

SUPERVISOR & PANEL DECLARATION

“I hereby declare that I have checked this project and in my opinion, this report is
adequate in terms of scope and quality for the award of the degree of
Bachelor of Technology Management (High Technology Marketing) with Honour”

Signature :

Supervisor's Name : DR. AMIRUDDIN BIN AHAMAT

Date :

Signature :

Panel's Name : MISS SITINOR WARDATULAINA BINTI MOHD YUSOF

Date :

FACTORS THAT EFFECTING THE SUCCESSFUL OF WOMEN ENTREPRENEUR
IN MALAYSIA

WAN ASMAFARAHANA BINTI WAN AB LLAH

This Report Submitted in Partial Fulfilment of the Requirements for the Award
Bachelor of Technology Management (High Technology Marketing)

Faculty of Technology Management and Technopreneurship
Universiti Teknikal Malaysia Melaka

JUNE 2017

DECLARATION

“I hereby declare that the work of this exercise is mine except for the quotations and summarize that have been duly acknowledge”

Signature :

Name : WAN ASMAFARAHANA BINTI WAN AB LLAH

Date :

DEDICATION

I dedicate this thesis to my parents, Wan Ab Llah Bin Wan Daud and Che Hasmah Binti Hassan. I hope that this thesis achievement will complete the dream that you had for me all those many years ago when you chose to give me the best education you could. A special thanks to my supervisor Dr. Amiruddin Bin Ahamat, panel and my friends for helping me throughout the project towards accomplishing my thesis.

ACKNOWLEDGEMENT

Alhamdulillah and Praise be Upon Allah the Most Gracious and Most Merciful for His Blessing and be Upon His Messenger Muhammad S.A.W.

I would like to express my sincere gratitude to my supervisor, Dr Amiruddin Bin Ahamat for the continuous support of my thesis and study research, for his patience, motivation, and immense knowledge. His guidance helped me in all the time of research and writing of this thesis. I could not have imagined having a better supervisor and mentor for my thesis study. Besides my supervisor, I would like to thank to my panel, Miss SitiNor Wardatulaina Binti Mohd Yusof for her insightful comments and encouragement.

Next, I would like to thanks to my beloved parents, brothers and sisters for all the effort they put to raise me with full of love, caring and happy to see me a succesful person in my life. Without them, I am nothing and I would like to extent my thanks for their moral and financial support. Next, as honourable mention goes to the persons that I had interview, which is women entrepreneurs that supporting me for the time and cooperation during the interview. Without helps from them, I would face many difficulties while doing this research.

Lastly, I am grateful to all my teammates under my supervisor, housemates and classmates who supported me through this venture. I also place on record, my sense gratitude to one and all, who directly or indirectly have lend their hand in this thesis.

ABSTRACT

Nowadays, it seems like women's involvement in entrepreneurship is not as active as they could be since people know little on women entrepreneur compared to men entrepreneur. Intensive researches on women entrepreneur especially in entrepreneurial success are needed as guidance in helping them to become a successful entrepreneur. Therefore, this research is carried out to identify the factors that might influence women entrepreneur to become successful. Several definitions from previous research will be identified to well understand the meaning of entrepreneurial success. Besides, this paper also will recognize the most suitable dimension to measure the success among women entrepreneurs. Thus, in future it will help to avoid more failure among them since this research has been determine the characteristics and factors needed to be a successful women entrepreneurs.

Keyword: entrepreneur, successful, women

ABSTRAK

Pada masa kini, ia seolah-olah seperti penglibatan dalam bidang keusahawanan tidak begitu aktif kerana penglibatan usahawan wanita lebih sikit berbanding usahawan lelaki. Kajian intensif pada usahawan wanita terutama dalam kejayaan keusahawanan diperlukan sebagai panduan dalam membantu mereka untuk menjadi usahawan yang berjaya. Oleh itu, kajian ini dijalankan untuk mengenal pasti faktor-faktor yang mungkin mempengaruhi usahawan wanita untuk berjaya. Beberapa definisi daripada penyelidikan sebelum ini akan dikenal pasti untuk memahami makna kejayaan keusahawanan. Selain itu, kertas kerja ini juga akan mengiktiraf dimensi yang paling sesuai untuk mengukur kejayaan di kalangan usahawan wanita. Oleh itu, pada masa akan datang ia akan membantu untuk mengelakkan kegagalan lebih di kalangan mereka kerana kajian ini telah menentukan ciri-ciri dan faktor-faktor yang diperlukan untuk menjadi usahawan wanita yang berjaya.

TABLE OF CONTENT

CHAPTER	TITLE	PAGES
	SUPERVISOR & PANEL DECLARATION	i
	DECLARATION	iii
	DEDICATION	iv
	ACKNOWLEDGEMENT	v
	ABSTRACT	vi
	ABSTRAK	vii
	TABLE OF CONTENT	vii
	LIST OF FIGUES	xii
	LIST OF ABBREVIATION	xiii
	LIST OF APPENDIX	xiv
CHAPTER 1	INTRODUCTION	
	1.1 Background of Study	1
	1.2 Problem Statement	4
	1.3 Research Objectives	5
	1.4 Research Questions	6
	1.5 Scope	6
	1.6 Limitations	7
	1.7 Significance of the Study	7
	1.8 Summary	8
CHAPTER 2	LITERITURE REVIEW	
	2.1 Introduction	9
	2.2 Overview of Women Entrepreneur	9

Successful of Women Entrepreneur	12
The Factors that effecting	
the Successful of Women Entrepreneur	15
Social Background	16
Family Background and Support	17
Government Policy	18
Self-Motivation	19
Challenges Faced by Women Entrepreneur	21
Conceptual Framework	22
Summary	24

CHAPTER 3

RESEARCH METHOD

3.1	Introduction	25
3.2	Research Design	26
3.3	Methodological Choice	27
3.3.1	Qualitative Research	27
3.4	Data Sources	28
3.4.1	Primary Data	28
3.4.2	Secondary Data	29
3.5	Location of the Research	29

3.6	Research Strategy	30
3.7	Time Horizon	30
3.8	Summary	31
CHAPTER 4	DATA ANALYSIS	
4.1	Introduction	32
4.2	Respondent Background	32
4.3	Result	33
4.4	Research Question 1	34
	4.4.1 Social Background	34
	4.4.2 Family Background and Support	36
	4.4.3 Government Policy	37
	4.4.4 Self-Motivation	38
4.5	Research Question 2	39
	4.5.1 Challenges Faced by Women Entrepreneur	40
4.6	Research Question 3	41
	4.6.1 Overcome The Challenges	41
4.7	Summary	42

CHAPTER 5	CONCLUSION AND RECOMMENDATION	
5.1	Chapter Overview	43
5.2	Discussion on the Factor that Effecting Women Entrepreneur	43
5.2.1	Social Background	44
5.2.2	Family Support	44
5.2.3	Government Policy	44
5.2.4	Self Motivation	45
5.4	Recommendation	45
5.4	Conclusion	48
REFERENCES		52
APPENDIX		56

LIST OF FIGURES

FIGURE	TITLE	PAGE
2.1	Factors that effecting the Women Entrepreneurs in Malaysia	21

LIST OF ABBREVIATION

SME	=	Small and Medium Enterprise
MITI	=	Ministry of International Trade and Industry Malaysia
SEDC	=	State Economic Development Corporation
MECD	=	Ministry of Entrepreneur and Corporative Development
MWFCD	=	Ministry of Women, Family and Community Development
KEMAS	=	Department of Community Development
SMIDEC	=	Small and Medium Industries Development Corporation
RM	=	Ringgit Malaysia
R1	=	First Respondent
R2	=	Second Respondent
R3	=	Third Respondent
RQ1	=	Research Question 1
RQ2	=	Research Question 2
RQ3	=	Research Question 3

LIST OF APPENDIX

APPENDIX	TITLE	PAGE
A	Approval Letter from UTeM	51
B	Gantt Chart of Timeline of Research	52

CHAPTER 1

INTRODUCTION

Background of Study

Women in Malaysia receive support from the Malaysian government concerning their rights to advance, to make decisions, to health, education and social welfare. The Malaysian government has ensured these factors through the establishment of Ministry of National Unity and Social Development in 1997 (formerly known in 1993 as Women's Affairs Secretariat or HAWA). This was followed by the formation of the Women's Affairs Ministry in 2001 to recognise the roles and contributions of Malaysian women. (Chee Hee Hoe et.al, 2012) mentioned that the women gender forms a major composition of the population of Malaysia and hence contributes significantly toward the supply of labour and economic development of Malaysia. Entrepreneurship has been encouraged by government policy since it is very important and considered as crucial for employment innovation as well as for the economic growth (Hadjimanolis and Poutzioris, 2011). Hisrich (2000) has defined entrepreneurship as creation of new values by entrepreneurs that devotion of their time and effort, assuming the accompany financial, psychic, social rises, getting the resulting rewards in monetary independence and personal satisfaction. Both men and women can be successful entrepreneur since they own similarities of motivation, the way they see the reasons of success is in the same way as well as both face a lot of same challenges and secure finding from the same type of sources (Lai, Nathan, Tan & Chan, 2010).

Over the past several decades, the number of women as business owners has increased significantly (Reaves, 2008). In Malaysia, women said to play an important

role in economic development as well as stabilize the economy during the recession period (Syed et al., 2010). According to Department of Statistic (2009), among 2.2 million numbers of entrepreneurs in 2008, only 13.1% are women entrepreneurs. Therefore, appropriate action should be considered to increase the numbers of women entrepreneurs in Malaysia and make them in line with men entrepreneurs for development of the national economic. Syed et al. (2010) claimed that research on entrepreneur are focus more on men entrepreneur compared to women entrepreneur. Therefore, this study intent to increase more research on women entrepreneur especially in entrepreneurial success area.

The number of involvement between women and men in entrepreneurship are significant and women seem tend to involve in small industries such as services, food and retails compared to men (Hamed et al., 1999). According to Department of Statistics Malaysia 2011, the percentage of women entrepreneur that involved in the micro industry (87.9%) is higher than those in the small (11.3%) and medium industry (0.8%). In fact most of the women entrepreneurs involved in the services sector compared to other sectors (Table 1.0). This indicates that women entrepreneurs still prefer the less risky business sector as well as sector that provide them with low income. Therefore women entrepreneurs will be left behind compared to male entrepreneurs in terms of competitive spirit and business development. It is supported by Ahmad (2011) who claimed that most of business owned by women tends to be micro, small and medium enterprise which usually results in low growth.

Either men or women, both have an equal chance to contribute in country's economic through involvement as an entrepreneur. According to Stevenson (1989), businesswomen can be defined as one who pursues a management opportunity without regard to current available resources. However, it seems like women's involvement in entrepreneurship is not as active as they could be since people know little on women

entrepreneur compared to men entrepreneur (Syed.S.S., Mohd, F.J. & Nor, A.O., 2010). Even though women faced various obstacles, limitations and roadblocks, they are still been recognized by society as one of the major contributions for the country`s economy. According to Centre for Women`s Business (2003), women entrepreneur in US are recognized as main contributor to their economic growth .Besides, the increasing numbers of women entrepreneur also lead to the increase of entrepreneurial activity at country level. In addition, entrepreneurs create a lot of job opportunities as well as wealth in both develop and developed economies (Peng, 2001). The numbers of entrepreneurs are believed to increase yearly in worldwide.

In conjunction, women entrepreneurship in Malaysia has increased in last three decades due to emphasis on industrialization and growing interest in privatization, self employment and business oriented employment women entrepreneurship in Malaysia has increased in last three decades due to emphasis on industrialization and growing interest in privatization, self employment and business oriented employment (Teoh and Chong ,2007). Lai,Nathan,Tan & Chan (2010) claimed that women nowadays have an equal opportunity as men in entrepreneurship field but some still think that it is an odd when women operated in business and act as a leader in organization. That is one of the barriers for the involvement of women in entrepreneurship. However, according to Department Statistics Malaysia 2005, the involvement of women in business is very low as compared to male.

In previous research done by Syed et al. (2011) in their study has identified the success factors of women entrepreneurs in Southern Region of Malaysia whereby they found that family support, social ties and internal motivation are the significant elements affecting success among women entrepreneur. In addition, in terms of face of challenge there are several factors that contribute to the success of female entrepreneur such as self confident personalities, willingness to take risk, past working experience and innovative

ideas (Lai et al., 2010). Without profit, business cannot run for long period whereby some writers feel that it is not profit alone that determines success (Olsen, 2002). Cooper & Artz (1995) suggest that performance can be measured by owner's satisfaction, whereby it refers to owner's readiness to invest their additional time and money in the business. While for this study, the researcher will adopt definition that has been given by Seligman & Csikszentmihalyi (2000) who mentioned that entrepreneurial success refers to any positive outcome of human strengths and virtues whereby the positive outcomes among those women entrepreneurs refers to their achievement in non-financial aspects such as satisfaction among themselves and towards their stakeholders.

Problem Statement

While the Malaysian Government's objective of wanting to see a rapid growth in the number of women entrepreneurs is a high priority, the long term sustainability and survival aspects of the newly created business ventures are also important. Even though various studies have been carried out pertaining to women entrepreneurs in Malaysia, there has not been any specific study carried out by researchers which could provide models or explanation on how they were able to sustain their business ventures and become successful. Such studies which can clearly identify what were the motivating factors or circumstances which made them to be successful women entrepreneurs could provide beneficial learning experiences to aspiring women entrepreneurs. Such learning experiences which the researchers were able to probe and gather from the successful women entrepreneurs can then be translated into a model for others to learn or emulate. This 'successful women entrepreneur model' will be a helpful reference for Malaysian women aspiring to be entrepreneurs.

Apart from that, even though there have been numerous studies on successful women entrepreneur by various authors in the western settings, these factors may possibly be different in the Malaysian setting. These differences contributed by the Malaysian woman's cultural background, business setting, level of education, strategies, and types of operation may influence the success or failure of the indigenous businesses. Hence, a deeper understanding of the environment, factors and other motivating factors need to be investigated using the qualitative approach. The significance of using the qualitative research approach consists in setting the emphasis on describing, understanding complex phenomena.

In this research it will facilitate the investigation of the relationships and patterns among factors or patterns in which the women's business activities happen. It is concentrated on understanding the full many-dimensional picture of the subject of investigation, for example, what are the factors which contributed to the success of the women entrepreneurs and how they went about achieving it. This will be instrumental in providing an in-depth understanding of the factors that have most influence on the success of the women entrepreneurs in Malaysia. From these learning experiences, the 'successful women entrepreneur model' of Malaysia can be developed. A review of the literature showed that such a model pertaining to successful women's entrepreneurial development has never been developed within the context of Malaysia.

Research Objectives

The main purpose of this research is to determine the factors of Successful Women Entrepreneur in Malaysia. Following are the objectives in this research:

- i. To determine the factors which contribute to the success of women entrepreneurs in

- Malaysia.
- ii. To identify the challenges faced by women entrepreneurs in Malaysia.
 - iii. To identify the way to overcome the challenges faced by women entrepreneur in Malaysia.

Research Questions

In this research the below questions are the main question of the research which guide their search going smooth. The main questions are following:

- i. How to determine the factors that contribute to the success of women entrepreneurs in Malaysia?
- ii. What is the challenges that faced by women entrepreneurs in Malaysia.
- iii. What is the way for women entrepreneur overcome the challenges.

Scope of Study

This research was conducted to study the factors that effect the successful women entrepreneurs in Malaysia. Thus, it is an opportune time to carry out this research with regard to developing a profiling and model of successful women entrepreneurs in Malaysia which would be a useful reference to those wanting to venture into entrepreneurship.

Limitations

The limitation of this research is this research is conducted in qualitative method. The information gathered is insufficient to generalize other countries' entrepreneurship condition which varies due to different culture and background. Therefore the results obtained would only outline the general characteristic and traits of entrepreneur in Malaysia but not of other countries. Also, the interviewees were selected based on convenience, sampling i.e. in Malaysia. This study was based on previous researches papers which were dated 4 to 10 years ago. Thus, it might not be as accurate reflection, because the economy is constantly changing and new initiatives are being implemented by the Malaysian Governments in relation to development of new entrepreneurs.

Significance of the Study

The importance of this study can be seen from various angles. The use of such mechanistic research design could not probe, persuade or entice the respondents to give an intimate and detailed account of their learning experiences whilst in the midst of starting, managing and sustaining their business ventures. One reason is the need to develop a model of how to become a successful entrepreneur which can be a useful reference for budding and aspiring women entrepreneurs. Secondly, previous studies have not given much concentration on the role of gender and their subsequent relative business performance difference and women entrepreneurs as a diverse and complex group with varied backgrounds, circumstances and worldviews. Thirdly, this study takes explores in-depth into the internal locus of control taking account their different ethnic origins, cultural and religious diversity in order to understand their motives and actions in the course of becoming successful entrepreneurs. Lastly, this study would be able to

provide a more meaningful understanding of the role of women entrepreneurship which is important to the country's economy.

Summary

This chapter is structured as the introduction of whole research. It introduces the topic of the study including the background, the problem statements, the research questions and research objectives, scope of limitation of study as well as importance of research. In conclusion, women entrepreneurship is getting widely discussed among researchers which focus in various areas and issues. Their involvement in this area also are increased worldwide as well as their contribution to the family, community and the country are been recognized. In addition, the involvement of women in entrepreneurship area as well may contribute to socio economic in Malaysia whereby it reduce the unemployment rate among women as well as it may balance and overcome the gender issue in this area. Last but not least, this study will help to determine the characteristics that needed by women to become a successful entrepreneurs. Thus, in future it will help to avoid more failure among them.

CHAPTER 2

LITERATURE REVIEW

Introduction

This chapter deliberate the overview, theory, keyword research, and factors that effecting the women entrepreneurs in Malaysia. The outline of factors that effecting the women entrepreneurs studied that are related with the topics is viewed. In recent studies, researchers have been discussing about how self-confidence, may motivate some individuals to become entrepreneurs and may not motivate others. This concept proposes that self-confidence maybe included in career development and career choice. A review of the literature pertaining to women entrepreneurs in Malaysia showed that there is still not much study being conducted. From these limited studies, various issues were identified.

Overview of Women Entrepreneur

Entrepreneurial success has been discussed in previous literature in several terms such as business success, venture performance etc. Parasuraman et.al (1996) mentioned that studies on success outcomes mostly refer to the firms' level than individual level. However, Zhang and Bruning (2011) cited Hambrick and Mason (1984) explained,

upper echelon theory mentioned the organization level actually is a reflection and extension of its owner. Therefore, this study are focusing on measuring success in individual level by assuming that successful entrepreneurs will indirectly reflect the success of their business.

The easiest way of defining entrepreneurial success is through tangible elements such as profitability, sustainability, personal wealth creation, revenue or a firm's growth and turnover (Perren, 1999). Successful entrepreneurs have the ability to create a strategic position by managing their resource to meet and satisfy the expectations of stakeholder (Thompson, 2004). Masuo et al.,(2001) defined success in terms of economic and financial measurement which includes return on assets,sales,profits employees and survival rates while non financial measure include customer satisfaction, personal development and personal achievement. Similarly, Buttner and Moore (1997) in their research support that business success usually measured from economic perspective such as growth in sales or employees and/or by increase in profits. Since most study are focusing on economic or financial perspective in measuring the success, they might not view many women own business as successful due to their small in size and slower in growth (Syed et al. 2010).

For both men and women, entrepreneurial behavior is often driven by diverse reasons including the desire for personal accomplishment. Despite its importance, the monetary incentive is not always the prime motivator for entrepreneurs. Other considerations often shape entrepreneurial decision making including the desire for independence, self-realization, and creative activity (OECD, 1998).

Talking specifically about women, a woman's decision to establish her own business does not usually originate from a single motivating cause. Thus, it is valuable to assess the array of factors that may contribute in varying degrees to "pushing" or