Government intervention in women’s entrepreneurship development: the Bumiputera craft industry

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Introduction

The women’s entrepreneurship literature tends to view women entrepreneurs from the experience of men (Ahl, 2006) and is very ‘Western-centric’ (Brush and Cooper, 2012: 4). The perception of women entrepreneurs as a single homogenous group that play the same roles and face the same barriers (Madsen et al., 2008) are inconsistent with the argument that women's social environments provide a different set of challenges to their businesses (Brush and Gatewood, 2008). It is always assumed that any shortcomings of women's entrepreneurial activities are the outcomes of their individual attributes (Ahl, 2006) which undermine the views that entrepreneurship phenomenon is influenced by both individual and environmental factors (Shane, 2003; Welter and Smallbone, 2011). This bias has limited our understanding of women’s entrepreneurship and caused the continuous invisibility of women entrepreneurs in the entrepreneurship literature as the reality that they face in carrying out their entrepreneurial activities cannot be revealed.

This paper addresses this bias by exploring the business survival issues of Bumiputera women entrepreneurs (BWEs) in the handicraft industry in Malaysia (an industry that has the highest participation of Bumiputera women) and to determine whether the government’s initiatives to support women entrepreneurship in Malaysia facilitate the business survival process. Thus, the study has responded to the need for conducting research that can increase the understanding of factors which contribute to women’s business growth (Brush et al., 2004) and survival (Roomi et al., 2009) and responds to the calls for applying an institutional approach to women’s entrepreneurship research (Ahl, 2002, 2006; Ahl and Nelson, 2010; Brush and Cooper, 2012). Specifically the study explores the following research questions:

- What is the current state of BWEs in the handicraft industry in Malaysia in relation to the opportunities, challenges and needs for their business survival?
- How do BWEs in the handicraft industry in Malaysia perceive and view the effectiveness of government support systems for their business survival?
- Does the Malaysian Government facilitate the business survival of BWEs in the handicraft industry in Malaysia?

The paper is structured as follows. The subsequent section outlines the national context for Malaysia in terms of the Bumiputera group, the handicraft industry and the involvement of the government in the country’s entrepreneurship development as a backdrop to investigating BWEs’ business survival and the influence of government entrepreneurial support programme (GESPs) in the process. This is followed by a discussion of the rationale for considering the gender concept and institutional influences when investigating women’s entrepreneurial activities. Next, the research methodology is presented. This is followed by the findings and discussion. Finally, concluding remarks are presented which highlight the study’s contributions and implications for future directions in women’s entrepreneurship research.

Context

In Malaysia, Bumiputera refers to indigenous people which literally means sons of the earth (Ahmad, 1998) and is the largest population group in the country. The implementation of the divide and rule system during British Colonialism resulted in Bumiputera being the group that was left behind in economic activities. In the system, Bumiputera remained in their villages with subsistence agriculture while non-Bumiputera, particularly the Chinese, lived in urban areas more associated with entrepreneurial activities (Ariff and Abu Bakar, 2003). The Malaysian economy after independence was still much related to the laissez-faire approach practiced during British colonialism; however, the Bumiputera felt that this approach gave economic benefits more to non-Bumiputera than Bumiputera (Hui, 1988). Therefore, to improve the economic inequalities of the Bumiputera, one of the strategies set by the government was to encourage more involvement of Bumiputera entrepreneurs through the provision of various means of entrepreneurial support and incentives that are included as part of Malaysia’s economic policies. The government support for entrepreneurship development in general, and for Bumiputera entrepreneurs in particular is included in the ‘Malaysia Plan’ - a five-year blueprint that drives the economic development of the country.
Three major sectors have been highlighted by the government as the drivers for economic growth in Malaysia: services, manufacturing and agriculture (SME Corp, 2010). Within these three sectors, the services sector is identified as the main contributor to the growth of the Malaysian economy and has in fact been highlighted in National Key Economic Areas (NKEAS) under the New Economic Model (NEM) 2010. Among all industries in the services sector, it is recorded that the tourism industry makes a significant contribution to the country's income with a 300% increase in the number of tourists, earning 478% of the amount of tourists receipts (Jaafar et al., 2011). One of the industries that benefit from the growth of the Malaysian tourism industry is the handicraft industry (SME Corp, 2010). Therefore, the focus on the handicraft industry in this study is consistent with Malaysian economic development. In addition, the great majority of handicraft businesses are run by women. It is reported by the Malaysian Handicraft Development Corporation that women handicraft producers in Malaysia account for 61.8% participation in handicraft businesses (Mat Amin, 2006). In this respect, ensuring the survival of women entrepreneurs in the handicraft industry is crucial to economic development. This study was conducted in Sabah, Malaysia, where 99.6% of handicraft producers are represented by the Bumiputera group and out of 2,182 handicraft producers in the area, 83.8% are women (MHDC Sabah, 2008). Since Bumiputera women are more involved in the industry, the intervention from the government becomes more significant because it is suggested that women’s entrepreneurial capacity and capability can be enhanced through strong and comprehensive government support (Habib Shah, 2004).

Literature review

Although the issue of gender equality has received considerable attention in women’s studies, much concentration has been given to the issue of gender equality from the labour market perspective, where women are the employees (e.g. Hakim, 2006; Morrison and Jütting, 2005). The fact that women expand their employment opportunities by becoming self-employed (Clain, 2000) suggests the need to explore gender issues in this new context. However, the application of well-established literature on gender from the employment perspective is inadequate to explain the experiences of women entrepreneurs (Greer and Greene, 2003). Hence, gender issues for women entrepreneurs should be seen in their own right, particularly to avoid the assumption by policymakers that a particular initiative suits every woman.

Previous literature has demonstrated the challenges women face, for example: undercapitalisation issues (Marlow and Patton, 2005), limited amount and quality of human capital (Boden and Nucci, 2000), lack of business and managerial skills (Roomi et al., 2009) and lack of social networks (Teoh and Chong, 2008). In addition, women entrepreneurs also confront gender-related obstacles (Roomi and Parrott, 2008; Sadi and Al-Ghazali, 2010) particularly in balancing their responsibilities between family and work (Ahmad, 2011; Al-Dajani and Marlow, 2010; Marlow, 2002). It is noteworthy that the degree of gender-related challenges for women entrepreneurs varies according to context. Although women entrepreneurs in developed countries face challenges in relation to cultural issues (Carter, 2000), the ‘depth and intensity’ of such challenges will depend, for example, on the degree of patriarchal values practised by society (Mordi et al., 2010). Cultural effects on entrepreneurial behaviours are understood as variable and specific to different cultural contexts and their values (Ahmad, 2007), and this affirms the importance of understanding the cultural context affecting a study. To develop such an understanding, the numerous dimensions that characterise culture need to be identified (House et al., 2004). In the context of Malaysia, two cultural dimensions appear significant. Firstly, the Malaysian national values are associated with a collectivist culture and a strong emphasis on relationships (Abdullah and Lim, 2001). A collectivist society promotes mutual in-group support (Nordin et al., 2002; Schermerhon, 1994) and emphasises the importance of external and public relationships (Markuz and Kitayama, 1991). Secondly, the patriarchal system is part of the Malaysian culture (Daud, 1988; Hashim et al., 2011). For women entrepreneurs within a patriarchal system, women’s business potential is restricted and limited, as they operate within a society that favours male norms (Ahmad, 2011; Roomi and Parrott, 2008). This unfavourable perception of women entrepreneurship not only exists in the social context but is sometimes embedded in ‘policy and legal environment and institutional support mechanisms’ (Sadi and Al-Ghazali, 2010: 3), thus presenting barriers to the advancement of women entrepreneurs (Ahmad, 2011).

The significance of gender policy in helping women to achieve gender equality is agreed upon by many scholars (e.g. Moser, 1993; Schofield and Goodwin, 2005; Teghtsoonian, 2003). In fact, the influence of government in facilitating women’s businesses is apparent throughout the literature (i.e. Arasti, 2011; Lee et al., 2011). However, the effectiveness of entrepreneurial support programmes that are provided by government organisations is debated (Sandberg, 2003; Tambunan, 2007). Since the reviewed literature on institutional approaches reveals that women are less likely to participate in entrepreneurial support programmes (Schmidt and Parker, 2003), it is difficult to
evaluate how beneficial these programmes are for women entrepreneurs. However, several issues in relation to entrepreneurial support programmes for women entrepreneurs can be identified in the existing literature. Firstly, women endure accessibility issues (Jamali, 2009). It is suggested that they lack knowledge and awareness of the programmes (i.e. Audet et al., 2007; Fielden et al., 2003), and suffer from the less pro-active marketing approach used by the entrepreneurial programmes providers (Mahajar and Mohd Yunus, 2006; Ong et al., 2010). Secondly, there are procedural issues that constrain women’s utilisation of entrepreneurial support programmes. These procedural issues involve bureaucratic problems (Ahmad, 2011; Al-Riyami et al., 2002) and complicated procedures (Hung et al., 2010). The next issue is related to the lack of focus of programmes for women entrepreneurs. Support programmes for women entrepreneurs have been criticised for taking a ‘one-size-fits-all’ approach (Huq and Moyeen, 2006: 37) and not incorporating the unique needs of women entrepreneurs – for example, in growth aspirations (Brush et al., 2004; Roomi et al., 2009) and upgrading business capacity (Tambunan, 2007). Fourthly, the literature highlights the absence of gender sensitivity in implementing entrepreneurial support programmes (Huq and Moyeen, 2011). The adoption of male-oriented approaches (Carter, 2000) underpins arguments advocating for increased presence of women’s role-models in entrepreneurial support programmes for women (Ismail, 1996; Madsen et al., 2008). The final issue concerns the ineffectiveness of the programmes for women entrepreneurs (Tambunan, 2007). Existing literature points to a lack of initiatives aimed at understanding the impact that entrepreneurial programmes have on their target groups (Lenihan, 2011). Even where evaluation processes are in place, they focus very little upon women entrepreneurs. For example, evaluation processes concentrate more on resource input than on the programme’s outcomes (Tambunan, 2007); women are less involved in evaluation roles than men (Landig, 2011); and they do not produce gender-specific data as an outcome (Habib Shah, 2004). This literature review has thus provided the foundation to explore the challenges BWEs in the handicraft sector face, in a non-Western cultural setting that has specific government led policy initiatives that are focussed on women.

Methodology

In order to investigate the extent to which government initiatives to support women entrepreneurship facilitate the business survival of BWEs in the handicraft industry in Malaysia, this study adopts a qualitative research strategy (Creswell, 2014) that focuses on an interpretivist approach (Mason, 2002) and capitalises on in-depth interviews (Patton, 2002) with 21 BWEs and five Government Officials (GOs). The choice of in-depth interviews as the main method in collecting data allows ‘women’s voices to be heard’ (Bryman, 2004: 288) and captures the richness of the qualitative explanations of BWEs and GOs (Huq and Moyeen, 2008).

Three methods of data collection were used in the study; interviews, documents and observations. All interviews with 21 BWEs and five GOs were recorded (Bryman, 2004; Blumberg et al., 2008). All interviews were conducted for between 40 and 90 minutes except for one interview lasting 120 minutes. In support of the interviews, relevant written materials (Creswell, 2014; Marshall and Rossman, 2011) which included project documents, strategy papers, brochures and web-related materials of government organisations were analysed to gain further clarification of the roles of government institutions in promoting business opportunities for BWEs in the handicraft industry. In addition, observations were carried out during the in-depth interviews with BWEs and government officials at their organisations. This method was useful in terms of extending interpretations about BWEs’ and GOs’ interactions as well as seeking insights from them (Marshall and Rossman, 2011). The researcher observed situations that were described by BWEs and GOs and looked for any agreements or discrepancies between the descriptions and the actual events.

The sampling frame of this study is the list of BWEs that was obtained from a government organisation responsible for the development of handicraft entrepreneurs in Malaysia. In finalising the sampling frame, the researcher used four selection criteria:

a. They hold Bumiputera status
b. They are small and medium enterprise owners
c. They are involved in the handicraft industry
d. They have established their businesses for more than 3.5 years

The sample size of BWEs was determined based on the judgment made on previous qualitative research (i.e. Mason, 2010) and women entrepreneurship research (i.e. Huq and Moyeen, 2006). A purposive sampling technique (Patton, 2002) was adopted in selecting the 20 BWEs. However, instead of having 20 BWEs as a sample, this study obtained an additional BWE. This individual was suggested by one of the participants and came voluntarily to the
venue where the interviews were held to share her experiences in business. The researcher accepted her participation because culturally it is inappropriate to refuse the ‘generous’ offer made, and she fulfilled the sample criteria. Table 1 presents some demographic information of BWEs. The criterion used to select the officials was that they must be the head of the section/unit of entrepreneurship development in their organisation.

All 26 recorded interviews were transcribed in the Malay language. The language is used throughout the interview process, as it is the medium of instruction for the Bumiputera group in Malaysia. Therefore, the problem of a language barrier is avoided increasing the quality of the responses given by the participants (Bryman, 2004; Howitt and Cramer, 2008). The transcripts were then translated into English and analysed under a thematic network analysis (Attride-Stirling, 2001). For observations, notes were taken during the process to record situations that further interpret the phenomenon under study. No specific criteria for observations was set in this study, however, the topics that were included in the interview guides became the basis for the observations. Therefore, data from the observations was incorporated in this study where there is a need to support data from the in-depth interviews. The same practice was also adopted for the analysis of documentary evidence. Elements that appeared in the printed materials and were consistent with the focus of this study were used as part of the research findings.

Table 1: BWEs’ demographic characteristics

<table>
<thead>
<tr>
<th>Age group</th>
<th>Education</th>
<th>Marital Status</th>
<th>Number of children</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>P</td>
<td>S</td>
<td>U</td>
</tr>
<tr>
<td>Below 30 (3)</td>
<td>-</td>
<td>3</td>
<td>-</td>
</tr>
<tr>
<td>31-35 (3)</td>
<td>-</td>
<td>3</td>
<td>-</td>
</tr>
<tr>
<td>36-40 (2)</td>
<td>1</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>41-45 (5)</td>
<td>3</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>46-50 (4)</td>
<td>1</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td>Above 51 (4)</td>
<td>2</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>Total (21)</td>
<td>7</td>
<td>10</td>
<td>2</td>
</tr>
</tbody>
</table>

P=Primary level; S=Secondary level; U=University level and N=Not schooling

Findings

Three themes are drawn from the analysis of the qualitative data of this study: the concept of business survival, the contributing and constraining factors of business survival and the implementation, design and evaluation of GESPs.

The concept of business survival

Both GOs and BWEs were in agreement that business survival is associated with several business-related themes. Firstly, business survival was viewed as related to business continuity through their statements that “a business must continue its operation” (BWE11), “to continuously maintain their business” (GO5). Secondly, BWEs and GOs
explained how income was linked to the concept of business survival. They stated, “prosperous in terms of income, income must increase” (BWE5) and “So to me, survival is about progress in their earnings” (GO5). Thirdly, while BWEs and GOs agreed that business growth relates to positive changes in business operation, the context of change that they described was different. For example, BWEs stated, “…from selling handicraft products in a small scale…I take large orders such as from resorts” (BWE19) and “Income increased. Orders increased. Increase in the number of customers” (BWE12). On the other hand, the aspect of change that GOs described to support the idea of business survival was related to a larger context such as “there will be a potential for new branches…new market” (GO1) and “to innovate their products or create something new” (GO2).

In addition, the analysis shows that business survival also becomes part of family issues. On one hand, business survival was viewed as important for accommodating the next generation in the business. BWEs stated, “…my aim to continue with the business is so that my children can take over. My son is becoming good at this” (BWE3) and “if I couldn’t do it anymore my children can carry on the legacy” (BWE18). On the other hand, BWEs agreed that their handicraft businesses provide comfort for their family. For example, BWE17 commented, “…our family’s survival has been reliant on my handicraft products. Our family’s quality of life has become better, thanks to the handicraft products”.

The contributing and constraining factors of business survival

The analysis of the data shows that the factors that may influence the success of BWEs' business survival process can be segregated into three different groups: personal, organisational and institutional factors.

a. The personal aspects

It was found that BWEs view their attitudes and characteristics as well as personal abilities as contributing much to what they have achieved so far. BWEs agreed that their hard work and enthusiasm in business contributed a lot to their business survival. They commented “I think hard work really pays off” (BWE4) and “Where there’s a will there’s a way, but if there isn’t any then that’d be difficult. Enthusiasm is important” (BWE16). However, BWEs viewed their personal abilities in terms of knowledge and skills, education and experience to decelerate the survival process. BWEs described situations that have put them at an advantage in their businesses such as “not highly educated” (BWE7), “the others have more knowledge on designs than myself” and “I’ve lack of experience” (BWE18). BWEs agreed that personal abilities were obtained through ways that they could not always control.

b. The organisational aspects

BWEs regarded two organisational aspects: resources and capabilities, as constraints that hindered the survival process but which could be minimised through appropriate support. The findings revealed that financial constraints affected most of the BWEs in this study. BWEs were unsatisfied with the capacity of their businesses and insufficient financial capital was viewed to be the reason. BWE13 shows regret: “…but how could I gain a strong foothold in the market if I couldn’t produce sufficient quantities. I couldn’t produce many because my capital isn’t sufficient.” The issue of insufficient financial capital becomes more critical as it leads to other business challenges such as labour constraints as BWE16 commented “…there isn’t any other ways to increase production volumes unless you have assistants … you need to increase your capital to hire more people…” In addition, BWEs spoke of the challenges in terms of obtaining a strategic business location and suitable business premises. The issue of insufficient financial capital once again emerged as the reason that BWEs had to relocate their businesses to business premises and a location that they could afford. However, the words of GOs demonstrate that BWEs’ relocation is “inappropriate… far from public” (GO5) and provides them with “un-strategic locations” (GO1) and “too much competition” (GO4). In addition, BWEs highlighted two types of capabilities: creative product designs and trust. BWEs described themselves as having limited knowledge and creativity about how to vary their products. Interestingly, the data revealed that trust which is established between BWEs and other handicraft producers has helped BWEs to survive in their businesses, particularly in relation to fulfilling orders as BWE8 stated “…if I can’t fulfil my orders, I’ll pass them to ten handicraft producers to help me out.”
b. The institutional aspects

BWEs’ business survival is related to different aspects of their institutional environment. At the basic level, institutional influence is drawn from BWEs’ family institutions. The words of BWEs indicate that their domestic roles and the need to gain consent from their spouses restricted their business activities. For example, BWEs commented “I’m like a five in one person. I’m a homemaker, seller, handicraft producer, a mother and a wife” (BWE7) and “Women could attend external activities if their husbands won’t stop them” (BWE15). On the other hand, the unlimited support from family, including emotional and material support, provided BWEs with a distinctive advantage for their business survival as BWE14 stated “My mother used to look after my children when I went out [business activities].”

BWEs’ business survival also relates to larger institutional aspects. From a social aspect, a support network of friends is developed that supports BWEs in dealing with business-related issues such as “for guidance” (BWE11) and “to update … on any handicraft-related events” (BWE20). In addition, there was a larger social system of BWEs that impacted them individually. For example, in a patriarchal society like Malaysia, giving more priority to business than family is judged by society as being culturally inappropriate for married women. While BWEs are expected to behave according to these norms, any behaviours beyond these norms result in social pressure on BWEs. BWE19 commented “…people always talk about me but it falls on deaf ears … many others are talking bad about me.” In addition, there is evidence that political support had a significant influence on BWEs’ businesses particularly for those BWEs who were members of the ruling political party, as well as those actively engaged in political-related events. BWE3 stated “I’m very grateful for the support by the YB [literally ‘The Honourable’ – the title of the members of the Malaysian Parliament].”

Throughout the interviews, it was evident that the government is another institution that can influence BWEs’ business survival. The findings show that government support is sought to overcome weaknesses in BWEs’ personal abilities and their firm’s resources and capabilities. BWEs demonstrated that they are “registered” with government institutions for the formal networking of their businesses (BWE4, BWE12 and BWE14). Furthermore, government organisations are significant for financial and marketing support as BWEs commented “It was great that I received RM4,000 from the Y1 [government organisation] and “…now I submitted LPO [local purchase order] at the TO [government organisation] and receive RM70,000.” However, although it was also found that BWEs use government business premises, BWEs were dissatisfied with them as they commented “the space is very small” (BWE5).

The implementation, design and evaluation of Government Entrepreneurial Support Programmes (GESPs)

a. The implementation of GESPs

It becomes apparent from BWEs’ conversations that the scope of particular GESPs did not reflect the different stage of their business development and the conduct of the programmes did not accommodate the very different backgrounds and experiences of BWEs. BWEs’ frustration about the value of such training programmes can clearly be seen when they described the training programmes as “too simplistic” (BWE11), “aren’t that valuable because I know better than they do” (BWE15), “there’s nothing new in terms of the handicraft knowledge” (BWE17) and “there isn’t any slot to share experiences among women entrepreneurs” (BWE7). In addition, BWEs view the process of accessing GESPs as putting them in an unfavourable business position as the process was seen as not transparent and time consuming. BWEs’ views on the issue are illustrated by the comments: “I see that the bodies [government organisations] aren’t transparent” (BWE1) and “M1 [government organisation] is very slow. I received my loan after four months” (BWE11). Furthermore, the criteria used by the government organisations seem to undermine the ability of BWEs to be defined as eligible participants as they need to apply for micro-financing support not individually but in a group with other BWEs. The majority of BWEs were still unaware of the existence of GESPs that they could utilise. In addition, while BWEs expressed their concerns that an inappropriate approach was adopted by government organisations in promoting GESPs, GOs saw no issues on the current strategies used by their respective organisations. While BWE15 commented “I think there’s an issue with communication because none of the information reaches us”, GO2 commented “It’s been all right so far”. Finally, all BWEs reported that they have some contact with government officials. However, BWEs had little faith in the abilities of GOs to provide advice for their business as BWE17 commented “they often talk about the same thing when they come to visit. They’d ask us whether we’re still active or not.”

6
b. The design of GESPs

The design process of GESPs was treated mostly as an internal process in all government organisations in this study, with a great involvement of GOs in preparing “the budget and proposals” (GO1, GO2, GO3 and GO4). Although women’s involvement in the process was evident, several issues emerged that affected the appropriateness of the programmes to BWEs. GOs admitted that “women who are the head of the department will automatically become a committee member to the action meeting” (GO3) and “I must admit there are more men” (GO1). In addition, the data revealed that a specific programme for women was launched based on a recommendation put forward by female politicians - as GO1 stated “this idea [women entrepreneurship scheme] derived from YB J [female politician]. She suggested that a scheme for women is put in place to help women obtaining capital. Therefore, it was her suggestion when she was the Deputy Minister”. However, there was no involvement of women entrepreneurs in the design process of GESPs, as a GOs commented “so far, there is no involvement from entrepreneurs” (GO2) and GO3 gives the reason for this situation as “this is only an internal committee, that’s why we don’t invite outsiders”.

c. The evaluation of GESPs

GOs underlined the specific procedures and indicators used to evaluate the effectiveness of GESPs. GOs agree that GESPs are evaluated against the objectives set for particular programmes. Various objectives were highlighted by each GO but their explanation was brief and general. For example, GO3 even suggested this information should be sought through the organisation’s website by saying “They’re all published on our website”. However, inconsistency was found between GO’s responses and the information stated in the written materials obtained from their organisations. For example, whilst GO1 commented: “We want to help women expand their businesses”, the documents obtained from the organisations still show that creating new entrepreneurs is part of the objectives set. In addition, it was common practice for the evaluation of GESPs to be carried out internally by the staff of the government organisations offering the programmes as stated by GO1: “We carry out the assessment ourselves”. As such, the objectivity of the evaluation process can be debated. With regards to gender issues, there was no evidence that the issue was incorporated in the evaluation process. During GOs’ explanations of how the process was carried out, none of them explained the involvement of women in the process. Although GOs claimed that there was sex-disaggregated data in their organisations, there was no information about women entrepreneurs or BWEs who have participated in any GESPs provided by the organisations.

A few input factors were highlighted by GOs as the measures of the success of GESPs. They commented “we had a fund of RM126 billion which give benefits to 601” (GO4) and “the number of participants has been overwhelming” (GO2). These statements indicated the less realistic measures used by government organisations to evaluate the success of their GESPs because these measures did not explain the benefits received by the participants of the programmes. In addition, it was evident that output measures were used by GOs in this study. At the basic level, the output measures related to the creation of entrepreneurs where phrases such as “from no business to run a business” (GO1) and “those without any business to have one” (GO5) are used. Also, more specific measures that look at the performance of participants were identified from GOs’ responses such as “We’ll look at the progress made in their income” (GO5). However, by viewing BWEs’ business performance as the sole indicator of the success of GESPs, the extent to which GESPs help to overcome BWEs’ business challenges cannot be revealed. In addition, GO5 stated “We don’t have any systematic follow-ups” which give the impression that no systematic approach to evaluating GESPs was available, and this assumption was reinforced with the absence of documentary evidence to support the general statements.

Discussion and conclusion

The findings reveal that BWEs’ personal characteristics, such as being hardworking and enthusiastic, drive their businesses (Jahanshahi et al., 2010). However, BWEs’ business survival is challenged by the limitations of their personal abilities, in that they have low educational attainment, limited business knowledge and skills and insufficient previous work and business experience. The findings extend the existing literature by highlighting trust as a new element of a firm’s capabilities that facilitates business survival of BWEs in the handicraft industry in Malaysia. Despite BWEs’ lack of physical resources, the trust they gain from using other handicraft producers has enabled them to meet the demand from customers. Interestingly, this arrangement was not formalised by documentation but none of the BWEs commented on any negative experience caused by this way of organising
their work. The uniqueness of the Malaysian collectivist culture has contributed to the emergence of this new finding. Previous research on the Malaysian context has shown the strong linkage between the socio-cultural environment and how it influences the entrepreneurial activities of Malaysian women entrepreneurs (Selamat et al., 2011; Yusof, 2006). Also, Malaysians are culturally conceptualised as collectivists in which they have a strong sense of belonging in a group (Nordin et al., 2002) and practice high tolerance within and outside their community (Selamat et al., 2011). Therefore, the characteristics of the Malaysian culture has enabled the development of trust between BWEs and other handicraft producers; thus, providing new insights into how BWEs support their business survival.

This study provides evidence that the collectivist culture which governs them helps to overcome the issue faced by women entrepreneurs of balancing family and work responsibilities that has been debated in the women’s entrepreneurship literature (Al-Dajani and Marlow, 2010; Fielden and Davidson, 2005). Instead of viewing family as a factor which constrains women in business, this finding provides new insights into how the family can contribute positively to the business development process. However, this study finds that domestic responsibilities lie primarily with BWEs and both married and single BWEs share the view that women’s domestic roles take priority over their roles as entrepreneurs. These findings reflect the presence of strong prevailing traditions and values which determine the gender identities of men and women in Malaysia (Ariffin, 1999; Hashim et al., 2011). As a consequence, family issues always have priority over business matters (Marlow, 2002). This finding conforms to the earlier conclusion that although women do have the right to perform entrepreneurial activities, involvement is subject to their husband’s permission and the continuity of their traditional roles as women (Al-Dajani and Marlow, 2010). The conflicts that occur in carrying out family and business responsibilities described by BWEs in this study suggest and support previous claims that women’s social environment has a great influence on their entrepreneurial activities (Marlow, 2002; Roomi and Parrot, 2008 and Sadi and Al-Ghazali, 2010).

The importance of political institutions for BWEs emerged as a new theme which addresses the scarcity of entrepreneurial literature that discusses the influence of political aspects on women’s entrepreneurial activities (Ismail, 2001). BWEs’ reliance on political contacts also conforms to Ismail’s work (2001), which found that Malaysian women entrepreneurs regard business and politics as complementing each other, and knowing as many politicians as possible is relevant to doing business. However, although some BWEs have been relying on political support for their business survival, this support is more likely to place the majority of BWEs at a disadvantage because it can only be accessed through personal networks. The current practice of obtaining political support through personal connections, particularly for BWEs who are members of the ruling political party, is believed to further discriminate against the majority of BWEs who have no political connections.

The results of this study confirm the idea that the government is important in influencing the success of women entrepreneurs in the context of developing countries (Lee et al., 2011; Sadi and Al-Ghazali, 2010; Tambunan 2007) and suggests there is a need to provide GESPs that can increase the survival prospects of BWEs’ businesses. However, the study identifies that the scope of GESPs does not reflect the different stages of BWEs’ business development. BWEs claim that the government initiatives tend to focus on the start-up stage and do not support their business expansion plans, confirming the finding that very few support programmes address the growth orientation of women’s businesses (Roomi et al., 2009). This study revealed that there is a gap between the needs of BWEs and what is on offer, particularly due to the failure of government organisations to see the different needs of BWEs at different stages of business. In this sense, this study highlights the heterogeneity of BWEs, confirming the finding that a great deal of diversity exists in the nature and scale of women’s enterprises that affects the level of awareness, access and usage of business development services (Huq and Moyeen, 2006). Furthermore, the extended time taken to process an application for GESPs further adds to the view of BWEs concerning the ineffectiveness of GESPs. This finding is consistent with the study by Hung et al. (2010), who found that the time taken to process an application for GESPs contributes to the low number of SMEs in Malaysia that utilise the support. While procedural issues in accessing government support in the context of developing countries is highlighted in previous studies (Ahmad, 2011; Al-Riyami et al., 2002; Jamali, 2009), political connections, which are found to be significant in placing BWEs at a disadvantageous position in accessing GESPs, emerged as a new bureaucratic challenge. Therefore, BWEs are doubly discriminated against through gender and political discrimination.

Consistent with previous research, women entrepreneurs’ lack of awareness and knowledge about the availability of entrepreneurial support (Audet et al., 2007; Fielden et al., 2003; Huq and Moyeen, 2006) emerged as the main reason for BWEs’ low access to and usage of GESPs. However, while GOs perceive that the unawareness by BWEs of GESPs is caused by their lack of initiative in seeking relevant information, BWEs argue that information is poorly disseminated. This mismatch of perceptions suggests that BWEs are seen by the GOs as solely responsible for their lack of awareness about GESPs and reject any possibility of the ineffectiveness of delivery information
systems by government organisations. This finding supports Ahl’s (2002; 2006) concern about the strong presence of individualist assumptions in explaining the challenges women entrepreneurs face, which leads to the expectation that all problems confronted by women entrepreneurs are to be solved by them, even if the problems relate to structural factors.

The study found that women are less involved, with no recognition of the importance of women as part of the design team of GESPs, as role models to BWEs in the implementation of GESPs, or as evaluators of GESPs. Given that BWEs in this study face various personal, organisational and institutional barriers in conducting their business, the need to share their experiences with other successful women entrepreneurs becomes important, particularly in inspiring and building the confidence of women entrepreneurs (Fielden et al., 2003; Huq and Mooyeen, 2011) As such, this study revealed that the implementation of GESPs has still not moved away from the issue of adopting a male-oriented approach in understanding women entrepreneurs (Brush, 1992) and neglects the importance of accommodating women entrepreneurs’ experiences in the programmes (Carter, 2000; Fielden et al., 2003).

This study responded to the calls for research on the systematic evaluation process of entrepreneurial activities which is argued as lacking in entrepreneurship research (Greene and Storey, 2007; Lenihan, 2011). This study confirms that a comprehensive database is an important element of good practice policy support and is useful for monitoring effectiveness (Ram and Smallbone (2003). However, the impact of GESPs on BWEs’ businesses becomes more difficult to determine in the absence of sex-disaggregated data in which the numbers of BWEs who have accessed and utilised GESPs was unknown, which according to Habib Shah (2004) is the major difficulty in evaluating the impact of entrepreneurship policies and programmes in Malaysia. Moreover, the findings revealed that there is an issue of lack of independence in evaluating the outcome of GESPs. In this respect, the results of this study show that the objectivity of the evaluation process is challenged when the process is carried out by people who are offering the programmes (Moser, 1993) and excludes women (Landig, 2011). In addition, by relying more on input than output measures in evaluating the success of GESPs, it only helps government organisations to determine the amount of resources that have been invested but the impact on BWEs remains unknown. This evaluation practice supports previous arguments on the ineffectiveness of using resource measures (Lenihan et al., 2007; Tambunan, 2007) and overlooking gender issues as important elements in the evaluation process (Huq and Mooyeen, 2011).

In essence, this study explores the institutional influences on BWEs’ business survival; thus offering a new research perspective, that departs from using individual-related factors in explaining women’s entrepreneurial activities (Ahl, 2006). The exploration of the roles of GESPs in the BWEs’ survival process demonstrates the shortcomings of GESPs, which has influenced BWEs to utilise the informal support opportunities which form part of the collectivist culture of the Malaysian society. As such, this study has responded to the need to capture the influence of gendered institutions on women entrepreneurs by incorporating the mainstream cultural variables (Pathak et al., 2013), in this case the collectivism element. This collectivist society also appears to reduce the impact of patriarchal pressure on BWEs. As such, this study offers further insights into the gender and women’s entrepreneurship literature by providing evidence of how the tensions between gender issues and women’s entrepreneurial activities (Al-Dajani and Marlow, 2010; Marlow, 2002; 1997; Roomi and Parrott, 2008) are minimised through the Malaysian collectivist culture. This study contributes to the literature on institutional influences on women’s entrepreneurship through the identification of the political privileges that shape BWEs’ experiences in accessing GESPs and the establishments of women-only entrepreneurial support programmes. The inter-relatedness between political influence and GESPs and the significance of interactions between different contextual dimensions, in this case between the spatial and social context of Malaysia, articulate the reality of BWEs’ business survival; thus adding a new dimension to the literature on women’s entrepreneurship. Therefore, this study has responded to the call for acknowledging the diversity of institutional contexts that offer useful theoretical perspectives in researching women entrepreneurship (Welter, 2011) and has responded to Zahra et al.’s (2014: 494) suggestion on the need to identify the ‘collinearities between different dimensions of context’ in entrepreneurship research.

Limitations and future directions

While this study provides fruitful insights into the experiences of BWEs in ensuring their business survival and the influence of government initiatives in the process from a non-Western context, it has limitations that warrant future research. Firstly, the data of this study was collected from a sample of BWEs in the handicraft industry in Malaysia.
Future studies could be extended to other non-Bumiputera groups, such as Chinese and Indian women, to see whether the same socio-cultural factors have the same influence on their entrepreneurial activities and should include other industries that have major involvement of BWEs to enrich the understanding of women’s experiences in their business survival. Secondly, although this study incorporates the views of both BWEs and GOs, no views from women’s associations, trade associations or NGOs that deal with women’s issues were obtained. Hence, future research that can expand the composition of participants from organisations that are related to GESPs could enrich the understanding of BWEs in relation to their business survival and the impact of GESPs on their survival process. Thirdly, while the use of a qualitative approach helps to increase the understanding of the reality of BWEs through their own voices, this study provides no statistical figures that would be useful to support recommendations for policy makers and for the use of future research. In addition, this study did not explore the content of the individual programmes offered by each government organisation. The use of qualitative case study analysis on these programmes could improve the understanding of the impact of GESPs on BWEs and the factors that contribute or constrain the implementation process of the programmes. Finally, this study is based on a sample of 21 BWEs from one state of Malaysia. Future studies might use a larger sample of BWEs and be extended to other states in Malaysia to ascertain the impact of the social-cultural influence on BWEs and to other countries with similar-cultural environments to provide some cross-cultural findings.

References


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