follow."

(SO)

Other respondents offered similar views, revealing how Islam provides enabling factors as well as constraints. These views were echoed by another woman when she said,

“Yes, because I have got to seek permission each time to leave the house, seek permission from my husband to start up this business and as a Muslim Malay woman I am not allowed to do jobs which are not women’s work, and I have to be careful with my dress code. However being a Muslim too, has shaped my entrepreneurial behaviour because I am not afraid to take risks or face failure. I must earn as much money as possible and this allows me to perform the haj (the pilgrimage to the Holy City of Mecca). I was actually inspired by the teachings that the wife of the Prophet was a successful businesswoman. I want to perform the haj with my own money, so I have to work hard and do honest business to get ‘rezeki halal’ (earnings permitted by God)...”

(RYA)

By way of indication that there are certain values held by Malay rural women about going out to work and running a business, one woman clearly states that,

“as a rural Malay Muslim woman, I could not just walk round the village anytime I like, people would start gossiping, so for those jobs that need to be done far away my husband would willingly help me and go out, and he does just that.”

(HA)

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On the basis of interview data and observations made during this study I am inclined to see that Islamic teachings have an important and significant role in influencing these rural women to take up business ownership. This again is supported by the Islamic approach adopted by the programmes implemented by the AIM Project to enhance entrepreneurial development among its participants. This has reinforced the belief that Islamic teachings are very significant in developing entrepreneurial traits and behaviours among individuals, especially with regard to women. For instance, the Pledge which has to be recited by every ‘*sahabat*’ before and after every AIM-supported activity they carry out plays a significant role in enhancing aspirations and strengthening the will to succeed and to improve their quality of life through being self-employed. The Pledge is very much related to Islamic faith and values:

“It is our responsibility to Allah to strive to increase our income, to help our fellow group and centre members whenever they are in difficulty, to use the profits from our loan to bring our families out of poverty, to motivate and provide the opportunity for our children to continue their schooling and to repay our loan weekly without fail. Allah bears witness to all that we say and do.”

(Amanah Ikhtiar Malaysia Yearly Report, 1999)

Most of the Malay rural women studied are middle-aged and seem hard-pressed to make a transition from being weavers, wage-workers in the paddy or rubber plantation to becoming self-managing members and owners of a business enterprise. These rural woman entrepreneurs felt that like urban men or women running small businesses they had acquired various entrepreneurial qualities. They also believed that even without formal education or entrepreneurial training, being a Muslim and embracing and following the teachings of Islam and Malay values and culture had all in some way provided them with the knowledge and skills needed to become an entrepreneur. Among the important basic qualities they believed one should hold when performing any kind of work, and especially when doing business, were honesty, patience and gratitude, moderation (which is perhaps the opposite of the customary profit-making tenet of most entrepreneurs), unselfishness, incorruptibility, and the importance of maintaining good friendly relationships with everyone especially fellow Muslims.

Following these precepts they believed that by becoming a successful entrepreneur they would have a better quality of life which would make them a better Muslim and that a good Muslim can be successful in life, particularly as an entrepreneur (a virtuous circle). The second assumption drawn from these findings is that these Malay rural woman entrepreneurs had made the link and were able to explain why they decided to enter self-employment as a result, in part, of their religious and value systems.

To find out more about this claim, I went back to the narratives of the businesswomen:

"I think religion has a role to play. I learned that the Prophet and his wife Khadijah were successful business people. Doing business is a way of getting 'rezeki halal'. If we do our business in accordance with the Islamic way, there are rewards in life of the hereafter. Honesty, patience, and trustworthiness have been the values that I hold on to in running my business. All Muslims are encouraged to work hard to obtain 'rezeki halal'. Islam forbids its followers to give up when they face failure. I believe religion does play an important role in the way we behave and act as business people. Maybe in other religions too."

(RH)

"...as a woman or even a Muslim woman, I believe every woman has the right to go out and work and have her own income. There can be rewards in the life of the Hereafter. But the work you do must be 'halal' and must have good intentions."

(FAR)

"...I learned that a Muslim must have a good life and must not live in poverty. Everyone must work hard and earn the 'rezeki halal' and the best work we

can do is doing business. This spirit might have had a little influence on my decision.”

(CKM)

“...Islamic teachings encourage followers to stay out of poverty and it is believed that the Prophet said that 90% of our income should come from doing business. Maybe this is a calling and it did influence my decision to set up the business.”

(FB)

PERFORMING THE PILGRIMAGE

One of the tenets of Islam is the ‘haj’, the pilgrimage to Mecca, which should be undertaken whenever possible and at least once in a lifetime. To make the journey, each person needs to accumulate approximately RM10,000. Analysis of the interview data indicated that the ‘haj’ occupied an important place in the businesswomen’s aspirations, along with learning how to be successful in business and a degree of economic advancement, by way of ‘encouraging capitalistic values’ (Wilder 1968). In this study there is evidence for the influence of religious belief on economic behavior. Evidence from Geertz’s (1956) study of Javanese entrepreneurs and Sloane’s (1999) study of Malay urban entrepreneurs in Malaysia both support the contention of this present study that certain religious beliefs can influence economic behaviour. According to Geertz (1956) the haj represents a drain on capital into consumption expenditure, but its most important effect seems to have been to give certain aggressive peasants a religious economic goal toward which they could direct their lives and so build up more complex and systematic patterns of economic behaviour. To describe this phenomenon, I turn to the narratives of my respondents:

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“I want to perform the haj to Mecca, so I must work hard and earn the money, and it must be through my own effort. My husband’s income is not enough, even though he said he would contribute. I believe my business can provide the extra savings for the trip. It might take some time, for as you know the trip to Mecca costs a lot of money.”

(PM)

However, the ‘haj’ occupied a less important place among the aspirations of the two widows and the youngest women. When asked ‘How do you relate the duty to perform the ‘haj’ to what you do as a businesswoman?’ Sharipah, the youngest of the respondents, said:

“Yes I thought about the Mecca trip but it is not on my agenda yet. I am still in my twenties so I think I am concentrating on scaling up my business.”

Besides to perform the haj, I need to learn more about it first, maybe I'll do it in the next 15 or 20 years."

(SA)

The two widowed respondents expressed their intentions of performing the *haj* in a very sad way. I observed they were almost in tears when acknowledging that their husbands had died, leaving them widowed:

"... as a widow, I felt very sad. Actually we plan to perform the haj together, but thoughts of the trip are not my priority now, the extra money from my business has to go to my children. I must keep them alive. But I know performing the haj is a must."

(SH)

The Dress Code

Among women in Malaysia Islamic consciousness and Malay ethnicity are often expressed in the wearing of various types of veils ('*tudung*'). In Malaysia, wearing the '*mini-telekung*' is very common and this practice persists among the Malay businesswomen in this study. The circumstances surrounding veiling practices raises an interesting point because the recorded narratives and transcripts indicate the belief that veiling is a requirement of the Islamic religion which did not affect them as businesswomen, but there were also respondents who showed some disparity in this matter who regarded it as a restriction to their mobility. According to one woman:

"...unlike other people, I cannot perform my work in business so freely because I have to follow the mobility restrictions of a married Muslim woman. I am not allowed to do jobs other than women's work and I have to be careful with my dress code, especially the 'tudung' (veiling)."

(HA)

These expressions were echoed by two other women, including this view:

"Wearing 'tudung' is a must; I know that and began to wear it when I started schooling, so I am used to it. It can be a nuisance when you try to ride a motorcycle. But I don't bother. It does pose some difficulty but I don't really see that as a big problem."

(SAK)

When asked how they deal with this situation, the women had a broad consensus. Interestingly, while some of the women dressed according to Muslim dress code, some would vary their dress depending on the situation they were in. When I met Sharifah while working on her vegetable farm she was wearing pants and a big

hat which hid her hair completely. When I asked her why she was not wearing her 'tudung' she responded:

"I cover my head and put on the 'tudung' wherever I go as my religion prescribes. As I am working on the farm, I have to put on very loose pants which do not reveal my body and this hat to cover my hair is like wearing a 'tudung', and I am still adhering to Islamic values."

(SJI)

It is clear that the demands of their businesses had led the women to vary their religious practices. The preceding discussion was intended to show that religion plays an important role in determining acceptable values that must be upheld by these Malay businesswomen.

In order to explain these phenomena, I went back to my interview data. There are indeed statements that raise interesting questions worth exploring more closely such as:

"I believe religion-based values become easy and convenient reference points for designing my business plan."

(SAK)

"... faith in God has given me strength and my religion has helped tide me over in numerous crises."

(RYA)

"... religion motivates you to remain honest and often determines what business you should stay out of..."

(RI)

This study shows that there are respondents who attest to the significant impact of religion in their lives as well as in their business. Through the analysis of the interview data and observations I have identified at least three important phenomena that support the contention in this study that certain religion values have influenced the economic behaviour of some businesswomen.

Performing Rituals

Two rituals were performed to mark the founding of a business or during the start-up of business operations. The first type is the '*kenduri*' (religious festivities which include a formal gathering of family and friends) and '*majlis doa selamat*' (the reciting of verses by religious teachers to ask for Allah's blessing for the success of their business). These religious festivities usually took place within the compound of the respondent's house and sometimes at the mosque. Throughout the entire field-work and interview process I noted that about 50% of the respondents talked of the importance and significance of performing these rituals:

"I arranged a small feast to mark the start-up of my business and invited a number of religious men to recite the Quran, to ask for God's (Allah's) blessing."

(PM)

"I felt having 'kenduri' is significant, Allah will then bless what we do, and we will be successful in business. When family and friends attended the feast, I felt the confidence to go into business and they were the well-wishers providing emotional support for our venture."

(MM)

However, I also heard two contrasting views:

"I had to do without the 'kenduri'. My start-up capital is small, so I don't have the extra cash to invite my friends and family to a feast to mark the start-up of my business. But I perform my daily prayers and ask for his blessings instead. Probably I will hold a feast when I make large profits. Performing a 'kenduri' I believe is not a must."

(BM)

"I know the 'kenduri' (feast) is relevant but I have not done it that needs money too. I'll wait till I make big profits. I have always kept that in mind."

(RCN)

Reciting of Quranic Verses

According to one respondent one way to attract customers is to hang prints of relevant verses from the Holy Quran in their business premises. Another respondent mentioned that she called in one of the male religious teachers in the village to recite the Quranic verses in her restaurant at the beginning of her business operations. I also observed that there were frames of Quranic verses hanging on the walls of both business premises and in their houses. I was invited by two respondents to peek into a prayer room which had been built in their business premises, complete with prayer mats and the Quran. As one of the respondents explained:

"... this prayer room is important as I am making time for prayer in a busy work-day. I do not have to rush home to perform my daily prayers. Sometimes when I feel tense and upset about my business performance, I go to the prayer room and recite the Quran, and it gives me some time off and helps me become relaxed again."

(SO)

"I use specific verse from the Quran to call for customers, like this verse 'ayat seribu dinar'. You can see I have it framed on the wall in my house"

and in my business premises. With this I believe God (Allah) will always provide help.”

(RS)

Choosing the Type of Business

Rabeah, the sole-owner of a small business producing traditional Malay cookies and cakes, explained how she decided what type of business to go into:

“I learned that women have the right to work and be involved in trading but in Islam it is subject to certain basic principles. We should not be involved in selling what is prohibited by Islam, for example the sale of alcohol...”

(RS)

Similarly, another respondent talked about the importance of the concept of ‘*halal*’ (religiously legitimate) when a Muslim works:

“... earnings from work must be ‘halal’ and this includes the amount of work in terms of hours, the price to be paid or the quantity to be produced and the quality to be achieved. It must also not involve prohibited goods or forbidden acts such as adultery and theft. If the worker cheats the employer or vice-versa, then the earnings he or she gains is not halal and the consequences of using non-halal earnings are that you will not earn good rewards from Allah.”

(FAR)

“... I am doing tailoring, so this kind of business is halal. I am not breaking any Islamic principles and I am very happy...”

(LD)

The Concept of ‘*Halal*’ and ‘*Haram*’

My respondents’ concern to choose the right type of business activity led me to explore in greater depth how they showed their awareness and understanding of the concepts of ‘*rezeki halal*’ and ‘*haram*’. The literature of Islamic teachings on economic practice indicates that profits must be obtained only in a permissible way. ‘The Shari’a divides rules of conduct between ‘*Halal*’ and ‘*Haram*’, meaning essentially that which is permissible and that which is impermissible. The distinction between the Halal and the Haram applies to legitimate and illegitimate profits’ (Minus, 1993:119).

Hence to avoid obtaining illegitimate profit, s/he will always attempt to keep away from immoral practices in the course of her/his duties. I observed that both definitions were explored by my respondents. In interviews my respondents expressed their concern that the money they earned from their business operation should be

permissible (*halal*) and that they should not generate earnings forbidden by Islam (*haram*), as the following narratives show:

"I must be confident that the business I do is permitted by god ('secara halal') and I must make sure I do not override any of my religious teachings like cheating, being over-thrifty or not paying my debts. Wherever I go I must get consent from my husband, this is our religious teaching..."

(AMN)

"My business is trading women's clothes. This type of business is totally legitimate and it does not involve any prohibited goods. I believe I am earning 'rezeki halal' (permitted earnings). This is important. I believe if we do business in accordance with Islamic ways, there are rewards in the 'life hereafter'. This has been prescribed in my religion, I know that."

(RH)

"Our business operation must be 'halal' and honest and truthful in its dealings. I have always been aware of this. I believe if we are honest in our dealings, we may make good profits. But we must remember that the punishment by God is given in life of the Hereafter'. I don't like this."

(NMI)

The Concept of '*ikhtiar*' and Rewards

The respondents in a study by Sloane (1999) on Malay urban entrepreneurs in Malaysia generally agreed that 'Allah' (God) does not like poverty, because it signifies the taint of laziness, passivity, and irresponsibility that allows time for sin and this is why Muslims must work hard to honour God's abundant worldly gifts. This is consistent with my respondents' frequent references to working hard and their need to have '*ikhtiar*', to gain rewards and success. '*Ikhtiar*', the term frequently used by my respondents to explain their success in business, is a Malay word meaning 'the individual's free choice and will to show effort in life' (Sloane, 1999:63). I observed that most of my respondents believed that if you have '*ikhtiar*' you will do well in business and be rewarded by God. Hence the act of '*ikhtiar*' was seen by the respondents as one of the ingredients for achieving success in business.

Some respondents gave examples of ways of showing '*ikhtiar*' in their business activities:

"...the community always says that rural women are not fit to do business or to work. But I believe with the women's spirit, aspirations and 'ikhtiar' they can earn rewards for self-improvement and bettering the quality of life for their family. I believe women can be successful, I hold to this principle and it works."

(MH)

“...my inspiration was created and triggered by the feeling of wanting to try...I felt ‘berikhtiar’ and feelings of envy at the success of other Malay business women. We must be ‘berikhtiar’ and we will surely be rewarded.”

(HA)

“... to succeed, I developed courage, I try to work in the spirit of ‘ikhtiar’ and ‘kecekalan hati’ (inner strength) and the willingness to learn, to read and ask a lot of questions of people who know better with all these I believe the rewards are there.”

(BM)

What does ‘success’ in business mean?

The respondents were asked how important the business ventures were to them. Almost all of them regarded it as their whole life and their only means of earning a decent living. They regarded it as the only way of getting a job as their academic qualifications were low, disbaring them from obtaining a well-paid job. They felt that they must work hard to succeed. They perceived success differently from the operational definition derived from the literature reviewed. Success does not entirely mean wealth, and the majority expressed success as ‘living in harmony’, ‘having good relationships with the family and other people’ and being able to perform the ‘haj’ (pilgrimage) in Mecca.

“My quality of life has improved, spiritually and economically, and our family relationships are good. I observe that there are businesswomen who succeed in business but maybe not their marriage. So I consider success in business means success in life too. I hope to go to Mecca to perform the ‘haj’. This would be my ultimate success, to show my thanks to God for giving me a good life.”

(AMN)

“I have extra income to support my family. We have a better life now. Materially of course you don’t see a big house or a luxurious car. What satisfies me is that I get ‘rezeki halal’ through doing business and at the same time I am still devoted to religious teachings, committed to being a responsible wife and mother and to performing the daily religious rituals like praying five times a day. My family is happy so that is success.”

(SRI)

“Success...I see it from two perspectives: success in business means your sales are high, you made good profits, you are able to pay your debts and buy things for your children. But to me success is like a whole package. Success in doing business and as well as success in carrying out your domestic responsibility as wife and mother to your children.”

(MD)

Each respondent was asked to talk about what she felt was responsible for her success, and then about any factors that may have hindered her advancement in business. Although the descriptions of specific success factors were generally similar, the areas of emphasis varied. Some of them spoke of individual drive and recognized the need for higher levels of intellectual attainment through relevant self-taught skills, but almost all of the 31 respondents acknowledged a need to maintain a balance between career (as businesswomen) and the demands of their personal life .

A few mentioned the need for a strong sense of self-esteem, a supportive family, a strong will and a need to maintain a strong work-oriented enthusiasm. Others frequently mentioned that life experience from raising a family and part-time work served to enhance their progress and development. Almost all the 31 respondents mentioned their faith in Islam and were of the opinion that being a dedicated Muslim woman had contributed to their success in business.

CONCLUDING REMARKS

In line with my discussion of these findings I draw upon the work of Patricia Sloane (1999) in *'Islam, Modernity, and Entrepreneurship among the Malays'*. Through using an ethnographic method of data collection she was able to share (with her respondents/informants) their understanding of Malay entrepreneurship. Her analysis is primarily about the choices, images, and strategies of entrepreneurship development in the lives of the Malay entrepreneurs (both men and women). Her study showed how 'a certain group of educated, cosmopolitan, middle and upper-middle class Malays demonstrate the ways in which the late twentieth century experience of accelerated social and economic change has become meaningful and validating to some. The process by which moral obligation to others, hard work and Islamic faith has become symbolized together in economic activities' (Sloane,1999:16). She explored the theme of 'good work' in Malay life and demonstrated how entrepreneurship has become the main vector of ethnic, religious, and moral worth and a test of virtue and modernity among the Malays.

Sloane (1999) also explored the complex themes of Islamic duty and financial obligation which frame Malay relationships with parents, spouses, cohorts and the communal group. She also explored the crucial, self-consciously modern redefinition of Islamic economic beliefs and meanings which have shaped the Malay understanding of entrepreneurship. However Sloane confined her research to urban Malays, so this present study has extended its focus to explore similar themes in the lives of Malay rural women business owners. It is interesting, however, to note similar findings in interpreting how Islamic economic beliefs and meanings have shaped the Malay understanding of entrepreneurship. Both Sloane and this study have shown that the Malay entrepreneurs believe that people who work hard towards progress are usually rewarded more than those who do not. There is therefore

general agreement among Malay entrepreneurs about the ideology of 'effort and promise of reward', the concept of '*halal*' (permitted by God) business practices, the social obligations as a Muslim towards the family and society and the importance of performing the '*hajj*' to Mecca.

My search for a cultural interpretation of entrepreneurship benefited enormously from the remarkable experiences of an ethnographic encounter with the 31 Malay businesswomen of Pendang, Kedah whose narratives, ideas, thoughts and feelings about their economic behaviour and practices have raised questions of how religious values influence economic activities. This paper has attempted to explain the transcendent nature of the Islamic values and the underlying justification for their applicability in all spheres of human life, especially in the establishment of an exemplary work culture based on an 'Islamic alternative'. In the context of this study and among these Malay businesswomen, business ownership may be said to be an experience of belief and action in search of virtuous reward.

Hence, this study stimulated my interest and raised questions about how religious ideas influence the economic activity of the Malay businesswomen in my study. During the interviews I observed that the women wanted to demonstrate the uniqueness of their 'entrepreneurial' culture and emphasised that religion had played a significant role in their decision to become businesswomen and in their success in business. This study has shown how the respondents themselves regarded both economic action and its rewards as part of the prescribed virtues and consequences of their belief. My theoretical intent here is not to argue whether economic and social factors are more important in determining the success of these women business owners. I argue instead that using economics to analyse entrepreneurship does not preclude the possibility that it might also be explained by sociological and cultural factors. This study has found that religion does play a role and becomes an important factor influencing the economic behaviours and business practices of Malay businesswomen.

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ACCESS TO EXTERNAL FINANCE FOR WOMAN ENTREPRENEURS IN JAPAN: THE ROLE OF SOCIAL NETWORKS IN BUSINESS START-UPS

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ABSTRACT

Social network is important for entrepreneurship especially by the business start-ups. I focused on the relationship between external financial access and social networks. The results of my original investigation by questionnaire reveal seven types of social networks that exert an influence on the amount of external fund procurement. Woman entrepreneurs can get less amount of fund than men. The result also reveal the influence type of social network which are “network of family members, relatives,” “network outside former workplace,” and “network of political party or religion” for woman entrepreneurs, while for men the amount was higher than the overall average for “network of family members, relatives,” “network through children,” “network of hobby, etc.,” “network of school alumni,” “network of acquaintances, friends,” “network inside former workplace,” and “network with other entrepreneurs.”

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INTRODUCTION

According to previous research, there is a tendency for businesses started by women to be concentrated in the consumer-directed service, retail, and eating and drinking establishment industries (National Life Finance Corporation Research Institute, 2003, p. 12) and to be smaller in scale than businesses operated by men (Tamura, 1995, p. 107).

These tendencies suggest the possibility that the human capital and tastes of women entrepreneurs themselves are exerting an influence. For example, it has been pointed out that women have not accumulated the work experience and

knowledge necessary for starting and managing a business (Kazumi, 2006) and that the objective and interest of women in setting up a business is not business expansion but self-realization (Tamura, 1995, p. 114).

On the other hand, though, women who have started businesses themselves also say that they chose a business they could launch with little start-up money because of the difficulty of receiving loans from financial institutions and other sources. Generally speaking, in order to receive loans from private-sector financial institutions, assets are necessary as collateral, and a guarantor is required, too. However, many women do not possess real estate or other assets that might be used as collateral. In addition, spouses or other family members usually become guarantors, so single women in particular have a hard time finding a guarantor. For this reason, in the case of women, whether or not they can procure funds other than their own can be a direct motivation determining whether or not they embark on setting up a business.¹

It has also been pointed out that the reason why women face difficulty in fund procurement is that their contacts for finding people who will lend them money---in other words, their social networks---are weak. Because they were not appointed to upper positions in their previous work, they were unable to get to know people with financial clout (Carter and Marlow, 2003). Of course, the possibility of procuring funds does not rest only in the extent of a person's social networks. There are various other factors involved as well, such as the feasibility of the business, its profitability and growth potential, the ability to compile a business plan that can indicate these features in a persuasive manner, and the skills of the entrepreneur. In the end, it is as a result of all of these factors that a woman is unable to gather the necessary amount of funds.

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Although it is difficult to specify the factors that determine the success or failure of entrepreneurial activities, in recent years there has been research from various angles on the utilization of social networks in entrepreneurial activities and results of the social capital gained from it (Burt, 1992; Aldrich and Zimmer, 1986; Aldrich, 1995, 1997, 1999; Kanai, 1994; et al). Among these research results, some of them refer to the influence of social networks in external fund procurement.

ACTUAL STATE OF FUND RAISING BY BUSINESS START-UPS

In this paper I will focus on the relationship between external fund procurement and social networks and verify whether or not the utilization of social networks is effective in facilitating the procurement of external funds for business start-ups by women. Surveys relating to the owners of business start-ups are implemented by various entities, including the central government, local governments, and chambers of commerce and industry. However, the only example I can find of a survey conducted with an adequate number of samples and continuously over a long

period of time is that implemented annually since 1991 by the Research Institute of the National Life Finance Corporation (now the Japan Finance Corporation). Of companies receiving loans from the nationwide branches of the former National Life Finance Corporation, the Fact-Finding Survey of New Businesses, a postal questionnaire, targets those companies that had been operating for less than a year at the time of the loan (including companies that have not yet been established). There are around 1,000 effective replies to this questionnaire every year.²

The merit of this survey is that it can be used to analyze in a detailed way the amount of funds that are generally necessary for starting a business and how those funds are procured by such factors as the attributes of the entrepreneur starting the business and the type of business. Therefore, using data from the FY 2007 Fact-Finding Survey of New Businesses, which is the latest available, and from the surveys from fiscal 1991 through fiscal 2005, I will give an overview of the actual state and trends of fund procurement by business start-ups.³ Incidentally, the former National Life Finance Corporation was a governmental financial institution that supplied loans for the plant and equipment expenses and working expenses necessary for operation mainly to individual entrepreneurs and small-scale business owners. Generally speaking, therefore, the targeted businesses are small enterprises. Also, the targets of the survey are businesses that received loans from the National Life Finance Corporation, so their use of loans as a method of fund procurement is a premise. It is necessary to take this sample bias into consideration.

Amount of funds for business start-ups

Bearing this sample bias in mind, let us now take a look at the amount of funds necessary for starting a business. In starting an enterprise, depending on the type of business, a shop or office might or might not be established. Also, the amount of funds necessary will differ greatly depending on whether the land and building of the shop or office is purchased or rented. The Fact-Finding Survey of New Businesses divides responses into two categories: the overall average cost of starting a business and the cost if real estate is purchased.

In the fiscal 2007 survey, the average cost of starting a business in the case of the purchase of real estate was ¥35.89 million (median ¥18 million), the average cost in the case of not purchasing real estate was ¥11.18 million (median ¥6.20 million), and the overall average cost was ¥14.92 million (median ¥7.24 million). By amount, 31.7% of the respondents answered “under ¥5 million” and 28.6% answered “over ¥5 million and under ¥10 million,” which means that 60% of the business start-ups involved relatively small amounts. Looking at the survey results chronologically, we see that the ratio of respondents replying “under ¥5 million” is on an upward trend and, in the Fact-Finding Survey of New Businesses, the cost of setting up a new business is getting smaller.

Figure 1: Distribution, Median, and Average of Start-up Expenses by Industry (Overall)
Unit: %

	Under \5 million	\5 million – under \10 million	\10 million – under \15 million	\15 million – under \20 million	\20 million and over	Median (\10,000)	Average (\10,000)	No. of effective replies
Overall	31.7	28.6	15.7	5.7	18.3	724	1,492	840
Construction	62.7	20.9	11.9	1.5	3.0	400	544	67
Manufacturing	26.7	26.7	24.4	2.2	20.0	900	1,404	45
IT	55.2	17.2	17.2	3.4	6.9	400	799	29
Transportation	57.9	21.1	15.8	0.0	5.3	400	887	19
Wholesale	48.1	21.2	11.5	9.6	9.6	500	936	52
Retail	38.6	31.6	13.2	3.5	13.2	600	930	114
Eating and drinking establishments, lodging	15.6	37.6	17.7	10.6	18.4	900	1,370	141
Medicine, welfare	12.5	18.8	10.2	5.5	53.1	2,365	4,104	128
Education, study support	35.7	21.4	35.7	0.0	7.1	710	893	14
Services for individuals	27.3	34.3	18.9	7.0	12.6	750	1,110	143
Services for businesses	37.7	33.3	18.8	2.9	7.2	600	740	69
Real estate	38.5	38.5	0.0	7.7	15.4	500	1,094	13
Other	50.0	16.7	16.7	16.7	0.0	425	608	6

Source: 2008 White Paper on New Businesses, National Life Finance Corporation Research Institute (2008), published by the Small and Medium Enterprise Research Center. Note: The data is from the FY 2007 Fact-Finding Survey of New Businesses (survey period: August 2007, number of effective replies: 918 companies).

By type of business, as shown in Figure 1, the cost of starting an enterprise is by far the highest in “medicine and welfare,” where the average is ¥41.04 million, followed by “manufacturing” (average ¥14.04 million), “eating and drinking establishments and lodging” (average ¥13.70 million), and “services for individuals” (average ¥11.10 million).

Figure 2: Breakdown of Start-up Expenses (Average) Unit: \10,000

Purchase of land	81.4
Purchase of building (including new construction and extension)	275.8
Renting of land and building (including deposit, occupancy guarantee, etc.)	95.2
Internal and external construction work on plant, shop, office, etc.	256.2
Purchase of machinery, vehicle, furniture, equipment, etc.	355.4
Fee for joining franchise chain, guarantee	26.8
Working funds (stock purchase, personnel expenses, etc.)	401.0
Total	1,491.8

Note: Source and data are the same as for Figure 1.

Figure 2 shows a breakdown of start-up expenses. Although there are differences by type of business, in general funds are used for machinery and equipment; internal and external construction work on shops, offices, etc.; and the purchase of a building (including newly constructed buildings and extensions). Businesses in which start-up expenses are high require expenditures on these items, and there is a strong possibility that these items will be expensive, so there is a consistency here.

Fund procurement activities

So how do entrepreneurs procure funds amounting to more than \10 million? Figure 3 shows the average amounts for each procurement source. Since the survey targeted businesses that had received loans from the National Life Finance Corporation, naturally loans from this corporation are the biggest source of procurement. This is followed by personal funds (\4.224 million) and adding loans or investment from family members and relatives (\1.375 million); totaling to about \5.60 million. Loans from private financial institutions amounted to \2.567 million.

Thus, it can be seen that with the exception of loans from the National Life Finance Corporation, personal funds are the largest source of fund procurement for starting a business. Although the figures are averages and therefore do not indicate the actual amounts of loans, it appears that because the average size of loans from the lending schemes of local governments, public organizations, and governmental financial institutions other than the National Life Finance Corporation is extremely small, the number of users is low. In addition, investment by venture capital and fund procurement from so-called business angels (loans or investment from individuals or corporations that agree with the business) are almost nonexistent or extremely small amounts. So it can be understood that these also are not functioning as suppliers of funds for the establishment of small-scale enterprises.

In fact, in the fiscal 2007 survey, looking at the distribution of replies to the question on “direct motivation for launching the business,” we see that 9.3% of the respondents answered “became possible to procure funds (apart from personal funds)” and 4.2% answered “able to accumulate personal funds.” When these two replies are combined, they followed “able to acquire the technology, knowledge, etc. necessary for independence” (31.3%) and “uncertain about future of previous workplace” (16.6%) in frequency. In other words, the possibility of fund procurement is a direct motivation for starting a business.

Furthermore, concerning “difficulties in starting the business,” the ratios of respondents saying that they had “considerable difficulty” in “preparing personal funds” and “fund procurement” were 28.2% and 28.6%, respectively, taking the first and second places ahead of “securing sales outlets” and so on. This shows that fund procurement is an extremely important issue in starting a business.

Differences between men and women in fund procurement

Generally speaking, it is said that businesses started by women are small in scale. Are there any special features concerning the state of fund procurement at the time of starting a business?

Although there are few research results analyzing business start-ups by women based on an adequate number of samples, replies from women entrepreneurs account for around 15% of the responses to the Fact-Finding Survey of New Businesses every year. This is the equivalent of about 150 responses. Thus, it is possible to make a substantial comparison of start-up expenses, expense items, fund procurement sources, and so on by gender.

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First of all, in the FY 2007 Fact-Finding Survey of New Businesses, the average of total start-up expenses is ¥14.99 million for men and ¥15.16 million for women, which means that start-up expenses are a little higher for women. In terms of the median value, however, the situation is reversed at ¥7.45 million for men and ¥6.60 million for women. The reason for this is that in the distribution of responses women are concentrated in two categories, under ¥10 million and over ¥20 million. In addition, the average of start-up expenses for a company purchasing real estate is ¥37.64 million for men and ¥32.06 million for women. In the case of companies not purchasing real estate, it is ¥11.56 million for men and ¥9.23 million for women. In the case of companies purchasing real estate, as with the overall distribution, women tend to be concentrated in the two categories of under ¥5 million and over ¥20 million. But in the case of companies not purchasing real estate, women account for 74.2% of the total in the “under ¥10 million” category, so we can see that the emphasis is on small start-up expenses (Figure 3).

Figure 3: Distribution of Start-up Expenses (by Gender) Unit: %

	Under \5 million	\5 million – under \10 million	\10 million – under \15 million	\15 million – under \20 million	\20 million and over	Median (\10,000)	Average (\10,000)	No. of effective replies
(Overall)								
Men	31.3	28.0	16.7	6.0	18.0	745	1,499	700
Women	32.8	30.5	10.7	4.6	21.4	660	1,516	131
(Purchase of real estate)								
Men	8.7	21.7	12.0	10.9	46.7	1,750	3,764	92
Women	17.6	14.7	8.8	2.9	55.9	2,410	3,206	34
(No purchase of real estate)								
Men	34.7	28.9	17.4	5.3	13.7	665	1,156	608
Women	38.1	36.1	11.3	5.2	9.3	580	923	97

Note: Source and data are the same as for Figure 1.

It can be supposed that this tendency is related to the special characteristics of the businesses in which women often start enterprises. Looking at the distribution of start-up enterprises by gender, we see that the top five businesses with a high ratio of women are services for individuals (27.0%), eating and drinking establishments and lodging (22.2%), medicine and welfare (21.5%), education and study support (21.4%), and retail (14.8%). Among these, average start-up expenses are highest for medicine and welfare and also high for eating and drinking establishments and lodging and services for individuals. However, services for individuals are diverse, ranging from hairdresser's and beauty salons, which require a lot of equipment and fittings, to wedding planners and interior coordinators, which do not have so much need for shop space and equipment. In the retail industry as well, recently there has been an increase in nonstore sales using the Internet, for example, so there are business patterns that do not require much start-up expense. These conditions appear to be causing the polarization of women's start-up expenses.

Regarding the uses of start-up expenses and fund procurement sources, unfortunately the differences between men and women are not given in the *2008 White Paper on New Businesses*, which presents the results of the FY 2007 Fact-Finding Survey of New Businesses. Therefore, I have tallied and analyzed the individual data in the FY 2005 Fact-Finding Survey of New Businesses, which I have at hand. Instead of a simple comparison of averages, I examined the difference of the averages of two populations using the t score. The results are shown in Figure 4.

From this figure, we can see that in terms of the uses of start-up expenses, there are more women in the average amount for “internal and external construction work on plant, shop, office, etc.” and fewer for “working expenses.” Also, in terms of the amount procured by fund procurement source, there are fewer women in the average amount for “loans and investments from spouse, parents, siblings, relatives” and more for “other.” These are the four categories for which the estimated results of the differences in average scores by gender have a statistically significant probability of more than 95%.

Furthermore, let us look at the extent to which fund procurement is emphasized in starting an enterprise and the extent to which difficulties are experienced in fund procurement. Unfortunately, except for the basic items, the survey items in the Fact-Finding Survey of New Businesses are changed a little every year. In the fiscal 2007 survey the question about the “direct motivation for launching the business” included “able to accumulate personal funds” and “became possible to procure funds (apart from personal funds)” as possible choices, but these options were not available in the fiscal 2005 survey. Also, in the question on “difficulties in starting the business,” the fiscal 2007 survey asked about the degree of difficulty for each item, but the fiscal 2005 survey did not.

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Looking at the trend of replies relating to fund procurement in the question about “direct motivation for launching the business” in the fiscal 2007 survey, we can see that although there was not much difference in the ratios of men and women replying “able to accumulate personal funds” (4.1% and 4.7%, respectively), there was a large difference in the ratios replying “became possible to procure funds (apart from personal funds),” with the ratio of women (17.2%) being more than double that of men (8.0%). It can be said, therefore, that for women the possibility of fund procurement other than personal funds, including funds from family members and relatives, is an important factor in determining whether or not to start a business.

Entrepreneur Activities and Social Networks

We can see that fund procurement is an important issue in starting a business. In particular, the procurement of funds other than personal funds is difficult when starting a business and is a factor in deciding whether or not to launch the business. While it is clear that the main fund procurement sources are governmental and

Figure 4: Differences in Uses of Start-up Expenses and Procurement Source Amounts by Gender

		Average (\10,000)	Standard deviation	t score	Significant probability
(Uses of start-up expenses)					
Purchase of land	Men	103.78	647.916	1.597	.110
	Women	48.46	376.520		
Purchase of building	Men	287.47	1336.686	-.869	.385
	Women	359.45	1996.520		
Renting of land, building	Men	99.94	239.360	-.930	.353
	Women	115.55	496.486		
Internal and external construction work on plant, shop, office, etc.	Men	236.99	530.092	-3.530	.000***
	Women	349.06	700.042		
Purchase of machinery, equipment, vehicle, furniture, supplies, etc.	Men	348.60	712.606	1.112	.266
	Women	304.54	632.834		
Fee to join franchise chain, guarantee	Men	32.46	183.781	1.431	.153
	Women	18.59	80.437		
Working funds	Men	417.3	760.312	2.659	.008**
	Women	308.77	471.637		
Total start-up expenses	Men	1526.53	2561.435	.150	.881
	Women	1504.42	2826.853		
(Fund procurement sources)					
Personal funds	Men	447.39	638.631	.243	.808
	Women	438.45	750.972		
Loans, investment from company executives, employees	Men	166.01	537.724	.257	.797
	Women	158.41	470.080		
Loans and investments from spouse, parents, siblings, relatives	Men	31.61	169.538	2.026	.043*
	Women	13.53	87.328		
Loans, investment from friends, acquaintances	Men	22.18	353.284	.828	.408
	Women	7.17	51.056		

		Average (\10,000)	Standard deviation t score	Significant probability
Loans, etc. from corporations, individuals agreeing with the business	Men	42.93	506.109	1.110 .267
	Women	14.02	108.132	
Loans from the National Life Finance Corporation	Men	632.30	963.639	.317 .751
	Women	615.64	794.548	
Loans from local governments	Men	33.26	312.599	1.124 .261
	Women	14.91	141.957	
Loans from public institutions, governmental financial institutions	Men	34.04	340.527	1.644 .100
	Women	5.25	64.267	
Loans from private financial institutions	Men	237.36	1250.141	.314 .754
	Women	213.62	1771.362	
Investment from venture foundations, venture capital	Men	4.30	185.925	.386 .700
	Women	.63	12.296	
Lease, equipment bills, or loans from equipment suppliers	Men	74.24	705.374	-.567 .565
	Women	96.11	514.071	
Loans from franchise chain headquarters	Men	2.05	37.525	1.064 .288
	Women	.00	.000	
Other	Men	7.74	86.818	-2.142 .032*
	Women	38.14	595.074	
Total fund procurement	Men	1735.40	2681.901	.788 .431
	Women	1615.86	2827.962	

Source: Compiled from the FY 2005 Fact-Finding Survey of New Businesses, National Life Finance Corporation Research Institute.

Notes: 1. The degree of freedom for uses of start-up expenses is 2293; the degree of freedom for fund procurement sources is 2325. 2. Employs null hypothesis of $\alpha = .05$. The standard for statistical significance is $p < .001^{***}$, $p < .01^{**}$, $p < .05^{*}$.

private financial institutions, fund procurement from social networks, such as family members, relatives, and acquaintances, cannot be overlooked, either. So, what roles do social networks play in entrepreneur activities, including fund procurement?⁴ And are there any differences between men and women in the social networks that are utilized?

The role of social networks in entrepreneur activities

Entrepreneurs either create new businesses and build new markets through innovation or newly enter existing markets. Also, when launching the business, since a company that has just been established has a shortage of internal management resources, it is necessary to procure personnel, equipment, funds, and so on from outside. Procuring all management resources from the market is difficult, however, because it is highly unpredictable how a company that has just been founded is going to behave and that company is not going to be trusted. There are not many companies that will suddenly engage in spot transactions with strangers, or workers who will join unknown firms on their conditions. It is necessary to build trust.

As Yamagishi (1998) has pointed out, if uncertainty is high and opportunity costs (procuring management resources from a largely unknown partner) are high, the building of trustworthy relations is important. Social networks are essential as ties that increase the possibility of connectivity with external management resources in business establishment (Aldrich and Zimmer, 1986).

It was Burt who was relatively early in discussing the link between social networks and entrepreneurial activities. Analyzing the social structure that was advantageous in competition strategy, Burt said, "I call the structural space between unrelated multiple network clusters a 'structural hole.' The less redundancy there is in the information that flows across the bridge linking them, the more varied is the

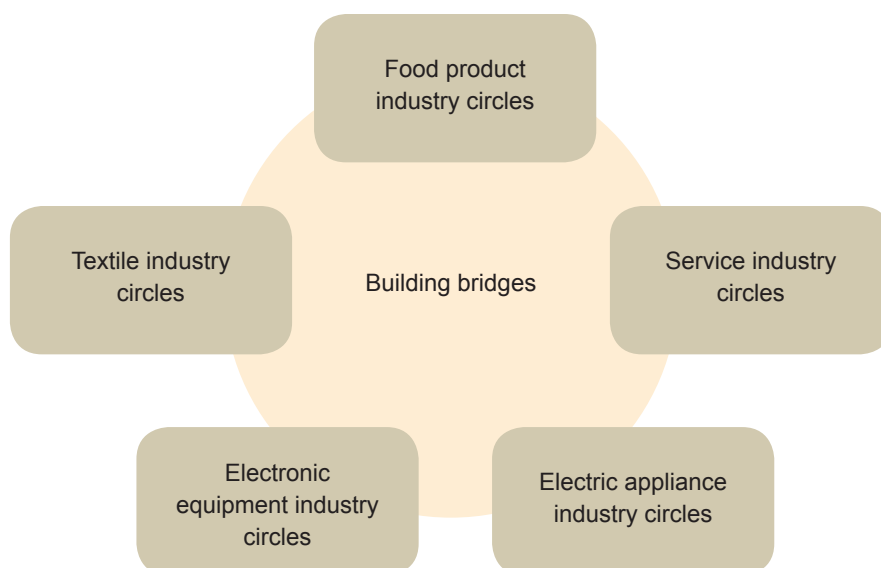


Figure 5: Conceptual Diagram of Structural Hole and Bridging

Note: Compiled by the author.

information gained. Since profits can be monopolized by using the information that flows from multiple clusters that are joined together, it is a competitive advantage” (Burt, 1992). Although this structural hole is similar to Granovetter’s weak ties (1973), rather than the weakness of the links, Burt emphasized the fact that there is no redundancy in the information. Burt argues that entrepreneurs are people who discover structural holes, engage in bridging, and find opportunities to start new businesses in an advantageous manner.

The diversity of the information that flows in social networks is important in entrepreneurial activities. Toshihiro Nishiguchi says that, even if efforts toward networking are made, there will be no development in close networks with a high contact frequency (in other words, neighborhood ties) and that it is important to obtain nonredundant information and opportunities by building bridges to distant worlds with weak links (long-distance exchange) (Nishiguchi, 2007).

This theory empirically applied Watts’ theory of small-world networks. Watts defined small-world networks as “network areas in local clusters not connected with others that can be connected with any other point in just a few steps on average” (Watts, 2004, p. 93). In local clusters connections among members themselves are strong, but there are almost no opportunities to connect with others far away. However, if random networks between clusters are connected, the world becomes smaller in an instant, and it becomes possible to reach anybody. In other words, he suggests that the existence of weak ties promotes a connection of information and combination of management resources like never before and is advantageous in the creation of innovations and business opportunities.

Usefulness of social networks in fund procurement

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Weak ties, structural holes, long-distance exchange, and small-world networks not only bring about business chances for entrepreneurs but also are useful in fund procurement. Baker cites the survey results of one organization suggesting that venture businesses can search for investors and secure funds through social networks comprising people who desire fund procurement and investors (namely, “business angel” networks) (Baker, 2000, p. 12). Aldrich also points out that fund procurement is obtained from networks with weak links (Aldrich, 1999, p. 70).

In addition, Aldrich has clarified the importance and state of social networks in entrepreneurial activities in numerous research results (Aldrich, 1999; Aldrich, Brickman Elam and Reese, 1997; Aldrich and Zimmer, 1986; Reese and Aldrich, 1995; et al). According to Aldrich, “At the time of establishing a business, the personal networks of entrepreneurs---assemblies of people with direct links---exert an influence when they access social, emotional, and material support. All entrepreneurs use their existing social networks at the time of business establishment and build new

networks in the process of acquiring knowledge and resources for the organization” (Aldrich, 1999, p. 68). Furthermore, regarding the structure of social networks that are important especially in the business establishment phase, Aldrich writes, “For the entrepreneur in the business establishment phase, strong ties and weak ties are maybe more necessary than contacts with strangers in order to mobilize resources in the initial stage of business establishment. Later, when the organization has achieved a certain degree of stability, spot transaction relations and contacts with strangers over a distance become more important” (Aldrich, 1999, p. 69).

Social networks of entrepreneurs and gender differences

Aldrich has published numerous papers relating to gender differences in entrepreneurial activities. Several of them place the focus on themes relating to the social networks and gender of entrepreneurs. For example, in Aldrich, Brickman Elam and Reese (1997), he analyzes the kinds of networks from which male entrepreneurs and female entrepreneurs obtain advisors, mentors, and professional experts for legal matters, accounting, and finance. The ratio of female entrepreneurs utilizing advisors and mentors for legal matters is lower than that for men, but they receive advice and guidance in the other areas on a par with men. Also, relations with advisors and mentors concerning legal matters, accounting, and finance tend to be the same for both men and women. But with regard to professional experts, while the ratios for men are 25% strangers, 29% friends, and 42% work colleagues, the ratios for women are 29% strangers, 39% friends, and 32% family members.

Because of their lack of work experience, women are poor at finding professional experts among work colleagues and tend to frequently use social networks that are unrelated to business, such as friends and family members (Aldrich, Brickman Elam and Reese, 1997). Greve and Salaff (2003) reach the same conclusion, namely, women entrepreneurs use family networks more often than men. As the reason for this tendency, Greve and Salaff (2003) state that “amid male-oriented business circles, it is difficult for women to expand their networks.”

The differences in the networks of men entrepreneurs and women entrepreneurs are also evident in the gender distribution of the actors. While women account for about 10% of the actors in networks built by men, men account for 66% of the actors in networks built by women (Aldrich, Reese, and Dubini, 1989). Nearly 20 years have passed since this survey was conducted, but even though the ratio of women among all entrepreneurs has increased during this period, clearly it is still difficult for women entrepreneurs to enter networks of men entrepreneurs.

From these previous studies, it can be said that the networks built and utilized by women entrepreneurs tend to be somewhat different from those built by men. In particular, women typically utilize family networks more than men.

Business start-ups by women and problems in fund procurement

We have seen that in entrepreneurial activities social networks not only create business opportunities but also enable access to various management resources and the acquisition of expert support for the business. In particular, several previous studies show that women entrepreneurs utilize networks of family members and friends more than men.

However, an analysis of the Fact-Finding Survey of New Businesses shows that the amount of funds procured from family members and friends is smaller for women than for men. Does this suggest that social networks of family members and friends are not very useful for women in fund procurement at the time of business establishment? In the next section I would like to clarify what social networks are useful in the procurement of external funds for business establishment from data that I collected myself.

SURVEY RESULTS AND ANALYSIS

This survey was carried out to clarify the actual condition and effects of social networks utilized by Japanese company owners. The survey targeted Japanese company owners (the company founder, successor, business successor). Essentially an entrepreneur is someone who starts a new enterprise through an innovation, but in the selection of survey targets, it was virtually impossible to confirm whether or not an innovation had been made, so I targeted company founders instead. In launching a new business, these days it is necessary to establish at least a little discrimination from other companies and to have access to business opportunities that others have not discovered, so the founding of the company itself can be seen as having included an aspect of innovation. Because of the sample limitation, it was impossible to completely exclude successors and business successors from the respondents, so these were included.

Using part of the results of the survey, I will attempt to analyze the relationship between external fund procurement and social networking in business start-ups by women entrepreneurs in Japan.

Outline of Survey

The survey outline was as follows:⁵

Survey target: Of the companies in the COSMOS II corporate information database of Teikoku Databank whose representative directors are the company founders, I selected 1,500 companies operated by men and 1,500 companies operated by women in descending order in terms of the number of years since their founding. In consideration of differences in management patterns, I targeted companies excluding medical corporations, social welfare corporations, and educational

corporations and unincorporated enterprises.

Survey period: March – April 2008

Survey method: Written questionnaire sent by post (anonymous)

No. of effective replies: 325 (effective response rate: 10.8%)

Main survey items: Type of business, amount of capital, number of employees, business performance, background to founding, issues at time of founding, amount of external funds procured, types of networks utilized at time of founding, types of networks built after founding, useful networks, merits gained from networks, attributes of the respondent

Outline of results

By gender, 56.8% of the respondents were men and 42.9% were women. Figure 6 shows the distribution of respondents by business. Most of the respondents belong to the category of “services (for businesses),” followed by wholesale, IT, and manufacturing. Compared with the Fact-Finding Survey of New Businesses, there were more businesses directed toward corporations. The average number of years since founding was 14.2 years, during which time the responding companies had generally expanded in scale. The average amount of capital at the time of founding was ¥10.731 million; the average amount of capital at present is ¥16.740 million. The average number of employees at the time of founding was 3.42 people; the average number of employees at present is 8.41 people. Furthermore, the amount of external fund procurement at the time of founding was ¥14.094 million on average.

Fund procurement by gender and differences in social networks

The simple average amount of funds procured was ¥16.216 million for men and ¥11.345 million for women, meaning that the sum for women was about ¥5 million less than that for men. However, when I examined the population average scores,

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Figure 6: Distribution of Business Types of Responding Companies Unit: %

Manufacturing	Wholesale	Retail	Eating and drinking establishments, lodging	Services (for individuals)	Services (for businesses)	IT	Construction	Transportation, haulage	Real estate	Medicine, welfare	Other	Unknown
11.7	14.8	10.8	1.8	7.1	18.5	14.2	7.4	2.8	5.2	1.5	1.5	2.8

Source: Survey of the Social Networks and Business Activities of Entrepreneurs, 2008.

while estimating that there would be no difference in the two population averages, I found that the statistically significant probability was not very high at 73.4%

Figure 7 shows the types of social networks utilized at the time of founding by gender. The types that women utilized more than men were “network of family members, relatives,” “network through children,” “community network,” and “network of hobby, etc.” Women do not utilize networks that they built in their former workplace before founding a company as much as men. The conceivable reasons for this are that women had fewer years of work experience before founding a company and women are often employed in clerical and other in-house positions, so they had few opportunities to build networks outside the company

Regarding new social networks built after founding the company, although higher ratios of women cited “network of family members, relatives” and “network through

Figure 7: Social Networks Utilized at Time of Founding and Social Networks Built After Founding (%)

Type of social network	At time of founding		After founding	
	Men	Women	Men	Women
Network of family members, relatives	35.2	40.5	11.7	15.6
Network through children, mothers	4.8	13.2	1.9	5.5
Community network other than the above	12.1	15.7	9.3	8.3
Network of hobby, etc.	15.2	19.8	11.7	8.3
Network of school alumni	27.3	24.0	14.2	15.6
Network of acquaintances, friends	53.3	47.9	30.9	31.2
Network inside former workplace	61.8	40.5		
Network outside former workplace	80.0	66.9		
Network of political party or religion	6.1	4.1		
Network with other entrepreneurs	38.2	36.4		
Network with other company owners in the same business			73.5	61.5
Network with company owners in other businesses			59.9	58.7
Network with professionals, such as accountants, lawyers			47.5	52.3
Network with public organizations and groups			29.6	33.9

Note: The percentages show the ratios of respondents who selected each network.

Source: Same as for Figure 6

children” than men, slightly higher ratios of men than women cited “network of hobby, etc.” and “community network.” Also, the ratio of men citing “network with other company owners in the same business” exceeded that of women by 12 percentage points, but there was almost no difference in the ratios selecting “network with company owners in other businesses.” The specific reasons for these trends are unclear. Maybe women find it difficult to build contacts in the same industry, or maybe women can acquire the necessary information and management resources in networks with company owners in other businesses.

Furthermore, many women build networks with professionals and networks with public organizations and groups. In the case of women, there are more owners who lack business knowledge than men, so after founding their companies they seem to feel the need to look for professionals, such as tax accountants and licensed social insurance consultants, and request management support. Public organizations also provide various management support schemes, and women apparently utilize these administrative services in order to make up for their lack of management ability.

Gender differences in utilization of social networks and external fund procurement

Next, I attempted to analyze what social networks are effective in external fund procurement. An overall analysis, including both men and women, showed that the average amount of fund procurement when the network was utilized exceeded the average amount when the network was not utilized for “network of family members, relatives,” “network of hobby, etc.,” “network of school alumni,” “network of acquaintances, friends,” “network inside former workplace,” “network outside former workplace,” and “network of political party or religion.” In particular, while the average amount in the case of utilizing a “network outside former workplace” was ¥15.144 million, the average amount when not utilizing this network was less than half of that figure at ¥7.743 million.

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In the responses to my survey, differences could be seen in the average scores depending on whether or not the respondents utilized the network. Regarding differences in population averages, however, when I conducted measurement using the t score, although I obtained t scores adopting a null hypothesis, in all cases the statistically significant probability was less than 95%, so I cannot deny the possibility that the tallied results from the sample that I obtained this time are within the scope of error.

Comparing the amount of fund procurement at the time of founding with the overall average for each social network utilized at the time of founding, while for men the amount was higher than the overall average for “network of family members, relatives,” “network through children,” “network of hobby, etc.,” “network of school alumni,” “network of acquaintances, friends,” “network inside former workplace,”

and “network with other entrepreneurs,” for women the amount was higher for only “network of family members, relatives,” “network outside former workplace,” and “network of political party or religion.”

I discovered that for both men and women the amount of external fund procurement is higher when they utilize a “network of family members, relatives” and “network outside former workplace.” Also, for men the amount of external fund procurement is higher when they utilize personal networks outside work, but for women, other than the above three types of networks, the amount is lower than the average. In particular, if the average procurement amount is 100, the figures for women are lower at 69.8% for “network through children,” 49.6% for “network of hobby, etc.,” 27.2% for “community network,” and 22.9% for “network with other entrepreneurs.”

These results show that while the utilization of social networks at the time of business start-up leads to the acquisition of more external funds for men entrepreneurs, in the case of women entrepreneurs, apart from a “network of family members, relatives,” “network outside former workplace,” and “network of political party or religion,” it cannot be said that the utilization of social networks plays a role in the procurement of external funds.

OBSERVATIONS AND CONCLUSIONS

I analyzed whether or not social networks utilized at the time of business establishment have an effect in the procurement of external funds. As a result, I understood that in the sample obtained in my survey the utilization or not of seven types of social networks do exert an influence on the amount of external fund procurement. It is unclear, however, whether the same differences can be seen in the population. In addition, although this is only an analysis of simple averages, I found out that while women only gain benefits from limited social networks in the procurement of external funds, men gain benefits in fund procurement from various social networks.

An analysis of the Fact-Finding Survey of New Businesses shows that women company owners decide whether or not to launch the business depending particularly on whether or not they can procure external funds, and women cite the procurement of external funds as the biggest hardship they felt at the time of business establishment. The Fact-Finding Survey of New Businesses targets those who have received loans from the National Life Finance Corporation, so respondents are people who have been successful in procuring external funds. It can be assumed that women company owners actually have an even harder time procuring external funds. And maybe those who have been unable to procure external funds in the end have given up on establishing a business.

The survey that I conducted myself showed that, on a simple average, at the time of business establishment women procure less external funds than men,

Figure 8: Utilization of Social Networks and External Fund Procurement (by Gender)

	Gender	Average (\10,000)	Frequency distribution	Standard deviation
Network of family members, relatives	Men	1,850.7	57	3,711.48
	Women	1,187.1	48	4,934.10
Network through children, mothers	Men	2,471.4	7	3,849.98
	Women	342.9	14	481.53
Community network other than the above	Men	1,307.9	19	1,746.13
	Women	820.0	19	1,369.06
Network of hobby, etc.	Men	2,350.0	25	6,129.25
	Women	571.7	23	1,209.32
Network of school alumni	Men	2,045.3	43	5,179.12
	Women	979.6	27	1,576.16
Network of acquaintances, friends	Men	1,793.4	86	4,529.68
	Women	917.5	56	1,535.92
Network inside former workplace	Men	1,933.9	99	4,860.31
	Women	630.2	49	1,001.23
Network outside former workplace	Men	1,718.9	126	4,373.31
	Women	1,279.8	80	3,953.93
Network of political party or religion	Men	1,470.0	10	2,721.95
	Women	1,540.0	5	2,368.12
Network with other entrepreneurs	Men	1,658.4	58	3,400.88
	Women	874.5	44	1,322.53
Total average	Men	1,621.6	172	3,937.27
	Women	1,134.5	128	3,457.02

Source: Same as for Figure 6.

but no statistical significance can be seen. The usefulness of social networks in fund procurement is limited, too. Since these results do not include replies from people who did not get as far as business establishment, the possibility cannot be denied that people who were unable to utilize social networks eventually found external fund procurement difficult and gave up on starting a business.

Conversely, men who start businesses procure a larger amount of external funds when they utilize various social networks. In particular, work-related social networks, hobby-related networks, and networks of school alumni exert a major influence on fund procurement.

From these results, it can be speculated that for women, as well as networks of

family members and relatives, the utilization of business-related social networks, such as networks outside the former workplace, work effectively in the procurement of external funds at the time of business start-up. Therefore, it can be said to be important for women, who often lack business-related networks because of their work experience and job content, to build business-related networks when starting an enterprise.

Men can procure funds widely by utilizing various personal networks, such as networks of friends and acquaintances, in addition to business-related networks, and as a result they are able to procure more external funds. The procurement of external funds is an important issue in the establishment of new businesses. Enterprises managed by women are often described in terms of “small birth, steady growth,” but in fact many owners are forced to limit the scale of their businesses to within the scope that can be covered by their own personal funds because they are unable to procure adequate funds.

The differences between men and women in entrepreneurial activities have not been studied very much in Japan. This time I put the focus on external fund procurement in my analysis, but a more diversified comparative analysis is necessary. This will be my research topic from now on.

NOTES

¹ According to the 2007 Fact-Finding Survey of New Businesses of the National Life Finance Corporation Research Institute, the ratio of respondents replying “became possible to procure funds (apart from personal funds)” as their “direct motivation for launching the business” was 8.0% for men and more than double that figure, 17.2%, for women (National Life Finance Corporation Research Institute, 2008, p. 242).

² The National Life Finance Corporation (now the Japan Finance Corporation) Research Institute compiles and issues the *White Paper on New Businesses* tallying and analyzing the results of the Fact-Finding Survey of New Businesses every year. This survey outline is taken from the 2008 edition.

³ From fiscal 1991 to fiscal 2005 the data of the Fact-Finding Survey of New Businesses was borrowed from the Social Science Japan Data Archive (SSJDA) of the Center for Social Research and Data Archives of the Institute of Social Science of the University of Tokyo for computing and analysis. I would like to express my appreciation to them.

⁴ “Entrepreneurial activities” mean activities that create new values in the market and society through innovation. In this research, I focus especially on activities in the business field.

⁵ In the implementation of this survey, I received a research grant from the Zengin Foundation for Studies on Economics and Finance to cover part of the expenses. I would like to take this opportunity to express my gratitude.

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MUSLIM WOMAN ENTREPRENEURS IN THE HOSPITALITY AND TOURISM INDUSTRY IN MALAYSIA

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ABSTRACT

This paper is part of a bigger study on insights from Muslim woman entrepreneurs in Small and Medium-sized Enterprises (SME) of the tourism industry in Malaysia. Essentially it focuses on the challenges and business strategies adopted by Muslim woman entrepreneurs in dealing with the challenges of globalisation such as rising global competition posed by the existence of big international chains and fluctuating demand caused by economic uncertainties as well as the changing tastes of the new-aged travellers. However, in this paper, we are only highlighting one finding under the “Challenges and Issues” and one finding under the “Business Strategies”.

The number of women involved in business is a growing phenomenon worldwide. Despite this scenario, the involvement of women in business, especially Muslim women, particularly in the hospitality and tourism industry in Malaysia is not being studied thoroughly and systematically. Many of the researches conducted in the 1980s identified business challenges specific to women entrepreneurs. Some of the challenges and difficulties reported included obtaining start-up funds, financial management and development of effective marketing and advertising. Other researches also pinpointed that some significant barriers especially financial barriers remained for women establishing and growing businesses. Among the list of priority barriers to women entrepreneurship were lack of access to (i) credit; (ii) formal business and social networks; (iii) opportunities to gain management experience and exposure; as well as (iv) the limitations of combining household and family care responsibilities with those running the enterprises, which all could lead to the impact on the growth of woman entrepreneurs in the development of SMEs in Malaysia.

This study attempts to look into a few questions on the challenges and issues as well as the business strategies adopted by the Muslim woman entrepreneurs who either own or manage the hospitality and tourism businesses in Malaysia. The questions asked were: (1) What are the challenges and issues faced in their day-to-day operations of the hotels/tourism business? (2) What are their business strategies in facing the stiffer competition from bigger names in the hospitality and tourism industry?

This research was conducted on an exploratory qualitative method with in-depth interviews that were done face-to-face with 12 selected Muslim woman business owners or managers in the hospitality and tourism industry in the areas of Penang, Negeri Sembilan, Melaka and Johor. An open-ended structured questionnaire was being used to conduct the interviews to enable the researcher to compare and contrast each component of the issues. As most popular qualitative research methods are interviews, observations, and archival document studies, the researchers used all three methods in this study. Detailed data was gathered through open ended semi-structured questions that provided direct quotations from the respondents and through corroboration, it helped the researchers to increase their understanding of the probability that their findings would be seen as credible or worthy of consideration by others (Stainback & Stainback, 1988). All interviews had taken place at the owners' properties, thus the respondents felt very comfortable, secured, and at ease to speak openly about their point of view.

The findings show a few commonality areas among these Muslim woman entrepreneurs. The respondents believe that they are not badly affected by the influx of international chains. Rather than becoming victims to globalization, they have come up with creative responses to the onslaught of the MNCs by providing complementary roles and having a different target market. Findings also suggest that they hold strong Islamic values which they instil in their day-to-day operations. They operate in an Islamic manner by providing halal food and services, hence contributing to the development of "halal hospitality". This new market niche and a unique market positioning strategy may very well cushion the impact of the current economic slowdown and may be replicated to enhance women's participation in small businesses in many Muslim communities the world over.

INTRODUCTION

(i) Background

A "new tourism" has emerged in the developed and industrialized countries resulting from a series of developments in the world economy, socio economic changes, technological revolution and innovation processes and new management practices. The "new tourism" is giving rise to sustainable and a more responsible tourism and basically refers to diversification and market segmentation and developing new market niche. Market segmentation as seen in ecotourism, cultural tourism, cruise

tourism, education tourism, medical tourism, spa and wellness tourism, sports tourism, religious tourism, adventure and nature tourism, theme park tourism and rural tourism, are increasingly on the rise and becoming more popular amongst travellers in this age. Today, the new-aged consumers are influencing the pace and future direction of the industry. They are more experienced and “seasoned” travellers who would demand for a more quality and value-add holiday experience as well as “customized holidays”. Hence, the creation and exploitation of niche markets as such has proven to be a great source of revenue within this “new tourism”, suggesting that further diversification and customization or “personalized niche market” can be expected in the years to come.

According to the Malaysian Tourism Promotions Board, if the trend of growth for all tourist groups continue in Malaysia, an overall growth of 14% per year can be expected and this could mean that the total tourist spending would reach about RM80 million in 2012. However, the long-term success of the tourism industry in Malaysia hinges on the country’s ability to develop sustainable tourism that can attract repeat visitors. Currently in Asia, Malaysia leads the way with 68% increase in tourist arrivals and 70% increase in tourism receipts in 2010. Cheap and promotional airfares that are sometimes packaged with accommodation and meals especially offered by the low cost carriers and at times ‘zero’ fares promotion all gave rise to the amazingly significant increase of inbound travel to Malaysia. Meanwhile, domestic travel is also fast growing due to the cheap promotional accommodation and F&B prices especially during the school holidays and festive seasons. However, for any country to succeed long-term in this industry, it must develop the ability to sustain tourism and more importantly to attract repeated visitors.

In Malaysia, the tourism sector ranks second as a generator of foreign exchange after oil and gas production. This industry has been growing rapidly in the country over the past few years. Ecotourism is becoming the fastest growing form of tourism in Malaysia, currently making up about 10 per cent of the country’s tourism revenue (Vasanth, 2005). And a high fiscal commitment is also contributed by the Ministry for its development. For instance, a total of RM1,367 million was allocated for the development of the tourism industry during the Ninth Malaysia Plan [9 MP]. Malaysia has a wide range of natural assets that makes tourism a highly beneficial, sustainable and long-term form of tourism.

(ii) Problem Statement

Globalization has brought about a range of opportunities and challenges which have put additional pressures on SMEs. In addition to having to cope with the effects of globalization, they need to adapt to new business conditions in terms of product positioning and product development facilitated by information technology. The potential of SMEs for achieving economies of scale is very limited and the use of computer reservation systems (CRSs) has not spread significantly in Malaysia

among the SMEs. They are forced by market conditions to install new systems and train their staff to use tourism-related technology but find it difficult to invest in training or staff development, mainly because of limited investment resources and the fact that the many SMEs in the hotel, tourism and catering sector are managed by a generation of staff who have had no formal training in the sector. In a globalized market, these SMEs need to pursue new survival strategies.

The tourism industry in Malaysia also has to cope up with the increasing problem of seasonality encountered by many coastal resorts. Thus, competitive advantage then depends on their organizational competencies and capabilities. The new-aged travellers are always looking for a different, unique, quality, value-added, flexible and customized vacations.

In addition, lack of professionalism and inadequate management and marketing skills, the absence of economies of scale and limited access to the necessary capital, human resources, marketing expertise and technology, over-reliance on a limited number of distribution partners and inadequate formal education or business training are among the other deficiencies which put them at a competitive disadvantage.

SMEs are highly reliant on existing distribution channels, namely, intermediaries such as tour operators, travel agencies, travel information centres and tourist guides. It can be argued that the gradual reduction of SMEs reliance on intermediaries will enable them to become more profitable, flexible and adaptable and to produce customised tourism products in order to satisfy niche markets. This will also require a rethink of all strategies and operational practices with regard to SME development, as well as development of entrepreneur's managerial skills and professionalism, training in marketing and management and on the use of information technology.

(iii) Research Objectives

The objectives of this study are:

- (i) To identify the challenges and issues faced by Muslim woman entrepreneurs in this industry with the growth of globalization.
- (ii) To find out their business strategies in facing the increasing challenges of the industry.
- (iii) To provide recommendations to the relevant authorities in improving and developing further the Muslim women entrepreneurship in the hospitality and tourism industry in Malaysia.

(iv) Scope of Study

This study was limited to specific areas which are popular tourist destinations in the Northern (Penang), Central (Negeri Sembilan and Melaka), and Southern

(Johor) parts of Malaysia where women business owners in the hospitality and tourism industry were identified and located. Data on women business owners in this economic sector is scarce and due to its small number, therefore, the scope of this study was constrained to the mentioned areas.

LITERATURE REVIEW

According to the Secretary-General of the Association of Southeast Asian Nations (ASEAN) Development Blueprint for SMEs (2004-2014), SMEs employ about 75-90% of the domestic workforce, especially adult persons and women (Lim, 2008). These enterprises play strategic roles in private sector development, especially in the aftermath of the 1997 Asian Financial Crisis. In some member countries, as their economies modernize or industrialize, SME provide the much-needed inter-firm linkages required to support LEs to ensure that they remain competitive in the world markets. In this region as well as in East Asia (e.g. China and South Korea), the total number of SMEs account, on average, for more than 99%. SMEs' contribution to total value added or gross domestic product (GDP), on the other hand, is much smaller than their share in total employment. This is indeed a general characteristic of SMEs in developing -generators, and a potential tool of poverty alleviation by creating self-employment avenues. In Southeast Asian countries alone (Indonesia, Malaysia, Thailand, Singapore, the Philippines, Brunei Darussalam, Lao PDR, Cambodia, Vietnam, and Myanmar), by combining all sources which are available (Tambunan, 2008; Wattanaputtipaisan, 2003; Lim, 2008) there is an estimated total of around 52 million SMEs, with Indonesia as the largest contributor.

Malaysian woman entrepreneurs are increasingly recognised to play an important role in the unprecedented rate of growth of the SMEs and indirectly to the Malaysian economy. The number of women in Malaysian SMEs in 2003 was 1,122,000, or 36.8 percent of the total employment in SMEs. A proxy for women entrepreneurs obtained from Population Census in 2000 indicates that 30.0 percent of them are working proprietors and active business partners. It is not surprising that the number of women entrepreneurs in Malaysia has increased in the past three decades due to the emphasis on industrialisation, and growing interests in privatisation, self-employment and business-oriented employment. All of these have been facilitated by the growth in various sectors such as banking and financing, food manufacturing, general trading, personal and public services, education, training and consultancy, and others. It was found that Malaysian women have been involved in various enterprises formerly male-dominated. According to The Department of Statistics of Malaysia, there were 518,000 companies involved in services, manufacturing and agricultural sectors, of which 99.1 percent were SMEs. About 16 percent were women-owned companies with 89.5 percent of them involved in the services sector, 7.5 percent in manufacturing and 3.0 percent in the agricultural sector.

(i) Issues in Women Entrepreneurship

Researchers have made attempts to distinguish an entrepreneur from a bread-winning businessperson. They consider an individual to be an entrepreneur if he/she exhibits a high propensity for growth. They view growth propensity as one's desire to grow and change in future as well as his/her self-perceived power to achieve the same. As such, size and growth are typically used as criteria for evaluating organisational success. Women, however, conceive their businesses differently from the way men do which women have different socialization experience which might shape varied strategic choices among themselves such as their prior professional experience and social network affiliation. This leads to different approaches to venture creation and business growth expectancies. Some studies show that women-owned businesses are no more likely to fail than men-owned. Cliff and Fasci and Valdez, however, reported that women perform less well on quantitative measures such as job creation, sales turnover and profitability since women do not enter business for financial gain but to pursue intrinsic goals (for example, independence, and the flexibility to run business and domestic lives). Implicitly, women are deemed to assess success in relation to their achievement in attaining personal goals (i.e. self-fulfilment, goal attainment etc.). Other researches found that differences in initial capital and goals explain the poorer performance in growth and survival of women-owned businesses.

While businesses need more women in order to capture the full benefit of diverse thinking and problem solving of making decisions and managing strategies based on their expectations on business growth, some significant barriers especially financial barriers remain for women establishing and growing businesses. Among the list of priority barriers to women entrepreneurship were lack of access to: (i) credit; (ii) formal business and social networks; (iii) opportunities to gain management experience and exposure; as well as (iv) the limitations of combining household and family care responsibilities with those running the enterprises. This was supported by many researches conducted in the 1980s which had identified the business challenges specific to woman entrepreneurs. Some of the difficulties reported included obtaining start-up funds, financial management and development of effective marketing and advertising. The root causes of limited financial success were often attributed to early management practices of the woman entrepreneurs. Female owners tended to prefer internal to external sources of financing. In addition, women used smaller amount of capital at the start-up phase and that they are less likely to use financial instruments such as overdrafts, bank loans, and supplier credit. Indeed, women were more likely to use their banks for a source of advice, but men were more likely to respond to that advice. Specifically, women-led businesses that used bank loans as a primary source of start-up capital outperformed those that used alternative funding sources. Therefore, Haynes and Helms stressed the importance of having a relationship with a bank in place at the time of the business launch. This is because having access to financial resources and emphasizing the financial

aspects of the business had stronger effects on growth than did intention or choice.

One of the biggest obstacles facing woman entrepreneurs is the discrimination they suffer from the banking and finance communities. Thus, they prefer to rely on their own personal funds. In Malaysia, many woman entrepreneurs feel that there is a huge barrier for them to obtain loans from banks and lending agencies. It is therefore crucial for government agencies, banks and lending agencies and women associations especially Women SME Association of Malaysia (WSME) to assist woman entrepreneurs in terms of their accessibility to credit.

(ii) Social network

Networks have long been hailed as essential to the survival of female-run establishments. It is a critical element for entrepreneurs in gaining access to capital/loans, advice and information needed for initiating and operating a new venture easily. Entrepreneurs make use of social relations and social contacts as channels to gain access to information, customers, suppliers and to the sources of finance. They make use of family networks to access unpaid family work as well as emotional support. It has been found that support from personal network improves survival and growth chances of new ventures. Specifically, support from strong ties (spouse/life partner, parents, friends and relatives) is more important than support from weak ties (business collaborators, acquaintances, former employers and former co-workers) which influence the success of new ventures. Besides, active help and emotional support from spouse are more important for success in case of the woman entrepreneurs.

Men and women, however, have different priorities in establishing networking relationships. Men's motives are often more instrumental (seeking personal gain) while women have more affective considerations in social relationships. Their management style is not seen as being relevant and thus, women are often excluded from the male networks which are very effective. Women do not have the same tools, assets, and chances than men in the small business arena. This phenomenon seems to be applicable to Malaysian woman entrepreneurs. It was reported that woman entrepreneurs faced a shortage of peer support networks compared with men even though various woman entrepreneurs and industry associations have been formed (i.e. FEM, NAWEM, USAHANITA) which generally serve as a platform for women entrepreneurs to establish networks and exchange information and experiences as well as to conduct training programmes, seminars and workshops on motivation, leadership and entrepreneur development and to provide other means of support. This is due to the fact that women may not join these associations as they might be overloaded with business and family responsibilities. This limits the woman entrepreneurs' ability to seek informal advice and peer financing as well as the information networks needed for survival and growth. This might pose a

challenge to woman entrepreneurs in establishing networks which are helpful to the survival of their businesses.

(iii) Education, Training and Counselling

The combined impact of globalisation, changing patterns of trade, and evolving technologies such as ICT call for skills that women entrepreneurs on the continent do not for a large part possess, as many more women than men lack the requisite level of education and training, including business and technical skills and entrepreneurship training. Nevertheless, women are often disadvantaged in terms of access to training. They are often unaware of training opportunities and are less likely to be able to afford the cost of training provided by the private sector (and subsidisation of training is limited by the willingness of donors to support this).

According to a report by the International Labour Office, African Development Bank and Private Sector Department, even if women could afford to pay for the training, they have difficulty in travelling to central locations to participate in training programmes, and quite often cannot afford time away from their enterprises and family responsibilities to attend weeklong programmes – even assuming their husbands give them permission to be away from home. In fact, some husbands often object to training offered by men in certain countries. In addition, most entrepreneurship training programmes is too general in scope and does not offer a growth strategy orientation. Many of them focused on the start-up process with very limited effort on the part of the training providers with regard to doing any post-training follow-up. In addition, women tend not to use supporting government programmes including the training programmes provided. This might be a problem pertinent to Malaysian woman entrepreneurs as generally there is a lack of entrepreneurship training and skills development in Malaysia where most woman entrepreneurs acquired their skills and experience through their family members, friends and previous experiences. Efforts are thus needed to increase the level of awareness among women entrepreneurs of existing training opportunities.

(iv) Usage of ICT

The use of ICT is crucial and arguably unique in allowing small businesses and their entrepreneurial owners to sharpen their strategies in order to achieve success. The wide-reach of technology provides businesswomen with greater access to the market, networking opportunities, and greater promotional capabilities which will undoubtedly augment the competitive advantages for their businesses. However, it was reported that most of the local SMEs do not have internal IT infrastructure installed in their premises such as the Local Area Network, and fewer than 20 percent of SMEs have access to the Internet. Besides, there exists a “digital gap” between urban and rural women, and between women of different economic status even though the government and NGOs have jointly organized many training

programmes and seminars on ICT. About 10,000 women benefited from these courses between 1995 to 2000 - this is relatively few compared to the population of woman entrepreneurs in Malaysia. This problem should be addressed by policy, particularly policy aimed at providing entrepreneurial skills to women.

The travel and tourism industry has grown globally by 500% in the last 25 years. It is estimated that by the year 2020 there will be 1.6 billion annual international tourist arrivals worldwide and collectively, they will spend USD2 trillion. More importantly, there is a major shift of travelling to the Asia Pacific region and Malaysia is one of the 'hot' tourist destinations in this region. One of Malaysia's biggest revenues is from the tourist arrivals from the Middle East between the period of July to September every year. In 2007, about 200,000 Arab tourists visited Malaysia and this is a significant increase from 147,646 Malaysia received in 2006. In light of this great potential to tap from the Arab tourists, the government must step up efforts to attract more arrivals into Malaysia and the hospitality and tourism industry must be prepared to take on this great opportunity. If the trend of growth for all tourist groups continues, an overall growth of 14% per year can be expected and this could mean that the total tourist spending would reach more than RM60 Million in 2011.

In Malaysia, SMEs represent more than 90% of business establishments, 56% of total employment and 32% of GDP. A study conducted by Asia Pacific Economic Cooperation has divided the SMEs market into three main group : those who are already internationally competitive or able to become internationally competitive; those who are less likely to be able to adapt and are considered to be "at risk"; and those that are insulated from the effects of globalization, such as those providing services for the local market. The study indicates that there are over 50% of SMEs in the third category and about 20% to 30% in the second category whose current business model will not be able to sustain them in the longer term. Malaysian hospitality and tourism industry is highly supported by the SMEs where women are also players in this field owning or operating hotels and accommodation, tour operations, travel agencies, entertainment and more so in the cottage industry.

Malaysian women are important contributors to the country's economic and social development and this can be seen in an increasing trend in the participation of women in the formal workforce and in a range of economic activities. The female labour force participation rate increased from 32 percent in 1957 (when Malaysia gained Independence) to 47 percent in 2000 but has remained relatively unchanged in the last 9 years. The changing attitude of family was one of the significant reasons which influenced more women participating in paid labour. (Don, 1993). However, most of the women were concentrated in the labour intensive operations, in the manufacturing sector. (Ariffin, 1994). As Malaysia moves from labour intensive manufacturing to more capital intensive and high technological industrialisation, more women have gained employment and made strides into male dominated and more challenging sectors such as in the business arena. This has seen the

increasing trend, though at a very slow rate with more women entrepreneurs, especially among Muslim women entering the global playing field.

The number of women in Malaysian SMEs in 2003 was 1,122,000, or 36.8 percent of the total employment in SMEs. (Wendy & Siong, 2008) A proxy for women entrepreneurs obtained from Population Census in 2000 indicates that 30.0 percent of them are working proprietors and active business partners. Recognition of women as potential contributors has resulted in a major shift over the past twenty years towards women as a key target group for programmes using SME development, as a way to achieve wider economic development targets. Southeast Asia has a longer history in tourism development compared to other developing regions and is more integrated into world tourism circuits. But despite being a matured tourism destination which saw tremendous growth in the industry for the past three decades, there has been no comprehensive view of social, economic, cultural, environmental and political issues of processes and problems associated with tourism development in the region. (Hitchcock, King and Pamwell 1993, Wall 1998). Analysis of women experiences have been even more partial (Kindon 2001), despite increasing calls to recognise the gendered nature of tourism globally (Kinnaird and Hall 1994, Richter 1995, Wall 1996, Sinclair 1997).

Despite having a big potential in creating new market niches, small businesses in tourism often have problems in financing, fluctuations in demand, high staff turnover, capacity constraints, underdevelopment of infrastructure and facilities, and because of limited funds and low skills and knowledge levels are often badly positioned and fail to maximise their unique potential in the global market (Thomas and Augustyn 2007, Saprunova 2007). The findings from this study further support all the previous studies and literatures discussed in this chapter and enhances the significance of this study and put its findings to greater emphasis with the government agencies, ministries, NGOs and woman business associations and other relevant stakeholders.

RESEARCH METHODOLOGY

Based on the topic and goals of this study, the researchers decided on a conceptual framework to work on : (i) secondary desk research to examine previous research work done so that we could understand better the critical issues and to map out our questions for the primary research, (ii) primary field research which involved a small sample of 12 Muslim woman entrepreneurs in this industry. In this respect, the researchers chose an exploratory and a descriptive qualitative methodology which was most suitable and deemed appropriate for answering the research questions. The reason why this methodology was chosen is due to the main strength of qualitative methodological approach in which the behaviours and interactions of the research subjects can be directly observed, and the respondents are encouraged

to tell their own stories and reflect on their day-to-day experiences where such reflections have become very useful qualitative data for the researchers.

Qualitative research is a generic term for investigating methodologies described as ethnographic, naturalistic, anthropological, field, or participant observer research. It emphasizes the importance of looking at variables in the natural setting in which they are found. Interaction between variables is important. Another strength of qualitative research is that the researchers can seek to gain a total or complete picture. According to Stainback & Stainback (1988), a holistic description of events, procedures, and philosophies occurring in natural settings is often needed to make accurate situational decisions and this differs from the quantitative research in which selected, pre-defined variables are studied.

As most popular qualitative research methods are interviews, observations, and archival document studies, the researchers used all three methods in this study. Detailed data was gathered through open ended semi-structured questions that provided direct quotations from the respondents and through corroboration, it helped the researchers to increase their understanding of the probability that their findings would be seen as credible or worthy of consideration by others (Stainback & Stainback, 1988). The study uses face to face interviews with Muslim woman entrepreneurs from Southern and Central regions in Malaysia. All of the interviews had taken place at the owners' properties, thus the respondents felt very comfortable, secured, and at ease enough to speak openly about their point of view. During the interviews, the researchers are able to find out what views the respondents hold and that their views are unbiased by evaluative responses on the researcher's part. Indeed, this study emphasizes the need for the researchers to gather data reflecting the interactions and experiences of respondents in relation to the research problems which had been identified earlier. And this method allows the respondents to be frank and speak openly about their views/opinion in the natural setting of their own private properties and business (ie the hotels, chalets, guest house and business which they run or own).

Samples

A total of 12 respondents were interviewed in the following regions:

- 3 in Desaru, Johor (Southern region)
- 1 in Johor Bahru, Johor (Southern region)
- 1 in Kota Tinggi, Johor (Southern region)
- 2 in Port Dickson, Negeri Sembilan (Central region)
- 2 in Melaka (Central region)
- 3 in Penang (Northern region)

All of the respondents are Muslim women and out of the 12 respondents, it is interesting to note that only 1 has a direct experience in the hospitality industry. The other 11 Muslim woman entrepreneurs entered into the hospitality and tourism business by “chance” (Dass 2000. Refer to the Literature Review in Chapter 2). Because of their very deep passion and interest in the Hotel and Tourism business, the respondents ventured into it with great enthusiasm, belief and strong faith in God. The other 11 respondents have never worked or had any first-hand experience with the hospitality and tourism industry before. These respondents were leads given by the Tourism Malaysia office, Malaysia Tourism Action Council (MTPB now known as JPN), a few Women Business Associations, and referrals from the respondents themselves.

The profile of the 12 respondents is as follows:

- All 3 respondents in Desaru are married with children, aged between 35 to 50, with spouses as their full-time business partners. All 3 respondents are operating the beach front hotels/chalets on a management contract of 5 years from KEJORA.
- The 1 respondent in Johor Bahru is married with children, aged over 50, with a retired spouse from the military who is in full support and together with their oldest daughter, is assisting the respondent with the day-to-day operations. This respondent is operating and running a city hotel as a franchisee on a 5-year contract from the Government. She is the only respondent who has direct experience in the hospitality and tourism industry for 17 years prior to setting up her own hotel business as her parents used to own a resort on one of the beautiful islands in Johor and from her younger days, she has been helping her parents out at that island resort.
- The 1 respondent in Kota Tinggi, aged 50, is married with children, is running her own business (wholly-owned enterprise) in travel & tours specialising in Umrah and Haj packages for the Muslims. Her daughter is helping her full-time and her husband is in full support with the business and assists her on a part-time basis.
- The 2 respondents in Port Dickson, Negeri Sembilan, aged between 45 – 55, are married with children, and their husbands are their full-time business partners. One respondent together with her husband, are operating and running the beach Hotel on a franchise business with 5 years contract from the Government. The other respondent together with her military retiree husband are running and operating the beach front hotel as a wholly-owned enterprise now. They started this hotel business (a time-sharing apartment/hotel on the beach front) as a management contractor from the Singaporean owner and gradually bought over the entire property from the owner. The owners are also opening another Hotel in Port Dickson soon.
- One respondent from Melaka, aged 45, is single, and running a city hotel in Melaka under a management contract from the Government. The other

respondent from Melaka, aged 52, married with children, owns a Batik printing business using a very unique technique of dyes from fresh flowers, leaves and plants. She designs her own Batik and clothing line. Her husband is her full-time business partner.

- The 3 respondents in Penang are all married with children, aged between 35 to 48, with spouses in full support of their business. One respondent is running two properties in Penang, one is a colonial-styled city hotel under a management contract from the Government, and the other is at a very strategic location nearby the Universiti Sains Malaysia and Penang Airport where she wholly-owns it. On top of these two properties, she also wholly-owns another guest house property in Kulim, Kedah. The other one respondent is running and operating a cross between a Malay and a Balinese-styled Hotel on Batu Ferringhi Beach, also under a management contract from the Government. Her husband is the General Manager of a 4-star international hotel on Batu Ferringhi Beach. And she is the only Malay woman entrepreneur to operate and run a mid-sized hotel amidst all the other 3-5 star hotels/resorts on Ferringhi, where mostly are foreign players. And finally the last respondent from Penang (a Muslim Filipino but is a PR of Malaysia), married with 8 children, is running and operating a wholly-owned Guest House on the beach front of Batu Ferringhi with her husband as a full-time business partner. Aside from owning the Guest House, they also own an Internet Café and a small car rental service for their guests on Batu Ferringhi Beach.

It is interesting to note that out of the 12 Muslim women entrepreneurs, 7 are operating and managing beach front hotels, while 5 others are running and operating city/town hotels/businesses.

FINDINGS

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The findings of this study are divided into three (3) themes to meet its objectives and they are “Challenges and Issues”, “Strengths and Weaknesses of Malaysia in the Hospitality and Tourism Business”, and “Business Strategies”. However, in this paper, the researchers are only going to discuss one finding under the “Challenges and Issues” and one more finding under the “Business Strategies”.

(1) Challenges and Issues

The question asked was *“What are the challenges and issues faced in their day-to-day operations of the hotels/tourism business?”*

(i) Taking-Over problems.

8 out of 12 Muslim woman entrepreneur respondents are running and operating their hotel/chalet business on a management contract basis (2 are hotel franchisees), 2

respondents are running and operating a wholly-owned hotel/guest house properties, 1 respondent is running and operating her wholly-owned travel and tours agency and finally the other 1 respondent is running and operating her wholly-owned Batik printing business. When the 9 woman entrepreneurs in the hotel business first took over the properties from the Government after the properties were handed over by the previous operators, either by way of management contracts or franchise agreement, they were faced with the obvious challenge that the properties were in a pathetic state. The properties were poorly maintained with lots of wear and tear and damages and run-down facilities, furniture and fixtures. This was especially true for the beach front properties as the process of wear and tear and damages are greater due to (i) the salty air, (ii) the usage of facilities is greater and more “heavy-duty” because these properties are frequented more by the holiday makers rather than business travellers, (iii) over-crowded number of guests who stay in one room at these properties because holiday makers usually travel in large families. As such, a few of the respondents had to spend between RM100,000 to RM200,000 for renovations and refurbishments which were conducted in a staggered manner over the period of their first to second year of their tenure.

To quote from a few of the respondents, one respondent from Johor Bahru said, “taking over business from somebody is not easy because of bad stigma, old place was dirty, run down in terms of building, furniture, poor quality of food, staff were not motivated, no infrastructure, I had to re-do everything from re-training of staff to décor to preparing the menu and even cooking!”. She further said, “I must turn this place from a blacklisted place to a place where people want to come and for that continuous job of upgrading is required.”

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Another respondent from Desaru said, “my biggest problem when I first started out this business was the renovation because this resort was in a really terrible shape when we took over. The renovation and refurbishment exercise took a lot of time and money of over 1 year but we did it in stages.”

Another respondent from Desaru said, “the cleaning process of this place took us 6 months as this place was very dirty and unorganized when we took over.”

Another respondent from Desaru said, “when we took over this place from Kejora, we put in a deposit of RM30 but had to spend RM200K for renovation and refurbishment.”

Another respondent from Penang said, “I came here (to this hotel) and spent around RM1.8 million just to make it look good.”

Turn-over exercise had really posed a great challenge to them because they still had to operate the properties for cash turnover purposes, and at the same time to put back the properties in good and presentable order. In order to do both, they

had to sell rooms and food & beverages (F&B) and concurrently closed certain sections for renovations and refurbishments. That gave rise to some inconvenience and discomfort problems to their guests. On top of that, as they were only having a small property of below 200 rooms (with the exception of the owners in Port Dickson and Johor Bahru where they have more than 200 rooms), they were also faced with the challenge of not being able to cope with the demands from the market due to insufficient rooms and facilities as a result of the temporary partial closure.

Moreover, being small operators, they were constantly faced with the challenge of insufficient funds, tight budget and small capital to roll into their businesses. Obviously, for these reasons, they had a lot of constraints in investing for renovation and refurbishment exercises. The wear and tear problems in their properties were greater compared to the others as theirs are located by the beach front and at the very least, the air conditions need to be serviced every six months (as mentioned by one respondent in Desaru, “Beach resort has a very high maintenance, the air-conditioners must be serviced once in every 6 months”).

Some of the other ‘taking over’ problems were :

- Bad image or bad stigma from the previous operator. They had to rebrand and reposition their properties and embark on an active publicity and promotional campaign to change the perceptions of the market about their properties. This exercise had caused them a lot of money. As mentioned by one respondent from Desaru, “When we first took over from Kejora, we had to do a lot of repair works because Kejora didn’t maintain this place well. We also changed the Resort’s brand name and had to do rebranding exercise, changed logo, change name, did a lot of promos at Expos, tourism exhibitions, and marketing costs was high but we had to do it.”
- Dirty, smelly and infested facilities with roaches, rodents and ants, damaged building and run-down furniture and fixtures (cited by one respondent from Johor Bahru).
- “Inherited” unmotivated staff who were demoralised, un-trained, lazy, having bad attitude, uncultured with “kampong” mentality, and their spirits were very low from the previous operators. (Cited from one respondent from Desaru). She further commented, “Main problem is the cleanliness of the Resort and many guests make their complaints and the staff are very lazy, has a “kampong” attitude, like to gossip, not professional and the Malay culture is deeply rooted in them.”
- No modern and internationally standard facilities and infrastructure, especially true in Desaru as there is no internet accessibility. One respondent from Desaru said, “One problem here is that we don’t have internet service and some guests get disappointed.”
- Renovation and refurbishment exercises took a very long time and were a very

costly affair. One respondent from Penang said, “I had to spend about 1 year to make good this place and it cost me a lot of money. My advice is don’t overdo (your renovation and refurbishment) as this isn’t your own property.”

(2) Business strategies:

The question asked was *“What are their business strategies in facing the stiffer competition from bigger names in the hospitality and tourism industry?”*

The respondents had shared one of their business strategies that had proved to work effectively especially during the economic trying times:

(i) Islamic management giving rise to Islamic tourism.

All the 12 respondents operate their hotels/resorts in an Islamic manner as they all hold very strong Islamic values and they embrace and instil these Islamic values in their day-to-day operations. They embrace honesty, integrity, and transparency in operating their business. They believe that the more Islamic values they adopt in their business and day-to-day operations, the more blessings and greater fortune Allah will grant upon them and the more they can share the good fortune and profits with their staff. They also commented that being Muslim business women, they must not be greedy as the industry is huge and it is more than enough for everyone to make a good living out of it. They do not condone to having a karaoke centre or pub or selling liquor in their resorts, including giving accommodation to unmarried couples. They allow their female staff, including working at the public areas, to wear the head covers which is quite not the case with the other hotels/resorts that are run by non-Muslim management or owners. They frequently organize and host Islamic gatherings and activities for the staff to remind each other to stay close to Allah and to offer their thanks to the Al-Mighty. Their hotels/resorts serve 100 percent ‘halal’ food with the ‘Halal’ certification. This creates Islamic tourism and a new market niche and successfully cushions the impact of the current economic slowdown onto their business.

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One respondent from Kota Tinggi said, “I have always wanted to open up a business that is meaningful to me as a Muslim and so I chose to open up a tour agency focusing on Umrah and Haj packages and I practise giving all my clients a “personalised’ service.”

Another respondent from Port Dickson said, “doing business must be transparent and syariah-compliant. My staff is my asset.” She further added, “as a Muslim woman, I follow Islam and I practise honesty when dealing with customers. I work hard and Allah will help and I am not greedy in business. Also I am always truthful and transparent with my staff, if they are right I will compliment them, if my business makes more profits, I share them with all my staff because Islam teaches me to be like that and so I follow.”

Another respondent from Melaka said, “success means differently for everyone, for some success means to build an empire, but for me success means I must be strong spiritually. And I do my work to my best ability and sincerely.”

Another respondent from Penang said, “Islamic concept is very clean. I asked many of my non-muslim guests from Malaysia, China, Taiwan, Hong Kong and Europeans why do they come to our Islamic Hotel? They say they feel very safe here - no “hanky panky”, no disco - so they feel very comfortable.” She added, “60% of my guests are foreigners, they come through internet booking, and I asked what they think of my hotel that runs on Islamic values and we don’t sell beer and liquor. They said that is not a concern as they are very happy here because our service is excellent and if they feel like drinking they will go to other parts of the Ferringhi Beach.”

Another respondent from Penang said, “my business is 100% halal, so that now people come here and go to the terrace to eat, they are not suspicious if this hotel is halal or not. We don’t serve liquor. Honestly I tell you if the Muslims want to travel, they prefer to go to hotels that are owned by the Muslims because it is easier to eat and they are not worried if it’s halal or not.” She added, “We don’t serve any liquor inside the hotel, but I do rent out a small space in front of the hotel to a Chinese operator who runs and operates a karaoke pub and when they pay me their rent, I make sure that I don’t pay my staff’s salaries with that money.”

CONCLUSION

Capital, social network affiliation, education, training and counselling, limitations of combining household and family responsibilities and usage of ICT are important factors in influencing the growth of woman entrepreneurs in the development of SMEs in Malaysia. The other studies also suggested that Malaysian small business entrepreneurs rely heavily on personal savings including family funds or loans as their main source of initial capital and working capital. And the lack of collateral, guarantors, or the inability to furnish financial documents required by financing institutions are mostly the main reasons for that.

In tandem with the findings of those studies, the 12 Muslim woman entrepreneurs are no different as they share the same limitations in all those mentioned areas. However, these Muslim business women must be acknowledged for playing critical roles in bringing their fresh and vibrant ideas and capabilities into their business strategies and enhancing the successful development of SMEs in the hospitality and tourism sector in Malaysia. Despite all the challenges and constraints they have and are still facing, with such positive and strong-willed minds, they have brilliantly turned these challenges into opportunities in their business. And for them, “*halal hospitality*” business is the answer to create that product differentiation and new market niche and positioning to cater to the unique market. They have produced a customised tourism product as a new survival business strategy, in order to satisfy

niche markets and now more and more non-Muslims customers prefer “halal” products and services, so much so that it has now become the “in-thing”.

On top of creating a new market niche in the “halal hospitality business”, they have also decided to position themselves in the industry by being and remaining small (which is another business strategy they adopted and not discussed in this paper). In that way, they are not directly competing with the big boys in the industry, instead they are complementing the big players by offering cheaper alternative of accommodation especially to the budget conscious travellers, backpackers and long-stayers. At the same time, by being and remaining small, they are in better position than the international and local big boys in providing and extending a warm and “personalised” hospitality and value-added service to all their guests, and this special bonding relationship with their guests will attract repeated guests and travellers to their hotels.

RECOMMENDATIONS

From this small study, we have earmarked certain areas which the government and NGOs may want to address in order to develop further our Malaysia women entrepreneurs, especially Muslim woman entrepreneurs in the hospitality and tourism industry:

- (i) Policy recommendations - the findings point out that financial assistance, networking, training, education and counselling, and to a certain extent the usage of ICT are lacking and hampering the further growth and bigger success of these woman entrepreneurs.
- (ii) Ministries as well as NGOs and Women Business Networks/Associations must organise social and business networking sessions and conduct more affordable training and development programmes to increase human and skill capacity among them.
- (iii) The government can also provide special assistance on a continuous basis on the financial perspective - they must be made to understand on the advantages of external sources of financing for their businesses. The government should increase grants allocation, or encourage more banks and micro institutions through tax incentives to provide a wider range of financial services with flexible terms and conditions, or encourage banks/financial institutions to expand their range of financing products and delivery mechanisms to the SMEs. Actually the NGOs can also play some important roles in providing credit schemes to woman entrepreneurs.
- (iv) Some form of incentives could be provided to woman entrepreneurs in developing their internal IT infrastructure, such as tax relief for equipment bought.

As this study is a small part of an on-going bigger study on Muslim woman entrepreneurs in the hospitality and tourism industry in Malaysia, there will be more findings along the way. But with some of the findings which we are highlighting in this paper, it is hoped that the relevant parties will be able to revisit some of the existing women entrepreneurial training and development programmes as well as policies and improvise them as time goes by to ensure the effectiveness of the programmes and policies so that Muslim woman entrepreneurs are able to propel their business to the next level. Obviously, for them to go to the next level, they need all the help and strong support from the government agencies, Ministries, NGOs and women business associations at both state and federal levels.

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BARRIERS TO BUSINESS FINANCING BY WOMAN ENTREPRENEURS IN IRAN

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ABSTRACT

Women's entrepreneurship is in the rise all over the world. Despite these trends, evidence suggests that woman business owners are likely to face more challenges than do man business owners. Access to capital is a frequently cited problem for woman business owners and is perceived to be a primary barrier to the growth for women-owned firms. The difficulty of woman entrepreneurs in securing start-up financing is particularly troubling given the importance that early-stage capital decisions have on the performance, growth, and survival of new ventures. The ability of women-owned businesses to access financing has been the subject of considerable research and debate over the past 15 years. The majority of these studies have been carried out in the USA and Canada. This concentration of the data collection reduces the generalizability of the previous results and there is a need to develop an international perspective on women and entrepreneurial finance. Seeing that the cultural beliefs about women vary across countries, they may lead to differences in usage of financial services. This study has investigated on a sample of men and women business owner managers in industry sector in Golestan province in the north of Iran. The results point out that women and men seeking business financing encounter different reasons to not seeking finance for their businesses. Recommendations and future research are advanced.

Key words: women entrepreneurship, business financing, barriers, Iran

INTRODUCTION

It is widely recognized that women play an important role in the growth process of a country. There is also broad agreement that new business creation is a fundamental component of the growth process (Acs, et al., 2005). Women entrepreneurs play an important role in the entrepreneurial economy, both in their ability to create jobs for themselves and to create jobs for others, but in all countries women still represent a minority of those that start new firms, are self employed or are small business owner managers (Martins, 2004).

Women-owned firms represent a growing component of the small business sector (Coleman and Robb, 2009). The number of women-owned business has grown over time. Between 1997 and 2007, the number of women-owned business grew by 44%, twice as fast as men-owned firms, and they added roughly 500000 jobs. In part, this is because women-owned firms were more likely to be located in industry sectors that experienced employment growth, such as health care and education services. Women-owned businesses contribute significantly to the U.S economy. In 2007, 7.8 million firms were owned by women, accounting for almost 30% of all non-farms, privately-held U.S firms. Women-owned firms had sales/receipts of \$1.2 trillion and those with paid employees had 7.6 million workers (U.S. Department of commerce economics and statistics administration, 2010)

CAWTAR (2007) report that women's entrepreneurship is less common in the Middle East and North Africa than in other developing regions, but different from what stereotypes about the region might suggest. True, women own fewer firms in the Middle East than in other middle-income countries, but these firms tend to be as large, productive, and well established as their male-owned counterparts. More women are now entering the labor market due to rising education, falling fertility, and growing economies. Over 2000–05 the female labor force grew by 5.2%, compared with 4.7% during the 1990s. Women's share in the labor force grew from 25% to 27%, and women accounted for 36% of new entrants in the labor market in 2005, up from 32% in the 1990s. Female employment grew from 10% to 16% over 2000-05. Meanwhile, men's labor force participation stagnated. But female unemployment is high and rising, partly due to the result of women's growing labor force participation, though the Middle East still lags behind other regions.

Women-owned businesses are the fastest growing sector of new venture ownership in the United States. Although women's access to, and use of, debt and venture capital financing have been explored, comparatively little is known about women's access to capital (Becker-Blease and Sohl, 2007). If women are important for growth and entrepreneurship is important for growth, it is particularly important that we understand what factors mobilize or prevent women from starting new businesses. Failure to understand these factors may result in the underutilization of women's human capital and, as a result, in the perpetuation of lower living

standards and in the implementation of costly and ineffective policies (Minniti and Langowitz, 2007).

Access to capital is a frequently cited problem for women business owners (Coleman and Robb, 2009). Arenius and Autio (2006) believed that the majority of the studies on women business owners and financing have been carried out in the USA (e.g. Hisrich and Brush, 1987; Haynes and Haynes, 1999; Coleman, 2000) and Canada (e.g. Riding and Swift, 1990; Fabowale et al., 1995; Haines et al., 1999). This concentration of the data collection reduces the generalizability of the previous results and there is a need to develop an international perspective on women and entrepreneurial finance. Seeing that the amount of women-owned businesses varies across countries, it may also be that the attributes of the women-owned businesses, such as financing structure, also vary across countries, particularly as there are differences between financial markets and available instruments. Also the cultural beliefs about women vary across countries (Shane et al., 1991), which may lead to differences in usage of financial services.

Women can enter entrepreneurship for many of the same reasons as men: to support themselves and their families, to enrich their lives with careers and financial independence and so on. Yet there may be special considerations for female involvement in starting businesses. This is important to examine in light of the fact that women's participation in entrepreneurship varies significantly across economies, but is nearly always less than that of men. Across the three development levels, the factor-driven and efficiency-driven groups are similar on average, but the innovation-driven group has a lower average proportion of women entrepreneurs. In the factor-driven economies, the lowest levels and ratios of women participation can be found in the MENA countries, where for every woman entrepreneur, there are about two to four men. The highest ratio can be seen in the Sub-Saharan African countries, where there is more or less equal participation. In the efficiency-driven economies, Eastern European countries occupy the lower levels and ratios for women's participation. Latin American countries tend toward higher levels of participation (Bosma and Levie, 2010).

Women form 49.25 percent of the Iran population (Iran's population is 75 million in 2010), while only 17.4 percent of them are economically active which is far from the average rate of the economic activity of women throughout the world (30 percent). The rate of unemployment is 14.6% (11.9% for men and 25.2% for women). Reviewing the structure of female employment based on three main activities in Iran (agriculture, industry and services) shows that 30.5 percent of women were employed in agriculture (including agriculture, hunting, fishing), 23.1 percent in industry (including mining, industry, supplying electricity, gas and water and construction), and 46.4 percent in the service department which are respectively, 19.1%, 32.9%, and 48% for men (statistical center of Iran, 2010). Entrepreneurial activities in the past few years show good growth in Iran. According

to the latest GEM report in 2010, Total Early-Stage Entrepreneurship Activity (TEA) index reached 12.4% in Iran, and in terms of this index, Iran was ranked 18th, while the rate of this index in 2009 and 2008, was 12.08% and 9.18% respectively and Iran was ranked 19th and 20th. Also New Business Ownership index in 2010 was 7.8% and Iran was ranked 12th. This index in 2009 and 2008 was 4.12% and 3.36% respectively and Iran was ranked 27th and 24th. Entrepreneurial Intentions Index reached 31.4% in 2010, and Iran in terms of this index was ranked 14th, while this index in 2009 and 2008 was 28.8% and 37.45% respectively and Iran was ranked 14th and 8th (Bosma and Levie, 2010).

Despite the fact in recent years, Iranian women have tended to participate economically and socially, and especially that the higher education has increased among women (more of 60% student in universities are girls), optimum use of their participation in the society economic affairs has not been possible (Arasti and Akbari Joker, 2009). It is essential to develop women share in national economics and in encountering women's unemployment crisis, if necessary, so that the prerequisites would be provided for developing female entrepreneurs' business so that women can end the current dilemma in the society through creating business and job opportunities for themselves and others (Mirghafouri et.al, 2010).

It is evident that there are numerous obstacles and problems on the way of business creation by women. One of the most important obstacles of woman entrepreneurs is business financing. Therefore, study of barriers women-owned business have to access financial capital, help to identify the existing restrictions, reform the future path and ultimately increase their individual and social efficiency.

This study investigates on gender difference in business financing in industry sector. The paper is structured as follows. After a literature review, we will present the research methodology and research finding. The paper concludes with a discussion of the findings and conclusion. Implications as well as future research were developed.

LITERATURE REVIEW

A belief typically found by researchers during the 1980s that "it would be easier for women to borrow money if they were men" (Pellegrino and Reece, 1982; Hisrich and Brush, 1984; Anna et al., 1999, Hisrich and O'Brien, 1982; Hisrich and Brush, 1987) and similar results have been reported as recently as 1999. Women also have indicated that they have difficulties in raising funds for their business due to loan bias (Arenius and Autio, 2006).

Men and women differ in important respects. Otherwise, there would be no reason for comparison (Ahl, 2006). If the different studies agree that there are differences between men and women in financing patterns, some researchers do not agree

about the gender effect. Thus, several authors state that entrepreneurship, and more specifically business financing of female-owned businesses, should not be studied as an effect of gender issues, particularly in terms of discrimination against women, but from the perspective of the firm and owner's characteristics. These authors argue that barriers to financing faced by women-owned businesses are dependent on factors such as the attributes of female-owned firms (i.e. the firm's characteristics and strategic choices), the characteristics of woman owners and the way women approach and run their ventures (i.e. individual factors) (Constantinidis et al., 2006).

Research shows that, beyond business features, the characteristics of woman entrepreneurs themselves, as well as their perceptions and preferences, can also have a strong impact on their financing patterns (Constantinidis et al., 2006). Some researchers (Verheul and Thurik, 2001) studied the direct effect of gender, i.e. how women and men-owned firms with the same non-financial characteristics differ with respect to usage of financial services and bank shopping pattern. But gender can also have an indirect effect on the financing pattern. The indirect effect refers to differences between women- and men-owned businesses with respect to non-financial business attributes the differences in business attributes may lead to differences in business financing (Arenius and Autio, 2006).

The presence of discrimination respect to financing discourages women from applying for Capital (Orser et al., 2006). This logic provides the explanations of the findings that women receive a disproportionate low share of capital (Brush et al., 2002; Carter et al., 2003; Greene et al., 2001; Industry Canada, 2005; Verheul and Thurik, 2001).

Women have difficulties in raising funds for their business due to loan bias (Hisrich and O'Brien, 1982; Hisrich and Brush, 1987). According to Hill et al. (2006), the literature suggests that women often have difficulty raising finance because their businesses are in unattractive traditional sectors such as retailing and services (Marlow and Carter, 2004). As Arenius and Autio (2006) found that women business owners face more difficulties than men business owners in financing their businesses, which is at least partly based on the repeated findings that women business owners perceive that it would be easier for them to borrow money if they were men. Difficulties that women encountered could be due to investor assumptions or stereotyping regarding owners' management potential, despite their extensive business backgrounds (Orser et al., 2006). Some researchers have noted that women have lower financial literacy (Lusardi and Tufano, 2009), which might make it harder for them to navigate the loan market (Klapper and Parker, 2011). In the area of debt financing, women continue to report difficulty in securing bank loans and dealing with lenders (Arenius and Autio, 2006). Coleman (2000) stated that the disinclination of women to seek external financing might also be attributed to their own perception that they will have a harder time securing

bank loans. Women are also less able on average to provide collateral (Buvinic and Berger, 1990) or personal guarantees (Coleman, 2002). Narain (2009) noted that female entrepreneurs might also have weaker credit histories (“reputational collateral”), because loans, utilities, cell phones, and other debts might be in their husband’s name. These findings suggest that women, on average, might have lower credit scores, which are important for modern lending technologies (Klapper and Parker, 2010). Orhan (2001) suggested that in France, women-owned businesses were asked for higher collateral requirements and charged a higher interest rate than similar men-owned ventures, when borrowing from banks or other financial institutions. In many cases, these factors were coupled with an undeveloped personal credit history and absence of collateral, which were reported by women as important barriers to finding debt financing for their businesses (Constantinidis et al., 2006).

According to Klapper and Parker (2011), property laws are also important, married women may not be deemed creditworthy since they do not possess the title to their land or house, which might be due to unequal laws of inheritance. Social norms and differential treatment under the law are also important. Although women might not be legally prohibited from obtaining licenses required for accessing certain types of financing, evidence from Africa shows that in many instances only male heads of households are able to receive them successfully (Johnson, 2004; Narain, 2009). Similarly, in many Middle Eastern and South Asian countries, women are required in practice to have a father or husband co-signs a loan, even though banking laws do not require it in principle (Chamlou, 2008).

So the research question in this study is:

- What are the reasons of Iranian woman entrepreneurs for not seeking external capital?
- Are these reasons different from man entrepreneurs?

RESEARCH METHODOLOGY

This is an empirical study on a sample of business owners who are active in industry sector, in Golestan province, one of the 31 provinces of Iran, located in the north-east of the country. We chose the industry sector to have a homogeneous sample of business owners seeking external financing. Focus on a single sector enables us to make meaningful comparisons between the genders. All men and women in this sample seek at least one time for business finance in last three years. Our population includes 385 business owners (358 men and 27 women).

Data were collected by questionnaires that was the same for both women and men business owners. Furthermore, in the accompanying letter no reference to a comparison between women and men-owned businesses was made in order to avoid perceptual bias in responses. In an attempt not to sensitize participants to

the issue of gender, only one question, at the first of the questionnaire, mentioned gender explicitly.

This questionnaire was developed by referring to Orser and his colleagues' questionnaire. The 123 questionnaires were sent out to business owners in March & April 2011 by email, fax and in person. In total, 103 questionnaires were returned where 7 had to be excluded from the analysis since they did not meet our selection criteria. This yielded a response rate of 78%. The 96 final questionnaires were analyzed by SPSS software.

Sample description

FINDINGS

The sample consisted of 24 women and 72 men business owners. On the average, men business owners were older than women in the present sample (average age of men is 46.2 years old and for women is 39.1 years old). 87.5% of men and 79.2% of women were married. The educational level of the entrepreneurs was high; 79.2% of entrepreneurs (both women and men) had a university level degree.

Barriers

In this survey, we compared the reasons of woman and man entrepreneurs for not seeking external capital in 4 aspects (process rigidity, time consuming, cost of debt financing, collateral, fear of being in debt). We used chi-square test to analyze the difference in business financing barriers.

Table 1 illustrates that the reasons of woman entrepreneurs for not seeking external capital are different from men-owned business. Women are more likely to have different reasons for not seeking external capital in respect of "high collateral" as well as "process rigidity", but difference in "time consuming", "cost of debt financing", and "fears of being in debt" were not significant.

The results show that women have different reasons in two aspects (collateral,

Table1- difference in the reasons to not seeking business finance by gender

Sig	Chi-square	Male	Female	Reasons to not seeking business finance
0.012*	6.258	50	79.2	Analyzing the loan request is too rigid (yes %)
0.626	0.237	63.9	58.3	Access to loan is too time consuming (yes %)
0.192	1.699	48.6	33.3	Cost of debt financing is too high (yes %)
0.051*	3.793	31.9	54.2	Ask for collateral is too high (yes %)
0.157	2.003	6.9	16.7	Do not like to be in debt (yes %)

*p ≤ 0.05

and process rigidity). Thus, our results confirmed other studies which noted that women have different reasons in two aspects: collateral and difficulty (Klapper and Parker, 2011; Orhan, 2001; Hisrich & Brush, 1984). But about cost of debt financing, time consuming and fear of being in debt, there is no difference between women and men. It is because the bank cost of debt financing and the time for request analyzing is the same for women and men in Iran.

CONCLUSION

Women are the important section of labour in the society and their entrepreneurial performance in starting and managing businesses could influence economic development of the country. On the other hand, a society who wants to develop in all aspects should provide the possibility of creativity and entrepreneurship for all among them women. Based on the findings of this paper, women perceive access to external financing to be more difficult due to the higher collateral as well as the process is more rigid for them. Government and policy makers should assign specific financial resources to banks, enabling them to provide financing specifically to woman entrepreneurs. The long-term low-interest financing to woman entrepreneurs facilitate the establishment and development of their businesses by eliminating heavy collaterals.

The most significant limitation of this survey was the restricted number of samples of woman entrepreneurs. Another limitation was that in Iran, unlike other countries, there are a few kinds of financial capital; therefore, leases, venture capital and business angels are not common in Iran. The most common way of business financing is the bank loans offered by public banks. Thus, the researchers could not compare the results in different kind of business financing.

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This research merely studied the man and woman entrepreneurs in the industry sector where we only investigated the different reasons why man and woman entrepreneurs do not seek business finance. Our future studies will investigate other sectors in the services, agriculture and manufacturing to compare the findings. Future research will also investigate on the supply of business financing and making comparisons between genders.

CONCLUSION

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REVIEW OF WOMEN'S ENTREPRENEURSHIP IN AGRICULTURE IN NIGERIA AND SUB-SAHARAN AFRICA

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ABSTRACT

Women's entrepreneurship has been recognised during the last two decades as an important untapped source of economic growth. Agriculture represents one key area of economic endeavour being dominated by women. Indeed, women represent a clear majority of the cumulative workforce in Agriculture in Nigeria, Africa and the world over. Empowering the women entrepreneurs to participate in agriculture by ensuring equal treatment, and more generally, improving the position of women in the society and promoting entrepreneurship generally will have benefits in terms of women's agro-entrepreneurship. This paper uses the case of the Nigerian food and agricultural sector as well as selected Sub-Saharan African Countries, to deduce implications for engendering economic policy for the development of agriculture in Africa.

Keywords: agricultural production , economic policy , Nigeria , women's entrepreneurship , Africa , agro-entrepreneurship

INTRODUCTION

The business world for women Agro-based entrepreneurs in the Sub-Saharan Africa cannot be described as a benign terrain. Empowering women entrepreneurs to participate in agriculture by ensuring equal treatment, and more generally, improving the position of women in the society and promoting entrepreneurship generally will have benefits in terms of women's agro-entrepreneurship.

The role that women play and their position in meeting the challenges of agricultural production and development is quite dominant and prominent. Their relevance and significance, therefore, cannot be overemphasized [Nnadozie, and Ibe, 1996, Rahman, 2008.]. Findings from a study financed by the United Nations Development Programme (UNDP) revealed that women make up some 60-80 percent of agricultural labour force in Nigeria [World Bank, 2003.], depending on the region and they produce two-thirds of the food crops. Yet, in spite of these, widespread assumption that men - and not women - make the key farm management decisions has prevailed. Sadly, female farmers in the country are among the voiceless, especially with respect to influencing agricultural policies. Such policies, which are aimed at increasing food security and food production, tend to either underestimate or totally ignore women's role in both production and the general decision-making process within the household. Socio-economic characteristics of the farmers, among other factors, affect their decision-making in agriculture. The various contributions of women to agricultural production in Nigeria have been variously described in the literature [Rahman, 2008; Amali, 1989; Okonjo, 1991; Damisa, and Yohanna, 2007.] but their role in decision-making process in agriculture has not been widely employed or at best, remains minimal [F.A.O.1995; Rahman, 2008; Damisa, and Yohanna, 2007.].

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Ironically, women are known to be more involved in agricultural activities than men in sub-Saharan African (SSA) countries, including Nigeria. Some 73% were involved in cash crops, arable and vegetable gardening, while post-harvest activities had 16 % and agro-forestry, 15 percent [Abdullahi, 2008]. Their involvement in agriculture in Nigeria has attracted greater attention in recent years. Reasons for their involvement are as many as are diverse. In some states rural women have virtually taken over the production and processing of arable crops [Afolabi, 2008], being responsible for as much as 80 % of the staple food items. Estimates of women's contribution to the production of food crops range from 30% in the Sudan to 80% in the Congo [F.A.O.1995,]; contributing substantially to national agricultural production and food security, while being primarily responsible for the food crops.

However, factors militating against women in their participation in agricultural productions are many, some of which are socio-cultural and economic in nature. The task of surmounting such obstacles can be very daunting, even though women have largely succeeded in overcoming some of them. In this respect, the

actions and persistence of women's groups and community-based organizations and the civil society organizations fighting the cause of feminine gender deserve commendation.

WOMEN ENTREPRENEURSHIP DEVELOPMENT

Entrepreneurship development is a crucial tool for women's economic empowerment and the benefits derivable from empowering the women folk are far reaching, starting with family advancement and eventually touching on the national and global economic advancement. Information from the Nigeria's Ministry of Women Affairs and Social Development, on the latest Nigerian census, revealed that women constitute 49.9% of the nation's population; the under-representation of women (2%) in the nation's development processes in finance, business and investment fronts renders 40% of the population inadequately positioned to contribute to the economic growth of the country. It is the nation that blends the strengths of women and men as entrepreneurship is not an exclusive reserve of any gender. Both women and men generate the same result provided they follow the principles of investment. [Kiyosaki 1993] proves with statistical data in United States, that women are better investors than men. A year 2000 National Association of Investors Corporation (NAIC) study found that women-only investment clubs achieved average annual returns of 32% since 1951 versus 23% for men-only investment clubs. The verdict is; women know how to handle money and can be greater entrepreneurs than men if the various obstacles to development are removed or minimized.

AFRICAN WOMEN IN AGRICULTURE

The continent of Africa has been referred to as the area of female farming par excellence. Compared with other regions of the world including Europe, Asia and the Far East, women in Africa are more involved in agriculture, (Boserup, 1970). Several studies over the last four decades, including those by such international organizations as the UNDP, FAO, ILO and EGA have indicated the following:

- Women in agriculture contribute some 60 - 80% of the labour input in African agriculture, (Adekanye, 1981 and 2004).
- This is especially so for the production, processing and trade in food commodities.
- There are of course some regional differences in this depending on socio - cultural factors such as the practice of keeping women in seclusion.
- Women's labour input in agriculture is extremely important for such essentially "women crops" as cassava, rice and maize in Africa.
- Also, there is their contribution to, and the long hours they spend working on, family farms, (Adekanye, 1985 and 1996).

Nigerian Women in Food Production: Using the involvement of women in the rural economies of African countries such as Nigeria, Sierra Leone and the Gambia as an example, many women are farmers in their own right, growing crops like rice, maize, cassava and even cocoa. They also help on their husband's farms particularly at peak periods of planting and harvesting. Food processing is traditionally a woman's work in Nigeria. Even when in *purdah* (full seclusion), many women undertake food processing for income generating purposes within the confines of the family compound. The trade in food is also in many areas a woman's work. The home trade by women in *purdah* had been seen as important if not more so, than that effected through the market place. These issues have been confirmed by more recent studies and reports on different countries of Africa. (Adekanye, 1981, ECA, 1994 and FAO, 1996).

Women-in-Agriculture in Nigeria: This is a World Bank-assisted initiative which is geared towards building up Nigeria's agricultural extension service, at the time when women farmers were still receiving minimal assistance and information from extension agents (World Bank, 2003). Consequently, the WIA programmes within the existing state agricultural development programmes (ADPs) were created in 1990 to address the gender-related deficiencies within the existing extension programme. The programme was created to integrate women into development process with specific reference to agriculture since the participation of women farmers in planning and policy-making as well as the beneficiaries is important [Maigida, 1992]. A serious lapse in the country's agricultural extension system had hitherto been that it was pro-male and gender-insensitive towards women farmers. This arises from the fact that agricultural extension services in Nigeria had traditionally been focused on men and their farm production needs, while neglecting the female half of the production force. Up until that point, the ADPs contained only a home economics wing responsible for home-related women's activities. The WIA programme, which was launched as a pilot, therefore sought to improve agricultural extension services for women. This entailed the retraining of existing home economics agents in agriculture and extension methodologies, with emphasis on women's activities [Ogundele and Mukhtar, 2009].

Problems Plaguing Women In Agriculture Scheme: Despite the numerous achievements recorded by WIA, a number of setbacks have been encountered. Such problems include shortage of WIA extension agents as the ratio of extension staff to farm families is still low, making it non-feasible to individually meet all the women farmers. Most of WIA extension workers are not purely agriculture-based, not trained in agriculture [Chale 1990]. Lack of adequate support from ADP management is another problem faced by the WIA programme. It has taken quite some time for the WIA concept to find its way into the heart of most decision makers in the ADPs, with even some yet to be reconciled with the fact.

Gender Inequality in Sub-Saharan Africa: It is quite obvious that gender inequality, especially in the Sub-Saharan Africa, is one of the most pervasive forms

of inequality, particularly because it cuts across other forms of inequality [Franklin, 2007; Ogundele and Muktar, 2009]. Different rules, norms and values govern the gender division of labour and the gender distribution of resources, responsibilities, agency and power. These are critical elements for understanding the nature of gender inequality in different societies.

Gender segmentation in household arrangements in sub-Saharan Africa is prevalent in the face of highly complex lineage-based homesteads. A good proportion of Sub-Saharan Africa is matrilineal, however women's access to land are through usufruct rights through their husband's lineage group. Since women's obligation to the family includes provision of food and caring for their children, they are granted this access to enable them to carry out these responsibilities. In parts of West Africa, including Nigeria, women generally have usufruct rights to separate holdings through their husband's lineage [Ogundele and Mukhtar, 2009].

Women's low participation in national and regional policy-making, their invisibility in national statistics and their low participation in extension services have meant that those issues of most concern to women have been neglected in the design and implementation of many development policies and programmes. In some countries such as the Benin Republic, the programmes developed were far from addressing the main concerns of women as they were neither involved in policy making decisions nor were they directly consulted to articulate their needs, in some countries, despite legislative and tenure changes in favour of smallholders, women continued to be placed in a disadvantaged position in terms of access to land [Franklin, 2007].

Women and Leadership Positions: In the nine countries examined by Franklin [Franklin, 2007.] in a recent study, as throughout Africa in general, he found that while women are present in greater degrees in agricultural/rural organizations, they tend to comprise a low proportion of the membership and are often not represented in the higher levels of leadership. While women's membership is most often limited by their lack of formal land ownership, many rural organizations do not sufficiently concern themselves with the needs of rural women. Women's participation as office holders in these organizations tends to be even more limited. The most striking example, thrown up by the study, is in Zimbabwe, where despite the fact that women constitute 75% of the members in the Zimbabwe Farmers Unions, only 5% of the officials are women. The largest numbers of women decision makers are found in the Sudan, where 14% of the office holders in agricultural cooperatives are graduate women.

In Africa, reports have shown that, few women hold policy-making positions at the national level and those that do tend to be concentrated in social ministries such as education, health and women affairs. Only rarely do women hold such positions in technical ministries such as agriculture, which have far-reaching implications for the policies generated there. Overall, women hold an extremely low number of decision-

making positions in the ministries dealing with agriculture and rural development. It is clear that the sharing of decision-making between genders varies substantially from country to country and among different cultural and ethnic groups within the same country. While women's decision-making power tends to increase in many countries when the husband is not present, men may remain involved in many of the most important decisions.

Ownership Rights and Cultural Stereotypes: As examined earlier, one ownership rights issue affecting women agro-entrepreneurship is lack of rights to land ownership which remains a major constraint for women farmers in Africa and land reform programmes have led almost exclusively to the transfer of land rights to male heads of households [F.A.O. 1990.]. Even in countries where ownership and inheritance laws have been reformed in favour of women, in practice women do not necessarily have more rights to land, as local customs and lack of information act as barriers. In the rare cases where women own land, they are still at a disadvantage in the sense that their land holdings tend to be smaller and less fertile than men's. There is distinct division of labour between men and women as far as agricultural activities and tasks are concerned. Women and junior men provide labour on household fields that are controlled by the compound head. Women's access to land was rarely discussed and thus their benefits from land reforms were few [Franklin, 2007; Ogundele and Mukhtar, 2009].

In the same vein as land holdings, women have less access to credit than men. Women receive as low as 5% of agricultural loans in Burkina Faso to as high as 32% in Zimbabwe. In Benin Republic, less than 5% of the rural female-headed households have access to credit. Several studies on women's status and problems have shown that gender discrimination exists throughout the world [Sreekumar, 2001.] but that its intensity is felt in daily lives of women and children in developing countries. Tagwireyi [Tigwareyi, 1987.] noted that despite providing about 60-80% labour in food production, women in Africa receive little from the agricultural extension services in that country due to the traditional prejudiced attitude towards women, lack of time on their part to attend meetings and their limited decision-making powers.

Rural women in Gambia are increasingly being drawn into development process through their involvement in various income-generating projects, [Malina, 1988.] who studied the problems women face in Tanzania suggested that the impact of women's activities on the farming system should be appreciated for agricultural research to be successful. Their needs and concerns should be understood, their traditional roles and needs taken into account and their potential fully explored.

Policy Issues for Promoting Women's Entrepreneurship: The Nigerian government's policy of promoting entrepreneurship dated back to the early 1970s. The hope of promoting small scale enterprises to stimulate entrepreneurship was documented in the 2nd National Development Plan (1970-74). This policy continued

in the 3rd (1975-80) and the 4th National Development Plan through various strategies of technical, financial and management of the small scale industries. The Federal Government's concern for the menacing problem of mass unemployment in the mid-1980s spurred the setting up of the National Directorate of Employment (NDE) in 1986 and the Work For Yourself Programme (WFYP) in 1987. Both were essentially joint programmes of training and financial support to entrepreneurs. The NDE operations included three core programmes (i) Youth Employment and Vocational Skills Development Program (YEVSDP) (ii) agricultural programs (iii) the small scale industries and graduate employment scheme. The NDE, though starved of fund for some time, has achieved a lot in promoting employment, create wealth and alleviating women poverty. The Better Life for Rural Women Programme (BLRWP) initiative of the then First Lady of the Federal Republic of Nigeria, Maryam Babangida, was an entrepreneurship development programme specifically for promoting education, health and economic development of women. It made unprecedented contribution to women through the cooperative organizations, The spirit of BLRWP is still operating today through the subsequent first ladies. A number of Non-Governmental Organizations (NGOs) also came up to promote entrepreneurship development. Prominent amongst them was the Country Women Association of Nigeria (COWAN) which contributed immensely towards women entrepreneurship development through organization of many cooperatives and micro-credit schemes and in partnership with the United Nations.

CONCLUSION AND RECOMMENDATIONS:

Gender related research over the last 30 - 40 years have indicated the strategic position of women and woman entrepreneurs in agriculture. This is especially in terms of labour input for food production, processing and trade. This implies that for effective policy formulation, it is necessary to take cognizance of gender especially in view of apparent failure of previous policy programmes. This needs to be done through incorporating the gender variable into development thought, models and projects. This will impact positively on project conception, execution and monitoring especially because it will be possible to incorporate, the unreached and marginalized rural majority of women into the food and agricultural producers.

There should be improvement in women's access to basic economic resources such as land (as owners), labour-saving machines, food processing machines, credit and agricultural innovations. Rural women's productive role in agriculture continues to be underestimated in many countries as unpaid workers are frequently excluded from national statistics and/or farm women are considered housewives in agricultural statistics. Such underestimation must be addressed in order to clearly demonstrate the importance of rural women-in-agricultural production, and enhance the abilities to entrench entrepreneurial dimensions by creating businesses in agriculture-related fields.

Creating feedback channels between all parties in the development equation would bring about the necessary equalization to the full participation of African female farmers in the economic benefits of African agriculture.

Lastly, the government and development/change agencies must not only be prepared to recognize the economic role of the women but must also extend to them the same recognition and facilities as the men are enjoying, if Nigeria's goal of attaining vision 20: 20/20 (be among the top 20 economies by the year 2020), is to be achieved, nay the African nation.

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ROLES AND ISSUES OF WOMAN ENTREPRENEURSHIP IN GLOBALIZED ECONOMY – CASE OF INDIA

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ABSTRACT

Entrepreneurship amongst women has been a recent development. The entrepreneur is a person who has enterprising quality, takes initiative and establishes an economic activity or enterprise. Starting and operating a enterprise involves considerable risk and effort on the part of the entrepreneurs, particularly in the light of high failure rate. The enterprises started by women are so greatly influenced by the decisions and desires of the members of the family, women entrepreneurs who receive support from family, relatives and other support systems could manage their own enterprises successfully.

Entrepreneurship is one of the basic drivers of economic growth and prosperity. Studies have repeatedly show that most of the jobs are generated by small and medium sized enterprises, while big companies periodically shed them. Entrepreneurial firm are also powerful source of commercial innovation, which constitutes the truly sustainable source of competitive advantage in the modern world. Different region experience different levels of starting a company. they have a better mix of assets, and so more people try to start –up companies in that region, and/ or more new companies succeed and grow there.

Keywords: entrepreneurship, women, business, gender.

INTRODUCTION

Concept Of Woman Entrepreneurs

Woman entrepreneurs may be defined as the women or a group of women who initiate, organize and operate a business enterprise. The government of India has defined women entrepreneurs as “an enterprise owned and controlled by women having a minimum financial interest of 51 per cent of the capital and giving at least 51 per cent of the employment generated in the enterprise to women”. Woman entrepreneurs engaged in business due to push and pull factors which encourage women to have an independent occupation and stands on their on legs. A sense towards independent decision-making on their life and career is the motivational factor behind this urge. Saddled with household chores and domestic responsibilities women want to get independence. Under the influence of these factors the woman entrepreneurs choose a profession as a challenge and as an urge to do something new. Such a situation is described as pull factors. While in push factors women engaged in business activities due to family compulsion and the responsibility is thrust upon them.

OBJECTIVES AND RESEARCH METHODOLOGY OF THE STUDY

The study is based on secondary data which is collected from the published reports of RBI, NABARD, census surveys, SSI Reports, newspapers, journals, websites, etc. the study was planned with the following objectives:

1. To evaluate the factors responsible for encouraging women to become entrepreneurs
2. To study the impact of assistance by the government on women's entrepreneurship.
3. To study the policies, programmers', institutional networks and the involvement of support agencies in promoting women's entrepreneurship.
4. To critically examine the problems faced by women entrepreneurs.

REASONS FOR WOMEN BECOMING ENTREPRENEURS :

The glass ceilings are shattered and women are found indulged in every line of business. The entry of women into business in India is traced out as an extensive of their kitchen activities, mainly 3P's, pickle, powder and pap pad. But with the spread of education and passage of time women started shifting from 3P's to modern 3E's i.e., energy, electronics and engineering. Skill, knowledge and adaptability in business are the main reasons for women to emerge into business ventures. “Women Entrepreneur” is a person who accepts challenging role to meet her personal needs and become economically independent. A strong desire to do

something positive is an inbuilt quality of entrepreneurial women, who is capable of contributing values in both family and social life. With the advent of media, women are aware of their own traits, rights and also the work situations. The challenges and opportunities provided to the women of digital era are growing rapidly that the job seekers are turning into job creators. Many women start a business due to some traumatic event, such as divorce, discrimination due to pregnancy or the corporate glass ceiling, the health of a family member, or economic reasons such as a lay off. But a new talent pool of women entrepreneurs is forming today, as more women opt to leave corporate world to chart their own destinies. They are flourishing as designers, interior decorators, exporters, publishers, garment manufacturers and still exploring new avenues of economic participation. The following flow chart shows the reasons for women becoming entrepreneurs

REASONS FOR SLOW OPPURTUNITIES OF WOMAN ENTREPRENEURS IN GLOBALIZED ECONOMY

The problems and constraints experienced by woman entrepreneurs have resulted in restricting the expansion of women entrepreneurship. The major barriers encountered by woman entrepreneurs are:

- The greatest deterrent to woman entrepreneurs is that they are women. A kind of patriarchal- male dominant social order is the building block to them in their way towards business success. Male members think it a big risk financing the ventures run by women
- Male chauvinism is still prevalent in many part of the country yet. Women are looked upon as “abla” i.e. weak in all respects. In a male dominated society, women are not treated equal to men that act as a barrier to woman’s entry into business.
- Woman entrepreneurs have to face a stiff competition with the men entrepreneurs who easily involve in the promotion and development area and carry out easy marketing of their products with both the organized sector and their male counterparts. Such a competition ultimately results in the liquidation of woman entrepreneurs.
- Lack of self-confidence, will-power, strong mental outlook and optimistic attitude amongst women creates a fear from committing mistakes while doing their piece of work. The family members and the society are reluctant to stand beside their entrepreneurial growth.
- Women in India lead a protected life. They are even less educated, economically not stable nor self-dependent which reduce their ability to bear risks and uncertainties involved in business unit,
- The old and outdated social outlook to stop women from entering in the field of entrepreneurship is one of the reasons for their failure. They are under a

social pressure which restrains them to prosper and achieve success in the field of entrepreneurship

- Unlike men, women mobility in India is highly limited due to many reasons. A single women asking for room is still looked with suspicion. Cumbersome exercise involved in starting with an enterprise coupled with officials humiliating attitude towards women compels them to give up their spirit of surviving in enterprise altogether.
- Women's family obligations also bar them from becoming successful entrepreneurs in both developing nations. The financial institutions discourage woman entrepreneurs on the belief that they can at any time leave their business and become housewives again.
- Indian women give more emphasis to family ties and relationships. Married women have to make a fine balance between business and family. The business success also depends on the support the family members extended to women in the business process and management.
- Women's family and personal obligations are sometimes a great barrier for succeeding in business career. Only few women are able to manage both home and business efficiently, devoting enough time to perform all their responsibilities in priority.
- The educational level and family background of husbands also influences women participation in the field of enterprise.
- Absence of proper support, cooperation and back-up for women by their own family members and the outside world people force them to drop the idea of excelling in the enterprise field. They are always making many pessimistic feelings to be aroused in their minds and making them feel that family and not business is a place meant for them.
- Many women undergo the trainings by attending the entrepreneurial development programmes without an entrepreneurial bent of mind. Women who are imparted training by various institutes must be verified on account of aptitude through the tests, interviews, etc.
- High production cost of some business operations adversely affects the development of woman entrepreneurs. The installations of new machineries during expansion of the productive capacity and like similar factors discourage the woman entrepreneurs from venturing into new areas.
- Women controlled business are often small and it is not always easy for women to access the information they need regarding technology, training, innovative schemes, concessions, alternative markets, etc. just a small percentage of woman entrepreneurs avail the assistance of technology and they too remain confined to word processing software in the computer. They hardly make use of advanced software available like statistical software SAP, Accounting package like TALLY, Animation software 3D MAX, internet, etc

- Lack of awareness about the financial assistance in the form of incentives, loans, schemes etc. by the institutions in the financial sector. So the sincere efforts taken towards woman entrepreneurs may not reach the entrepreneurs in rural and backward areas.
- Achievement motivation of the women folk found less compared to male members. The low level of education and confidence leads to low level achievement and advancement motivation among women folk to engage in business operations and running a business concern.

Apart from the above discussed problems there may occur other series of serious problems faced by woman entrepreneurs as improper infrastructural facilities, high cost of production, attitude of people of society towards the women modern business outlook, low needs of enterprise. Women also tend to start business about ten years later than men, on average. Motherhood, lack of management experience, and traditional socialization has all been cited as reasons for delayed entry into entrepreneurial careers.

SUGGESTIONS FOR THE GROWTH OF WOMAN ENTREPRENEURS:

Right efforts from all areas are required in the development of woman entrepreneurs and their greater participation in the entrepreneurial activities. Entrepreneurship basically implies being in control of one's life and activities and women entrepreneurs need to be given confidence, independence, and mobility to come out of their paradoxes. The following measures are suggested to empower the women to seize various opportunities and face challenges in business.

- There should be a continuous attempt to inspire, encourage, motivate and cooperate women entrepreneurs.
- An awareness programme should be conducted on a mass scale with the intention of creating awareness among women about the various areas to conduct business.
- Attempts should be there to enhance the standards of education of women in general as well making effective provisions for their training, practical experience and personality development programmes, to improve their over-all personality standards.
- Organize training programmes to develop professional competencies in managerial, leadership, marketing, financial, production process, profit planning, maintaining books of accounts and other skills. This will encourage women to undertake business.
- Vocational training to be extended to women community that enables them to understand the production process and production management.

- Skill development to be done in women's polytechnics and industrial training institutes. Skills are put to work in training-cum-production workshops.
- Educational institutes should tie up with various government and non-government agencies to assist in entrepreneurship development mainly to plan business projects.
- International, national, local trade fairs, industrial exhibitions, seminars and conferences should be organized to help women to facilitate interaction with other woman entrepreneurs.
- Women in business should be offered soft loans & subsidies for encouraging them into industrial activities. The financial institutions should provide more working capital assistance both for small scale venture and large scale ventures.
- Making provision of micro credit system and enterprise credit system to the women entrepreneurs at local level.
- The weaker section could raise funds through various schemes and incentives provided by the government to develop entrepreneurs in the state. E.g. the prime ministers Rozgar Yojana, The Khadi and Rural village industries scheme, etc.
- In the initial stages woman entrepreneurs may face problems but they must persevere believe in themselves and not give up mid way.
- Attempts by various NGO's and government organizations to spread information about policies, plans and strategies on the development of women in the field of industry, trade and commerce. Woman entrepreneurs should utilize the various schemes provided by the Government.
- Women should try to upgrade themselves in the changing times by adapting the latest technology benefits. Women must be educated and trained constantly to acquire the skills and knowledge in all the functional areas of business management. This can facilitate women to excel in decision making process and develop a good business network.
- Self help groups of woman entrepreneurs to mobilize resources and pooling capital funds, in order to help the women in the field of industry, trade and commerce can also play a positive role to solve this problem.
- Women's entrepreneurship must be examined both at the individual level (i.e. the choice of becoming self-employed) and at the firm level (the performance of women owned and managed firms) in order to fully understand the differences between men's and women's entrepreneurship.
- To establish all Indian forums to discuss the problems, grievances, issues, and filing complaints against constraints or shortcomings towards the economic progress path of woman entrepreneurs and giving suitable decisions in the favors of woman entrepreneurs and taking strict stance against the policies

or strategies that obstruct the path of economic development of such group of women entrepreneurs.

Thus by adopting the following aforesaid measures in letter and spirit the problems associated with women can be solved. Entrepreneurship is not a bed of roses to women. Women participation in many kinds of economic activities to complement to their family income, their participation in no way reduces their family duties. The task of women has become more tedious and full of challenges. Let us all make efforts to help women rediscover her.

STEPS TAKEN BY THE GOVERNMENT

Development of women had been a policy objective of the objective of the government since independence. Until the 70s the concept of women's development was mainly welfare oriented. In 1970s, there was a shift from welfare approach to development approach that recognized the mutually reinforcing nature of the process of development. The 80s adopted a multi-disciplinary approach with an emphasis on three core areas of health, education and employment. Women were given priorities in all the sectors including SSI sector. Government and non-government bodies have paid increasing attention to women's economic contribution through self employment and industrial ventures.

The first Five-Year Plan(1951-56) envisaged a number of welfare measures for Women Establishment of the Central Social Welfare measures for women. Establishment of the Central Social Welfare Board, organization of Mahila Mandals and the Community Development Programmes were a few steps in this direction. In the second Five-Year Plan (1956-61), empowerment of women was closely linked with the overall approach of intensive agricultural development programmes.

The Third and Fourth Five-Year Plans(1961-66 and 1969-74) supported female education as a major welfare measure.

The Fifth Five-Plan (1974-79) emphasized training of women, who were in need of income and protection. This plan coincided with International Women's Decade and the submission of Report of the committee on the status of women in India. In 1976, Women's Welfare and Development Bureau was set up under the Ministry of Social Welfare.

The sixth Five-year plan (1980-85) saw a definite shift from welfare to development. It recognized women's lack of access to resources as a critical factor impeding their growth.

The seventh Five-year plan (1985-90) emphasized the need for gender equality and empowerment. For the first time, emphasis was placed upon qualitative aspects

such as inculcation of confidence, generation of awareness with regards to rights and training in skills for better employment.

The Eighth Five-Year Plan (1992-97) focused on empowering women, especially at the Grass Roots Level, through Panchayati Raj Institutions.

The Tenth Five year plan (2002-07) aims at empowering women through translating the recently adopted National Policy for Empowerment of Women (2011) into action and ensuring Survival, Protection and Development of women and children through rights based approach.

At present, the Government of India has over 27 schemes for women operated by different departments and ministries. Some of these are:

- Training of Rural Youth for Self-Employment (TRYSEM)
- Integrated Rural Development Programme (IRDP)
- Khadi And Village Industries Commission (KVIC)
- Rajiv Gandhi Mahila Vikas Pariyojana (RGMVP)
- Micro & Small Enterprises Cluster Development Programmes (MSE-CDP)
- Prime Minister's Rojar Yojana (PMRY)
- Entrepreneurial Development Programme (EDPs)
- Management Development programmes
- Women's Development Corporation (WDCs)
- Marketing of Non-Farm Products of Rural Women (MAHIMA)
- Assistance of Rural Women in Non-Farm Development (ARWIND) schemes
- Trade Related Entrepreneurship Assistance and Development (TREAD)
- Working Women's Forum
- Indira Mahila Yojana
- Indira Mahila Kendra
- Mahila Samiti Yojana
- Mahila Vikas Nidhi
- Micro Credit Schemes
- Rashtriya Mahila Kosh
- SIDBI's Mahila Udyal Nidhi
- NGO's Credit Schemes
- SBI's Stree Shakti Scheme
- National Banks for Agriculture and Rural Development's Schemes

- Priyadarshini Project-A Programme for “Rural Women Empowerment and Livelihood in Mid Gangetic Plains
- NABARD-KfW-SEWA Bank Project.
- Exhibitions for women, under promotional package for Micro & small enterprises approved by CCEA under marketing support

The efforts of government and its different agencies are ably supplemented by NGOs that are playing an equally important role in facilitating women empowerment. Despite concerted efforts of governments and NGOs there are certain gaps. Of course we have come a long way in empowering women yet the future journey is difficult and demanding.

SUCCESSFUL WOMEN ENTREPRENEUR- A CASE STUDY OF SHAHNAZ HUSAIN

Shahnaz Husain belongs to a royal Muslim family which migrated from Samarkhand to India and later held high positions in the princely kingdoms of Bhopal and Hyderabad before India's independence. Shahnaz received her schooling in an Irish convent and because of the influence of her father, Chief Justice N.U. Beg, she developed a love for poetry and English Literature.

“I do not sell products. I sell an entire civilization in a jar.”

- Shahnaz Husain

“She lives, sleeps, breathes her business. She is consumed with building a successful company which she has done.”

- Janine Sharell, Correspondent, CNN

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She captured the markets around the world and now she wants to conquer space. In an innovative move, Shahnaz Husain has started work on formulations that astronauts could carry with them in their extraterrestrial sojourns to protect their skin from the ravages of space travel and slow down the ageing process. She has sent National Aeronautics and Space Administration (NASA) free samples of her moisturizers, hoping that they will be used on space expeditions. Shahnaz Husain is one of India's most successful woman entrepreneurs. Her company, Shahnaz Husain Herbals is one of the largest manufacturers of herbal products in the world. It formulates and markets over 400 products for various beauty and health needs and has a strong presence across the globe, from the USA to Asia.

In 2002, the Shahnaz Husain Group, based in New Delhi, was worth \$100 million. It employed about 4200 people in 650 salons spread across 104 countries. The Group has seen a good growth rate in the 25 years that it has been in business.

The average growth rate in the initial years (late 1970s to the early 1980s) was 15-20%. In the 1990s the average growth rate was 19.4%. A number of awards, both national and international have been conferred on Shahnaz Husain.

Some of them are “The Arch of Europe Gold Star for Quality”, “One of the Leading Women Entrepreneurs of the World”, “The 2000 Millennium Medal of Honor”, “Rajiv Gandhi Sadbhavana Award”, etc. (Refer Exhibit I & II)

CONCLUSION

It can be said that today we are in a better position where women participation in the field of entrepreneurship is increasing at a considerable rate. Efforts are being taken as the economy has brought promise of equality of opportunity in all spheres to the Indian women and laws guaranteed equal rights of participation in political process and equal opportunities and rights in education and employment were enacted. But unfortunately the government sponsored development activities have benefited only a small section of women i.e. the urban middle class women. Women sector occupies nearly 45% of the Indian population. At this juncture, effective steps are needed to provide entrepreneurial awareness, orientation and skill development programs to women. The role of woman entrepreneur in economic development is also being recognized and steps are being taken to promote women entrepreneurship. Resurgence of entrepreneurship is the need of the hour emphasizing on educating women strata of population, spreading awareness and consciousness amongst women to outshine in the enterprise field. Making them realize their strengths, and the importance of their position in the society that will contribute greatly towards the industry as well as the entire economy, woman entrepreneurship must be moulded properly with entrepreneurial traits and skills to meet the changes in trends. Challenges in the global markets are also an important component that will encourage sustainability and strive for excellence in the entrepreneurial arena. If every citizen work with an attitude of respecting the important position occupied by women in society and understanding their vital role in the modern business field too, then very soon we can forecast and determine our chances of out-beating our own conservative and rigid thought process which is the biggest barrier in our country's development process.

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THE GENDER PERSPECTIVE OF ENTREPRENEURSHIP : CASE STUDY ON SMES IN CREATIVE SECTOR IN DENPASAR, BALI - INDONESIA

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ABSTRACT

The entrepreneurship ethos is an agent of development for economic growth through increased efficiency of utilization of production factors. However, still very few people (including women) are entrepreneurship-inclined. This study aims to see the extent of creative and innovative attributes among micro, small and medium-sized entrepreneurs and whether demographic factors, personality and contextual factors determine the nature of entrepreneurship from a gender perspective. The study was conducted in Denpasar-Bali which vigorously develops the creative economy. Samples were taken from over 120 SME entrepreneurs in the creative sector, including 87 businessmen and 33 business women. The result shows that the overall creative nature of entrepreneurs of SMEs is classified as 'good' which is supported by being social-friendly, hardworking, confident, risk-takers, and independent. They also embrace continuous improvements, hard work, openness and culture of excellence. From gender perspective, the entrepreneurial nature of SMEs woman entrepreneurs is lower than men. Men are generally more open to ideas, insights and new inventions than women. However, women are relatively more willing to take risks than men. The nature of entrepreneurship is significantly determined by factors of personality and contextual factors, but for woman entrepreneurs in SMEs, the only significant influencing factor is personality.

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Keywords: entrepreneurship, gender, personality.

INTRODUCTION

The change of mindset about the importance of education for women, especially for The Balinese people who adopt 'patrilinealism' can improve women employment participation. Increasing of women participation in the work force has been seen since 1980's as a result of the increasing female participation in education. Still and Tims (in Indarti, 2007) mentioned the phenomenon of increased participation of women in the labour force is correlated with increased participation in business. However, the increased participation of women, especially female entrepreneurs is still relatively small compared with the population. Therefore, more entrepreneurs (including women) are needed to support the development.

In Indonesia, it is very important to develop the ethos of entrepreneurship as an economic capital. This can be seen from the number of business units in Indonesia, most of which are units of micro, small and medium enterprises (MSMEs). Based on The Economic Census Data of 2006, this business unit makes up more than 99 percent and its contribution to GDP reached 53.3 percent where the number of workers constituted 96 percent. The export value of this business unit also achieved 20.3 per cent of Indonesia's non-oil exports in 2007, and the value of investments in SME sector reached 46.2 percent (Ministry KUKM Data and Statistics, 2006; in Soesilo, 2010). Furthermore, Nining I Soesilo, Director of the SME Center, University of Indonesia said that the number of entrepreneurs in Indonesia, currently estimated to reach 0.18 percent from the 2.0 percent needed to adequately support the economic development.

In the city of Denpasar, based on the Economic Census Data of 2006 (as seen in Table 1), the number of SMEs has reached more than 99 percent, absorbing more than 99 percent of the work force. Considering the enormous potential of the SME sector, it is absolutely true that the SME's empowerment pattern indicated improvement of the entrepreneurial spirit. The aim is to improve productivity of SMEs which is still relatively low compared with major business units together with government efforts in improving access to capital, training, technology and marketing.

Someone who possesses entrepreneurship traits and values means having a creative and innovative spirit. This is necessary as the basis for the development of the creative economy. Sukardi (1991) found 9 entrepreneurial traits in Indonesia, namely: instrumental, competitive, flexibility in associating or mixing with others, hard working, confident, risk-taking, self-control, and innovativeness. Entrepreneurial traits according to Sukardi (1987) included the creative personality. Creativity emphasizes on the emergence of new ideas, whereas innovativeness is more related to the implementation of ideas into a useful product. Holt (1992) and Morgan (1993) said that creativity is a requirement for innovation. Indarti (2007) mentioned several factors that determine entrepreneurial intentions that include demographic

Table 1. SMEs and Big Company in Indonesia, 2006

Description	SME (%)	Big Comp. (%)
The amount of business unit	>99	< 1
Proportion to GDP	53.3	46.7
Employment	96	4
Non Oil Export	20.3	79.7
Investment value	46.2	53.8

Source: Ministry of Cooperative and SME and BPS 2006; in Soesilo, 2010

factors and the individual's background, personality factors and contextual elements. Demographic factors and individual backgrounds are such as gender, age, educational background and work experience. Personality factors include the need for achievement, locus of control and self-efficacy; while the contextual elements include access to capital, access to information, and access to social networking.

This paper discusses how creative and innovative nature of micro, small and medium creative entrepreneurs, demographic factors, personality and contextual factors determine the nature of entrepreneurship from a gender perspective. It is based on the results of research conducted in Denpasar, Bali, which is currently developing intensively the creative economy. Samples were taken from over 120 entrepreneurs in the creative sector, including 87 businessmen and 33 business women.

CONCEPTUAL APPROACH

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The Indonesian General Dictionary (1996) defined entrepreneurship as clever or talented people who recognize a new product, determine the new production method, arrange an operation for the procurement of new products, market and manage the capital in its operations. Riyanti (2003) summarized the expert opinions about entrepreneurship as follows.

"Entrepreneurs are the people who create jobs for others by establishing, developing, and instituting his/her own company and willing to take personal risks in discovering opportunities and creatively use his/her potential to identify the product, manage and determine the mode of production, developing and operating the procurement of products, market and manage the operations of capital."

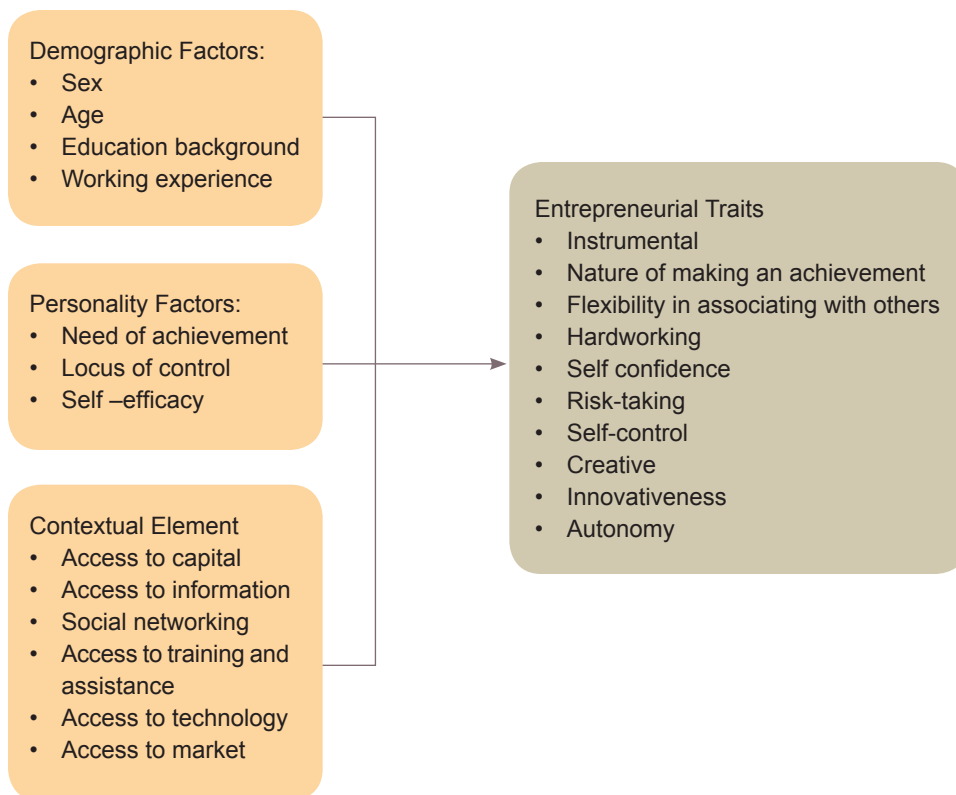
Sukardi (1991) found 9 entrepreneurial traits in Indonesia. The properties are as follows:

- 1) Responsiveness to business opportunities as well as those relating to job improvement.
- 2) The attitude for achievement, improving performance, using feedback, enjoying challenges and striving for continuous of products.
- 3) Flexibility in social networking, actively mingling with others, developing new acquaintances and trying to adjust themselves to different situations.
- 4) The attitude for hard work, trying to always be involved in the work situation, not giving up before the job is completed, devoting her/his full attention on the job, and involving continuously in the workplace.
- 5) Self control, being optimistic of success, and having a passion to directly involve in concrete activities without hesitation.
- 6) Attitude for taking calculated risks and brave to face an uncertain situation where the business is not always making return. Daring to take the risk of failure and always anticipating the possibilities of failure. And all their actions are carefully considered in detail.
- 7) Having a nature of self-control; making a serious effort to determine actions and be responsible for them.
- 8) Being innovative and always working hard to find new ways to improve performance. Open to ideas, views, and new discoveries that can be used to enhance performance. Not fixated on the past, old ideas, but forward looking and looking for new ideas.
- 9) Having the nature of autonomy; what will be done is a personal responsibility. The success or failure is associated with his/her personal actions. Prefer to have freedom in making decisions to act and does not want to depend on others.

Entrepreneurial traits advanced by Sukardi (1987) are shown by someone who has creative personality. Creativity emphasizes the emergence of new ideas, whereas innovation is more related to the implementation of ideas into a useful product. Holt (1992) and Morgan (1993) mentioned creativity is a requirement for innovation.

An approach developed by Indarti (2007) stated that the determinants of entrepreneurship are (1) demographic and individual's factor background, such as: gender, age, education background and work experience; (2) personality factors, including the need for achievement, locus of control, and self-efficacy, (3) contextual elements or instruments, including: access to capital, availability of information, social networking, training, technology, and market access. The nature of entrepreneurship refers to the entrepreneurial traits of Indonesian entrepreneur as conveyed by Sukardi (1987) as being instrumental, competitive or achieving goals, flexible in associating with others, hard working, confident, risk-taking, self-control, and innovative.

Figure 1. The Concept of Entrepreneurship in the Gender Perspective



RESULTS AND DISCUSSION

Creative Business Profile

Maturity of Operation

Maturity of operation can be associated with number of experiences in learning. Krstiansen, et.al.(2003) found that the maturity of operation was significantly associated with success in business. The maturity of operation for the respondents is 10.9 years in average, starting from a very young age of 1 year old up to the age of 65 years. The high risk in running the business causes some specific businesses to experience ups and downs and even bankruptcy. Fluctuations of the amount of business units especially SMEs from 2005 to 2008 reported by Bappeda Bali Province (Murjana Yasa, 2010) saw that this type of business was very vulnerable to closure or bankruptcy. The small scale business enterprises, particularly micro-enterprises are very vulnerable to closure during unfavorable economic conditions and then re-open when economic conditions improve.

On the other side, tenure of business run by small scale enterprises is closely associated with the capability of managing the business to survive in crisis and

looking for an inventive way to develop the business and also increasing its capacity to compete with other similar business.

Production Growth

During the period of 2007-2009, the production by SMEs' respondents increased by about 17 per cent or an average of 5.33 percent a year. The highest increase was in the production of fashion products, advertising, and design. Storey, 1994 (Indarti, 2007) mentioned that the key components that are important in analyzing the growth of SMEs include: the characteristics of entrepreneurs, SMEs own characteristics, and contextual elements in the growth of SMEs namely technology, marketing, access to information, the readiness of entrepreneurship, social networking, access to capital, and business plans.

Business Capital

The average amount of capital used by SMEs in creative sector in Denpasar has reached IDR 75,042.5 thousand. Capital is generally derived from loan (77.5 percent) or from own capital and a combination of both which is relatively a small percentage (22.5 percent). Regarding the loan repayment ability, most borrowers (33 respondents) said they had no problems with their ability to make repayment; however, 4 respondents mentioned of their difficulties in repayment. Some reports also noted that the failure of SMEs was relatively small in repaying their loans. This gives an indication that SMEs should not have difficulty in obtaining funding sources. Nonetheless, most SMEs are still not bankable; thus narrowing their access to capital/loan. Intermediation is needed to enable SMEs to obtain cheap funding with small interest loans, which are located not too far from their business location.

Number of Workers

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Regarding the number of workers, SMEs in the creative sector in Denpasar absorb various number of workers based on their business scale. The small-sized enterprises employ between 5-19 people (58.3 percent); the micro-enterprises employ between 1-4 people (24.2 percent); whilst the medium-sized enterprises employ between 20-99 people (17.5 percent). Generally micro-enterprises use family labour. Some family workers are paid and some are not. Similarly with small-sized businesses of which many are using family labor, the percentage of workers who are paid is more than the micro-sized enterprises.

Marketing of Products

Marketing of products from SMEs in creative sector in Denpasar has reached the international market through export commodity for example fashion and handicraft. Some industries even specialized only on export-oriented products. This is about 10 percent from the 120 SME respondents in creative sector in Denpasar. Table 2 shows about 73.3 percent of respondents are focusing their product penetration to the domestic market (within Indonesia) where 63 percent from those are in Bali

Table 2. The Marketing of SMEs Creative Industry's Product in Denpasar

Marketing Outreach	Amount	%
Local (Denpasar)	28	23.3
Local (Bali)	48	40.0
Among Islands (Indonesia)	12	10.0
Export	10	8.3
National supply and export	22	18.3
Amount	120	100.0

(Denpasar and its surroundings). The range of marketing needs a serious attention and concern in order to strengthen and expand market share. E-commerce being one of the Government Policy can stimulate the broad market access of SMEs in creative sector in Denpasar. Furthermore, E-commerce also functions in meeting the demand and the supply for certain products through virtual world (World Wide Web based marketing). This model is far more effective to improve the quality and efficiency of marketing of creative products directly to consumers.

Sources of Creativity

There are 12 sources of creativities for SMEs in the creative sector in Denpasar (Table 3). Several sources of creativity are inspired by tradition and culture; imitating others; own imagination; competition; reading, history, exhibitions and festivals. All of these sources make up 30 percent of preference by the respondents. Businessmen in creative sector use customs and culture as the important alternative option to develop their creativity. It is supported by the data where the tradition and culture ranked first by most of the creative entrepreneurs in MSMEs. This is an excellent potential, especially when the government of Denpasar also support the utilization of excellent cultural product to develop the creative industries. The development of the creative product from self-visualization is also very important. Self-visualization which comes from people's thoughts and are inspired by tradition and culture will strengthen the development of imaginative products based on customs and culture of excellence.

However, some respondents identify copying as the source of creativity which is the lowest in the levels of innovation. Creative product is not a mass product that can be created by anyone, but it is the unique product that comes from imaginative thought. This is a potential and an inspiration on how to change the mindset of 'copying' into an 'imaginative' mindset. Simply said, how will the products made by competitors inspire the emergence of a unique new product? At a much higher level, creativity instead is seen as a necessity from where new innovations will emerge.

Table 3. Source of the respondent's creativity (SMEs in Creative Sector in Denpasar)

Source of Creativity	Amount (%)	Rank (%)		
		1	2	3
Customs and Culture	75.8	12.5	5.8	3.3
History/Heritage	33.3	1.7	3.3	2.5
Reading	47.5	-	4.2	5.0
Seminar	20.0	2.5	0.8	-
Competition	55.0	1.7	5.0	10.8
Market Leader	14.2	0.8	2.5	-
Exhibition/ Festival	31.7	2.5	1.7	2.5
Showcase	16.7	-	1.7	-
Comparison and Differentiation	15.8	2.5	0.8	0.8
Own Imagination	72.5	10.8	9.2	2.5
Copying	73.3	5.8	8.3	5.0
Others	13.3	0.8	0.8	0.8

Respondents also put competition as a source of creative inspiration. A company that wants to move forward must put competitors as one of the reference elements of progress. Because of this, they will always be encouraged to develop products with higher quality and better creativity than its competitors.

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Opportunities to involve in exhibitions as well as the regular cultural festivals held by the regional work units association in Denpasar further support product development creativity. In addition, the exhibitions and cultural festivals also bring together buyers and sellers for market expansion. It is seen from a couple of exhibitions and cultural festivals event where sales turnover of SMEs exhibitors have increased and multiplied.

It is believed that the development of creative inspiration not only comes from one source, but is the result of various inputs. Training opportunity and creativity gathering among the creative communities have become important events that support the emergence of creative ideas, in addition to technology support. It becomes a responsibility of the Triple Helix (**A**cademics, **A**ctors in **B**usiness, and **G**overnment) in supporting the development of a competitive creative product.

Table 4. Creative Product Indicators by SMEs in Creative Sector in City of Denpasar

Indicators	Total (%)	Ranking		
		1	2	3
Vast market share	57.5	4.2	10.8	8.3
Using local raw materials	60.8	3.3	5.8	5.8
Labour consumption (Labourious)	36.7	0.8	4.2	2.5
Unique	83.3	16.7	5.8	4.2
Eco-friendly	61.7	4.2	2.5	5.8
Promoting culture and tradition	67.5	8.3	6.7	4.2
Others	19.2	0.8	-	1.7

Indicators of Creative Products of SMEs in Creative Sector in the City of Denpasar

Creative product is a product derived from the creative process that is based on intellectual property, expertise, talents, and originality. The value-add of the creative product is the result of the exploitation of intellectual property in the form of creativity, skill and individual talent into a product that can be commercialized. Creativity emerges or be developed and implemented from the depth of imagination of human's mind. For individuals or groups, creativity is an imagination that evolved or developed. Imagination can arise from various sources of reflection or development of the process of looking, reading, and listening (Murjana Yasa, 2009).

The high value-added creative products from SMEs in Denpasar are generated from various sources of creativity, such as tradition and culture. Besides having a high value-add, excellent creative product also has various characteristics such as uniqueness, promotes culture, eco-friendly, using local raw materials, and has a vast market share. The uniqueness of the product ranks highly as an indicator of a creative product. This is consistent with how they put customs and culture as the main creative source of the creation of a new creative product. Table 4 shows the 7 indicators of creative products produced by the SMEs in the creative sector in the City of Denpasar.

The strong perception by respondents on the importance of placing culture as the main character of creative product is parallel with their choice on how a creative product can also promote culture at the same time. When someone decides to buy a creative product from the SMEs, he/she will not only realize that the product is unique, but yet rich with philosophical tradition and culture, especially the culture of Bali.

Social Demographic Profile of Creative Entrepreneur Respondents in the SMEs

Age of Respondents

Age of respondents is strongly associated with productivity. Respondents in younger age (under 30 years) generally do not have enough experience in developing businesses. Between 30-39 years is the most productive age where someone should already have enough innovation in their business development. If at the relatively young age experiences and trainings are very important, then at the most productive age of between 30-49 years old, the combination of experience and expertise become the deciding factor for business development. At 50 years old and over labour productivity generally has begun to decline, yet perfect for the managerial phase due to maturity and more enriching management experiences. Wisdom on leading the business appears at this age. If he/she succeeds in developing its business organization which is supported by human resources and other adequate factors, sustainable business sets in at this age.

Table 5 shows that the age of respondents is generally located at the productive age of 30-49 years. Only 15.8 percent respondents are at 21-29 years age group. Their entrepreneurship can be developed through trainings, apprenticeships and others.

Education

Education plays an important role in the development of entrepreneurship. Someone with higher education is more likely to create innovation and creativity than those with low education. The results showed that the respondents are classified as having a very good education. As high as 36.6 percent of respondents are university graduates, 54.2 percent are junior and senior high school leavers and the rest have elementary education. From the range of age, it is found that the respondents' education background can strongly support the development of innovation and creativity among the entrepreneurs of SMEs in creative sector in Denpasar. Entrepreneurship training, mentoring through business incubators, technology

Table 5. Respondents By Age Group

Age Group (Years)	Total (No)	%
21-29	19	15.8
30-39	43	35.8
40-49	42	35.0
50-59	12	10.0
60+	34	3.3
Total	120	100.0

adoption, development of marketing through E-Commerce, develop access to capital and adoption of modern management based on local experts are possible to be implemented in the creative sector.

Region of Origin

Denpasar is a multicultural city with not less than 18 ethnic groups such as ethnic Balinese, Javanese, Bugis, Arabs, Chinese, Lombok, and others. Flows of migrants into this region since the last 25 years are relatively high that bring impact on the changing of structure and composition of the population, including in business ownership. From the perspective of the creative economy, population composition of Denpasar is expected to grow because of the inclusion of a variety of innovations brought by the migrants. The residents and local entrepreneurs develop products based on local wisdom with the modifications brought by migrants. This innovation also should reinforce the image of local experts that is reflected from the final product.

Data in Table 6 shows the origin of SMEs respondents in the creative sector in Denpasar. 30 percent are internal migrants from Bali who came from some districts in Bali; 36.7 percent from outside Bali; and only 33.3 percent are local residents of Denpasar. Theoretically, the strategy of migrants in maintaining their survival as well as their businesses makes it imperative to innovate. That is also why the potential for success in business led by migrants has a higher probability than by locals. In addition, the attachment of local residents with a variety of daily activities that are not related to business development is also high.

The diversity of SME respondents in creative sector is not only visible from their homeland, but also religion and ethnicity. As many as 58.3 percent of the respondents are Hindus and 26.7 percent are Muslims, while the rest are Catholics, Protestants, and Buddhists. Religious differences can create disparities in creativity and innovation. Religion can be a spirit and a normative basis to work hard. The foundation of hard work based on religious norms that are functionally developed in society can be a combination of spirit of creativity and innovation in product development. They also come from various ethnicities. Most respondents came from Ethnic Bali (60.8 percent), Ethnic Java (25.8 percent), Ethnic Chinese (3.4 percent) and other ethnic groups (10 percent).

Table 6. Region of Origin of Respondents

Birth place	Total (No)	%
1. Denpasar	40	33.3
2. Other Districts in Bali	36	30.0
3. Outside of Bali	44	36.7
Total	120	100.0

Entrepreneurship Training

Entrepreneurial spirit is formed due to various factors. They could be due to congenital factors, formal education or non-formal education through training, through experience or a combination of both. The importance of entrepreneurship education has made the Government of Denpasar to continuously hold entrepreneurship education programmes and trainings for prospective businessmen as well as entrepreneurs. For the prospective businessmen, the entrepreneurship training is aimed to instill the entrepreneurial spirit among younger generations to be able to open business opportunities for themselves or others. The Young Entrepreneur Competition that was organized by The Government of Denpasar in October 2010 was one of the positive attempts to awaken and sound out the importance of entrepreneurial spirit among the younger generation.

For the existing entrepreneurs, refresher courses are necessary to open opportunities for creativity and new innovations. Like a knife, to keep it sharp, it should be sharpened continuously through education and experience. Unfortunately, as shown in Table 7, most of respondents (69.2 percent) had not yet obtained any form of entrepreneurship training before. Training can be conducted via a tripartite cooperation (triple helix), namely government, business and academia, including the banking sector. This cooperation can generate patterns of entrepreneurship training that are more effective ensuring higher quality and more efficient than if each went on its own.

Innovative Entrepreneurship Development Strategy

a. Entrepreneurship Profile of SMEs Entrepreneurs in Creative Sector

Adopting the idea by Sukardi (1991), creative traits of the entrepreneurs in creative industries in City of Denpasar are indicated by eight traits namely: the instrumental nature, the nature of making achievement, the nature of having flexibility in associating with others, the nature of hard work, the nature of self-belief, the nature of risk taking, and the nature of independence. The nature of creativity is very important to bring about new ideas that will become the foundation of innovation. Appearance of new ideas will be properly implemented into creative products if these entrepreneurs have an innovative spirit.

Do the SMEs in creative sector in Denpasar already have an adequate entrepreneurial spirit akin to having creative and innovative SMEs? This question can be answered from the research results as shown in Table 8 which explains that the SMEs entrepreneurs in creative economic sector in Denpasar can be categorized as 'creative'. This statement is supported by most of the respondents (99.6 percent) who strongly agree to the statement of having an instrumental nature. They have a nature of being responsive to any business opportunity and taking initiatives on job improvement.

The propensity for achievements among SMEs in creative sector in Denpasar can be categorized as 'good'. On average, 26.7 percent of the respondents "strongly agreed" on this statement and 65.63 percent "agreed". This shows that the SMEs entrepreneurs in creative sector have the required entrepreneurial skills towards making an achievement. The nature of making an achievement is defined as always trying to improve performance, using feedback, relishing challenges and continuous improvement in performance.

An entrepreneur must be sociable to mingle with anyone, nurture new acquaintances and trying to adjust themselves in various situations. This is reflected by 24.7 percent of respondents who had "strongly agreed", and 70.3 percent who had "agreed"; however there were some who had "disagreed". From these findings, it could be argued that the SMEs entrepreneurs in creative sector in Denpasar can be categorized as having a good nature of being able to associate themselves with others.

The other attribute in the 'good' category possessed by the SMEs entrepreneurs is hard work, which is trying to always be involved in the work situation and not easily giving up before the job is completed, devoting his/her full attention on the job, and have the energy to engage in continuous employment. On average, 26.25 percent of the respondents "strongly agreed" and another 68.35 percent "agreed" to the statement of the nature of hard work. Thus, this can be argued that the SMEs entrepreneurs in creative sector in Denpasar have the attribute of working hard in their business.

In the case of confidence, respondents who "agreed" were rated at 67.1 percent and "strongly agreed" at 27.5 percent. Confidence can be defined as a principle with full of optimism that their efforts will succeed with passion to being directly involved in concrete activities without hesitation.

An entrepreneur must also possess courage to take calculated risks, defined as a trait that is not easy to feel worried when facing uncertainty regarding business prospects. An entrepreneur should be daring to take risks of failure while anticipating the risks of failure. On average, the respondents' answers show that they have the courage to take risks. As many as 61.25 percent of the respondents "agreed" and another 15.85 per cent "strongly agreed" to this statement. However, there were still quite many of the respondents who "did not agree" and "strongly disagreed" to this contention. Both made up 22.95 percent of the respondents.

Self - control is defined as the nature that can exactly determine what to do and be responsible. The findings showed that overall the respondents could be categorized as 'good' based on the criteria of self-control. About 73.75 percent of the respondents "agreed" that an entrepreneur must possess self-control. Some of respondents honestly admitted that they do not have self-control trait especially when deciding

what they want to do. This condition is reflected in the basic characteristics of the small and micro businesses which are mostly operated by family members or family businesses. Decisions are made by the head of family who acts as the head of business together with the spouse and the other family members.

An entrepreneur should also have a nature to be independent. The success or failure is associated with his/her personal actions. Independence is associated with a character that is free in making a decision to act and does not want to depend on others. Relating to this, about 66.25 per cent of the respondents had “agreed” and 16.65 percent “strongly agreed”; whilst 21.65 percent “disagreed” and a marginal 1.65 percent had “strongly disagreed”.

Based on the findings of the 8 traits of entrepreneurship, it can be said that SMEs entrepreneurs in creative sector in Denpasar are creative entrepreneurs. They were able to seize the business opportunities and capitalize on them to stimulate new innovative ideas.

Three indicators used to measure entrepreneurs who are innovators: 1) Are they working hard to find the best way to improve their performance?; 2) Are they open to any ideas, views, and new partnership to improve performance?; 3) do they use the local experts to inspire their work improvement? Based on these three indicators, respondents of SMEs in creative sector in Denpasar can be categorized as innovators. This statement is supported by the survey results where about 63.37 percent of the respondents claimed that they “agreed” and 31.37 percent had “strongly agreed”; however, 5.27 percent “did not agree”.

The SMEs entrepreneurs in creative sector in Denpasar can be categorized as entrepreneurs having a good entrepreneurship trait with potentials in creativity and innovation. This is an important trait for an entrepreneur to develop the small and medium-sized enterprise in creative sector in becoming more sustainable with a bigger scale of business in creative products. Eventhough all of the SMEs entrepreneurs in creative sector in Denpasar are categorized as good entrepreneurs, there are some elements within the Creativity and Innovation traits that still need an extra attention – the use of feedback to improve performance, social networking and improving job orientation. Besides, entrepreneurs need to have an understanding on the macroeconomic condition and the business environment to anticipate any change of business circumstances in order to make an accurate and a well-informed decision. More attention should be addressed to the weaknesses in self-control and independence among the entrepreneurs so that they are able to distinguish between household problems and business problems. The decision-making process is very different in both situations and they cannot be mixed up.

Table 8. The Entrepreneurship Traits of SMEs Entrepreneurs in Creative Sector in Denpasar

No.	Questions	Agree (%)		
		Male	Female	Total
1.	Instrumental trait			
1.1	I am always trying to capture the opportunities to be implemented in real activities	100.0	100.0	100.0
1.2	I am always trying to improve my work whenever there is an opportunity for that	100.0	97.0	99.2
2.	Nature of making an achievement			
2.1	I am always trying to improve my work achievement	100.0	100.0	100.0
2.2	I always use feedback to improve corporate performance	83.9	100.0	88.3
2.4	I really like challenges to develop my business	83.9	78.8	82.5
2.5	I am always trying to perform better today than yesterday	98.9	97.0	98.3
3.	Mingling with others			
3.1	I am very happy to mingle with anyone	97.7	100.0	98.3
3.2	I am always striving to nurture new acquaintances to develop my business	98.8	97.0	98.3
3.3	I am striving to adjust myself to any circumstances	86.2	97.0	89.2
4.	The nature of hard work			
4.1	I don't like to give up before I accomplish my responsibilities/tasks	100.0	97.0	99.2
4.2	I devote my attention entirely to my job	89.7	90.9	90.0
5.	The nature of self-confidence			
5.1	I am optimistic that my business will run well and succeed	97.7	87.9	95.0
5.2	I am always trying to engage directly in activities that become my responsibility	96.5	87.9	94.2
6.	The nature of risk-taking			
6.1	I am not worried about any uncertain circumstances that may undermine the success of my business	57.5	71.8	64.2
6.2	I always consider carefully any action to be taken	89.7	90.9	90.0

No.	Questions	Agree (%)		
		Male	Female	Total
7.	The nature of self-control			
7.1	I decide by myself of what I should do	80.5	88.8	80.0
7.2	I am responsible for every decision that I made	97.7	90.9	95.9
8.	The nature of innovation			
8.1	I always work hard to find new ways to improve my performance	97.7	83.9	96.7
8.2	I am very open to any ideas, views, and new discoveries to enhance my performance	95.4	83.9	95.0
8.3	I made use of local experts from Denpasar City and Bali to inspire my business improvement performance	90.8	97.0	92.5
9.	The nature of less-dependency			
9.1	Every action I took is my personal responsibility	85.0	90.9	86.7
9.2	Every action I took is certainly based on my own consideration	82.8	69.7	79.1

In order to increase the entrepreneurs' level of the understanding on culture that is unique in Denpasar specifically and Bali in general, an intense socialization programme focusing and enhancing on the richness of Denpasar's culture and traditions must be organized which can be capitalized and tapped from to improve creativity and innovativeness. Denpasar's unique culture and tradition can be a source of inspiration and creativity whilst strengthening the integrity of the small and medium-sized enterprises in the creative sector. In addition to the traits that enhances the entrepreneurial spirit above, other important aspects must be considered as a strategy to enhance the creativity and innovation of SMEs businessmen. Those aspects are the factors that determine the entrepreneurial spirit level which are the (i) demographic factors including: gender, age, educational background, and previous work experience; and (ii) the personality factors including: the need for achievement, self-control, and self-efficacy.

Theoretically, contextual elements are affecting the entrepreneurial spirit. Indicators of contextual factors include government support in terms of access to capital, access to information relating to the availability of information technology, availability of social networks infrastructure, availability and opportunities for training and mentoring programmes, access to technology as well as access to market. The variables that need further description are personality factors, self-efficacy factors, and contextual elements.

Personality is constructed by several indicators which are the need for achievement, self-control, and self efficacy. In regard to the need for achievement, Mc. Clelland (1965) mentioned that a person with high achievements needs more confidence and he/she will carefully calculate the risks, examines his/her environment actively, and is very interested in the concrete measurement of his/her actions. Lee (1997) argued that the need for achievement is conceptualized as a unitary disposition that motivates persons to face challenges in order to achieve success and excellence. Results showed that as high as 63.13 percent of the respondents “agreed” and 22.93 percent “strongly agreed” toward the positive perception of the need for achievements indicators. However, the lack of desire to seek additional responsibility for the work they entailed is the most important factor that is lagging behind and has less attention and focus from the respondents. This statement is supported by as many as 65 percent of the total respondents.

According to Hisrich and Peters (1998), locus of control is understood as an attribute that indicates a sense to control in people. When considering a new company, people will think about whether they are able to maintain the initial motivation and energy needed to handle the challenges in developing, managing, and gearing the business to prosper. Green, et.al (1996) described the locus of control as the degree to which individuals perceive success and failure depending on personal initiatives. As can be seen in Table 9, respondents of SMEs in creative sector in Denpasar have self-control that is categorized as ‘good’ and supported by the belief that diligence and hard work is the path to success; never giving up before success is achieved; and that success needs to be pursued with perseverance and hard work, not luck alone.

Self-efficacy and social learning knowledge (Bandura, 1997) relate to the trust of someone in his/her ability in handling a task. Cromie (2000) stated that the self-efficacy affects someone’s trust regarding the achievement of those objectives. Although the majority of respondents agreed and strongly agreed that they have the skills and mental maturity required of an entrepreneur, but an average of 10.8 percent still doubt that they have this capability and capacity. This pattern indicates the need for training and mentoring to increase their self-efficacy.

Respondents’ perceptions on various contextual elements that have been initiated by the government of Denpasar City through various policy and programme development of SMEs, such as access to capital, access to information technology, access to social networks infrastructure, access to training and mentoring and access to markets, show that they had obtained the necessary access to their business development (Table 10). An average of 63.05 percent of respondents “agreed” and 20.83 percent of respondents “strongly agreed” that they have gained the needed access and have been useful for their business development. However, there were two things that still need attention: access to capital and training and mentoring. As high as 36.7 percent of respondents said that they had not yet obtained adequate

access to capital, and a substantial 25.8 percent of respondents said they still have not gained adequate access to training and mentoring.

Table 9. Perceptions of Respondents towards Personality Characteristics Influencing Entrepreneurship Trait

No.	Personality Characteristics	Agree (%)		
		Male	Female	M+F
1.	Need for Achievement (Performance)			
1.1	I will do my best at handling difficult tasks in my job	88.5	94.9	90.00
1.2	I will strive very hard to have a continuous improvement on my job performance	98.9	90.9	97.06
1.3	I will seek for added responsibility on top of my current job	55.2	69.8	59.10
1.4	I will strive harder to out-perform my colleagues	97.7	100.0	98.3
2.	Self-control			
2.1	Determination and hard work will lead to greater success	98.9	90.9	96.7
2.2	If I fail in one job, I shall never give up	94.3	90.9	93.3
2.3	I do not entirely believe in luck and fate	79.4	88.7	89.00
3.	Self-efficacy			
3.1	I possess leadership skills required of an entrepreneur	83.9	87.9	85.00
3.2	I possess mental maturity required of an entrepreneur	90.8	95.9	91.70

The impact of demographic, personality, and contextual element variables toward the entrepreneurship traits is performed by the result of multiple linear regression as can be seen on Table 11. Four demographic variables including gender, age, education, and previous experience statistically have no significant effects toward the entrepreneurship traits of SMEs in creative sector entrepreneurs. It definitely means that there is no certain distinction on the following criteria: between man and woman entrepreneur; between entrepreneurs of less than 30 years old and above; between entrepreneurs with economics and non-economics background; and between entrepreneurs who have and have not any previous jobs.

Table 10. Respondents' Perceptions towards the Contextual Elements that are Affecting the Entrepreneurship Trait

No.	Contextual Elements	Agree (%)		
		Male	Female	M+F
1.	The capital access accelerator programme by government helps me to develop my business	56.3	72.8	61.0
2.	The information access in form of Information Technology (TI) helps me to develop my business	90.8	96.9	92.5
3.	The social network infrastructure helps me to develop my business	93.1	97.0	94.1
4.	The access to training and assistance helps me to develop my business	65.5	87.8	71.7
5.	The access to the provided technology allows me to develop my business faster	90.8	93.9	91.7
6.	The available market access facilitates my business to market the products	92.0	93.9	92.5

Table 11. Various Variables that Affect the Entrepreneurship Traits of the SMEs Entrepreneurs in Creative Industry in Denpasar

Description	Male		Female		M + F	
	Coef (b)	t	Coef (b)	t	Coef (b)	t
Constant	24.674	4.848***	20.786	1.399	25.184	4.743***
1. Demographic Variables						
a. Sex	--	--	--	--	0.388	0.341
b. Age	1.816	1.203	-1.231	-0.362	0.572	0.392
c. Education	0.801	0.567	4.125	1.295	2.152	1.590
d. Other occupations	-0.335	-0.328	4.496	1.503	0.909	0.863
2. Personality	1.029	5.924***	1.233	2.914***	1.045	6.084***
3. Contextual Element	0.884	3.761***	0.663	1.002	0.775	3.202***
F Change	17.507***		2.958**		13.807***	
R	0.721		0.595		0.652	
R Square	0.519		0.354		0.425	
Sample	87		33		120	

Personality and contextual element variables have significant impact towards the entrepreneurship trait of respondents. This means that in order to develop and strengthen the entrepreneurship traits and characteristics of SMEs entrepreneurs in the creative industry in Denpasar, most importantly is to focus and emphasize on the personality characteristics (need for achievement, locus of control and self-efficacy) as well as the contextual elements (direct access to finance, access to the information technology, development of social network, access to the production technology, and access to market). Especially on the last one, the local government of Denpasar should hold programmes focusing on this and make them available and accessible to these entrepreneurs so that they can further deepen their understanding and knowledge in running a business.

CONCLUSION AND RECOMMENDATION

Conclusion

1. On the entrepreneurship trait, SMEs entrepreneurs in the creative sector in the City of Denpasar generally possess good entrepreneurship traits. They possess strong potentials in creativity and independence. Relatively the creativity of the man entrepreneur is no different from the woman entrepreneur. Nonetheless, in terms of innovativeness, the man entrepreneurs are more innovative than woman entrepreneurs. Woman entrepreneurs, on the other hand, are more sociable in the business environment and are more daring to take risks than the man entrepreneurs. However, the woman entrepreneurs are less confident and have lower sense of independence than the man entrepreneurs.
2. The entrepreneurship traits of man entrepreneurs are determined by personality factors and contextual elements; whereas, woman entrepreneurs are mostly determined by personality factors only.

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Recommendations

Below are some aspects that need to be considered to support woman entrepreneurs;

1. On the personality side, create a more tailor-made training programme focusing on motivation to encourage woman entrepreneurs to be braver in risk-taking and assuming more responsibilities. In patrilineal culture, the men are more dominant as they are the decision-makers in households. However, women in business need to be empowered to be more courageous in taking responsibilities in decision-making and be braver in risk-taking.
2. Apart from that, focused training programmes should also be held for woman entrepreneurs in enhancing and heightening their leadership skills in business.
3. Furthermore, access to direct financing for businesses run by women must be improved intensively and made available.

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CAPACITY BUILDING AND WOMEN ENTREPRENEURSHIP IN ACHIEVING SOCIO-ECONOMIC SUSTAINABILITY: CASE STUDIES OF SELECTED KUNITA GROUPS IN MALAYSIA

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ABSTRACT

This paper is trying to explore and understand how the capacity building programme, established by LKIM (Fishing Development Authority of Malaysia) through KUNITA organization has produced a group of potential woman entrepreneurs. KUNITA (Fishermen's Wives Association) is an organization established under LKIM's Community Development Programme with the aim to enhance the women's capacity in generating income for their families. This paper is based on the findings from three KUNITA groups in Johor, Penang and Selangor. The groups are involved in various entrepreneurship activities such as producing fish ball, fish lekor, fish crackers and handcraft projects using seashells and fish scales. The study will also try to understand the perceptions of KUNITA members on "being entrepreneurs", their motivations and the challenges that they faced. This paper revealed that active participation, strong interest, creativity and the aggressiveness of the agencies in assisting the women activities has become a major factor in producing more woman entrepreneurs under that programme. The study also shows that the capacity building programme in KUNITA can be used to mould rural women particularly those marginalized and poor women to become entrepreneurs and finally be able to improve their socio-economic status. However, due to lack of knowledge, marketing skills and high risks, the likelihood of them to emerge as high-profile entrepreneurs and producing at a larger scale in the small and medium industries, is very remote. Thus, it is a challenge for LKIM to ensure that this capacity building programme can finally sustain the economic livelihood of the fishing communities in Malaysia.

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Keywords: capacity building, entrepreneurship, Fishermen's Wives Association (KUNITA), LKIM

INTRODUCTION

The Malaysian Government has always put strong emphasis on the development of Small and Medium Enterprises (SMEs) because of its important role in the advancement of Malaysia's economy. SMEs are an important avenue to promote local investment and the development of indigenous local products. Many programmes have promoted the nurture and culture of entrepreneurship in Malaysia, which is reflected by the New Economic Policy (NEP) in 1970 such as implemented under SMIDEC (Small and Medium Enterprise Corporation Malaysia – now known as SME Corp Malaysia), MARA (Majlis Amanah Rakyat), PROSPER, etc.. The establishment of the Ministry of Entrepreneur Development in 1995, aimed at building entrepreneurship and providing training and financial assistance, reflected the seriousness of the government to promote entrepreneurship in Malaysia including woman entrepreneurs. As a result, 49,554 units of businesses were registered and owned by women in 2000 and the number had increased to 54,626 units in 2001 (CCM, 2003). This shows the increasing number of women venturing into entrepreneurship and yet very few studies have been done that focus on women (Baker and Aldrich, 1997). Most women entrepreneurship in rural areas is rather more of a micro enterprise than SME (Nor Hafizah, 2011; Nurbani, 2011; Chong 2010). This paper will examine the forms of capacity building provided by KUNITA (Fishermen's Wives Association), established under the Lembaga Kemajuan Ikan Malaysia (LKIM).

Rural, poor and marginalized women often face many challenges in achieving economic equality and attaining socio-economic sustainability, especially among single mothers who have limited sources of income. Although there has been a lot of research on Malaysian woman micro-entrepreneurs but the contribution of government agencies as host agency in establishing women organization by promoting entrepreneurship as the platform to achieve socio-economic sustainability is still limited. Various challenges faced by SMEs in Malaysia have been identified, particularly small businesses in rural areas such as low level of productivity, inconsistent supply of raw materials, low and inefficient production level, outdated processing methodology and equipment, poor quality of food products and product packaging, poor hygiene and sanitary practices, lack of product development and marketing know-how (Hicks, 2001), particularly to those woman micro-entrepreneurs in rural areas where they seem to be insignificant due to their marginality in terms of low education, low skill and limited access to financial credit (Nor Hafizah, 2011). It is therefore crucial to explore the contribution of this agency in producing woman entrepreneurs through the capacity building programme in order to broaden our experience and fill up the knowledge gap in the area.

This paper looks at the means that they use to generate capacity building by using formal agency programmes such as KUNITA activities to enhance their level of confidence, skills, networking and in the end leads to empowering them financially.

The study focuses on marginalized women who have the characteristics of low education attainment and experiencing limited access to formal financial credit. The respondents are members of KUNITA in three different states, namely, Penang, Selangor and Johor. This study is important in understanding how poor rural women struggle in the micro enterprise business. These findings are also useful to agencies and decision-makers to plan future income generating projects to help single mothers and marginalized rural women.

LITERATURE REVIEW

Capacity Building and Socio-economic Sustainability

As defined by UNESCO (2006), capacity building is “the ability of individuals, organizations or systems to perform appropriate functions effectively, efficiently and sustainably” (UNESCO, 2006:1). It is a process whereby the abilities of individuals, groups and organization are improved to achieve certain goals and objectives by improving the ability to perform important functions, define and solve problems, achieve objectives and understand and deal with development needs (UNESCO, 2005: UNDP, 1997: 1998). There are three main transformations element in capacity building: human resource development; organizational development and institutional or legal framework development (UNESCO, 2006). Human resource development refers to training, education and provision of information, whereas, organizational development is more towards managing structures, process and procedures of an organization and between organization sectors. Institutional and legal frameworks include legal and regulatory changes to enable organization to improve their capacities.

In referring to poverty alleviation, Concern Worldwide (2001) refers capacity building as a solution towards poverty alleviation, especially in promoting socio-economic sustainability. Socio-economic sustainability is part of the three pillars of sustainable development besides environmental and socio-cultural sustainability. Socio-economic sustainability includes meeting basic needs, which include indicators used to gauge the Human Development index (HDI), such as literacy rate, health and mortality rate. Socio-economic sustainability also includes reducing disparities between the rich and the poor, whether it is of inter or intra nature. Inter means between the existing generations, while intra means between today's and future generations. Thus, poverty alleviation is an important component of socio-economic sustainability and the development of capacity building of a production system at all levels - individual, community, organization and institution are important to achieve this.

Women and Entrepreneurship

It has been widely argued that entrepreneurship is often considered as a gateway for women to generate income so that a more sustainable livelihood can be achieved

(Spevaek, 2011). Various factors have been documented on why women are pushed into entrepreneurial activities ranging from poor economic conditions, high rates of divorces to unemployment (Raduan 2006; Pingle 2005). It is argued that “early-stage entrepreneurial activity is generally higher in those countries with lower levels of GDP due to the fact that many “are pushed into entrepreneurship because all other options for work are either absent or unsatisfactory (necessity entrepreneurs). Becoming an entrepreneur is an “evolution of encountering, assessing, and reacting to a series of experiences, situations, and events produced by political, economical, social and cultural changes” (Jalbert, 2000). However, there are others who argued that women ventured into entrepreneurship because of the desire for self determination and for career challenge (Moore and Butner, 1997).

The literature review revealed that there is no universal definition of entrepreneurs, yet most of the definitions used have been focusing on the aspect of activities performed, capital involved, risk involvement and the psychological aspects of the actors (Rutashobya & Nchimbi, 1999). Marris in Kristiansen (1999) defined an entrepreneur as those people who can see and exploit a business opportunity. In this paper, the concept of entrepreneur is referring to women who exploit the opportunity to operate small-scale businesses created through their involvement in woman organizations with institutional support.

Involvement in entrepreneurship has been proven to be good strategies in supporting livelihoods and income generation for poor women in developing countries (Hays-Mitchell, 1999; Madheswran and Dharmadhikary, 2001; Makombe, and Kihombo, 2005) and many scholars seem to agree that an entrepreneurial skills can be developed by capacity building in the form of education and training (Dolinski et. al, 1993; Watson, 2002). Thus, many attempts have been made to develop entrepreneurship development programme which inculcates entrepreneurial culture such as by providing financial capital through micro-finance scheme. The literature review concerning poverty alleviation cited various cases where microcredit has significantly improved the well-being of women and their families and to a certain extent eliminate poverty (Jalbert, 2000; Creevey, 1996). However, there are also criticisms on the difficulties in getting access to these micro-finance schemes. A substantial literature exists on the contribution and effectiveness of microfinance institutions in reducing women’s vulnerability to poverty, thus improving the economic status of the women (Baden and Milward, 1995; Mayoux 1995; Graham 2001). Baden and Milward argued that “although women are not always poorer than men, because of the weaker basis of their entitlements, they are generally more vulnerable and once poorer, they may have less options in terms of escape. Cheston and Kuhn (2001) assert that the reduction in women’s vulnerability can be translated into empowerment particularly if the women have greater access to financial security and therefore become more assertive in household and community affairs.

CAPACITY BUILDING AND WOMEN ENTREPRENEURSHIP IN MALAYSIA

Encouraging women to venture in entrepreneurship is one way to upgrade their socio-economic conditions. However, it has been documented that most rural and poor women in Malaysia are involved in self-employed work (Chong 2010). Many of them are in the micro business profession due to hindrances such as low education attainment, lack of resources, linkages and skills to enter the formal and large scale businesses (Nurbani, 2011). Che Rose, Kumar and Lim (2006) also argued that in Malaysia, personal initiative is the major key to success in SMEs industry. They argue that entrepreneurs with high personal initiative will naturally overcome the disadvantages or weaknesses in them with their self-starting and proactive attitude. They also provided similar evidence to that of previous studies that level of education has also contributed to the business growth. Harper (1996) argued that poverty is not a sole pushing factor for women to get involved in entrepreneurship. It is awareness and interventions of individuals or institution that help women to become more entrepreneurial. Capacity building in the context of this paper is related to efforts implemented to facilitate the poor rural women, specifically in enhancing their entrepreneurial skills in small scale or micro enterprise.

The capacity building through networking and association is important but does not suffice the requirement to ensure their socio-economic sustainability. The programme under the capacity building can overlap between the networking and institutional support. Examples of the capacity programme include training and education; these are usually done informally among peers and women's group. The training and education conducted by the institution is usually new, exogenous nature and done formally by the institutions. Examples of training and education conducted by the institution include hygienic awareness programme, food preparation skills, explanation of resources, especially the availability of monetary and equipment, such as in the form of micro-finance schemes, and training to handle new equipment or machineries.

Institutional capacity building also includes visitation and exchange to other states to build a knowledge capital and enhancing moral aspirations among the woman entrepreneurs. Institutional capacity building is important especially in an effort to bring the woman entrepreneurs towards higher and more professional levels. The important element of institutional support in promoting entrepreneurship has been emphasized by many scholars (Bhargava 1995, Sharma et al. 1990, Elder and Olson 1989), although the effectiveness of that support is still uncertain.

The goals of the capacity building exercise are to mobilize women to form Self Help Group as a way to achieve socio-economic sustainability. This will be the time when they do not have to worry about working to meet their basic needs but they are able

to make independent decision on investment and achieve continuous profit. This paper suggests that the capacity building exercise in entrepreneurship programme under these agencies has helped members of the organization to achieve socio-economic sustainability although there are full of challenges in meeting that objective as described in the case studies below.

RESEARCH METHODOLOGY

There are 3 KUNITA groups were selected representing 3 State Fishermen's Association, namely Johor, Selangor and Penang in this study as shown below.

Table 1: KUNITA Groups

No.	KUNITA groups	Type of business
1.	KUNITA Sedeli	Handcraft, batik canting, tailoring
2.	KUNITA Titian Murni	Handcraft, catering, food processing
3.	KUNITA Pulau Betong	Fish <i>lekor</i>

The data used for this paper were gathered through qualitative approach. A series of in-depth interviews were carried out with the members of KUNITA group to document their involvement in the KUNITA activities. The selection of KUNITA groups is based on the group performance record and also through the assistance of State Fishermen's Association.

LKIM AND KUNITA ASSOCIATION

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KUNITA is an association established under the Fishermen's Association and the latter is under the control of the Malaysian Fishery Development Authority (LKIM). KUNITA is formed with the objective to increase the socio-economic status of fishing families, together with strengthening the institution of fishing communities. National Fishermen's Association (NEKMAT) as a sub body under LKIM is viewed not only as a vital government agency that becomes the mobiliser to local economic activity but it also plays a role in strengthening the social solidarity and bonding in the community. There are 13 State Fishermen's Associations represented in all Malaysian states. In each state, there are several Area Fishermen's Associations (AFA). In Penang, for example, there are 4 AFAs (Seberang Perai Selatan, Ujong Batu, Teluk Bahang and Pulau Pinang Selatan); 5 in Selangor (Sungai Besar, Kuala Selangor, Pelabuhan Kelang, Kuala Langat, Sepang) and 8 in Johor (Muar, Batu Pahat, Pontian, Johor Selatan, Pengerang, Mersing, Sedeli and Endau)¹. KUNITA is directly under the

<1> Retrieved from http://www.lkim.gov.my/persatuan_nelayan, November 2011.

management of AFA in which case the members are also registered with AFA. There are five Units developed under the LKIM's Development programme: Community Development and Fishermen's Association, Agro-based Industry, Infrastructure, Marketing and Management of Fish Landing Jetties. KUNITA is basically under the Community Development Unit (KUNITA, 2007).

Fishermen's wives as members are encouraged to venture into small-scale businesses particularly based on marine products. KUNITA is an abbreviation to *Kumpulan Isteri-Isteri Nelayan* (Fishermen's Wives Association) and thus memberships are solely women which included the wives and daughters of fishermen. To achieve this objective, LKIM together with various government agencies such as Fisheries Department, Agricultural Department, Malaysian Handicraft Board etc provides capacity building programmes that offer various courses and trainings for free to selected KUNITA members. These trainings are important to expose and enhance their skills which are essential as a starting point to venture into entrepreneurial activities. By becoming members of PNK and KUNITA associations, they are accessible to these various courses and trainings. After these participants completed the courses, LKIM will encourage them to start their own businesses by providing equipments and business premise. Various kinds of businesses have been ventured by the KUNITA members which among them are marine-based products such as fish balls and fishcakes, fish crackers and non-marine products such as the processing of yellow noodle, tofu, traditional cakes, bean sprout and tailoring. KUNITA is not only focusing on economic activities but also actively involved in socio-cultural activities where the group is often invited either to perform at wedding ceremony or as volunteer group to entertain guests at special functions in their communities. During wedding, members of KUNITA will be invited to perform *Nasyid* ² and *Marhaban* or become the *kendarat* (guest usher). Reciting quran has also become a weekly social event as one of the ways to create bonds between KUNITA members and the local community.

LKIM and Capacity Building Programme

LKIM as the host agency of KUNITA association gives full support in terms of providing training, facilities and courses, financial assistance and technical courses. The courses range from food processing methods and technology, food quality assurance, etiquette in dealing with customers to financial management. Solidarity among the villagers is also equally attributed by the active role played by KUNITA. Members are encouraged to venture into small-scale businesses particularly based on marine products. Trainees are expected to start up the food processing business upon returning from the courses attended. KUNITA is the one and only social programme established by LKIM to assist women in embarking themselves into

<2> Nasyid or Nasheed in Arabic word is an Islamic-oriented song that glorifies Allah and Prophet Muhammad.

entrepreneurship (KUNITA, 2006). Women entrepreneurs are producing a variety of food processing products such as *keropok lekor*, fish cakes and fish balls, dried smoked shrimp, traditional cakes, which mainly use marine products as the main ingredients. They are also involved in services industry such as catering, restaurants, homestay, spa, tailoring and aquaculture projects. Most of the participants are housewives with little experience in business. There are 80, out of 118 KUNITA groups have been actively involved in small scale businesses and earn an average of RM200 per month (2006).

Through LKIM and PNK, various capacity building programmes including courses and trainings, have been organized for group members to expose and enhance their skills which is essential as a starting point to venture into entrepreneurial activities. Courses were organized with the cooperation from other agencies such as Malaysian Handicraft Corporation, Malaysian Agricultural Research and Development Institute (MARDI) and SMIDEC. In order to enhance the members' experience and networking, a KUNITA seminar will be held annually with participation from all KUNITA groups throughout Malaysia. Annual competition such as KUNITA Jaya at state and national levels is held and the winners will be rewarded with certificate, money and overseas trip. In KUNITA organizations, there are two groups of production: individually processed at home or through groups under KUNITA. Those who operate individually usually market their products on their own. Woman entrepreneurs in KUNITA are slightly different from the "usual" entrepreneurs in the sense that they do not "fully" own the business products because the earning will be divided into separate accounts. Part of the income will be put in special fund so that it can be used for the purpose of expanding their business or enhancing the skills. In this programme, all the equipment such as machines, food storage etc is provided by the host agencies and all courses attended by the members are fully sponsored. In fact, a small amount of allowance will also be given throughout the courses which usually lasted between 2 days to 3 weeks depending on the courses attended. The KUNITA activities are recognized and documented through the publication of KUNITA magazine published by LKIM annually. The first edition of KUNITA magazine with the special theme on "*Wanita Pengeraju Ekonomi Keluarga*" was launched on 5 October, 2004 in conjunction of KUNITA seminar in Kuala Lumpur. The magazine is an important channel in disseminating news and information regarding KUNITA activities throughout Malaysia.

CASE STUDIES AND ANALYSIS

CASE STUDY 1: PNK SEDELI: KUNITA SEDELI, JOHOR

KUNITA Sedeli Kecil was established in 1992 with 71 members. Four bureaus were formed – Religious, Economic, Agriculture and Social and Welfare bureaus. The Group Economic activities are tailoring workshop, handicraft workshop, homestay, food processing, rental cooking utensils, and catering. Social activities – *nasyid* group, *marhaban*, netball and *kompang* group. Among these economic group

activities, the handicraft group is the main income contributor to the KUNITA's fund. The group, which is specializing in producing various craft from seashells and fish scales, consists of 7 members. With assistance from LKIM, the group has its own workshop where most of the business activities are run. Members are working based on rotation schedule where the working hours is 9 – 5 pm for five days. The most sought after item is a decorated bouquet of flowers made from fish scale, particularly the flower petals. It is a popular item for wedding gifts and corporate functions. The members are also skilled in making decorated mirror frame, wall decorations (made from seashells), brooch, earrings, hair clips and key-chains (made from seashells and fish scales). In terms of income, members are paid hourly of between RM2.50 and RM3 depending on skills and the category of work that they are doing: product designs, moulding (using special machine) and colouring. Majority of members admitted that there is a lot of benefit by joining the group. Not only is the working hours flexible and the workplace is near to their houses, but most importantly, it gives them a source of income especially to those who do not have any income source prior to joining the group activity. Furthermore, the membership has become a venue for them to enhance their business skills as from time to time, LKIM will invite potential candidates to attend its various capacity building programme. Socially, being in KUNITA has widened their social circles and networking when invited to social events in the village. Their expertise, hardwork and creativity have earned them the champion of KUNITA Jaya at national level in 2006. The selection criteria are based on group performance, income, management and accounting.

In terms of individual economic project, one KUNITA member decided to pursue her passion in crafts making by running her own business. Through passion, skills and creativity, she managed to expand her business as batik producer, the only batik producer in the area. Mimah, in her 40's and married with two children, is considered as one of the successful entrepreneurs in batik production. Her journey started in 1993 when she attended a one-month course on batik canting at Noor Arfa Batik³ in Terengganu, fully sponsored by LKIM. She then took another course at Malaysian Handicraft Board, Johor for 3 months and then extended to another year to take the advanced level. She learned from the basic of mixing colour to measuring cloth, canting and to how to take orders from customers. The business started in 1995 right after the training ended, using her backyard as the workshop. During the initial stage, she had to fork out her savings and spent RM1,000 to buy basic materials such as colour, cloth and a drawing table, and the rest of the utensils came from her own kitchen. Signboard was erected in front of her house to attract customers. She claimed that she could produce five different designs provided that the weather permitted. Orders were usually come from government agencies and schools such as teachers, government officials, members of various local groups

<3> Noor Arfa Batik is the Malaysia's largest batik producer based in Chendering, Terengganu. Retrieved from <http://skorcareer.com.my/blog/noor-arfa-batik-story/2008/04/03/> November, 2011.

and societies. This business has earned her between RM500 – RM1,400 nett per month. When the weather is not good for batik canting, she will turn to her other passion, making jewelries from beads. This activity has generated a side income of RM200 per month which she preferred to call as “pocket money”. Only after a year of operation, she managed to get financial loan of RM20,000 from KEJORA (Southeast Johor Development Authority) and another RM30,000 from MARA (Majlis Amanah Rakyat) to build a showroom. The Agricultural Department came and decided to sponsor her signboard, drawing table, display cupboard and sequins. A month before Hari Raya, she would try to finish all the orders, stop canting and focusing on the making of *kuih raya* (Raya cookies). By taking orders from friends, relatives and a few cookies supplier, she baked between 4 – 5 types of cookies and earned between RM1,000 – RM2,000. She is planning, in future, to utilize her skills to help other local women to increase their socio-economic status by organizing courses on handicraft.

The case study above illustrated the activities of KUNITA group economic and individual economic activities. The individual activity apparently gains more income in comparison to those involved in group projects. However, the description above also shows that individual economic activity requires a very high quality of entrepreneurial skill: focus, creative, hardworking and have vision in reaching out.

CASE STUDY II: KUNITA PULAU BETONG, PENANG

KUNITA Pulau Betong was established in 1997, under the Teluk Bahang Fishermen Association with 30 members during the early years but already increased to nearly 150 members. Various kinds of businesses have been ventured into by the KUNITA members, including marine-based products such as fish balls and fishcakes, fish crackers and non-marine products. However, KUNITA Pulau Betong is popular with its production of *keropok lekor* which it only started in 2005, 8 years after the establishment of KUNITA and after LKIM decided to be involved in food processing including fish ball and fish cake production. Their main customers are local villagers, tourists, restaurant operators and night market sellers. “*Keropok lekor*” is traditionally from the East Coast of Kelantan and Trengganu, a wetter and bigger version of the dried fish crackers.

Keropok lekor is made from a combination of fresh fish flesh, flour and other ingredients that can be eaten either by way of steamed, boiled or fried. There are four members in this *keropok lekor* group; all are housewives. They had attended various courses organized by LKIM to gain as much knowledge as possible in the production of *keropok lekor*. Among the courses attended were fish *lekor*, fish ball and fish cake making, financial management, GMP, food safety and customer relations. All the courses were fully sponsored and the members were in fact given allowances. The production of fish *lekor* is daily, 5 days a week. The group members will be paid RM3 per hour and work between 4-5 hours per day. Nearly 18 – 36 kilograms of *lekor* can be produced daily that can earn between RM100 – RM400.

The group sale can achieve up to RM 2,700 per month after deducting cost and salary and each member can earn up to RM300 per month. If the sale is good, bonus will be given to members. Payment will be made every fortnightly. The daily sale will be channeled to Fishermen's Association. After deducting the cost of electricity, gas, raw materials and salary, the balance will be put into KUNITA fund. KUNITA has two types of income: one is from the sale and the other is from awards.

For Cik Fida who resigned as a factory worker due to difficulties in adapting to shift schedule, she felt relieved for being able to work with flexible hours in KUNITA. Not only can she earn money and bonus, but she has more time to manage her family, no transportation cost involved and she can earn more side income by making several cookies for sale. The work, according to her, is not difficult as most of the job is done by machine. For Salmah ^{*1}, the group leader, the income from fish *lekor* processing is an addition to her salary of RM600 per month from being a KAFA teacher (kindergarten religious teacher). She also earns up to RM200 per month from the sale of salted fish and dried squid that she produces during her leisure time. She uses this income for house maintenance, children's education and savings while her fisherman husband's income (between RM400 – RM1,000) is spent solely for daily expenditures. Salmah is a multi-tasking person and a very active participant in the local community. She is viewed as strong, hardworking and very focused in whatever she does. In responding to a question on how she could juggle her time to do various income generation activities, she admitted that,

“...you just need to be hardworking, motivated and really passionate about your work. I actually spent most of my time outside the house (than at home). My husband is very supportive and I will make sure that all the house chores are done and meal is prepared for the day in the morning before leaving the house”

However, she does not consider herself as an entrepreneur yet because to her, an entrepreneur is one who owns and runs his/her business. She also does not have any plan to expand her business due to financial constraint and old age. However, she expressed her gratitude to LKIM for opening the door for her to get the taste of being in an entrepreneurship world. Now, she enthusiastically said that she could use all the multi skills she learned to create another new business. Without LKIM support in terms of facilities and guidance, she would never be able to earn that extra income. She is now planning to produce a ready-to-fry fish (fish with special seasoning) from the abundant fish that are not sold by the local fishermen and will try to market this product at local factories.

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CASE STUDY III: KUNITA TITIAN MURNI, SELANGOR

In 1991, KUNITA Titian Murni was established, under the Kuala Selangor Fishermen Association, with only a few members. It took nearly 17 years to achieve 100 memberships. Out of this number, only 40 are considered as “active” while the

rest are passive members. Most of the members are the wives and daughters of members of State Fishermen Association of Selangor (PKNS). The group has a vision to create a sustainable fishing community through the enhancement of entrepreneurship skills. The association is not only supported fully by the State LKIM but also receives assistance from other government agencies such as Malaysian Handicraft Development Corporation and Selangor Museum. Among the programmes created for KUNITA activities are cooking and sewing class and handcraft project. The members are often being invited to display their products at annual KUNITA exhibitions organized by LKIM throughout Malaysia and their expertise is sought after when invited as instructors for other KUNITA groups in other states such as Pahang and Terengganu. The successful stories are illustrated through their participation in promoting their marine products at Kunming, China in 2005 and became the first runner-up at *KUNITA Jaya* (Successful KUNITA Group) competition at national level in the same year.

There are two types of economic projects developed by KUNITA Titian Murni: Individual Economic Project and Group Economic Projects. In this case, members are allowed to participate in group activities and at the same time will be fully supported if they want to run their own small businesses. There are four main Group Economic Projects, focusing on different business activities and led by a leader elected by the KUNITA members. The groups are Handicraft group, Food processing group, Sewing and Creativity group and Catering group.

Handicraft group is the popular group with its expertise in creating various products by using fish scales and recycled paper as their main materials. The flower petals are highly in demand particularly for wedding gifts and corporate functions etc. Recycled papers are creatively decorated to create different types and sizes of basket. The flower petals from fish scale are famously used to create “*bunga telur*”. In a Malay wedding, *bunga telur* (literally as egg and flower) is considered as a must-gift for each guest. The egg symbolizes a fertile union and is usually wrapped or laid in a decorated container with flowers. The decorated miniature basket from recycled paper is a popular item to be used for wedding gifts (*hantaran*) for the bride and the groom during the engagement day.

The income from the sales will be channeled into KUNITA fund. Through these activities, network with other government agencies such as Malaysian Handicraft was established in assisting them to promote their products. From this project, the group managed to earn an average of RM400 per month. The earning depends on orders and it usually increases significantly during school holidays where most Malay weddings are usually held. One of the group’s successes is when their expertise is recognized by the local agencies and they have been invited to become instructors at several agencies such as Shah Alam Museum, Fishermen’s Association in other states and the Malaysian Agricultural Research and Development Institute (MARDI).

Food processing group focuses on the making of food products based on marine resources such as fish ball and salted fish. The tailoring and creativity group specializes in embroidery and sequins and usually orders increases before Hari Raya. The members could earn up to RM300 per month. Other than this group economic project, 4 KUNITA members are running their own micro-enterprise business as presented in Table 2 below.

Based on the table above, the participants are mainly single mothers and fishermen's wives who earn between RM400 – RM1,500 from the business activities. These entrepreneurial activities are particularly important to single mothers in which case, 2 out of 5 are single mothers.

Based on the description above, KUNITA members have been actively involved either in group project or individually. KUNITA Titian Murni is also actively involved in various exhibitions and conventions. In 2006, the group has participated in the "One District One Product" (SDSI) programme organized by the Ministry of Entrepreneur and Cooperative Development in Malacca. The group was also involved in "Malaysian Taste" Program (*Program Citarasa Malaysia*) at Malaysian Tourism Centre, Kuala Lumpur in July 2006 as part of their efforts to promote their products and the group. Among the products exhibited were *popia* stuffed with prawn and anchovies, as well as *serunding* from various fishes (*tongkol, kembung and tenggiri*). In this case, the LKIM Marketing Department has become the channel for the group to market their products. Therefore, the close networking with various government agencies is important for marketing purposes. The members' talents, skills and expertise particularly in handicraft-making, moulded through LKIM capacity building programme, were finally recognized by other agencies when four members were selected to become instructors in "Beads Wonder" Workshop organized by the Selangor Muzium Board in 2006. Participants were from Selangor Culture, Arts and Heritage Department, Community Development Department (KEMAS), PUSPANITA and Vocational School. This has become a platform for the group to be recognized at a higher level.

Income

Although, the economic group project is not solely owned by them, the respondents admitted the benefits of joining the group as it has contributed in uplifting their socio-economic status. Before joining KUNITA, most of them were housewives with no income and totally depending on their fisherman husbands' uncertain income. Another advantage of being in the project is that it gives them financial security, as despite the amount of sales that they get for the month, the projects will definitely give them a fixed salary; thus giving them a peace of mind that there will be a certain definite amount of money for the household every month. The certainty element is very important for the poor, especially for those with children who require lots of monthly financial expenditure. They also claimed that their skills improved

Table 2: Type of Businesses (Individual project)

No	No. of Respondent	Married Status	Type of business	Year of operation	Average Income (monthly)	Business location	Marketing area	No. of Worker
1.	Respondent 1	Married (9 children)	Cake	2005	300	Home-based	Local stores	-
2.	Respondent 2	Single mother (7 children)	Catfish breeder	2008	1500	Home-based	Fish dealer	1 (RM300 monthly)
3.	Respondent 3	Married (3 children)	Salted fish	1996	1000	Home-based	Other states (Selangor/Negeri Sembilan/perak)	3 (RM200 each)
4.	Respondent 4	Single mother (4 children)	Handicraft (newspaper)	2005	300	Home-based	Networking with <i>PusatUrus Zakat Selangor(PUZ)</i>	-
5.	Respondent 5	Married (4 children)	Malay traditional dress maker	1999	400	Home-based	Local orders	-

particularly in handling heavy duty machines. Moreover, all of the projects' workshops provide a place for the participants to bring along their small children. Therefore, working in the project is friendly towards women with young children. The project workshops are located near to the dwellings of the participants; thus reducing the need for transportation costs and making it easy for them to have a break to prepare their children for school (for those with children attending the afternoon session). The level of confidence and satisfaction increased when their skills and expertise are recognized when they get invited to become instructors at government agencies such as MARDI and Malaysian Handicraft Board etc. As one respondent said,

"...the journey is really exhausting but it became worthwhile when you get the recognition".

Several of them are on the way to transforming themselves from micro-entrepreneurs to real entrepreneurs by expanding and running their own businesses.

Motivation and Challenges: I'm not yet real entrepreneurs!

Based on the case studies presented above, the capacity building programme hosted by LKIM has proven to be a platform for KUNITA members to acquire various entrepreneurship skills. This capacity building programme in cooperation with other local government agencies has transformed a group of KUNITA members from being unskilled housewives and technologically illiterate into skilled micro-entrepreneurs. The KUNITA membership has opened the doors for those motivated and hardworking to move forward in expanding their business venture. However, although several of them have shown determination to diversify their business activities in order to earn higher income, majority of those involved in group business activities have decided to maintain they do not have any future planning for a business expansion. Many of them do not perceive themselves as "real entrepreneurs" (*usahawan sebenar*) because they do not own or run the business themselves. As one respondent argued,

"...to be a real entrepreneur, one needs to have a lot of capital and experience. I am involved in this [KUNITA group activities] because I will get paid and no plan to own business...[I'm]not that brave."

For example, Salmah argued that it is quite hard to run a business due to high cost and time constraint. In the case of fish *Iekor* business, the machine is too expensive, and the raw ingredient (it is called *surimi*)⁴ supply is quite inconsistent

<4> *Surimi* is the main ingredients for the making of fish ball and fish cake. It is minced fish in which all water-soluble proteins in the fish muscle have been washed out and thus contain only 16% water insoluble proteins, 75% moisture and 9% freezing stabilizers (Shaviklo, 2006).

due to weather as well as the variation in quality of the fish as only several types of fish can be used as raw ingredients. In fact, she expressed disappointment for having to stop the production of fish ball and fish cake as she could not get the *surimi* stock due to lack of suitable fish supply. According to her, fishball needs to be produced in big quantity to ensure profit earned. Due to that problem, the idea of running a business based on food processing product would be too risky and she decided to maintain the business as it is.

The case studies demonstrated that the group economic projects do benefit from joining KUNITA; however majority of them are still considered as survivalists. Most of them claimed that they do not have enough confidence to expand their businesses due to lack of knowledge, marketing skills, and capital access. In Malaysia, literature on the performance of micro-enterprises has described the various challenges and problems faced by micro-entrepreneurs that have an implication on their business productivity and the fact that majority of them are survivalists (Chong, 2010; Nurbani et.al, 2011, Nor Hafizah, 2011). Nurbaini et.al (2010), argued that micro-entrepreneurs in Malaysia are generally having financial difficulties particularly during the start-up. Even access to financial credit scheme does not normally guarantee the success of these micro businesses.

CONCLUSION

From the above description, it is clear that women, with the support of institution such as KUNITA organization can be trained to become entrepreneurs. With directed guidance and skills, they can build up capacity in doing businesses which bring substantial amount of money into their households. The documentations also show that entrepreneurship is a potentially lucrative option open to women in the rural areas to generate more income for their families. Based on the earnings made from these businesses it is enough for the women to run their households - paying education fees for their children and keep some for future savings. Through the challenges that they faced in making the business a success and all the skills they learned from the courses attended have made these women more confident and independent. The desire to enhance their knowledge has gradually build a strong capacity for them to expand their business activities and networking. Based on the interviews and observations, the woman entrepreneurs revealed that the recognition given by the host agencies by awarding them special awards based on their performance in entrepreneurial activities has increased their self-esteem. They also display a high level of technological skill as many of the products produced are using machines especially in the production of *keropok lekor*. The women feel that they have a sense of belonging as they proudly identify themselves with the projects. Most are single parents, widows or divorcees. And the project is not only an avenue for work but sometimes it is also for them to discuss and share daily family problems and receive counseling and advice from each other. In other words, the project members provide moral support to the participants.

Having said all that, however there are several issues that hinder them from transforming into successful entrepreneurs. Lack of knowledge, marketing skills and high risks explained why many of them decided to just maintain what they are doing now. Most are still wary about taking high risks. Instead, they prefer to be an employee instead of becoming their own employer. Thus, the likelihood of them to emerge as high-profiled entrepreneurs and producing at a larger scale to become a small-medium industry is remote. The study also revealed that the success in transforming themselves into successful entrepreneurs is heavily dependent on the individual's effort in establishing network with institutions, associations and local agencies and most importantly, on passion and hardwork. Undoubtedly, LKIM as the host agency has played an active role in providing assistance in terms of motivation, technical assistance, marketing and most importantly funding of machines and equipment which is too costly for these entrepreneurs to own. However, it is a challenge for LKIM to ensure that this capacity building programme can finally sustain the economic livelihood of the fishing communities. Finally, the study would like to suggest that knowledge such as technical know-how, marketing strategy, communication skills and financial skills should be continuously provided in empowering these woman micro-entrepreneurs to maneuver their businesses venture. Perhaps, for those who have attained a higher financial achievement in KUNITA project, a special incubator program to transform them into higher level entrepreneurs with higher capital and larger scale should be introduced.

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