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Date : 28 June 2013

THE SUCCESS FACTORS OF
ENTREPRENEURS IN PHOTOGRAPHY INDUSTRY

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This report is submitted in partial fulfillment of the requirements for the award of a
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“I declare this thesis entitled ‘The Success Factors of Entrepreneurs in Photography Industry’ is result of my own research expect as cited in the references”

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*Praise to Allah the Almighty and to my beloved father (Huslan Hussein), mother
(Mahura Muhammad), siblings and friends*

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ABSTRACT

Entrepreneurship is one of the main important drivers of a market nation and economists have underlined the crucial task acting in the market development. This research aims to analyze the success factors of entrepreneurship in photography industry in Malaysia. This research will be practicable for entrepreneurs in photography industry and the researchers who are concerned in examining factor of individuals and entrepreneurial culture and mindset on entrepreneurship. This research also created to help the entrepreneurs in photography industry to determine their success factor to become a professional. It is because many of them are stuck in half of their ways in their career. Questionnaire method has been choosing in this method because it is more convenience as the data gets directly from respondent. Finally, the researcher hope that the research made can help entrepreneurs in their careers, especially for entrepreneurs in the photography industry. Besides, this also may impart to the entrepreneurs themselves to improve the success ratio in their business on top of give the additional exposure through the characteristics in the entrepreneurial industry. The future research may investigate the result of this study throughout a large-scale within and cross cases research method. The more exploration of potential entrepreneurs and businessmen in the various sector industries who have recently started their ventures may provide more convincing, extensive and supportive insights. This may also focus on the different geographical region in Malaysia or within each of the other developing countries.

ABSTRAK

Keusahawanan adalah salah satu daripada pemacu utama yang penting sesebuah negara pasaran dan ekonomi telah menggariskan sesuatu yang bertindak dalam pembangunan pasaran. Kajian ini bertujuan untuk menganalisis faktor-faktor kejayaan keusahawanan dalam industri fotografi di Malaysia. Kajian ini akan dilaksanakan untuk usahawan dalam industri fotografi dan penyelidik yang terlibat dalam faktor individu dan budaya keusahawanan dan pemikiran mengenai keusahawanan. Kajian ini juga dihasilkan untuk membantu usahawan dalam industri fotografi untuk menentukan faktor kejayaan mereka untuk menjadi profesional. Ini adalah kerana ramai di kalangan mereka terhenti separuh jalan dalam kerjaya mereka. Kaedah soal selidik telah dipilih dalam kajian ini kerana kaedah ini lebih mudah sebagai alat mengumpul data terus daripada responden. Akhir sekali, penyelidik berharap bahawa kajian ini boleh membantu usahawan dalam kerjaya mereka, terutama bagi usahawan dalam industri fotografi. Selain itu, ini juga boleh digunakan oleh usahawan itu sendiri untuk meningkatkan kejayaan dalam perniagaan mereka dengan memberi pendedahan tambahan melalui ciri-ciri dalam industri keusahawanan. Kajian masa depan boleh menyelidik hasil kajian ini secara besar-besaran di dalam dan merentas kes kaedah penyelidikan. Penerokaan lebih daripada bakal usahawan dan perniagaan dalam pelbagai industri sektor yang telah baru-baru ini memulakan usaha mereka boleh memberikan lebih meyakinkan, pandangan yang luas dan sokongan. Ini juga boleh memberi tumpuan kepada kawasan geografi yang berbeza di Malaysia atau dalam setiap satu daripada negara-negara membangun yang lain.

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CHAPTER 1

INTRODUCTION

1.1 Introduction

In the economic age, many characterizations of entrepreneurs and explanations of the roles or functions of entrepreneurship can be found. Nevertheless, there is no consensus and no clearly agreed upon economic theory of entrepreneurship. Such ambiguity in the understanding of entrepreneurship can be mainly ascribed to the dynamic and complicated nature of entrepreneurship. Consequently, there are many unresolved issues in entrepreneurship research.

Today, entrepreneurship research involves many disciplines such as economics, management, cognitive science, and sociology. Throughout human history, entrepreneurs have been the most active players in areas of technological, economic, and social development. From an economists point of view entrepreneurship is best considered as a function. The entrepreneur is what the entrepreneur does. Entrepreneurship is one of the main important drivers of a market nation and economists have underlined the crucial task acting in the market development. Whereas neoclassical economists have dismissed entrepreneurial activity due to the dominance of general equilibrium analysis, economists outside the mainstream demonstrate how crucial entrepreneurs are to sustaining a dynamic market under appropriate institutional conditions (Blaug, 1998). In this sense, Bird (1988) contends that new entrepreneurial ventures emerge because of careful thought and actions.

According to the literature, in Malaysia as a developing country, entrepreneurial activities are seen as a mechanism to improve the social and economic development. According to Abdullah (1999a), in a developing country like Malaysia, entrepreneurial activities through venture creation are seen as a mechanism to improve the distribution of income, to stimulate economic growth, and to reshape an economic structure, which has been highly dependent on the activities of large firms.

Same goes to an entrepreneur in photography industry. Nowadays, there are many entrepreneurs born in photography industry, but just a few of them were successful. In photography industry, it has many types of photography such as wedding photography, journalism photography, modeling photography, sport photography and so on. Photography needs knowledge and skill. For photographers, it is divided into three levels which is beginner, semi-professional and professional photographer. Many of them stuck at the half way to become champions because of many factors. This research created to find the success factors of an entrepreneur.

1.2 Problem Statement

As the digital age advances, too many entrepreneurs born in present especially in photography industry where give a big challenge to the others. Many of them stuck half of their ways to become a professional because of the challenges (Arthur Chang, 2012).

One of the major challenges for any photographer to become the success entrepreneur is themselves. Photography is essentially about capturing moments. Although in simple terms, it refers to holding the camera and pushing a button to take pictures. For a passionate photographer, it is much more than that. They did not dare to try something new in their areas of expertise because they are stuck in their old styles. Next, the problem also faced by the entrepreneur in photography is the competitors. For these issues, they need to know their competitors and identify the success factor of the competitors that make them become succeed.

Besides, another problem faced by entrepreneur in photography industry now days is environment. Environment also being a major problem for an entrepreneur to succeed, it is because an entrepreneurs need to adapt themselves in the environment and the market that they had entered. If they failed to adapt themselves with the environment, they will face with big problems.

1.3 Scope of Study

For a lot of people, photography starts out as a hobby which soon becomes a passion and eventually turns into full time profession. There are different forms of photography that interest people and it depends on their preferences to choose the form that enables them to unleash creativity.

This research carried out the success factors of an entrepreneur in Malaysia. Malaysia is a peaceful country and anyone can carry out business and be an entrepreneur but the best entrepreneur will conquer the economy. The researcher will focus on entrepreneur in photography industry and they can use this research as their guide to become a successful entrepreneur.

A part from that, this research will determine the level of relationship between success factors and the performance of entrepreneur in photography.

1.4 Research Objective

Researcher would like to provide the purposes of this research are:

- To profile the entrepreneurs in photography industry.
- To determine the success factors of an entrepreneur especially in photography industry.

1.5 Research Question

- What is the profile of entrepreneurs in photography industry?
- What are the success factors of an entrepreneur in photography industry?

1.6 Research Limitation

There are mainly three limitations found in this study. Firstly, the research is focused on the success factors of entrepreneur in photography industry. Therefore, the research would not cover others specification of photography. Secondly, this research cannot use in other industry because it is limit in photography only. Lastly, researcher assumed that all the data and information gained in this research is true and valid.

1.7 Summary

The whole chapter discussed on the background of study, research limitations, objective, research question, research objective, scope of study, and problem statement that were emphasized in conducting this study. Further in Chapter Two will focus on the literature review of this study.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

This chapter will discuss on the findings of previous research, review the objectives and perform critical evaluation of previous research. This will provides a comprehensible view of technology entrepreneurship and the success factor of entrepreneur in photography industry.

2.2 Definition of Entrepreneur

To make clearly about the objectives of this study, the need to define entrepreneur is very crucial. The definition of entrepreneur is defined differently by economists, sociologists, psychologists, academicians and scholars. There is discrepancy in several studies and researches on entrepreneurship (Evans, 1995).

An entrepreneur is an individual who organizes, manages and assumes the risk business (Kuratko and Hodgetts, 2001). The term 'entrepreneur' in French refers to a person who undertakes and operates a new enterprise or venture, and assumes accountability for the inherent risk.

An entrepreneur is an individual who creates a new business in the face of uncertainty for the purpose of achieving profit and growth by identifying and capitalizing opportunities and assembling the necessary resources to capitalize on the identified opportunities (Zimmer and Scarborough, 2008).

An entrepreneur is also defined as ‘he who accept risk and opportunities of creating, operating, and growing a new business’. The dictionary defines an entrepreneur as an individual who manufactures industrial products or conducts a business on a big scale. The Encyclopedia Americana defines an entrepreneur as a businessman who takes risks to combine the factors of production such as capital, labor, and raw materials and accepts the rewards through the profit made by the market value of his products. Based on Webster’s dictionary, an entrepreneur is an individual who manages an economic activity, specifically in sponsoring owning, managing, and bearing the risks of a business.

According (Hisrich, et al., 2005) the concept of an entrepreneur is further refined when principles and terms from a business, managerial, and personal perspective are considered. In particular, the concept of entrepreneurship from a personal perspective has been thoroughly explored in this century. Third exploration is reflected in the following three definitions of an entrepreneur:

In almost all of the definitions of entrepreneurship, there is agreement that we are talking about a kind of behavior that includes: (1) initiative taking, (2) the organizing and reorganizing of social and economic mechanisms to turn resources and situations to practical account, (3) the acceptance of risk or failure.

Entrepreneurship is the dynamic process of creating incremental wealth. The wealth is created by individuals who assume the major risks in terms of equity, time and/or career commitment or provide value for some product or service. The product or service may or may not be new or unique, but value must somehow be infused by the entrepreneur by receiving and locating the necessary skills and resources.

Although each of these definitions views entrepreneurs from a slightly different perspective, they all contain similar notions, such as newness, organizing, creating, wealth, and risk taking. Yet each definition is somewhat restrictive, since entrepreneurs are found in all professions education, medicine, research, law, architecture, engineering, social work, distribution and government. Entrepreneurship is the process of creating something new with value by devoting the necessary time and effort, assuming the accompanying financial, psychic, and social risks, and receiving the resulting rewards of monetary and personal satisfaction and independence (Hisrich, et al., 2005).

2.3 Entrepreneur in Malaysia

The word ‘entrepreneur’ was widely used in Malaysia in 1970s after the implementation of a New Economic Policy (NEP). A common definition of an entrepreneur is someone who establishes a new entity to offer a new or existing product or service into a new or existing market, whether it is for profitable or a non-profitable outcome. An entrepreneur is an individual who is able to perceive an opportunity for a business and create an organization to develop and manage that business successfully. He is able to identify and seize the opportunity and bring in the necessary resources such as finance, workforce, and raw materials to develop and market the products or services. He takes proper action that is imaginative, creative, and innovative.

An entrepreneur is always alerts about business opportunities that have not been seen by others. He is driven by intense commitment, determination, perseverance, and hard work. He is an optimist who sees the cup as half-full rather than half-empty. An entrepreneur strives for integrity and the competitive desire to excel.

In Malaysia, Wedding and Portraits Photographers Malaysia (WPPM) is an organizations established in Malaysia to assist photographers and give a support to all photographers in Malaysia.

This is one of the largest organizations in Malaysia representing the interests of wedding and portrait photographers. They are a professional body established with the objective to promote and maintain high standards of professionalism, business ethics and set world-class photography standards in the local industry. Their aim is to provide a platform for all Malaysian photographers to network and stimulate creativity through the sharing of techniques and exchange of ideas at our annual photography conferences, trade shows, competitions and activities. (wppm.com.my, 2012)

2.4 Success Factor of Entrepreneur

Assessing success is somewhat debatable due to a deficiency of agreement what comprises entrepreneurial success. Eight various success dimensions pertaining to economic performance have been suggested (Murphy et al., 1996) which are; efficiency, growth, profit, size, liquidity, success or failure, market share and leverage. Furthermore, they state that success determined from outside has little relevance if the entrepreneurs do not see themselves as successful. According to (Cooper et al., 1988), regardless of some mixed findings, success generally attended those entrepreneurs who were involved in a founding team, who had education and relevant experience, who had owned previous businesses, who started businesses similar to those they had left, who came from large firms, and who had more initial capital.

Success or achievement is a persistent subject matter in individual life. This is no distinction for the field of entrepreneurship. Derived from (Raduan et al., 2006a), their study has identified the success factors of founding entrepreneurs in Malaysia contributing to their companies' venture growth. This is more to examine the relationship between venture growth and the following factors; namely personal initiative, human capital, areas of focus on competency and government support programs. They found that the entrepreneurs educational level, working experience and whether their parents own business have a positive relationship with their success.

The scholars have also provided a clear indication as to which area of competency the entrepreneurs should focus on. Successful entrepreneurs have been described as extroverted risk takers who are creative, flexible and independent (Ibrahim and Goodwin, 1986). Moreover, success has generally been operationalized in one of four basic manners by income (Duchesneau and Gartner, 1990), employment that is either steady or growing (Alpander et al., 1990), revenue growth (Begley, 1995) or more frequently, mere survival: remaining in business (Ibrahim and Goodwin, 1986; Box, Watts, & Hisrich, 1994, Duchesneau and Gartner, 1990). Literature also revealed that all entrepreneurs have their own perceptions of what success means to them: they can regard themselves as successful, although, looking from outside and measuring with traditional financial meters, their firms have attained different levels of success (Simpson, et al., 2004). Rather than personal characteristics, a combination of experience and environmental awareness which is focus was demonstrated as significant predictors of venture success.

Accordingly, from the brief of literature review pertaining to entrepreneurial success factors in this research, the concept of sales growth, satisfaction and income is used in this research as a success measurement in entrepreneurship.

2.4.1 Factors of Individual

In describing about the characteristics of entrepreneurs in photography industry there is similarity with common entrepreneur although the difference do not differ greatly (Corman et al., 1988). The apparent difference between two lay in their personal background. Further discuss on the entrepreneurs in photography industry as an individual is divided into two parts, the characteristics and personal background.

Several researchers agreed that there are several characteristics related to entrepreneurs which are the need for achievement (McClelland, 1961), risk taker (Knights, 1981), locus of control (Rotter, 1966), innovative (Drucker, 1985;

Schumpeter, 1952) and opportunism (Shantakumar, 1992). In general, traits of entrepreneur discovered are the same, however there are several attribute that entrepreneurs possessed that differentiate them from entrepreneur. For instant, in Evans's (1995) research on entrepreneurs in photography industry resulted of high in psychological attribute compared to another entrepreneurs.

Entrepreneurial orientation (EO) scale originally suggested by Covin and Slevin (1991) was believed to be one of the feasible ways to achieve high firm performance as well maintaining the firm's competitive position. The orientation has long been used by several researchers to measure the degree of which individual or firms has the attributes of entrepreneurship. From the study of Yoo (2001), which tested the entrepreneurial orientation (EO) that consist of innovative, proactive and risk taking towards technology-based firm performance showed that, the EO scale is valid and reliable to be use.

According to Kirby there are four basic characteristics of entrepreneur, which are the ability to identify their role, competent, motivated and readiness to make change (Ab. Aziz, 2000). While Casson (1982 in Littunen, 2000) has listed typical characteristics of successful entrepreneur as their ability to take risk, innovativeness, the knowledge of how the market functions, manufacturing know-how, marketing skills, business management skills, and the ability to cooperate. The most frequently applied theories in research of entrepreneurship are by McClelland's theory of the need to achieve and Rotter's in locus of control (Littune, 2000). The first research done by McClelland found out that there is strong correlation between the need to achieve and entrepreneur's characteristics (Ab. Aziz, 2000).

McClelland (1961) however in his original work has listed several key competencies possessed by successful entrepreneur who are proactive, achievement orientation whereby the entrepreneur's ability to see and act on opportunities and commitment to others. The findings by Brockhaus (1982) on the risk taking characteristic of entrepreneur show that both the successful and unsuccessful entrepreneurs have the same characteristic in taking risk when starting off new venture. Bird (1989, in Littunen) also agreed that entrepreneur also have this characteristic