

**Government intervention in women  
entrepreneurship development: Opportunities  
and challenges for Bumiputera women  
entrepreneurs (BWEs) in the handicraft industry  
in Malaysia**

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## **Statement of declaration**

I certify that, to the best of my knowledge, all sources have been acknowledged in this thesis.

## **Abstract**

This study provides insights into the influences of government intervention on the business survival of Bumiputera women entrepreneurs in the handicraft industry in Malaysia in which Bumiputera refers to the indigenous people and the largest population group in the country. The Malaysian handicraft industry is largely made up of Bumiputera women entrepreneurs (BWEs). While very little is known about how BWEs in the handicraft industry in Malaysia manage the survival of their businesses, the impact of the government's initiatives on BWEs' business survival process remains largely unexplored. To explore these arguments, this study investigates the business survival experiences of BWEs in the handicraft industry in Sabah, Malaysia: the leading state in the country in terms of handicraft producers. This study adopts an interpretative approach and uses semi-structured interviews as the main data collection technique in exploring the perceptions and views of 21 BWEs and five government officials (GOs) on government entrepreneurial support programmes (GESPs). All interviews were recorded but with participant's permission. Two additional data collection methods: documentary analysis and observations were utilised; thus, improving the triangulation of the findings. The findings show that BWEs' business survival is a complex process that is influenced by endogenous and exogenous factors which stem from three different aspects: personal, organisational and institutional. While endogenous factors relate to BWEs' personal and organisational aspects, exogenous factors refer to four institutional environments: family, social, political and GESPs. The important dimensions that emerged are the significance of the collectivist culture of Malaysia in influencing BWEs' business survival and the political privileges that influence BWEs' access to GESPs. This study revealed that government organisations appear to be the dominant source of external support for BWEs in the handicraft industry in Malaysia. However, the way the GESPs are designed, implemented and evaluated do not reflect the business needs of BWEs. This study adds to the body of knowledge on women's business survival by providing empirical evidence from a Malaysian perspective. The findings demonstrate how the Malaysian collectivist culture is relevant in minimising BWEs' patriarchal pressures, thus bringing further insights to the gender and women's entrepreneurship literature. Finally, this study highlights the significance of the political privileges that hinder BWEs access to GESPs whilst also encouraging the establishment of women-only entrepreneurial support programmes, contributing to the literature on institutional influences on women's entrepreneurship research.

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## LIST OF ABBREVIATIONS

AIM	Amanah Ikhtiar Malaysia
ASEAN	Association of Southeast Asia Nations
BDS	Business development services
BWE (s)	Bumiputera women entrepreneur(s)
CGC	Credit Guarantee Corporation
CEDP	Craft Entrepreneur Development Programme
CEFE	Competency Based Economics through Formation of Entrepreneurs
EC	European Commission
EPU	Economic Planning Unit
GAD	Gender and development
GESP(s)	Government entrepreneurial support programme(s)
GO(s)	Government official(s)
HAWA	Women Affairs Secretariat
ILO	International Labour Organisation
JHEW	Department of Women Affairs
MARA	The Council of Trust for the Indigenous People
MATRADE	The Malaysian External Trade Development Corporation
MECD	Ministry of Entrepreneur and Co-operative Development
MED	Ministry of Entrepreneur Development
MEDEC	The Entrepreneurship Development Centre
MHDC	Malaysian Handicraft Development Corporation)
MIDF	Malaysian Industrial Development Finance Berhad
MITI	Ministry of International Trade and Industry
MTDC	Malaysian Technology Development Corporation
NACIWID	National Advisory Council on the Integration of Women in Development
NEP	New Economic Policy
NPC	The National Productivity Corporation
ODOI	One District One Industry
NPW	National Policy for Women
SEDC(s)	State Economic Development Corporation(s)
SME(s)	Small and medium enterprise(s)
SME BANK	Small and medium enterprises Bank
SME CORP	Small and Medium Corporation of Malaysia
UN	United Nations
UNDP	United Nation Development Programme
WID	Women in development

# CHAPTER 1

## INTRODUCTION

### 1.1 Overview

This study focuses on the business survival issues of Bumiputera women entrepreneurs (BWEs) in the handicraft industry in Malaysia. In the Malaysian context, Bumiputera refers to indigenous people and literally means sons of the earth (Ahmad, 1988). Bumiputera is the largest population group in the country and a key player in the Malaysian handicraft industry. It is noteworthy that the Malaysian handicraft industry is largely made of BWEs, which triggered the interest of this study to investigate how they manage the survival of their business. Although a wide range of programmes were introduced by government to help the development of Bumiputera entrepreneurs in all industries in general and the handicraft industry in particular, very little is known about the impact of these initiatives on the business survival of BWEs in the handicraft industry, and how they perceive the effectiveness of the programmes. Therefore, it is the aim of this study to investigate the extent to which government initiatives to support women entrepreneurship facilitate the business survival of BWEs in the handicraft industry in Malaysia by gaining the perspectives of both BWEs and government officials (GOs).

This first chapter of the thesis outlines the research background and specifies the research's objectives. This chapter also gives an overview of the research setting to explain the development and institutional framework of women entrepreneurship in Malaysia. The chapter ends by outlining the structure of the thesis.

### 1.2 Research background

'Women are one of the fastest rising populations of entrepreneurs', however, less is known about their business experiences due to lack of research (Brush, 2006: 612). Apart from that, women entrepreneurship literature tends to view women entrepreneurs from the experience of men (Ahl, 2006). As a consequence, the reality of women entrepreneurs and their entrepreneurial experiences remain invisible in existing entrepreneurship literature. In addition, research on

women entrepreneurs is very 'Western-centric' (Brush and Cooper, 2012: 4). To address this bias, there are calls for to study women entrepreneurs by taking gender issues into consideration (Brush, 2006; Losocco and Bird, 2012). This study acknowledges the importance of gender issues in BWEs' entrepreneurial activities, by for example, investigating the conflict that arises in managing family and business responsibilities for BWEs. In addition, women-owned businesses are described in the entrepreneurship literature as small in size with no potential for growth (Manolova et al., 2012). This description is associated with the perception of women entrepreneurs as a single homogenous group that play the same roles and face the same barriers (Madsen et al., 2008). These perceptions are inconsistent with the argument that women's social environment provides a different set of challenges to their businesses (Brush and Gatewood, 2008). In this respect, this study acknowledges the heterogeneity of BWEs (Huq and Moyeen, 2006). By investigating the business survival experience of BWEs after the inception stage, this study moves away from the concentration on factors that influence women's start-up (Brush et al., 2008) and 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).

A review of the entrepreneurship literature on business survival revealed some issues that need to be addressed, in investigating the business survival of BWEs. Firstly, most research on business survival refers to the concept as the ability of firms to stay in business over a specified time period (e.g. Astebro and Berhardt, 2003; Bekele and Worku, 2008). Although useful, the concept of business survival discussed by organisational researchers which includes the elements of continued existence, competitiveness and healthy finances (e.g. Churchill and Lewis, 1983; Lester et al., 2003) appear less in the existing literature on business survival. Therefore, the concept of business survival in this study incorporates both the significance of time period in explaining the phenomenon of business survival whilst also focusing on organisational elements such as continuity and competitiveness of business, and healthy finances.

Secondly, it is not uncommon for business survival to be measured based on financial indicators (Kalleberg and Leicht, 1991); however, this practice has long been debated to discriminate against women (Brush, 1992) and it is suggested that personal development as an indicator for women's business survival should also be taken into account (Shaw et al., 2009). By incorporating both the hard (e.g. income) and soft indicators (e.g. a comfortable family life) of

business survival, this study aims to reveal the reality of BWEs in relation to the survival process of their businesses.

Thirdly, not only is very little known about the determinants of the survival prospects of women's business ventures, previous research also tends to use individual or micro-level factors to explain the phenomenon (e.g. Boden and Nucci, 2000). It is argued that there is too much emphasis on individual explanation in researching women entrepreneurship (Ahl, 2006) and the same practice seems to appear in describing the phenomenon of women's business survival. This study also has responded to the need for integrating multiple perspectives - micro, meso and macro in researching women entrepreneurship (Brush et al., 2009; Jamali, 2009). In addition, by incorporating both endogenous and exogenous factors in investigating the survival process of BWEs, this study agrees with the view that entrepreneurship is an embedded phenomenon that is influenced by both individual and environmental factors (Shane, 2003; Welter and Smallbone, 2011). Within this context, while endogenous factors relate to individual and organisational aspects of BWEs, the exogenous factors include the culture that governs BWEs, and government entrepreneurial support programmes (GESPs) that can be utilised by BWEs.

The use of culture in explaining BWEs' business survival phenomenon is regarded as relevant after considering the complexity of women's social environments and how this social arrangement shapes gender relations and society (Huq and Moyeen, 2008) and leads to the idea of male-gendered entrepreneurship (Bird and Brush, 2002). The influence of culture on women entrepreneurs is agreed by scholars as more prevalent in developing than developed countries (Mordi et al., 2010; Dechant and Al-Lamky, 2005) as well as in non-Western than Western contexts (Leach, 2000; Tan et al., 2002) such as in Malaysia. The collectivist culture of Malaysia may provide BWEs with a different set of experiences in running their businesses which are not reported in existing women's entrepreneurship literature. Thus, this study provides new evidence of the significance of culture on women entrepreneurship. The second exogenous factor is GESPs, which addresses the gap in women entrepreneurship literature concerning the lack of institutional explanation for women's entrepreneurial activities (Ahl, 2002, 2006; Ahl and Nelson, 2010; Brush and Cooper, 2012). In this respect, GESPs is one institutional element that is believed to have an impact on BWEs' business survival process. However, there is disagreement between scholars in relation to the effectiveness of entrepreneurial support programmes that are provided by government organisations (Chitra Devi, 2011; Lee et al., 2011; Sandberg, 2003; Tambunan, 2007) that needs to be explored.

Therefore, after taking into consideration all women-related issues that are highlighted in the women entrepreneurship literature, it is the interest of this study to investigate the extent to which GESPs facilitate the business survival of BWEs in the handicraft industry in Malaysia. By focusing specifically on the concept of business survival and government initiatives in facilitating the process, this study provides new knowledge about women entrepreneurs in general and BWEs in the handicraft industry in Malaysia in particular. To allow for better understanding about the research setting, a discussion on Bumiputera and Malaysian women entrepreneurs, the Malaysian handicraft industry and the overview of women entrepreneurship development in Malaysia are presented in the following sections.

### **1.3 Research Setting: Malaysia**

#### **1.3.1 The Bumiputera**

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, whereas Indians were employed as low level workers in the rubber plantations (Ariff and Abu Bakar, 2003). This historical division of labour contributed to the economic landscape of the Malaysian people in its contemporary economic, social and political structures. As the indigenous group in Malaysia, Bumiputera was given political power by the British upon the country's independence; however, economic power remains with the Chinese (Simpson, 2005). Therefore, after becoming independent in 1957, one of the biggest challenges for the new Government was to minimise and close the gaps in many areas, especially in respect of the socio-economic differences, amongst the three major groups. 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). During British Colonialism, Bumiputera did not involve in entrepreneurial activities; thus, they lack of skills, knowledge and experience to embark as entrepreneurs. 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 following section discusses the aspects of government intervention involved in stimulating the Malaysian economy and entrepreneurship development strategies.

### **1.3.2 Government intervention on the Malaysian economy and entrepreneurship development**

In the first ten years after Malaysia's independence, government spending was concentrated on the development of urban infrastructure as well as agriculture and rural sectors, and these strategies were included in the First Five Year Plan [1956-1960] and the Second Five Year Plan [1961-1965] (Simpson, 2005). The focus on increasing the economic development of Bumiputera took place in the First Malaysia Plan [1966-1970] with the establishment of two corporate organisations that facilitated Bumiputera to participate in trading and industrial activities: The Council Trust for the Indigenous People and Bank Bumiputera Malaysia Berhad (Haji Yaacob, 1988). Next, the New Economic Policy (NEP) was introduced in 1971. Under the NEP, various economic development programmes were implemented with the aim of achieving two primary objectives of the policy: (a) 'eradicating poverty by raising income levels and increasing employment opportunities for all Malaysians regardless of race, and, (b) accelerating the process of restructuring Malaysian society to correct economic imbalance and eliminate the identification of race with economic function' (Baharuddin, 1988: 81). This policy involved a twenty-year plan (1971-1990) and was implemented under a series of five year Malaysia Plans. The implementation of the NEP took place during the Second Malaysia Plan (1971-1975) and ended in the Fifth Malaysia Plan (1986-1990).

The government support for the entrepreneurship development of Bumiputera continued with the introduction of the New Development Policy in 1991 (1991-2000). This policy involved a ten year period and maintained the two objectives set in the NEP as well as enhancing efforts to develop 'dynamic genuine' Bumiputera entrepreneurs in the modern sectors (Shahadan, 2001: 87). Although the NEP and NDP have ended, government support for entrepreneurship development in general, and for Bumiputera entrepreneurs in particular, continues and is included in 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. As such, the sector provides business opportunities in many areas to be explored by entrepreneurs. Generally, different needs of consumers have sparked different types of industries such as financial, business and insurance services as well as wholesale and retail trade. 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 selection of the handicraft industry in this study is consistent with Malaysian economic development. The background of the handicraft industry is discussed below.

### **1.3.3 The Malaysia Handicraft Industry**

The handicraft industry in Malaysia is defined as:

#### **INSERT DEFINITION**

The Malaysian government was officially involved in the development of the handicraft industry through the establishment of the Rural and Industrial Development Authority in 1951 (Redzuan and Aref, 2011). At the time, the focus was to develop rural industries by extending the rural-agricultural sector to the non-agricultural sector. It was only in the Fourth Malaysia Plan [1981–1985] that the industry was recognised as a sector due to the major positive growth of the industry through its export activities (Redzuan and Aref, 2011). Since the handicraft industry is strongly associated with aesthetic and cultural dimensions, it also plays an important role in supporting other related industries such as the tourism industry (Abdul Halim and Che Mat, 2010).

The significance of the handicraft industry in the economic development was further strengthened in 1979 by the establishment of the MHDC, an agency under the Ministry of Culture, Arts and Heritage. Through the MHDC, various initiatives have been provided to ensure the development of the handicraft industry. The most significant initiative was the introduction of the Craft Entrepreneur Development Programme in 2003. There are three main activities under this programme: One District One Industry, the Incubator Scheme and Upgrading of Craft Entrepreneur. These three programmes are developed with the aim to increase competitiveness of handicraft producers. Other related initiatives for handicraft entrepreneurs will be discussed in Chapter 4 (page 70).

The great majority of handicraft businesses are run by women. Based on data from the MHDC, women handicraft producers in Malaysia account for 61.8 per cent 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. One possible reason for the high involvement of BWEs is related to the characteristics of the industry that hold advantages for them in starting their businesses. Anon (2012) highlights several characteristics of the handicraft industry: it is a home-based industry, which therefore requires minimum overhead expenses and infrastructure to establish and operate; it is small-scale; and it employs a high number of women as part-time workers. As a result, these characteristics reduce the barriers for women in starting their businesses. However, despite government initiatives, it is argued that the size of BWEs' businesses are relatively small, and mostly located in a traditional and vulnerable industry such as the handicraft industry (Habib Shah, 2004). Previous studies on the Malaysian handicraft industry (Redzuan and Aref, 2011; Mat Amin, 2006) have focused on the barriers to success faced by entrepreneurs in Malaysia. It is argued that issues and challenges exist at almost all levels of the handicraft industry: production, research and development, marketing, human resources and regulations (Mat Amin, 2006). In addition, Redzuan and Aref (2011) critically analysed the handicraft industry in Malaysia and found that the constraints faced by the industry can be grouped into categories: demand constraints and supply constraints. From the demand perspective, there is a need to widen the handicraft market as well as to increase its competitiveness (Hatta Azad Khan, 2006). From the supply perspective, the industry faces the problems of a shortage of skilled labour, the rising price of raw materials, relying on obsolete technology in production, a lack of innovativeness and creativity and a lack of quality control (Redzuan and Aref, 2011). Therefore, it is only when the supply constraints

can be overcome that it will be possible to increase the market competitiveness of handicraft products in Malaysia.

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). Besides the demand and supply constraints faced by the handicraft industry, there are problems concerning the effectiveness of the organisational support system for the industry (Redzuan and Aref, 2011). Therefore, there is a need to investigate the extent to which government intervention facilitates the development of the handicraft industry in general and the survival of women's handicraft businesses in particular.

### **1.3.4 Women entrepreneurship development in Malaysia: an overview**

#### **1.3.4.1 The employment status of women in Malaysia**

It is reported that the employment-to-population ratio for Malaysia in 2010 was 76.1% for men and 44.5% for women (Malaysia, 2011) which implies that women's participation in the labour market is still not reaching maximum potential. The domination of men in the labour force is not an uncommon phenomenon, especially in Asian countries. It is argued that the perception of Asian society of gender roles is very significant in influencing the involvement of more men in the labour market (Tan et al., 2002; Tam, 1996). For example, the traditional belief of Malaysian society is that women should be at home undertaking domestic chores while men play the breadwinner's role (Daud, 1988). However, the cultural and religious factors that inhibit labour force participation by younger women are declining in importance (Ariffin, 1992). As such, it can be argued that the cultural factors that govern Malaysian women could influence their participation in the labour market and in entrepreneurship.

In addition, the better representation of women in the labour force compared to men is due to the increase in the number of female graduates in Malaysia tertiary institutions (Ismail, 2009). Tertiary education in Malaysia refers to the 'certificate, diploma and degree courses' offered by public and private tertiary institutions (Sivalingam, 1988: 63). In 2010, the data from the Department of Statistics, Malaysia (DOS) show that there were 356,100 young women in the labour force that had completed their tertiary education, while only 316,300 men had done so.

However, the increased number of female students in tertiary institutions in Malaysia has caused a higher rate of unemployment for this group. The DOS (Malaysia, 2011) revealed that the unemployment rate for women with tertiary education is higher (35.4%) than for men (20.3%). This percentage indicates that although women have improved their position in the education system, they still struggle to establish themselves in the labour market.

The data from the DOS revealed that the employment status of women in Malaysia can be classified into four different categories: employer, employee, own-account worker and unpaid family helper and it is reported that 78.4% of women working as employees compared to 72.1% men (Malaysia, 2011). In addition, women are employed mostly in the service sector which is at 70.5% and only 52.7% men. While the percentage of women as employees is greater than men, it can be argued that gender segregation in the occupational structure persists. For example, women are mostly employed as teachers in the education industry (Malaysia, 2011) and are involved in labour-intensive operations and low-skilled jobs in the manufacturing industry (Ahmad, 1998). Therefore, it can be argued that gender differences exist in the distribution of labour in Malaysia. Table 1 below shows the changes that have taken place in the employment status of women in Malaysia for the period 2001 to 2010.

#### **INSERT TABLE 1**

As shown in Table 1, an increase in the number of women engaged as employees and a decrease in the number of women employed as unpaid family workers indicates an improvement in the status of women in employment for the period 2001 to 2010. The percentage of women involved in entrepreneurial activities also increased slightly within this period, except in 2008 where the percentage of women own-account workers dropped slightly from 12.5% in 2007 to 11.7% in 2008, particularly due to the Asian economic crisis that occurred in that year. The statistics show that women in business are mostly found in the category of own-account worker. 'Own-account

worker' is the term used by the DOS (Malaysia, 2011: 21) in categorising the country's employment status which refers to 'a person who operates his (her) own farm, business or trade without employing any paid workers in the conduct of his (her) farm, trade or business'. This category is argued to fall into the informal economy, and thus makes women entrepreneurs vulnerable (Nor Aini, 2009). ILO (2011) describes vulnerable employment as informal employment which has low, irregular or no cash returns, is subject to a high level of job insecurity and does not have safety nets to cover women in difficult situations such as during periods of low economic demand and low job opportunities. Therefore, while Malaysian women are seen to be improving their positions in the public sphere, they are still in a disadvantaged position due to the fact that their jobs are still very much being segregated by gender and they are mostly involved in informal entrepreneurial activities. Realising the vulnerability of women in employment and to protect them against gender-based disadvantages in the context of an economic crisis, Ahmad (1998) argues that women need to be equipped with skills, be able to access labour market information and be exposed to entrepreneurship development. The following sections discuss the development of women entrepreneurship in Malaysia.

#### **1.3.4.2 Malaysian women entrepreneurs**

The Companies Commission of Malaysia reported 49,554 women-owned businesses in 2001, and this increased to 54,626 in 2002 (Raman et al., 2008) and to 82,911 in 2005 (SME Corp, 2010). Although these figures show a steady increase of women entrepreneurs, nothing much is known about them due to lack of research on women entrepreneurship in Malaysia (Raman et al., 2008). The inclusion of women entrepreneurs in the early literature, particularly the government reports, was included indirectly, more because the concept of women in business is included as part of employment status in the Malaysian context. At the time, the concern was more on social welfare issues and uplifting the quality of life of rural women. In this respect, the discussion on women in government reports was more about describing their employment characteristics such as employment status and sector. Moreover, there was a lack of academic literature on women in Malaysia, particularly related to women in business for the period before the 1980s. This situation made the effort to understand women in business during the period much more difficult. Only 13 academic articles on women in business and the retail trade were recorded between the period pre-1970 to 1989 (Zainab, 2008). Furthermore, it is believed that the early discussion on the topic was more related to women as petty traders or street vendors. This situation corresponds with the early effort initiated by the Government to improve the quality of women's life by educating women in home economics so that with the new skills,

women could increase the family income through some entrepreneurial activities such as by being petty traders or street vendors.

It has been acknowledged in previous studies (Masud et al., 2009; UNDP, 2008) that Malaysian women entrepreneurs are more likely to be found in micro, small and medium enterprises. Table 2 below shows that out of 548,267 SMEs in Malaysia, 82,911 (15.1%) were women-owned enterprises. Similar to women employed mostly in the service sector (see Section 1.3.4.1, page 9), the majority of women entrepreneurs were also involved in the service sector (89.5%), followed by the manufacturing and agriculture sectors with 7.5% and 3.1% respectively. The percentage of women entrepreneurs in Malaysia is considered low if compared to other developing Asian countries such as Indonesia, which has 29 per cent women-owned enterprises in the manufacturing sector (Tambunan, 2009).

#### **INSERT TABLE 2**

In relation to the type of business formation, Malaysian women businesses are mostly found in the category of sole proprietorship (Yusof, 2006; Abdul Kader et al., 2009). In the Malaysian context, 'sole proprietorship' refers to the legal entity of a particular business and has a different meaning to the term of 'own-account worker' used to describe the employment status of Malaysian workers. A woman can be classified as an own-account worker due to the handicraft activities with which she is involved, but she is not necessarily a sole proprietor because a sole proprietor has a legal business entity after registering the business with a specific government organisation and obtaining a trading license. While a sole proprietor may employ workers, an own account worker works on his/her own. However, being a sole proprietor is commonly associated with smaller sized businesses. Based on the dataset of handicraft producers and entrepreneurs obtained from one of the government organisations in this study, the majority of

BWEs are sole proprietors which reflect the small size of their businesses (see Table 14, page 135).

In the history of Malaysian development it is quite apparent that in the 1960s as well as the 1970s, no specific attention or incentives were offered to encourage women's participation in business (Ariffin, 1992). It was under the Fifth Malaysia Plan [1986–1990] that the role of women in poverty was recognised by the government. Recognition was followed by the introduction of economic programmes such as the Women Income Generating Project (UNDP, 2008). Acknowledging the fact that women have different needs, the Government further strengthened the institutional support for women, especially when gender issues were included as a separate chapter in the Sixth Malaysia Plan [1991–1995]. The details of the institutionalisation of government support for women in general and women entrepreneurs in particular in Malaysia are discussed in the following section.

#### **1.3.4.3 Institutional framework and policy support for women in Malaysia**

The Malaysian Government's interest in improving the status of women in Malaysia has been illustrated by a series of efforts that have been implemented since the middle of the 1970s. It was after the Declaration of the Women's Decade [1975–1985] that the Government instituted women in the country's development process (Ahmad, 1988). The institution of women in the development process was through the establishment of institutional frameworks as well as the formulation of a women's policy. The first effort by the Government was the establishment of the National Advisory Council on the Integration of Women in Development (NACIWID) in 1976. This was the first initiative to ensure the involvement of women. The institutional framework for women was further strengthened by the establishment of the Women Affairs Secretariat (HAWA) in 1983 which was then restructured and is currently known as Department of Women Development (DWD). In 2001, the Ministry of Women and Development was established with a mission to mainstream women into national development and to strengthen the family system. The Ministry was renamed the Ministry of Women, Family and Community Development in 2004, which it is still called today. With the establishment of the Ministry, the issues pertaining to women in the development process of the Country could be discussed.

A major initiative for women by the Malaysian government was through the formulation of the National Policy for Women (NPW). The policy was formulated in 1989. Essentially, it was

designed to achieve two objectives: to ensure equitable sharing in the acquisition of resources and information and access to opportunities and benefits of development, and to integrate women into all sectors of national development (Ministry of Women and Family Development, 2003). The major impact of the policy was the inclusion of women's issues in a separate chapter of the Sixth Malaysia Plan, which ran between 1991 and 1995. In the Sixth Malaysia Plan, women were recognised as an important resource for economic development. The past achievement and current issues of women that restricted their participation in the development process were also highlighted. Among the constraints were: career and family conflicts, gender differences in schools, social norms and prejudices, women as secondary earners, lack of management training, absence of professionalism, inadequate access to credit and inconducive working environments (Ministry of Women and Family Development, 2003). This understanding led to the formulation of the National Action Plan for the development of women in 1992, which was incorporated in the Seventh Malaysia Plan [1996–2000]. Five areas of interests that relate to women were included in the plan. One of the areas was to encourage positive action for the advancement of women in various fields which include women and the economy (Ahmad, 1998).

Several significant efforts to encourage more women entrepreneurs were made during the implementation of the Seventh Malaysia Plan. The Women Entrepreneurs Fund was established in 1998 with an allocation of RM10 million. A total of 12 projects amounting to RM9.5 million were approved under the Fund and a total of about 6,000 women entrepreneurs obtained loans amounting to RM65 million under the Small Entrepreneur Fund (Malaysia, 2001). However, with the advent of globalisation in the 20<sup>th</sup> century, women's participation in the development of Malaysia was affected. Globalisation requires more application of technology and use of information, the skills for which women generally lack. The Eighth Malaysian Plan [2001–2005] then focused on enhancing women's involvement in business as part of the objectives. Efforts to enhance women's involvement in business were promoted actively by providing training in business-related areas and information technology. The implementation of strategies to enhance women's participation in the economy was in accordance with the National Vision Policy [2001–2010]. The evolution of the government's intervention regarding women in Malaysia is shown in Appendix 1.

For the past three decades, there has been an evolution of the institutional frameworks that handle women's issues. This evolution involved the expansion of tasks of women's institutions that can promote the participation of women in the national development. For example, while

the NACIWID acts as a council that is responsible for providing advisory services to government, its functions are supported by the information on women that is provided by HAWA-a secretariat for NACIWID that was established with the focus to coordinate and monitor the implementation of women-related programmes (Ahmad, 1998). Since its establishment in 1983, HAWA has undergone a series of restructuring process. One of the significant impacts of this restructuring process is that the entity structure of HAWA as a secretariat that was placed under the Administration and Finance Division of the Prime Minister's Department is upgraded to a department status, and is currently known as the Department of Women Development. At present, the Department exists in all thirteen states of Malaysia with the aim to increase the efficiency of handling issues pertaining to women in all states of Malaysia and is placed under the Ministry of Women, Family and Community Development. The establishment of this ministry is regarded as a major contribution of the institutional framework for women in Malaysia. The institutional framework and policy support for women entrepreneurs and the introduction of the National Women Policy by government indicate the concerted efforts to incorporate women in the process of development; however, the effectiveness of these efforts still needs to be further investigated.

#### **1.4 The significance of the study**

A review of the literature of this study indicates that women entrepreneurship is still an under-researched area and relates to male-gendered entrepreneurship issue (Ashe and Treanor, 2011; Bird and Brush, 2002). This situation has 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. To increase understanding about women entrepreneurs and their entrepreneurial experiences, it is suggested that multiple perspectives should be applied in researching women entrepreneurship, as these perspectives take into account the complexity of women's social environment (Brush et al., 2009; Jamali, 2009). In addition, the application of institutional theory is much needed in women entrepreneurship research (Ahl, 2002, 2006; Ahl and Nelson, 2010; Brush and Cooper, 2012). Therefore, by applying institutional and gender perspectives in this study, the use of individual explanation for women entrepreneurs (Ahl, 2006) can be minimised, and a better understanding about women entrepreneurial experiences can be presented.

There is still a gap in women entrepreneurship literature on women's entrepreneurial activities from a non-Western centric view (Brush and Cooper, 2012). This gap is addressed in this study and by taking into consideration the collectivist culture of Malaysia that governs BWEs. Collectivist culture emphasises the sense of belonging to an 'in-group' and in return individuals in this culture are provided with 'security and protection by the group' (Nordin et al., 2002: 38). It is hoped that this study will be able to provide insights into the influence of cultural factors on BWEs' business survival.

Women entrepreneurship research in the Malaysian context has been inadequate (Raman et al., 2008). Therefore, the reality of the entrepreneurial experiences of Malaysian women entrepreneurs in general and BWEs in particular remains unexplored. The high percentage of BWEs in the Malaysian handicraft industry provides a good opportunity for the exploration of how they deal with the survival of their businesses. The knowledge gained from this study is useful in enriching the knowledge of BWEs and their business survival and can be used as a basis for future research by other researchers.

The findings of this study could be used by relevant government organisations and agencies involved in providing GESPs for Malaysian women entrepreneurs in general and BWEs in the handicraft industry in particular. This provides a great opportunity for BWEs to ensure their business survival through the provision of effective GESPs.

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. 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. 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 are minimised through the Malaysian collectivist culture.

## **1.5 Research aims and objectives**

The overall purpose of this study is to gain insight into the process of business survival of BWEs in the handicraft industry in Malaysia. Therefore, the aim of this study is to determine whether the government's initiatives to support women entrepreneurship facilitate the survival of BWEs in the handicraft industry in Malaysia. The central research question in this study is:

- Does the Malaysian Government support facilitate the business survival of BWEs in the handicraft industry in Malaysia?

To answer this question, the following research objectives are formulated:

- (a) To investigate the current state of women entrepreneurs in Malaysia in relation to the opportunities, challenges and needs for the business survival of BWEs in the handicraft industry.
- (b) To explore BWEs' perceptions and views on the effectiveness of government support systems for the business survival of BWEs in the handicraft industry in Malaysia.
- (c) To identify the impact of the Malaysian government's initiatives in promoting and supporting the business survival of BWEs in the handicraft industry in Malaysia.
- (d) To make practical recommendations to develop and encourage the business survival rates of BWEs in the handicraft industry in Malaysia.

A qualitative research design that focuses, on an interpretivist approach and capitalises on the in-depth interview with BWEs and GOs as the main strategy is adopted in this study. In support of the interviews, relevant documentary materials were analysed and observations were conducted (see Chapter 6 for the details of the research methodology, page 98).

## **1.6 The structure of the thesis**

The thesis consists of nine chapters. The descriptions of the chapters are presented below.

Chapter 1 outlines the overview of the research background which includes the description of the research setting in Malaysia, the aims and objectives of this study and the structure of the thesis.

Chapter 2 focuses on the concept of gender in researching women. The chapter explains the concept of gender in researching women, the influence of institutional power on gender issues, the link between gender and entrepreneurship and the inadequacy of the Western perspective in explaining the complexity of gender relations for women in non-Western contexts. The idea of

this chapter is to explain that gender issues reach beyond every aspect of women's life, including their involvement in entrepreneurial activities. Unlike other forms of employment, entrepreneurial activities require women to challenge almost all aspects of gender inequality that govern women in society. Within this context, this chapter provides an insight into the importance of government in facilitating the business survival of women entrepreneurs. The argument that 'state is the core of the wider structure of power relations in gender' (Connell, 2009: 120) shows that the role of government or policymakers in helping women entrepreneurs to survive in business is pertinent.

Chapter 3 discusses women's business survival. This chapter focuses on women entrepreneurship and is divided into three main sections: an overview of women entrepreneurs, the links between different individual and environmental factors and their influence on women's business survival and the importance of researching women entrepreneurship from the institutional perspective. This chapter is designed to help researchers view women entrepreneurs in their own context, because by comparing women and men entrepreneurs based on men's experiences, it is argued that in the entrepreneurship literature discriminates against women (Ahl, 2002; 2006). Among the topics that are included in this chapter are the definition of women entrepreneurs, the motivation of women entrepreneurs, the challenges and barriers faced by women entrepreneurs and women's business performance, women's business survival and its influential factors. An understanding of how research into women entrepreneurship has been conducted on these topics helps researchers to rationalise the need to investigate the survival of women's businesses from the institutional perspective.

Chapter 4 reviews the topic of government interventions and entrepreneurial support. Following the discussion in chapter 2 and 3 on the influence of the institutional perspective on women entrepreneurship, this chapter explores the institutionalisation of entrepreneurial support for women entrepreneurs. The chapter starts with a discussion of the degree of participation by government in shaping the appropriate institutional environment for entrepreneurship development in general and women entrepreneurs in particular. Also, the effectiveness of entrepreneurial support programmes offered by government is discussed in terms of how the programmes are designed, implemented, evaluated by government organisations and accessed by women entrepreneurs. In short, this chapter is concerned with how government entrepreneurial support programmes position women entrepreneurs. Government intervention in women entrepreneurship development is regarded as important

(Chitra Devi, 2011; Lee et al., 2011); however, scholars disagree about its effectiveness (Sandberg, 2003; Tambunan, 2007). The importance of gender in researching women entrepreneurs and the influence of the institutional perspective on women's business survival as discussed in the previous two chapters are incorporated into this last chapter of the literature review in which both elements are acknowledged as significant in ensuring the success of GESPs for BWEs.

Chapter 5 presents the conceptual framework of this study that was developed based on the gaps identified in the three literature review chapters. The chapter briefly discusses the six constructs: business survival, individual, business, cultural factors, GESPs and gender that form the conceptual framework for this study.

Chapter 6 outlines the methodological framework of this study, which includes the research philosophy, research design, data collection methods and data analysis process. The chapter ends with a discussion on research credibility and ethical issues of this study.

Chapter 7 presents the analysis and findings of this study which is based on qualitative data. It consists of two parts. The first part presents the profiles of BWEs and GOs, including their demographic background, a description of the business-related characteristics of BWEs and the previous working and entrepreneurial experiences of GOs. The second part presents the findings obtained from the interviews with BWEs and GOs regarding the influence of government intervention on the business survival of BWEs in the handicraft industry in Malaysia. The findings from the documentary materials and observations are included to support some of the findings from the in-depth interviews.

Chapter 8 discusses the findings of this study with the support of the relevant literature which will illuminate the research question, in line with the research objectives. A conceptual framework for the business survival of BWEs in the handicraft industry in Malaysia which emerged from the interpretation of the research findings is presented at the end of the chapter.

Chapter 9 focuses on the conclusions and recommendations of the study. It discusses the contributions, implications, and limitations of the study, and offers recommendations to develop and encourage the survival rates of BWEs in the handicraft industry in Malaysia and suggestions for future research.

# CHAPTER 2

## THE CONCEPT OF GENDER IN RESEARCHING WOMEN

### 2.1 Overview

This chapter highlights the importance of employing the gender concept in women studies in general and women entrepreneurship in particular. This chapter explains the concept of gender in researching women, the influence of institutional power on gender issues, the link between gender and entrepreneurship and the inadequacy of the Western perspective in explaining the complexity of gender relations for women in non-Western contexts. The first section of this chapter gives an overview of the key concept of gender and shows how the concept is discussed in women's studies. This is followed by a discussion of gender in planning interventions intended for women that provides an in-depth understanding of the extent to which gender issues have been considered in the process. The third section of this chapter explores the interface between gender issues and entrepreneurship ideologies. The chapter ends with an analysis of gender issues from the non-Western perspective. There is a significant amount of literature and research findings regarding gender in Western contexts, but few studies have been conducted in non-Western environments.

### 2.2 What is gender?

In everyday life, a person is instantly recognised as a man or woman, and all daily activities are carried out based on this distinction (Connell, 2009). Also based on this distinction, the work of men and women is perceived by society as different and thus can be segregated (Bradley, 1989). The difference in their work is supported by the nature of their biological conditions; for example, 'men were expected to be the providers and women the care-givers' (Watson and Newby, 2005: 1). Within this context, a similar segregation of responsibilities between men and women can also be found in other aspects of human social life. This situation is known as the social creation of ideas about the designation of the role of women and men (Scott, 1986), and it appears as a natural and desirable concept in society (Hashim et al., 2011). The perception of gender-appropriate behaviour is enhanced by the continuous circulation of such information

from various social institutions (Connell, 2009; Oakley, 1981a). As gender-appropriate behaviour is learnt from the social environment, such as from parents or teachers (Oakley, 1981a), or religious engagement (Othman, 2006; Syed et al., 2009), it is usually accepted as the way things are. As a result, these practices marginalise the 'social dynamics' of human interactions (Bradley, 2007: 182). It has been argued that the use of biological sex in explaining the experience of women in society is inappropriate, as it does not acknowledge women's differences in relation to men (Greed, 2005; Moser, 1993). Therefore, the concept of gender is used to differentiate the social relationship between women and men. Based on this concept, women's differences in terms of their needs, roles and responsibilities are acknowledged and would thus provide a better understanding of women's reality.

### **2.2.1 Gender is socially constructed**

Much of the literature on gender (e.g. Bradley, 2007; Connell, 2009) builds on Simone de Beauvoir's (1949) work on how women or men learn to become humans throughout their life. In support of this position, Oakley (1981a) argues that different social institutions expose humans to the rules and norms of appropriate gender behaviour. Relating her arguments to social learning theory, Oakley (1981a) sees the learning process for a child as imitating the behaviour of her or his parents. In this situation, a girl is expected to imitate the behaviour of her mother and will be rewarded for performing such behaviour. Therefore, such differential reinforcement creates feminine behaviours in the home environment. The idea of gender appropriate behaviour is then further reinforced once the individual interacts within the wider social environment, where various social institutions exist, that influence gender-appropriate behaviour. Scott (1986) extends this idea by making two propositions that correspond with the complexity of gender relations in the social world. Firstly, as a constitutive element of social relationships, gender involves four interrelated elements: cultural symbols; normative concepts; social institutions and organisations; and subjective identity. Secondly, gender is a primary means of signifying power relations. In the same vein, Bradley (2007) also highlights that gender has material and cultural aspects. While power is a material aspect, the way an individual is represented in social groups is a cultural aspect. In fact, the influence of culture in constructing gender is obvious in some contexts. For example, in the Malaysian context, prevailing traditions and values determine the appropriateness of work for both men and women (Daud, 1988). Prejudice against women is still prevalent where the common constructions of gender identities show them as less independent, emotional, gentle and weak (Hashim et al., 2011). This prejudice

has existed in Malaysian society for a very long time, and the institutionalisation of this view by national institutions enhances this belief. For example, women's roles in the economic development of the country were formally recognised in the Fifth Malaysia Plan (1986–1990); however, the focus was only on the issue of women's poverty (United Nations Development Programme (UNDP, 2008). As a result, women's income-generating projects were initiated in that women were encouraged to establish microenterprises. However, these projects give less attention to the strategies for capitalising women's entrepreneurial interests, skills and abilities. It can be argued that this prejudice influences the design of entrepreneurial support for Malaysian women; for instance, credit facilities for women entrepreneurs are more associated with micro financing (Teoh and Chong, 2008). Furthermore, it can be seen that the activities to generate income by women are conducted in the private sphere, which means their reproductive and productive roles are carried out simultaneously. Therefore, it can be argued that while the objective of such projects is to encourage the active participation of women in development, the projects also reinforce women's homemaker roles.

To further explain the social arrangements that govern gender relations, Huq and Moyeen (2008: 3) use the term 'social values'. They argue that social values pre-dominate society, are dynamic in nature and are affected by the social, economic, political and legal structures of a particular society. Following the above definition, it is suggested that gender could provide an in-depth understanding about the complexity of human relationships in society by taking into account all the possible social factors that affect such relationships. Therefore, the gender concept is useful in defining an individual rather than biological sex. However, the elements of power that exist in the above definitions create the issue of gender inequality, because it is argued that men control the majority of the power resources (Bradley, 1989; Bradley, 2007). As a consequence, it is men who dominate women. Although gender as a social category is socially constructed, the condition of how the construction process takes place in society makes the issues of gender inequality crucial for women. Therefore, feminists tend to have a similar motivation in gender discussions: to rationalise women's subordination to men and find ways to improve this situation (Greer and Greene, 2003). To challenge the view that 'society is man-made' (Hakim, 2006: 279), women fight for their inclusion in all aspects of the social and institutional world (Evans, 2011), particularly in the course of economic development (Potrafke and Ursprung, 2012). It is believed that sexual inequality in relation to the confinement of women to the domestic sphere can be rectified by integrating women into the public sphere,

which is male dominated (Bandarage, 1984). However, it can be argued that women continue to be discriminated in the public sphere in two ways. Firstly, women have to 'mimic the aspects of male behavior' (Evans, 2011: 604). Secondly, women's achievements are measured based on the achievements of men (Ahl, 2002, 2006; Loscocco and Bird, 2012). Therefore, it can be argued that this situation further distances women from gender equality.

### **2.2.2 Gender inequality in the public sphere**

Although there is an improvement with regards to the position of women in economic development, as reported by donors or state organisations (e.g. International Labour Organisation, 2011), there is an argument that gender inequality persists (Evans, 2011; Walby, 2011). The persistence of gender inequality can be seen in many aspects, such as in the labour market (Hakim, 2006). The issue of the horizontal and vertical occupational segregation of women has long been debated (Hakim, 1979), and the issue is still relevant in today's working environment (Krymkowski and Mintz, 2008). Despite the increase in women's participation in the workforce (Morrison and Jutting, 2005), there is no significant change in terms of the range of occupations and industries in which they are involved (Blackwell and Guinea-Martin, 2005), and few women hold senior management positions (Leach, 2000; Sealy and Vinnicombe, 2012). There is ample evidence that issues of gender inequality that continue to exist in today's environment are in need of urgent attention.

For example, based on the ILO (2011) publication for Asia, gender gaps persist in the labour market despite robust economic growth in the region between 2000 and 2007. The data for 2009 provides several indications of the gender gap in the labor market for Asia (ILO, 2011). The female labour participation rate was 55.5%, while that of males was 80.7%. A high percentage of women in East Asia (54.6%), South East Asia and the Pacific (65.7%) and South Asia (84.5%) are involved in vulnerable employment that has no formal work arrangements and are more at risk from the economic cycle. For Asia, agriculture remained the most prominent sector for women (48.2%) compared to men (38.9%). In the service sector, although Asian women accounted for more than 50% of the workforce, they held lower-paid positions (for example, in the health sector, nurses are predominantly women, while most doctors are men). Furthermore, since women are more likely than men to be in vulnerable employment, they earn significantly less than men. Male workers in formal employment are reported to earn more than women, as much as twice on average (ILO, 2011).

While these statistics provide evidence of women's subordination to men in common economic activities, women also struggle to uplift their positions in the professional world. This situation is more prevalent in developed countries. For example, The Female FTSE Report 2012 shows that only 15% of directors of FTSE 100 companies in the UK are women (Sealy and Vinnicombe, 2012). Furthermore, there is evidence of a gender-based earnings gap for women in professional positions. Skalpe (2007) found that women CEOs in tourism and manufacturing industries in Norway received significantly less compensation than their male colleagues. Based on the above examples, although women struggle for gender equality worldwide, the scope of gender equality is different according to context. While women in the Asian context seek gender equality on the basic issues of employment, such as increasing their participation in the labour force (Ahmad, 2012), it is argued that more advanced issues of gender equality, such as the gender pay gap, become the focus of women in the Western context (e.g. Skalpe, 2007). Within this context, it is argued that the influence of national institutions in minimising the effect of gender inequality on women is crucial, for example through the formulation of gender policy (e.g. Bradley, 2007; Kahu and Morgan, 2007) or through the incorporation of gender issues in the legal system (Berghahn, 2004; Finzel, 2003). The following two sections discuss this issue.

### **2.2.3 Gender from the legal context**

Based on the experiences of women in the Western context, it can be seen that the legal aspect could help women to achieve gender equality in the public sphere. For example, in European countries, the issue of gender equality has been legally addressed since the signing of the founding document of the European Community in 1957, in which equal pay for men and women was also stipulated (Berghahn, 2004). As a result of women's movements in many parts of the world, European institutions have issued specific directives that capture the basic conditions of achieving gender equality over the past three decades: the directives on equal pay [75/117/EEC] and equal treatment [76/207/EEC], which were passed in the 1970s and amended in 2002 [2002/73/EC] (Berghahn, 2004). Consequently, specific acts to address gender issues were formulated in the European member countries. For example, the Sex Discrimination Act (SDA) in the UK and Gender Equality Act (GEA) in Norway were passed in 1975 and 1978 respectively. In Norway, the 40% female representation in the Cabinet has been fulfilled since 1980, and this achievement is argued to be related to the formulation of the GEA in the country (Skalpe, 2007). At this point it can be argued that without incorporating gender equality issues in the legal system, women's position in the public sphere would be not as advanced as it is now.

However, despite the inclusion of gender issues in the legal system, it is argued that gender inequality still persists (Finzel, 2003; Berghahn, 2004). Finzel (2003: 47) argues that laws and policies only give women some social power (e.g. financial independence through paid work), but they are not enough to 'facilitate the realisation of equality' in all areas of women's lives. While laws and policies enable women to participate in the labour market as much as men (Finzel, 2003), they do not consider that employed men will change their roles in the household (Spitze and Loscocco, 1999). At this point it can be argued that the issue of gender equality involves more than the issue of increasing women's participation in the labour market. Since gender equality is complex in nature, the success of the implementation of the legal system on gender will also be influenced by cultural, social and economic factors (Blom et al., 1995). In addition, although laws and policies are meant to give equal treatment to individuals, the fact that they are designed and developed mostly by men has caused women to be further discriminated against (Finzel, 2003; Schulz, 1986).

In order to ensure the success of translating gender-related law into practice, Berghahn (2004) suggests that a gender mainstreaming strategy is applied as an instrument. The application of a gender mainstreaming strategy could help to ensure that gender issues are considered in the process of translating gender-related laws into practice. However, since this strategy focuses on procedural matters, certain conditions need to be met before it can successfully help women. These conditions are included in the section that discussed the relationship between gender and planning (page 26).

#### **2.2.4 Gender and institutional influence**

Following the argument that gender is a socially constructed category (Ahl, 2002; Bradley, 2007; Greed, 2005; Huq and Moyeen, 2008), it is argued that gender will be affected by a complex blend of micro, meso and macro factors (Syed and Ozbilgin, 2009). They argue that the issue of discrimination against women in the workplace will be affected by individuals' interactions within the workplace environment (micro factors), the organisational policies that are implemented (meso factors) as well as national policies that govern the employment environment (macro factors). Jamali (2009), in support of this view, extended the research setting into women entrepreneurship and points out that the complexity of women's experiences can be captured by utilising integrated multiple perspectives. Similarly, Brush et al. (2009) argue that the macro and meso environments are significant in explaining the

entrepreneurial activity of women. At this point it can be seen that in exploring women's experiences, particularly in relation to gender equality, multiple perspectives should be applied.

While the influence of the institutional dimension is regarded as important in women's lives (Brush et al., 2009) and in minimising gender inequality issues, it can be argued that the institutional dimension also discriminates women (Kahu and Morgan, 2007). For example, in analysing New Zealand's government policy on women, Kahu and Morgan (2007) argue that the policy gives priority to the public sphere and marginalises the private sphere. They further argue that the policy is driven by the goals of increasing productivity and economic growth and not the needs of women. In discussing gender issues, it has been long debated that women's multiple roles should be taken into consideration (Boulding, 1976). Under the concept of 'breeder-feeder-producer', Boulding (1976: 95) argues that the roles of breeder and feeder are perceived as exclusively for women, thus limiting women's participation in production roles. In addition, if women's roles in the private sphere are ignored, the basis for women's subordination to men is difficult to locate (Beneria and Sen, 1981). Therefore, in an effort to achieve gender equality through institutional process, it is suggested that women's interests and needs should not be overlooked. Moreover, Brush et al. (2009: 10) argue that by incorporating the element of 'motherhood' in researching women entrepreneurs, it would help policymakers to develop a 'sustainable business support infrastructure' that meet the needs of women entrepreneurs.

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, Greer and Greene (2003) theoretically argue that the application of well-established literature on gender from the employment perspective is not adequate to explain the experiences of women entrepreneurs. Empirically, Klyver et al. (2013) support this view by discussing how institutional efforts to enhance gender equality in the labour market have had a negative effect on women who choose self-employment. They argue that 'institutional efforts to enhance gender equality are focused on securing equality in the labour market for employees with initiatives such as maternity leave, parental leave, childcare services, whereas there is less effort on securing gender equality for people who are self-employed' and thus increase the gender gap in

self-employment (Klyver et al., 2013: 4). As institutional efforts to enhance gender equality normally focus on women in the labour market, it is therefore suggested that self-employed women or women entrepreneurs still struggle to find their voice on gender equality issues. 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.

The foregoing discussion shows that gender is a social category that is useful in understanding the complexity of women's reality and gender relations. It is the focus of this study to incorporate macro perspectives in researching the reality of women's experiences in the entrepreneurship context. The adoption of macro perspectives based on an institutional approach provides a useful understanding of the gendered dimension of women entrepreneurship by emphasising the process of intervention at the national level. In addition, the adoption of macro perspectives in this study is consistent with the economic policy interventions of the Malaysian government (page 5). Therefore, the next section will examine and discuss the extent to which gender issues have been considered in planning interventions intended for women.

### **2.3 The inclusion of gender in planning**

The early debates about the issues surrounding the importance of gender planning in helping women to achieve equality in the social world (Moser, 1989) tend to focus on policy attention to women (e.g. Ibrahim, 1989; Razavi, 1997), while in later years, more concentration is given to the advancement of gender equality in policymaking by analysing the possibilities and obstacles (Schofield and Goodwin, 2005), or challenges and contradictions that arise in practice (Cornwall, 2003). Although 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), there is also a long-running debate about the failure of such policy to help women (Alsop, 1993). In the process of integrating gender awareness into national policy development, there appears to be two approaches: the Women in Development Approach (WID) and the Gender and Development Approach (GAD) (Huq and Moyeen, 2008).

### **2.3.1 The women in development approach (WID)**

The first approach supports the view that women need development (Lansky, 2000). This approach tends to recognise women as participants or recipients of the development process (Alsop, 1993). This approach is known as the Women in Development Approach (WID), a term that was coined by the Women's Committee of Washington in the early 1970s (Moser, 1993). The inclusion of the term 'women' in this approach, as argued by Moser (1993), has led the discussion on women to be isolated from their reality (e.g. Boserup, 1971). Razavi (1997: 1114) refers to this situation as 'WID's productivist bias', in which it replicates 'the tendency of mainstream development policy to prioritise production over human provisioning'. By focusing on and using examples of the policies used and applied by the World Bank in developing countries, Leach (2000) also found that the language used in supporting the development of small and medium enterprises discriminates against women. She argues that such support makes the assumption that women engage in 'income generation' and not in 'business' (Leach, 2000: 339). As a result, the concept of formal enterprise that is significant for business survival is excluded. At this point, it can be seen that while the WID approach seems to incorporate women's issues, the advocates of this approach tend to make assumptions of how women should be included in the development process. In this situation, the subordination of women to men persists mostly because the agenda of particular initiatives for women is set by providers without acknowledging the reality of women's life. The fact that the WID is 'a top-down' approach causes women to be regarded as 'voiceless' and belonging to a 'homogenous group' (Morrison and Jütting, 2005: 1066).

The WID approach is also criticised because it is more likely that women's issues are confronted by adding components that are directed exclusively to women (Debusscher, 2011; Huq and Moyeen, 2011; Moser, 1993). As a result, women tend to be blamed for their marginalisation, and the structural weaknesses that may exist at the institutional level are not highlighted (Razavi, 1997). Therefore, it can be seen that the WID approach is less sensitive to the complexity of gender issues in understanding women's experiences. In addition, it is argued that the WID approach does not challenge the issue of women's subordination to men; thus, it becomes a popular approach amongst the implementing agencies (Moser, 1993). The most common initiatives under the WID approach are the income-generating projects in developing countries such as the 'puffed-rice project' in Bangladesh (Moser, 1993: 220). Although the projects were intended to focus on women's productive roles, women continue to be

discriminated against in several ways. Firstly, women's reproductive roles were not considered in the design of such projects. As a result, women have more work than men. Secondly, although women were actively involved in the projects, they have no control over the income. Therefore, it can be seen that without understanding the reality of women's life, any initiatives to uplift the position of women in society is ineffective.

### **2.3.2 The gender and development approach (GAD)**

To overcome the pitfalls of the WID approach, the Gender and Development (GAD) approach was introduced. According to Cornwall (2003), the GAD approach focuses on people's participation, such as women in developing initiatives that affect their lives. This means that rather than seeing women as beneficiaries, the approach treats women as active participants that could improve the outcomes of such initiatives (Huq and Moyeen, 2008) and allows women to challenge 'ideologies and institutions that subordinate women' (Morrison and Jütting, 2005: 1066). In order to achieve gender equality, the approach's main focus is to utilise a strategy that can bring gender sensitivity to policies or programmes at both the national and international level, a strategy which is known as gender mainstreaming (Kim and Kim, 2011), or a 'gender-balanced development approach' (Huq and Moyeen, 2011: 321). At this point it can be seen that the GAD approach could improve women's position in society. However, Moser (1993) argues that a clear distinction between the WID and the GAD approach is difficult to draw. The distinction is clear in their definitions, but the two approaches are often used synonymously in practical application. It can be argued that any initiatives for women are following the GAD approach when the participants are selected not based on biological sex. For example, in a project of 'rice cultivation in Ndop, Cameroon, plots are rented out to farmers without any sex discrimination, which means there is an equal opportunity for men and women to obtain plots (Fonjong et al., 2007). However, as in the WID approach, the rice project in Ndop, Cameroon also failed to resolve the issues of women's multiple tasks that affect their productive roles. Therefore, Moser (1993) and Moser and Tinker (1995) assert that whether any particular approach is appropriate for women or not will be subject to the issue of how it is planned and designed.

While the gender mainstreaming strategy is useful in helping women to confront gender issues, there are factors that may affect its success. Firstly, the success of the gender mainstreaming strategy is subject to women's involvement at the policy planning stage (Debusscher, 2011; Swainson, 2000). By involving women in the gender planning process, their specific needs and interests can be captured in the development of initiatives which are designed for them

(Teghtsoonian, 2003). In this sense, women are seen as 'shapers or makers' of development initiatives and not simply the 'users' of such initiatives (Cornwall, 2003: 1326). However, it has been argued that women have to confront the 'hidden barriers' that exist in the 'institutionalised participation process' (McEwan, 2003: 477). Based on the experiences of women in Cape Town, McEwan (2003) argues that there is no real commitment by government agencies in the area to integrate gender in socio-economic development. This situation is caused by the absence of women's representation in the government institutions involved in socio-economic development. Also, there is a persistent lack of understanding within communities and government institutions regarding gender issues, for example with regards to the multiple tasks performed by women in society (McEwan, 2003). Therefore, it can be seen that in the process of advancing gender equality, women's participation in the gender planning process is crucial. Furthermore, Kim and Kim (2011: 397) also found that cooperation between the South Korean government and the women's movement in establishing gender policy has produced several achievements such as 'state feminism', 'gender mainstreaming' and 'new legislation'. These examples show that through a close working relationship between women and government, women's issues can be highlighted and promoted at the national level as part of government policies.

Although women can be included on policy-planning committees, their voices are subjected to the issue of power that is exercised in the process. It is argued that the idea of having women on policy-planning committees is insufficient if women's voices are neglected (Cornwall, 2003, Debusscher, 2011). In fact, if women's subordination to men continues in the policy-planning process, Cornwall (2003) argues that the committee acts only as a device to legitimate the fact that gender issues have been taken into account, although they have not been in reality. In analysing how gender is mainstreamed in European Commission (EC) development policy, Debusscher (2011) reveals that the shift from WID to GAD in EC gender policies has not fully materialised and there is no real place for the voices of women. Therefore, it is suggested that giving women a voice is more than a space issue. Most importantly, it is whether the power issue that dominates women's subordination has been resolved. Therefore, it can be seen that in ensuring the success of a gender mainstreaming strategy, women's voices should be able to represent women's interests and could be translated into influencing action.

Having discussed the WID and GAD approaches, it can be argued that the major distinction between the two approaches lies on their focus. While the WID approach focuses on women as an isolated category, the GAD approach shifts the focus to gender relations in helping women. Glick (2008) argues that in a context where gender imbalances are large or cultural barriers are strong, policy interventions for women are expedient. Based on a theoretical discussion about the effect of policies on the gender gap in education, he argues that policies which directly target girls have had large positive impacts on gender issues. In addition, Huq and Moyeen (2011: 321) also argue that in a context where women's social position is lower than men's, it is important for development agencies to continue to support separate programmes, projects and components for women while also implementing a 'gender-balance development approach'. In the context of Malaysia, where women's position in society is strongly influenced by the cultural and patriarchal system (Ariffin, 1999; Daud, 1988; Othman, 2006), it is suggested that any policy to support gender issues should be made explicit and should involve women in the process. In this sense, Malaysian women's participation in economic development can be ensured and gender issues that could limit their participation can be taken into consideration. In fact, Moser argues (1993) that the main concern in implementing either the WID or GAD approach is related to the extent of how both approaches can be successfully translated into planning practice. In ensuring the success of the implementation of both approaches, she suggests that it is important to address the practical and strategic needs of women in the theoretical framework of gender planning (Moser, 1989; 1993; Moser and Tinker, 1995). The following section discusses those needs and how they influence the success of initiatives designed for women.

### **2.3.3 Women's needs and interests: strategic and practical**

Moser (1989), in her efforts to incorporate gender into planning, proposes a concept of gender needs in understanding the capacity of different interventions for women and suggests that different interventions should take into account women's particular requirements. In fact, Moser (1989) expands Molyneux's (1985) concept of 'gender interest' into 'gender needs'. While 'interests' refers to women's prioritised concerns, 'needs' refers to the means to fulfil those concerns (Moser, 1989). Within this context, both concepts make a distinction between the strategic and practical elements. Alsop (1993) argues that the term 'interest' is too abstract; thus, the term 'needs' is seen as more appropriate to use in the planning context, as it is more specific in addressing women's particular requirements. Alsop (1993) has developed a summary of the relationship between practical and strategic interests and needs, which helps to better

understand women's reality, particularly for those involved in intervention projects for women. As illustrated in Table 3 below, she explains the definitions of and differences between these concepts.

### **INSERT TABLE 3**

As shown in Table 3, interventions for women constitute two elements: strategic and practical. These two elements are equally important in designing particular interventions for women. Since practical elements are based on women's experiences in their daily activities, policymakers tend to provide intervention within this context. Indeed, such interventions are less complicated for policymakers to provide. It is believed that fulfilling women's requirements for their immediate survival could help them to achieve gender equality in the long run. This belief is widely practised in contexts where a strong patriarchal culture exists, such as in Malaysia. For example, in investigating the impact of an intervention project on the health of women in Nepal, Morrison et al. (2010) argue that it not only helped to improve women's health conditions but the project was also successful in equipping women for empowerment. Women involved in the project develop skills and gain self-confidence, which enables them to interact with their communities and to develop strategies which correspond with the problems addressed. However, Swainson (2000) argues that gender interventions that capture basic human rights have no long-term perspective and no political and social reformation process; thus, such interventions could be less effective in addressing gender issues. Therefore, it is necessary to analyse how policies that are designed to improve women's positions have been designed and implemented by policymakers.

Another point worth noting is that the relationships between strategic and practical gender interests and needs are complex; thus, any lack of understanding about how each element works could affect the success of particular interventions for women. Within this context, a clear understanding of which priority women are concerned about in a particular context could help policymakers to target the right interventions to the right women (Alsop, 1993). In investigating the impact of two Malaysian government policies on women's employment decisions, Amin (2004: 303) argues that 'women's tastes and preferences, social values and culture' need to be considered; otherwise the policies might not be effective in achieving their goals. In addition, in analysing the appropriate approach for female farmers in selected developing countries, Quisumbing and Pandolfelli (2010) also argue that in order to ensure the success of interventions targeted at women, it is important for policymakers to understand the local gender norms that govern women. In this sense, it is suggested that any interventions to support women's strategic needs will not be successful if the priority concerns of women in a particular context are practical needs.

Undeniably, Moser's (1989) framework to gender planning – focusing on the strategic and practical needs of women – is probably the most widely cited framework in gender planning discussions, particularly in developing countries (e.g. Dawson, 1994; Fonjong and Athanasia, 2007; Regmi and Fawcett, 1999). Moser (1993: 15) argues that 'Western planning theory' makes several assumptions, and when applied to non-Western contexts they have severe limitations. One of the assumptions is related to gender divisions of labour within the household. According to Moser (1993: 15 and 27), while Western planning theory assumes a clear division of labour based on gender, where the man is the 'breadwinner' and the woman is the 'home-maker', women in a non-Western context, particularly in low-income countries, mostly perform 'triple roles'. In addition, it is argued that in most developing nations, the culture heavily discriminates against women and thus state interventions are necessary to bring about change (Leach, 2000). Following the foundation of the GAD approach, which recognises the influence of social and institutional factors on women, it is suggested that Moser's (1989; 1993) framework of gender planning, which consists of iterative procedures, could provide women with a better position in the public sphere.

Although Moser's (1993) framework is widely used, Goldey et al. (1997) argue that it does not differentiate between different categories of women. It is argued that a particular intervention

that is introduced will affect women differently (Goldey et al., 1997) because women are diverse in terms of factors such as class, customs and institutional arrangements (Bradley, 2007). Therefore, these factors could affect their capability in accessing resources. However, Landig (2011) argues that Moser's (1993) framework takes into consideration the influence of institutions on women's inequality issues and thus focuses on transforming the structural issues that might contribute to gender inequality. Therefore, it can be argued that this fundamental feature of Moser's (1993) framework matches the principle of the GAD approach and could discard the perception that women are responsible for their marginalisation. In fact, Goldey et al. (1997:160) suggest that the limitation of Moser's (1993) framework to gender planning can be addressed by 'carrying out a social audit' with a focus on identifying who the targeted groups are, what the assumptions made about them are, what the objectives of the interventions are and whose interests are being promoted. Therefore, it is suggested that any interventions for women should be analysed within a theoretical framework that captures gender issues and this will be captured in this study. While most gender research focuses on equality issues in domestic and employment contexts, less research has focused on women in the entrepreneurship setting. Therefore, the next section examines the interface between gender issues and entrepreneurship ideologies and discusses the extent to which entrepreneurship is gendered.

## **2.4 Gender and entrepreneurship**

### **2.4.1 The concept of entrepreneurship**

Entrepreneurship and enterprise have been discussed widely in the entrepreneurship literature as critical for economic growth and development (Minniti, 2006; Wickham, 2006). For this reason, the world is demanding more entrepreneurs. As a consequence, scholars tend to define the term 'entrepreneurship' and 'entrepreneur' to suit their ideologies. The literature regarding entrepreneurship is discussed mostly from three different approaches: economic, psychological and sociological. The first contribution of economists in the entrepreneurship field was the introduction of the term 'entrepreneur' by Richard Cantillon (1680–1734), who refers to an entrepreneur as someone who exercises business judgement in conditions of uncertainty (Chell et al., 1991). Other definitions by economists reveal some common ground. Firstly, entrepreneurs are associated with some degree of risk and uncertainty (Ahl, 2002), for example Knight (1885–1972). Secondly, entrepreneurship involves profit-making activities, for example when entrepreneurs take 'advantage of unrealised profit opportunities' (Blaug, 2000: 78). Thirdly, entrepreneurs are a special type of people with certain qualities such as the ability to

make judgments in coordinating scarce resources (Casson, 2003) or being innovative (Schumpeter, 1971). Based on these distinctions, it is argued that entrepreneurs can be easily distinguished from other actors in the economy, such as investors or 'ordinary' managers (Wickham, 2006). It is also noticeable that the entrepreneurship discussion from the economic perspective treats entrepreneurship as an individual activity. For economists, the success of entrepreneurial behaviour depends on the person who is identified as being different from ordinary people. However, it can be argued that individual centric theory to explain entrepreneurial behaviour may not be appropriate in a context where the social environment plays a significant role in influencing individual action.

Therefore, the idea of entrepreneurship as an embedded phenomenon which is influenced by individual and environmental factors (Shane, 2003) is seen as more useful in understanding the entrepreneurship concept. This approach is seen as combining the psychological and social perspectives in explaining the entrepreneurship concept. While individual factors such as possessing certain entrepreneurial attributes (e.g. need for achievement, internal locus) are useful in determining entrepreneurs, the level of entrepreneurship is also affected by the cultural system that exists in a particular context (Shane, 2003). In addition, Gartner (1985) argues that a supportive environment has a great influence on venture creation. Within this context, it is argued that the government is an influential institution that can foster or hinder entrepreneurial activity through the implementation of entrepreneurship policy (Minniti, 2008; Minniti and Lévesque, 2008). At this point it can be seen that the view of entrepreneurship as an embedded phenomenon could provide a better explanation of the entrepreneurial behaviour of individuals. However, since the cultural system involves the 'social dynamics' of human interactions (Bradley, 2007: 182), it could affect individuals differently. In this sense, how women and men entrepreneurs are perceived by society will be different according to the cultural system that exists in a particular context. In addition, it can also be argued that the role of government in providing a conducive environment to entrepreneurs will be accessed differently by women and men. Therefore, it can be argued that although the existing concept provides a better understanding of entrepreneurship, there is a possibility that it has a different impact on women entrepreneurs. This issue is explained in the following section.

#### **2.4.2 Entrepreneurship is gendered**

Many entrepreneurship scholars agree that entrepreneurship is gendered (e.g. Ahl, 2006; Ashe and Treanor, 2011; Bird and Brush, 2002). It is argued that male-gendered entrepreneurship can be found in many aspects of entrepreneurship discussions, such as the definition of entrepreneurs, behaviour or attitudes of entrepreneurs and how entrepreneurship research has been conducted (Ahl, 2002). While there is no single definition of entrepreneurs that is agreed in the entrepreneurship literature (Wickham, 2006), all definitions seem to refer to male entrepreneurs. The idea of entrepreneurship as a 'man's domain' (Bird and Brush, 2002: 41) has been discussed by economists. Casson (2003:19) argues that economists tend to define entrepreneurship based on the 'functional approach', an approach that states that 'an entrepreneur is what an entrepreneur does'. Based on Swedberg's (2000) review of the contribution of economists to the entrepreneurship literature, entrepreneurs can be referred to, for example, as risk-takers (Richard Cantillon, 1680-1734), managers (Jean Baptiste Say, 1776-1832; Alfred Marshall, 1842-1924), capitalists (Adam Smith, 1723-1790) or innovators (Schumpeter, 1883-1950). While different economists use different terms to label their entrepreneurs, it can be argued that all seem to view the entrepreneur as a man. For example, Jean Baptiste Say (1776-1832) uses the experience of 'businessmen' in his discussion of entrepreneurship (Swedberg, 2000: 23). In addition, Thomas (1987: 174) also argues that in discussing the leadership function of entrepreneurs, Schumpeter (1939) refers to the entrepreneur as 'a leading man'. Furthermore, it is the Schumpeterian 'heroic' entrepreneurs that create industrialisation in the Western world (McClelland, 1971: 114). Even when Kilby (1971: 1) remarks that entrepreneurs have a lot in common with the 'Heffalump', he uses 'he' and 'him' to refer to entrepreneurs. Therefore, it can be argued that the economic discussions of entrepreneurship are very much related to the idea that entrepreneurs are men. In addition, economists see entrepreneurship activities as 'the response to some exogenous force exerted on the market system' (Ahl, 2002: 37). The fact that the gender division of labour places women in the private sphere (Bradley, 1989) suggests that it is difficult to relate women with economists' entrepreneurship definitions because, for economists, entrepreneurial activities only take place in a market system.

In recognising the importance of entrepreneurial activities in helping the growth of an economy, increasing the supply of entrepreneurs is considered crucial (Ahl, 2002). Economists' views of entrepreneurship indicate that not all individuals can perform entrepreneurial activities. Similar

to economists' masculine perspectives of entrepreneurship, psychologists also seem to describe entrepreneurs as men. Shane (2003) argues that people who are involved in entrepreneurial activities are not randomly determined, and thus whether or not individuals exploit entrepreneurial activities is much influenced by their psychological and demographic differences. Therefore, the trait approach is used by psychologists to distinguish entrepreneurs from other groups of people in society (Chell et al., 1991). However, this approach has been argued to separate entrepreneurs from the influence of external social factors (Wickham, 2006). Therefore, the application of this approach to women entrepreneurship research could discriminate against women, because the fact that women see themselves as embedded in their environment will not be highlighted (Brush, 1992). Preferring the individual explanation over gender power relations in the social world will further discriminate against women, as any 'shortcomings are attributed to individual women and not to social arrangements' (Ahl, 2006: 606). It is therefore suggested that the discussion of entrepreneurship from the psychological perspective should not be gender neutral, as the complexity of gender relations in the social world will remain unexplained.

It should also be noted that sociologists have also enriched entrepreneurial knowledge. Max Weber (1864-1920) famously associated the Western industrial revolution with the 'Protestant work ethic' (Wickham, 2006: 167). Weber's (1935) approach to entrepreneurship, as cited in Lipset (2000: 110), holds that 'structural conditions make development possible', but the ability to turn this 'possibility' into 'actuality' is determined by 'structural conditions'. However, it is difficult to isolate society's attitudes from economic factors. This makes the sociologists argument less convincing as opposed to an economic explanation of entrepreneurship. For example, ethnicity is regarded as one area of interest in sociology, but studies of ethnic entrepreneurship usually also include an explanation of the economic factors (Swedberg, 2000). In relation to women entrepreneurship, Swedberg (2000) further argues that there is still a lack of discussion on the subject from sociology perspectives. However, the fact that women are closely related to social norms and practices indicates that sociological perspectives could help to explain their actual entrepreneurial experiences.

At this point it can be argued that in the three mainstream discussions of entrepreneurship – economics, psychology and sociology – women are invisible. Their invisibility is further enhanced by the fact that research into women entrepreneurship has some methodological

issues (Brush and Cooper, 2012). Firstly, in the effort to investigate the entrepreneurial traits of women entrepreneurs, the instruments that are used were developed and tested based on male respondents (Ahl, 2006; Brush, 1992). For example, the entrepreneurial trait of need for achievement was tested on male respondents (Brush, 1992). In further testing of the need for achievement for entrepreneurs and professionals in developed and less developed countries, McClelland (1971) also used male respondents. It has been argued that such instruments could be biased if they were used on women entrepreneurs (Ahl, 2006). Ahl (2006) argues that any investigation of women entrepreneurs that is based on such instruments will have the risk of comparing them with the male-gendered model. As a consequence, the application of such a model in explaining the reality of women entrepreneurs is open to question (Bird and Brush, 2002). In addition, the findings from such an investigation tend to regard women as being at a disadvantage in relation to men. Secondly, the topics that have received considerable attention in entrepreneurship research are extended to women entrepreneurship research mostly by adding women as research samples. This practice could be argued to accept women's biological sex as the appropriate category for research while ignoring the importance of using gender as a category in researching women. To have better insights into women entrepreneurs' experiences, Brush (2006) suggests that there is a need to conduct women entrepreneurship research through the lens of gender. Since the historical description of entrepreneurs tends to view entrepreneurship as a masculine concept (Bird and Brush, 2002), gender as a research category should be applied in researching women entrepreneurs.

Empirically, the continuation of women's subordination to men in entrepreneurial activities has long been debated by Goffee and Scase (1983: 644). They argue that the reason for the continuance of women's subordination to men is because women 'fail to obtain full legitimacy and credibility as proprietors'. Goffee and Scase (1983) argue that prejudices against women exist in business tasks such as securing finance. In today's environment, the issue of gender equality in business ownership also continues to be discussed in the women entrepreneurship literature. For example, based on a survey of 573 men and women entrepreneurs and in-depth interviews with 13 men and women entrepreneurs in New York, Loscocco and Bird (2012) argue that gendered structural constraints exist for women in business, thus creating a gap in the economic success between women and men entrepreneurs. To remedy the situation, they argue that policymakers need to continue to address the issue of gender inequities, which could improve the economic success of women entrepreneurs. This suggestion is in line with the

argument that has been put forward from the economic perspective with regard to the role of government in 'fostering and hindering entrepreneurial behaviour', for example through the establishment of entrepreneurship policies (Minniti and Lévesque, 2008). These examples provide practical evidence of discrimination against women in favour of men, in the entrepreneurship setting and the importance of policymakers in helping women to minimise the impact of women's subordination to men in their entrepreneurial activities. While the roles of policymakers are considered important in handling the issues of women's subordination to men, Madsen et al. (2008) argue that women can also use their roles and social identities to challenge subordination issues. In a theoretical discussion about the influence of roles and social identities on female entrepreneurial agencies, they argue that women have the power to influence and change the structural barriers they encounter. In this sense, women's distinctive roles and identities interact with various limitations in entrepreneurship, and this situation needs to be understood by policymakers. Therefore, a 'more nuanced and sensitive framework' can be applied in fostering women entrepreneurship (Madsen et al., 2008: 369).

The women entrepreneurship literature supports the argument that entrepreneurship is far from gender neutral. It must be noted that government intervention on the issues can be successful only if the information about women entrepreneurs is collected based on their real experiences. However, the methodological issues that have been debated in women entrepreneurship research indicate that many aspects of women's experiences remain unexplored. The exploration of gender issues also has to take into account contextual differences. Therefore, the next section will look at gender issues from a non-Western perspective.

## **2.5 Gender from the non-Western perspective**

In discussing gender issues from the non-Western perspective, it is important to recognise the influence of historical factors that have shaped the position of women in today's environment. In analysing women's participation in different economic sectors in Asia, Africa and Latin America, Boserup (1971) argues that women's loss of status is a result of European colonialism in those countries. She argues that colonial administrators were responsible for the 'deterioration in the status of women' (Boserup, 1971: 53), particularly through the process of modernisation in the agricultural sectors. As a result, the gap between men and women in terms of their productivity level, knowledge and social prestige becomes wider (Claffey et al., 1979). During the European

colonialism, the prestige of men was enhanced while that of women was lowered. It is also argued that during the colonialism period, women 'maintained an identity strongly resistant to colonial influences and became the guardians of tradition and cultural values' (Salhi, 2010: 114). Therefore, it is suggested that the historical perspective of colonialism in non-Western countries has two major effects on gender issues in today's environment. Firstly, it shapes the position of women as secondary to men in society; and secondly, cultural values appear to have a strong influence in the discussion of gender issues from the non-Western perspective.

The involvement of women in the feminist movement in non-Western countries is strongly related to the process of seeking independence for those countries (e.g. Ariffin, 1999; Salhi, 2010). Through this reformation, gender issues are incorporated into the objectives of achieving independence for the country. This means that the 'long struggles of suffragettes' in the West were not being experienced by women in non-Western contexts (Ariffin, 1999: 417). However, while women gained their voting rights through the independence process, the long period of colonialism contributed to the establishment of a system where men and women's roles are segregated (Daud, 1988). For example, under British colonialism in Malaysia, the system of education emphasised women's nurturing and domestic roles and included subjects such as basic sewing and needlework. In contrast, boys' education concentrated on wood and metalwork, which matched the needs of the labour market at the time. This colonial policy together with the Malaysian socialisation process further enhanced the notion that women are secondary to men in society. Although the country has been independent for 57 years, it can be argued that spiritually the idea of girls' education and boy's education persists in today's education system. This example shows that not only do women have to challenge the institutionalisation of such a view, they also have to confront the strong social-cultural framework that exists in society.

The focus of gender studies, which are mostly from a Western context, has been argued to be inadequate to represent the reality of women from non-Western contexts (Syed, 2008, 2009, 2010). Although the issues of gender inequality are confronted by women worldwide, women in non-Western contexts encounter diverse and complex gender relations (Syed, 2010), which makes their experiences significantly different (Vidyasagar and Rea, 2004). Much of the difference is influenced by the social norms that exist in their society (Cooray and Potrafke, 2011). Based on data from 157 countries, they argue that there are two primary factors that

influence gender inequality in education: culture and religion. The data reveals that in line with countries' modernisation, the cultures of those countries change. Religion, as one aspect of cultural change, is also found to influence people's behaviour. Unlike the West, the presence of strong cultural and religious conditions in non-Western contexts makes the issues of gender equality more challenging. In this sense, any effort to achieve gender equality by women should not be seen by others as challenging the 'social-cultural framework' (Ariffin, 1999: 418). Therefore, while it is valid to borrow from Western-derived theories on women, local values are important factors to consider when investigating gender issues in non-Western contexts (Hashim et al., 2011).

Despite the considerable attention to gender issues from the Western perspective, Syed (2010: 289) argues that such a perspective is biased against women in non-Western contexts. He highlights four types of bias – 'capitalist, elite, secular and similarity' – that could undermine the complexity of gender relations in non-Western contexts. He argues that the first two types of bias focus on the issues of gender equality in paid employment while ignoring the unpaid. While women's involvement in economic development (Potrafke and Ursprung, 2012) has been long debated as important to achieve equal opportunities for women in society (Bandarage, 1984), this notion could further discriminate against women in non-Western contexts because of the complexity of their multiple roles; their productive, reproductive and community work will be overlooked (Moser, 1989). In addition, the same roles of women in different contexts could be discussed differently. For example, while much Western literature on women's involvement in productive work is discussed in a formal economic setting (e.g. Morrison and Jütting, 2005), more women in non-Western contexts, such as in Asia, are reported to be involved in the informal sector (e.g. ILO, 2011). In addition, Syed (2010) further argues that the secular and similarity bias tends to ignore the effect of sociocultural factors on women in non-Western contexts, particularly in religion-based societies or in societies where traditions are highly emphasised. As a consequence, the discussion of gender equality in the Western context tends to view equal opportunity between men and women as a concept of 'sameness' (Brown, 2006: 424) and emphasises 'material values and low preference for religious values' (Syed, 2009: 441). Brown (2006) argues that this view disregards the fact that for some cultures, gender equality is achieved when the diversity between men and women is valued. By referring to the reality of British Muslim women, Brown (2006: 425) argues that the 'complementarity' concept that is believed in and practised by Muslim society provides a further explanation of the gender

segregation of duties in the family unit. In this context, whether a woman remains a housewife or seeks employment is her choice (Brown, 2006) and is not imposed upon them (Syed, 2010). This argument contrasts with the gender literature that views religion as oppressing and disempowering for women (e.g. Cooray and Potrafke, 2011). At this point it should be noted that there is a possibility that what is perceived as gender equality in non-Western contexts may appear to be less equal in the Western context. Therefore, it is suggested that the adoption of Western ideas about gender equality in non-Western contexts should take into account the sociocultural differences that exist in particular societies.

Another important factor that could explain women's experiences in different contexts is related to the influence of patriarchal societies. As agreed by both Western and non-Western scholars (e.g. Tan et al., 2002; Tam, 1996; Leach, 2000), patriarchal societies tend to be more related to non-Western contexts. The existence of patriarchal societies is argued to be related to strong traditional values (Tan et al., 2002). In analysing how gender roles have been portrayed by television commercials in two Asian countries, Tan et al. (2002) argue that strong traditional Asian values and beliefs that segregate women into domestic roles is extended in advertising practices. These practices further reinforce the view of women being subordinate to men in society. Tam (1996) also highlights that the gender income gap in Taiwan is not related to factors such as education or experiences, factors that have been used to explain the gender wage gap in the United States. The gender gap in Taiwan appears to have resulted from 'cultural forces' that exist in the family unit (Tam, 1996: 835). However, it is argued that in line with country's modernisation, the cultures of the country change (Cooray and Potrafke, 2011). Therefore, the patriarchal society that exists in the Malaysian context reflects the stage of the country's development. In addition, Chang and England (2011) also argue that the importance of cultural and institutional differences should not be ignored in investigating gender inequality in East Asia. Contrary to Western theoretical expectations, where education and experiences are important factors in determining earnings in the labour market, these empirical findings suggest that a Western approach to gender issues may not adequately explain gender differences in non-Western contexts.

## **2.6 Conclusions**

This chapter examined the literature related to gender in women studies and women's entrepreneurship. The reviewed literature demonstrates that the social environment has created the idea of gender-appropriate behaviour, which has caused women to fight for gender equality in many aspects of their lives including their involvement in entrepreneurial activities. The exploration of the literature on gender indeed clarifies the gender concept, its application in the context of women entrepreneurship and its different impact on women in Western and non-Western contexts. The in-depth explanation about how the complexity of women's social environment affects women's activities in the public sphere inevitably justifies why gender concept needs to be incorporated in investigating the business survival experience of BWEs. The significance of institutional efforts provided by policymakers to help women in achieving gender equality is highlighted in the reviewed literature, which has encouraged the researcher to explore the extent to which GESPs facilitate the business survival process of BWEs. The next chapter discusses women entrepreneurs' experiences in relation to their business survival process.

# CHAPTER 3

## WOMEN'S BUSINESS SURVIVAL

### 3.1 Overview

This chapter provides an overview of women entrepreneurship in its own context with a specific focus on women's business survival. It is divided into three main sections. The first section gives an overview of women entrepreneurs which includes discussion about how women entrepreneurs are defined in the women entrepreneurship literature, their personal and business characteristics, motivational factors and the challenges they face in business. The second section focuses on the links between different individual and environmental factors and their influence on women's business survival. While individual factors relate to BWE's personal and business characteristics, the environmental factors refer to the culture that governs BWEs and government entrepreneurial support programmes (GESPs). Within this context, culture and GESPs are highlighted as part of the institutional influence that is significant for women entrepreneurs. This chapter ends with a discussion of the importance of researching women entrepreneurship from the institutional perspective.

### 3.2 Who are women entrepreneurs?

Although 'women are one of the fastest rising populations of entrepreneurs', less is known about them due to a lack of research (Brush, 2006: 612). While the concept of entrepreneurship was introduced as early as in the 18<sup>th</sup> century (Kilby, 1971), Brush (1992) asserts that it was only in the 1970s that academic investigation of women entrepreneurs started (e.g. Schwartz, 1976). Therefore, it can be argued that women entrepreneurship is a relatively new phenomenon in the entrepreneurship domain. Thus, it is argued by many scholars that there is invisibility of women entrepreneurs in the entrepreneurship literature (Ahl, 2002; Brush, 1992; Brush, 2006). The assumption that there is no difference between men and women entrepreneurs is used to explain the lack of research into women entrepreneurs (Brush, 2006). However, this assumption is argued to view women entrepreneurs from the experience of men (Ahl, 2006), with the result that women are at a disadvantage compared to men. The arguments about how the entrepreneurship literature has been biased against women entrepreneurs are discussed in

Chapter 2. The existing knowledge and entrepreneurship theories are argued to be inadequate to meet the needs of women entrepreneurs (Bird and Brush, 2002; Greer and Greene, 2003). Since they are far from the social reality of women entrepreneurs (Ahl, 2002), there is a need to study women entrepreneurs by taking into consideration gender issues (Brush, 2006; Loscocco and Bird, 2012). Before any issues regarding women entrepreneurs can be further investigated, how women entrepreneurs are discussed in the entrepreneurship literature needs to be understood.

### **3.2.1 The definitions of women entrepreneurs**

Defining who woman entrepreneurs are is challenging, as practically nothing is known about them, particularly in the 1970s (Moore and Buttner, 1997) when most of the entrepreneurial analyses focused on males (Stevenson, 1986). Schwartz's (1976) work is regarded as one of the earliest published works about women entrepreneurship (Brush et al., 2006), but it provides no definition of a woman entrepreneur. In order to develop a better understanding of women entrepreneurship, Schwartz (1976) focuses on investigating the characteristics, motivations and attitudes of women entrepreneurs and comparing them with men entrepreneurs. In fact, the early studies of women entrepreneurship (e.g. Hisrich and Brush, 1984; Stevenson, 1986) also describe the characteristics of women entrepreneurs with the aim to find any similarities or differences between women and men entrepreneurs. In this respect, women and men are distinguished based on the assumption that the existing knowledge about men entrepreneurs can also be applied to women. As a consequence, a comparison between men and women entrepreneurs seems to appear in most of the women entrepreneurship literature.

One of the early studies of women entrepreneurship that defines a woman entrepreneur is given by Lavoie (1984). Lavoie's (1984: 34) definition of a woman entrepreneur includes elements that are mostly found in the definition of entrepreneur, such as 'accepting risks and responsibilities' and 'actively in charge' of the business operation. In addition, the definition also describes women entrepreneurs as people who 'lead and initiate a new venture'. Moore and Buttner (1997: 12) argue that an entrepreneur is often defined as 'a person who owns and starts a new and small business'. At this point it can be seen that Lavoie's definition of a women entrepreneur matches with the definition of entrepreneurs in general. Moore and Buttner (1997) also argue that not only is women entrepreneurship research scarce, there are also few

researchers that attempt to define a woman entrepreneur. Although no obvious definition of women entrepreneurs is given in the early studies, some researchers give an indication of how they envisage women entrepreneurs. For example, in discussing the issue of women business ownership and subordination, Goffee and Scase (1983: 627) describe women entrepreneurs as women who both 'own and manage business enterprises'.

The trend of defining women entrepreneurs based on the ownership and management functions can also be seen in later years, and the idea of women as 'business owners or managers' tends to dominate most of the research into women entrepreneurship (Barrett, 2008: 46). For example, based on a dataset of 4,923 firms, Watson (2002) refers to the element of controlling ownership in differentiating between men and women's businesses. In fact, some organisations clearly highlight the percentage of ownership in determining women-owned businesses; for example, the Malaysia Technology Development Corporation, an organisation that provides support for Malaysian women entrepreneurs, uses 51 per cent of ownership as the criteria to determine whether a firm is a woman-owned business. Focusing on the ownership of a business venture in defining women entrepreneurs has an advantage, particularly in a country where there is confusion in terms of the 'statistical definition between entrepreneurs and self-employed' (Neergaard et al., 2008: 92). In the same vein, Carter and Shaw (2006) argue that defining women businesses based on the ownership and management function enables researchers to easily distinguish women-owned businesses from other types of business that also involve the active participation of women.

At this point it can be argued that the inclusion of the element of ownership and management of a venture in the definition of a woman entrepreneur is more practical, and this definition tends to be used by organisations that provide information about women entrepreneurs (i.e. The US Census Bureau). While this definition 'assist[s] the practical aspects of research and policy making' (Carter and Shaw, 2006: 19), it makes no difference between establishing a new enterprise or taking over and inheriting an existing business (Neergaard et al., 2008). To overcome the confusion of the statistical definition of women entrepreneurs, Neergaard et al. (2008) identify six different types of new venture owners. These typologies distinguish between entrepreneurs that create businesses and those who inherit businesses. In this respect, it can be argued that establishing an enterprise and taking over an existing one result in different experiences for the owner. In investigating the experience of women who left a corporate

environment and started businesses, Moore and Buttner (1997) refer to women entrepreneurs as those who initiate, own and manage their businesses. While this definition maintains the broad concept of entrepreneurs as people who own and manage a business, it also helps researchers to focus on the experience of women in initiating a business venture. The same definition is also used by Marlow and Patton (2005: 719) when they theoretically analyse the experience of women entrepreneurs in their 'quest to find appropriate and adequate sources of finance'. In this respect, it can be seen that the definition of women entrepreneurs that captures the element of initiating, owning and managing a business venture could give further insight into their business experiences. Since this study investigates the impact of government initiatives on women businesses survival, the experience of women in initiating a business is regarded as an important process that could give further insights into the women entrepreneurship phenomenon.

For the purpose of this study, a woman entrepreneur is defined as:

*A Bumiputera Malaysian woman who has initiated a business, is actively involved in managing it and owns the majority of the business.*

In agreement with Lavoie (1984), Moore and Buttner (1997) and Marlow and Patton (2005), this definition includes women entrepreneurs who initiate, own and manage their business. By considering these elements in defining women entrepreneurs, this study attempts to gain better insight into the experience of women entrepreneurs in Malaysia, particularly in relation to their views on the impact of government initiatives in facilitating their business survival.

### **3.2.2 Women entrepreneurs: personal and business characteristics**

Previous research that discusses the demographic profile of women entrepreneurs found that they tend to be in the category of mature age, which is in the 30s and above and most of them are married with children (Al-Riyami et al., 2002; Dechant and Lamky, 2005; Jamali, 2009). It is argued that due to women's commitment to their family responsibilities, women tend to become involved in business when their children are older (Roomi and Parrott, 2008). In Malaysia, it was also found that the typical profile of women entrepreneurs is in their 30s and married with children (Ismail, 1996; Raman et al., 2008; Yusof, 2006). This trend also reflects the age of Malaysian handicraft entrepreneurs, where it is reported that the majority of handicraft

businesses are owned by women between the age of 30 and 70 (MHDC, 2008). With regards to the level of education of women entrepreneurs, it is argued that the education level of women entrepreneurs in developed countries exceed those in less developed countries (Dechant and Lamky, 2005), an educational attainment that is also true for the majority of the handicraft entrepreneurs in Malaysia (Redzuan and Aref, 2011). In addition, while no gender differences with respect to education was found in developed countries (Shaw et al., 2009), this situation is uncommon for developing countries particularly due to the structural barriers that exist in women's social environment (Leach, 2000). As a consequence, apart from obtaining a low level of education, women have limited employment opportunities that provide less management-related knowledge and experience. This research shows that women entrepreneurs possess a low level of human capital compared to men. It is believed that the possession of general human capital has a significant impact on a woman's business experiences. However, no difference between men and women entrepreneurs was found with regards to their entrepreneurial characteristics (Watson and Newby, 2005). In fact, women entrepreneurs are discussed as possessing distinctive personal characteristics that contribute to the success of their entrepreneurial activities. For example, it is argued that women entrepreneurs are highly motivated and self-directed (Jahanshahi et al., 2010) as well as hardworking, persevere with any situation, and have good self-management and self-discipline (Xavier et al., 2011). These personal characteristics are relevant in the context of business survival as highlighted by Ciavarella et al., (2004) who found entrepreneur's conscientiousness was positively related to long-term venture survival and this personality relates to traits such as being hardworking, achievement-oriented and having perseverance. In addition, similar to the importance of the creative element in the entrepreneurial process (Barringer and Ireland, 2006), it is argued that being creative is also one of the important characteristics for handicraft entrepreneurs to help them producing attractive handicraft products (Abdul Halim et al., 2011).

Women businesses are mostly found in the service sector with slow growth potential (Brush et al., 2004). The fact that service industry requires less capital and human investment provide women with less entry barriers and make it the best industry choice for women entrepreneurs (Ahmad, 2011). Women businesses tend to employ fewer people (Kalleberg and Leicht, 1991) and have sole proprietorship status (Al-Riyami et al., 2002; Roomi et al., 2009).

### **3.2.3 The motivation of women in creating business ventures**

Many previous researchers (e.g. McGowan et al., 2012; Manolova et al., 2008; Orhan and Scott, 2001) have highlighted the reasons that women become entrepreneurs. The results of these studies show that there is no single set of factors that influences women to embark on entrepreneurship; rather, their decision could be influenced by a combination of different factors (Fielden and Davidson, 2005). In the women entrepreneurship literature, such factors are classified under pull or push categories (Van der Boon, 2005; Moore and Buttner, 1997). Push factors are associated with a 'negative environment' that forces individuals towards entrepreneurial activities, while pull factors are related to 'positive developments' (Ahmad, 2011: 129).

#### **3.2.3.1 Pull and push motivational factors**

Moore and Buttner (1997) suggest that push factors are more important in influencing women to leave the corporate environment and set up their own businesses. Dissatisfaction in the working environment, including 'the glass ceiling, pay inequality, occupational segregation and discrimination', are discussed as the push factors that influence a woman's decision to start her own business venture (Van der Boon, 2005: 163). In addition, it is also argued that the educational gendered process has caused more women to be located in the service sector on a low income; thus, this situation contributes to the factors affecting women's decision to enter into self-employment (Schmidt and Parker, 2003). Another push factor that relates to women entrepreneurs is the need to balance their work and family roles (Marlow, 1997; Moore and Buttner, 1997; Schmidt and Parker, 2003) and to provide a better life and generate additional income (Roomi et al., 2009). Although the entrepreneurship literature seems to propose that push factors are more significant in influencing women entrepreneurs, there is no difference in the factors that motivate women and men entrepreneurs (Humbert and Drew, 2010; Orhan and Scott, 2001). Like men, women are also motivated by personal fulfillment (McGowan et al., 2012) and 'self-achievement' (Orhan and Scott, 2001: 236) and being supported by family and friends (Bradley and Boles, 2003). At this point it can be argued that while the application of the push and pull model provides reasons for women's involvement in entrepreneurship, the model does not explain how women's social environment drives their entrepreneurial motivations.

### **3.2.3.2 Socio-cultural factors**

To better understand the motivational factors affecting women entrepreneurs, it is suggested that the gender element should be taken into account (Manolova et al., 2008; Marlow, 1997; Orhan, 2005). It is argued that further research into women entrepreneurs that takes into account the influence of women's social environment could provide a fruitful outcome in understanding the entrepreneurial process of women entrepreneurs (Brush et al., 2009). In fact, the use of push and pull factors in explaining women's motivation into business is argued does not reflect the complexity of the individual factors that associate to each category (Humbert and Drew, 2010). In an investigation of the relationship between gender and entrepreneurial motivation on 3,498 Irish entrepreneurs, Humbert and Drew (2010) argue that push and pull factors are not sufficient to understand entrepreneurial motivation and suggest that these factors need to be examined in their environmental context. The empirical results show that both men and women entrepreneurs are similarly motivated by push and pull factors. However, when their marital status is put into context, the need to achieve a better work-life balance appears to be a significant motivational factor for women entrepreneurs. At this point it can be seen that women could be motivated by the same factors as men in pursuing their business ideas. However, a deeper understanding of their entrepreneurial motivations could be gained if researchers take into account the social environment they inhabit.

In addition, the motivational factors of women entrepreneurs could also be influenced by the socio-cultural context (Ahmad, 2011). Findings from developed countries have shown that pull factors are more dominant in influencing women towards entrepreneurship (McGowan et al., 2012; Orhan and Scott, 2001), while women in developing countries are more influenced by push than pull factors (Dhaliwal, 1998; Roomi and Parrott, 2008). However, there is evidence which shows that gender inequality is also significant in influencing women entrepreneurship in developed countries. In examining the impact of specific norms in supporting women entrepreneurship on 41 GEM countries, Baughn et al. (2006) argue that although gender equality is not an overall predictor for women entrepreneurship, any effort to balance gender inequality can reduce the impact of push factors for entrepreneurship. Similarly, Aidis et al. (2007: 175) argue that the external environment provides both pull and push factors to entrepreneurship. Locating their studies of women entrepreneurship in the context of Lithuania and Ukraine, they argue that the effect of changes in the labour market such as 'job loss and constraints to women's participation in the formal labour market' push individuals into business ownership. In

relation to women in developing countries, the influence of gender inequality on women entrepreneurs have been discussed by many scholars. Tambunan (2009) argues that the degree of gender equity, which is lower in developing countries than developed countries, has caused differences in women's motivations in entrepreneurship. For example, in investigating the survival strategies of women entrepreneurs in Zimbabwe, Mboko and Smith Hunter (2010) found that women's involvement in business activities is seen as one way of how women can improve their status. They further argue that this situation is significant in a society where women struggle to improve their status. Furthermore, factors such as labour market discrimination and frustration with gender pay discrepancies (Jamali, 2009) and strict working hours and a lack of job opportunities (Dhaliwal, 1998) also push women in developing countries towards entrepreneurship. These results indicate that in order to understand the reality of women in entrepreneurship, women should not be dissociated from their social environment. While women could be motivated to become entrepreneurs for the same reasons as men, other factors that relate to women's social environment could not only distinguish women's motivation from men's but also bring different kinds of challenges and barriers to women entrepreneurs.

### **3.2.4 The challenges and barriers for women entrepreneurs in entrepreneurship**

#### **3.2.4.1 Financial challenges**

Getting involved in entrepreneurial activities is never free of problems. Although entrepreneurial experience is proven to be highly rewarding, it is argued that the process is 'trickier' for women than men (McGowan et al., 2012: 69). One of the biggest challenges for women in business that has been long debated is related to financial aspects (Brush, 1992). Within this context, it is argued that women entrepreneurs rely heavily on informal financing (Coleman, 2000; Jamali, 2009). While there is no consistent evidence to show that women entrepreneurs start with lower levels of financial capital (Carter and Shaw, 2006), undercapitalisation has been identified as a reason that women entrepreneurs struggle to survive and grow their businesses (Alsos et al., 2006; Marlow and Patton, 2005). The undercapitalisation of women-owned businesses is argued to be related to the fact that women have less personal money to invest in their business due to a lower level of income from past employment (Marlow, 2002; Verheul and Thurik, 2001).

The issue of undercapitalisation of women-owned businesses is further exacerbated when women seek external financing. It is argued that women entrepreneurs are confronted with less favourable credit terms (Coleman, 2000; Muravyev et al., 2009). Based on a survey of 4,637 women and men-owned businesses, Coleman (2000: 49) demonstrates that while women have similar access to finance as men, they obtain credit under less favourable terms. The study shows that women involved in the service industry have higher interest rates imposed upon them and are expected to provide more collateral than men. Although there is no evidence that bankers discriminate against women, the study also reveals that bankers 'discriminate on the basis of firm size, preferring to lend to larger and more established firms'. In addition, Muravyev et al. (2009) found that women-owned businesses in 34 different countries are less likely to obtain a bank loan, and if they do, higher interest rates are charged. Given that women-owned businesses are normally smaller than men-owned businesses (Alsos et al., 2006), it can be argued that such discrimination could minimise women's potential to access finance. At this point it is suggested that although there is no discrimination against women in accessing finance by financial providers, often the criteria or conditions for accessing finance will place women at a disadvantage. Alternatively, women entrepreneurs could also utilise the 'subsidised loans and loan guarantees' which are provided by governments (Verheul and Thurik, 2001: 337). Unlike the commercial capital market, government financing is seen as having fewer credit terms and thus is easier to access. However, it is argued that the amount of money provided under government financial assistance is inadequate to meet business needs (Chitra Devi, 2011). Again, this financial assistance cannot solve the financial problems of many women entrepreneurs. For example, in the context of Malaysia, access to finance has been identified as a critical factor influencing the growth of women entrepreneurs (Teoh and Chong, 2008); however, financing for Malaysian women entrepreneurs is more associated with microfinance, which involves a small amount of financing and thus could limit the potential for business growth (UNDP, 2008). This financing practice reflects the argument that government financial assistance is inadequate to meet business needs (Chitra Devi, 2011). Although a handicraft business in Malaysia can be started with a small investment, increasing the market competitiveness of the handicraft products requires a substantial amount of investment (Redzuan and Aref, 2011). At this point it can be seen that women continue to be trapped in financial issues even with the existence of initiatives designed to overcome their financial constraints.

#### **3.2.4.2 Other business-related challenges**

Women entrepreneurs also face various sets of business challenges. Roomi and Parrott (2008) argue that a lack of business management skills is the second greatest challenge for women after access to finance. Within this context, women entrepreneurs are argued to have a limited amount and quality of human capital, particularly in relation to education and prior employment experience (Boden and Nucci, 2000), and a lack of experience as entrepreneurs (McGowan et al., 2012). The amount and quality of human capital is important, as Boden and Nucci (2000) found that women and men entrepreneurs with better education attainment and more years of working experience are more likely to survive in business. Another study by Roomi et al. (2009) also confirms that a lack of business and managerial skills results in the slow or non-growth of women-owned businesses. Women's lack of business-related skills is argued to be the result of their previous employment, which is mostly in 'low-paid, unskilled or semi-skilled positions and service sector' (Carter, 2000: 329). In the context of Malaysia, Ayadurai and Ahmad (2006: 122) argue that most of the skills and experience that women entrepreneurs have acquired are obtained through family, friends and previous experience. As a result, they are more likely to be seen as lacking professionalism and their existence are far from the idea of 'well-skilled entrepreneurs'. To improve women's skills in business, providing training and advisory services is regarded as necessary. However, the women entrepreneurship literature has criticised training initiatives for women entrepreneurs because they are deemed to have weaknesses such as a lack of information about the training, learning from the experience of men entrepreneurs and a lack of concern about women's needs (Carter, 2000; Huq and Moyeen, 2006, 2011; Schmidt and Parker, 2003). Again, this argument shows that any effort to increase women's business-related skills could be ineffective if factors which have a significant impact on women are overlooked by training providers.

In addition, the unawareness of women about the training opportunities available for them is argued to be the consequence of women's lack of social networks (Teoh and Chong, 2008). In this respect, the long-running debate about social networks for women has been concerned with the fact that not only do women have small social networks, they also tend to include more women than men (Aldrich, 1989) and a high proportion of kin members (Renzulli et al., 2000). In investigating the female entrepreneurial networking behaviour of twelve women entrepreneurs in Northern Ireland, McGowan and Hampton (2007: 119) found that women are involved with 'informal or semi-formal networking activities'. They further suggest that while female-only

networks are appropriate at the early stage of business development, the use of a 'mix gender network' is crucial for business growth. In the context of Malaysia, it was found that networking with government organisations may increase the likelihood in obtaining entrepreneurial assistance from the organisations (Selamat et al., 2011).

#### **3.2.4.3 Gender-related challenges**

Although many business challenges are shared by men and women entrepreneurs, the fact that women are disadvantaged compared to men in society makes the challenges more extensive to women than men (Brush and Gatewood, 2008; Marlow, 2002). Based on a theoretical analysis, Marlow (2002) argues that the multiple aspects of women's disadvantage to men result in different impacts on women in self-employment. Empirically, Marlow (1997: 207) also found that while both men and women entrepreneurs acknowledge 'lack of credibility, finance and domestic demands' as problems when entering self-employment, gender differences further exacerbate these problems. By using access to finance, the limitation in business management skills and women's networking behaviour as examples in the previous discussion, it can be seen that women's challenges in business are more complex than one might expect. While the same challenges are also faced by men entrepreneurs, there are differences in terms of the degree and how they further disadvantage women in relation to men. Also, these challenges are inter-related and often could be influenced by women's problems in other aspects.

The fact that women's social environment has great influence on their entrepreneurial activities places additional barriers for women entrepreneurs. Unlike men, women entrepreneurs also confront gender-related obstacles (Roomi and Parrott, 2008; Sadi and Al-Ghazali, 2010). Fielden and Davidson (2005) argue that whether women have a positive experience in business will be influenced by family issues, and this aspect remains the greatest challenge. The women entrepreneurship literature shows that balancing responsibilities between family and work is a crucial factor in motivating women into business (Mattis, 2005; McGowan et al., 2012; Moore and Buttner, 1997). However, the idea that self-employment provides greater flexibility between the two roles has caused women to 'devalue' their businesses (Marlow, 2002: 89), as often domestic responsibilities will be the main concern, thus limiting the time and mobility for business responsibilities (Ahmad, 2011; Allen and Truman, 1993). In addition, based on a study of 43 home-based female embroiderers in Jordan, Al-Dajani and Marlow (2010) found that women's involvement in business is subject to their husband's permission and the continuity of

their traditional roles as women. While entrepreneurship allows women to be involved in productive and reproductive roles, they still struggle to manage the two responsibilities. In this sense, although women entrepreneurs can be seen as successful in performing their multiple roles, it can be argued that the issue of gender inequality remains.

In discussing the issue of gender-related challenges for women entrepreneurs, it is noteworthy that the degree of the challenges varies according to context. It is argued that 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). Patriarchal societies appear more strongly in non-Western contexts than Western contexts (Leach, 2000; Mordi et al., 2010; Tan et al., 2002) and are also prevalent in developing countries (Dechant and Al Lamky, 2005; Della-Guista and Phillips, 2006; Roomi and Parrott, 2008). In these societies, the perception of entrepreneurship for women and men is different; for example; pursuing money is viewed by society as 'immoral' for women, but for men it is one of the 'virtues that are most needed in business' (Della-Guista and Phillips, 2006: 1055). 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). For example, although the Malaysian government has undertaken various efforts to ensure the development of women entrepreneurship, it is suggested that a policy which is more friendly to women could help them to realise their full potential (Teoh and Chong, 2007). At this point it can be argued that in some contexts, such as in developing countries, the influence of socio-cultural values not only provides a different experience to women entrepreneurs, but women could also obtain less benefit from the institutional system that exists in their business environment. The influence of the institutional environment particularly the government on women entrepreneurship will be explored in Chapter 4 (page 70). Due to the various types of challenges faced by women entrepreneurs and the depth of these challenges, they could affect women's business performance and survival.

### **3.3 Women and business survival**

In discussing the concept of women's business survival, there are several arguments that can be highlighted from the entrepreneurship literature. Firstly, survival is used as a concept to operationalise business performance (Cooper et al., 1994) in organisational research as well as in the women entrepreneurship literature (Boden and Nucci, 2000; Kalleberg and Leicht, 1991). Secondly, the intense challenges faced by women entrepreneurs (Brush and Gatewood, 2008) mean that the survival stage of women's businesses is far from the assumption of survival as a natural phenomenon in the firm's life cycle model. Thirdly, survival is described by organisational researchers (Churchill and Lewis, 1983; Lester et al., 2003; McMahon, 1998; Scott and Bruce, 1987) as a dynamic process. Therefore, it is argued that a business that grows is regarded as successful and thus survives in the long run (Basu and Goswami, 1999). Finally, there is evidence to support the argument that the survival of a business is strongly related to institutional factors (e.g. Kalleberg and Leicht, 1991); however, institutional factors have received little attention in women entrepreneurship research (Ahl, 2002; Brush and Cooper, 2012). Recognising the significance of understanding these institutional factors in researching the survival of women's businesses, the following sections discuss the concept of survival in women-owned businesses while also highlighting the link between the survival concept and business performance and growth. In addition, the discussion, supported by institutional theory, focuses on the influence of institutional factors on women's business survival.

#### **3.3.1 Business performance of women entrepreneurs**

Studies of the performance of women-owned businesses are scarce (Brush, 1992). Over the years, although the topic has received considerable attention in the women entrepreneurship literature (Ahl, 2002), it is argued that early research into women's business performance found that women-owned businesses tend to perform less well (Ahl, 2006). For example, based on a study of 468 women entrepreneurs in the United States, Hisrich and Brush (1984) found that the gross revenues of women-owned businesses were fairly low and consistent with their employment patterns, being either zero or one to four employees (Hisrich and Brush, 1984). Other research by Kalleberg and Leicht (1991) reports that women-owned businesses are smaller and offer a smaller range of products and services than men-owned businesses. However, Chell and Baines (1998: 117) argue that the earlier research on the topic had problems of theoretical assumptions, methodological appropriateness and 'equivocal results'. Having recognised these problems, Chell and Baines (1998) acknowledged women's social environment

and adopted multiple methods of data collection in investigating the influence of gender on business performance. As a result, they found no significant difference between sole men and women owners; yet spouse-owned businesses had poor performance, which suggests the influence of gender roles on business performance. Also, in later studies by Watson (2002) and Watson and Robinson (2003), when structural factors such as firm size, industry and sectors are controlled, no significant differences in terms of business performance between men and women entrepreneurs were found. The notion of women underperformance in business is further challenged by a more recent study. Similar to Watson (2002) and Watson and Robinson (2003), who controlled for structural factors, Robb and Watson (2012) further include risk in measuring firm performance after taking into consideration the view that women are more risk averse than men. Based on 4,000 firms in the United States that have survived in business for four years, they found no significant difference in performance between men and women-owned businesses. Interestingly, it is also found that women entrepreneurs see their business performance positively when they felt a sense of accomplishment by helping others such as customers and employees to develop (Moore and Buttner, 1997). At this point it can be argued that by considering the differences between women and men entrepreneurs, there is little evidence to support the notion of women's underperformance. In addition, by not simply adding women as a variable in the studies and considering other factors that relates to women's social environment, the findings do not place women on the losing side (Ahl, 2006).

While these studies demonstrate that women-owned businesses do not underperform men-owned businesses, they have several limitations. Firstly, although these studies have taken into consideration the individual and organisational differences between men and women entrepreneurs, it can be argued that institutional influence, which has been regarded as important in reducing constraints on entrepreneurship (Minniti, 2008), seems to be neglected. It is suggested that research into women's business performance could be beneficial if factors that 'facilitate or inhibit' the success of their businesses can be investigated (Robb and Watson, 2012). Secondly, studies of women business performance have mostly been conducted in the Western context and little is known about women's business performance in non-Western countries. This 'geographical bias' is argued to not reflect the global growth of women entrepreneurs (Brush and Cooper, 2012: 4) and thus could limit the opportunities to understand the experience of women entrepreneurs, particularly when women's social structure is debated to vary between different contexts (Hashim et al., 2011; Syed, 2010). Given that women-owned

businesses perform no worse than men-owned businesses, it is therefore suggested that with the appropriate support, women's businesses could be facilitated to achieve their maximum potential.

Although most research into business performance uses economic and financial factors such as turnover and number of employees (e.g. Shaw et al., 2009) as performance measures, some researchers (e.g. Boden and Nucci, 2000; Cooper et al., 1994; Kalleberg and Leicht, 1991) have applied an ecological approach in which the failure, survival and growth of businesses are used in operationalising business performance. The ecological approach to business performance views the institutional environment as important in influencing the survival of organisations (Kalleberg and Leicht, 1991); however, this factor has received less attention in women entrepreneurship research (Brush and Cooper, 2012). Therefore, this study aims to fill the gap by considering institutional influences in facilitating the survival of women-owned businesses in which survival is regarded as one aspect of business performance. The concept of business survival is discussed in the following section.

### **3.3.2 The concept of women's business survival**

From a theoretical perspective, the concept of business survival is part of the firm's life cycle model proposed by organisational researchers (e.g. Churchill and Lewis, 1983; Scott and Bruce, 1987). As one of the stages to measure business growth, the survival stage demonstrates that a business is a 'workable business entity' (Churchill and Lewis, 1983: 4) that is successful in overcoming the crises at the 'inception' stage (Scott and Bruce, 1987: 49). Although the firm's life cycle model is useful in helping researchers to understand the survival issues of a business venture, a common argument for this model is that it makes the assumption that firms are naturally shifting their position from one stage to another (Churchill and Lewis, 1983; Lester et al., 2003). Given the intensity of the challenges faced by women entrepreneurs (Brush and Gatewood, 2008), it can be argued that the assumption that business survival is a natural phenomenon for women entrepreneurs is far from reality. The reality of women's lives as discussed in the gender literature suggests that women confront many challenges in their social environment, and this environment is important in shaping their behavior in the public sphere (Bradley, 2007). Within this context, the institutional dimension turns out to be one of the influential factors (Brush et al., 2009). In this sense, it is suggested that while the concept of women's business survival could use the firm's life cycle model to develop a basic understanding

of the needs of a venture in the survival stage, it is believed that the model does not take into account the complexity of women's social environment. Thus, in investigating the survival of women's businesses it is important to ensure that the issue is not gendered.

The concept of business survival is discussed in management research as the ability of firms to stay in business in a specific time period (e.g. Astebro and Bernhardt, 2003; Bekele and Worku, 2008; Headd, 2000). The time period used to measure business survivability in previous research varies. For example, by using the same database from the United States Census Bureau for 1982 and 1987, Boden and Nucci (2000) and Astebro et al. (2003) use four years of business establishment to investigate the prospect of survival between women's and men's businesses. Other researchers on the topic apply different years of measurement; for example, if the research context discusses the issue of long-term survivability, the research tends to use more years in measuring business survival. For example, Bekele and Worku (2008) used six years and Ciavarella et al. (2004) used eight years. Although these studies show that survival can be measured in terms of the length of time a business is operated, no justification is made for why a particular time scale is used to measure survivability. Therefore, in investigating the issue of women's business survival, it can be seen that no research has explained the appropriate number of years to measure the minimum years of survival for women's businesses. Furthermore, most research into business survival which includes women's businesses as the focus of study has been conducted in developed countries and the Western context (i.e. Boden and Nucci, 2000; Cooper et al., 1994). It could be argued that simply adopting the survival years used in the developed and Western context in this research is inappropriate, particularly because the structural background of women and their businesses as well as their social environment are different. In addition, it can be seen that previous research tends to investigate the survival of women's businesses from the stage of inception until a specific year determined by researchers. For example, in investigating the predictors of venture performance in which survival is one of the outcomes used to measure performance, Cooper et al. (1994) focus on performance during the first three years of business operation. In contrast, this study focuses on business survival after the inception stage. In this respect, this study acknowledges the importance of support programmes addressing the growth needs of women businesses (Brush et al., 2004; Roomi et al., 2009). According to Brush et al. (2008), research into women entrepreneurship concentrates more on factors that influence women's start-up while less effort is made to understand the factors that affect the growth of their venture. Therefore, it is believed

that by focusing on the experience of women entrepreneurs in ensuring their business survival after the inception stage, this study address the lack of concentration on issues beyond the start-up stage for women entrepreneurs as well as move away from describing women-owned businesses as small in size with no growth potential (Manolova et al., 2012) and perceptions of women entrepreneurs as a single homogenous group (Madsen et al., 2008). Having said this, the time periods of business survival adopted by this study follow the business classification proposed by the Global Entrepreneurship Monitor (GEM) 2010. Based on studies of 59 countries, the GEM classifies three different phases of women's businesses: nascent, new and established businesses (Kelley et al., 2011). Within this classification, an established woman-owned business is described as a business that has passed the first two phases and been established for more than three and a half years. Since the GEM study captures women entrepreneurs from diverse contexts which include both Western and non-Western, it is more likely that the GEM's time indicator to measure business establishment is appropriate to be used in measuring the survival period for this study. Thus, the time period for business survival in this study is three and a half years after the start-up. In this sense, the study concentrates on women entrepreneurs' experiences in surviving in business after a period of three and a half years which follows the GEM's (2010) time measure for women's business establishment.

Although time period is the common indicator in measuring business survival, Ciavarella et al. (2004) point out that one of the limitations of their study of the relationship between an entrepreneur's personality and long-term venture survival is the fact that they only observe the outcome of survival in terms of time period and exclude the element of venture growth. They make a suggestion that growth may have an effect on a venture's long-term survival. In investigating the factors that influence growth for Asian entrepreneurs in Great Britain, Basu and Goswami (1999) argue that a successful business is commonly viewed as being one that survives and expands. Therefore, although growth is not necessarily the main motive of many women entrepreneurs (Roomi et al., 2009), it is suggested that women-owned businesses which grow and expand are more likely to survive in the long run. Furthermore, it can be argued that taking into account the element of growth in investigating the survival of women-owned businesses seems consistent with the view of advocates of the firm's life cycle model. In describing the nature of firms in the survival stage, organisational researchers (Churchill and Lewis, 1983; Lester et al., 2003; McMahan, 1998; Scott and Bruce, 1987) agree on the three survival possibilities of firms: grow and succeed; remain at the survival stage with a marginal

return and eventually go out of business; or fail due to insufficient revenue to survive. Also, the survival stage involves an increase in competition; thus, a continuous analysis of a firm's environment would be beneficial in enhancing their competitiveness (Lester et al., 2003; Wang, 2005). It is therefore suggested that the survival of a firm is more than an issue of existence. Rather, survival is a dynamic process that requires business ventures to continue in existence, stay competitive and remain financially healthy. Only if these conditions are fulfilled will firms be able to shift their positions from survival to the next stage of the firm's life cycle. For women-owned businesses, Roomi et al. (2009) argue that while women could be motivated to improve the performance of their businesses, there could be barriers that might distract the process. Therefore, this argument suggests that the survival of women's businesses could be a great challenge for women entrepreneurs.

The foregoing discussion highlights several points. Firstly, in the attempt to understand the survival of women's businesses, women are discriminated against, particularly when the knowledge or model used to explain the survival concept overlooks the influence of women's social environment. Secondly, the issue of women's business survival should be seen in a wider perspective than just the issue of time periods. In this respect, survival should also be seen as the ability of businesses to be competitive in the business environment. Finally, it is not uncommon for business survival to be measured based on hard indicators. This practice has been long debated in the women entrepreneurship literature (Brush, 1992) to discriminate against women entrepreneurs, as women tend to be regarded as having problems with their business performance (Ahl, 2006; 2002). While there is evidence that women entrepreneurs are as capable as men in terms of generating positive business performance (e.g. Morris et al., 2006), personal development as one dimension of business success<sup>1</sup> or performance for women entrepreneurs is less likely to be considered in women entrepreneurship research (Moore and Buttner, 1997; Shaw et al., 2009). In investigating the influence of gender and entrepreneurial capital on business performance in Central Scotland, Shaw et al. (2009) found significant gender differences in that women business owners employed fewer employees and generated lower turnover than men business owners. Recognising that the findings may not reflect the reality of women entrepreneurs, they found that women entrepreneurs score higher than men in terms of personal development as performance indicators. As such, this study suggests that while financial indicators are useful in conceptualising business survival, there is a need to

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<sup>1</sup> 'Success and survival are distinct aspects of business performance' (Kalleberg and Leicht, 1991: 137).

reconceptualise the business survival of women-owned businesses, particularly by taking into account the importance of personal development to women entrepreneurs.

For the purpose of this study, survival of women-owned businesses is defined as:

*The ability of women-owned businesses to remain active and competitive in business for three and a half years (3½) after starting businesses and to achieve personal development.*

This definition includes the elements of survival discussed in previous literature: survival time period (Astebro et al., 2003; Boden and Nucci, 2000); financial indicators (Morris et al., 2006); and the personal development of women entrepreneurs (Moore and Buttner, 1997; Shaw et al., 2009). By considering these elements in defining business survival, it is believed that this study provides a better understanding of women entrepreneurs' experiences in the survival process. The argument that the business survival of women entrepreneurs could be influenced by various factors provides a reason for further investigation into the issue. In this respect, the 'undertheorisation' of institutional aspects in researching women (Ahl, 2002, 2006: 607) is explored. The following section discusses the factors that might facilitate or hinder the process of business survival for women entrepreneurs.

### **3.3.3 Business survival and the influential factors**

It is argued that the main focus of entrepreneurship discussion is to support the argument that entrepreneurs are different from non-entrepreneurs and their firms can easily be differentiated from non-entrepreneurial firms (Gartner, 1985). Within this context, there are two ways in which entrepreneurial behaviour is discussed in the literature. Firstly entrepreneurial behaviour is determined by 'micro-level' factors (Welter and Smallbone, 2011). This approach has been carried out mostly within the psychology field (Swedberg, 2000) and believes that certain human attributes such as need for achievement (McClelland, 1971) or locus of control and risk taking propensity (Brockhaus, 1982) differentiate entrepreneurs from other group of people in society. Secondly, entrepreneurial behaviour is also argued to be influenced by both individual and environmental factors (Shane, 2003). Three environmental factors which are economic, political and socio-cultural are discussed as having institutional effect in influencing people to engage in entrepreneurial activities (Baumol, 1996; Shane 2003; Shane and Venkataraman, 2000). Although the two approaches should not to be taken as mutually exclusive as either

individual or environmental factors alone, they are insufficient to explain the complexity of the entrepreneurship phenomenon (Gartner, 1985; Shane, 2003; Welter and Smallbone, 2011), it can be seen that the former is more dominant than the latter in the entrepreneurship discussion. Consistent with this practice, research on women entrepreneurs also follows a similar route (Brush, 1992; Valencia, 2002). In reviewing 57 articles on women entrepreneurs, Brush (1992) found that the bulk of the articles have focused on individual issues. Again, this pattern appears in another review of articles on women entrepreneurship that were published in the leading entrepreneurship journal during the period 1990-2004 (Valencia, 2002). Perhaps it is not surprising when women entrepreneurs are discussed in the early entrepreneurship literature as individually responsible for the success of their businesses. For example, women entrepreneurs are advised to make themselves available for information and establish both formal and informal networks (Hisrich and Brush, 1984). Even when women's socialisation processes is taken into account; it is women's responsibility to choose a business strategy that fits with their particular competencies (Carter et al., 1997). At this point, it can be argued that the reality of women entrepreneurs would be difficult to be realised if the narrow approach used (preferring individual explanation) in the entrepreneurship literature continues to be applied in women entrepreneurship research. The following sections focus on the links between different individual, business and environmental factors and their influence on women's business survival.

#### **3.3.3.1 Individual and business factors**

In discussing the survival of women-owned businesses, very little is known about the determinants of the survival prospects of women's business ventures (Boden and Nucci, 2000). Much previous research on business survival that includes women entrepreneurs as samples use individual or micro-level factors to explain the phenomenon (Bekele and Worku, 2008; Boden and Nucci, 2000; Carter et al., 1997). Within this context, it is argued that the entrepreneur's education level is the key determinant of a firm's survival, as it provides the entrepreneur with the ability to create and manage a viable business (Astebro and Berhardt, 2003). For example, in examining the discontinuance of 203 firms in the retail industry, Carter et al. (1997) found that lack of human and financial resources increase business discontinuance and business experience and skills possessed by entrepreneurs are critical in influencing business growth and survival. In the same vein, Boden and Nucci (2000) argue that two owner's attributes which are education and prior paid work experience have positive and significant influences on business survival.

Although the survival of business-owned by men and women entrepreneurs are affected by these factors, the impact of these factors is more related to women than men. The fact that women entrepreneurs in the study had fewer years of college and work experience has placed them at a disadvantage position than their male counterparts. While women were specifically disadvantaged in relation to several survival determinants such as 'lack of access to finance, shortage of skills and lack of training opportunities', Bekele and Worku (2008: 15) argue that these situations can be minimised if the government could implement and promote 'policy-related and institutional support' for women entrepreneurs. In addition, although a number of individual barriers such as women's lack of qualifications and working experience are recognised as important in influencing business growth, Roomi et al. (2009: 283) argue that external factors such as 'lack of business support services, local government's attitude and shortage of skilled labour' also act as constraints for women entrepreneurs to grow their businesses. Given the fact that business growth and survival will depend both on external and internal factors and these factors are beyond the control of entrepreneurs, the involvement of governments in reducing the impact of such factors on women entrepreneurs are significant (Arasti, 2011).

### **3.3.3.2 Government influence**

Although the importance of government in influencing women's business survival has been recognised in the women entrepreneurship literature (e.g. Arasti, 2011; Lee et al., 2011), less research has been conducted on the issue. Previous research that has focused on the influence of government in facilitating the business survival of women entrepreneurs shows that there is a strong linkage between the two. For example, in investigating the effect of government's role on the economic activities of women entrepreneurs in Korea, Lee et al. (2011: 613) reveal that government support process has the highest effect on the improvement and satisfaction of women entrepreneurs. However, the positive effect can only be achieved under several conditions; (a) 'the dispersion of the support department, complexity of procedures and inefficient public relations need to be improved, (b) the persistence of policy is needed, and (c) support needs to be processed by type of business'. The influence of government support on women's entrepreneurial activities will be further addressed in Chapter 4. In addition, it is argued that very few support programmes or support services for growth-oriented women-owned enterprises are available and once women establish their businesses and start to grow, they are left on their own to compete in an environment which is not favourable to them

particularly due to the constraint of growth capital they faced (Brush et al., 2004). This argument indicates that there could be a gap in the existing system of supporting women entrepreneurs that needs to be addressed.

### **3.3.3.3 Cultural factors**

Culture is a social system that develops through social processes and has a significant influence on women's experiences (Connell, 2009). In addition to cultural aspects that shape how women are represented in society, the power relations that exist when dealing with gender issues create a further challenge for women in pursuing their entrepreneurial endeavour and this aspect is discussed in Chapter 2. However, there is an agreement that the influence of culture on women entrepreneurs is more prevalent in developing than developed countries (Mordi et al., 2010; Dechant and Al-Lamky, 2005). It is argued that women struggle for their social position in the presence of strong cultural influence such as patriarchal societies (Roomi and Harrison, 2010) and these societies tend to be more related to non-Western contexts (Tan et al., 2002; Leach, 2000). In the context of Malaysia, it is argued that the patriarchal society has led to differences in the educational attainment of Malaysian women, particularly in terms of the chosen disciplines that prepare women for their stereotyped roles such as in the arts and education (Ariffin, 1999). As a consequence, women tend to choose female occupations that are seen as consistent with the social-cultural norms. In addition, the construction of gender identities in Malaysia tend to see women as less independent, emotional, gentle and weak (Hashim et al., 2011); a social stigma that has long been debated as associated to Malaysian women (Daud, 1988). Obviously, this social stigma contradicts with the entrepreneurial values such as the need to be aggressive.

Another cultural environment that affects BWEs in this study is related to Malaysia's collectivistic culture. Collectivistic culture emphasises the sense of belonging to an 'in-group' and in return individuals in this culture are provided with 'security and protection by the group' (Nordin et al., 2002: 38). In this sense, the concentration is on 'supporting, building and accommodating' each other in-group (Schermerhon, 1994: 56). Interestingly, it is argued that Bumiputera are particularly prone to have collectivist minds (Zawawi, 2008). In exploring the similarities and differences of cultural values between three major ethnicities in Malaysia, Zawawi (2008) found that the Bumiputera appear to be collective, where they always give priority to 'we' than 'I' in order to maintain harmonious relationship in society. Also, it is argued that Bumiputera practice high tolerance within and outside their community (Selamat et al.,

2011). So in relation to this study, the culture that governs BWEs may provide them with informal support that can be beneficial for their businesses. However, since BWEs still have to confront gender issues within the culture, this informal support may not be easy for them to access particularly when it is argued that the questions of power and material interest have higher priority in developing countries than the issue of gender equality (Connell, 2009). One way of gaining power in reducing the impact of gender inequality in Malaysia is through political influence (Ariffin, 1999). However, research that explores the relationship between political influence and entrepreneurship are scarce. Interestingly research by Ismail (2001) that investigates the motivational factors and working strategies of Malaysian women entrepreneurs and politicians found that knowing politicians is regarded by women entrepreneurs as relevant when doing business.

The foregoing discussions show that, while the individual and business aspects are significant for business survival, the discussion highlights and acknowledges the significance of institutional environments in influencing women's business survival. The need to include institutional perspective in researching women entrepreneurs is discussed in the following section.

#### **3.4 Institutional approach and women entrepreneurship**

Institutional theory has been developed and discussed from many different backgrounds: sociology, political science, organisational and economics (Szyliowicz and Galvin, 2010). While economists (e.g. North, 1990) explain institutional aspect as 'the rule of the game' set primarily by governments that promote or restrict behavior, sociological and organisational researchers (e.g. DiMaggio and Powel, 1983; Meyer and Rowan, 1991) believe that this behaviour is guided and influenced subjectively by various social elements (Bruton et al, 2010). Although an individual's or organisation's behaviour can be influenced by different source of institutional forces, the expected outcome from institutional compliance is the same which is to gain legitimacy and survival within the institutional environments (Scott, 2007). The institutional environments that shape people and organisations behaviour is grouped by Scott (1995) into three interrelated pillars which are regulative, normative and cognitive. Scott's (1995) three pillars of institutions conceptions have been used widely in entrepreneurship research that employs institutional theory as the theoretical lens (e.g. Busenitz et al., 2000; Spencer and Gomez, 2004). Noteworthy is that the model summarises all the institutional forces which are described individually by researchers from different backgrounds (Bruton et al, 2010). It is also

argued that the model has been applied to the 'worldwide spread' of entrepreneurship research which includes women entrepreneurship (Baughn et al., 2006: 689). By acknowledging the significance of cognitive and normative institutions and without minimising the role of regulatory dimension to women, it is believed that this model can provide a better understanding with regards to the complexity of women's experiences in their entrepreneurial activities. Therefore, this study investigates the extent to which the Malaysian Government facilitates the business survival of Bumiputera women entrepreneurs who are involved in the handicraft industry- an industry which is dominated by women.

While the application of institutional theory for entrepreneurship research is argued as reaching its maturity (Bruton et al, 2010), the theory is still much needed in women entrepreneurship research (Ahl, 2002, 2006; Ahl and Nelson, 2010; Brush and Cooper, 2012). Based on an analysis of 81 articles on women's entrepreneurship, Ahl (2002) found only one article used institutional theory as its basis (Nilsson, 1997). In investigating the implementation of a gender segregated business counseling service to women entrepreneurs by the Swedish Government, Nilson (1997) found that the program struggles to establish legitimacy within the regular counselling services (the Local Enterprise Board). Also, all the ten women business counsellors that were interviewed search for legitimacy elsewhere; most notably by extending co-operation with other stakeholders in the country such as the regional resource groups. At this point, it can be seen that even with the presence of institutional supports for women entrepreneurs, there is still a possibility that women will be discriminated within the system.

Although limited, there is evidence that institutional theory is currently being employed in women entrepreneurship research (e.g. Baughn et al., 2006; Verheul et al., 2006). Although the findings from this research are useful and make empirical contributions into the women entrepreneurship literature, it can be argued that the application of institutional theory as the research lens is very minimal. For example, Verheul et al. (2006) suggest that their study should be seen as exploratory due to the limited number of factors that are used to explain the institutional dimension that have impact on women and men entrepreneurs from 29 different countries. It is also suggested that institutional factors such as 'support for entrepreneurship' could provide further explanation on the nature of women entrepreneurship. One striking result from this study is the fact that it is not necessarily the social legitimation that matters to women; but, life satisfaction in terms of 'personal happiness' and the 'economic climate' suggests that

governments may be able to create higher level of women's satisfaction by taking into consideration specific issues for women (Verheul et al., 2006: 177-178). Again, the need to add more institutional factors in researching women entrepreneurs is also acknowledged by Baughn et al. (2006). Limiting their study on normative institutions particularly the influence of gender equality and social acceptability of an entrepreneurial career in society of multi-countries, they found that both factors influence the rate of women entrepreneurs, but, specific normative support which is gender equality is a more critical determinant than general entrepreneurial norms. It is argued that studies which focus solely on culture as a single institutional factor provides inconsistent results (Bruton et al., 2010); thus, this weakness could be avoided by expanding the institutional dimension in researching women entrepreneurs.

It is argued that the application of institutional perspective on gender and entrepreneurship could bring forward the understanding of women entrepreneurship phenomenon (Ahl and Nelson, 2010). However, the existing research that employs institutional theory as the research lens tend to use institutional factors in explaining the high or low rate of women entrepreneurs. In this sense, it can be argued that women entrepreneurship research is still concerned on start-up issues, but instead of using personal dimension, institutional factors are used to explain the phenomenon. The practice of oversimplifying issues in relation to entrepreneurial activities by not exploring the interdependencies of different institutional dimension, for example the Scott's (1995) model, is argued as undermining the complexity of the model (Szyliowicz and Gavin, 2010). Although distinct, yet, all elements in the model are interdependent. As a consequence, there is a possibility that entrepreneurial behaviour which is studied may not be explained even with the presence of the institutional theory as the research framework. Accordingly, this study explores how the business survival of women entrepreneurs can be better understood by taking into account the complexity of different institutional factors in influencing the survival process. It is argued that regulatory institutions aid and inhibit entrepreneurial success (Spencer and Gomez, 2004). It is suggested that any voids of governments in creating and strengthening the institutional environment will give effects to women entrepreneurs particularly in the context of developing countries as women in these countries are more affected by their social environment (Mair and Marti, 2009). For example, women in less developed countries tend to have low educational attainment (Dechant and Lamky, 2005, Leach, 2000) that limits their employment opportunities in obtaining relevant management-related experience. In this sense, the provision of business training programmes that are appropriate for women entrepreneurs (Carter, 2000)

helps them in obtaining the required business knowledge or skills. In addition, it appears that the accepted norms and values in a particular society shape people's behaviour (Harbi and Anderson, 2010). To obtain legitimacy in society, entrepreneurs should behave consistently with socially approved behaviour (Scott, 2007). Since women's involvement in entrepreneurial activities is a relatively new phenomenon in many developing countries such as Malaysia, it is expected that the social environment that governs BWEs will have an impact on their entrepreneurial activities. Although normative institutions are subjective and informal, particular actions can be taken that could influence positive perception of society towards entrepreneurial activities; for example, with the presence of 'role models' (Baughn et al., 2006: 703). While the institutional barriers faced by women entrepreneurs could be seen as irremovable, theoretically, Madsen et al. (2008) argue that they can be challenged and thus provide further reason for researchers to explore the possibilities. The fact that the social environment (Bradley, 2007) and institutional dimension (Brush et al., 2009), have a great influence on women's public activities and women's entrepreneurial behaviour indicate that further research on these factors could explain the reality of women entrepreneurs and add more knowledge on women entrepreneurship.

### **3.5 Conclusions**

This chapter reviewed the women's entrepreneurship literature pertaining to business survival and showed how the firms' life cycle model, that views survival as a situation where firms naturally shift from one stage to another stage, is unable to reveal the reality of women's business survival process. The research gaps in the literature concerning the over reliance on individual factors and the lack of an institutional approach in explaining women's entrepreneurial activities were identified and the research focus on the significance of government initiatives in facilitating the business survival of BWEs was clarified. The review of literature identified factors that relate to the internal and external environments affecting women's business survival process. The internal environment includes factors that relate to women's human capital and business resources, in which women are discussed as lacking in both aspects. The reviewed literature demonstrates that women entrepreneurs are at a disadvantaged position as a result of the culture-related factors. The exploration of the cultural influence on women entrepreneurs has led to the incorporation of the cultural values and patriarchal system that govern BWEs as two important factors influencing BWEs' business

survival process. The reviewed literature on institutional approaches suggests the need for appropriate institutional support for women entrepreneurs. Therefore, the following chapter discusses the government interventions in the development of entrepreneurship and how the implementation of government entrepreneurial initiatives affects women entrepreneurs and their businesses.

# CHAPTER 4

## GOVERNMENT INTERVENTIONS: ENTREPRENEURIAL SUPPORT

### 4.1 Overview

This chapter explores the institutionalisation of entrepreneurial support for women entrepreneurs and is divided into four sections. The first section discusses the degree of participation by governments in shaping the appropriate institutional environment for entrepreneurship development with a specific focus on three different types of public policy models for entrepreneurship: laissez-faire, limited-environmental policy and strategic interventionist approach (Peterson, 1988). The second section highlights issues pertaining to the entrepreneurial support programmes for women entrepreneurs that emerged from the entrepreneurship literature. This is followed by a discussion of how GESPs are implemented and how the process affects women entrepreneurs. This chapter ends with an analysis of GESPs that are available for BWEs in the handicraft industry in Malaysia.

### 4.2 Government intervention on entrepreneurship development

Entrepreneurship has been discussed in the entrepreneurship literature as critical for economic growth and development (Minniti, 2008). It is believed that entrepreneurial activities help to improve the economic status of a country; for example through the creation of new businesses that provide job opportunities (Swedberg, 2000). It is believed that the number of entrepreneurs can be increased through entrepreneurship-related initiatives. It is argued that various actors and components from both private and public sectors create an entrepreneurship infrastructure that can facilitate or constrain entrepreneurship (Van de Ven, 1993). The formulation of response strategies by governments has long been recognised as important in waiving barriers for entrepreneurial success (El-Namaki, 1988). As a result, there is a growing interest in promoting entrepreneurship by governments all around the world. For example, various entrepreneurial initiatives have been introduced in the United Kingdom since the late 1970's (Richardson and Hartshorn, 1993) and billions of dollars was invested into the business community through the Small Business Administration (SBA) by the United States Government

(Li, 2002). Within this context, government initiatives have also been expanded to other target groups such as women entrepreneurs (i.e. Nilsson, 1997) and various support programmes offered in order to address the different needs of entrepreneurs, such as in education and training (Dana, 2001). These examples indicate a strong belief that government intervention is a relevant success factor in the entrepreneurship development process.

Although the role of government is regarded as important in influencing entrepreneurship development and success, O'Neill and Viljoen (2001) argue that there is no consensus on how their roles should be performed. However, the early discussion on this issue by Peterson (1988) shows that three public policy models can be used to explain the degree of involvement of government in entrepreneurship. Table 4 below summarises the differences between these models.

**Table 1: Public policy models for entrepreneurship**

Types of model		Characteristics
1.	Laissez-faire approach	<ul style="list-style-type: none"> <li>• Free interference policy</li> <li>• Maximisation of individual's plan and action</li> <li>• Entrepreneurial start-ups, survival, growth or decline in a market economy is natural process</li> </ul>
2.	Limited-environmental policy approach	<ul style="list-style-type: none"> <li>• Government participation is limited to encouraging a good economic climate for new venture creation and small enterprise growth</li> <li>• Creating a favourable tax climate</li> <li>• Controlling price and wage inflation</li> <li>• Keeping interest rates down</li> </ul>
3.	Strategic interventionist approach	<ul style="list-style-type: none"> <li>• Active encouragement of small business development</li> <li>• Government as protector and advocate for small business interests</li> <li>• Favourable tax climate, deregulation and educational training for entrepreneurs</li> <li>• Initiatives for basic economic structure as well as direct aid to assist small businesses</li> </ul>

Summarised from Peterson (1988: 6)

As shown in Table 4, the involvement of governments in shaping the institutional environment for entrepreneurship is measured by the degree of their participation. The laissez-faire approach as a public policy model for entrepreneurship means no initiatives are provided by governments in which the success of entrepreneurial activities totally relies on the efforts made by entrepreneurs. In this sense, the success or failure of entrepreneurs in operating their business is regarded as part of the normal process in the economic-cycle. Given that women entrepreneurs are discussed as having a limited amount and quality of human capital (Boden and Nucci, 2000) and lack of business-related skills (Carter, 2000; Roomi and Parrott, 2008), the appropriateness of the laissez-faire approach for developing women entrepreneurs can be debated.

In contrast, the second approach acknowledges the need for government intervention in encouraging entrepreneurs but the initiatives focus on macro-economic factors such as the creation of a favourable tax climate. Although the economic initiatives are significant in creating entrepreneurial opportunities (Shane, 2003), this approach is more likely to undermine the complexity of the entrepreneurial process that may create various challenges for women entrepreneurs.

With this stand, the third approach is argued as the opposite of the laissez-faire approach which provides various types of entrepreneurial support for the entrepreneurship development in a particular country (O'Neill and Viljoen, 2001). Under the strategic interventionist approach, government support for entrepreneurs includes economic initiatives such as an interest subsidy programme (Li, 2002) as well as other forms of entrepreneurial assistance; for example, financial aid packages (Arping et al., 2010), innovation support systems (Falk, 2007), and entrepreneurial training (Dana, 2001). Based on this approach, governments act as both advocate and protector for entrepreneurs (Peterson, 1988).

It is argued that the strategic interventionist approach would be the most appropriate approach to be applied in underdeveloped and developing countries as it addresses the most established needs of small business sectors (O'Neill and Viljoen, 2001). Empirically, in investigating the different types of entrepreneurial barriers in seven industrialising countries in Asia, El-Namaki (1988) found that various infrastructure initiatives facilitate the entrepreneurial process, and ineffectiveness of the infrastructure could obstruct the entrepreneurs' plans in developing their businesses. In the context of Malaysia, starting with the establishment of institutional frameworks that include the introduction of the New Economic Policy in 1971, it is reported that

in the 1990's as many as 30 public agencies and institutions and 13 ministries were involved in providing various support programmes for entrepreneurship development (Abdullah, 1999). Therefore, it appears that the efforts of government in promoting entrepreneurship in Malaysia adopt the strategic interventionist approach.

### **4.3 Government entrepreneurial support programmes (GESPs) for women entrepreneurs**

It is argued that women's entrepreneurship is affected by a complex blend of individual and environmental factors (Ahl, 2006; Jamali, 2009). These factors provide women with business opportunities as well as hindering women in their entrepreneurial activities. Regrettably, the complexity of women's business environments makes it difficult for them to handle it alone. Therefore, there is a growing interest in women entrepreneurship literature that acknowledges the significant influence of institutional support for women entrepreneurs (Ahl, 2002, 2006; Landig, 2011; Lee et al., 2011; Welter, 2004). However, previous studies that focus on the relationship between government and women entrepreneurs highlight several issues and are discussed below.

#### **4.3.1 Lack of empirical data**

Although there is a lack of research on women entrepreneurship (Brush, 2006), the existing women entrepreneurship literature has improved. Many theoretical discussions have suggested a strong link between institutional influence and women entrepreneurship (Ahl, 2006; Ahl and Nelson, 2010), but little empirical evidence has been provided to support such an argument. It is argued that in order not to reproduce women entrepreneurs as secondary to men in women entrepreneurship literature, there is a need to focus on investigating the institutional orders that govern women entrepreneurs; for example, in terms of the support systems (Ahl, 2006). Again, this issue is theoretically argued by Madsen et al. (2008: 368) who believe women entrepreneurs' identity is constructed and reconstructed under the influence of 'institutionalised practices'.

In the context of Malaysia, Teoh and Chong (2008) conceptualised that financial assistance, networking, education, training and counselling, as well as usage of ICT, are crucial factors for the growth of women's businesses; however, in order for women entrepreneurs to have access

to these, strong policy support from government is needed. These theoretical arguments are useful in giving insights into the importance of institutional factors in influencing the entrepreneurial activities of women; however, further empirical evidence is required to warrant such arguments.

In an earlier attempt to address the issue of whether policymakers need to provide female-specific programmes for women entrepreneurs, little evidence was found. Based on data of the participants of entrepreneurship development courses held at a London college, Birley et al. (1987) found that although significant differences between the characteristics of men and women entrepreneurs were identified, there was no strong evidence to support the need for female-specific programmes. This finding is supported in other research by Chrisman et al. (1990) which also found that women entrepreneurs do not appear to need special programmes and thus argue that the investment of a \$10 million grant by the SBA for women's special training programmes is not relevant.

Other developed countries show some linkage between government initiatives and women entrepreneurship development; however, the degree of its significance varies. For example, based on the responses of 32 women micro businesses in Sweden, it was found that continuous governmental support in networking activities and programmes that encourage cooperation and sharing of resources between micro women businesses are needed, but they do not require specific women programmes (Sandberg, 2003). A study by Fielden et al. (2003) on the factors that inhibit the economic growth of women-owned small businesses in North West England found that women are excluded from accessing premises and support services, and the involvement of government in providing a comprehensive support system for women entrepreneurs is suggested can minimise their exclusion. However, while Sandberg's work (2003) found that no provision for women-only programmes is required, the work of Fielden et al. (2003) shows contradicting results.

There is a possibility that this difference is related to the extent to which women-related issues in business are addressed in government policy and initiatives in both countries. For example, full time childcare is the rule set in Sweden and the country has a public childcare system, whereas in Great Britain childcare is organised on a private basis (Welter, 2004); thus it is more likely that childcare is not an issue for women entrepreneurs in Sweden and they may not see themselves as having different needs from the general population of entrepreneurs. At this point

it can be seen that research that is conducted in the Western context provides less evidence for the need for women-only programmes for women entrepreneurs.

On the contrary, the significance of government in influencing the success of women entrepreneurs is discussed extensively in the context of developing countries (i.e. Chitra Devi, 2011; Lee et al., 2011; Sadi and Al-Ghazali, 2010; Tambunan, 2007). It is argued that various factors such as low level of education, lack of training opportunities, cultural or customs constraints and lack of access to formal credit were identified as the main barriers for women entrepreneurs in Asian developing countries preventing them from realising their full potential as entrepreneurs (Tambunan, 2009). It is believed that governments can remedy this situation through the provision of support facilities and special assistance programmes for women entrepreneurs.

For example, Jamali (2009) highlights that institutional focus is very much needed in developing countries in which lack of government support is regarded as one of the main obstacles faced by women entrepreneurs. This point is supported by Sadi and Al-Ghazali (2010) who further conclude that although women entrepreneurs have self-achievement to motivate them in business, still support of government is seen as important in facilitating their business operating needs, such as through the establishment of women-only sections in major government ministries. It is argued that most of the challenges faced by women entrepreneurs in developing countries are related to their inferior status in society which causes difficulties for them in accessing resources as well as managing their family and business responsibilities (Mordi et al., 2010). In the context of Malaysia, the construction of gender identities is being greatly influenced by the patriarchal society which has caused Malaysian women to be at a disadvantaged position in the public sphere (Ariffin, 1999). Therefore, it is expected that the impact of cultural issues on Malaysian women can be minimised through the institutional support provided by the government.

Government is seen as influential in shaping the supportive environment for women entrepreneurs (Dechant and Lamky, 2005). For this reason, concerted efforts have been made by many governments in developing countries to establish some forms of entrepreneurial initiatives for women entrepreneurs. For example, a communications campaign and a capacity building initiative was introduced in 2006 in Malaysia, and among its objectives was empowering women to become successful entrepreneurs (UNDP, 2008). While there is a lack of empirical evidence to support the relationship between government initiatives and women

entrepreneurship development, the mixed results of the existing empirical evidence derived from Western and non-Western context suggest a need for further investigation.

#### **4.3.2 The issue of effectiveness**

Although scholars such as Chitra Devi (2011) and Lee et al. (2011) tend to agree on the importance of government intervention for women's entrepreneurship development, there is less agreement among scholars about the effectiveness of entrepreneurial support programmes that are provided by government organisations (Sandberg, 2003; Tambunan, 2007). The disagreement between scholars on the issues is reflected in their research findings. In investigating the effectiveness of government support for Korean women entrepreneurs, Lee et al. (2011: 613) for example found that the government support process improved the level of satisfaction of women entrepreneurs on economic activities. As a result, the satisfaction level is positively affecting their business performance. Nonetheless, they conclude that, 'the current level of government support process is relatively low and needs to be improved'. In a survey of 240 women entrepreneurs in Chennai, India, although 38.3% of respondents viewed government as an important factor influencing their business diversification, only 13.8% of them were highly satisfied on government policy for small scale enterprises (Chitra Devi, 2011). This finding may suggest the ineffectiveness of government support for women entrepreneurs.

Further evidence comes from work by Sandberg (2003: 414) who found that women micro entrepreneurs felt that 'local governmental economic policies have an unfavourable impact on their businesses', although they believe that the local government authority can improve the way it supports and responds to women entrepreneurs. At this point, it can be seen that limited evidence of the effectiveness of government support programmes has been presented in the women entrepreneurship literature which has caused the difficulty in determining the effectiveness of public support programmes for women entrepreneurs.

An evaluation of enterprise policy is argued as lacking in entrepreneurship research, though this initiative is widespread across developed countries (Greene and Storey, 2007). In the same vein, Lenihan (2011) argues that in order to understand the impact of entrepreneurial initiatives on particular target groups, a systematic evaluation process should be applied, but she agreed that this is the research gap that needs to be addressed. Therefore, this gap is addressed in this study. Based on an investigation of women's empowerment projects which include Women

Entrepreneurship Support (WES) funded by the European Union (EU) in Turkey, Landig (2011) argues that although the projects help to empower women, they are most successful when evaluated and monitored. She further suggests that a mechanism which includes evaluation and monitoring could not only help women entrepreneurs individually but also can ensure the sustainability of the projects. However, several issues emerged from previous research that further exacerbates the issue of the ineffectiveness of entrepreneurial support programmes for women entrepreneurs.

Firstly, there is the issue of how the effectiveness of entrepreneurial support programmes is measured. It is argued that evaluation studies on enterprise policy are very concentrated on 'resource inputs and monitoring impacts of particular programmes, schemes and initiatives with little reference either to context or longer term outcomes' (Lenihan et al., 2007: 313) such as by focusing on the number of client firms (Lenihan., 2011). In the same vein, Tambunan (2007) also highlights that often the success of GESPs are measured by the number of participants, while no assessment on the programme's outcome is carried out.

In this respect, this evaluation practice provides useful information for support providers. An investigation into the effects of public support schemes on firm's innovation activities in Austria, Falk (2007) found that causality between public support and the effects of the support on participating firms is not straightforward as other effects may appear during the process, such as changes in terms of behavioural aspects; therefore, it suggested that the effectiveness of such support cannot be addressed adequately by relying too much on a single impact measure. For women entrepreneurs, overconcentration on single impact measures may not help to reveal the effects of support programmes on their business, particularly if primary business measures are used. Although the amount of resources that have been invested is a concern for support providers, Huq and Moyeen (2011) suggest that there is a need not to overemphasise the 'cost-effectiveness' criterion while offering support programmes for women entrepreneurs, instead, gender issues should be addressed as a priority.

Another issue highlighted in relation to the provision of public support for entrepreneurs relates to the lack of an independent and systematic approach in evaluating the initiatives (Ram and Smallbone, 2003). Similar to the discussion in Chapter 2 that highlights the significance of women's involvement in the policy-planning process for the development of initiatives that are designed for women (Debusscher, 2011; Swainson, 2000; Teghtsoonian, 2003), women's

involvement in the process of evaluating the success of entrepreneurial support programmes is also significant.

Since evaluation is the final stage in any specific project or programme cycle which is significant in determining its success, Moser (1993) argues that the process should be carried out by others who are not offering the programmes, as well as the need to include gender specialists. Based on the evaluation of the effectiveness of three EU-funded women's empowerment projects in Turkey, Landig (2011) argues that the lack of women in decision making positions in the government is seen as the cause of women having less influence in changing the direction of social change in the country. For this reason, it is more likely that the inclusion of women in the process of evaluating the success of entrepreneurial support may increase the objectivity and independence of the evaluation process.

Finally, there is an issue of sex-disaggregated data that makes the impact of entrepreneurial support programmes difficult to assess. Ram and Smallbone (2003) highlight that one of the elements of good practice policy support is to have a comprehensive business database in which the database is not only essential for support agencies in effectively targeting their services to clients, but also useful in monitoring the penetration levels by different target groups. In the Malaysian context, Habib Shah (2004) argues that the major difficulty in evaluating the impact of policies and programmes for entrepreneurship development in Malaysia concerns the lack of sex-disaggregated data. Therefore, the views of Malaysian BWEs on the effectiveness of GESPs consistent with the issue of sex-disaggregated data which could help to give further insight into the impact of government initiatives on women entrepreneurship development, particularly in the handicraft industry.

#### **4.4 Implementation and operational issues of GESPs for women entrepreneurs**

Despite the growing interest in women entrepreneurship research, it is argued that research on women entrepreneurs is still much concentrated on micro-level factors and provides less explanation for the influence of institutional context in explaining the women entrepreneurship phenomenon (Ahl, 2006). Meanwhile, research that investigates the role and effectiveness of entrepreneurship initiatives was conducted without segregating the gender of the samples (e.g. De Faoite et al., 2004; Dreisler et al., 2003). As a consequence, women's experience in accessing entrepreneurial support programmes remains largely unexplored.

#### **4.4.1 Access to support programmes**

A common argument found in women entrepreneurship research is the low participation rate of women entrepreneurs in entrepreneurial support programmes (Schmidt and Parker, 2003). Several previous studies shed light on the issue. In investigating the role of public support for female entrepreneurs in Germany, only 200 women entrepreneurs received credits during the period of 1996-2000 in the state of Mecklenburg-Vorpommern (Welter, 2004). Another study that involved 99 women entrepreneurs in North West England showed that over 75% of them had never sought advice from any service providers such as Business Link (Fielden et al., 2003).

The work by Huq and Moyeen (2006) shows a similar finding. Using two different groups of women entrepreneurs, they found that both groups of women are less likely to use business development services. The first group of women who had undergone CEFE<sup>2</sup> training shows only 50% of them sought institutional business development services. Therefore, it is not surprising that in the second group, (which involves women who had never been to CEFE training) the majority (85%) did not seek business development services. Although the work by Chrisman et al. (1990) found that clients consulting assistance provided by the Small Business Development Centre (SBDC) in the US southern states were represented equally by women and men entrepreneurs, it also found that there is a difference in the types of assistance received by women and men, in that women received more administrative and operating assistance but less strategic and finance assistance. The inconsistency of these findings suggests a need for further investigation into factors that hinder women in accessing the support programmes.

The low take-up of entrepreneurial support programmes by women entrepreneurs could be related to various factors. Within this context, the argument that women's lack of awareness of what support is available dominates the discussion on the issue (i.e. Audet et al., 2007; Fielden et al., 2003; Huq and Moyeen, 2006). At some point, women's lack of knowledge and awareness about business support is caused by discrepancies found in their level of human capital possession such as lack of managerial experience and access to networks (Carter, 2000; Roomi et al., 2009). However, individual factors alone are insufficient to explain women's low participation in entrepreneurial support programmes, particularly due to the complexity of women's social environments that may affect how they respond to their business needs. For this reason, the way the business support programmes for women entrepreneurs are made available and implemented should be investigated.

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<sup>2</sup> CEFE stands for Competency Based Economies through Formation of Entrepreneurs

Previous research provides evidence that government initiatives suffer from marketing weaknesses. In investigating women's networking behaviour towards government-sponsored business networks in Australia, Farr-Wharton and Brunetto (2007) suggest that poor communication between government departments and client groups causes women to have a negative perception of the initiatives. Another study by Sandberg (2003) also found that the majority of women micro businesses in their samples had no contacts with government officials. As a result, not only did women feel that they were being neglected by local government, but they also have the perception that government is more interested in supporting larger businesses.

In the Malaysian context, research has shown that GESPs suffer from marketing weaknesses (Abdullah, 1999; Mahajar and Mohd Yunus, 2006; Ong et al., 2010). For example, a research finding by Abdullah (1999) shows that 71.9% of Malaysian firms are not recipients of government assistance, and within this percentage 31.5% of them are not aware of such assistance. One possible reason for the lack of awareness is the less proactive approach in marketing. In this respect, Ong et al. (2010) suggest that the normal practice of mass marketing for GESPs in Malaysia should be replaced with a more proactive approach. If the strategies used by government organisations to inform target groups about the availability of business support are not accessible to women entrepreneurs, they may be unaware of the opportunities available for them. For example, in exploring the potential of Malaysian women entrepreneurs as exporters, Habib Shah (2004) highlights that the practice of e-mailing the information about seminars or workshops to the head of women's organisations, and not to each female member of the organisation, has caused members to be aware of them only after the event has taken place and the information did not reach women in rural areas at all.

In addition, problems in accessing GESPs are also caused by procedural issues, and this emerged as prevalent in the context of developing countries. It can be argued that women's previous employment experience and education may help them less in this situation. For example, amongst the major challenges faced by women entrepreneurs in Saudi Arabia are the bureaucratic procedures involved in getting support from government, as it is a long process involving many people (Ahmad, 2011). In the same vein, Al-Riyami et al. (2002) found that one of the main challenges faced by Omani women entrepreneurs is the high level of bureaucracy and form-filling involved in dealing with government offices. This bureaucratic issue becomes costly and time consuming as they have to deal with at least three institutions. In the context of

Malaysia, Che Senik (2010) found that strong personal connections with people within the government organisations are important in facilitating the application of government support for SMEs.

In another study conducted in Lebanon by Jamali (2009), the bureaucracy involved in accessing government support could also mean extensive procedures, for example in the process of registering a business. Other research (Hung et al., 2010) has confirmed that a complicated application procedure appears to cause difficulty for SMEs in applying for financial assistance provided by government. Based on a study of ten top SMEs in Malaysia, Hung et al. (2010) found that government financial assistance requires applicants to provide numerous supporting documents. Also, while the processing time for the application takes between two and three months, a similar application takes less than one week for commercial banks to process. Therefore, in order for these top SMEs to cope with the rapid changes of business environment, they do not consider GESPs a contributing factor for their success. At this point, despite the efforts made by governments in providing various GESPs, it is believed that the inappropriate approach used to disseminate information, and procedure to access such support, can affect their effectiveness. Therefore, women entrepreneurs continue to be invisible in the marketing approach adopted by government organisations.

#### **4.4.2 The focus of support programmes**

It is argued that a positive business environment is important in determining the entrepreneurship development in a particular country; however, the quality of institutions will influence the type of entrepreneurship produced (Amorós, 2009). Amorós (2009) further argues that although institutional initiatives for encouraging entrepreneurship are indispensable, the initiatives are insufficient if they are unable to produce entrepreneurs with growth potential. This argument is relevant for women entrepreneurs, particularly when women-owned businesses are described in entrepreneurship literature as small in size with no potential for growth (Manolova et al., 2012) due to women's own choices or their level of controlled resources (Brush, 2006). In this sense, women entrepreneurs continue to be perceived as 'a single homogenous group with equal identities, playing the same roles and experiencing the same barriers' (Madsen et al., 2008: 369) whereas in reality they are not.

For example, in investigating the gender responsiveness of business development services (BDS) for micro enterprises in Bangladesh, Huq and Moyeen, (2006) found that a great deal of diversity exists in the scale and nature of women micro enterprises which suggests the heterogeneity of women entrepreneurs, and this aspect influencing their awareness and demand for BDS. Therefore, they argue that the provision of BDS would be inappropriate for women entrepreneurs if the 'one-size-fits-all' (p. 37) strategy is adopted.

Another study by Roomi et al. (2009) found that although most of the 41% of women entrepreneurs in the East of England who had attained business training during the start-up stage agree that appropriate training in areas such as business management is an important factor for growth, they believe that very few support programmes address the growth orientation of women businesses. Also, it is argued that much support is focused on start-up issues for women entrepreneurs; therefore women would find it difficult to grow their businesses, particularly when they have less experience and knowledge in business training (Brush et al., 2004). The gap between what is on offer and what is needed by women entrepreneurs is further exacerbated with the absence of 'after-care training and advisory services' (Carter, 2000: 332).

Similarly, Tambunan (2007) argues that although many policy actions or programmes to support SMEs and women entrepreneurs have been introduced, there is a need to switch the focus of such programmes from creating new enterprises to modernisation, capacity building and size upgrading. In the context of Malaysia, the public support for SMEs has been criticised as giving too much concentration on creating new enterprises. For example, Abdullah (1999) found that the accessibility of support programmes for the development of SMEs in Malaysia is still limited and one of the reasons for the situation is the predominant focus in developing new enterprises, and no continuing support for the existing firms. After more than a decade, Hung et al., (2010) still highlight the same issue. In investigating the key success factors for 20 top SMEs in Malaysia, Hung et al. (2010) found that those companies did not utilise government support programmes as they see the programmes as meant for new enterprises. In relation to initiatives for Malaysian women entrepreneurs, although various initiatives to support women entrepreneurs are available, it is more likely that the initiatives do not offer support for women with growth aspiration, for example through the provision of financing initiatives that are more related to micro financing (UNDP, 2008). In fact, one of the success factors for Malaysian small

businesses as identified by Abdul Kader et al. (2009) is the provision of training and extension services by government.

In some contexts, the way support programmes are delivered would also have a bearing on the effectiveness of the programmes. It is argued that separate programmes for women and men entrepreneurs are beneficial for women (Richardson and Hartshorn, 1993). Nonetheless, the applicability of this aspect depends on the contextual basis. In a Western context, the need for women-only programmes for entrepreneurs is found to be less significant (i.e. Birley, et al., 1987; Chrisman, et al., 1990; Sandberg, 2003). A separate programme for men and women entrepreneurs could be seen as reinforcing the gender inequality issue. For example, Nilsson (1997: 253) found that business counselling services delivered by female business counsellors and directed to women entrepreneurs in Sweden struggle to be recognised by the Local Enterprise Boards (LEBs) which reinforces the view of women entrepreneurs as 'other'. On the contrary, in a non-Western context which has strong cultural influences (Leach, 2000; Tan et al., 2002), separating entrepreneurial support programmes for different target groups between women and men entrepreneurs is evidenced as giving advantage to women. For example, based on a sample of 70 women entrepreneurs who had been involved in women-only training programmes in Pakistan, it is confirmed that the barriers perceived by women are alleviated, while the training also helps them to enhance their self-esteem and confidence as well as improving their business performance (Roomi and Harrison, 2010).

It is also argued that women entrepreneurs will benefit from the establishment of women-only sections in major government ministries (Sadi and Al-Ghazali, 2010) and a business women's council (Al-Riyami et al., 2002). Therefore, it is suggested that, in order for entrepreneurial support programmes to be effective for women entrepreneurs, the programmes should reflect the different stages of women businesses as well as considering the influence of socio-cultural differences that exist in particular societies.

#### **4.4.3 The issue of gender sensitivity**

The influence of gender on women's social lives is well established in gender literature (i.e. Bradley, 2007; Connell, 2009). Within this context, it is suggested that in the effort to implement gender policies, programmes and projects require the person responsible for the implementation to understand the importance of incorporating the gender issues into the

process (Moser, 1993). Moser (1993) argues that this understanding helps to increase gender awareness and provide an appropriate approach to addressing women's needs. In this respect, there is a possibility of failure in the implementation of particular initiatives which are designed for women if the issue of gender is ignored.

It is discussed that women have different interests and needs which are a critical consideration in designing intervention programmes for women (Alsop, 1993; Molyneux, 1985; Moser, 1993). Due to the complexity of women's social environments (Bradley, 2007), men and women could face different types of business challenges, and it is unwise to assume that what works for men also works for women entrepreneurs. This argument is significant in the context of providing entrepreneurial support programmes for women entrepreneurs, particularly when the appropriateness of using men's experience to measure the entrepreneurial activities of women has long been debated (Brush, 1992).

It is argued that in order for entrepreneurial training and support initiatives to be relevant for the targeted groups, the programmes should meet the needs of the group (Dana, 2001). De Faoite et al. (2004), in support of this view, point out that many of the entrepreneurs in their study, which was conducted in Ireland and the Netherlands, did not see the programmes as reflecting their needs and were ineffective in practice. Similarly, based on the review of gender-related differences in the women entrepreneurship literature, Carter (2000) suggests that the male-oriented approach, which includes male role models as standard in training and advisory services, is unable to accommodate women entrepreneurs' experiences. It is argued that initiatives to support women entrepreneurs through mentoring schemes must be provided by mentors that are appropriate for the target group (Fielden et al., 2003).

Unlike men, Madsen et al. (2008: 358) argue that women's roles and identities influence their entrepreneurial activity; therefore, the more sharing of experience by women entrepreneurs on how they 'construct and reconstruct their identity' in entrepreneurship can foster women entrepreneurship. In fact, it was identified that the gender needs of Malaysian women entrepreneurs includes women entrepreneurs as role models in mentoring schemes (Ismail, 1996) and trainers in training programmes provided by government (Teoh and Chong, 2008). To challenge the male-oriented approach in entrepreneurship development programmes, the programmes must address the needs of women entrepreneurs.

One way of doing this is to integrate gender in enterprise development programmes (Huq and Moyeen, 2011). The integration of gender in the programmes as argued by Huq and Moyeen (2011: 327) should be able to view women entrepreneurs as 'agents of change' and not mere 'beneficiaries'. For this reason, they argue that the person who leads the programmes must have a high level of gender sensitivity. Similarly, the results of Sandberg's study (2003) suggest that hiring officials who have empathy for and experience in dealing with micro enterprises is significant in order to understand the needs of women in micro enterprises.

The review of the literature indicates the strong relations existing between public support and women entrepreneurs. However, in order to be effective, the initiatives should be able to meet women's expectations. Also, the perception of women entrepreneurs as a single homogenous group should be avoided, particularly because the complex institutional influence that governs women contributes largely to their very different experience in business.

#### **4.5 GESPs for BWEs in the Malaysian handicraft industry**

The public initiatives for entrepreneurship development in Malaysia were introduced after the country's independence in 1957 which involved the introduction of the New Economic Policy, 1957-1970 (NEP) and a series of five year of the Malaysia Plans (1971- present). It was the Second Malaysia Plan (1971-1975) that marked the beginning of the indigenous group's involvement, which is the Bumiputera in entrepreneurial activities of the country (Abdullah and Muhammad, 2008). In the effort to provide a conducive environment for entrepreneurship development of the country, the Ministry of Entrepreneur Development (MED) was established in 1995 which was then re-structured into the Ministry of Entrepreneur and Co-operative Development in 2004 (MECD).

As for the handicraft industry in Malaysia, the development of an institutional framework to support the industry is in line with the general development of the entrepreneurial support of the country. The handicraft industry in Malaysia was initially started as traditional activities that were operated mostly by family members in small villages as a supplement to their main economic activities (Abdul Haim et al., 2011). It is argued that, after 1970, a wide range of programmes were introduced by government to help the development of the industry and, in the 1980's, handicraft activities were recognised as a sector in economic development particularly

due to the major positive growth of the industry through its export activities (Redzuan and Aref, 2011).

At the time, although handicraft activities were recognised as one of the sectors that were significant for the country's economic development, the image of the industry as involving traditional activities remained when the Ministry of National and Rural Development was appointed as the main government body to look after the industry. Recognising that the handicraft industry represents part of the Malaysian culture through its cultural commodities, the industry was then placed under the Ministry of Arts, Culture and Heritage of Malaysia. The focus on ensuring the sustainable development of the industry materialised with the establishment of the Malaysian Handicraft Development Corporation (MHDC), a government organisation that is responsible for the development of the handicraft industry in Malaysia.

#### **4.5.1 Specific initiatives for the handicraft industry in Malaysia**

The establishment of an organisation that is solely responsible for the development of entrepreneurs in the handicraft industry is a positive sign for the development of the industry in Malaysia. One of the functions of this organisation is to produce a list of the active handicraft producers and entrepreneurs in the country based on data gathered from field visits. In this respect, the existence of this organisation is easily recognised by handicraft producers and entrepreneurs. Therefore, the support programmes provided by it are more likely to be the first sought by handicraft entrepreneurs which includes BWEs. Two types of programme that focus on manufacturing and marketing efforts are provided by the MHDC (Mat Amin, 2006).

The manufacturing effort included the initiation of a special programme called the Craft Entrepreneur Development Programme (CEDP) in 2003. Under the programme, three core activities are available. Firstly, it is the One District One Industry (ODOI) that focuses on encouraging the production of at least one handicraft product of commercial value per village. The government support in this initiative is limited to technical assistance and business consultancy. Although useful, the ODOI approach is more related to rural entrepreneurship development (Abdul Kader et al., 2009). Secondly, the incubator scheme was initiated for the duration of three years with the focus on nurturing young handicraft producers to become successful entrepreneurs.

Finally, the CEDP is meant for facilitating the transformation of handicraft entrepreneurs from micro to small and medium enterprises through activities such as training programmes; however, this scheme is only rendered to selected entrepreneurs. Meanwhile, the marketing efforts that are provided by government organisations for handicraft entrepreneurs in Malaysia include activities such as domestic and international promotions. Among the domestic promotional activities conducted throughout the country are handicraft carnivals, road shows and the yearly event of a National Craft Day. For international promotional activities, trade fairs and in-store promotions are conducted in international markets. Handicraft entrepreneurs who have the capacity to produce in large volumes with a high quality of products will be given the opportunity to participate in these programmes (Mat Amin, 2006).

#### **4.5.2 Support programmes for SMEs in Malaysia**

Alternatively, BWEs can utilise entrepreneurship support programmes for SMEs offered by other ministries and government organisations. It is reported that there are approximately 13 ministries and nearly 30 government organisations and agencies offering a wide variety of programmes to support the development of SMEs in Malaysia (Abdullah, 1999). The existence of too many ministries and government agencies to support SMEs in Malaysia is also highlighted by Ong et al. (2010). In the same vein, Habib Shah (2004) reported that there are approximately 40 schemes for business and entrepreneurial development in Malaysia including those for women. In analysing the impact of institutional support for Bumiputera entrepreneurs in the food-processing industry in Malaysia, Shahadan (2001) argues that the support can be classified into three key types: financing, skill-upgrading and marketing. The following sections discuss these three types of assistance that are available for SMEs in general which can be utilised also by BWEs in the handicraft industry in Malaysia.

##### **4.5.2.1 Financing initiatives**

One of the critical problem areas for Bumiputera entrepreneurs of the past was credit assistance (Haji Yaacob, 1988). As a result, several government or government-backed agencies were established to provide financial assistance to Bumiputera entrepreneurs. Some of the prominent government organisations which are well-known in providing financial support for Bumiputera entrepreneurs are the: Malaysian Industrial Development Finance *Berhad* (MIDF); SME Bank;

Credit Guarantee Corporation (CGC); The Council of Trust for the Indigenous People and the State Economic Development Corporations (SEDCs). These government organisations and agencies provide their own financing package to aid small-scale firms in building up their capacity. To encourage co-operation among government organisations, it is normal practice that the financing initiatives are provided by more than one institution.

For example, the Soft Loan Scheme was launched in 2001 to promote the development of SMEs in Malaysia. While it is channelled from the government through the SME Corporation, the implementation of the scheme was done by the MIDF. In line with the policy of increasing the number of Bumiputera entrepreneurs (Baharuddin, 1988), most of the financing initiatives provided by government organisations are targeted at the group. However, it is argued that some form of collateral is required before the financing can be granted, which puts SMEs in a disadvantaged position due to their inability to provide the required collateral (Shahadan, 2001).

With regards to financing support for women entrepreneurs, the most obvious strategy is the establishment of the *Amanah Ikhtiar Malaysia* (AIM) in 1987, a replication of the concept of Grameen Bank. A very significant milestone of this approach was the decision for the AIM to disburse financial support only for women borrowers within the first year of its operation (UNDP, 2008). Another financing initiative for women entrepreneurs, the Women's Entrepreneur Fund, was established by the government in 1998 and involved an allocation of RM10 million (Ariff and Abu Bakar, 2003). Despite the grants and funds that are made available to women entrepreneurs in Malaysia, it is argued that government financing is inadequate to support women's business expansion (Teoh and Chong, 2008).

#### **4.5.2.2 Skill-upgrading initiatives**

In order to develop Bumiputera entrepreneurs and their entrepreneurial skills, entrepreneurial acculturations which include acculturation programmes, entrepreneurial training and programmes to enhance skills are created by the government (Othman et al., 2008). The Entrepreneurship Development Centre (MEDEC) was established in 1975, and one of the programmes that focus on building successful Bumiputera entrepreneurs offered by this centre was the Entrepreneurship Development Programme (EDP) (Dana, 2001). Other agencies that are actively involved in providing entrepreneurship training programmes are the National

Productivity Corporation (NPC), The Council of Trust for the Indigenous People (MARA) and State Economic Development Corporations (SEDCs).

These organisations provided various types of entrepreneurship training to would-be entrepreneurs as well as entrepreneurs. Generally, the training programmes can be classified into two types: introductory training programmes and enhancement training programmes. Within this context, it was found that the most popular training programmes are related to marketing and entrepreneurship (Shahadan, 2001). It is argued that the historical division of labour during British Colonial rule has caused the lesser involvement of Bumiputera in entrepreneurial activities (Ariff and Abu Bakar, 2003). As a result, Bumiputera are late in joining the business world and have less business exposure (Abdullah, 1999). For this reason, government initiatives in providing training programmes that can increase the business skills of Bumiputera groups in Malaysia become significant. For Malaysian women entrepreneurs, it was during the Eighth Malaysia Plan (2001-2005) that the efforts to enhance women's involvement in business were actively promoted by providing training in business-related areas and information technology. However, since the implementation of the programmes, little is known about the impact of the programmes on BWEs in general and in the handicraft industry in particular.

#### **4.5.2.3 Marketing initiatives**

Marketing issues have been identified as one of the main obstacles for SMEs in Malaysia (Abdullah, 1999). In order to assist SMEs in finding markets for their products, several government organisations such as the Malaysia External Trade Development Corporation (MATRADE), MEDEC, NPC, SME Corps were established. These organisations provide marketing consultancy services to SMEs. For example, under the Sixth Malaysia Plan (1991-1995) an umbrella concept was introduced as part of the government's marketing effort to help SMEs. Under the umbrella concept, Bumiputera entrepreneurs that participate in this scheme will be able to market their products through selected companies who are registered with the programme. The main object of this scheme is to provide links between entrepreneurs and their potential market through product outsourcing (Shahadan, 2001). So far, all marketing programmes offered by government agencies or institutions are for all entrepreneurs regardless of gender.

#### **4.6 Conclusions**

This chapter has reviewed the literature pertaining to the government interventions on the development of entrepreneurs in general and women entrepreneurs in particular. Although entrepreneurial support programmes as one type of institutional support are discussed in the literature as significant for the development of women's businesses, it was reported that there is a low take-up of entrepreneurial support programmes by women entrepreneurs. Two views appeared in the literature to explain the low take-up of entrepreneurial support programmes by women entrepreneurs. The first view suggested that the discrepancies found in women's level of human capital possession have caused their lack of awareness of the support available. However, previous research which investigates the relationship between institutional supports and women entrepreneurship highlights that individual factors alone are insufficient to explain women's low participation in entrepreneurial support programmes, particularly when various issues pertaining to the ineffectiveness of the programmes are debated. The reviewed literature shows that entrepreneurial support for women entrepreneurs suffers from a conflict between what is available and what is needed. For example, support for financing, training and marketing programmes have given too much concentration on creating new enterprises rather than supporting women with the growth aspirations. In addition, issues such as lack of access, focus and gender sensitivity of the entrepreneurial support programmes were discussed in the literature as contributing to the ineffectiveness of the programmes. Based on the evidence discussed in the three literature review chapters, the relevant factors that influence the business survival of BWEs which could affect the success of GESPs in facilitating the business survival process were identified and illustrated in a conceptual framework. This framework is discussed in the next chapter.

# CHAPTER 5

## CONCEPTUAL FRAMEWORK

### 5.1 Overview

This chapter discusses the conceptual framework underpinning this study, which was developed based upon the gaps identified in the three literature review chapters. This review of existing literature on the institutionalisation of entrepreneurial support for women entrepreneurs illustrates the relationship between public support and women entrepreneurs (i.e. Fielden et al., 2003; Jamali, 2009; Said and Al-Ghazali, 2010; Sandberg, 2003). A similar relationship is also present in the Malaysian context (Habib Shah, 2004). Hence, by investigating BWEs business survival experiences in the Malaysian handicraft industry, this study aims to explore the extent to which GESPs facilitate the business survival process.

Although this study examines GESPs roles in BWEs' business survival, current literature on women's entrepreneurship has outlined that individual and business (Boden and Nucci, 2000; McGowan et al., 2012), and cultural factors (Mordi et al., 2010) are significant in influencing women's business activities. Therefore, these factors are integrated into this study's conceptual framework. Arrows in the conceptual framework model (Figure 1) represent the interactions between these four elements –individual, business, cultural, and GESPs – with the BWEs' business survival processes. Although institutional support is deemed significant for women entrepreneurs, its effectiveness is debated (Lee et al., 2011; Sandberg, 2003; Tambunan, 2007). It is also argued that programmes supporting women entrepreneurs should meet women's expectations (i.e. Brush et al., 2004; Welter, 2004) yet it is unclear as to how appropriately such programmes actually address women's needs (Carter, 2000; Huq and Moyeen, 2006). Consequently, it is anticipated that the extent to which GESPs facilitate BWEs' business survival processes is closely linked with BWEs' conditions, as deriving from their individual, business and cultural needs. Indirect linkages are represented in the model by dashed-line arrows, suggesting they are less tangible but still significant. This study's conceptual framework model is illustrated in Figure 1 on the next page.

**Figure 1: Conceptual framework**

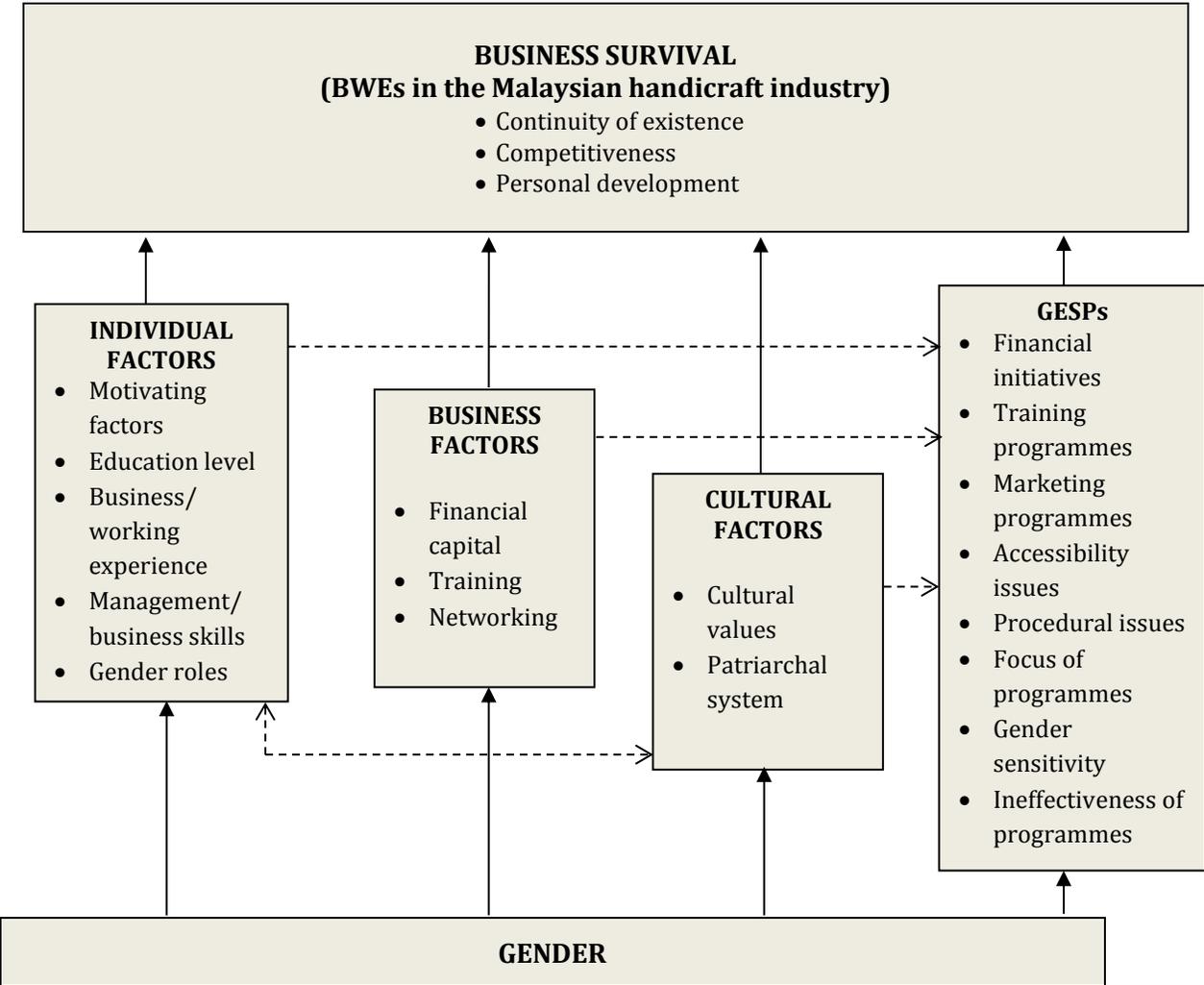


Figure 1 illustrates the six constructs comprising the study’s framework: business survival, individual, business, cultural factors, GESPs, and gender. The first construct is **business survival**. This includes issues such as **continuity of existence, competitiveness and personal development**. The first two issues reflect the notion that growing and expanding businesses are more likely to survive in the long-term (Basu and Goswami, 1999) whereas **personal development** acknowledges the importance of using soft indicators in evaluating women’s business performance (Moore and Buttner, 1997; Shaw et al., 2009). Including these elements broadens our understanding of the business survival concept, which is commonly understood as a firm’s existence in a specific time period (i.e. Bekele and Worku, 2008; Boden and Nucci, 2000). The indicators measuring business survival as used in this study, therefore, provides a better explanation of BWEs’ experiences of business survival.

The second construct is **gender**. Recognising the dynamic interaction between gender and other factors women experience in the social environment (Bradley, 2007; Scott, 1986), this concept is an all-pervasive theme within the framework. It enhances our insights into women entrepreneurs' experiences (Ahl, 2006; Brush, 2006; Brush et al., 2009) because it allows us to explore the complexity of understanding gender relations within a particular social environment.

In order to investigate BWEs' business survival experiences and the extent to which government initiatives facilitate them, three objectives were formulated as discussed in the following sections.

## 5.2 Objective 1

This study's first objective is to investigate the current state of BWEs in terms of their opportunities, challenges, and business survival needs. These are investigated with respect to four aspects: individual, business, cultural and GESPS as identified in the conceptual framework model.

The influence of **individual factors** on BWEs' business survival encompasses several issues. Firstly, women entrepreneurs' **motivating factors** are identified. Previous research has highlighted the importance of motivating factors for women in business (i.e. McGowan et al., 2012; Manolova et al., 2008). Motivation is also deemed crucial to BWEs' business survival. For example, BWEs in the handicraft industry will be motivated to pursue market opportunities that support their business survival. The next individual factors examined here include women's **educational level, previous business or working experience** and **management or business skills**. These all relate to women's human capital characteristics and previous literature has concluded they are key determinants for a firm's survival (Astebro and Berhardt, 2003, Boden and Nucci, 2000; Carter et al., 1997). It is argued that women's disproportionate level of human capital possession stifles their awareness of available support (i.e. Audet et al., 2007). Therefore, not only do BWEs' human capital characteristics influence their business survival; they also limit their access to GESPs. This makes the linkage between BWEs' human capital characteristics and their business survival a worthwhile object of study. **Gender roles** are the last individual factor illustrated in the framework. Women are discussed as performing multiple gender roles throughout their lives (Moser, 1993), which introduces gender-related obstacles into the

running of their businesses (Roomi and Parrott, 2008) while also restricting their mobility (Ahmad, 2011). BWEs gender-issues are understood to directly impact how they manage their business, as is evident by their restricted participation in GESPs.

This study's conceptual framework shows that **business factors** such as **financial capital**, **training** and **networking** are also central to BWEs' business survival activities. Perhaps expectedly, undercapitalisation (Alsos et al., 2006; Marlow and Patton, 2005), limited skills, knowledge and experience in business (Roomi et al., 2009), and poor social networking (McGowan and Hampton, 2007) have been identified as causal factors for BWEs' competitive disadvantages. It can be said that BWEs access to financial capital and their business-related training, as well their networking patterns will directly affect their business survival capabilities. Based on the evidence that links women's individual and business-related factors with their business activities, it is predicted that the same factors will directly influence BWEs' business survival process.

The **cultural issues** that influence BWEs' business survival processes include **cultural values** and **patriarchal systems**. 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 Malaysia, 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). Therefore, this study accounts for the cultural values of Malaysian collectivism and explores how this impacts BWEs' business activities. Additionally, gender literature demonstrates that gender inequality subjugates women in relation to males throughout society (i.e. Bradley, 2007; Hakim, 2006). This cultural view suggests that society conforms to a patriarchal system where men continue to systematically oppress women (Walby, 1989). For women entrepreneurs within a patriarchal system, women's business potential is restricted and limited as they operate within society that favours male norms (Ahmad, 2011; Roomi and Parrott, 2008). This has caused women to negotiate with men and compromise their domestic responsibilities (Al-Dajani and Marlow, 2010). In Malaysia, women are viewed as less independent, more emotional, gentle and weak (Hashim et al., 2011) and they must retain their traditional images despite their involvement in

the modernisation process (Daud, 1988). These arguments reveal the patriarchal pressures that affect BWEs, which justifies exploring the influence of patriarchal systems on BWEs' business survival process.

Institutional support in this study refers to the **GESPs**. Governmental influence in facilitating women's businesses is apparent throughout the literature (i.e. Arasti, 2011; Lee et al., 2011). For example, government support agencies appear to be the primary formal financial support for women entrepreneurs (Haynes and Haynes, 1999). Women are generally perceived to lack both hard resources like assets, and soft resources like management experience (Carter et al., 2001). This causes further difficulties for them to meet access criteria set by the private capital market financial providers. In business climates where private capital markets are inefficient, public support is seen to be increasingly significant for entrepreneurs (Arping et al., 2010). As such, it is expected that GESPs have a significant influence on BWEs' business survival process.

It is now evident that the significance of individual, business, cultural factors, and GESPs in women's business activities is demonstrated in the relevant literature. This study's first objective helps to identify how each element affects the opportunities, challenges, and needs associated with BWEs' business survival. As such, its findings also help to clarify BWEs' expectations of GESPs. To further understand the influence of GESPs on BWEs' business survival, two additional objectives were formulated and are discussed next.

### **5.3 Objective 2 and 3**

The second and third objectives are:

- to explore BWEs' perceptions and views on the effectiveness of government support systems for the business survival of BWEs in the handicraft industry in Malaysia.
- to identify the impact of the Malaysian government's initiatives in promoting and supporting the business survival of BWEs in the handicraft industry in Malaysia.

Both objectives were formulated to deepen understandings about the implementation of GESPs on BWEs. There is a need to establish the views of both entrepreneurs and support agency staff in determining the usage of public support services (Audet et al., 2007). Discussions addressing the implementation of support programmes for women entrepreneurs often outline the types of support programmes that women have used (i.e. Huq and Moyeen, 2006). The most common support programmes cited in women's entrepreneurship literature involve **financial initiatives**

and **training programmes** (i.e. Carter, 2000; Welter, 2004). These initiatives can be seen as responsive to women's disproportionate level of capital possession and business resources (McGowan et al., 2012). Women also find it difficult to increase the share of their market (Huq and Moyeen, 2006). Therefore, **marketing programmes** also appear significant for supporting women entrepreneurs (Roomi et al., 2009). GESPs in Malaysia also comprise financing, training and marketing initiatives (Mat Amin, 2006). Based on the limitation of women's human capital possession and business resources, BWEs will generally access GESPs relating to financing, training and marketing activities to secure their businesses' survival. These three types of GESPs are included as factors in the construct of GESPs in the conceptual framework model.

The reviewed literature on institutional approaches reveals that women are less likely to participate in entrepreneurial support programmes (Schmidt and Parker, 2003). Therefore, it is difficult to evaluate how beneficial these programmes are for women entrepreneurs. Existing literature discusses several issues in order to explain women's low participation in entrepreneurial support programmes. Firstly, women endure **accessibility issues** (Jamali, 2009). It is suggested that they lack of 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 extensive (Jamali, 2009) and complicated procedures (Hung et al., 2010). The next issue is related to 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). All of these issues have the potential to impact the effectiveness of GESPs. Therefore, they represent eight elements of the construct of GESPs as shown in the conceptual framework model. The exploration of each element helps to determine the effectiveness and impact of GESPs on BWEs' business survival process. The analysis and results obtained from the three research objectives will enable the exploration of the fourth research objective of this study, which is:

- to make practical recommendations in order to develop and encourage improved business survival rates of BWEs in the handicraft industry in Malaysia.

These recommendations are presented in Section 9.3 (Conclusions chapter, page 258).

#### **5.4 Conclusions**

This chapter outlines the constructs that form the conceptual framework for this study. In investigating the roles of GESPs on BWEs' business survival this study aims to fill the research gap on the lack of institutional explanations for women's business activities from a non-Western perspective. In confronting the significance of both internal and external factors on women entrepreneurs, this study has also included individual, business, and cultural-related factors in the conceptual framework. All of these issues are explored in the specific context of Malaysia in order to enhance existing knowledge of the business survival experiences of BWEs in the handicraft industry. The next chapter discusses the research methodology and procedures employed in this study.

# CHAPTER 6

## RESEARCH METHODOLOGY

### 6.1 Overview

This chapter discusses the research design and methods used in this study. The chapter begins with a discussion on the ontological and epistemological assumptions that guide this study. This will be followed with a discussion on the data collection methods, sampling technique and data analysis process. The chapter ends with a discussion on research credibility and ethical issues of the study.

### 6.2 Research Philosophy

One of the main issues that needs to be considered by a researcher in conducting research is the extent to which the research findings can be 'justified and warranted' as knowledge (Gill and Johnson, 2002: 174). In this respect, the research philosophies need to be determined before any claim of knowledge can be made with certain by researchers. The philosophical issues in research relates to the beliefs held by researchers that will influence how research should be conducted, how the results should be interpreted and so on (Bryman, 2001). The consideration of four philosophical issues is essential in ensuring the quality of a research: ontology, epistemology, methodology and methods (Sarantakos, 2013). While the adoption of specific methodology and methods in research needs to be justified, this justification will be dependent on the ontological perspective of the researcher about what the social world is and the epistemological perspective of how the reality of this world can be understood (Henn et al., 2009).

There are two dominant ontological beliefs in conducting research: objectivism and constructionism (Bryman, 2004). Researchers with an objectivist perspective see the social world as external facts that are independent of people's interpretations (May, 2011). In this sense, research should be conducted from an objective point of view in which there is no contact between researchers and the research objects. This ontology relates to a scientific method to measure the objective reality that exists in the social world (Creswell, 2014). Specifically,

objectivist ontology believes the reality of social world can be understood by adopting a positivist approach in research. Based on a positivist approach, it is argued that this world is governed with laws and theories and these elements should be tested and verified in the efforts to understand the world (Creswell, 2014). In fact, the positivist approach assumes that it is possible to separate the 'object' (i.e. the researcher) from the 'object' (i.e. the observed) (Gill and Johnson, 2002: 175).

Alternatively, a constructive ontological position views the social world as not independent from people's perceptions and interpretations (May, 2011). In this sense, social interactions are seen as essential elements in the research process. The constructivist approach relies as much as possible on the participants' views of the social phenomenon being researched where researchers address the processes of interaction among individuals (Creswell, 2014). The constructionist ontology entails an interpretivist epistemology (Sarantakos, 2013). In this respect, it is crucial for researchers to interpret what others perceive about their world. In interpreting other people's perceptions, it is assumed that there is no one right interpretation of the meaning of the social world (Green and Browne, 2005). Also, the interpretation is not directly observable (Henn et al., 2009). Table 5 below summarises the philosophical stance in conducting social research.

#### **INSERT TABLE 5**

The research ontology informs methodologies about 'the nature of reality' whereas epistemology informs methodologies about 'the nature of knowledge and where knowledge is to be sought' (Sarantakos, 2013: 29). The next step in conducting research is for researchers to determine the appropriate research methodology and methods that correspond with the ontological and epistemological concerns. Following the assumptions made by researchers in relation to ontological and epistemological aspects, there are two types of research methodologies that can be adopted: quantitative and qualitative. Based on Table 5 above, it can be seen that the positivist paradigm which contains an objectivist ontology and empiricist epistemology guides the strategy of quantitative methodology. In this respect, possible research strategies that can be

adopted are surveys or experiments which lead to the use of questionnaires as the method of collecting data that not necessarily requires face-to-face interactions with participants (Blaikie, 2000). Similarly, the symbolic interactionist paradigm which contains a constructionist ontology and interpretivist epistemology guides the strategies of qualitative methodologies which are prone to adopt case studies or ethnography as research strategies and tend to use in-depth interviews when collecting data (Bryman, 2004).

Having considered the options summarised in Table 5 and research aims, this study was conducted based on the inductive research strategy (Blaikie, 2000) to allow for the exploration of BWEs' interpretation about their business survival. Under the inductive research strategy, the findings of this study are 'fed back into theory' (Bryman, 2004: 8). In this respect, theory is the outcome of the inductive research strategy (Gill and Johnson, 2002). Therefore, the data collected from in-depth interviews with BWEs and GOs, as well as observations and documentary materials, develops theory pertaining to the understanding of the phenomenon under study, which is BWEs' business survival.

Since the aim of this research is to gain insight into the process of BWEs' business survival by capturing the views of both BWEs and GOs, the deductive research strategy that concentrates on finding 'essential uniformities' and uses data to test theory (Blaikie, 2000: 105) is regarded as inappropriate. It is believed that the reality of BWEs' business survival process is difficult to reveal by deducing hypotheses from the theoretical background of particular research topics and testing the theory through empirical procedures (Bryman, 2004). Therefore, a positivist approach associated with the quantitative research strategy is seen as inappropriate.

The fact that a quantitative approach views social reality as an objective state that can be measured by 'scale or quantity' measures (Punch, 2005: 55) suggests that respondents are treated as 'objects' (Sarantakos, 2013: 35). Therefore, quantitative research provides less explanation of how people behave in a social context. In contrast, the interpretivist approach that uses qualitative methods in obtaining data is regarded as more appropriate in providing insights about BWEs' experiences in their business survival process. In addition, the chosen research philosophy corresponds with the argument that quantitative research is unsuitable when the focus of the research is to seek understanding about the nature of women's live (Henn et al., 2009). In this respect, it is believed that the use of highly standardised structured quantitative research tends to discount the experiences of BWEs; thus limiting the exploration of their experiences. Bryman (2004: 288) highlights that qualitative research allows 'women's

voices to be heard, exploitation to be reduced, women not to be treated as objects to be controlled by the researcher's technical procedure and the emancipatory goals of feminism to be realised'. In fact, the adoption of a qualitative approach in researching the issue of BWEs' business survival can capture the richness of the qualitative explanations of BWEs and GOs (Huq and Moyeen, 2008).

In summary, 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 qualitative research strategy and capitalises on in-depth interviews with 21 BWEs and five GOs. The choice of in-depth interviews as the main method in collecting data allows for a better understanding of the research issues. In addition, the use of in-depth interviews is consistent with the ontological position of this study: the constructionist perspective, in which the understanding of the phenomenon of BWEs' business survival relies on the views, perceptions, experiences, interpretations and knowledge of BWEs and GOs. The epistemological position of this study: the interpretivist perspective, suggests that the way that knowledge of BWEs' business survival can be generated is through contacts made between researcher and participants, such as by interacting and listening to them, and the meaning of BWEs' business survival needs to be interpreted. The following section discusses the research design employed in this study.

### **6.3 Research design**

Research design, as identified by Creswell (2014), involves three types of method: qualitative, quantitative and mixed. It is described as the overall plan for the research, and includes four main elements: the strategy, the conceptual framework, the sources of data and the tools to be used for data collection and analysis (Punch, 2005). It represents a structure that guides researchers in executing research methods of data collection and in analysing data (Bryman, 2004). Research design situates researchers in the empirical world, which is concerned with how the research questions connect to the data (Denzin and Lincoln, 1994). Thus, it is important that the selected research design fits within the chosen research philosophy and methodology, particularly to avoid validity issues (Punch, 2005).

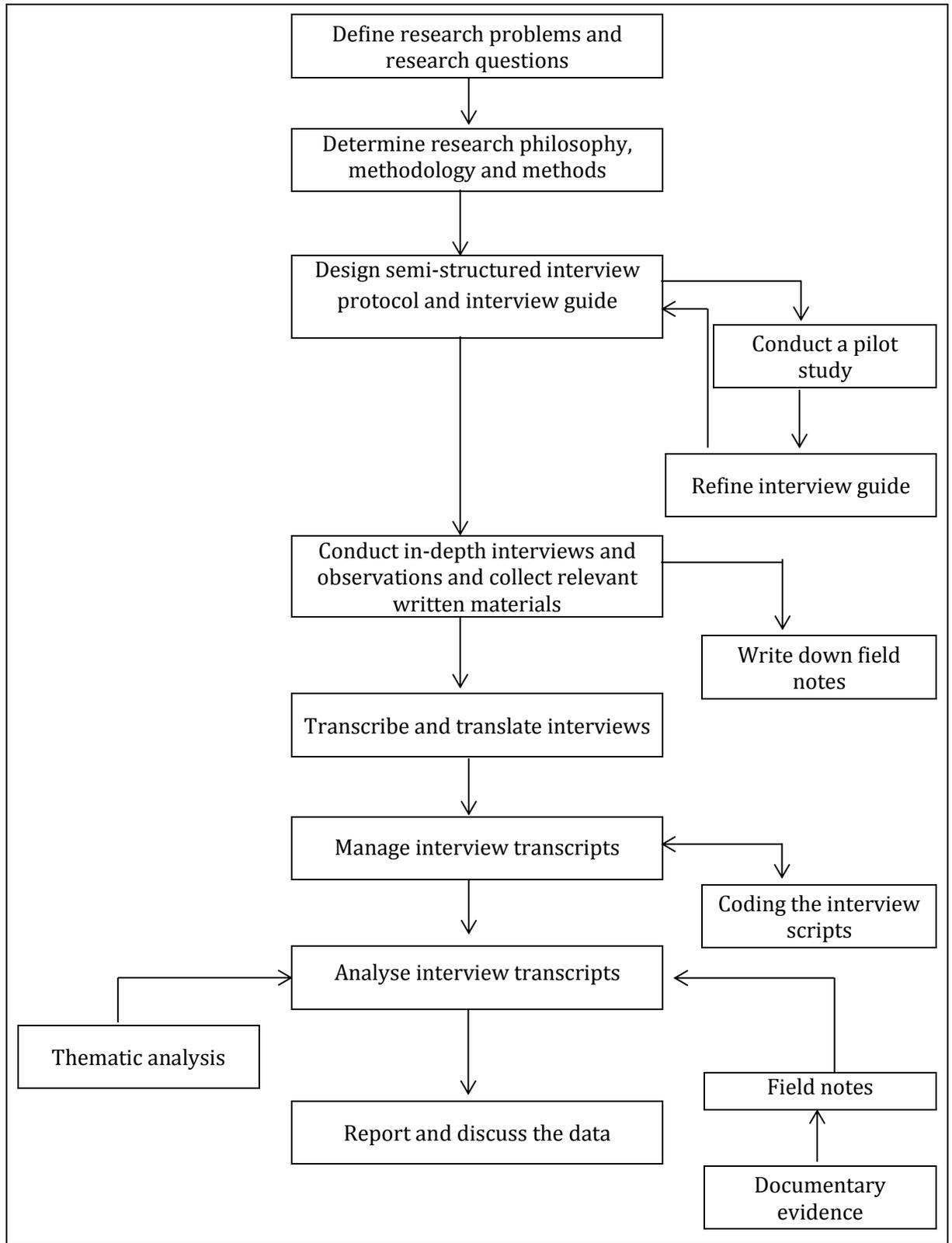
The main purpose of this study is to increase the understanding of the impact of government initiatives on the business survival of Bumiputera women entrepreneurs (BWEs) in the

handicraft industry in Malaysia. Government intervention is important for women entrepreneurship development (Chitra Devi, 2011; Lee et al., 2011), but the effectiveness of such intervention is debated by some scholars (Sandberg, 2003; Tambunan, 2009). Research within this context can be considered to be a new area; thus, further investigation is needed. In fact, this new research area is seen as corresponding to the need to research women entrepreneurs, which is beyond individual explanation (Ahl, 2006).

Taking into account the proposition developed from the literature, the purpose of the research, the type of investigation and the population under study, a qualitative research design (Creswell, 2014) that focuses on an interpretivist approach (Mason, 2002) and capitalises on the in-depth interview strategy (Patton, 2002) is regarded as appropriate for this study.

Marshall and Rossman (2011) explain that an in-depth interview strategy is mostly used in studies which focus on individual life experience; in this sense, the meaning and experiences of participants can be captured in their own words. The design provides an insider view (Blaikie, 2000); thus, it allows the researcher to explore and understand the perceptions and views of both BWEs and officials of the research issues. The process involved in conducting this study is illustrated in Figure 2 (page 103).

**Figure 2: The research design process**



## **6.4 Data collection methods**

Mason (2002) outlines four different techniques that are commonly used to generate qualitative data: interviews, observations, documents and visual images. She suggests that the choice of technique should reflect the ontological and epistemological assumptions made by researchers and must be within the context of the research questions. Data collection was completed within four weeks and conducted in March and April 2013. In this study, interviews, documents and observations are used to understand the impact of government initiatives on the business survival of BWEs in the handicraft industry in Malaysia. The three methods of data collection used in the study are discussed below.

### **6.4.1 Semi-structured interviews**

Interviewing is one of the main techniques to collect data in qualitative research and is useful in accessing 'people's perceptions, meanings, definitions of situations and constructions of reality' (Punch, 2005: 168). This means that the technique allows researchers to enter into the individual's perspective (Patton, 2002). Since the individual's perspective cannot be observed, formal conversations between the researcher and the individual on predetermined research topics (Marshall and Rossman, 1995) could bring the researcher into the respondent's world. In addition, the interview method has become the principal means of understanding women's lives (Oakley, 1981b) by replacing the 'view from above' (i.e. researcher's view) to the 'view from below' (i.e. women's views) (Mies, 1993: 68). In this respect, interviews are considered appropriate in this study, as the technique limits the views of the researcher and provides great opportunities for BWEs to share their views and perceptions of their business survival experience.

There are three different types of interview that are normally used in qualitative research: structured, semi-structured and unstructured. The difference in the typology of each interview style, which is highlighted by the methodological literature (e.g. Punch, 2005), lies in the degree of structure involved in each typology. In structured interviews, a range of response alternatives are provided which participants can choose (Punch, 2005). In contrast, unstructured interviews rely on general questions, and specific questions are expected to emerge during the interview process (Punch, 2005). While structured interviews require researchers to follow the initial questions, unstructured interviews are too flexible and researchers may not have any specific questions or topics to be covered (Blumberg et al., 2008). Therefore, semi-structured interviews,

also known as in-depth interviews (Howitt and Cramer, 2008), are regarded as appropriate for this study, because the interviews could start with specific questions in relation to the research issues while also allowing participants to follow their own thought processes (Bryman, 2004). In addition, given the fact that 20 BWEs were interviewed, the comparability of the data was critical, and this process can be achieved through the adoption of semi-structured interviews. This means that the researcher could cover the necessary topics and ask the questions listed in the interview guide in a similar manner for all BWEs, but they had 'a great deal of leeway in how to reply' (Bryman, 2004: 321). In this sense, the comparability of data from all BWEs can be ensured while also maintaining the flexibility of the interview process.

Semi-structured interviews have been used to research women entrepreneurship. Based on the analysis of 57 articles on women in business, Brush (1992) states that the in-depth personal interview is the second most popular technique used after the survey. In fact, in reviewing 81 research articles on women entrepreneurs, Ahl (2002) also found that the semi-structured interview is the dominant technique for personal face-to-face interviews. In exploring the gender responsiveness of business development services for micro and small businesses in Bangladesh, Huq and Moyeen (2006) argue that semi-structured face-to-face interviews capture the richness of the qualitative explanations of respondents. The same method was also used by Nilsson (1997) to articulate the perceptions of ten business counsellors involved in governmental business counselling services that were directed to women entrepreneurs in Sweden. It can be argued that the adoption of semi-structured interviews in researching women entrepreneurs could enrich the knowledge about women entrepreneurship. Therefore, the foregoing discussion provides support for the adoption of semi-structured interviews in this study.

In the process of interviewing, the primary task of researchers is listening and making a good balance between talking and listening (Mason, 2002). Since the semi-structured interviews are not driven by researchers, their intense concentration during the process is critical. To have a good understanding of the views given by the participants about the research issues, the researcher needs to listen carefully and be able to probe or ask additional questions that can clarify and extend the details provided by the participants (Howitt and Cramer, 2008). Therefore, it is not practical for the researcher to take notes during the interview process, as this could distract the researcher's concentration. To avoid this situation, all interviews in this study were recorded (Bryman, 2004; Blumberg et al., 2008) but with participants' permission. In the patriarchal system where BWEs' voices are less likely to be heard in the public sphere, obtaining

recording permission was not an issue, as the recording process is seen by BWEs as an opportunity for them to share their voices with others. By recording the interviews, full attention was given during the interview process, and the interview transcripts were accurately produced (Blumberg et al., 2008). All interviews were conducted for between 40 and 90 minutes except for one interview lasting 120 minutes. The interviews with BWEs were conducted mostly in their business premises, but other locations such as hotels were suggested by some BWEs. The interviews with GOs were conducted in their offices.

#### **6.4.2 Relevant documents**

Documentary analysis is one of the main data collection techniques in qualitative research (Creswell, 2014; Marshall and Rossman, 2011). In fact, the method has a longer history than other qualitative methods such as interviews and observation (Henn et al., 2009). The use of documents may provide further evidence of the issues being researched and can be conducted without disturbing the research setting or the group studied (Marshall and Rossman, 2011). In addition, documentary data that is used in conjunction with other data collected through another qualitative method is important for triangulation (Punch, 2005). Triangulation helps to address the issue of research credibility, because it refers to 'a process of cross-checking findings' (Bryman and Bell, 2007: 413), thus giving the researcher more confidence in reporting the research findings.

In support of the interviews, relevant written materials which include web sources were analysed to gain further clarification of the roles of government institutions in promoting business opportunities for BWEs in the handicraft industry. Also, the types and level of commitment and the approaches adopted by the government in developing BWEs can be identified. However, there were issues in obtaining the relevant written materials from government organisations. While there was an issue of poor documentation in the organisations, the types of documents that were obtained varied from one organisation to another. Therefore, only documents that were permitted to be released by the relevant government organisations were obtained for this study. The documents obtained were project documents, strategy papers, brochures and web-related materials of government organisations.

### **6.4.3 Observations**

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 observations focused on: (i) the participants (i.e. male or female and way of communication); and (ii) the setting (i.e. physical location, access to building, availability of the printed materials of GESPs). 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. For example, the political connections with local politicians that were described by BWEs were justified by the presence of photos of them in BWEs' business premises which were identified during the observation process.

### **6.5 Designing the semi-structured interview guide**

In conducting the interviews with BWEs and government officials, an interview guide was used. An interview guide lists the questions or topics that are to be explored by researchers in the process of data collection (Patton, 2002) and is closely associated with semi-structured interviews (Howitt and Cramer, 2008). While the use of an interview guide helps researchers to be more systematic in the conduct of the interviews with different people, it also offers flexibility (Bryman, 2004). In this sense, researchers are free to probe and asks questions spontaneously but with the focus on particular subjects that have been predetermined (Patton, 2002). Since it is almost impossible to determine how participants will answer the interview questions, probing could be very useful in exploring the research issues in each interview (Krauss et al., 2009).

In preparing an interview guide, this study incorporates the principles laid down by Bryman (2004) and Howitt and Cramer (2008). The principles and actions taken to develop the interview guide are as illustrated in Table 6 on the next page.

**Table 2: The principles in designing interview guide**

	<b>Principles</b>	<b>Actions taken</b>
1.	Record some basic general information about the participants. This information will be useful for contextualising people's answers.	The information that is needed is related to the demographic personal background of BWEs and government officials as well as business information about the BWEs.
2.	Formulate questions or topics that help researchers to address the research questions but which are not 'too specific'. 'Leading questions' must be avoided.	Interview questions cover topics such as problems and challenges in accessing government support, the outcomes of government support and BWEs' satisfaction with the support.  Meanwhile, the interview questions for government officials focus on the process of how the intervention programmes are implemented and evaluated. To avoid leading questions, this study uses a combination of different types of question such as probing questions, specifying questions and direct and indirect questions.
3.	Structure the interview questions or topics 'in a sensible and helpful' manner for researchers and participants 'to deal with'.	The interviews start with questions about the participant's background and move on to more complex questions that require participants to express their views and opinions of the research topics.
4.	Use a language that is appropriate and relevant for the participants.	Bahasa Malaysia (the Malay 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 and can increase the quality of the responses given by the participants.

Summarised from Bryman (2004: 324) and Howitt and Cramer (2008: 304)

### **6.5.1 Interview guide for BWEs**

The interview guide was specifically designed for the in-depth interviews with Bumiputera women entrepreneurs in the handicraft industry in Malaysia. Prior to the actual data collection, the interview guide was tested in a pilot study with one BWE. This means that the suitability,

appropriateness and understandability of the interview questions was ensured while also increasing the researcher's confidence in using the interview guide (Bryman, 2004). Please refer to Appendix 2 for details of the interview guide for BWEs in this study.

### **6.5.2 Interview guide for government officials**

The interview guide was specifically designed for government officials that head the section or unit of entrepreneurship development from five organisations involved in the entrepreneurship development programme in the research site. A pilot study with one government official was conducted to test for the clarity and appropriateness of the interview questions. Please refer to Appendix 3 for details of the interview guide for government officials used in this study.

## **6.6 Pilot study**

A pilot study was carried out in February 2013 with one government official and one BWE. The main reason for a pilot study was to ensure the clarity of interview questions and to address any issue that could affect the interview process (Bryman, 2004). Due to the geographic dispersion between the researcher (UK) and the participants (Malaysia), the pilot study was conducted via telephone interviews. Reflections on the pilot study resulted in the following:

- Some questions were dropped. For example, it was discovered that GOs cannot describe the specific model or approach used in relation to the provision of GESPs. Therefore, a question that asked GOs to explain the process of designing GESPs was used instead. The new question was easily understood by GOs. In addition some questions were restructured. For example, the question about motivation was originally located in the section on 'business background'. However, it was discovered that BWE tends to share their motivations for going into business after explaining their prior working experiences. Therefore, to ensure the flow of the participants' responses, relocating the motivation questions was seen as necessary.
- The researcher developed her research skills – listening to people, asking questions and managing the interview process.
- The researcher built up her confidence to conduct the actual data collection.
- Identified that there was a need for an additional data collection technique – observations.

## 6.7 Sampling

Before any sampling technique can be applied, the appropriate population that could address the research questions needs to be identified. 'A population is an aggregate of all cases that conform to some designated set of criteria' (Blaikie, 2000: 198). It is from the population that a sample is selected. Unlike the ordinary meaning of the term 'population' that refers to a nation's entire population, a population in research has a broader meaning and can be people, events, actions and so on (Bryman, 2004: 87). In this study, the population is BWEs in the craft industry in the state of Sabah, Malaysia. Since the 'unit of analysis' in this research is at the individual level (Blumberg et al., 2008: 224), the sampling unit is therefore the individual person in the population. The reasons for the selection of the population in the research site are explained in Section 6.7.2 (page 113).

The sampling frame of this study is the list of all cases or units in the population from which the sample will be selected (Bryman and Bell, 2007). The list of the research population was obtained from a government organisation responsible for the development of handicraft entrepreneurs in Malaysia. The list contains the personal background of individuals such as ethnicity as well as basic business information such as year of business establishment, number of employees and contact information. This information helps the researcher to identify cases and develop a sampling frame for the study. Although one of the selection criteria was related to BWEs who have small and medium enterprises, the list shows that the majority of BWEs in the handicraft industry are micro business owners. In finalising the sampling frame, the researcher used the four selection criteria outlined in Section 6.7.1 (page 112). After considering the factors, the sampling frame consists of 175 cases.

The next process that the researcher needs to consider is determining the sample size. Often, the issue is determining the appropriate sample size (Thomson, 2011). It is argued that an appropriate sample size will give researchers a feeling of confidence about the sample's representativeness of the population, and thus they can make broader inferences (Silverman, 2001). This argument is normally applied in quantitative research, as the researcher is concerned about the ability to generalise the findings beyond their particular context (Bryman, 2004). However, in qualitative research, the focus is on 'specific issues, processes, phenomena and so on', and to understand how these work, the research is very often about 'depth, nuance and complexity' (Mason, 2002: 121). In this situation, the sample's representativeness would play a small role, but gaining an in-depth insight into the experiences of the sample is more

crucial (Mason, 2002). In determining the appropriate sample size in qualitative research, Strauss and Corbin (1998) refer to the saturation concept. Based on this concept, the process of data collection (i.e. interviews) continues until it provides no new information; thus, 'redundancy is the primary criterion' to select the sample size (Lincoln and Guba, 1985: 202). This means that the researcher will stop interviewing participants once the data becomes repetitive. However, since there are other practical factors (i.e. time, budget or approval from academic committees) that need to be considered in conducting research, there is a need for researchers to predetermine the minimum sample size (Patton, 2002). Patton (2002: 244) argues that 'there are no rules for sample size in qualitative inquiry'. As a result, the size varies from one study to another.

To determine the sample size for this study, the researcher used previous research to make a judgment. Within this context, qualitative research in general and in the area of women entrepreneurship in particular is referred to. In a content analysis of 100 articles (from 2002–2008) that utilised interviews as a data collection method, Thomson (2011) found that 33% of reviewed articles use a sample size of between 20 and 30. Thomson (2004) argues that over a third (34%) of 50 research articles reviewed used samples of between 20 and 30. These findings are in line with Creswell's (1998: 128) suggested range of 20 to 30. Other researchers, such as Charmaz (2006), suggest that a sample size of 25 is adequate, while Bertaux (1981) suggests that 15 is the smallest acceptable number. It is quite unusual to have a large sample for qualitative interviews. Indeed, the argument of reaching saturation point in qualitative interviews has been used by qualitative researchers to defend their sample size (e.g. Guest et al., 2006). In relation to PhD researchers, a review of 560 theses by Mason (2010) revealed that 80 per cent adhered to Bertaux's (1981) guideline of 15 as the smallest sample. Although small, this number meets the guideline set by Guest et al. (2006), who found that saturation occurred within the first 12 interviews. In relation to samples of women entrepreneurs, the size also varies. For example, Goffee and Scase (1983) adopted a sample of 23; Huq and Moyeen (2006) had 20; Huq and Moyeen (2011) had ten; Jamali (2009) had ten; and McGowan et al. (2012) had 14 samples. Large samples have been used, for example by Davidson et al. (2010), who employed 40, but since their study involved different ethnicities of women entrepreneurs, there was a need for the data collection to capture associated differences. Taking into account the literature regarding sample size and the samples used in women entrepreneurship research as well as the methodology used in this study, a sample size of 20 BWEs was selected from the sampling frame.

A purposive sampling technique was adopted in selecting the 20 BWEs from the 175 cases that fulfill the selection criteria. Based on the technique, it was believed that the knowledge about BWEs' business survival can be obtained from BWEs who possess the four qualities set as the selection criteria in this study. This technique is mostly employed in qualitative research (Baxter and Eyles, 1997; Punch, 2005). Punch (2005: 187) argues that purposive sampling is adopted when researchers have some 'focus or purpose in mind'. This focus leads researchers to select 'information-rich cases that will illuminate questions under study' (Patton, 2002: 230). Although various qualitative sampling strategies have been discussed by qualitative researchers (e.g. Miles and Huberman, 1994; Patton, 2002), the selection of a particular strategy must fit in with other components of the study (i.e. research design). In this study, purposeful random sampling (Patton, 2002) is adopted. According to Patton (2002), the term 'random' in purposeful sampling is not about representativeness, but more about increasing the credibility of the results by reducing suspicion about the selection of cases. This technique gives an advantage in the sense that the researcher is able to select information-rich cases based on the research focus and also avoid the issue of bias in selecting certain cases.

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.

Five government officials from five government organisations were interviewed. These organisations were selected because they are involved in entrepreneurship development in the research site. The criterion used to select the officials is that they must be the head of the section/unit of entrepreneurship development in their organisation.

### **6.7.1 Selection criteria**

Women entrepreneurs in this study were selected based on the following 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.

These criteria served as a guideline for selecting a suitable population of BWEs before the sampling process started.

Meanwhile, the selection of five government organisations was based on the fact that they are involved in the entrepreneurship development programme in the research site. The head of the section or unit of these organisations that is responsible for entrepreneurship development programmes was interviewed. In total, five interviews with GOs were conducted.

### **6.7.2 Research site**

This study is conducted in Sabah, Malaysia. The selection of Sabah as the research site is based on several reasons. Firstly, Sabah is the leading state in Malaysia in terms of handicraft producers (Kasmir, 2011). This position has given an advantage to the state in terms of its income; for example, it was reported that the state annual income from handicraft sales increased from RM1.106 million in 2007 to RM1.6 million in 2010 (Kasmir, 2011). Secondly, 99.6% of handicraft producers in Sabah are represented by the Bumiputera group (MHDC, Sabah, 2008). Since the focus of the government is to increase the number of Bumiputera entrepreneurs in Malaysia, the selection of Sabah is seen as appropriate and could provide further insights into the issue of Bumiputera entrepreneurs in the country. Thirdly, there are 2,182 handicraft producers in Sabah, and of this figure, 83.8% are women (MHDC, Sabah, 2008). Taking into account all these factors, the selection of Sabah as the research site is practical, as the presence of so many handicraft entrepreneurs could have a considerable impact on its economic development. Theoretically, this study follows the suggestion of McMillan and Schumacher (1997), who state that a site should be selected where specific events are expected to occur. In this study, the expected event, i.e. the survival of BWEs in the handicraft industry, is seen as mostly occurring in the selected research site. In this sense, the richness of data that the site offers can largely be anticipated (Henn et al., 2009). All government officials are located at the research site: Sabah, Malaysia. It is noteworthy that all their offices are in urban areas.

### **6.7.3 Gaining access**

The issue of political constraints, such as gaining access to the people to be researched, is one that frequently confronts researchers (Henn et al., 2009). In the process of collecting data, gaining the agreement of individuals in authority, such as gatekeepers, is essential to provide

access to the research subjects (Bryman and Bell, 2007; Creswell, 2014). For this study, the list of BWEs in the handicraft industry was obtained from a government organisation that engages with the development of craft businesses in the research site. Since the researcher is currently working with the public university in the research site, the process of accessing data from the government organisations (all five) became easier for several reasons. Firstly, the organisations are fully aware of the research practice of the University. Secondly, memoranda of understanding (MoU) have been signed between the University and the organisations, with the focus of collaboration in areas such as research and student placements as well as entrepreneurship development programmes. Thirdly, it is normal practice in the Malaysian context to be able to access information from government organisations for academic purposes (i.e. research) without restrictions. For these reasons, it was also possible to interview five government officials. In addition, prior consent from the director of each government organisation was obtained so that the government officials could be interviewed. This practice may have increased the level of participation of government officials in the interview process.

## **6.8 Data analysis**

Data analysis in qualitative research is a challenging task, particularly because qualitative data is non-standardised and complex in nature (Saunders et al., 2009). In addition, unlike quantitative data analysis, there is still a lack of well-established rules and procedures for qualitative data analysis (Bryman, 2004). Qualitative data involves a large volume of information; therefore it is vital for researchers to outline in detail the process undertaken in handling and interpreting it (Attride-Stirling, 2001). The data analysis process in this study started with the transcription of semi-structured interviews with BWEs and government officials.

### **6.8.1 Transcribing of data**

During the fieldwork, 26 interviews were conducted, 21 of which involved interviews with BWEs, and 5 with government officials. All interviews were recorded with a digital recorder. Although it could be valuable for the interviews to have been transcribed immediately after the session was completed, it was not possible due to the time constraints faced by the researcher during the fieldwork in Malaysia. However, effort was made by the researcher to listen to the recorded interviews at the end of the particular day they were conducted. This practice helped

the researcher to check the clarity of the interview process and find any areas of questioning that needed further explanation to participants. All 26 recorded interviews were transcribed over a 2 month period. The transcription process started with listening to the entire recording for each of the interviews. This process allowed the researcher to gain understanding about the content of the interviews. Despite the fact that it was very time consuming, all the interviews were transcribed by the researcher, (Bryman, 2004). In doing this, familiarisation of the data was obtained. Also, it produced benefits in terms of ascertaining where to insert a period or a comma, or when the interviewees took a short pause in the conversation, thus, ensuring the quality of the transcriptions (Bryman, 2004).

All the transcribed texts were in the Malay language. An English expert was employed to translate the transcripts. The translation process took five weeks to complete. The translated transcriptions were then examined to ensure the sense was clear. This process took ten days to complete. The final version of the translated transcriptions was then ready to be analysed under thematic analysis. Appendix 4 provides an example of a transcript.

### **6.8.2 Methods of data analysis: Thematic analysis of interview transcripts**

Thematic analysis is defined as 'the analysis of textual material (newspapers, interviews and so forth) in order to indicate the major themes to be found in it' (Howitt and Cramer, 2008: 336). As with all qualitative data analysis, the search for specific themes allows researchers to gain understanding about phenomenon under study. It is argued that the method offers great flexibility (King, 2004) particularly because it requires less knowledge of theoretical foundations (Howitt and Cramer, 2008). In this sense, less attention is given to the theory underlying the method; thus, it can be applied across different research paradigms such as 'essentialist or realist' and 'constructionist' (Braun and Clarke, 2006: 78). Although thematic analysis is one of the most commonly used in analysing qualitative data (Howitt and Cramer, 2008), it is argued that it is 'poorly demarcated' and 'rarely acknowledged' (Braun and Clarke, 2006: 77). Unlike other methods of qualitative data analysis that have received considerable attention (i.e. grounded theory, discourse analysis), it can be seen that there is a lack of available detailed explanation about thematic analysis. However, Braun and Clarke (2006) argue that a great deal of qualitative data analysis is essentially thematic; thus, thematic analysis should be seen as a method in its own right. The lack of explanation on how to carry out thematic analysis in research papers also undermines its potential as a qualitative data analysis method. For

example, it is not uncommon that terms such as ‘emerging themes’, or ‘themes discovered’, tend to be used in thematic analysis, but the process of how the themes emerged or were discovered in the analysis is less likely to be explained by researchers (Braun and Clarke, 2006: 80).

As a consequence, any efforts to evaluate, compare or extend further research on that particular topic by readers or other researchers is a challenge due to lack of information on the process of data analysis. Attride-Stirling (2001: 386) argues that in order to generate ‘meaningful and useful results’ a systematic approach to analysing data of qualitative research is required. For this reason, Attride-Stirling (2001) developed a detailed method for conducting thematic analysis of textual data which involves three broad stages and six different steps. Although the three-stage process is common in qualitative data analysis, the model uses ‘web-like illustration (networks)’<sup>3</sup> to summarise the themes that emerge from the textual data. Based on the suggestion by Attride-Stirling (2001), the thematic analysis of this study involves stages and steps as shown in Table 7 below.

#### **INSERT TABLE 7**

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<sup>3</sup> Attride-Stirling’s model of thematic analysis is also known as thematic network analysis.

## INSERT TABLE 7

Thematic analysis was carried out on the two types of interview transcripts. The transcriptions of 21 BWEs were analysed in order to obtain knowledge about the experience of business survival of BWEs and how the experience is facilitated by the initiatives provided by the government. The second transcriptions of five government officials were analysed to explore their views on BWEs and the process of how government entrepreneurial support programmes were being delivered to their clients. These will be the focus of this study.

The process started with the production of codes from the interview transcripts. The development of a coding framework was based on two approaches which are: (a) the recurrent issues that arise from the texts and (b) the theoretical interest regarding the individual, organisational and institutional influence on BWEs' business survival. By repeatedly reading the transcripts, the key things about the content of the texts were identified and developed as a set of codes. The next process was to organise the transcripts according to the codes, in which the textual data was dissected into text segments.

Table 8 (page 118) illustrates one example of this coding process that is based on the category of 'business survival factors'. The code of 'endogenous of business survival factors' included text segments such as *'I think hard work really pays off ... In business, survival entirely lies with the individuals'*. Based on the segmented texts, the basic themes were identified. In the example presented here, the 'hard work' of BWEs emerged as a basic theme that relates to the code of 'endogenous factors'. The identification of basic themes was made based on the 'common, homogenous and popular themes' (Attride-Stirling, 2001: 395) that appear in the segmented texts. Eleven basic themes that relate to endogenous factors were identified in which these themes were then interpreted as organising themes. The underlying issues shared between the eleven basic themes were made explicit and named as the organising themes. In Table 8, the issues that underlie the eleven basic themes can be organised under two organising themes: 'attitudes and individual characteristics' and 'personal abilities'. The global theme which is 'the personal aspects of business survival' that unifies the two organising themes was deduced. The

global theme summarises the proposition of the two organising themes and the eleven basic themes that reflect the qualitative data of this study.

**Table 3: Themes analysis-from codes to themes**

Categories	Descriptions	Codes	Basic themes	Organising themes	Global themes
Business survival factors	References to contributing and constraining factors of BWE's business survival	1. Endogenous factors	<ul style="list-style-type: none"> <li>• Hard work</li> <li>• Enthusiasm</li> <li>• Independence</li> </ul>	Attitudes and individual characteristics	The personal aspects of business survival
			<ul style="list-style-type: none"> <li>• Knowledge and skills</li> <li>• Education</li> <li>• Experience</li> </ul>	Personal abilities	
			<ul style="list-style-type: none"> <li>• Financial capital</li> <li>• Human resources</li> <li>• Business location and premises</li> </ul>	Resources	The organisational aspects of business survival
			<ul style="list-style-type: none"> <li>• Creative product design</li> <li>• Trust</li> </ul>	Capabilities	
		2. Exogenous factors	<ul style="list-style-type: none"> <li>• Domestic roles</li> <li>• Family support</li> <li>• Spouse consent</li> </ul>	Family institution	The institutional aspects of business survival
			<ul style="list-style-type: none"> <li>• Friends networking</li> <li>• Social norms</li> </ul>	Social institution	
			<ul style="list-style-type: none"> <li>• Political networking</li> <li>• Business support</li> </ul>	Political institution	
			<ul style="list-style-type: none"> <li>• Government networking</li> <li>• Financial support</li> <li>• Marketing support</li> <li>• Business premises</li> </ul>	Government institution	

### 6.8.3 Analysis of observations and documentary evidence

Observations were conducted during the in-depth interviews with BWEs and GOs. 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. For example, data from the in-depth interviews with GOs revealed that printed materials on GESPs are available and can be accessed by BWEs in their organisations.

To validate GO's responses, the data from the field notes pertaining to this matter was referred. The same practice was also adopted for the analysis of documentary evidence. As highlighted in Section 6.4.2 (page 106), there was an issue of poor documentations in government organisations that has caused difficulty in obtaining relevant written materials about GESPs. As a consequence, not only was the number of materials that can be accessed limited, but there was also no similarity of materials provided by all the government organisations.

In this respect, identifying themes from different types of written materials was almost impossible as each document was prepared for different purposes. In this respect, some elements that appear in the printed materials and consistent with the focus of this study were used as part of research findings. For example, the objectives of GESPs that were outlined in the printed materials as well as the criteria used to select participants for the programmes and the responses given by GOs pertaining to these elements were checked for their consistency.

## **6.9 Research credibility**

The argument that qualitative research provides better understanding and meaning of social phenomena does not make the quality issues of qualitative research less important (Md. Ali and Yusof, 2011). This means that 'researchers need to test and demonstrate that their studies are credible' (Golafshani, 2003: 600). Golafshani (2003) argues that credibility in research is strongly associated with reliability and validity issues, an argument which is rooted in the quantitative research perspective. Since the methodology and procedures for conducting quantitative and qualitative research require different sets of rules, qualitative researchers (e.g. Lincoln and Guba, 1985) develop new terms to replace reliability and validity that suits the nature of qualitative research (Md. Ali and Yusof, 2011). Lincoln and Guba (1985) outline four trustworthiness criteria that can be used to evaluate qualitative research: credibility, transferability, dependability and confirmability.

There are certain principles that could help qualitative researchers to defend the quality of their research, and this has to be made explicit. Unlike quantitative research that relies heavily on the consistency of the research instrument, Baxter and Eyles (1997: 513) argue that the 'researcher is the active instrument in qualitative research'. Marshall and Rossman (1995: 145) outline several conditions to show the strong link between researchers and qualitative research, which are:

- 'natural subjectivity of the researcher will shape the research,
- researcher should gain some understanding for the research participants,
- researcher should build in strategies for balancing bias in interpretation, and
- researcher should display an ability to develop strategies that are appropriate to the research'.

In this sense, the credibility of the researcher affects the way qualitative findings are received (Patton, 2002). Therefore, it could be argued that in order for qualitative research to meet the four criteria of trustworthiness, researchers have to make a strong effort to ensure that all the research processes that would affect the quality of the research are considered. Table 9 below details how the research trustworthiness of this study is addressed.

**Table 4: Trustworthiness of qualitative research**

<b>Criteria</b>	<b>Definition</b>	<b>Strategies adopted to satisfy criteria</b>
Credibility*	'Authentic representations of experience'	<ul style="list-style-type: none"> <li>• Purposive sampling of BWEs which focus on information-rich cases (Patton, 2002).</li> <li>• Triangulation – data from multiple sources through multiple methods: interviews with BWEs and government officials, document reviews and observations (Baxter and Eyles, 1997).</li> </ul>
Transferability*	'Fit within contexts outside the study situation'	<ul style="list-style-type: none"> <li>• 'Provision of background data to establish the context of the study and a detailed description of the phenomenon in question' (Shenton, 2004).</li> </ul>
Dependability*	'Minimisation of idiosyncrasies/instability in interpretation'	<ul style="list-style-type: none"> <li>• In-depth methodological description to allow the study to be repeated (Md. Ali and Yusof, 2011), which includes selection of participants, interview transcripts and data analysis (Bryman</li> </ul>

	'Variability tracked to identifiable sources'	and Bell, 2007). <ul style="list-style-type: none"> <li>Recording all face-to-face interviews, carefully transcribing the recordings and presenting long extracts of data in the research report (Silverman, 2001).</li> </ul>
Confirmability*	'Extent to which biases, motivations, interests or perspectives of the inquirer influence interpretations'	<ul style="list-style-type: none"> <li>'Triangulation to reduce the effect of researcher bias and an in-depth methodological description to allow the integrity of the research results to be scrutinised' (Shenton, 2004).</li> </ul>

Summarised from Baxter and Eyles (1997: 512) and Md. Ali and Yusof (2011: 63)

\* Credibility, transferability, dependability and confirmability which parallels with internal validity, external validity, reliability and objectivity respectively (Bryman, 2004).

### 6.10 Ethical considerations

Research in the social world is related mostly to human participants and there is a possibility that research participants may feel uncomfortable with the questions asked by a researcher (Blaikie, 2000). Therefore, the ethical implications of a social research and the ethical standards to deal with it have to be made explicit to avoid any unethical issues (Punch, 2005). Before a research can be conducted, a researcher must obtain permission from the organisations that involved in the research process. This study follows the guidelines for the ethical conduct of research set by Nottingham Trent University and the ethical approval was obtained on 14 June 2012 (Appendix 5).

One of the main ethical issues in conducting research is whether there is any harm to participants (Sarantakos, 2013). Therefore, it is important to ensure the anonymity and confidentiality of all participants. In this study, the recorded interviews and transcripts were handled only by the researcher. Although the translation of the transcriptions from Malay to English was done by a professional translator, the transcriptions were fully anonymised so that the issue of confidentiality is ensured. All documents and recordings are kept in locked filing cabinets. Electronic files were kept on a password-protected computer and backed up on a password-protected external hard disk drive which is not accessible to others. All the identities and records of participants are maintained as confidential and pseudonyms are used in reporting the findings of the research. This is to ensure that all participants and the organisations cannot be identified.

All participants were also given a participant information sheet (Appendix 6) and consent form (Appendix 7) prior to the interview. The participant information sheet explains the purpose of the research, the participant's involvement as well as their rights to withdraw from the study. The participants' rights to withdraw their participation can only be exercised before the analysis of the data is started. The participants were asked to sign a written consent form and their permission was sought to record the interviews.

The government officials that were interviewed are the head of the section or unit of entrepreneurship development in five government organisations. All five organisations are in the public sector, each of them is either a ministry or government agencies related to the development of entrepreneurship in Malaysia. A formal application (Appendix 8) to the Director of the relevant organisations was made before commencing the fieldwork. The application explained the need to conduct an interview with the person in-charge of the special unit or section that related to entrepreneurship development. The Director was informed that all of information collected during the study, are confidential and viewed only by the researcher.

It is a normal practice to get approval from the top management of the organisations in the Malaysian public sector before interviews with government officials can be conducted. In this respect, this practice seems to violate the rights of GOs in deciding whether or not to participate in this study. Since the participation of GOs in this study involved some sharing of information about the organisations for which they work, they have to conform to the rules of their organisations. However, after getting approval from the Director of the organisations, contact was made with the relevant government officials via e-mail which also include the attachment of the participant information sheet and consent form. The e-mail explained that the permission from the Director to approach them has been obtained. The consent form was used to assure that the participant's participation in the study is entirely voluntarily. The participant information sheet outlines the scope of their participation. The information contained in both documents helped and guided participants in making a voluntary decision to participate in this research. It is noteworthy that all GOs were informed that their views and opinions would not be reported to the top management. All information given by the participants was kept as confidential and anonymous and not reported to the top management.

There were also some cultural-methodological issues pertaining to this study. Firstly, there was a change in terms of the sample size from 20 to 21 BWEs due to the fact that one BWE came to volunteer as a research participant. In the Malaysian culture, it is inappropriate to refuse her

generous offer to participate in the research. Secondly, the list of BWEs was obtained from a government organisation that has business links with the University where the researcher works. Although this practice seems to contradict with research ethics in obtaining free information, this situation is the common way of accessing data from government organisations for academic research purposes. Rather than viewing these issues as jeopardising the quality of this study, it appears that these cultural-methodological issues help to enrich the findings of this study

### **6.11 Conclusions**

This chapter discussed the research design and methods used in this study. In line with the interpretivist philosophical perspective of this study, a qualitative research strategy that capitalises on in-depth interviews with 21 BWEs and five GOs and which is supported by documents and observations was adopted. Purposive sampling technique was used to select BWEs. The GOs were selected based on the criteria that they were the head of the unit/section of entrepreneurship development in five government organisations involved in entrepreneurship development in the research site. The technique used to select BWEs and GOs provides information-rich cases which are seen as appropriate in exploring BWEs' and GO's interpretations about BWEs' business survival and the role of GESPs in facilitating the process. A thematic network analysis was adopted as the strategy to analyse the qualitative materials. This strategy involved a systematic process identifying three-level of themes from the interview transcripts which helps to generate meaningful results. The research process was outlined and the elements of trustworthiness of qualitative research were addressed. The empirical findings derived from the selected research methodology of this study are presented in the following chapter.

# CHAPTER 7

## FINDINGS

### 7.1 Overview

This chapter presents and discusses an analysis and findings of this study which is based on qualitative data. It consists of two parts. The first part presents the profiles of BWEs and GOs, including their demographic background, a description of the business-related characteristics of BWEs and the previous working and entrepreneurial experiences of GOs. The second part presents and discusses the findings obtained from the interviews with BWEs and GOs regarding the influence of government intervention on the business survival of BWEs in the handicraft industry in Malaysia. This part begins with the analysis and findings regarding the current state of BWEs in the handicraft industry in Malaysia. This is followed by the analysis and discussion of the views and perceptions of both BWEs and GOs in determining the effectiveness and impact of government entrepreneurial support programmes (GESPs) in the development and advancement of BWEs in the Malaysian handicraft industry. In both part one and two, a considerable emphasis was given upon the actual statements of BWEs and GOs, extracted from the interview transcripts. Marshall and Rossman (2011) suggest that data from an in-depth interview enables the meaning and experiences of participants to be captured in their own words. For the purpose of this study, the choice of the qualitative research design that capitalises on an in-depth strategy is regarded as appropriate in exploring and understanding the perceptions and views of both BWEs and GOs. In support of the interviews, relevant written documents were analysed and relevant observations included. The data from multiple sources is important for triangulation (Punch, 2005) which helps to ensure the trustworthiness of this study (Baxter and Eyles, 1997). The presentation of findings is structured according to the thematic network analysis approach (Attride-Stirling, 2001).

### 7.2 Part I: The profiles of BWEs and government officials (GOs)

Section 7.3 to 7.5 presents the profiles of BWEs and GOs.

### **7.3 BWEs: Demographic characteristics**

The demographic profiles of 21 BWEs which includes information about their age, level of education, marital status, previous working experience and the motivational factors that influence their business establishment are presented to provide a better understanding of the participants of this study.

#### **7.3.1 Age and educational level**

The profiles of BWEs are given in Table 10. The majority of BWEs were over 30 years old, with only three below the age of 30. Raman et al.'s (2008) research on Malaysian women entrepreneurs showed similar findings: women entrepreneurs were found to be more matured in terms of age. The age of BWEs also indicate that established handicraft businesses are owned by mature entrepreneurs which corresponds with the reported data that 74.9% of handicraft producers in the research area are aged between 30 and 70 (MHDC, Sabah, 2008). Except for two BWEs who have no formal education, the other participants have obtained some level of academic qualifications. Only two BWEs obtained university education, eleven completed secondary schooling and seven completed primary schooling. Based on this result, BWEs can be considered as having a low level of educational attainment particularly when it is a common practice for Malaysian people to at least complete their studies at secondary level. In addition, only two BWEs with university education does not reflect the fact that more women than men with university education are in the Malaysian labour force (Malaysia, 2011).

#### **7.3.2 Marital status**

The majority of BWEs in this study are married (17), three are single and one is a widow. The married BWEs have either 1-3 children (38%), or more than four children (48%). This result shows the non-nuclear type of family structure of BWEs which is consistent with the argument that the non-nuclear family structure is more prevalent in the developing than the developed world (Moser, 1993). Most respondents below the age of 50 reported that they have children of school age. Meanwhile, BWEs in the younger age groups have children below school age. Based on BWEs' experiences in dealing with domestic issues, as discussed in Section 7.10.3.1 (page 172), the time spent on their business depends largely on the amount of time spent engaged in domestic tasks, including school arrangements and child-rearing responsibilities, thus,

suggesting that children of and below school age require plenty of time and attention. Research by Yusof (2006) has also revealed that plenty of time and attention are provided for children of and below school age by Malaysian women entrepreneurs while running their businesses.

**Table 5: BWEs' demographic characteristics**

Age group	Education				Marital Status			Number of children		
	P	S	U	N	Single	Married	Widowed	0	1-3	≥4
Below 30 (3)	-	3	-	-	2	1	-	-	1	-
31-35 (3)	-	3	-	-	1	2	-	2	2	-
36-40 (2)	1	1	-	-	-	2	-	1	2	-
41-45 (5)	3	1	1	-	-	5	-	-	2	3
46-50 (4)	1	2	-	1	-	3	1	-	-	4
Above 51 (4)	2	-	1	1	-	4	-	-	1	3
Total (21)	7 (33%)	10 (48%)	2 (9.5%)	2 (9.5%)	3 (14%)	17 (81%)	1 (5%)	3 (14%)	8 (38%)	10 (48%)

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

Age group	Age of children (years)								
	0-4	5-6*	7-17**	18+	Age group	0-4	5-6*	7-17**	18+
Below 30 (3)	1	-	-	-	41-45 (5)	-	-	4	4
31-35 (3)	2	1	1	-	46-50 (4)	-	-	3	4
36-40 (2)	-	-	2	1	Above 51 (4)	1	-	-	4
Total (21)									

\* Age for play school (not compulsory)

\*\* Compulsory school age

### 7.3.3 Previous work experience

Analysis of the employment status of BWEs prior to the establishment of their handicraft businesses shows that the majority obtained work-related experience in an informal way.

In the Malaysian context, the term 'handicraft producers' is used to describe individuals involved in producing handicraft products (MHDC, 2004). Within this context, either the activities are carried out formally, the business being registered with a particular local authority and having the legal status of a business, or otherwise (Mat Amin, 2006). Based on this practice, ten BWEs have experience of running their businesses informally from home. BWEs stated: *"I've been taking weaving orders at home"* (BWE14); *"I'd only sell them if there is any order"* (BWE16) and *"But at the time, I was doing it for fun, a part-time job"* (BWE11). These statements show that prior to BWEs' formal business start-ups, the handicraft activities are carried out on a part-time

basis at home and marketing opportunities are not sought aggressively. Although useful, this informal business experience provides BWEs with less knowledge of running a formal business.

The interview data also shows that the informal work setting is significant in providing BWEs with work experience. Five BWEs helped their family members in informal handicraft business activities, one was a freelance photographer and one was actively involved in charity work. On the other hand, the formal work experiences of BWEs were more related to low-level jobs such as sales assistants in retail businesses or administration work in government offices. In addition, only two BWEs had formal business experience prior to their current handicraft businesses. These findings indicate that the experience obtained from the involvement in informal business activities provides BWEs with less knowledge of managing and running a formal business, particularly when their involvement is related only to the making of handicraft products. Also, BWEs' experiences in low-level jobs provide them with less management-related knowledge and the skills which are significant for business survival. For example, BWEs agree that they lack communication skills and have limited knowledge in designing handicraft products to help them to be competitive in the market (Section 7.10.1.2, page 160). The details of BWEs' work experience are summarised in Table 11 below.

**Table 6: BWEs' work experience prior to their handicraft businesses**

BWEs	Work experience			
	Formal business	Informal business	Formal work experience	Informal work experience
1		Produced handicraft products at home based on orders received		Freelance photographer
2				Involved in charity work
3	Supplied vegetables			
4			Salesgirl in a retail business	
5				Helped family member in handicraft activities
6			Administrator in a government office	
7				-same as above-
8				-same as above-
9		Tailoring business at home		
10			Salesgirl in several retail businesses	-same as above-
11	Supplied vegetables		Accounting assistant in a logging company	

12			Administrator in a government office	-same as above-
13		Selling vegetables at open-air market	General worker in a government office	
14		Produced handicraft products at home and supplied to handicraft sellers in urban areas		
15		-same as above-		
16		-same as above-		
17		-same as above-		
18		-same as above-		
19		-same as above-		
20	No working and business experience			
21		-same as above-		

Formal business=Have a business license; Informal business=have no business license

#### 7.3.4 Motivational factors contributing to business establishment

Different reasons were identified in motivating BWEs into handicraft businesses. The results are summarised in Table 12, which shows that both pull and push factors appear to be relevant in influencing BWEs to establish their own businesses. It is suggested that a negative environment forces women into entrepreneurship, while positive elements in women entrepreneurs' environment such as having special skills pull women into business (Ahmad, 2011). The analysis reveals that most BWEs in this study have been driven into their business ventures by different pull factors. It appears that the dominant motivating factor for BWEs to establish their own businesses is related to the possession of handicraft skills and knowledge and their interest both in business in general and in handicraft businesses in particular. In most situations, the handicraft skills possessed by BWEs have been developed since they were young, as stated by BWE21: *"All of us in the family have been into handicraft since we were little."* Another BWE added:

*"I've been fascinated by beads since I was toddler... The Rungus [ethnic] people like myself are very good in producing accessories from beads. That's my interest" (BWE19).*

Early exposure to handicraft activities provides BWEs with a positive environment that stimulates their interest in the handicraft business. In addition, this experience provides BWEs with knowledge of where to market the products. Therefore, it can be seen that the great market

opportunities identified by BWEs becomes a significant factor in their business motivation. For example, BWE11 described how the establishment of her current business was influenced by recognising market opportunities while carrying out an informal handicraft business. She stated: *"...at the time I was doing it for fun, a part-time job, but when I saw the potential then I kept going."*

Another factor that pulls BWEs into business is related to the encouragement they received from different institutional environments. In this respect, family members and friends have a strong influence on motivating BWEs into handicraft businesses. BWE5 was motivated after seeing the achievement of her sister in her handicraft business: *"When I looked at how it's been for my sister, I want to be like her too"*, whereas BWE19 stated: *"My family and friends keep motivating me to do this seriously."* In addition, it was evident that BWEs were motivated into handicraft businesses through the encouragement they received from government organisations. BWE9 stated:

*"Once the training programme ended, the management team of Handicraft Malaysia suggested that I become an entrepreneur."* She added: *"...but in order to get support from them I had to apply for a business license"*.

Therefore, it can be seen that the encouragement from government organisations does not only motivate BWEs to start their businesses but is also important in accessing government support.

Previous studies conducted in the Western context found that women seek personal satisfaction through entrepreneurial activities (i.e. McGowan et al., 2012; Orhan and Scott, 2001); however, although personal satisfaction is also found to be relevant for BWEs, it was evident that BWEs' personal satisfaction relates closely with their social environment. It was found that the satisfaction described by BWEs is less about the achievement of self-fulfillment through the pursuit of an entrepreneurial challenge and more about achieving the personal satisfaction that is influenced by the social environment. When BWEs were asked about what motivated them into handicraft businesses, BWE6, who recognises her self-determination, stated: *"People can associate the business with our family"*, and BWE3 stated: *"I must admit I'm now well known by many."* These findings show that BWEs are motivated by their personal satisfaction but this satisfaction is derived from the social recognition of their businesses in their community. In addition, BWE8 views personal satisfaction as having *"no restrictions"* in running a business compared to being employed. She added: *"I think this is convenient because I could produce the*

*handicraft at home whilst looking after my baby.*" While BWE8 views the flexibility of running her business and meeting her domestic responsibilities as a positive factor that pulled her into business, other BWEs view this situation as a factor that pushed them into handicraft businesses. BWE7 stated:

*"It was better to take care of my own child but I couldn't stay put. I couldn't just look after my child. I had to do something. I told them (husband and in-laws) I wanted to take care of my child while producing handicrafts."*

Therefore, it can be seen that women's social environment, particularly in relation to the perception of gender roles, influences the motivation of BWEs. Although previous research argues that women seek a better work-life balance through entrepreneurship (Humbert and Drew, 2010), only a minority of BWEs share the view that the gender role issue is the motivating factor for business establishment. There are two possible explanations for this situation. Firstly, domestic responsibilities could be seen by BWEs as not being an issue, thus it appears as a less significant factor in motivating them into entrepreneurship. Secondly, BWEs' view their roles in the private sphere as remaining although they establish a business. This argument is supported by the findings discussed in Section 7.10.3.1 (page 172), which highlight the presence of gender-appropriate behaviour among BWEs as well as the unlimited family support for their domestic issues.

Five factors were identified in relation to motivations driven by push factors. Two factors common to all the BWEs are to generate additional income and to provide them with a job. Five BWEs who were motivated to generate additional income for the family have family financial issues. The financial issues can be found in their statements, such as *"My main reason to run the business is to increase my family's income. My determination grew every time I looked at my children"* (BWE14) and *"My initial motivation was caused by the fact that I come from a poor background. That's what driven me to search for income"* (BWE7). At the same time, BWEs who have been pushed into their handicraft businesses (five BWEs) reported that the business provided them with a job. BWEs regard getting involved in the handicraft business was the only option, as stated by BWE21:

*"I've never worked with anyone else before. I only know handicrafts. All of us in the family have been into handicraft since we were little and I'm not highly educated."*

In line with the limited number of BWEs in this study that had some formal work experience, only two (BWE4 and BWE6) considered their previous employment as a factor that pushed them into business. BWE4 described her frustration in terms of the salary she received while working by saying: *“When I was a sales assistant, if I work hard, the person who’d become rich was my boss”*, and BWE6 stated: *“I couldn’t stand my boss.”* The analysis of BWEs’ motivations for becoming entrepreneurs as outlined in Table 12 shows that both pull and push factors are relevant although it can be seen that pull factors outnumbered the push factors. Consistent with previous research, what emerged as the motivational factors for BWEs’ involvement in handicraft businesses are family and friends’ support (Bradley and Boles, 2003) and to provide a better life and to generate additional income (Roomi et al., 2009). In contrast with previous findings that women entrepreneurs are motivated into entrepreneurship for personal satisfaction (McGowan et al., 2012; Orhan and Scott, 2001), this study found that BWEs’ personal satisfaction relates to recognition by society of their entrepreneurial activities. Although considerable attention is given in the literature pertaining to work-life balance for motivating women into entrepreneurship (Humbert and Drew, 2010; Marlow, 1997; Schmidt and Parker, 2003), this factor appears to be less significant for BWEs. The findings show that BWEs were not being motivated primarily by the need to balance their work and family roles as they get unlimited support from their family. Having skills and knowledge in handicrafts that have been developed since they were young appears to be a significant factor in influencing BWEs and this micro-level factor also helps them in recognising the market opportunity for their business which can be regarded as a macro-level factor. This finding is in line with Jamali’s work (2009), which highlights the complex interconnection between micro and macro level factors in explaining women entrepreneurs’ experiences.

**Table 7: Business motivation for BWEs**

Motivating factors	BWEs																						
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	T	
<b><u>Pull factors:</u></b>																							
Interest in handicraft business			x			x	x					x								x			5
Passion for business				x				x												x			3
Have skills and knowledge in handicrafts	x					x			x				x					x	x	x		x	8
Personal satisfaction			x			x		x															3



in terms of longevity. In general, the younger businesses are owned by younger BWEs and vice versa. The majority of BWEs (19) are the sole proprietors, while only two BWEs are in partnership with other women. It was found that a lack of financial capital was the reason for the decision to choose a partnership as the formal business entity, and this reason was shared by two BWEs (9 and 10). On the other hand, several reasons were reported by the majority of BWEs who chose to become sole proprietors. The most common reason was the convenience to register a business under sole proprietorship. This view was shared by 13 BWEs. For example, BWEs stated: “...easy for me to apply for the license from the District Office” (BWE12); “...only cost RM25 per year (BWE7) and “...easy to obtain a license; I can use my home address.” It can be seen that it is convenient for BWEs to register as sole proprietors because the process requires them to register their businesses only with the local district office, which involves less documentation and cost and allowed them to use their home address on the registration form. Other reasons were associated with the fact that sole proprietorship is the only type of business formation they know, their unwillingness to share their business with others and the simplicity of managing the business. BWEs’ statements such as “that’s the only type I know” (BWE11), “convenient, own management ... convenient to trade ... all conveniently managed” (BWE4) and “it’s difficult to share ... whether I’m successful or not, I take full responsibility for it” (BWE1) describe the situation. Other research also reported the same finding in which the most common type of business ownership for Malaysian women entrepreneurs is sole proprietorship (Abdul Kader et al., 2009; Yusof, 2006), reflecting the small size of businesses owned by BWEs.

**Table 8: Age of business and type of business formation**

BWEs	Year of establishment	Age of business	Business formation	
			Type	Reasons for the selection
1	2000	13	Sole proprietorship	Do not like to share business interests
2	2007	6	Sole proprietorship	Easy to register but will consider company type in the future
3	2006	7	Sole proprietorship	The only type known
4	2006	7	Sole proprietorship	Convenient to manage
5	2009	4	Sole proprietorship	Easy to register
6	2006	7	Sole proprietorship	Easy to register
7	2008	5	Sole proprietorship	Difficult to share business with others, easy to register and less cost
8	2005	8	Sole proprietorship	Easy to register
9	2009	4	Partnership	Insufficient financial capital to start business
10	2009	4	Partnership	Insufficient capital to start business
11	2003	10	Sole proprietorship	The only type known
12	2008	5	Sole proprietorship	Easy to register
13	2005	8	Sole proprietorship	Easy to register, can use home address

14	1995	18	Sole proprietorship	Easy to register
15	2000	13	Sole proprietorship	Easy to register
16	2004	9	Sole proprietorship	Easy to register
17	2008	5	Sole proprietorship	Easy to register
18	2008	5	Sole proprietorship	The only type known
19	2002	11	Sole proprietorship	Easy to register
20	2008	5	Sole proprietorship	Easy to register
21	2002	11	Sole proprietorship	Easy to register

#### 7.4.2 Number of employees

In the Malaysian context, MHDC as a government organisation that is responsible for the development of handicraft industry classified handicraft businesses into four categories: micro (< five employees); small (5-50 employees); medium (51-150 employees); and large (>150 employees) (Mat Amin, 2006). Based on this categorisation, the data reveals that only four BWEs' firms are micro businesses while the other BWEs employed no workers. While this finding reflects the statistics of employment status of Malaysian women where women in business are mostly found in the category of own-account worker than employer (see Table 1, pg. 9), BWEs handicraft businesses are at a disadvantage position as they fall far below the category. However, the category that is formally adopted in the Malaysian context for categorising BWEs handicraft businesses does not represent the reality of BWEs' firm size. Table 14 below shows that although most BWEs do not employ full-time or part-time workers, they get help from their family members. For example, BWE14 stated that she has no employees but at the same time she has ten family members that help in her business full time. Secondly, there is a situation whereby BWEs enter into a special arrangement with other handicraft producers<sup>4</sup>. This arrangement involves a constant supply of handicraft products to BWEs and is seen as a practical way of meeting customer demand and overcoming their constraints in terms of not having employees. Most BWEs did not reveal the exact number of handicraft producers involved under this arrangement. However, those who were willing to disclose the numbers stated it as being between five and 50 handicraft producers. These findings suggest a unique way for BWEs to overcome labour constraints in ensuring their business survival by capitalising on their family members and outsourcing to part-time handicraft producers. In contrast with the concept of outsourcing that require formal arrangement between the parties involved, outsourcing for BWEs is informally arranged and totally built upon trust as discussed in Section 7.10.2.2 (page

<sup>4</sup> Handicraft producers refer to individuals who produce handicraft products but are not entrepreneurs. No business entity is established and the production of handicraft products is done on a part-time basis.

168). One possible reason for this situation is related to the collectivist culture that governs the Malaysian society in which people concern on ‘supporting, building and accommodating’ each other (Schermerhorn, 1994: 56). It was highlighted that Bumiputera are prone to have collectivist minds (Zawawi, 2008) which helps to explain the significant of outsourcing practice of BWEs in this study. However, by depending heavily on outsourcing practices, BWEs may reduce the opportunity to build-up strength of their own human resources that is significant for long term business survival.

**Table 9: Number of employees**

BWEs	Engagement with other handicraft producers	No. of employees		Family members
		FT	PT	
1	Yes	1	-	1
2	-	4	-	-
3	6	-	-	3
4	Yes	-	-	-
5	Yes	-	-	-
6	-	3	1	1
7	Yes	-	-	-
8	10	-	-	3
9	-	-	-	1
10	-	-	-	1
11	50	2	4	-
12	40	-	-	Yes
13	-	-	-	2
14	-	-	-	10
15	5	-	-	-
16	Yes	-	-	-
17	Yes	-	-	2
18	Yes	-	-	3
19	Yes	-	-	-
20	-	-	-	3
21	Yes	-	-	2

### 7.4.3 Sources of financial capital

Table 15 indicates the various sources of financial capital used by BWEs during the business start-up and after the start-up stage. As expected, BWEs in this study rely more on internal than external financing. It was found that the majority of BWEs (16) used their personal money, five obtained capital from their spouses and one from a family member. These findings are congruent with previous studies which found that informal financing is prevalent for women entrepreneurs (Coleman, 2000; Jamali, 2009). However, it was reported by BWEs that these sources of financing were insufficient and limit the capacity of their business operations. Two BWEs (9 and 10) had shared the start-up capital with their business partners; however, the issue of insufficient capital still exists. The analysis also shows that external financing is not common for

women, as only two BWEs (16 and 19) had obtained a government loan. The data also revealed that there are two types of government loans used by BWEs: business and non-business loans. While the business loan is offered only for the purpose of business, any individual can obtain the non-business loan.

In relation to the financial needs after the start-up stage, although most BWEs (16) were still relying on internal financing through business retained earnings, there was also evidence that they used external financing. The external sources of financing at this stage are mainly from government organisations. Only one BWE had successfully obtained a business loan from a bank. The other two BWEs (15 and 21) are also running other businesses and additional capital for their handicraft business was obtained from these. Only BWE10 obtained financial support from family members, which suggests that BWEs rely less on financing from family members or spouses after the start-up stage.

**Table 10: Sources of financial capital**

Sources of financing	BWEs																						
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	T	
<b>Start-up stage:</b>																							
Personal money	x	x	x		x	x		x	x	x	x	x	x	x	x		x	x			x	16	
Spouse	x			x			x												x	x		5	
Family					x																	1	
<b>Government:</b>																							
1) Business loan																x						1	
2) Non-business loan																			x			1	
Business partner									x	x												2	
<b>After start-up stage:</b>																							
<b>Retained earnings</b>	x	x	x	x		x	x	x	x	x		x		x	x	x				x	x	x	16
<b>Government:</b>																							
1) Business loan						x	x				x											3	
2) Non-business loan					x								x					x	x	x		x	6
Bank loan											x											1	
Family										x												1	
Capital from other business owned																x						x	2
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21		

T=Total

#### 7.4.4 Type of customers and marketing strategies

Table 16 outlines the type of BWEs' customers and BWEs' marketing strategies. Several points can be drawn from the data. Firstly, the majority of BWEs (17) have a combination of different types of customers. Within this context it can be seen that individual local customers are significant for BWEs. Secondly, unlike local individual customers that seem to be important across almost all BWEs, there appears a different pattern for tourists as customers. Table 16 shows BWEs who have tourist customers are divided into two groups. The first group (BWEs 1, 2, 3, 4, 5 and 7) is located in urban areas and the second group (15, 17, 18, 20 and 21) is in suburban areas. Regardless of their geographic location, BWEs highlight the great importance of tourists for their businesses as they stated: *"The tourists often visit my shop"* (BWE5) and *"There'd be plenty of tourists during the tourist season"* (BWE20). However, tourists provide a seasonal market. Therefore, this situation has caused them to depend on intermediaries as a marketing alternative. This alternative has been adopted by five BWEs in suburban areas (16, 17, 18, 20 and 21). Finally, the analysis reveals that BWEs also market their products to business and government organisations, although the latter is more prevalent for BWEs. In this respect, the orders received from government organisations are part of the government's support of BWEs. BWE10 stated:

*"I get orders from them (government organisations) and I'm paid once the products are completed ... they'd provide the raw materials."*

The words of G03 confirmed this situation:

*"We have subsidiaries such as KY and KH. Through these subsidiaries we will buy their handicraft products and it is part of our marketing assistance."*

In relation to the promotional strategies adopted by BWEs, three common strategies were identified: the use of business cards; involvement in government promotional programmes; and word-of-mouth or recommendation from customers to other customers. Business cards as a marketing tool are commonly used in the Malaysian context. The importance of this strategy in the Malaysian business environment is agreed by BWEs. For example, BWE1 stated:

*"I produce business card like this. I bring my business cards everywhere I go ... to any promotions that I take part ... in demos ... like the handicraft festivals. The most important thing is to bring business cards everywhere I go. Very important ... people will look for it".*

Other BWEs stated:

*“...for external market, I take part in the MHDC exhibitions in Sabah or elsewhere. So, I distribute my business cards at the exhibitions”* (BWE12)

*“If I go to any exhibitions or course programme, I will also distribute my business cards”* (BWE9).

These statements show that the use of business cards as a marketing strategy is regarded by BWEs as helping them in promoting their businesses and interacting in the market.

Nine BWEs are involved in government promotional programmes that include events such as handicraft carnivals, exhibitions, expos and demonstrations. In fact, the BWEs' statements indicate that the only promotional activities that they had been involved in so far were organised by government organisations. Examples of statements that highlight this situation are: *“I take part in any programme that MHDC organises”* (BWE11) and *“I register with ST so that I can attend the Sabah Fest at each possible opportunity”* (BWE19). In this respect, BWEs view government organisations as significant for their promotional activities.

The word-of-mouth strategy is commonly used by BWEs in less urban areas (16, 17, 18, 20 and 21). Another group of BWEs (9, 12 and 14) is involved in producing weaved products, and the quality of this handicraft depends solely on the neatness of the weaving; thus, it is quite common for customers to use recommendations from others. The study revealed the low application of technology; only three BWEs (2, 8 and 15) use the internet (i.e. website and social networks) as part of their marketing strategy. This finding is in line with the argument that the majority of handicraft entrepreneurs in Malaysia apply less technology in their businesses due to their low level of education (Redzuan and Aref, 2011). It was also found that two BWEs (3 and 15) market their handicraft products through their existing business, and in accordance with the nature of her business, BWE2 is continuously conducting promotional events such as fashion shows. Although BWEs use different types of promotional strategies, it can be seen that the strategies involved less costs. For example, while the word-of mouth strategy and government promotional activities bring no cost to BWEs, the business cards were not in a high-quality type. The promotional strategies adopted by BWEs correspond with their limitation of financial resources.

**Table 11: Type of customers and marketing strategies**

Marketing aspect	BWEs																					
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	T
<b>Type of customers:</b>																						
Individual: local	x	x		x			x	x	x	x	x	x		x	x	x	x			x	x	15
Individual: tourists	x	x	x	x	x		x								x		x	x		x	x	11
Business organisations	x	x						x			x	x	x		x				x			8
Government organisations	x					x	x		x	x		x		x					x			8
Intermediaries																x	x	x		x	x	5
<b>Marketing strategies:</b>																						
Business cards	x	x					x	x	x			x		x	x				x			9
Government promotional programmes						x	x	x	x	x	x	x		x					x			9
Internet		x						x							x							3
Word-of-mouth									x			x		x		x	x	x		x	x	8
Fashion show		x																				1
Existing business			x												x							2
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	

**7.5 Government officials: Demographic characteristics**

This section discusses the characteristics of the government officials involved in this study. Personal information including gender, ethnicity, age and level of education is presented in Table 17. All government officials are Bumiputera. This finding reflects the common situation whereby, as the indigenous group in Malaysia, Bumiputera tend to work in government offices. Also, the appointment of Bumiputera officials in the entrepreneurship development unit of government organisations is consistent with the policy of the Malaysian government to encourage more involvement of Bumiputera entrepreneurs. Two female and three male officials were involved in the interviews. The age of GOs varies from 31 to above 51. The data reveals that three GOs (GO1, GO2 and GO3) who are below the age of forty have no work experience with other organisations. In contrast, the other two GOs (GO4 and GO5) who are above the age of 46 had significant work experience with other organisations prior to their current jobs in which GO4 had previously worked with a commercial bank and GO5 had work experience in several government

organisations. All had attended university and studied subjects mainly concentrated on business, apart from GO2 who had studied psychology.

**Table 12: Personal background of government officials**

Government Officials (GOs)	Gender	Age group	Ethnicity	Education		Job title
				Level	Subjects	
1	Female	31-35	Bumiputera	Degree	Accounting	Business Development Executive
2	Male	36-40	Bumiputera	Degree	Psychology	Assistant Director
3	Male	31-35	Bumiputera	Master	Entrepreneurship	Assistant Director
4	Male	46-50	Bumiputera	Degree	Finance	Director
5	Female	Above 51	Bumiputera	Degree	Business administration	Assistant Director

## 7.6 Government officials: Work-related issues

The next two sections discuss the issues pertaining to the tasks undertaken by GOs as well as the link between their previous work and entrepreneurial experience and their current jobs. The previous work and entrepreneurial experiences of each government official brought to their current jobs is also discussed.

### 7.6.1 Tenure of job and nature of work

The period of employment of GOs within the respective government organisations varies between six and ten years. However, in relation to the number of years that they have been working in the entrepreneurship unit, it appears that male GOs have held their position longer than female GOs. It was found that two male GOs (2 and 4) have been working in the entrepreneurship unit for ten years, while the other male GO (3) has been working there for more than ten years. The two female GOs (1 and 5) have been working in the entrepreneurship unit for four and six years respectively. In addition, the appointment of female GOs involves a situation that can be seen as placing women at a disadvantage to men. For example, GO5 works with a government organisation that was established with the main purpose of helping the development of women in their socio-economic activities. With its current employment of 26

women out of 28 employees, the appointment of female officials in the organisation is expected. Meanwhile, GO1 has headed the entrepreneurship development unit for far less time (<4 years) than other male GOs. These findings indicate that men have priority over women in the context of institutions and entrepreneurship, which is in line with the view of entrepreneurship as a masculine concept (Bird and Brush, 2002).

Except for GO4, who is the director of the organisation that he works for, the nature of the tasks carried out by other GOs are similar. The GOs' main tasks can be divided into several types. Firstly, all GOs view that their task begins with the planning of entrepreneurship programmes in their respective organisations. This task is highlighted by GOs:

*"I would prepare a proposal" (GO1);*

*"I plan the programmes all year around" (GO2);*

*"I'll be the coordinator, the programme planner..." (GO3);*

*"...I plan SMEs-related activities in Sabah" (GO4); and*

*"...delivering programme planning. Like this year ... what sort of activities and venues that we want to deliver..." (GO5).*

For the programmes to be approved, GOs have to provide relevant justification. Within this context, only GO1 claims that the justification for particular programmes is made based on her desk research. She stated:

*"I would refer to the booklet provided by the Ministry ... I would usually refer to the booklets. I refer to the programmes taking place in the past years."*

However, the other GOs provide no explanation of this issue.

Secondly, upon approval of projects, GOs act as coordinators and facilitators. This stage involves the tasks of *"synchronising the programmes throughout the state" (GO2)* and delivering *"information to all agencies in Sabah"* as well as inviting *"speakers"* and *"SMEs"* (GO4). During this stage, the role of GOs is important as the representative of their respective organisations, as stated by GO5: *"I'll explain to them [participants] the function of J1 [the organisation that GO5 works].* Finally, GOs' work is related to post entrepreneurship programmes with a focus of evaluating the outcomes. For example, GO1 stated:

*“What I do for post-training is to seek for feedback from all the participants to determine the effectiveness of the training they receive.”*

At this stage, their main focus is to analyse the effectiveness of their programmes based on the feedback forms circulated during the programmes.

### **7.6.2 Previous work and entrepreneurial experience**

The current job is the first employment experience for three GOs (1, 2 and 3). However, GO2 and GO3 had some informal work experience, but they do not consider this as employment because the jobs provided them with no permanent employment contracts. Nevertheless, their informal work experience was related to entrepreneurship. Before working with the current organisation, GO2 had been actively involved in entrepreneurship-related courses and training for young people in the local area organised by the NGO. Meanwhile, GO3 worked in a private learning institution teaching an entrepreneurship subject prior to the current job. Although GO1 had no work experience, she had been involved in a six-month programme which exposed her to the theoretical and practical aspects of becoming an entrepreneur. On the other hand, the other two GOs (4 and 5) had work experience prior to their current jobs that was not related to entrepreneurship. While GO4 worked in the banking industry, GO5 worked in several government organisations that were unrelated to entrepreneurship. The data reveals that the younger GOs (1, 2, and 3) had some informal work experience in entrepreneurship as opposed to the older GOs (4 and 5). In relation to the personal entrepreneurial experience of GOs, only two had some experience during their youth. GO1 reported that she used to assist her mother to sell traditional cakes, and GO2 helped his father look after his sundry shop after school and during semester breaks. The other three GOs (3, 4 and 5) had no personal entrepreneurial experience.

### **7.7 Part II: Insights into the issue of business survival and government intervention**

This part is divided into two main sections. The first section discusses the current status of BWEs and is divided into three sub-sections which include BWEs' business performance (7.8); the concept of business survival of BWEs (7.9) and the factors contributing to and constraining BWEs business survival (7.10). The discussion of BWEs' business survival factors focuses on three different aspects: personal (7.10.1); organisational (7.10.2) and institutional factors (7.10.3). The second section discusses the extent to which GESPs facilitate BWEs' business

survival and is divided into three sub-sections: the implementation (7.11); design (7.12) and evaluation (7.13) of GESPs.

## 7.8 Business performance of BWEs

The data revealed that BWEs have different views regarding their business performance. On one hand, six BWEs (1, 2, 6, 7, 11 and 19) were very positive about their business achievement. The descriptions of their business performance are presented in Table 18 below.

**Table 13: Positive views of business performance**

BWEs	Interview extracts
1	<i>This is what my friends say, "Your shop is massive now ... it used to be small". So I think that's their opinion not mine. My view is, when I'm at this position now, I feel very comfortable. I achieved unexpected success because initially I was in it just to generate income.</i>
2	<i>My performance has been good so far. Otherwise, I won't be here today. In fact, I've started going digital now. There has been progress... My sales are okay so far.</i>
4	<i>I think I'm successful. I'm very pleased with what I'm currently doing.</i>
6	<i>My business performance is okay... I'm comfortable, it's okay.</i>
7	<i>I think my performance has been good from the start. I'm not sure if you could call me successful or not. I'm too shy to tell more.</i>
11	<i>My performance is okay at the moment. I could call it okay because I'm now struggling to meet demands. I have to start refusing orders.</i>
19	<i>Pretty good. My earnings have increased. I've been running the business for 11 years, so my income is all right. Much more comfortable than before.</i>

The above table shows that BWEs are satisfied with their business performance but the use of terms "comfortable" (BWE1, BWE6 and BWE19), "pretty good" (BWE19) and "okay" (BWE6 and BWE11) indicates that BWEs have some reservations in describing their business performance. Although BWEs' views about their business performance may be regarded as moderate, this situation could be influenced by the values that govern BWEs. One of the values that is common among the Bumiputera group in Malaysia is indirectness in which they are culturally expected to be polite by not being direct when expressing views and opinions (Zawawi, 2008). This value is reflected in the comments given by BWE7, as she stated: "I'm too shy to tell more" and was reserved about her opinion of her success. BWEs' reservations in giving their opinions also appear in other contexts of this research, such as in the issue of obtaining external support, as stated by BWE1 and BWE14 in section 7.10.1.1 (page 156). Therefore, BWEs' moderate opinions about their business performance could be seen as following the appropriate behavior of their culture.

Table 18 also shows that BWEs view their positive business performance based on non-primary performance measures. For example, BWE2 refers her positive business performance by saying: *"In fact, I've started going digital now"*. Formerly, the 'batik' produced by BWE2 was largely dependent on hand drawing; therefore, when the business produced the 'batik' using digital printing, this development was viewed as positive business performance. Consistently, the non-primary performance measures were also found when they were asked whether they consider themselves to be successful entrepreneurs; they indicated that their success was related to improvements in their personal life in various ways. For example, BWEs said:

*"I could build my own house. I could afford to purchase car. I have my own money compared to where I used to be. My savings increased."* (BWE4)

*"I generate monthly income, that's important so that I don't rely on my husband's income."* (BWE5)

BWEs' statements indicate another perspective of how they view business performance in which business performance relates to the increase of personal assets and economically less dependent on their husbands. These findings indicate that a positive business performance give BWEs the feel of economic empowerment through the possession of personal assets, which is in line with Osman et al.'s work (2011), which highlights that Malaysian women entrepreneurs gain economic empowerment through the improvement of the cash earned. The other BWEs stated:

*"I could support my siblings until they enter universities."* (BWE7)

*"...my children received better education."* (BWE19)

*"I could now help the poor in my village ... I could help others."* (BWE14)

These statements show BWEs' understandings of business performance that may exceed their personal context and are consistent with research by Moore and Buttner (1997), who found that women entrepreneurs felt a sense of accomplishment when they help others to develop. However, while Moore and Buttner's (1997) found the sense of care for others of women entrepreneurs is related to their customers and employees, this study found that BWEs were concerned with family and community development. The strong cultural influence on BWEs' lives experiences may explain the different findings which support the need to consider women entrepreneurs' experiences from other non-Western countries to avoid 'geographical bias' in explaining the growth of global entrepreneurs (Brush and Cooper, 2012: 4).

On the other hand, seven BWEs (9, 10, 15, 16, 17, 18, and 21) expressed dissatisfaction with the performance of their businesses. Their dissatisfaction with their business performance can be seen through their words, given in Table 19 below.

**Table 14: Dissatisfaction with business performance**

BWEs	Interview extracts
9	<i>Income generated from the weaving business is inconsistent. The progress of my weaving business has been dormant. At the time there isn't any progress made.</i>
10	<i>My income is still low. I generate my own income but it's not great.</i>
15	<i>I used to be successful. My earning was a lot more. But nowadays income generated from handicraft is getting lesser.</i>
16	<i>Pretty normal. Like before. No progress but I still produce them. It's not good to have no progress.</i>
17	<i>Quite difficult to say. If we hang around here (Bead Centre), it'd be difficult to be successful.</i>
18	<i>Not really. I don't have any consistent income. I think if I'm successful, I'm sure my business will grow. But as for now, I'm not satisfied.</i>
21	<i>Good but at the moment I've not been getting much sales.</i>

Table 19 above shows that BWEs who are not satisfied with their business performance perceive that their businesses have not made good progress in terms of income, sales or earnings. In this respect, it appears that BWEs also tend to view their business performance based on primary performance measures. BWEs believe that this situation is caused by the various constraints they faced. For example, BWEs stated:

*"I don't have any machines. Machines and workshop are integral part to the handicraft business."* (BWE3)

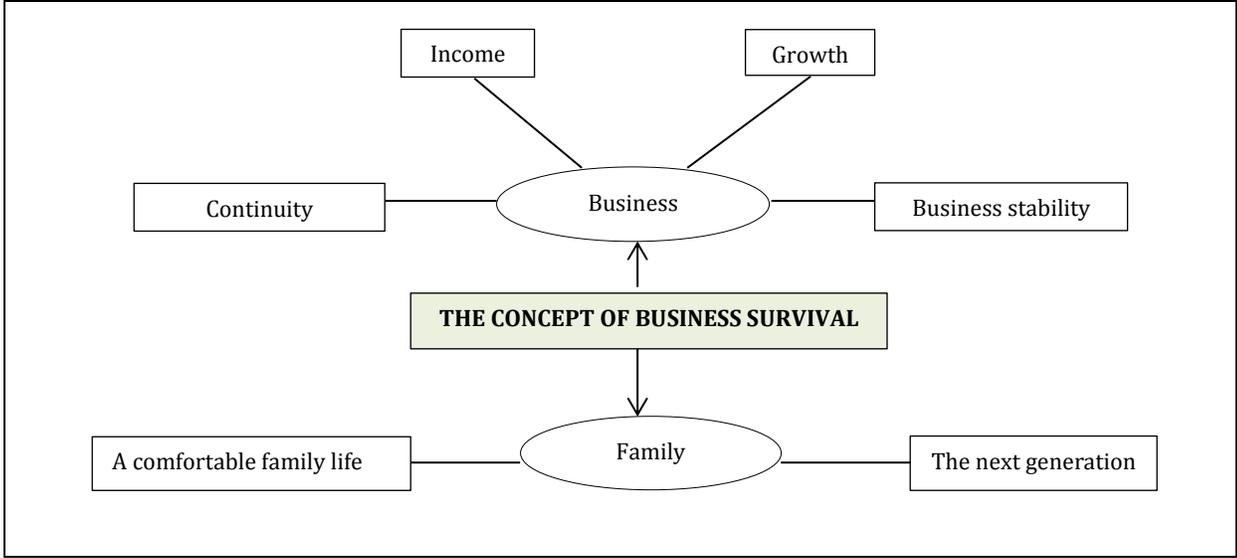
*"Successful entrepreneurs should have a high income and many workers. Unlike me..."* (BWE8)

*"My business is not properly managed. My management isn't great."* (BWE12)

These statements indicate that lack of business resources continue to be a challenge for BWEs even beyond their start-up stage.

**7.9 The concept of business survival**

This thematic network pertains to the comments given by BWEs and GOs on the idea of business survival. While GOs have a business-centred focus on the concept of business survival, BWEs perceived the concept to be related to both aspects of business and family. The thematic network shown in Figure 3 illustrates the key themes across all of the interviews on which business survival is anchored: business and family.



**Figure 3: Thematic network for the concept of business survival**

**7.9.1 Business**

Four business-related themes were found to be associated with BWEs’ business survival: continuity, income, growth and stability. The first two themes indicate that business survival relates to the issue of existence. The business is viewed by BWEs and GOs as surviving if it continues to exist in the business environment. Meanwhile, business survival is also conceptualised as a process of evolution which involves changes in some business features, namely income and growth. The last theme that illustrates the business survival concept relates to business stability.

## Continuity

Notably, 19 BWEs in this study had no hesitation in highlighting that business survival relates to business continuity. Their views are shown in Table 20 below.

**Table 15: BWEs' views of business survival**

BWEs	Interview extracts
1	<i>...continuity, if I'm not mistaken. As long as we could sustain ... that's what I call survival...</i>
2	<i>If you talk about survival, I think there's a long way to go for me... To me, survival means my business will sustain ... my products could still be sold, my staff will work for me.</i>
4	<i>I think it's when I could carry on with the business endlessly...</i>
5	<i>Continuity ... forever, must prosper...</i>
7	<i>It means that my business could sustain...</i>
8	<i>The business must have continuity...</i>
9	<i>I think it's when the business never closes down and continues to generate profit.</i>
10	<i>...I think it takes time in order to be prosperous. So, the more you're in the business, the higher the survivability is.</i>
11	<i>I think in order to survive a business must continue its operation.</i>
12	<i>I think the business must go on, must maintain.</i>
13	<i>I think our business should be continuously active.</i>
15	<i>The business that we do must be continuous.</i>
17	<i>In my opinion, a business must be sustainable. Like me, I'm still in the business...</i>
18	<i>Perhaps, if we do business and never shut the shop forever.</i>
19	<i>Do not stop. Continuously active in business.</i>
20	<i>Perhaps in terms of business continuity. As what people say ... the business will not be closed.</i>
21	<i>I sustain in the business.</i>

It can be seen from the above table that BWEs perceive business survival in terms of the period of its existence. The use of phrases such as “*carry on with the business endlessly*” (BWE4), “*forever*” (BWE5) and “*the business never closes down*” (BWE9) reflects the idea that business survival involves longevity. However, the BWEs were clear that business survival also requires the business to be continuously active in its operation. This view can be found in their statements that “*a business must continue its operation*” (BWE11), “*should be continuously active*” (BWE13) and “*active in business*” (BWE19). These findings indicate that while the existence of the business entity is the main aspect of business survival, the importance of being actively engaged in producing handicraft products to support survival is not underestimated.

Similarly, GOs also clearly expressed the idea of business survival as maintaining continuity. At the basic level, G05, who works with an organisation that can be labelled a women's

organisation, views business survival as *“to continuously maintain their business.”* Another GO with the same idea stated:

*“...actually the true meaning of survival is continuity. In my opinion, handicraft would always be popular given the identity of Sabah as a tourist destination. Always have.”* (GO2)

In addition, unlike the BWEs who are not willing to quote a specific number of years that can determine their business survival, GOs have some estimation in determining the survival period of a business. Based on his experience working in the banking industry, GO4 stated:

*“...survival in business can be seen if they can still exist after three years in business. That’s how I interpret it. If you’re still around after three years that means you can survive.”*

This finding is consistent with the view of business survival as a continuity concept (Astebro and Bernhardt, 2003)

## **Income**

BWEs explained how income was linked to the concept of business survival. In the beginning, in order to survive, income should cover related expenses, as reflected in the response shared by BWE1:

*“Firstly, for survival ... earning is important too. Earning that could support expenditure.”*

Additionally, there was general agreement that income must progress as the business evolves from one stage to the next. Examples of remarks that highlight this are:

*“Prosperous in terms of income, income must increase.”* (BWE5)

*“One of the most important things is that the business offers increase in earnings.”* (BWE8)

*“I think our business should be continuously active. There are sales and income generated. Also increase in income each year.”* (BWE13)

These views appear to be consistent with the GOs’ understanding of the concept of business survival. For example, GO5 stated:

*“So to me, survival is about progress in their earnings. Expanding in terms of earnings. We set the KPI [key performance indicators] to ascertain how much earnings they need in*

*order to survive ... if their earnings increase throughout the years ... that means that it has been in progress."*

The BWEs' and GOs' responses indicate that business survival is not just about generating income, but most notably the income generated must not be static (Lester et al., 2003).

### **Growth**

Apart from changes in terms of business income, BWEs also perceive business survival to be closely related to business growth. The way that growth is described by BWEs relates to changes in various elements of their businesses. For example, BWE12 described the type of growth that supports her business survival as:

*"Income increased. Orders increased. Increase in the number of customers. Also, in handicraft business, the more I could produce a variety of weaves, it means my business is improving and can survive."*

BWE19 further elaborated that she can see how her business is progressing from one stage to the next in the business cycle:

*"Like me ... from selling handicraft products in a small scale, I applied for a trading licence and then I take large orders such as from resorts."*

Likewise, BWE21 believes that business survival is about making improvements to the business. Accordingly, she described how her business has been growing:

*"Like myself, from selling in small quantities, I'm much better now. From no licence to having one. I was very serious in running the business. I think I'm ahead of my friends who haven't changed much."*

Clearly, business survival is perceived by BWEs as a concept that requires positive changes in business operation, which is known as growth. For BWEs, the changes required to support the idea of growth for survival is related to the issue of their ability to transform their business to a certain extent, such as from running an informal business to establishing a formal business entity, or to be able to offer larger quantities of products than they used to produce. On the other hand, although all the GOs also shared the same views that business survival reflects positive changes in business, the aspect of change that they described to support the idea of business

survival is related to a larger context. In one aspect, business survival is viewed as involving external expansion of the business; GO1 illustrated this by saying,

*"I can see that it is on increase, it is not static and perhaps in years to come, there will be a potential for new branches or if we look at only one shop, we can see its sustainability... They need to look for new market."*

In addition, GO2 believes that business survival should involve some sense of innovation in the business. GO2 stated:

*"When there is demand for those who are already in business, they will often try to innovate their products or create something new so that their business can sustain... If the size of the business is quite small but remains unchanged, not massive, they would be able to sustain themselves. I think most people see that as a weakness..."* He further explained:

*"...survival is sustainability and existence but at the same time it has to provide an impact on the size of the business and profit."*

In the same vein, GO5 asserted:

*"to survive they need to be innovative, if they stick to old design then it's difficult to survive in the market."*

It was also found that in sharing their views about what business survival is, GOs are more likely to use specific indicators. For example, GO2, who works with the government organisation that was developed to assist the development of handicraft entrepreneurs, said:

*"The business must show a good progress. A lot of progress. We can see the increase for the past ten years in terms of average income... The first generation now have achieved between RM20,000 and RM30,000 a month. There's an increase in earning."*

In addition, GO4 stated that a specific programme to measure the progress of a business has been adopted in the organisation in which he works. Based on his words, only if the measures are fulfilled can the business survive. He clearly stated:

*"We offer a programme called SCORE. We use seven parameters to measure the SMEs' level of progress and capability. This includes their financial capability, technical capability,*

*management capability. The rest are included in our brochures. If all the SMEs have these then they could survive.”*

This finding is consistent with the view that business survival involved business growth (Ciavarella et al., 2004).

### **Business stability**

In the situation where the issue of continuity and changes to the business were not mentioned, it is imperative to note that BWEs perceive business survival as being related to business stability. BWEs that shared this view indicate the extent of the hardship they endured in establishing their businesses. As BWE6 described,

*“It’s normal in business, sometimes you’re at the top and sometimes you’re at the bottom. There have been many things happening for the first four years I was in the business. It wasn’t that bad until I had to skip meals but I could say that it was quite tight in the very beginning but things are stabilised. I became comfortable after four years.”*

Therefore, it is more likely that BWEs that have experienced hardship will view business survival as the stage when they face less difficulty in running their businesses. Another BWE who had a hard time establishing her business perceived business survival as when she can stabilise her business. When asked about her understanding of business survival, she responded:

*“It means that my business could be sustained. Because I come from a poor family, otherwise I could stabilise my business in two or three years. But I come from a poor family, so my business doesn’t reach its stability stage yet. Because there isn’t any financial help from anywhere.” (BWE7)*

### **7.9.2 Family**

This aspect pertains to participants’ comments about the concept of business survival from the perspective of family. In addition to business survival being conceptualised as an element that is compatible with the business environment, it was further proposed that family influence has a strong link with business survival. In this sense, business survival is viewed as important for

accommodating the next generation in the business and in providing a comfortable life for the existing family.

### **The next generation**

As discussed in section 7.4.2 (page 134), a considerable number of BWEs (13) have family members that assist them in their business. Interestingly, these BWEs are more comfortable referring to their family members as helping rather than working for them. There is a possibility that due to the business constraints that they face, it is more practical to treat their family members as helpers rather than workers. However, this situation indicates that there appears to be a strong connection between the business and family. While business survival is part of the business life cycle, the analysis shows that business survival also becomes part of family issues.

Two BWEs (both of which are assisted by two or three children) shared the same thought that business survival is critical for the next generation. BWE3, who had 19 years of experience in business before establishing her handicraft business seven years ago, stated:

*“In order to sustain the business we have to maintain our income and we feel good about what we do and then we’d be more motivated. My aim to continue with the business is so that my children could take over. My son is becoming good at this.”*

Furthermore, when asked about her understanding of business survival, BWE18 said,

*“Perhaps if we do business and never shut the shop forever. That’s what I’ve been doing, if I couldn’t do it anymore my children can carry on the legacy.”*

In fact, this finding appears to be true for the younger BWEs, who seem to have inherited the handicraft activities from the older generation. BWE8, who is the third generation in her family, shared her views on this issue by saying,

*“I’ve never worked elsewhere before. My family has been producing the ‘serdang-weave’ for years, started with my grandmother, then my mother. It’s been passed down for generations.”*

Therefore, these responses indicate that the survival of the handicraft business is crucial for this BWE’s family, as it not only provides employment for the next generation of family members who have been trained, it also helps to continue the legacy from generation to generation. This

finding is considered unique to the entrepreneurship literature. Although this issue was not directly addressed by the other BWEs, the fact that the majority of BWEs in this study have family members helping their businesses may suggest that the issue is also significant.

### **A comfortable family life**

It was found that BWEs perceive that their businesses provide comfort for their family. In this respect, BWEs agreed that their handicraft business has helped to improve their quality of life. A 'comfortable life' refers to many aspects such as their children's education, as highlighted by BWE1:

*"My view is when I'm at this position now, I feel very comfortable. I achieved unexpected success... Now that my kids are at school, I could buy them anything they want. I could sustain my business. I could help my family, my parents. That means we have the competitive edge. It was hard to help people back then but now I could."*

The contribution of the handicraft business to providing a comfortable life was also agreed by BWE7:

*"...even though I'm not highly educated, I could support my siblings until they enter universities. I'm very satisfied. I have my own income. My life has been comfortable from before. Now I'm focusing my business for my children and my family. Whatever people say, I think my handicraft business has transformed my life."*

Although the married BWEs agreed that men are still the breadwinners of the family, they proudly admitted that income from their handicraft businesses has contributed much to the well-being of their family. BWE17 stated:

*"...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. Paid for our children's school expenses and these expenses are not little. For example, their travel fares ... it's nearly RM200 per month not including other expenses. They're all the product of my handicrafts."*

The concept of BWEs' business survival is associated with business-related themes which are continuity, increase of income and business growth. The theme of continuity to describe the business survival concept is consistent with previous research by Astebro and Bernhardt (2003),

Bekele and Worku (2008) and Headd (2000) in which they conceptualised business survival as the ability of firms to stay in business in a specific time period. The views of BWEs and GOs that business survival involves business growth is regarded as responding to the argument put forward by Ciavarella et al. (2004) that growth may have effect on a venture's long term survival. In addition, an increase of income as a concept of business survival is consistent with the argument of organisational researchers (Churchill and Lewis, 1983; Lester et al., 2003; Scott and Bruce, 1987) that sufficient revenue help firms to survive. In this respect, BWEs and GOs have a good understanding of the concept of business survival.

However, it can be seen that the elements of growth described by both BWEs and GOs in conceptualising business survival are different. While BWEs see growth as something that is related to their internal capacity to produce more products, GOs see growth for business survival through specific criteria such as the expansion of a new branch or market, the introduction of innovation, generating very high monthly earnings and having a different set of capabilities. This finding shows the mismatch between what is experienced by BWEs in relation to their business survival and the outcomes of business survival expected by GOs. The different perception of business survival between BWEs and GOs as well as the inclusion of family interests in explaining the concept is seen as a situation that requires further investigation.

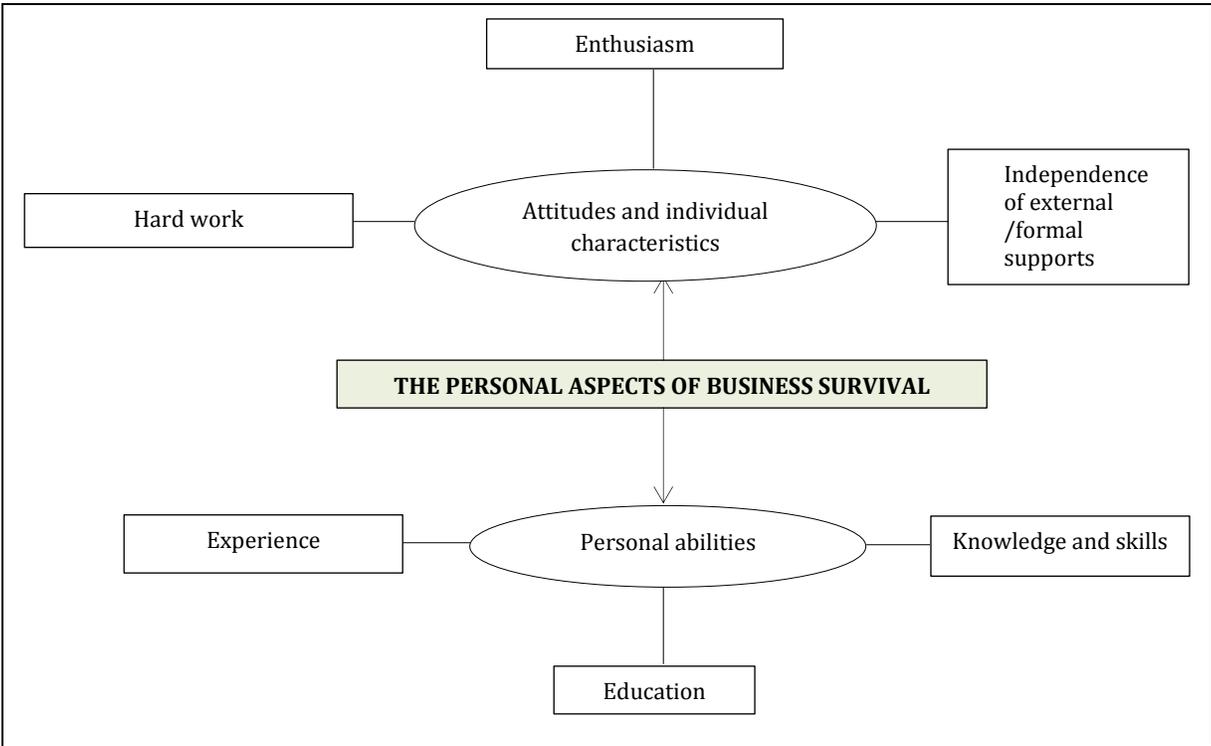
Another two themes that are rooted from family perspective emerged and relevant in describing the concept of BWEs' business survival: the next generation and a comfortable family life. These themes emerged from the interviews with BWEs which provide a new perspective that can enhance the existing theoretical understandings of business survival of women entrepreneurs. Although the findings of this study acknowledge the significance of non-business elements in determining the business survival concept, the data revealed that BWEs view business survival as important for the development of family interests rather than their own personal development. This finding is in contrast with Shaw et al.'s work (2009) that found women entrepreneurs in Central Scotland view their personal development as significant indicator for business performance.

**7.10 Business survival: The contributing and constraining factors**

In order to understand the reality of business survival for BWES, the factors that may influence the success of the process is presented. The analysis of the data shows that the factors can be segregated into three different groups: personal aspects, the firm’s capabilities and institutional factors.

**7.10.1 The personal aspect of business survival**

Following the perceptions of BWES that business survival lies between the business and family focus, 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. However, during the conversations with BWES, they expressed concern that the same aspect also challenges the survival process. The themes drawn from the personal aspect are shown in Figure 4 below.



**Figure 4: Thematic network for the personal aspects of business survival**

### **7.10.1.1 Attitudes and individual characteristics**

This theme pertains to BWEs' comments about the factors that influence their business survival. The fact that business survival is influenced by BWEs' attitudes and characteristics was a very strong theme throughout the interviews. The three most common factors highlighted in this theme are hard work and effort, enthusiasm and independence.

#### **Hard work**

This theme emerged through BWEs' descriptions of how their businesses are able to survive. The BWEs stressed that in order to reach the current stage of their business, their full dedication to the business was essential. The BWEs agreed that their business required them to work hard and put in a lot of personal effort. In this respect, BWE4 stated firmly that her hard work contributed a lot to her business survival:

*"I think hard work really pays off. That's what I know... In business, survival entirely lies with the individuals. We need to think wisely if we want our business to prosper."*

BWE6 shared her view that people cannot be satisfied easily with the level of hard work they put into their business:

*"You have to work hard. You have to work hard. If you said that you were diligent before then you have to increase your efforts. If you're diligent, keep going, increase your marketing strategy, production. You must earn more than you received before."*

In addition to the hard work that has been dedicated to their businesses, BWEs also show their endless efforts by continuously seeking alternatives in their pursuit for survival. BWEs 1, 5 and 21 shared a similar view. BWE1 stated:

*"I often think that I could get anything I want if I try. I don't want to sit on a problem if I have any. I would look for alternatives if I could solve it myself. Like I said, I don't have much money, could someone help me? No! I don't have to let people know. If my problem is that I couldn't buy something today, I'd find ways to get it somehow."*

The BWEs' hardworking attitude was also found to be characterised by their perseverance. The experiences shared by BWEs indicate that in addition to hard work, perseverance counts. This

view reflects their experiences in confronting various business challenges. For example, BWE7 stated:

*“I think we need to work diligently, we have to persevere regardless of the challenges we face. We have to carry on. So, we need to ensure the survivability of our business if we could. We have to be patient, hardworking, even though we don’t receive capital from anywhere else.”*

BWEs 9 and 11 shared this view. BWE11 stated:

*“I think we have to persevere. Without perseverance then it’d be difficult for the business to survive”;*

BWE9 stated:

*“Firstly, we must persevere. Most of my friends who started way before me couldn’t survive.”*

Interestingly, while BWE11 has been in business for 10 years, BWE9 has only been in business for four years. Although each faced different kinds of challenges, reflected in the age of their businesses, they agreed that the key factor for their survival is to persevere in what they are doing.

### **Enthusiasm**

Under this theme, BWEs spoke about their enthusiasm in business. In particular, BWEs regard themselves as enthusiasts and it is this spirit that contributes to their business survival. The BWEs view producing handicraft products as a meticulous job. In this sense, the acceptance of the products by customers largely depends on the quality of the products. This theme is shared by the BWEs that are known for their high-quality products. BWE14 has been acknowledged by many government organisations as the guru of weaved handicraft products in this research area. With her 18 years of experience in running a handicraft business formally and her informal involvement in the handicraft business since a very young age, she clearly stated that for a business to survive it requires,

*“...patience and determination. Produce high-quality products. Just look at this weave – it’s finely weaved and you can’t tell the difference between the front and the back surface. This is what the customers like. We have to be meticulous in weaving.”*

This view was also articulated by BWE16:

*“Where there’s a will there’s a way, but if there isn’t any then that’d be difficult. Enthusiasm is important. Weaving isn’t like beading. A lot more meticulous from beading because not everyone can weave. So, in order to survive you must have the enthusiasm.”*

Another three BWEs (17, 18 and 19) also had similar views. They all believe that their current business won't survive unless they are enthusiastic. The statement of BWE17 reflects this belief:

*“You need to have enthusiasm and patience. Producing handicrafts will be plain sailing if you have the expertise. It’s very meticulous so attention to detail is very crucial. You can’t just do it willy-nilly. Otherwise, it wouldn’t look good. If you don’t have enthusiasm you can easily get bored.”*

The fact that producing handicraft products relies more on the individual’s ability rather than machinery indicates that BWEs have to be dedicated fully to their businesses and suggests that strong enthusiasm keeps them motivated. This finding supports research which highlights the distinctive personal characteristics possess by women entrepreneurs (Jahanshahi et al., 2010; Xavier et al., 2011).

### **Independence of external and formal support**

Another attribute of BWEs that has been identified as important in influencing their business survival is independence. Similar to the previous two themes, BWEs were also very positive about their independence in running their businesses, as stated by BWE16:

*“I’m self-reliant up till now. Never asked for help from the government.”*

Interestingly, two issues can be highlighted from the BWEs’ attitude of independence to their business survival. Firstly, the independence of BWEs is related to the absence of external support, particularly from government. BWE7 stated:

*“...if the government could help me, that’d be ideal, but if not I’d carry on with my business regardless.”*

BWE3 agreed that survival in business lies with the individual:

*“I agree that an external support will make difference. But we shouldn’t just remain idle if couldn’t get the support.”* She continued:

*“But I’m very grateful that my husband has helped me tremendously in providing the capital since I started the business. Even though it was only little, but I could fully utilise it to carry on trading.”*

Therefore, although BWEs regard themselves as independent, they cannot disagree with the fact that they need support in the pursuit of their business survival. In this respect, BWEs sought help from informal sources (Coleman, 2000), i.e. family and friends. Also, BWE14 stated:

*“...if there is a financial support then it would be good. But if there isn’t, you still have to move on. The most important thing is that you must make friends, as many as you could. Then, you may find that they always can help you in some ways.”*

Secondly, the analysis also shows that BWEs’ independence is related to some cultural issues. It was found that BWEs have to be independent because they regard depending on others as inappropriate. The statement given by BWE14 reflects this situation:

*“I’ve never asked for help. I did it myself. I built my own workshop myself... I’ve not asked for any support because I’m shy to beg for anything.”*

In addition, the experience of seeking external support was described as unpleasant, thus strengthening their independent attitude. BWE1 stated:

*“I don’t want to be like those who have to ask for help here and there. I don’t like it, as if I’m begging for sympathy. I don’t want it. Once I applied for a loan from one government organisation. I submitted my application, I waited but there was no news, so I don’t like it. I don’t like to beg for sympathy.”*

BWEs also feel that it is inappropriate to ask for additional support when they have already had some, as described by BWE8:

*“But I’m scared to voice out my opinion. Well, because they [the government] built me a workshop, so I’m slightly hesitant to ask for other things.”*

Therefore, while independence is associated with a positive attitude, there is evidence that this attitude does not come naturally for BWEs. To some extent, there is the possibility that the cultural context of BWEs influences their independent attitude.

#### **7.10.1.2 Personal abilities**

This theme contains the distinctive abilities of BWEs that were viewed as impacting the process of business survival. The attitudes and characteristics of BWEs are more likely to be seen as innate factors possessed by BWEs. In contrast, BWEs' personal abilities were obtained through a specific process that sometimes is beyond their control. Unlike the attitudes and characteristics of BWEs that contribute to their business survival, the discussion of BWEs personal abilities is related to the issue of challenges that decelerate the survival process. The data revealed three themes which were apparent among the BWEs: knowledge and skills, education and experience.

#### **Education**

The educational background of BWEs in this study varies, but the data revealed that, in general, BWEs have a low level of educational attainment (see section 7.3.1, page 125). Although none of the BWEs stated that their educational attainment is the reason for their survival in the handicraft business, a few pointed out that educational attainment has brought certain challenges to the survival process. As expected, the issue is more likely to be experienced by BWEs with a low level of education. In this study, five BWEs (7, 14, 17, 18 and 19) with low educational attainment (no education and primary level) indicate the difficulty that they face. BWE7 stated:

*"...I think the only drawback is that I'm not highly educated. So, I don't know what the intricacies are to apply for a loan, like educated people. That's what I think which impacts on me. So, it becomes an obstacle to me.*

This view was also supported by BWE14, who is the only participant with no educational attainment:

*"It's very challenging. Furthermore, I'm only a village woman, not educated. You could just imagine. It has never been easy to run the business if you're not educated. If you trade*

*among villagers then there is no problem. But if I go to urban areas such as KK, it's difficult."*

At this point, it can be seen that a lack of educational attainment not only limits BWEs in accessing external support but also in maximising their business potential. Although BWEs have attained a low level of education, there is evidence that their business survival is influenced by the skills that they have acquired from their family and friends, as indicated by Ayadurai and Ahmad (2006).

### **Knowledge and skills**

Without hesitation, the BWEs in this study agreed that their handicraft skills have put them at an advantage in their businesses. It can be seen that their weakness in terms of educational attainment is made up for by the handicraft skills they possess. BWE21, who hasn't completed her primary education but has been in business for 11 years, stated:

*"I think the business is easy to run because I'm a woman. I make the products myself. Like myself, I was taught to make handicraft since I was young."*

As discussed in section 7.3.3 (page 126), the majority of BWEs have been exposed to handicraft activities since they were young; therefore, this experience has provided them with the necessary skills to produce their handicraft products. However, in some aspects of their businesses, BWEs felt that they need to be equipped with other skills that can help their business to survive. The words of BWE17 reflect this situation:

*"I'm not highly educated. So, only I've been relying on my handicraft skills. It was okay back then but not anymore because there are many handicraft producers. Many can present better and new designs... this is my weakness."*

This view was also shared by BWE18:

*"...furthermore, the number of handicraft producers has risen, the young handicraft producers are very good because they're taught by teachers. I learnt this from my mother. The others have more knowledge on designs than myself."*

In another situation, BWE14 felt that she is *“not good in communicating with people especially in the urban areas”*, whereas BWE2 firmly stated:

*“You need to be good communicator in order for the customers to get to know you better. We have to know how to influence people so that they become confident in our products”.*

Therefore, this theme shows that while the handicraft knowledge and skills possessed by BWEs has helped them to establish their business, there is a need for BWEs to master other related skills appropriate to their business development. In addition, they rely heavily on government promotional activities.

### **Experience**

Similar to the first two themes under personal abilities, BWEs regard their previous work and business experience to be insufficient. As discussed in section 7.3.3 (page 126), the majority of BWEs obtained work-related experience in an informal way. Although useful, their experience was limited to particular tasks. In most situations this experience provided them with the knowledge and skills to produce handicrafts, but they lack other business exposure. BWE19 shared her experience of being cheated in business and the fact that as she became more involved in business this situation occurred less:

*“When I first started I was often being cheated. At the time I was still new, no experience and not highly educated. I’ve never been out to KK. So, I was cheated for several [2-3] times. I lost thousands of RM... I had to pay the craft producers but I couldn’t get any return on my capital. But I become wiser throughout the years.”*

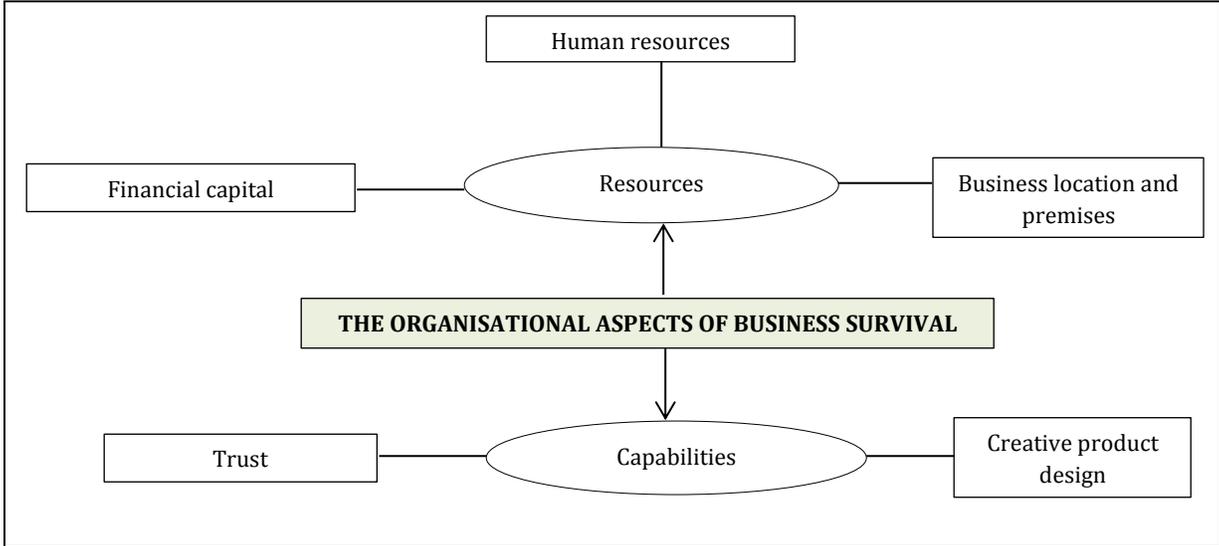
It can be seen that although BWEs possess skills in producing handicrafts, the fact that they lack experience and are less educated has caused them to feel insecure in doing business. As expressed by BWE18,

*“Sometimes I feel I can produce them but because I’m not highly educated, it’d difficult at times. Also, I’ve lack of experience.”*

BWEs in this study did not elaborate on the issue of their lack of experience in detail. However, the different kinds of business problems and challenges raised by BWEs suggest that this situation occurred due to their lack of experience in business.

**7.10.2 The organisational aspect of business survival**

The discussion of the organisational aspects of business survival illustrates the contrast with the influence of personal factors on business survival. While the latter positively contributes to business survival, the former is regarded as the constraints that hinder the survival process but which can be minimised through appropriate support. Five themes emerged as prevalent in influencing the survival process of BWEs’ businesses; these themes refer to the organisational resources and capabilities and are shown in Figure 5 below.



**Figure 5: Thematic network for the organisational aspects of business survival**

**7.10.2.1 Resources**

This theme refers to the physical existence of the business resources possessed by BWEs. Although the themes illustrated in Figure 5 are common business-related factors that can be found in businesses, the extent to which these resources are possessed by BWEs provides evidence of the difficulties they encounter in pursuing the survival of their businesses. The firm’s resources to support business survival are discussed with particular reference to financial capital, human resources and location and premises.

## **Financial capital**

Financial constraint affects most of the BWEs in this study. However, since a handicraft business can be initiated with a small amount of capital, the issue of financing was overcome by relying on informal, albeit insufficient, sources (see 7.4.3, page 135). Again, insufficient financial capital is highlighted by BWEs when asked about the factors that affect their business survival. The issue was raised by ten BWEs (2, 4, 5, 8, 10, 12, 13, 14, 16 and 19). While all ten BWEs agreed on their business survival, some (except 12 and 14) are unsatisfied with the capacity of their businesses and insufficient financial capital is viewed to be the reason. BWE13 shows regret through her words:

*"I could see the potential in the business ... but in order to survive, the market of your products should be improved. 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. While BWE5 stated that sufficient product will influence business survival, she further argues:

*"I think it's not just about products. There are other inter-related factors. For example, the products must be in abundance, a variety in order to attract customers. But it'll all depend on how much capital we have."*

In the same vein, BWE8, who understands the importance of her involvement in handicraft promotional events, asserted:

*"Most of the time the products that I take with me are extras from customer orders. I mean, they are extras from any products made for orders. Even though I could ask the other handicraft producers to make them, I need capital to pay the fees to them. When dealing with them, I have to pay them immediately. So, I need bigger capital."*

The importance of adequate financial capital for business survival is further reinforced by the views of two BWEs (12 and 14) who both have strong financial capabilities. BWE12 expressed her thought as:

*“We need to have sufficient capital. I don’t have any issues with capital but I couldn’t deny that it’s very important.”*

Similar to BWE8, she discusses the impact of inadequate financial capital in the context of participating in handicraft exhibitions. Based on her experience of taking part in a handicraft exhibition organised in a shopping complex that has the highest number of daily visitors in an urban area, she stated:

*“To trade in a massive complex such as 1B for seven days demands ample preparation. Just imagine if the exhibitions starts from 10 a.m.to 10 p.m. We can’t afford to shut the stand because we run out of stocks or we have to pack and go home because of that.”*

The findings show that financial capital appears to be a relevant theme that influences the survival of BWEs’ businesses. This finding is consistent with other research that highlights the importance of adequate financial capital to support the business growth of women businesses (Alsos et al., 2006).

### **Human resources**

The issue of labour constraints faced by BWEs is overcome by getting assistance from family members and entering into a specific arrangement with other handicraft producers (see section 7.4.2, page 134). Again, the issue of labour constraint is raised by six BWEs (2, 3, 6, 9, 16 and 19) when they were asked about the factors that influence their business survival. Except for BWE19, the other BWEs are involved in handicraft businesses that have a specific requirement for employing people: highly skilled labour. Two BWEs (2 and 6) are involved in producing ‘batik’ textiles. In order to increase the capacity of the business, other than relying on the skills possessed by BWEs, the business can only employ highly skilled labour. BWE2 and 6 shared the same view. They stated:

*“My biggest problem is in terms of staff. It is so difficult to get staff. We don’t have staff that know how to make batik.” (BWE2)*

*“Frankly speaking, my critical issue is about workers. I even went to the NH1 in Rawang [located at Peninsular Malaysia] to discuss my issues” (BWE6).*

Since this type of handicraft does not originate from the research area, both BWEs faced difficulty employing local people with the right skills. Both BWEs have trained their current workers since the first day of their employment in the business in order to equip them with the necessary skills to produce batik. According to BWE6, one of her employees is now working with a government organisation responsible for handicraft development. She asserted: *“I taught her.”* Meanwhile, BWE2 shared her experience of how her current employees were trained from having no knowledge in batik until they become skilful batik producers:

*“I visit them in the village, teach them batik and treat them like my own children...”*

However, they agree that government organisations can help to overcome their labour constraints. Since there is a government training programme in batik skills, BWEs view this situation as a potential source of skilled labour. Regrettably, they indicated that they could not get access to these ex-trainees due to the lack of participation by the relevant organisations. BWE6 showed her frustration when she stated:

*“...I need staff but I’ve not been getting any cooperation from them [government organisations]. When I ask, any of those trainees have completed their studies? They answered, I don’t know, maybe they’ve returned to their villages.”*

The other three BWEs (3, 9 and 16) are involved in producing woven products. For this type of handicraft, the capacity of the business can only be increased by employing workers that know how to weave. From the BWEs’ employee data, presented in section 7.4.2 (page 134), it can be seen that BWEs 3, 9 and 16 get no assistance from family members and have no employees. Although they engage with other handicraft producers, this involves only a small number (i.e. six for BWE3). BWE9 and 16 are unwilling to disclose the actual number of handicraft producers with which they engage. BWE16, who has been in the weaving business for nine years, stated:

*“Weaving isn’t like beading. A lot more meticulous from beading because not everyone can weave”. She further 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...”*

Although for BWE19 the current engagement with other handicraft producers is adequate in meeting demand, she asserted that in order to ensure her future business survival, employing permanent workers is essential so the quality of products can be controlled. However, she stated

that an enormous amount of capital is needed to build a workshop for permanent employees; another constraint that she faced.

### **Business location and premises**

Under this theme, 11 BWEs (1, 2, 3, 4, 5, 7, 13, 14, 16, 19 and 21) spoke of the challenges in terms of obtaining a strategic business location and suitable business premises. Three BWEs (1, 2 and 7) operate their businesses in commercial business areas; however, the main reason for the selection of these areas is related to rental issues. All three BWEs had to relocate their businesses to the current business premises because they could not afford to bear the rental cost of the former business location. BWE1 described her 13 years of experiences in the handicraft business by saying,

*“...I’ve been re-locating many times ... I was in the news to fight for a special place and lobby for a cease in rent. When the rent increases, we couldn’t afford to pay. The rent is expensive here...”*

Another type of business premises needed by BWEs is a workshop. The workshop serves as the BWEs’ production area where raw materials and relevant equipment are stored as well as providing them with a working space. However, a lot of capital is needed to build a workshop. For example, three BWEs whose current workshops were built with government support stated:

*“This workshop is worth RM39,000 but I have to top it up with a lot more [money] (BWE6); “The workshop with all weaving equipment cost RM175,000” (BWE14); “I was told that the workshop cost RM50,000.”*

This finding shows the large amount of money BWEs would have to find if they were to build their own workshops. At this point, it can be seen that BWEs face rental issues in relation to commercial business premises. Also, the issue of insufficient financial capital once again emerges as the reason that BWEs are inhibited from increasing their business capacity for survival, particularly in building workshops.

The issue of BWEs’ business premises is also raised by three GOs. Since the main focus of the organisation that GO5 works for is to help the development of women in their socio-economic activities, it provides business premises that can be utilised by BWEs. However, GO5 admitted:

*“We have business lots here, but they are inappropriate. This place is far from public.”*

In fact, GO1 firmly asserts that “strategic location for business premises” is the main problem faced by BWEs. According to GO1:

*“There are premises with un-strategic locations. Sometimes at the back (hidden) because that’s where rent is much inexpensive. There are others who rent from government agencies but the locations are not strategic. That’s what deters survival of the business.”*

Another GO is concerned about the ability of the business premises provided by government to support handicraft entrepreneurs:

*“The only drawback is that if all the entrepreneurs are placed in one area, it is quite difficult for them to sell their products. If you can imagine at the Asia City [a shopping complex], there are over ten entrepreneurs in one row while there are another ten at another row. How can you generate sales? There’s too much competition for them at one place.”*

These findings show that the theme of business location and premises is agreed by both BWEs and GOs as a factor that constrains BWEs’ business survival.

#### **7.10.2.2 Capabilities**

This theme refers to the capabilities of BWEs’ businesses in ensuring competitiveness in the market, thus influencing business survival. Through the conversations, BWEs highlight two types of capabilities: creative product designs and trust. While the former is viewed by them as lacking, the latter is to their advantage.

##### **Creative product designs**

It is believed that this theme will influence BWEs’ business survival after taking into consideration the importance of creativity and innovation in the entrepreneurial process (Barringer and Ireland, 2006). The data revealed that the young BWEs are more sensitive to this issue than the older BWEs. BWE8 showed her concern by saying:

*“Doing handicraft business nowadays is unlike before. We have to be more creative in producing various types of products. My mum used to produce the same type of handicraft products with a similar design but there was no problem back then.”*

Acknowledging that her mother’s practice is no longer suitable, she continuously conducts online research to seek variety in the design of her products. Having limited knowledge about how to vary her products, she views her online research as useful in that *“At least I get some idea on how to add variety of my products.”*

Another young BWE with a similar view stated:

*“I feel creativity is very important in the handicraft business. Otherwise, our products wouldn’t get that far. If we take it lightly then people won’t purchase our products. When we’re creative, we produce appealing products with several designs in pretty patterns and colours”* (BWE9).

In addition, BWE12 raises another related issue: a common design can be copied easily by other handicraft producers. She stated:

*“Perhaps others don’t see this as an issue, but it is to me.”*

Although the older BWEs did not clearly state this theme as an issue affecting their business survival, there are situations when their views can be related to the significance of the theme for business survival. For example:

*“I don’t have issues with this [teaching design and patterns to newcomers] but the patterns and designs are all in my head.”* (BWE14)

*“Its design is very authentic, not reproduced from anyone else ... the pattern originates from my ancestors. I receive numerous bookings for this.”* (BWE15)

*“Many can present better and new designs ... this is my weakness.”* (BWE17)

The two female GOs have similar views on the issue of producing attractive product designs in the handicraft business. Regarding the issue as another challenge for BWEs, GO5 asserted:

*“They [handicraft entrepreneurs] have traditional skills. So, if there’s a concerted effort to enhance the value of their products such as more commercial from what they currently make, then the products would become more appealing ... they have problems in terms of*

*design ... if they can enhance their knowledge to vary their product range to look more commercial then that'll be ideal."*

However, G01 agrees that there has been some improvement in their products:

*"...now they have added value. So they can be sold at higher price."*

Therefore, these findings show that producing attractive designs and patterns for handicraft products is essential for the survival of BWEs' businesses as highlighted by Mat Amin (2006).

### **Trust**

The data revealed two aspects of trust that help BWEs to survive in their businesses. Firstly, trust is established between BWEs and other handicraft producers. As discussed in section 7.4.2 (page 134), the majority of BWEs enter into a special arrangement with other handicraft producers. This arrangement is used by BWEs particularly in meeting the demand from customers; thus, it is regarded as important for business survival. Interestingly, this arrangement is not supported by documentation but is built upon trust. The element of trust can be seen from the use of phrase such as "help" that repeatedly appears in the words of the BWEs. For example:

*"...I produce my own handicrafts but if I couldn't do it all, I'll call the others for help and pay for it. Often I hire five helpers who are easy to contact and have no issues in me asking help from them."* (BWE15)

*"There are many handicraft producers in the area so I could always ask them to help out."* (BWE21)

*"...if I can't fulfil my orders, I'll pass them to ten handicraft producers to help me out."* (BWE8)

In addition, trust is built upon the spirit to help others. In this sense, BWEs view the arrangement with other handicraft producers as their effort to help others to be successful. Examples of remarks that highlight the spirit of helping others are:

*"...I only help other handicraft producers. I want them to be successful too because they don't have a business license."* (BWE3)

*“...I help my friends as well. They produce handicrafts at home but they don’t have a shop to sell them. So, I take orders from them. We help each other.” (BWE4)*

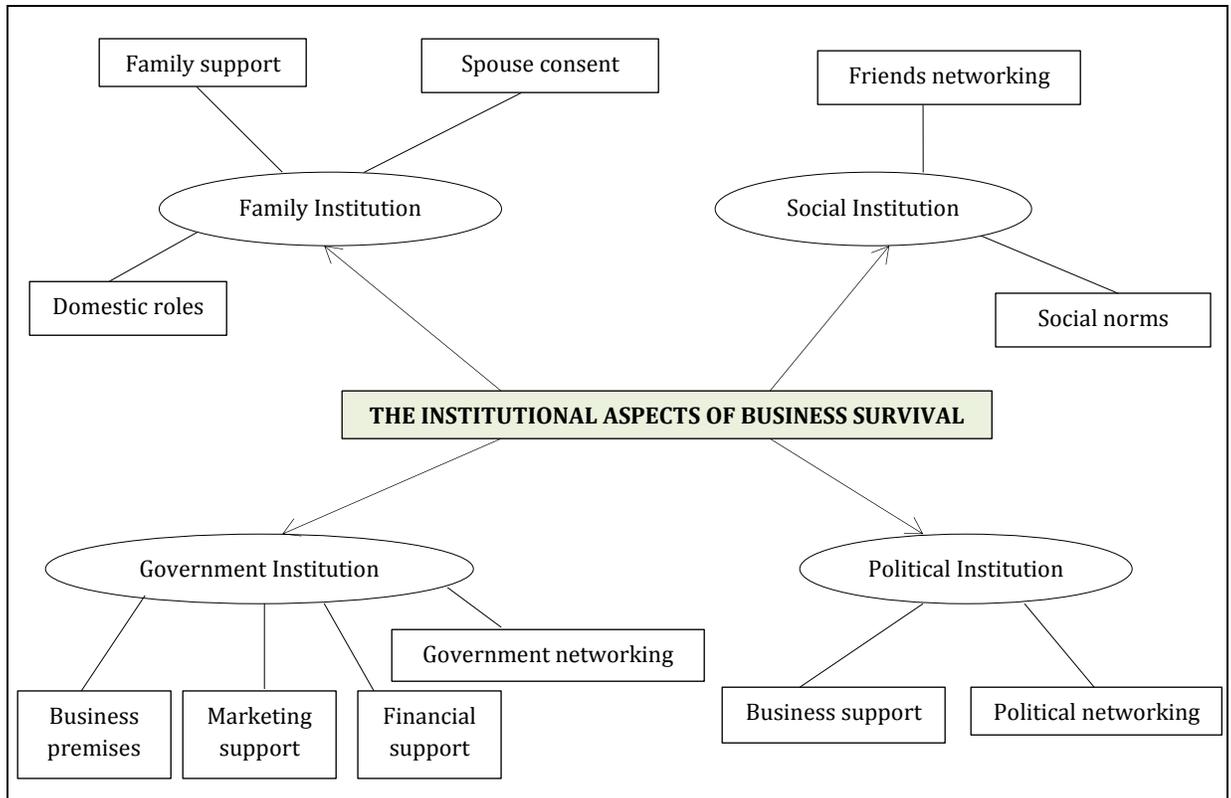
Therefore, the trust gained from other handicraft producers has facilitated BWEs in producing handicraft products, which consequently enables them to obtain trust from their customers. For example, BWE19, who has a considerable number of business customers such as holiday resorts, proudly claimed that she has a *“good reputation”* and *“...haven’t had any difficulty in meeting the orders.”* In another situation, BWE11, for whom 80% of her customers are business customers, shared that being honest with her customers is the key to gaining their trust. Although she struggles to meet demand due to the scarcity of raw materials, she admitted:

*“...so wherever I go ... Johor, Kuala Lumpur, Perak [three cities in the Peninsular Malaysia], there is always demand.”*

The words of BWE7, *“they’ll visit us again”*, show her confidence in her customers, and this confidence is achieved by meeting *“the deadline”* so that her *“reputation won’t be affected”*. Therefore, it can be seen that BWEs’ business survival is related to the ability of BWEs to gain trust particularly in relation to fulfilling orders.

### **7.10.3 The institutional factors**

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 survival of BWEs’ businesses also relates to larger institutional aspects, i.e. social and political aspects. Throughout the interviews, it was evident that government is another institution that can influence BWEs’ business survival; challenges from other institutional themes can be facilitated through the influence of government support. The themes drawn from the institutional aspects are shown in Figure 6 on the next page.



**Figure 6: Thematic network for the institutional aspects of business survival**

### 7.10.3.1 Family Institution

This theme relates to the views of BWEs on the influence of family commitment on their business survival. The discussion of family as a theme revolves mainly around BWEs' domestic roles, family support, spouse consent and networking. To some extent the words of BWEs indicate that their domestic roles and the need to gain consent from their spouses restrict their business activities. On the other hand, the unlimited support from family, including emotional and material support, provides BWEs with a distinctive advantage for their business survival.

#### Domestic roles

When BWEs were asked about the factors that influence their business survival, none of them highlighted about the domestic issues. However, when BWEs share their experiences of how they manage their families and businesses it is evident that the issue of family commitment has a significant impact on their business survival. Several points can be drawn from the issue. Firstly, the issue of domestic roles brings a significant challenge for business survival and is more prevalent for married than for single BWEs. The only three single BWEs stated:

*"...I don't have any family issues. Perhaps it'd be a different story if I were married."* (BWE9)

*"...I could still see that my business hasn't been affecting other activities in my life. Most importantly, I'm not responsible for anyone else so it doesn't matter if I have to work late or right throughout the weekend."* (BWE10)

*"...not a problem [family issues]"* (BWE12)

These views show that single BWEs regard themselves as free from family commitments, allowing them to give full concentration to their businesses. These findings also indicate the belief of these single BWEs that they are going to be responsible for family matters once they enter into marriage. BWE5's response can be seen as strengthening this belief:

*"I was single when I started running the business so I didn't feel that difficult then. But once I got married and have kids, this is much more challenging."*

At this point, these findings reinforce the idea of gender-appropriate behaviour (Scott, 1986) in the Malaysian context.

The idea of gender-appropriate behaviour is further reinforced based on the responses given by married BWEs. For example, BWE14, who has ten children and who has been producing handicraft products since she was young, calmly stated:

*"As a woman, our responsibilities lie at home."* In another situation, BWE7 stated: *"I'm like a five in one person. I'm a homemaker, seller, handicraft producer, a mother and a wife."*

While these responses seem to be in line with the argument that the discussion of women's entrepreneurship reinforces the view of women's secondary position in society (Ahl, 2002), it is more likely that the need to juggle different roles is perceived by BWEs as a phenomenon that can be performed successfully in the presence of effective time management. The words of BWEs described their perception of this issue. For example:

*"We have to be wise in managing our time."* (BWE2)

*"...there isn't any disadvantage as long as we manage the time wisely and put our effort in it."* (BWE3)

*"I can manage house work. I take care of it early in the morning before I come here."* (BWE17)

However, it can be seen that although BWEs manage to juggle their different roles, it is done at their expense. In this sense, BWEs forfeit their personal time and prolong their working hours producing handicraft products in the domestic environment. Examples of remarks that highlight this are:

*"In the evening, I work from seven until midnight."* (BWE8)

*"I'd usually stay at the workshop until midnight."* (BWE11)

*"So, I started weaving after completing my house chores. I carried on until late at night after my children were all asleep."* (BWE14)

In other situations, BWE4, who operates her business in the well-known tourism area, has to open her handicraft shop as early as 8 o'clock in the morning. However, the consequence of this early opening requires her to *"...wake up at 4 o'clock in the morning, cook and complete all the chores..."* Although BWEs perceive that they can manage their family and business at the same time, in most cases family issues have priority over business matters. It is evident that BWEs are more likely to start their handicraft activities after the completion of their domestic responsibilities. This situation can be found in the following BWEs' statements:

*"I start off the day by completing all my house chores. Then, I start my work at the workshop."* (BWE11)

*"Once the children were at school and my house chores were complete, then I'd start weaving."* (BWE16)

*"I take care of the house chores before making my way here [handicraft centre]."* (BWE18)

The domestic responsibilities of BWEs become more challenging when they involve some unplanned activities. BWE7 stated:

*"If I need to be at the school, I'd shut my shop for a few hours. Once it is settled, I'd return to my shop."* The same problem is raised by BWE4: *"The only difficulty is when I have other things to settle ... my family is here, they could help if needs be but only for a short while."*

In a situation where unplanned events occur, it is more likely that their shops are shut.

Finally, business survival is a challenge for BWEs with young children. Two BWEs who have babies show the difficulty that they face. BWE5 admits that the biggest challenge she currently faces is her domestic affairs. She stated:

*"I've recently given birth to a baby so my life is not that organised." She added with relief: "I'm grateful that my house is just opposite the road, so I could return home to breastfeed my baby."*

In the same vein, BWE8 describes the limited hours she spends on her business:

*"I used to spend all day at the workshop before I had a baby."*

In both situations, BWEs are taking care of their babies with help from family members in their absence. In addition, it is more likely that the culture which governs BWEs leave them with no choice but to handle the child-rearing issue on their own. BWE21, who at present has no child-rearing issues, admits that:

*"...it was difficult when my children were little. When I decided to hire a nanny, my mother-in-law was furious. Well ... most of the wives here look after their own children."*

The findings show the different aspects of family responsibilities which affect the operation of BWEs' businesses. This finding strengthens the argument that women entrepreneurs have limited time and mobility for business responsibilities due to their domestic responsibilities (Ahmad, 2011). The issue of domestic responsibilities, although significant for the survival of BWEs' businesses, was not discussed by BWEs as a factor that influences their business survival. One possible aspect that explains this situation is related to the support obtained from families in performing their family roles.

### **Family support**

The support obtained from family members appears to be significant in various ways for BWEs' business survival. Earlier, it was found that family members have a significant influence on BWEs' businesses, particularly in terms of labour (Section 7.4.2, page 134) and financial resources (Section 7.4.3, page 135). Again, family support is prevalent for BWEs in the context of domestic responsibilities. BWEs perceive that there is no issue about access to family support, as BWE19 asserted:

*"My families live nearby. They've no problem in helping out if I need them."*

The kind of support from family members varies. Notably, family support is critical in the issue of helping BWEs, mainly in taking care of their children. This situation can be seen through BWEs' responses such as:

*"My mother-in-law helps looking after my children. So, she'll be there when my children come back from school."* (BWE4)

*"...my baby is still young ... I asked for help from my mother-in-law."* (BWE5)

*"My mother used to look after my children when I went out [business activities]"* (BWE14)

In another situation, BWEs also highlight to some extent the involvement of their spouses in carrying out domestic tasks, although less explanation is given of the types of tasks the spouses perform. Examples of their positive responses are:

*"I'm grateful that my husband enjoys cooking ... he helps me a lot."* (BWE1)

*"...my husband really helps if he knows that I'm busy at work."* (BWE3)

*"Me and my husband handle the family affairs together."* (BWE6)

It is noteworthy that the responses pertaining to spouses' involvement in domestic responsibilities came more from BWEs in urban areas than BWEs in suburban areas. Since BWEs in urban areas are more exposed to the modernisation process, the traditional image of women in relation to their domestic work is less strong compared to BWEs in suburban areas. This situation influences the different pattern of how BWEs and their spouses in urban and suburban areas perceive their domestic responsibilities. In addition, the issue of domestic responsibilities is minimised once BWEs' children grow up. In most situations, BWEs share the same experiences in that their younger children are taken care of by their older children. The words of BWE17 reflect this situation:

*"If I were outstation [away from home for business purposes] ... then my eldest child would look after the other children."*

In this sense, BWEs perceive that their older children are able to take on domestic responsibilities in their absence.

Equally importantly, it is evident that family support is also significant for BWEs in outsourcing their handicrafts products. As discussed in section 7.10.2.1 (page 163), a considerable number of BWEs face financial issues. One of the consequences of this situation is the inability of BWEs to maximise their production capacity. To overcome this issue, BWEs outsource handicraft products to their family members. The response of BWE20 below illustrates the importance of family support in ensuring continuous orders from customers for business survival:

*“Sometimes it’s sad to turn down orders. But I didn’t turn all the orders down. I could only accept orders within my limits, the rest are passed down to my sisters-in-law so that it’d be easier to get future orders from customers.”*

### **Spouse consent**

This theme emerged through BWEs’ descriptions of their spouses’ influence on their business activities. Similar to the theme of domestic roles, the single BWEs had no restrictions in conducting their businesses, as BWE12 stated:

*“...if you’re single like me, I’m free to travel anywhere.”*

In contrast, the experiences of married BWEs show that their involvement in business activities is subject to their spouses’ consent. Eight BWEs clearly share the same view about this issue (3, 7, 11, 15, 17, 19, 20 and 21). As BWE3 stated:

*“I must admit that I travel a lot”, but she adds: “my husband has been supportive. I don’t think I’d get as much as freedom travelling here and there if my husband is a fussy man.”*

Referring to her involvement in many exhibitions and cultural events, she further says:

*“...definitely my husband or other family members will come along. So, there hasn’t been any problem.”*

Based on her experience as president of a single mothers’ association in the local area, BWE15 used to assist particular government organisations in organising training or courses for women’s development. Her response provides further explanation of the needs of women to obtain their spouses’ consent to participate in the activities. Her frustration is illustrated in her responses:

*“...if we organise a programme or talk, there’d definitely be non-single mothers attending. That’s a problem. Non-single mothers wanted to come along but couldn’t because their husbands won’t let them. The courses sometimes would last for three days... This is a cultural issue I think. Women could attend external activities if their husbands won’t stop them.”*

In addition, BWE21 agrees that:

*“Sometimes it’s difficult for women to leave their houses if their families don’t understand”.*

### **7.10.3.2 Social Institution**

Other than the influence of family institutions on BWEs’ business survival, the findings of this study reveal the considerable influence of social elements on the process of BWEs’ business survival. It is through the social environment that a support network of friends is developed. The fact that this network supports BWEs in dealing with business-related issues was a strong theme identified throughout the interviews. In addition, there is a larger social system of BWEs that impacts them individually. In this respect, there are social norms that govern the behaviour of BWEs. While BWEs are expected to behave according to these norms, any behaviours beyond these norms result in social pressure on BWEs.

#### **Networking with friends**

The data revealed that BWEs refer business-related issues to their friends, particularly other BWEs in the handicraft industry. The foregoing discussion shows that BWEs require spouses’ consent in the conduct of their businesses and the business activities can only be attended to after BWEs complete their domestic responsibilities (section 7.10.3.1, page 172). Also, BWEs are not motivated by financial reward (section 7.3.4, page 128), which indicates that their income is secondary to the family’s income. While BWEs agree that they get support from their spouses in conducting their businesses, they use phrases such as *“if my husband is a fussy man”* (BWE3) and *“he won’t complain as long as I settle all the house chores”* (BWE17) to describe the freedom they have in running their businesses. These phrases show that BWEs’ freedom in conducting their businesses is subject to their ability to perform both tasks. Therefore, there is a possibility that BWEs do not discuss the business challenges with their spouses, as this might show their

ineffectiveness in running their business. In this sense, the freedom they obtain in running businesses in addition to their domestic roles cannot be jeopardised by showing the difficulties they face in business. Instead, BWEs refer most of their business issues to their friends, particularly when BWEs do not have a formal network with other organisations except with particular government organisations; thus, they find their own ways to develop an informal network through their friends. Although this informal network is beneficial for BWEs, the appropriateness and adequacy of the guidance and advice received from other BWEs in helping the survival of their businesses is debatable. Table 21 below shows how BWEs rely on their circle of friends to overcome different types of challenges in their business operation.

**Table 16: The use of friends as a network to overcome business-related issues**

Business-related issues	Extracts
Obtaining raw materials	<p><i>My friends told me that this company could provide the raw materials... (BWE19);</i></p> <p><i>Often I ask my friends to get the supplies if they're travelling to KK... (BWE20)</i></p>
Labour constraints	<p><i>No need for employees, there are plenty of handicraft producers in this area and they're my friends too (BWE18)</i></p>
Business opportunities	<p><i>I've had discussions with my friends ... with friends who are close with the Handicrafts Malaysia. I asked them if they know any place to sell my products (BWE16)</i></p> <p><i>So, there isn't any marketing issues. Firstly, I have many acquaintances from government officials (majority of customers are government offices) (BWE6)</i></p> <p><i>...I've been relying on friends to update me on any handicraft-related events (BWE20)</i></p>
Government support opportunities	<p><i>I have many friends. They work with the government. They were the ones who recommended me to get help ... the most important thing is that you must make friend, as many as you could. Then, you may find that they always can help you in some ways (BWE14)</i></p> <p><i>I only found out about it [government support] when my friend told me (BWE4)</i></p> <p><i>My friends told me about MARA loans. It's quite the norm here for anyone who knows about something, for example loans from MARA, spread the words to others (BWE5)</i></p>
Business guidance	<p><i>So, when I often receive loans, my friends always come to me for guidance (BWE11)</i></p> <p><i>Once I tried to apply for a loan but there were bits of information that I didn't</i></p>

	<i>know how to complete. I had to ask help from my friends (BWE5)</i>  <i>I've never received advice from anywhere ... only from my close friends who know 'batik', my family ... that's what keeps me going (BWE2)</i>
Product out-sourcing	<i>I seek help from my friends if I have additional orders yet to be completed (BWE4)</i>

### **Social norms**

This theme emerged through BWEs' descriptions of how their social environment brings positive and negative impacts to their businesses. It was found that the handicraft businesses in the research area are dominated mainly by BWEs and this is a common situation. A considerable number of BWEs (3, 4, 5, 7, 8, 9, 12, 13, 17 and 18) agree that being in the handicraft businesses is part of the local culture. The issue of culture relates firstly to the situation in which BWEs inherit handicraft skills from their mothers or the eldest of the family. BWE8, who is the third generation of her family to be involved in handicraft activities, stressed:

*"...indirectly as a woman I have advantage because I have the skills to weave. I don't think I could weave 'serdang' [type of weave] if I were a man ... because in this area it is women who weave 'serdang'."*

The positive influence of family culture on handicraft activities is further extended to their social environment, as BWE17 stated:

*"I didn't see any local cultural values that give negative impacts to my business... Like what I said just now, handicraft is like a compulsory thing for the people here. Almost every house in this area will have somebody that knows how to make handicraft products."*

These views indicate the positive sign of family values and local culture in influencing BWEs into handicraft businesses. Therefore, it becomes clear from BWEs' comments that there is a social expectation of their involvement as handicraft entrepreneurs. For example, the words of BWE5 indicate the influence of social expectation:

*"It is a common thing for women to run a handicraft business in this area. Very seldom for men instead. So, it is a common thing for what I'm doing now"*

However, the influence of society on BWEs' businesses is not without issue. In the pursuit of their business survival, several unpleasant situations have occurred which BWEs regard as

cultural issues. Interestingly, the marital status of BWEs determines the different type of social pressure put on them. For example, BWE12 is a single woman who is very positive about her business, and she shared her feelings about the social pressure she faced. With regret, she stated:

*“Many have the skills but not many run businesses. So, when I started to run my business and have 40 handicraft producers that I look after many people jeered me. I’m a single woman, unmarried but my weaving business is very prosperous. So, they pass demoralising comments about me. That’s what I often hear.”*

This view implies the negative cultural perception of single BWEs who are seen as progressing well in business but without the support of men. Meanwhile, the married BWEs receive considerable pressure from society to behave according to the accepted social norms. BWE11, who spends most of her time in business and takes only one day off a week, shared her experience of this issue by saying:

*“I go out all the time. People used to talk in the past ... sometimes they bug my husband. My husband is a school head teacher. He works in the office and could hear people talk bad things about me.”* She continued:

*“People will jeer if you socialise with men.”*

A similar situation is faced by BWE19. She stated:

*“...people always talk about me but it falls on deaf ears ... many others are talking bad about me.”*

Notably, both BWEs make a lot of business journeys in their efforts to seek business opportunities. In a patriarchal society like Malaysia, giving more priority to business than family is judged by society as being culturally inappropriate for married women. In order to face this cultural challenge, both BWEs take a similar approach: inner strength. BWE11 asserts that the only way to be successful is *“to ignore the jeers”* and be *“prepared to face”* this situation, whereas BWE19 stated:

*“I can’t show to them that I’m weak ... not many people here are like me.”*

These statements indicate how BWEs struggle to meet business and cultural expectations, because maximising their business potential involves a high level of tolerance of these cultural elements.

### 7.10.3.3 Political institutions

This theme refers to the political element that is viewed by BWEs as impacting the process of business survival. It was found that BWEs who are members of the ruling political party and actively engage in political-related events and are located in suburban areas are more likely to obtain political support for their businesses. When BWEs shared the difficulties they face in business, there is evidence that political support has a significant influence on BWEs' businesses. The conversations of BWEs revolved around the issue of political networking and business support.

#### Political networking

It was found that BWEs who have access to local politicians manage to obtain support for their businesses. BWE3, who is one of the women committee members of the ruling political party in the local area, proudly stated:

*“Yes, I’m a member of XX political party [ruling party], I am one of the women committee members... When they know that I’m very active in politics, I often receive invitations from VIPs [influential politicians] who already know me to take part in exhibitions. I’m often listed for exhibitions held as part of political programmes.”* She continued: *“I’m very grateful for the support by the YB [literally ‘The Honourable’ – the title of the members of the Malaysian Parliament].”*

In another situation, BWE15 used her position as the president of a single mothers' association in the area to establish a close link with a local female politician. She admitted:

*“She never stopped supporting our association right from when she was a YB until now when she is no more a YB. This female YB helped us every year without failing.”*

The experience of BWE3 and BWE15 in terms of getting support through political connection is encouraging and it can be seen that support is easily obtained due to the networking or special connection that is established between BWEs and local politicians. Based on the observations conducted during the fieldwork, the networking between BWEs and politicians can be seen in photos of them taken together being placed in BWEs' business premises. However, this kind of networking is not common for other BWEs in this study. Also, there is a possibility that a political network could provide an unpleasant experience, particularly if it is established with

the non-ruling political party. For example, when BWE1 shared her thoughts about her difficulties in accessing formal support from government organisations, she raised the issue of unfairness and concluded by saying:

*"If you ask me about a political party, I'm active with the PJ [non-ruling party]... I'm honest with you."*

### **Political business support**

This theme emerged in line with the constraints faced by BWEs. As discussed in section 7.10 (page 155), BWEs face different types of business constraints which challenge the business survival process. In addition, it is evident that in order to face these challenges, BWEs rely on informal support from family and friends as well as local politicians. Interestingly, BWEs seem to understand that there is no difference between the support from politicians and government organisations. This understanding is illustrated in the comments provided by BWE 20:

*"I've only received help from government once but that was through a political party".*

The fact that politicians in the research area represent the ruling political party may be seen by BWEs as if they are part of the government. In addition, it is more convenient for BWEs to contact the office of the political party in their area. For example, BWE18 stated:

*"I did ask about support for my business at the YB office... I only know the YB office but no other government offices..."*.

The support provided is related to the supply of raw materials. Three BWEs (17, 18 and 20) had the support from the same politician in the local area. They stated:

*"I received raw materials, beads and threads. At the time they were provided by YB JJ."*  
(BWE18)

*"...it was provided by YB JJ in 2008. She gave us beads and threads."* (BWE17)

*"She supplied the raw materials, beads and threads, not money."* (BWE20)

It is noteworthy that these BWEs have no special connection with the local politicians; thus, it can be seen that the support is given due to the social responsibility of the politician to help the

development of women in the area. In this sense, the value of the support is relatively less significant for business survival, as highlighted by BWE17:

*“Approximately, the support worth of RM200. It’s been very good but how much earnings could you actually generate from this?”*

Unique to this research is the influence of political parties on BWEs. In a situation where BWEs have little information regarding the government organisations from which they should seek advice or other types of assistance, political parties become the most popular option. Within this context, BWEs who are members of the ruling political party are more likely to be supported. Although only a small number of BWEs relate their business survival process to political influence, this theme has significant implications for BWEs particularly due to the power relations that exist in political institutions.

#### **7.10.3.4 Government institutions**

This theme pertains to BWEs’ comments about the influence of government in facilitating their survival process. Although BWEs regard personal characteristics and abilities (section 7.10.1, page 155) and the firm’s resources and capabilities (section 7.10.2, page 163) as having a strong influence on their business survival, the findings show that government support is sought to overcome weaknesses in both aspects. Four themes emerged from BWEs’ conversations that relate to the significance of government in the survival process of their businesses: networking, financing, marketing and business premises support.

#### **Networking**

What appears to emerge from this study is the recognition by BWEs of the importance of formal networking for their businesses. However, instead of formally networking with industrial players or professional advisors (McGowan and Hampton, 2007), being registered with government organisations is seen as prevalent for BWEs. The data revealed that all BWEs have established a formal network with particular government organisations. In most situations, BWEs are registered with a government organisation that is responsible for the development of the handcraft industry in the research area. This network is perceived to be practical because it

provides BWEs with access to handicraft-related information from government organisations, as highlighted by BWE12:

*"I'm only registered with the MH1 [government organisation]. So I'd still receive the relevant information from them even without joining any associations."*

Also, this networking provides business opportunities that would be difficult for BWEs to explore otherwise. BWEs share their experiences of how government networking provides them with the opportunity to explore international markets, as described in the words of BWE1 and BWE14. BWE14 stated:

*"I register with the MH1 and TB1. I'm often being invited to attend exhibitions. I take part in exhibitions ... sometimes in overseas... I travelled to London in 2008".*

BWE1 explored the international market opportunity in Dubai as she *"was sent by the MH1."*

However, BWEs perceive that networking with government organisations is inadequate to support their business survival. For example, BWEs highlighted that being registered with government organisations does not necessarily impact business survival. BWE4, who is in the process of expanding her business and requires additional business space, perceives that no outcome is gained based on her network with government organisations. She stated:

*"I've registered with the MH1 only because they visit each time they carry out the census. So, they'll collect information on all handicraft entrepreneurs. That's all".*

In the same vein, BWE 16 asserted:

*"They only asked us to fill in a form... They said only for census purposes of the handicraft producers in Sabah. That was all. I was very dissatisfied. They did the census without wanting to probe about the conditions of the handicraft producers."*

In this sense, the government network provides little function for BWEs.

These findings show that BWEs take the initiative to establish a formal network with government organisations to minimise the business challenges they currently face. However, BWEs perceive this network to be less beneficial because rather than strengthening their business position, this network is seen as more likely to assist government organisations in developing a database for BWEs in the handicraft industry in Malaysia.

### **Financial support**

In this regard, BWEs spoke of the aspect of government financial support that is relevant for business survival. It is evident that most of the business challenges that BWEs face are closely linked to their financial constraints. With their limited knowledge and experience in business, BWEs obtain less information about financing alternatives. Therefore, the apparent existence of government institutions in BWEs' environment becomes a relevant financing option for BWEs. As shown in Table 15 (page 136), other than relying on retained earnings, BWEs were found to use government financial support to finance their businesses after the start-up stage. However, BWEs with government financial support agree that the amount of money they received restricts their business potential. BWE13 stated:

*"It was great that I received RM4,000 from the Y1 [government organisation] but RM4,000 isn't a great deal... I couldn't produce many with the amount."*

Another BWE stated:

*"I applied for RM10,000 but they only gave me RM3,000...RM3,000 wasn't sufficient".*

It is also evident that the process of obtaining financial support from government organisations requires the involvement of their spouses. In this sense, an application needs to be attached with *"a copy of my identity card and my husband's"* (BWE18). None of the BWEs view this procedure as a problem; however, this procedure indicates the secondary position of BWEs' in relation to men in accessing the GESPs. This issue is discussed further in Section 7.11.2 (page 194).

### **Marketing support**

Similar to financial support, BWEs also have positive thoughts about the role of government organisations in the marketing of their business. BWEs rely on two types of customers: locals and tourists. However, while the former market is quite limited, the latter is seasonal. BWEs agree that a hefty income can be generated from tourists; however, this market is seasonal. The words of BWE20 explain the market situation:

*"There are local customers and tourists. There'd be plenty of tourists during the tourist's season. I could get more sales because often the tourists purchase them in bulk. The locals don't purchase that many."*

In addition, it was found that local customers can be divided into two categories: individual and government/business organisations (Table 16, page 139). BWEs agree that having government and business organisations as customers enables them to generate a high income. For example, BWE14 stated:

*“...now I submitted LPO [local purchase order] at the Tourism Office and receive RM70,000.”*

However, throughout the conversations, BWEs made it clear that in order to deal with organisations, a strong network with them is necessary. Consequently, the concept of ‘who you know’, which is significant in political institutions (page 182), once again appears to be relevant for BWEs in dealing with organisations as their customers. BWE2 whose customers are mostly individuals asserted:

*“As for government [organisations], they’d only buy products from you once they get to know you. Otherwise, you won’t stand a chance.”*

In contrast, BWE6, for whom 98% of her customers are from organisations, particularly the government, explained this situation by saying:

*“I have many acquaintances from government officials.”*

In this sense, government organisations act as potential customers for BWEs.

### **Business premises**

It was also found that BWEs that use government business premises are dissatisfied with them. They regard the space provided as too small, thus limiting their ability to display an adequate volume and range of products. As stated by BWE5, who occupies a government business premises:

*“The condition of premises is not satisfactory ... the space is very small. It was much smaller before but we extended it ... if you keep all the products in the stall, there wouldn’t be much space.”*

In addition, since the premises are set up as stalls, it can accommodate a large number of handicraft entrepreneurs, thus creating intense competition. The words of BWE4 explain the situation:

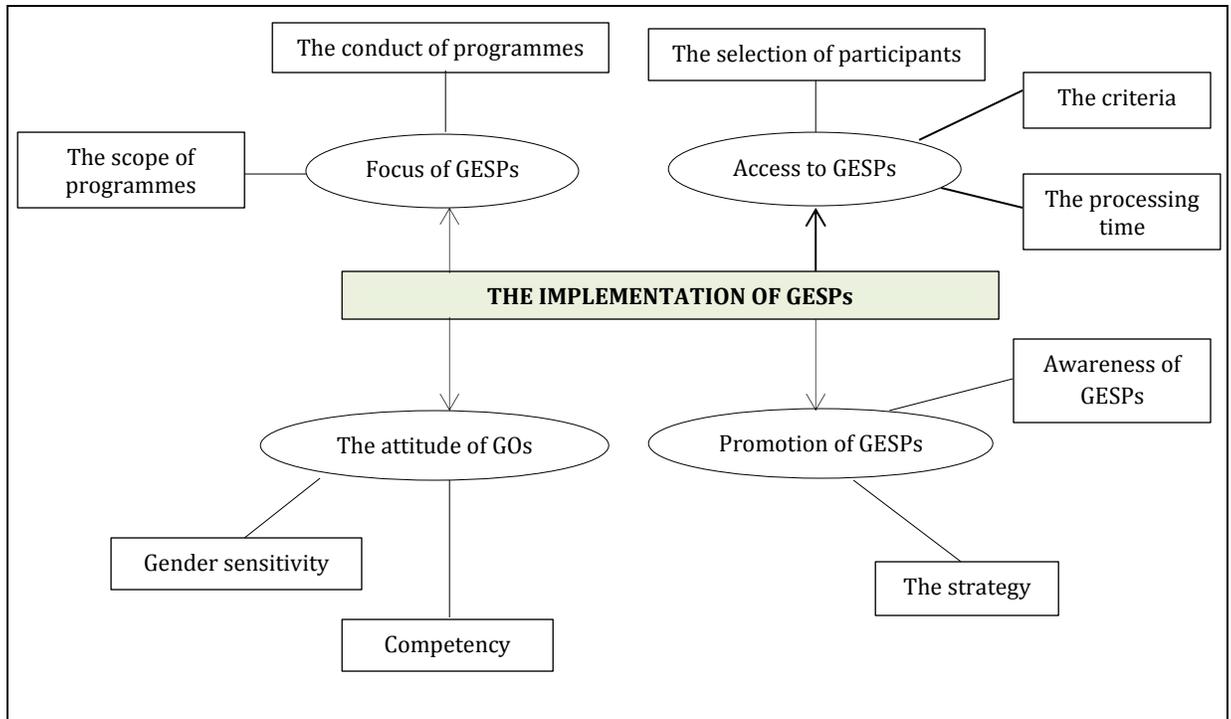
*“Another issue is the boom in the number of handicraft entrepreneurs in the area. There were only a few of us trading here before but now you could see new handicraft stalls over there that the government rent out. That leaves an effect too ... it looks like the number of handicraft producers is increasing but our sales actually become less...”*

She further argues that the location of the government business premises is not suitable:

*“It’s good if they [government] want to open their stalls but ideally elsewhere, search for a suitable place, not here because it’s very packed with handicraft entrepreneurs already.”*

### **7.11 The implementation of GESPs**

To understand the extent to which government facilitates the business survival of BWEs in the Malaysian handicraft industry, BWEs’ and GOs’ views on the implementation of GESPs were sought. Four themes emerged as prevalent in explaining the experiences of BWEs and the comments of GOs are also presented to enlighten the issue. The themes are the focus, access and promotion of GESPs and the attitude of GOs in charge of GESPs. These themes are shown in Figure 7 on the next page.



**Figure 7: Thematic network for BWEs' views on the implementation of GESPs**

### 7.11.1 Focus of GESPs

This theme pertains to the way that GESPs are implemented. It becomes apparent from BWEs' conversations that the scope of particular GESPs does not reflect the different stage of their business development. In addition, it was evident that the conduct of GESPs does not accommodate the very different backgrounds and experiences of BWEs. This situation has caused BWEs to feel marginalised and they struggle to see the appropriateness of the programmes for their business.

#### **The scope of programmes**

The BWEs' views are built around the conflicts between what they expect from GESPs and what has been delivered to them. Various aspects of BWEs' dissatisfaction with the scope of GESPs are identified. BWEs view the current government initiatives in developing the handicraft industry as unable to unleash their business potential. In this respect, BWE6 describes this situation as caused by the unclear objectives set by relevant government organisations in providing particular programmes. BWE6 stated:

*“For me, it’s not about creating entrepreneurs but how to develop them ... We have issues if our focus is about creating entrepreneurs. If we want to develop entrepreneurs, we will consider many factors, for example, how to strengthen the product ... the design of the products.”*

This statement describes the fact that GESPs concentrate on helping BWEs mainly at the start-up stage of the business. Taking into consideration the experience of BWE6, who prior to her handicraft business worked in the government organisation involved in the development of the handicraft industry, her statement explains the reality of BWEs in accessing GESPs. The comments of other BWEs provide further evidence of this situation. BWE11, who has been in business for ten years, stated:

*“I want to progress further but the supports are only meant for poor women.”*

BWE1 commented that GESPs lack focus:

*“...for example, I need this and this because I want to expand my business. I don’t want to stay the same so I need something to improve my business. They have to set their focus right ... they help new entrepreneurs but let those who are already in business remain at the same place. It shouldn’t be like that, it should be continuous...”*

Also, it was found that BWEs who had received financial support from government organisations agree that government financing provides fewer opportunities for business growth. BWE16, who regards financing as her main obstacle in business, stated:

*“I obtained a loan from M1 [government organisation] for RM3,000. That was in my early business stage ... 2004. It wasn’t enough. I personally went to the M1 office in Kudat [city centre]. The RM3,000 capital provided is very useful but they don’t provide it again. This is only a small scale, nothing for the bigger scale of financial support ... not seen much of an impact.”*

The words of BWE16 indicate several drawbacks of government financing, such as it focusing more on start-up financing, an inadequate amount and there being no continuous financial support after the start-up stage. This situation has caused some limitations for BWEs to expand their businesses, as stated by BWE4:

*"I've not had any support except for the loan worth RM16,000 from the A1 [government agency]. I don't think the RM16,000 loan was sufficient. I need more to expand my business."*

In relation to training programmes, BWEs argue that the programmes provide little advanced knowledge for their business, particularly for BWEs who have been in business for quite some time. 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) and *"there's nothing new in terms of the handicraft knowledge"* (BWE17). These statements show that BWEs expect the training programmes to improve their current knowledge in producing handicrafts, otherwise the programmes are perceived as only relevant to new handicraft producers. The same view is also shared by G05, as she believes that the training programmes tend to focus on creating new handicraft entrepreneurs. She stated:

*"The problem is that most of the initiatives been poured into training of the handicraft entrepreneurs but lacking in terms of marketing. So, many of them know how to produce the products but don't know where to market them".*

It was evident that the training programmes are conducted with a lack of understanding of the background and experiences of BWEs. The profile of BWEs in this study indicates their low possession of human capital, i.e. education (Table 10, page 126) and experience (Table 11, page 127). BWEs view the management or business-related knowledge gained from participating in GESPs positively. BWEs stated:

*"So far, the courses helped me a lot, especially the entrepreneurship or business management."* (BWE12)

*"They taught us about marketing, cash flow records. It was useful."* (BWE17)

*"...they taught me about the importance of quality of handicrafts ... I understood the underlying principles, the importance of management, control of raw materials, reflection of quality in the pricing."* (BWE19)

These statements show how different aspects of management-related training programmes help BWEs to enhance their knowledge in business. BWEs' lack of management-related knowledge is recognised by GOs. For example, G02 regards BWEs as having *"very weak management practice"*

and *“they have lack of marketing knowledge”* (GO1). However, it was found that most training programmes under GESPs focus more on providing handicraft skills. In this sense, it can be seen that while the training is supposed to increase BWEs’ handicraft knowledge, BWEs feel otherwise.

In addition, BWEs have the view that government support for women is more related to women with special needs. BWEs see that GESPs are targeted to *“the poor”, “single mothers”* (BWE17), *“single mothers or poor women ... those without any asset”* (BWE8) and *“the poor from the rural areas ... those who’re new and want to learn”* (BWE11). This situation is confirmed by GO2’s statement:

*“For women, the only focus is for single mothers, the rest are open to all”.*

The difficulty faced by BWEs in seeking GESPs might be explained by the comments given by GOs. Four out of the five GOs (GO1, GO2, GO3 and GO5) agree that GESPs for BWEs are insufficient. For example, in responding to this issue, GO1 stated:

*“If we look at the sufficiency of the initiatives, I can say that it isn’t enough because there are many other BWEs out there who need more support”.*

BWEs’ comments indicate that government support for women entrepreneurs still focuses on improving their living conditions with less emphasis on helping BWEs to reach their full potential.

### **The conduct of training programmes**

Training support is the most prevalent support provided by government organisations to BWEs in this study. Fifteen out of 21 BWEs have participated in training programmes provided by government organisations. Although beneficial, several issues emerged from BWEs’ conversations about the training programmes they have attended. Firstly, there is a gender issue regarding how the training programmes are conducted. The majority of the BWEs have no hesitation in participating in mixed-gender programmes. For example, BWE8 stated:

*“I don’t care if the courses are mixed, men and women. I won’t have any problem if there are men participating in the courses. Doesn’t matter if the instructors are male or female. I’m okay so far.”*

In fact, participating in a mixed-gender programme is seen as a platform to expand their knowledge. BWEs stated:

*"I could exchange ideas with the male and female participants." (BWE7)*

*"It was good because our individual experiences are different. So, I learnt from it." (BWE5)*

Furthermore, BWEs show less concern about whether the training instructor is male or female. BWE13 stated:

*"It doesn't bother me if the instructor is male or female. They're all the same."*

Taking into consideration the strong influence of spouses' consent to BWEs' involvement in external activities (see page 177), the negative cultural perception of BWEs who socialise with men (see page 180) and the Malaysian social context where women's social position is lower than men's (Ariffin, 1999), these findings are quite unexpected. These findings indicate that the need for women-only training programmes is seen as less relevant for BWEs in this study which is in contrast with previous research (Carter, 2000; Roomi and Harrison, 2010). However, BWEs highlighted several gender aspects of participating in the programmes that would significantly impact their business. For example, BWE7 frustratedly stated:

*"There isn't any slot to share experiences among women entrepreneurs".*

Other BWEs viewed:

*"But I prefer women [instructors] because they could appreciate our works better. They know how to appreciate our work." (BWE9)*

*"...but it'd would be ideal if the instructor is a woman because it'd be easier for us to ask questions. I won't feel shy. They taught us in details of how to make new designs." (BWE21)*

These statements indicate BWEs' views on the significance of being able to share their experiences with other women. However, women's involvement in GESPs is limited and this situation is confirmed by GOs' statements (see section women's involvement, page 214).

In addition, it appears that the location at which the training programmes are conducted influences the participation of BWEs. This issue is more relevant for married than for single BWEs. The single BWEs stated:

*"I travel around Sabah and across to the Peninsular. Any venue is fine with me" (BWE9); "I don't mind where it's held." (BWE10)*

*I'm a single woman so it doesn't matter where or how long the courses are held." (BWE12)*

In contrast, married BWEs stated:

*"If it's held here, it'd be more convenient because of my baby" (BWE8)*

*"Actually I don't like leaving house. I feel sorry for the children even though my husband doesn't object. But what could I do, I have to take part. Furthermore, that's one of the conditions before applying for a loan." (BWE5)*

These statements show the difference in the views between single and married BWEs on the issue of training location. In other situations, BWEs regard positively any training programmes conducted within their local area. BWEs stated:

*"... they organised the course here (local area) ... that was convenient." (BWE17)*

*"There was no problem because they held the course here ... we don't have to leave home." (BWE21)*

These findings show another aspect of how BWEs' involvement in entrepreneurial-related activities could be influenced by their domestic roles.

### **7.11.2 Access to GESPs**

This thematic network relates to the views of BWEs on the factors that hinder their access to GESPs. BWEs view the process of selecting participants as not transparent, even when specific criteria are set by government organisations. Access to GESPs becomes more challenging when some of the criteria used seem to undermine the ability of BWEs to be eligible participants, particularly when the involvement of spouses is required in the process. In addition, the processing time of applying for GESPs is another theme that emerged from the interviews, one that places BWEs in an unfavourable business position.

## **Selection of participants**

In general, BWEs shared the unpleasant experience they faced in accessing GESPs. BWEs believe that the unpleasant experience is caused by the lack of transparency in the process of selecting participants for particular programmes. BWEs' views on the issue are illustrated in the following comments:

*"I have positive comments for the financial support provided by the government. It's very good but sometimes their management isn't great. Sometimes I think that they have their own preference ... maybe they are quite bias. I say this because it's been very difficult for my friends to receive any support, but in my case it is very easy. It'd be hard to get if we're not successful then. I mean they only support you if your business is doing well, but not because we need capital. That's why most of the women who've not been getting any support, their business remain the same even after ten years in business."* (BWE11)

The above statement indicates that BWE11 is pleased with the government support she has received so far, but she also states that her experience is not common for other women entrepreneurs. This statement highlights a unique challenge faced by BWEs in accessing government financial support. The practice of giving financial support to successful BWEs could discriminate against BWEs who struggle to develop their businesses. The statement also shows how BWEs feel that the selection process is not transparent. In the same vein, BWE7 also shared her experience:

*"... how could it be that each time they have programmes, they'd only select the same people. How come the same person is always involved? If I'm allowed to put it this way ... I think it's favouritism. I don't think there's any transparency in the selection process..."*

In addition, BWEs raised the concern that any involvement in GESPs, particularly in relation to training or marketing-related programmes, is based on invitation by government organisations. For example, BWEs stated:

*"I was often invited to attend course."* (BWE11)

*"I didn't apply but I was invited."* (BWE15)

*"I've never applied but have always been invited to attend courses."* (BWE8)

*"I've always taken part when invited"* (BWE14).

Conversely, BWE2 stated:

*"I've never received an invitation, I've never taken part in any exhibitions. We couldn't take part in exhibitions or handicraft expos without and invitations."*

These comments indicate that it is a privilege for BWEs who are invited to any GESPs, but those who are not invited feel they are being sidelined. This practice is viewed by BWEs as placing them at a disadvantage because an invitation to participate in GESPs is more likely to be extended to BWEs who have close contact with particular government organisations, as BWE15 stated:

*"When they asked someone in this area to search for trainers or instructors, only people who close to this person will be invited. We only attended the courses because they had problem filling up the places."* (BWE15)

Similar to the role of political influence on BWEs that depends largely on the concept of 'who you know' and which can place BWEs at a disadvantage (section 7.10.3.3, page 182), the same concept brings challenges for BWEs in accessing GESPs.

The issue of transparency has resulted in BWEs having little faith in GESPs and seeing no significance of the programmes to their businesses. BWE1, who has been in business for 13 years, stated:

*"I didn't get any [support]. I couldn't get any from the government. I didn't know why. What's gone wrong? Maybe I'm too negative in that respect. I often see it negatively because I'm only looking at it in an angle ... I see that the bodies [government organisations] aren't transparent."* Her past experience in this issue explained her negative thoughts. She stated:

*"I was there once [was registered with a government organisation] but I didn't get what others had. I didn't get any. Why I didn't get anything ... the others received them. So, I felt upset because it seemed very unfair"*.

Interestingly, while BWEs view the issue of transparency as occurring in government organisations, G05 has had a different experience. G05 explained that in the process to get participants for programmes that she conducted, she usually cooperates with other government agencies in particular districts. However, this practice is ineffective, as she commented:

*“But it’s very difficult to get participants. Sometimes, you know in this district, to make their [other agencies] life easy, they take on the participants nearby. Only those they know. They don’t publicise this to everyone. We often get names based on recommendations, so, actually, there are still many people who do not know about our programmes”.*

Once again, these findings show the strong influence of the concept of ‘who you know’ in BWEs’ efforts to access GESPs.

### **The criteria**

Another theme that is important in influencing the access to GESPs by BWEs is related to the criteria used in the process. The previous section has shown that BWEs’ involvement in training and marketing-related programmes is usually based on invitations by government organisations. However, in contrast, specific criteria are used by government organisations in providing financial support for BWEs (see GO’s comments, page 199). BWEs gave mixed responses to the criteria for accessing government financing. On one hand, BWEs regard the criteria for accessing government’s financing as easy to fulfil. BWE21 stated:

*“It was easy to get a loan from the A1, no mortgage, nothing, only a copy of my husband’s and my ID [identity card].”*

BWE17 also shared the same view:

*“...it was pretty easy to apply for a loan, you only needed to submit a copy of your ID and your husband’s”.*

Both views refer to the financing package provided by the government’s development organisations. This organisation is known for its micro-financing initiatives for women in Malaysia, as confirmed by BWE4:

*“I didn’t ask a lot but it’s harder to get capital now because I need larger sum. It’s easy to borrow from the A1 [government organisation] but only in small sums.”*

Although BWEs see no challenges in accessing micro-financing from the government development organisations, BWEs who require additional financial capital to increase their business capacity revealed another criteria issue. One of the criteria that needs to be fulfilled by

BWEs is the need to apply micro-financing support not individually but in a group with other BWEs. This criterion is seen by BWEs as unfair. BWE19 stated:

*"I received RM20,000 before. I managed to pay it off even before the maturity period ended. But because we borrowed the money in a group, there were others who didn't manage to pay it back as early as me. The rest weren't able to pay yet. That's why I couldn't borrow again. That's what I wasn't happy with. Why should I be penalised for late payment of other? They said I could borrow again but until the rest settled their re-payment. That wasn't fair. They said they had to follow procedures."* She added:

*"I couldn't get any more because my friends haven't settled their debts, I couldn't re-apply ... I used to have a little capital so it wouldn't be enough if I couldn't borrow anymore."*

The comments of BWE19 show another aspect of challenges BWEs face in accessing GESPs, even when they have successfully met their financial obligation. This finding demonstrates that no unfavourable criteria is imposed on BWEs in obtaining micro-financing, and may be seen as positive effort by government organisations in assisting BWEs to overcome their financial capital issues. However, the requirement of having to apply in a group with other BWEs indicates the perception by government organisations of BWEs as risky borrowers. This finding is consistent with previous research on women entrepreneurs and their accessibility to external financing (Coleman, 2000) that found that some type of collateral is required by lenders to counteract the perceived risk of women in business.

Although this criterion places them in an unfavorable position, BWEs are more likely to engage with micro-financing. The data has revealed that this type of financing is regarded by BWEs as the easiest type of financing they can access and use for their handicraft business. It was evident that BWEs are less motivated to seek for external financing if the procedure is too complicated. For example, BWE12, who is reluctant to use external financing, stated:

*"It's hard to apply elsewhere ... too many process involved."*

Consequently, in order for BWEs to be able to re-apply for micro-financing support for their business, they tend to bear the financial burden of their friends. For example, BWE11 stated:

*"My style is different, I helped others in my group to settle their re-payments, they'd then pay me back. I can't wait. Otherwise, there won't be any progress."*

In another situation, BWEs view the success of obtaining government financing support as depending largely on the financial aspect of their business. BWE6 stated:

*“...the government wants to assess our business history that we have our savings, good bank statements that you are able to pay back including sales report.”*

Another BWE stated:

*“It’d be easy if we have a good record.”* (BWE11)

Both BWEs had applied for business financing from government organisations. Unlike the criteria to access micro-financing that are perceived by BWEs as easy, the remarks of BWE6 and BWE11 indicate that this is not the case for applying for business financing from government organisations. Their remarks show that the financial credibility of BWEs is a significant criterion used by government organisations in providing financial support to BWEs. In this respect, BWEs see the criteria for accessing business financing from government organisations as hard as accessing from other financial providers. BWE6 added:

*“Even though they’re government body, the criteria they set resemble those of commercial banks.”*

The view of GOs pertaining to this issue was sought. The data revealed that the views of three GOs further provide evidence that the criteria set by government organisations may cause difficulties for BWEs. Two GOs describe financial capability as one of the criteria used to determine the eligibility of applicants. GOs stated:

*“We’d usually check their management of accounts and bank statements.”* (GO1)

*“Our brochure has all the qualifying criteria. Basically, the capabilities of all SMEs who’d want to apply for our programmes must be assessed through the S1 Programmes ... The number of stars that they’d receive after the assessment process will determine their capabilities.”* (GO4)

In the effort to understand the capabilities mentioned by GO4, it was found from the brochures obtained from the organisation for which GO4 works that financial capability is one of the required criteria. In other situations, GO2 stated that there is no requirement for financial capability if BWEs apply to the organisation for which he works; however, one of the criteria that must be passed by applicants is the *“ability to provide a guarantor”* and *“passes the psychometric*

*test [above RM20,000]*". These statements show that success in obtaining financial support from the relevant government organisations largely depends on the ability of BWEs to show the financial strength of their business, and this could be a challenge for BWEs, as the majority of them indicate financial constraints as their greatest challenge to business survival (see section financial capital, page 164). Therefore, it can be seen that some criteria used by government organisations that is supposed to assist the development of BWEs' businesses become a hurdle for BWEs to overcome to move their business forward. While this hurdle is caused by the structural procedures set by particular government organisations, BWEs have to use their own initiatives in minimising the effect of such hurdles on their business survival.

### **The processing time of GESPs applications**

Another significant theme that emerged in relation to the issue of accessing GESPs is the time taken by government organisations to approve GESP applications. In general, it became clear that the processing time is far from BWEs' expectations. BWE5 expressed her frustration on the issue by saying:

*"My first application was rejected because I didn't take part in trainings organised by M1. Then I took part in the course for three times ... I applied for the second time as soon as I receive my course certificates ... I couldn't remember how long it took before approval, perhaps several months."*

This comment shows that the approval of BWEs' applications for GESPs is a long process. The process involves the need for BWEs to obtain certain certificates for attending training programmes organised by the relevant government organisations from whom they applied for support. Then, several months are needed for the application to be processed. BWE11 stated:

*"M1 [government organisation] is very slow. I received my loan after four months."*

In the same vein, BWE13, who has applied for support in terms of the workshop and machines necessary to process the raw materials (tree bark) for her products, commented:

*"I was just been told last month that my application for the machines has been approved but I'm still waiting for them to be delivered to me. I have to wait but I don't know for how long. I have to wait very long [for approval] but I don't know when they'd be delivered ... So, I could say that the government offers support but it takes time."*

BWEs concerns about this matter are validated by the view given by one of the GOs in this study. GO1 stated:

*“The process should take two months but will get delayed due to incomplete applications and difficulty in setting the work committee meetings. We need two meetings for this matter [two levels of meetings]”.*

The issue of the lengthy application process in government organisations will cause a delay in BWEs’ business operation which affects their business survival. However, although BWEs are aware of the issue of processing time in government organisations and other criteria they perceive as unfair, the data revealed that BWEs still rely on government organisations as their main source of external support due to their limited knowledge in seeking for alternatives. For example, BWE7 stated:

*“Perhaps it’s caused by my education level, so, I don’t know whom to contact and what kind of support that I could apply for.”*

In addition, BWEs previous informal working and business experience (Table 11, page 127) provides them with less connection with the formal business environment, which also limits their options for other sources of support.

### **7.11.3 Promotion of GESPs**

Only negative experience is highlighted by BWEs when the issue of how GESPs have been promoted by government organisations is raised. BWEs expressed their concerns that an inappropriate approach was adopted by government organisations in promoting GESPs, which caused their unawareness of the programmes. Although various strategies are adopted by government organisations to disseminate information about GESPs, the effectiveness of the strategies can be questioned, as the majority of BWEs are still unaware of the existence of GESPs that they can utilise. In this sense, a proactive strategy to promote GESPs is required if the programmes are to benefit BWEs.

### **Awareness of GESPs**

Without hesitation, the majority of the BWEs agreed that they haven't seen any promotion pertaining to GESPs. BWEs stated:

*"None. I've never seen any. None so far."* (BWE1)

*"No, I've never seen any information"* (BWE13)

*"Not that I've seen."* (BWE18)

The words used by BWEs show their views on the issue and their unawareness of GESPs. As expected, BWEs depend largely on their circle of friends in their effort to seek information about GESPs, as BWEs stated:

*"I only found out about it when my friend told me."* (BWE4)

*"My friends told me about M1 loans."* (BWE5)

When BWEs were asked about any sources of information other than friends, they replied:

*"I work in the stall during the day, so I wouldn't have time to look for information."* (BWE5)

*"We seldom travel out. If the information doesn't reach here, we're unaware of it."*  
(BWE18)

These statements indicate that BWEs have constraints in searching for information about GESPs. This situation is further exacerbated as BWEs regard communication about GESPs as poorly delivered by government organisations. BWEs stated:

*"I think there's an issue with communication because none of the information reaches us."*  
(BWE15)

*"Perhaps it was caused by poor communication. I'd definitely visit them at their office should I hear anything."* (BWE2)

BWEs' comments show that they have constraints in travelling to look for information about GESPs and feel that the current approaches used by government organisations in delivering information about GESPs are unable to increase their awareness of the programmes. When GOs were asked about any issues that might hinder the effectiveness of delivering information about GESPs to women entrepreneurs in general and BWEs in particular, two GOs stated:

*"It's been all right so far." (G02)*

*"The difficulty isn't major." (G01)*

Compared to BWEs comments, the statements by GOs indicate that they see no issues about delivering GESP information to BWEs. The data revealed that the GOs believe that the delivery process is related to the attitude of entrepreneurs. GOs stated:

*"... but it'll all depend on the entrepreneurs' attitude too ... M1 [government organisation] can offer loans and limited trainings, the rest would be the entrepreneur's own initiative to search for information" (G02)*

*"From my own experience, it is the attitude of the particular business owners." (G04)*

*"...so, there isn't any issue with information. The only issue is about whether or not they are eligible." (G01)*

In addition, when GOs were asked whether there is any difference between the strategies employed to deliver information between women entrepreneurs and entrepreneurs in general, GOs responded clearly:

*"...same strategy." (G01)*

*"No, they are all the same." (G02)*

*"None, they're all the same." (G03)*

*"None but for women we would normally contact the women associations." (G04)*

Therefore, while the adoption of these strategies may not increase BWEs' awareness of GESPs, it also raises the issue of the extent to which GOs and their respective organisations understand the challenges faced by BWEs in accessing information about GESPs.

### **The strategy**

GOs describe different strategies used by government organisations in disseminating information about GESPs and see no issues on the current strategies. The most common approach used by government organisations to disseminate information about GESPs is during

particular events such as training programmes or seminars organised by their organisations. Except G05, the other four GOs stated:

*"We inform verbally during the courses, I prepare slides and deliver presentations." (G01)*

*"We invite them to attend our courses ... During the courses, they will be informed about our programmes." (G02)*

*"Sometimes we invite a group of them [handicraft producers] to the hall [community hall], so that we can let them know." (G03)*

*"We organise SME week annually ... we expect a large number of SMEs to participate during that week ... so, information can be disseminated effectively." (G04)*

The views of GOs are consistent with BWEs' views. BWEs stated:

*"I acquired some information from seminars" (BWE1)*

*"But when I attend courses, there are talks about business supports from government agencies such as from M1," (BWE13)*

*"The officers told me about it when I attended a course." (BWE14)*

Although GOs see no issues pertaining to this strategy, BWEs have highlighted the issue of a lack of transparency in selecting participants for particular training or courses related to programmes organised by government organisations (See section selection of participants, page 195). Therefore, disseminating information about GESPs through this channel may not be beneficial to all BWEs.

It was also evident that written information on GESPs is also available. GOs stated:

*"We have brochures. Brochures are available at the 8<sup>th</sup> floor of this building" (G01).*

*"We use pamphlets and brochures. We place the brochures at each of our district office so that anyone visiting the office can take some copies. Secondly, at the entrance of our agencies' offices or at mosque on every Friday" (G02).*

*"We have brochures and flyers here [office]" (G03).*

Although GO4 did not mention any written information, it was found during observations that relevant brochures are available at the organisation where he works. At this point, it can be seen that written information such as brochures is another common strategy used by government organisations to disseminate information about GESPs; however, none of the BWEs mentioned brochures as their source of information on GESPs. The fact that most of the government organisations are located in urban areas (four out of five, and one organisation has branches in each district) may cause difficulty for BWEs in obtaining written information about GESPs. For example, BWEs stated:

*“Perhaps it’s much easier to find them [government organisations] in the city, it’s different here. I’m busy every day, I don’t have the time” (BWE5).*

*“They are located far from here, they are in KK. If I travel to KK it is only for delivering supplies. I wouldn’t have the chance to visit them” (BWE19).*

In addition, the location of the government organisations in urban areas has caused difficulties for GOs in reaching BWEs in different locations. For example, GOs stated:

*“We only have problems for suburban and rural areas. If we don’t host any programmes at those areas then the local entrepreneurs will not receive any input. There isn’t any problem within the urban vicinity” (GO1).*

*“There isn’t any issue in the city ... It’s okay in the city” (GO3).*

These statements indicate that both BWEs and GOs believe that BWEs face difficulties in accessing written information on GESPs at government organisation offices that are located in urban areas. Since the majority of BWEs in this study run their businesses as own-account workers while also carrying out their domestic responsibilities, it is not easy for them to be away from their business. Consequently, it is a great challenge for BWEs if they travel to urban areas to obtain the written information of GESPs. This finding is consistent with the findings of Fielden et al. (2003) that the central location of service providers has prevented women entrepreneurs who have young children and rely on public transport accessing business support services. In the context of Malaysia, this finding provides more evidence to support the need for the establishment of government organisations in suburban areas to facilitate the access of business assistance by micro-business owners (Selamat et al., 2011).

In addition, it was observed that a non-user-friendly protocol such as the usage of electronic cards is applied in accessing some of the government organisation buildings. This protocol is needed even if access to the organisations is to obtain brochures or to make simple enquiries about the programmes offered by the organisations. Also, all organisations have a closed office environment that creates no sense of welcome to visitors. This situation invites a feeling of unease in BWEs wanting to get support. Although the physical setting of government organisations could influence women's access to entrepreneurial support, the issue receives less attention in the entrepreneurship literature. Therefore, placing written information in government offices that are located in urban areas and which have particular protocols to access the buildings could be seen as inappropriate for BWEs. Certainly, the urban location of government organisations causes difficulties for BWEs in obtaining information about GESPs, which provides new empirical data to support the argument.

The study also revealed that the organisation where GO5 works does not disseminate information about GESPs. GO5 stated:

*"We don't disseminate the information. We don't publicise our programmes ... We organise a programme based on our budget. If we publicise it, it wouldn't be enough".*

This statement is confirmed as no written information such as brochures of GESPs were found during the observation process in the organisation. Taking into consideration the fact that this organisation was established to help women in their socio-economic development, the financial constraint of this organisation that limits its ability to organise programmes may place BWEs at a disadvantage in relation to the access of GESPs. This finding implies that there is a long-running debate about the lack of capacity in women's organisations (Moser, 1993).

There are other approaches described by GOs which vary according to the respective organisations. Some of the approaches used the involvement of other third parties, as GOs stated:

*"We will inform the district committee and all agencies of any of our programmes. We disseminate it [information] to the committee. It'll be each committee's responsibility to escalate it to the relevant parties" (GO2).*

*"Sometimes we disseminate the information through the association of single mothers ... also through district officer" (GO5).*

However, the issue of lack of transparency that emerged in this study may suggest that this strategy is inappropriate for BWEs. This finding corresponds with Habib Shah's (2004) view that information about GESPs is less effective if it is e-mail to the head of women's organisations, instead, the e-mail should be sent to all members of the organisation. Meanwhile, GO4 stated:

*"We disseminate information through our website" (GO4).*

However, only two BWEs shared that they obtain information about GESPs through the government organisations' websites. For example, BWEs stated:

*"I googled it. I don't know them that well ... I only know about M1, MD [government organisations], then, I visit their websites" (BWE8).*

*"It's much better now, the MD [government organisation] is on Facebook and they even have their own blog site for handicrafts" (BWE11).*

In other situations, GO3 stated:

*"Sometimes we disseminate them during visits" (GO3).*

While this direct strategy in reaching BWEs can be seen as appropriate for them, it was evident that BWEs are unhappy about how the visits were conducted by GOs. BWE2 stated:

*"That how it was when they only came to look around. They don't really help ... They pass us some forms, we complete it. That was all ... there wasn't any feedback from the meeting. They came. They looked around."*

In addition, the data also revealed that the local politician office is another important channel for BWEs to obtain information about government support, as BWEs stated:

*"If I need to enquire about support, I'd normally visit the YB office [politician office]. That's all I know" (BWE17) and "I did ask about support for my business at the YB office because I know the YB's right-hand man" (BWE18).*

Again, these statements provide additional evidence of the significance of political influence for BWEs in accessing GESPs.

#### **7.11.4 The attitude of GOs in charge of GESPs**

All BWEs reported that they have some contact with government officials. BWEs appear to have mixed opinions in relation to the quality of these contacts. BWEs' opinions of GOs are related to their competency and the extent to which the GOs are aware of their specific needs.

##### **Competency**

Two different views were given by BWEs pertaining to the competency of GOs: positive and negative. A minority of BWEs view this issue as positive and provide different situations which make them see their experience as valuable. For example, BWEs stated:

*"They'd normally motivate me to keep going. They motivate me because sometimes I feel down" (BWE10).*

*"They offer advice and motivate me. Don't give up" (BWE14).*

*"They suggested that I register with the H1 [government organisation] with the handicraft association..." (BWE1)*

*"It was good that they advised me ... increase our awareness" (BWE18).*

Although BWEs are positive about this experience, their statements indicate the limited scope of GOs' advice and in most cases it can be seen as less pertinent to BWEs' businesses. Therefore, it is not surprising that the majority of BWEs describe the experience of dealing with GOs as not very valuable.

Although BWEs agree that they have some contact with government officials, this contact is limited to two situations. Any communication and interaction between BWEs and GOs takes place during BWEs' participation in training or other programmes conducted by government organisations and during GOs' field visits. The first situation provides more opportunities for BWEs to interact directly with GOs than the latter because GOs are not necessarily involved in each field visit; in most cases GOs are represented by their staff for field visits. However, BWEs did not see both means of contact as significant for their businesses. For example, BWE15 who responded based on her experience of being visited by GOs or their representative during field visits stated:

*“Recently, they were representatives from the H1 [government organisation] came to visit. They only asked us to fill in a form. They didn’t say whether they’re willing to help or not. They did ask me about my business but didn’t offer any advice. Filled in the form and they head back. I had asked them before, what’s the form is for? They said only for census purposes on the handicraft producers” (BWE15).*

In this respect, it can be seen that the field visits are more to help government organisations in preparing a database for their records than to assist BWEs in their businesses. The comments of BWEs indicate that no interactive communication takes place between GOs and BWEs during the visits. Therefore, it is not surprising that BWEs view the field visits as not significant for their businesses.

In addition, it was evident that BWEs doubt the abilities of GOs in providing advice for their businesses. For example, BWE6, who had obtained significant handicraft experience from her previous employment, explained thoroughly the reasons she does not seek advice from GOs. She stated:

*“Frankly speaking because I don’t like to deal with them ... For example, they sometimes don’t expect me asking what I asked them. So, I said ... I don’t really have to ask for any advice. Yes, they are all significant for the new entrepreneurs, but, not for those who have been in business for years like me”.*

*“Isn’t it different if you seek advice from those who don’t have any experience in running business? ... If they are well-known entrepreneurs and offers advice to you, it’ll motivate you even more ... but not those from the government. Management at the top level only sit in the office and they don’t care about assessing the needs of the entrepreneurs so how could they get entrepreneurs involved in their programmes?”*

This statement indicates that BWE6 has little faith in the abilities of GOs to provide advice for her business. Another BWE with the same view stated:

*“They come here every year. They often talk about the same thing when they come to visit. They’d ask us whether we’re still active or not” (BWE17).*

Both statements indicate the BWEs view that GOs lack competency in providing them with sound business advice. Perhaps the lack of personal entrepreneurial experience of all GOs (See section 7.6.2, page 142) contributes to this situation. This finding supports Sandberg’s (2003)

proposition that the hiring of officials who have empathy for and experience in dealing with micro enterprises is significant in understanding the needs of women in micro enterprises.

### **Gender sensitivity**

There is a broad explanation given by GOs in relation to their perception of the problems faced by BWEs in general and in the handicraft industry in particular. Generally, GOs tend to relate the common business problems of small businesses to the BWEs: a lack of *“strategic location for business premises”*; *“packaging problem”*; *“inconsistency supply of raw materials”* (GO1); *“weak management practice”*; *“financial knowledge is pretty weak”* (GO2); *“they have the ability of producing their own products but there are issues about marketing”* (GO3); *“the most critical area for them is in terms of financial capability”* (GO4); *“they don’t keep a proper financial records”*; *“issues in terms of marketing”*; *“product quality is inconsistent”* (GO5). At this point, all GOs seem to have the same view of BWEs and their business-related problems. However, when this issue is further discussed, the female GOs addressed another perspective of the problems faced by BWEs. Based on her experience in conducting entrepreneurship training programmes for women, GO5 stated:

*“...poor level of education. It’s difficult for them to see the bigger business picture. In addition, once we’ve identified the participants to attend our programmes, they’d normally give us thousands of excuses. For example, ‘I can’t come, I have a young child, my mom doesn’t let me go anywhere, I’m still living with my mom, so I can’t leave home, there’s no one to look after my mom’. So, it’s difficult to help them”.*

Another female GO highlights that women entrepreneurs *“do not know the person who can help them”* (GO1). Consequently, she sees the significance of *“business matching programmes”* and stated:

*“Set them up with the relevant people ... perhaps the business matching programmes can help them market their products and increase profit”.*

While GO5 acknowledge the significant influence of domestic responsibilities on BWEs entrepreneurial activities, GO1 realises that BWEs have limited business networking that could be useful to their business. Both GOs’ views acknowledge the significant influence of domestic

responsibilities on BWEs entrepreneurial activities which are consistent with the BWEs' experiences discussed in Section 7.10.3.1 (Family institution, page 172).

On the other hand, male GOs are less likely to discuss women-specific issues. There is an indication that male GOs in this study have little understanding of the needs of BWEs and how they are different from entrepreneurs in general. For example, this situation can be seen from GO4's comments when he stated:

*"Personally, I'm not sure what the problems are for women".* He added:

*"But you know what? In our organisation, most of the approved applications come from women entrepreneurs. With regards to women handicraft entrepreneurs, we've not been getting any application from them".* He ended his comments by saying:

*"I couldn't see how government hasn't been supportive enough towards women, I think it's sufficient for now. Now it's entirely on them".*

Another two male GOs stated:

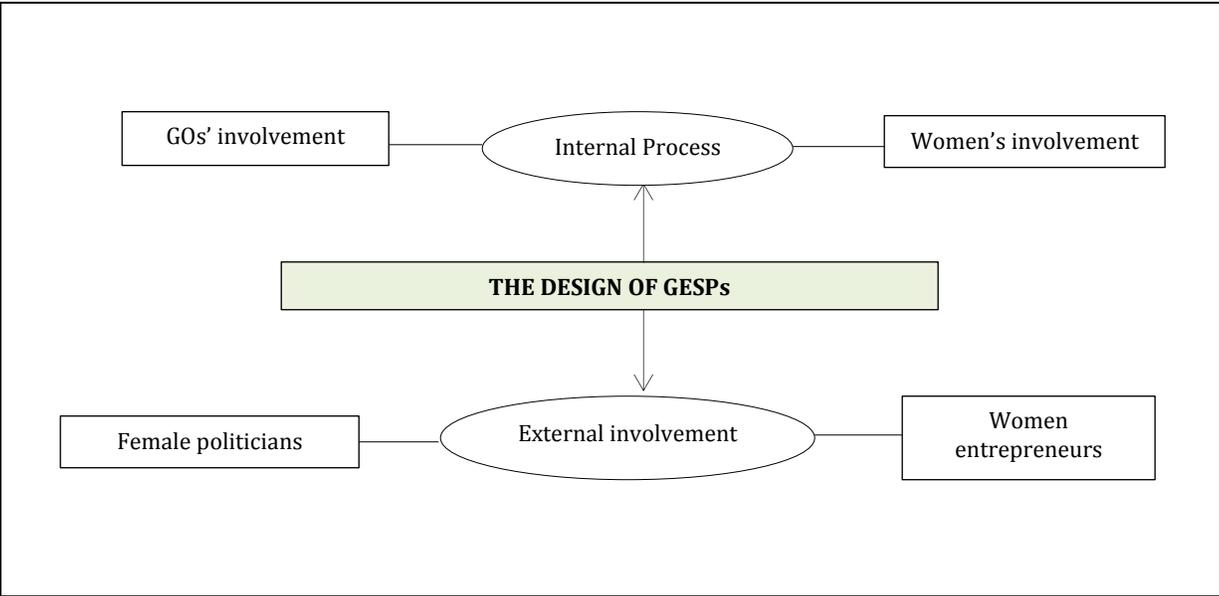
*"They have attitude issues" (GO3).*

*"Entrepreneurs would also need to change their attitude, they can't just wait there doing nothing" (GO2).*

One obvious similarity between these comments is the tendency of male GOs to view the current problems faced by entrepreneurs in general and BWEs in the handicraft industry in particular as caused by their attitude. Taking into consideration that BWEs in this study take personal initiatives to overcome various business challenges on their own (see section 7.10, page 155), the comments of male GOs indicate that they are less sensitive to the gender issues. Unlike female GOs that relate BWEs' situation with women-specific issues, it can be seen that the male GOs are unable to see this aspect as significant in the context of BWEs, which gives the impression that female GOs have more understanding of BWEs than male officials.

**7.12 The design of GESPs**

In describing how the design of GESPs is carried out, GOs’ conversations are mainly built on two themes: the internal process and external involvement. It is the objective of this section to find the matching point between BWEs’ expectations and the extent to which the expectations are incorporated in the design of GESPs. Therefore, both views of GOs and BWEs are put forward to give further insights into the issue. The thematic network shown in Figure 8 illustrates the key themes that describe the design of GESPs.



**Figure 8: Thematic network for the design of GESPs**

**7.12.1 Internal process**

This theme pertains to GOs’ comments about how the process of designing GESPs is carried out by their respective organisations. Based on GOs’ conversations, it is common practice for the design process of GESPs to be done internally in all government organisations in this study. Within this context, it becomes apparent that GOs have significant influence in designing GESPs, particularly in relation to training-related programmes. Although women’s involvement in the process was evident, several issues emerged that affect the appropriateness of the programmes to BWEs.

## **GOs' involvement**

It was evident that the design of the entrepreneurship training programmes starts with what is proposed by GOs. GOs stated:

*"The most important thing is budget and proposal" (GO1).*

*"We put up a proposal then set up the budget" (GO2).*

*"We'll send the modules to the head office for approval" (GO3)*

*"We put the proposals up" (GO4).*

These statements show that a proposal for particular GESPs and the budget impact are two aspects that need to be finalised before specific training programmes can be introduced by respective government organisations. In this respect, the knowledge of GOs of entrepreneurs in general and BWEs in particular is crucial in determining the appropriateness of the programmes that they design. In designing the training programmes, the data revealed that GOs made efforts to ensure that the programmes are demand driven. For example, GO1 stated:

*"For trainings we will take into consideration the participants. We will consider the feedback provided to ascertain the kind of the trainings required by the participants".*

Other GOs also highlighted the same practice in their organisations in which feedback from potential clients is obtained through different events such as "visits" (GO3) and "dialogues" (GO5). Although this effort could help to increase the appropriateness of training programmes to their potential clients, it is noteworthy that four out of the five GOs design training programmes without a specific target group of clients in mind. This means the programmes are designed for all. When GOs were asked how they ensure the GESPs match the needs of women in general and BWEs in particular, most GOs agree that the issue is captured through "feedback forms" (GO1 and GO3), "post-course feedback" (GO2) and "dialogues" (GO5). However, while no example or situation is explained by GOs to describe how this approach helps to understand BWEs' needs, neither was documentary evidence obtained of feedback forms being used by government organisations. In addition, various unpleasant experiences were shared by BWEs when they commented about the implementation of GESPs (Section 7.11, page 188). In many aspects, BWEs' comments indicate that GESPs do not meet their expectations. Therefore, the extent to which the needs of BWEs have been considered by GOs in designing GESPs is difficult to determine.

### **Women's involvement**

In addition, it is common practice in the GESP design process that a committee is set up to discuss the proposed GESPs. When GOs were asked if any women were involved on the committee, all GOs responded positively. For example, GO3 confidently stated:

*"We have women in the committee".*

Although women's involvement in the process can be regarded as a good effort to increase knowledge of women entrepreneurs as potential clients of GESPs, several issues emerged. It becomes clear that a woman will be one of the members of the committee only if she holds the top position in one of the units in the particular government organisation. For example, GOs stated:

*"Women who are the head of the department will automatically become a committee member to the action meeting" and "We have female designer from the R&D unit. She is selected because she is the designer" (GO3).*

In the Malaysian context, there are fewer women holding top management positions in government organisations than men. As a consequence, only a small number of women are members of the committees involved in designing GESPs in the government organisations in this study, and this situation is confirmed by three GOs (GO1, GO2 and GO3). In explaining women's involvement in designing GESPs in their organisations, they stated:

*"I must admit there are more men" (GO1).*

*"The number of women at other districts is only about two to three whilst the total members of membership in a committee is usually 30" (GO2).*

*"We have a female designer from the R&D unit" (GO3).*

This finding is consistent with Landig's (2007) suggestion that only if more women in the decision making team in government, then only women have power to influence the direction of social change that could reflect them. While it is argued that the success of incorporating gender issues in women's initiatives is subject to women's involvement in the planning process (Debusscher, 2011; Swainson, 2000), the low representation of women on the committees that design GESPs in this study may place BWEs at a disadvantage due to insufficient women's voices.

This is consistent with McEwan's (2003) finding that women have to confront the hidden barriers that exist in the institutionalised participation process.

In contrast, the other two GOs (GO4 and GO5) explained that there is more involvement of women in the design process of GESPs in the organisations for which they work. It is noteworthy that both GOs agree that there are specific women-only programmes offered by their organisations. GO4 stated:

*"The majority of our staff is women. I tell you ... our CEO is a woman, the Deputy to the Chief Executive is a woman, COO is a woman and if I'm not mistaken there are also 4-5 women directors at other units".*

Since there are more women in the top positions of the organisation for which he works, GO4 confidently stated:

*"So, to say that our programme isn't considering women's needs is not true".*

Meanwhile, GO5 works with an organisation that employs 26 women out of 28 employees, and this organisation can be referred to as a women's organisation (Moser, 1993). Thus, more involvement of women in the design process of GESPs is expected. On one hand, this situation increases the opportunity to address women's issues in designing GESPs. However, further investigation into the issue provides other evidence that GESPs provided by the organisations may have less impact on BWEs in the handicraft industry. In one situation, GO4 stated:

*"We allocate 10% from the whole figure to women. For example, if we allocate RM20 million, 10% allocation will go to women. That's the management policy and was mentioned at the meetings ... it is an advantage for them [women]. If RM20 million, 10% guaranteed for women".*

However, surprisingly, when GO5 was asked to name this programme, he stated:

*"There isn't any special name for this women programme".*

A search for information about this programme through written materials obtained from the organisation yielded the same finding – no women-only programme is included in the list of all development programmes for SMEs provided by the organisation. It was observed that the written materials can be requested by the public upon their visits to the organisation. In this sense, the exclusion of the women-only programme in the document demonstrates that no effort

is made to promote the programme to the targeted group. As a consequence, BWEs in the handicraft industry will continue to be unaware of the existence of GESPs that they can utilise for the betterment of their business. Meanwhile, GO5, who works with the organisation that is meant to assist women in their socio-economic activities, expressed frustratedly:

*“... we don't have enough people to run the programmes. Then, the resources are quite limited. Only RM250,000 a year for the entire Sabah [a state] ... that includes training as well. Very limited ... RM250,000 per year ... that includes our administration costs. We could only take on 30 participants per year”.*

This statement shows the critical issue of the financial resources of women's organisations. Both the statement of GO4 and GO5 may indicate that even with the presence of women's voices in the design stage of GESPs, GESPs specific to women cannot necessarily be successfully translated into influencing action. The issue of financial constraints addressed by GO5 confirms the long-running debate about the lack of capacity in women's organisations (Moser, 1993). In addition, GO4's statement indicates that there is no effort to promote women-only programmes along with other entrepreneurship development programmes offered, even with the presence of women in managerial positions of the organisation. No explanation of this exclusion was obtained from GO4, but this finding corresponds with the argument that the idea of having women on policy-planning committees is insufficient if women's voices are neglected (Cornwall, 2003; Debusscher, 2011).

### **7.12.2 External involvement**

It is the prerogative of each government organisation in this study to design their own programmes. However, with regard to a specific programme for women, the data revealed that it is launched based on a recommendation put forward by female politicians. Although BWEs see the significance of women entrepreneurs' involvement in GESPs, it was highlighted by GOs that no women entrepreneurs have become members of the committees that design GESPs in their organisations.

### **Women entrepreneurs' involvement**

All GOs agree that partnership arrangements are being established between their organisations and other organisations in relation to GESPs. However, rather than participating in the design process, this arrangement is more related to the implementation of the programmes. For example, GO2 stated:

*"We work closely with other government departments in particular districts. The reason is to ensure the information can be disseminated to target groups".*

In addition, when GOs were asked whether there is any involvement of women entrepreneurs in the design process of GESPs, without hesitation GO2 stated:

*"So far, there is no involvement from entrepreneurs".*

GO3 also shares the same view:

*"There isn't any craft entrepreneurs selected as the committee member here".*

GO3 gives the reason for this situation as:

*"This is only an internal committee, that's why we don't invite outsiders".*

These statements indicate the common practice among the respective government organisations that the design of GESPs is treated as an internal matter, thus there is no requirement to include people external to the organisations such as entrepreneurs in the process. However, this situation may affect the appropriateness of GESPs to BWEs. For example, one of the reasons pointed out by BWEs that contributes to their unpleasant experience in utilising GESPs is the lack of involvement of entrepreneurs in the programmes. In sharing her experience in utilising GESPs, BWE7 commented:

*"There isn't any slot to share experiences among women entrepreneurs".*

In another situation, BWE6 stated:

*"If they are well-known entrepreneurs and offers advice to you, it'll motivate you even more".*

These statements express BWEs' concerns on the importance of having guidance from successful entrepreneurs in general, and female entrepreneurs in particular.

### **Female politicians' influence**

With regards to women-only programmes, there is evidence that a different approach is practised by government organisations – external involvement from people outside the organisations. Two GOs (GO1 and GO5) highlighted that there are women-only programmes provided in their respective organisations. These two female GOs stated:

*“Since 2010, this organisation has been providing financial support for women in various aspects in the range of RM10,000 – RM100,000” (GO1).*

*“The programmes started in 2009. We received our budget in 2009” (GO5).*

These statements indicate that the women-only programmes which can be utilised by BWEs in this study are still new in the market compared to the year of establishment of all government organisations in this study. Interestingly, both GOs share the same view of how the programmes were first initiated. The data revealed that women-specific programmes were initiated in response to the demand made by female politicians in the research area. 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”.*

Another GO stated:

*“There wasn't any budget for us before. We receive it under the minister's allocation, YB A [female politician]. These are all her initiatives. In the past there has been a lack of attention for women entrepreneurs” (GO5).*

In fact, the effort of female politicians to increase entrepreneurial support opportunities for women entrepreneurs also includes the establishment of a government organisation that provides support for entrepreneurs in the research area. It is noteworthy that this organisation is well known in the Malaysian context as an organisation that is significant for the development of small and medium enterprises. This situation is described by GO4:

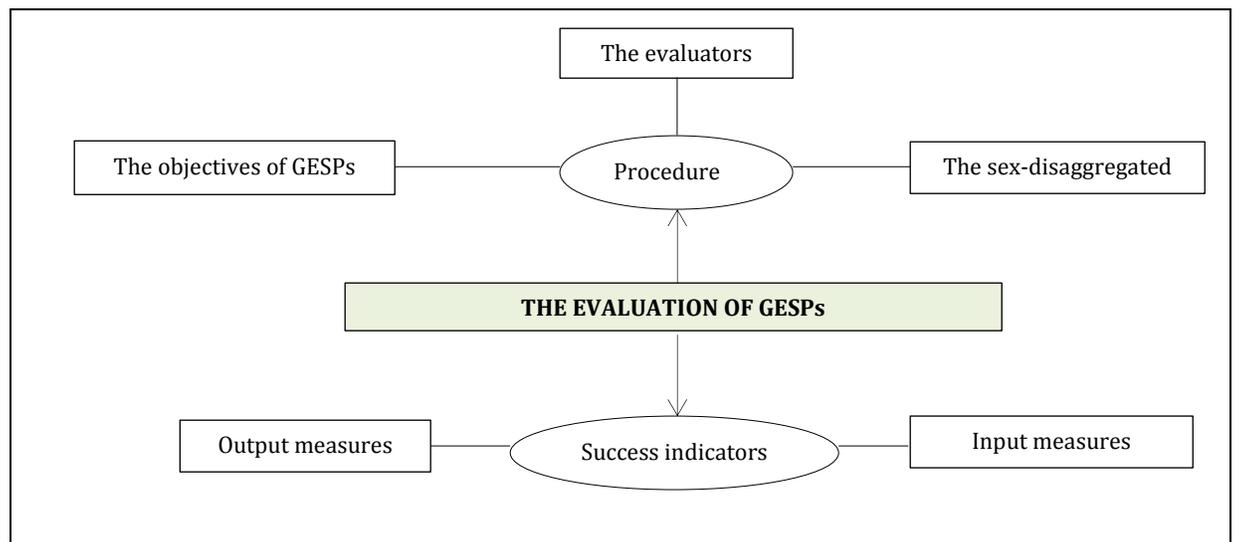
*“At the time in 2004, Datuk YB J [female politician] was interested to initiate this organisation in Sabah. That's why we're here in Sabah”.*

Uniquely, this finding implies another strong influence of the political aspect in the context of BWEs and their access to GESPs. In addition, the demand made by the female politicians to

establish women-only programmes may indicate the application of a top-down approach in relation to the provision of GESPs in the Malaysian context. Although the application of a top-down approach in designing development programmes for women is argued to be causing women to be regarded as ‘voiceless’ and belonging to an ‘homogenous group’ which places them at a disadvantage (Morrison and Jütting, 2005: 1066), this study shows contradicting results. The findings show that the adoption of a top-down approach allows for the establishment of women-only programmes which give Malaysian women entrepreneurs in general and BWEs in the handicraft industry in particular an advantage in obtaining support for their businesses.

### 7.13 The evaluation of GESPs

The evaluation of GESPs is another theme that is significant in understanding the extent to which the current GESPs works in line with BWEs’ expectations. GOs underlined the specific procedures and indicators used to evaluate the effectiveness of GESPs. The themes highlighted from the conversations with GOs are illustrated in Figure 9 below.



**Figure 9: Thematic network for the evaluation of GESPs**

### **7.13.1 Procedure**

This theme pertains to GOs' comments about how the process of evaluating GEPs is carried out by their respective organisations. Similar to the design process, the evaluation of GESPs is also undertaken by people within the organisations, which may affect the objectivity of the evaluation process.

#### **The objectives of GESPs**

All GOs agree that their organisations make an effort to measure the effectiveness of GESPs. As a first step, GESPs are evaluated against the objectives set for particular programmes. Various objectives were highlighted by each GO, but their explanation was brief and general. In one situation, GO3 even suggested this information should be sought through the organisation's website by saying:

*"They're all published on our website".*

In this respect, every response regarding the objectives of GESPs explained by the GOs was checked with the written materials obtained from their organisations, if possible, to ensure consistency. Findings from the analysis of the documents revealed that the objectives of GESPs can be categorised into two aspects. Firstly, the GESPs are provided with the objective to create more Bumiputera entrepreneurs in general and BWEs in particular. For example, GO2 stated:

*"The most obvious objective is to generate Bumiputera entrepreneurs ... that's the direction of our support structure".*

Consistently, this objective can also be found in the documents provided by GO2. Although the other GOs did not describe this objective during the interviews, this objective is stated clearly in the documents obtained from the respective government organisations. Since four out of the five government organisations in this study focus their programmes solely to Bumiputera, the objective to create and develop Bumiputera entrepreneurs is consistent with the various entrepreneurship initiatives provided by the government in an effort to minimise and close the gaps in the socio-economic differences between Bumiputera and non-Bumiputera in Malaysia (Baharuddin, 1988). Secondly, the objective of GESPs as described by GOs is to increase the competitiveness of the target groups. This objective is illustrated in the GOs' words:

*“The objective is dependent upon the programme but what I can say about our programmes is that they are designed to help SMEs to be more competitive” (GO4).*

*“We want to help women expand their businesses” (GO1).*

However, although these statements highlight that the objective of GESPs is to increase entrepreneurs’ competitiveness, the documents obtained from the organisations still show that creating new entrepreneurs is part of the objectives set. With regards to BWEs in the handicraft industry, although GO3, who works with a government organisation that deals with the industry, did not describe the objectives of GESPs offered by his organisation, the document obtained from the organisation stated that the objective is to increase the number of competitive handicraft entrepreneurs. These findings show that the objectives of GESPs set by government organisations tend to focus on creating new entrepreneurs; thus, BWEs’ negative view that GESPs are less helpful in supporting their business expansion plans is explained by this situation.

GO5’s view of the objectives of GESPs is slightly different, as she stated:

*“Like I mentioned before ... more towards helping women to generate their income, to support their living”.*

Unlike the other four GOs’ description of the objectives of GESPs that relate specifically to entrepreneurship activities, GO5’s statement indicates that the objective of GESPs offered by the so-called women’s organisation she works with is to help women in generating income. In this respect, it can be seen that the women’s organisation in the Malaysian context still focuses on the issue of uplifting women’s living conditions even in the effort to provide women with entrepreneurial support. Again, the issue of the lack of capacity in women’s organisation (Moser, 1993) is presented here. In comparing the objectives with what has been delivered to the target groups, GOs are positive in terms of the programmes’ success. For example, GOs stated:

*“The women scheme meets its targets and has been a success” (GO1).*

*“Usually, when we run our programmes none of them are unsatisfied. Most of them are satisfied” (GO3).*

However, various dissatisfactions were raised by BWEs when they shared their opinions in relation to GESPs (See section 7.11, page 188). Therefore, the practice to evaluate GESPs based on their objectives is unable to show the reality of the programmes in facilitating the target

groups, mainly because the objectives of the programmes are not consistent with the expectations of BWEs. For example, the objectives of GESPs in this study are more likely to focus on creating entrepreneurs; however, the provision of GESPs for new entrepreneurs may not be sufficient for BWEs who are expecting programmes that can support their expansion plans.

### **The evaluators**

Two issues emerged from GOs' conversations that might affect the objectivity of the evaluation of GESPs undertaken by each government organisation in this study: who undertakes the process and the extent to which gender issues are incorporated in the process. Firstly, it is common practice for the evaluation of GESPs to be carried out internally by the staff of the government organisations offering the programmes. Two GOs stated:

*"We carry out the assessment ourselves" (GO1).*

*"We carry out performance or customer satisfaction analysis after the training ends ... After the programmes end we disseminate forms. Our staff disseminates them whilst I do analysis" (GO3).*

In this respect, the objectivity of the evaluation process can be debated. In other situations, although the evaluation process is conducted internally, it is carried out by staff from other departments, which increases the independence of the evaluation process. This practice is confirmed by two GOs. GO4 stated:

*"SME policy meeting, they will do the evaluation".*

This process is also practised by the women's organisation in this study. GO5 stated:

*"Assessment is carried out by one of our officers".*

During the interview, this officer, who is attached to another department in the organisation, was introduced by GO5. The officer added:

*"We'll visit their business premises ... We'll observe, interview and request for their business report. We'll provide the form. We'll analyse it once back in the office ... I'll compile all the data when I'm back in the office, based on the form and produce reports".*

Only GO2 shared that the assessment of GESPs in his organisation is conducted internally by their own staff as well as carried out by consultants. He stated:

*“There are two types of assessments, some carried out by the consultants, some by our staff. The consultants and our staff carry out the evaluations. Only the registered consultants can do the evaluations”.*

However, during the conversations, GO2 explained how the internal assessment is conducted but gave no explanation pertaining to the assessment conducted by the consultants. Thus, although an evaluation of GESPs does take place in the respective government organisations, it can be seen that the process lacks independence, which may affect the objectivity of the outcome.

With regards to gender issues, there was no evidence that the issue is incorporated in the evaluation process. During GOs' explanations of how the process is carried out, none of them explained the involvement of women in the process. It is suggested that if the evaluation team includes people that have high awareness of gender issues, the evaluation process will automatically monitor the gender aspects of the projects (Moser, 1993). Thus, the need for female interviewers to interview BWEs in the evaluation process becomes significant. The need to involve women in the evaluation team is relevant in the context of Malaysia, particularly when women's position in society is strongly influenced by the cultural and patriarchal system (Ariffin, 1999; Daud, 1988; Othman, 2006). This situation may influence how women interact in their social life. For example, the data on BWEs' attitudes and individual characteristics (section 7.10.1.1, page 156) revealed that although BWEs are independent of external and formal support, statements such as *“I'm scared to voice out my opinion”* (BWE8); *“I'm shy to beg for anything”* (BWE14) and *“I don't like to beg for sympathy”* (BWE1) used by BWEs to describe their independent attitude indicate that BWEs are quite reserved in revealing their feelings and thoughts. In this sense, if any evaluation of GESPs were to be conducted on BWEs, the involvement of women in the evaluation team could help the team to gain the trust of BWEs, thus, increasing the reliability of the evaluation outcomes.

### **The sex-disaggregated data**

Except for GO5, who has data on the participants of GESPs that solely include women in general and women entrepreneurs in particular, the other four GOs have mixed data. GOs described:

*“The data is not segregated based on gender but once it is printed out we’ll be able to check their gender ... can be segregated” (GO1).*

*“Our data are all mixed” (GO2)*

*“We mix data but we can provide the women-related data if you need them ... more about their profiles” (GO3)*

*“Maybe. You can ask if you want. There is segregation between gender. We have data for women” (GO4).*

These statements indicate GOs’ positive view of the presence of sex-disaggregated data. Only one sample of the sex-disaggregated data from GO3 was obtained in this study. The statement of GO3 pertaining to the presence of women-related data is confirmed based on the list provided; however, the data is related to the profile of entrepreneurs that are registered with the organisation for which he works. Typically, the data include information on the personal and business background of particular entrepreneurs. However, there is no information about women entrepreneurs or BWEs who have participated in any GESPs provided by the organisation. This finding is in line with Habib Shah’s work (2004), which highlights the absence of sex-disaggregated data on Malaysian women entrepreneurs who participated in various financial grants and incentives given by government in the export sector. Although GOs claim that there is sex-disaggregated data in their organisations, it is not possible to determine the extent to which the current GESPs have been utilised by BWEs. Therefore, the effectiveness of the programmes for BWEs remains unknown, and this issue is also highlighted by Landig (2011). This finding supports the argument that good practice of enterprise policy support should provide a comprehensive business database of clients of business support agencies (Ram and Smallbone, 2003).

### 7.13.2 Success indicators

Based on GOs' conversations, the common practice to measure the success of GESPs is to obtain feedback from the participants. In general, both input and output measures are used to measure the success of GESPs.

#### Input measures

A few input factors are highlighted by GOs as the measures of the success of GESPs. GO1, who made a statement based on the women entrepreneurship scheme provided by her organisation, stated:

*"The women scheme meets its target and has been a success. It's successful in terms of meeting the correct target group".*

Other GOs stated:

*"In terms of the total number of programmes for Sabah, we had fund of RM126 billion which give benefits to 601. This is the approval" (GO4).*

*"Our courses are limited but the number of participants has been overwhelming ... that's one of our assessments" (GO2).*

These statements indicate the less realistic measures used by government organisations to evaluate the success of their GESPs because these measures do not explain the benefits received by the participants of the programmes. This is consistent with Tambunan's work (2007) which found that the success of government support programmes for entrepreneurs tends to rely more on input than output measures.

The other two GOs provided no other input measures that they use to measure the success of GESPs in their organisations. Instead, when they were asked about the issue, they highlighted the constraints they face in their organisations. For example, GOs stated:

*"... Sabah is big [state]... our staffs are unable to monitor the entire state. Only ten under the entrepreneurship development unit who handle the entire state. The ratio is 1 staff to 200 craft entrepreneurs ... It's difficult for us to manage the entire Sabah" (GO3).*

*“Not 100% successful due to our limited financial resources. Compared to other agencies, I think our budget is very limited” (G05).*

From these statements it can be seen that evaluation of GESPs could be a challenge for some government organisations due to the resource constraints faced by them. Therefore, it is not surprising when a statement such as *“We don’t have any systematic follow-ups”* is made (G05) in response to questions about the evaluation undertaken by her organisation.

### **Output measures**

It was evident that output measures are used by GOs in this study. At the basic level, the output measures relate to the creation of entrepreneurs where phrases such as *“from no business to run a business”* (G01) and *“those without any business to have one”* (G05) are used. Both statements were made by female GOs and further strengthen the earlier findings that the scope of GESPs in this study is more relevant for start-ups than BWEs with expansion plans (section 7.11.1, page 189). In addition, more specific measures that look at the performance of participants were identified from GOs’ responses but vary according to organisation. For example, GOs stated:

*“...increase in profit and the number of customers”* (G01); *“We want to see if these companies have improved. For example, those SMEs with two stars are 158, so we’ll see whether they’ll migrate to three stars next year”* (G04).

*“We’ll look at the progress made in their income. We’ll observe, interview and request for their business report”* (G05).

Although the effort to see the impact of GESPs on performance indicators is more realistic than only relying on input measures, it was evident that BWEs face various types of business challenges and that they perceive government support as significant in helping them to deal with these challenges (see 7.10.3.4, page 184). Therefore, instead of viewing BWEs’ business performance as the sole indicator of the success of GESPs, the extent to which GESPs help to overcome BWEs’ business challenges is seen as more appropriate.

Another two GOs (G02 and G03) provide poorer explanations of the use of output measures in their organisations. Both GOs indicate the importance of the participants’ feedback in determining the success of the GESPs provided. However, their statements are very general and

provide less conclusive evidence of the significance of the evaluation process in the organisations. For example:

*“If they’re successful then we’ll become successful too. If they’re successful that means our programmes have been successful” (GO2).*

*“We only look at their satisfactory level. We only look at the feedback forms ... The form has 1-5 scale to measure their level of satisfaction ... If it’s not satisfactory, we’ll look at why it’s so. What categories our customers are satisfied or unsatisfied of” (GO3).*

These statements give the impression that no systematic approach to evaluating GESPs is available, and this assumption is reinforced with the absence of documentary evidence to support the general statements.

#### **7.14 Conclusions**

This chapter has presented the findings of this study and was divided into three sections. In the first section, the profiles of 21 BWEs and their businesses and five GOs who participated in this study were presented. Their demographic profiles indicate the strong evidence of the BWEs limitations in terms of human capital possession, business resources and the conflict of interest between business and domestic responsibilities. The GO’s profiles revealed that the three male GOs have been responsible for the development of the entrepreneurial activities of their respective organisations longer than the two female GOs. However, regardless of gender, they have limited entrepreneurial knowledge and personal entrepreneurial experience prior to being employed as GOs. The profiles of GOs raise the issue of the extent to which they fully understand the business needs of BWEs.

The second section of this chapter presented the findings on the current status of BWEs in the Malaysian handicraft industry in relation to their business survival process. The study discovered that the business survival concept for BWEs should not be viewed only in terms of the business issues, but should also encompass BWEs’ family-related matters. The findings revealed that inter-related factors which are rooted in BWEs’ personal, organisational and institutional environments influence their business survival process. The study identified four institutional elements that are significant in influencing BWEs’ business survival: family, social, political and government. However, the extent to which these elements are supporting or

constraining the survival process will be determined by the impact of the gender dimension on each of the elements. Substantially, the findings revealed that government support is sought by BWEs to overcome their weaknesses in personal and business aspects which provide pathways for their business survival.

Finally, this chapter presented the findings pertaining to the effectiveness and impact of GESPs on BWEs business survival. The results presented clearly suggest that GESPs do not do well in facilitating the business survival process of BWEs in the handicraft industry in Malaysia. The study found that GESPs suffer from various operational and implementation issues. The findings presented evidences concerning the adoption of inappropriate strategies in disseminating information about GESPs, the lack of transparency in selecting participants in GESPs and the lack of focus of GESPs. The lack of understanding of gender issues by respective government organisations is strongly evident and appears across the design, implementation and evaluation process of GESPs. The study illustrated that only on the presence of political power were women's voices taken into account in the process of designing and delivering GESPs. The research findings will be discussed in-depth in the next chapter in order to answer the research question highlighted in Chapter 1.

# CHAPTER 8

## DISCUSSION

### 8.1 Overview

This study has investigated the business survival experiences of BWEs in the handicraft industry in Malaysia and the extent to which the process was facilitated by GESPs. The findings have highlighted endogenous and exogenous factors that are significant in contributing to and constraining the business survival process and issues pertaining to the ineffectiveness of GESPs in facilitating the process were identified. This chapter discusses the findings with the support of the relevant literature which will illuminate the research question. The findings were organised according to the objectives stated in Chapter 1. A conceptual framework for the business survival of BWEs in the handicraft industry in Malaysia that emerged from the interpretation of the research findings is presented at the end of this chapter.

### 8.2 Research Objective 1

- To investigate the current state of women entrepreneurs in Malaysia in relation to the opportunities, challenges and needs for business survival of BWEs in the handicraft industry.

In exploring the business survival of BWEs in the handicraft industry, this study drew upon the experiences of BWEs in initiating, owning and managing their businesses (Moore and Buttner, 1997; Marlow and Patton, 2005). The inclusion of these three aspects of business process, particularly the experience of BWEs in initiating their businesses, does help to provide further insight into the women's entrepreneurship phenomenon, in two ways: (a) the complexity of the survival process of BWEs' businesses can be revealed, and (b) the experience of BWEs who both create and inherit businesses can be distinguished. Accordingly, the critical analysis of the findings revealed that the factors which contribute to and hinder the survival process of BWEs' businesses can be categorised as endogenous or exogenous and stemmed from three different aspects: personal, organisational and institutional. The themes that emerged from these three aspects indicate the challenges, opportunities and needs of BWEs in ensuring their business survival.

### **8.2.1 The endogenous factors that influence the business survival of BWEs**

The endogenous factors of BWEs' business survival relate to their attitudes and personal characteristics, and abilities, as well as their organisational resources and capabilities. Within this context, the personal characteristics of BWEs contribute largely to their business survival. The findings revealed that BWEs' personal characteristics such as being hardworking and enthusiastic drive them in the conduct of their businesses. These findings support the previous argument that women possess distinctive personal characteristics in that they tend to be highly motivated and self-directed (Jahanshahi et al., 2010). This finding is also in line with Xavier et al. (2011) and Ciavarella et al. (2004) who found that hard work and perseverance contribute to long-term business survival and success. Therefore, being hardworking and having enthusiasm are significant for BWEs' business survival, particularly as a significant amount of time is required for producing handicraft products, due to the fact that it relies heavily on BWEs' abilities rather than machinery and because of the meticulous nature of producing handicrafts. Another characteristic identified from this study which influences business survival is how BWEs view independence. In contrast to independence as an innate entrepreneurial trait that relates to an entrepreneur's determination to be his own boss, (Barringer and Ireland, 2006), independence for BWEs is seen as the attitude of being independent of external and formal support. The findings show that BWEs view themselves as independent of external or formal support due to the absence of adequate GESPs. However, BWEs agree on the importance of GESPs for their business survival. This finding supports research which highlights the significance of government support (Lee et al., 2011; Tambunan, 2009) and institutional support (Ahl, 2006; Welter, 2004) for women entrepreneurs.

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. In this sense, it can be argued that the phenomenon of low educational attainment of women in less developed countries (Dechant and Lamky, 2005, Leach, 2000) limit their employment opportunities in obtaining relevant management-related experience and knowledge which is consistent with BWEs in this study. Both BWEs and GOs agreed that human capital aspects are significant for BWEs' business survival. The study revealed that BWEs' low level of education and previous informal work and business experience have brought certain challenges to the survival process, which supports finding of other studies (Bate, 1990; Boden and Nucci, 2000) that found highly educated entrepreneurs with more years of prior paid employment and paid managerial experience are

more likely to survive in business. The study also found that BWEs depend largely on the handicraft skills and knowledge they learned from their families when growing up. This finding is in line with Ayadurai and Ahmad's work (2006), which highlights that most of the skills and experience that Malaysian women entrepreneurs have acquired are obtained through family and friends. In order to be competitive in the marketplace BWEs require more advanced skills and knowledge in producing handicraft products, which supports the argument that government assistance in training and helps to ensure the success of small businesses in Malaysia (Abdul Kader et al., 2009: 156). Entrepreneurs need training specifically in the areas of 'marketing, quality management accounting and technical skills' and 'advisory services, business information and technical knowledge'. Therefore, the findings indicate that how BWEs act toward their businesses largely depends on the level of human capital they possess.

The second endogenous aspect that influences BWEs' business survival is related to their organisational resources and capabilities. The findings show that BWEs face challenges both in terms of organisational resources and capabilities during the business survival process. In relation to organisational resources, three themes emerged as constraining BWEs' business survival process. These include financial capital and human resource constraints as well as challenges in obtaining a strategic business location and suitable business premises. Financial constraints were found to affect most BWEs in this study. For example, one consequence of insufficient capital is that BWEs' opportunities to get involved in significant promotional activities organised by the relevant government organisations are limited. BWEs regard such activities as significant for their business survival. BWEs agree that these activities offer great market expansion opportunities. Basically, BWEs need a large volume of handicraft products to be available for promotional activities. However, insufficient financial capital has caused them difficulty in increasing their production capacity. These findings support the previous argument that undercapitalisation contributes to a situation where women entrepreneurs struggle to survive and grow their businesses (Marlow and Patton, 2005). This finding is also in line with Alsos et al.'s (2006) who found that the lower levels of financial capital of women-led ventures restricts their business growth.

In relation to human resource constraints, one pertinent issue emerged from this study is about employing high-skilled handicraft workers. BWEs who were confronted with the issue shared that they had to develop their workers from the beginning of their employment. This strategy is not only time consuming but also limits the numbers that can be trained due to BWEs' lack of

business space and time. This finding supports Mat Amin's (2006) argument that handicraft producers in Malaysia are unable to meet current and additional demand due to the lack of skilled and creative labour and the significant time they need to spend if they want to equip their workers with the required knowledge and competency.

Another important constraint in the survival process of BWEs' businesses, as those involved in this study disclosed, is to obtain a strategic business location and suitable business premises. The findings revealed that this is closely linked with BWEs' financial constraints, as some BWEs could not afford rental costs in commercial business premises, nor could they build a workshop with a suitable working area and space to store raw materials and handicraft products. To overcome this, BWEs have used business premises provided by relevant government organisations. However, these premises are not strategically located and are too small to be suitable. These findings are in line with Roomi et al.'s work (2009), which highlights the influence of location upon business performance.

Apart from BWEs' firm's resources, BWEs' business survival is supported by their firms' competencies. BWEs regard their business as less competitive in the market due to the lack of creativity in producing appealing products. In this sense, this finding shows that creativity is an important element in the entrepreneurial survival process (Barringers and Ireland, 2006) and has not been achieved by BWEs. Although BWEs lack of financial and human resources and firm's capabilities was consistent with previous research (i.e. Alsos et al., 2006), the findings extend the existing literature by highlighting trust as a new element of 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 other handicraft producers has enabled them to meet the demand from customers. Interestingly, this arrangement is not formalised by documentation but none of the BWEs have commented on any negative experience caused by this arrangement. 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. As such, BWEs rely only on a single organisational capability which is trust that is developed with other handicraft producers and customers to ensure their survival whereas the other four organisational themes as discussed earlier: financial capital, human resources, business location and premises as well as creative product design emerge are constraining the survival process. However, this study revealed that the organisational constraints faced by BWEs in different aspects of business resources and capabilities can be minimised through appropriate government support. BWEs who participated in this study believe that, through this support, they can ensure their competitiveness in the market and increase their ability to explore new potential markets.

### **8.2.2 The exogenous factors that influence the business survival of BWEs**

The exogenous factors of BWEs' business survival are related to four different aspects of the institutional environment: family, social, political and government institutions. The influence of each aspect on BWEs' business survival is discussed in the following sections.

#### **8.2.2.1 Family and social aspects**

This study revealed that family and social institutions are closely inter-related. The findings demonstrate that the collectivist culture of Malaysia emerges as the main element that influences interrelations between the family and social aspects. The study also discovered a strong linkage between the socio-cultural environment and the entrepreneurial activities of BWEs, particularly due to the cultural factors that are embedded in the collectivist culture of Malaysia.

On the one hand, the cultural values of supporting and helping each other which are practiced in the collectivist culture (Nordin et al., 2002; Schermerhon, 1994) add value to BWEs business capabilities. For example, in the development of trust between BWEs and other handicraft producers, which proved to be beneficial in fulfilling customers' orders. In addition, the collectivist culture of Malaysia provides BWEs with unlimited family support, particularly in balancing their domestic and business responsibilities. 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 entrepreneurship literature (Al-Dajani and Marlow, 2010; Fielden and Davidson, 2005) as a

great challenge. Instead of viewing family as a factor which constrains women in business, this finding provides new insights into how the family element contributes to women's business development process. The unlimited domestic support that BWEs obtain from family members is a result of the collectivist culture of Malaysia (Noordin et al., 2002; Schermerhorn, 1994). In a collectivist culture the term 'we' predominates over the term 'I' (Zawawi, 2008). Therefore, helping family members is a natural practice for Malaysians and helps maintain harmonious relationships within society. It is argued that Bumiputera have collectivist minds (Zawawi, 2008). Such cultural orientations provide BWEs with unique opportunities in ensuring their business survival. This study discovered the importance of family and cultural aspects as institutional themes which bring distinctive value to BWEs, but which has received less attention in literature on women's entrepreneurship. In addition, the findings reveal that BWEs rely heavily on social networking with friends as their main support network. Other research (McGowan and Hampton, 2007; Roomi et al., 2009) also confirms the significance of informal networking for women entrepreneurs. The findings reveal that although BWEs receive unlimited family support, they regard networking with friends as beneficial in overcoming different types of BWE business challenges. This finding is in line with the argument that valuable social capital is found through non-kin ties, and that a high proportion of kin in women's networks creates disadvantages in terms of a decline in value of the information obtained (Renzulli et al., 2000).

On the other hand, the study also recognises that the socio-cultural environment of BWEs prevents them from acting in the best interest of their businesses. The findings of this study revealed that several issues emerge in relation to how the socio-cultural environment shapes BWEs' behaviour in the private and public sphere, and influences the choices they make in fulfilling their responsibilities in both spheres. Although the concept of a nuclear family where men are considered the head of the household applies to BWEs' lives, their household structure does not match with the nuclear family concept that is discussed as having 2 or 3 children (Moser, 1993). This study discovered that the majority of BWEs have more than 4 children, and in some cases 6-10. This finding indicates the challenge that BWEs face in balancing their multiple roles while conducting business. While women entrepreneurs in other contexts also experience difficulties in relation to family issues (Humbert and Drew, 2010; McGowan et al., 2012), this study anticipated that BWEs' multiple roles in the non-nuclear family structures would be the key challenge for their business survival. This study found that domestic responsibilities lie primarily with BWEs. Regardless of their marital status, both married and single BWEs have a similar perception 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, 1998; Hashim et al., 2011). As a consequence, family issues always have priority over business matters, which corresponds with the argument that the accommodation of domestic responsibilities and waged labour through entrepreneurship fundamentally devalue women's enterprises (Marlow, 2002). The argument that women entrepreneurs are disadvantaged due to the patriarchal pressures in society (Marlow, 1997) is evident in this study. The gendered factors that emerge from this study are the BWEs' multiple roles in both the family and business environment and the need for spouse's consent before engaging in entrepreneurial-related activities, reflects the cultural expectation of women continuing to fulfill their family obligations whilst running their business. 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 women's social environment is demonstrated as a social institution in the framework outlined on page 248.

This study revealed that the effect of socio-cultural factors on BWEs is dependent on the extent of the power that exists for women within family institutions, particularly as determined by their marital status. There is great tension for both married and single BWEs in that cultural expectations do not match with business expectations. While society approves the entrepreneurial achievements of married BWEs, this approval is granted providing BWEs conform to cultural expectations of their traditional roles. However, the cultural expectation amongst the Malaysian community of giving priority to family commitments rather than business contradicts with the expectation which requires full commitment to running a business. Therefore, these findings further reinforce the view of women being subordinate to men in patriarchal society (Mordi et al., 2010; Tan et al., 2002), providing new insights into how women struggle in their entrepreneurial activities. Although single BWEs have more freedom in conducting their business, they cannot escape the social stigma of being successful as entrepreneurs without the presence of men. The experience of single BWEs shows that their business achievements are doubted without the presence of men. This negative perception of single BWEs occurs because, in the context of Malaysia, gender identity is commonly constructed

by viewing women as less independent, emotional, gentle and weak (Hashim et al., 2011). Therefore, the success of single BWEs in carrying out their business is regarded as contradicting with local gender identity; a situation which Daud (1988) addresses as the creation of social stigma for Malaysian women. Only when BWEs are the head of the household, either as widow or divorcee, do certain social-cultural factors such as domestic roles and spouse consent have less impact on BWEs' businesses. In this case, they are neither subject to the social stigma of being successful without the presence of men, or restricted in making the best decisions for their business. Although only one BWE appears as the female-head of the household, her experience helps to increase understanding on the complexity of family issues on BWEs. These findings imply that the extent to which BWEs' businesses are affected by family-related factors will be dependent on the extent of the power that exists for women within family institutions.

#### **8.2.2.2 Political aspects**

Political aspects emerged as a new theme, not previously explored in the literature, which influences the business survival of BWEs. This study revealed that BWEs who have political connections obtained business support from local politicians, and this strategy is seen as an easy way of avoiding having to overcome the challenges in accessing GESPs. The importance of political institutions for BWEs emerged as a new theme which addresses the scarcity of entrepreneurship literature that discusses the influence of political aspects on women's entrepreneurial activities (Ismail, 2001). This role of political influence appears to be significant for BWEs' business survival in the Malaysian context. Historically, entrepreneurship development in Malaysia is strongly related to political influence. It is impossible to ignore the impact of this on BWEs' entrepreneurial activities. The political environment acts as a macro-level factor where its effectiveness influences entrepreneurial activity as subjected to political freedom and decentralisation of power (Shane, 2003). Therefore, any entrepreneurial support should be based on the free flow of information. However, this study shows otherwise, revealing that BWEs utilised political power at a micro-level in their personal connections with politicians. Entrepreneurial support from local politicians can only be accessed by BWEs who have personal connections with the particular politicians. This is not known by many BWEs. Therefore, the concept of political freedom, encouraging the free flow of information does not apply. Although BWEs' reliance on a political party may be caused by their unawareness of GESPs, this situation

corresponds with the reality that politics in Malaysia has a great influence on the country's entrepreneurial development (Baharuddin, 1988).

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 due to the nature of the political support which can only be accessed based on the concept of 'who you know'. 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.

#### **8.2.2.3 GESPs**

This study revealed that government organisations appear to be the dominant source of external support for BWEs in the handicraft industry in Malaysia, particularly as they have less exposure to knowledge of other external sources of support. The study discovered that business challenges which are related to BWEs' weaknesses in personal and organisational aspects are minimised by seeking entrepreneurial support programmes from government organisations. The majority of BWEs in this study have participated in entrepreneurial-related training programmes that are provided by government organisations with the perception that the training programmes can expose them to current business issues and help to increase their business knowledge and skills. 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 to suggest that there is a need to provide GESPs that can increase the survival prospects of BWEs' businesses. In addition, while previous research has recognised the importance of being formally networked with industrial player or professional advisors (McGowan and Hampton, 2007), what appears to emerge from this study is the establishment of BWEs' formal networking with government organisations. The over-reliance of BWEs on government organisations for formal networking is a common situation for women entrepreneurs in the context of Malaysia. For example, it has been suggested that the success of women micro-business owners depends on the networking they establish with local government agencies, as this may increase the likelihood of obtaining

assistance from them. (Selamat et al., 2011). In addition, this study also reveals that strong networking with government organisations can provide marketing opportunities for BWEs.

### **8.3 Research Objective 2**

- To explore BWEs' perceptions and views on the effectiveness of government support systems for the business survival of women entrepreneurs in the handicraft industry in Malaysia.

The interviews with BWEs indicated that there is an issue of ineffectiveness of GESPs. In general, the ineffectiveness of GESPs as viewed by BWEs is related to the implementation of the programmes. Several issues emerged from this finding.

Firstly, the study identifies that the scope of GESPs does not reflect the different stages of BWEs' business development. BWEs who contributed to this study claim that the government initiatives tend to focus on the start-up stage. BWEs' comments strongly indicate that the scope of GESPs 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). In the context of Malaysia, this study concurs with previous findings which found that government support programmes for SMEs are not fully utilised because the programmes focus on developing new enterprises rather than growth or sustainability of the business (Abdullah, 1999; Hung et al., 2010). This finding also supports Tambunan's (2007) proposition that government supported SME and women entrepreneur development programmes should emphasise promoting modernisation, capacity building and size upgrading, not merely creating new enterprises.

In addition, BWEs' comments indicate that the limited amount of financing obtained from government organisations is less likely to support the growth of BWEs' businesses. This provides further evidence on the limited scope of GESPs in facilitating BWEs' business survival. Also, this finding corresponds with the argument that government financing is limited and less focused on business expansion (Chitra Devi, 2011; Fielden et al., 2003; Welter, 2004). The financing issues for BWEs occur because the financing initiatives that are available for women entrepreneurs in Malaysia are more focused on micro-financing (UNDP, 2008). In this respect, government organisations continue to see BWEs as micro-business owners with less funding requirements, and this perception becomes a great challenge for BWEs who want to expand

their business, particularly when the concept of micro-financing tends to focus more on the issue of women's development by improving their socio-economic status than their development as women entrepreneurs.

In relation to training programmes, consistent with Carter (2000), this finding implies that there is more concentration on training for women start-ups with less emphasis on providing after-care training and advisory services for established firms. In addition, BWEs raised the concern that most training programmes under GESPs provide them with basic handicraft skills which did not develop their existing skills. Due to a lack of understanding by government organisations on the training needs of BWEs, BWEs devalue the training programmes provided, which supports the findings of other research (Dana, 2001; De Faoite et al., 2004) which argue that meeting the needs of entrepreneurs is essential for the effectiveness of entrepreneurship training and support programmes.

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). In order to be effective, government organisations should be able to identify the different needs of BWEs at different stages of their business. In this sense, the heterogeneity of BWEs has to be acknowledged by government organisations that provide entrepreneurship development programmes. As such, this study highlights the importance of support programmes addressing the growth needs of women businesses (Brush et al., 2004; Roomi et al., 2009), moving away from describing women-owned businesses as small in size with no growth potential (Manolova et al., 2012) and perceptions of women entrepreneurs as a single homogenous group (Madsen et al., 2008).

Secondly, although GESPs in Malaysia are tasked with supporting Bumiputera entrepreneurs' development, the existing selection procedure for accessing GESPs places BWEs at a disadvantage in relation to men. This study demonstrates that BWEs who regard the criteria for accessing government financing as easy to meet, usually relate their experiences to the micro-financing package. However, BWEs need to have their spouse's identity card to apply. In the context of Malaysia, the identity card is a compulsory identity document for Malaysian citizens and the status of Bumiputera and non-Bumiputera can be identified through this card. While the

need to present the document is a common practice when dealing with Malaysian government organisations, the need for BWEs to use their spouse's identity card when applying for finance shows another influence of the spouse's role in BWEs' entrepreneurial activity. This situation reflects the dominant role of men over women's productive activities in the public sphere that is prevalent in the non-Western context due to the influence of patriarchal societies and strong traditional values (Tam, 1996; Tan et al., 2002). The need for BWEs to attach their spouse's identity card to their GESPs application is another hurdle that BWEs face in accessing GESPs. Another criterion that is imposed by some government organisations is the requirement for BWEs to apply for micro-financing support, not individually, but in a group with other BWEs, which suggests that government organisations regard BWEs as risky borrowers. Although this situation does not occur in accessing all type of GESPs, the requirement to group finance was common amongst the schemes the BWEs in this study applied for.

In addition, the ineffectiveness of GESPs is caused by the lack of transparency in accessing GESPs in which participants are selected to participate based on invitations and recommendations by people who have connections with relevant government organisations. BWEs agree that they have lack of contacts with important people from the organisations. BWEs' statements indicate that close connections with people from government organisations may increase their chances of being selected as participants for GESPs, and this practice is confirmed by the GO's statements. This finding reflects the common practice found in Malaysian government organisations in which a higher level of connections with people from the organisations may facilitate the process of dealing with them. This finding agrees with other research conducted in the Malaysian context (Che Senik, 2010) that found the strong influence of personal connections in facilitating the application of government support for Malaysian SMEs which is not highlighted in the existing women entrepreneurship literature. Clearly, BWEs ability in accessing GESPs is challenged further by the hidden criteria of political connections and this finding provides evidence of the existence of procedural issues in government organisations.

Furthermore, the extended time taken to process an application for GESPs further adds to the view of BWEs on 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 is found

to be significant in placing BWEs at a disadvantage position in accessing GESPs, emerged as a new bureaucratic challenge. Therefore, BWEs are doubly discriminated against through gender and political discrimination.

The study also found that, although various strategies are adopted by government organisations to disseminate information about GESPs, the majority of BWEs are still unaware of the existence of the programmes they can utilise. Although various strategies are adopted by government organisations in disseminating information about GESPs, often the information fails to reach BWEs. It becomes apparent that BWEs expect government organisations to adopt a more proactive strategy to promote GESPs. This finding is consistent with the findings of other research (Mahajar and Mohd Yunus, 2006; Ong et al., 2010) that found the need for Malaysian government organisations to increase efforts in promoting their business assistance programmes to targeted groups. 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 amended by them, even if the problems relate to structural factors. While related government organisations ensure information is well distributed to potential clients, some BWEs feel excluded. A 'who you know' culture is prevalent in the local social environment and BWEs can appear 'less known' due to their reliance on informal networking which further reinforces their invisibility amongst formal government organisations.

Finally, the study found that GOs are less sensitive towards gender issues that confront BWEs, although it is more prevalent among male than female GOs. The negative responses of BWEs in relation to the quality of contact with GOs suggests and supports previous claims that success in implementing policies, projects or programmes for women relies on the role being given to a person who understands the importance of incorporating gender issues into the process (Moser,

1993) and has a high level of gender sensitivity (Huq and Moyeen, 2011). The argument that a female project leader provides a business counselling service that fulfills the needs of women entrepreneurs better than male project leaders (Nilsson, 1997) is confirmed by the finding of this study. Apart from this issue, the study revealed that the ineffectiveness of GESPs is seen by BWEs as relating to the competency and quality of advice given by GOs. GOs who are responsible for the implementation of GESPs in their organisations were found not to be inculcated with adequate knowledge and skills in entrepreneurship. Three of the five GOs have had some exposure to entrepreneurial-related activities, although these experiences were mostly gained during their childhood by helping their families and through involvement in some academic exercises during their studies. Consequently, BWEs have little faith in the abilities of GOs to provide advice for their business. Other research (Sandberg, 2003) also confirms that hiring officials who have empathy for and experience with micro enterprises is significant, an argument which is relevant for BWEs in this study where the majority of the GOs are involved in micro handicraft enterprises.

#### **8.4 Research Objective 3**

- To identify the impact of the Malaysian government's initiatives in promoting and supporting the business survival of BWEs in the handicraft industry in Malaysia.

The first objective of this study has shown that BWEs' business survival is a complex process, involving two aspects. Firstly, BWEs confront various endogenous and exogenous factors in their business survival process. Secondly, although BWEs believe the impact of these factors on their business survival can be minimised through their participation in GESPs, they face different types of challenges when utilising the support programmes. Unless the endogenous and exogenous factors that challenge their business survival process are taken into consideration by government organisations in providing GESPs for BWEs, it is difficult to see the positive impact of the programmes on BWEs' business survival. As such, this study illustrates that mutual understanding between BWEs and GOs on what business survival is can help to improve the impact of GESPs on BWEs' businesses. However, the findings identified that there is a mismatch between what is experienced by BWEs in relation to their survival, and the outcomes of business survival expected by GOs. While the outcomes of business survival are seen by BWEs as being related to their internal capacity to produce more products, GOs are more interested to see the outcome of business survival based on some external achievement such as the expansion of a

new branch or market. Most likely, BWEs' views of business survival are influenced by the distinctive challenges they face in managing businesses, whereas the views of GOs are influenced by their limited knowledge and hands-on experience in entrepreneurship, which leads them to believe that business survival is attainable for all BWEs who desire it.

This finding gives the impression that any programmes for GESPs may not be able to respond to the needs of BWEs. However, the responses given by BWEs yielded new perspectives of the business survival concept that are not discussed in existing business survival literature. The findings suggest that BWEs' business survival is crucial because it allows their next generation to access employment and provides a comfortable life for the existing family. These two themes indicate the significance of the family for BWEs' business survival. These themes are unique and enhance the existing theoretical understanding of BWEs' business survival which is different from other elements currently used in the literature, such as the continuity of business in a specific time period (Astebro and Bernhardt, 2003; Bekele and Worku, 2008; Boden and Nucci, 2000;) and business growth (Ciavarella et al., 2004).

This study has shown that the skills in producing handicrafts that are inherited from their older family members have motivated BWEs in starting their handicraft businesses. The fact that a handicraft business involves a small initial financial investment and can take advantage of market opportunities from the local tourism industry further encourages the number of handicraft BWEs in Malaysia. However, BWEs still struggle to ensure their business survival particularly because they perceive many barriers in bringing their business to the position they desire. Despite many government initiatives to support women entrepreneurs, and BWEs in particular, this study revealed the ineffectiveness of the programmes in facilitating BWEs' business survival. Several factors were identified as relating to this issue.

Firstly, the study identifies that government initiatives have less impact on BWEs' businesses due to several weaknesses found in the process of designing GESPs. This study revealed that GOs have significant influence in this process within their organisations, particularly in terms of giving suggestions and recommendations of the type of programmes to be implemented. The fact that GOs lack exposure to entrepreneurial-related activities challenges the impact of GESPs on BWEs. In addition, the design of GESPs is treated as an internal matter in which the design process in one particular government organisation has little or no involvement from people outside the organisation. This finding indicates that all government organisations in this study tend to collaborate less with other organisations and individual entrepreneurs in designing

GESPs. Without collaboration between government organisations, problems can develop where functions of government organisations begin to overlap, as highlighted by Redzuan and Aref (2011). This study found some involvement of external parties in the design process of GESPs; however, this is based on political influence where female politicians make direct recommendations for women-only programmes to relevant government organisations, and not the recognition by government organisations of the need to include external parties in the process. This finding further identifies the presence of a strong political influence between GESPs and BWEs that was not found in the entrepreneurship literature.

The study also recognises that the issue of gender sensitivity receives less consideration across the design, implementation and evaluation process of GESPs. In all these three aspects, the study found that women are less involved, with no recognition on the importance of women as part of the design team of GESPs, as role models to BWEs in the implementation of GESPs, or evaluators of GESPs. The statements of BWEs express their concerns on the importance of having guidance from successful entrepreneurs in general, and female entrepreneurs in particular. This finding corresponds with Madsen et al.'s proposition (2008) that women entrepreneurs construct and reconstruct their identity and this experience is significant and should be shared with other women entrepreneurs. In addition, this finding supports the criticism that training and advisory services for women entrepreneurs lack female perspectives (Carter, 2000). 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. This finding is consistent with other research (Fielden et al., 2003; Huq and Moyeen, 2011) that found mentoring systems which involved successful women entrepreneurs were helpful in inspiring and building the confidence of women entrepreneurs. Also, this study supports Teoh and Chong's (2008) proposition that more women entrepreneurs should engage as trainers and facilitators in entrepreneurial training programmes organised by government organisations in Malaysia. 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). At the same time, there is an issue of credibility with women-only programmes and women's organisation in facilitating the business survival of BWEs, particularly in terms of funding or budget allocation. One government organisation involved in this study employs 26 women out of its 28 employees. According to Moser (1993), this organisation is referred to as a women's organisation. This

study found that the amount of money allocated to this organisation is limited compared to the other four government organisations involved. The insufficient budget allocation has reduced this organisations ability to support BWEs in running their business.

Finally, in order to determine the impact of GESPs on BWEs' businesses, systematic evaluation methods and continuous monitoring systems would be beneficial. However, the study found that the evaluation process of GESPs is not systematically carried out by government organisations, which suggest that the impact of GESPs cannot be adequately captured. By highlighting this evaluation issue, 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). Following suggestions from Ram and Smallbone (2003), this study confirms that a comprehensive database is an important element of good practice policy support and is useful for monitoring effectiveness. 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 confirms 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 Moyeen, 2011). Furthermore, it appears that if too much focus is given to the primary business performance indicators such as the income of participants, in assessing the impact of GESPs, the reality of BWEs' experiences in utilising GESPs cannot be understood.

The last objective of this study is to make practical recommendations to develop and encourage the survival rates of BWEs in the handicraft industry in Malaysia. These recommendations are presented in Section 9.3 (Conclusions chapter, page 258).

### 8.5 A framework of BWEs' business survival in the handicraft industry in Malaysia

Based on the first three objectives of this study, all the significant elements that influence the business survival of BWEs in the handicraft industry in Malaysia are developed into a framework. The framework as shown in Figure 10 (page 248) outlines the factors that interact with one another and are significant in influencing BWEs' business survival. A new perspective in understanding the business survival process of BWEs emerged which was not highlighted in the original conceptual framework of this study (see Figure 1, page 92). The new framework consists of elements from the original framework as well as introducing new themes. All themes are categorised into four aspects: personal, organisational, institutional and GESPs. The elements marked in red are the new themes that emerged from the findings. The following discussion focuses only on the new themes.

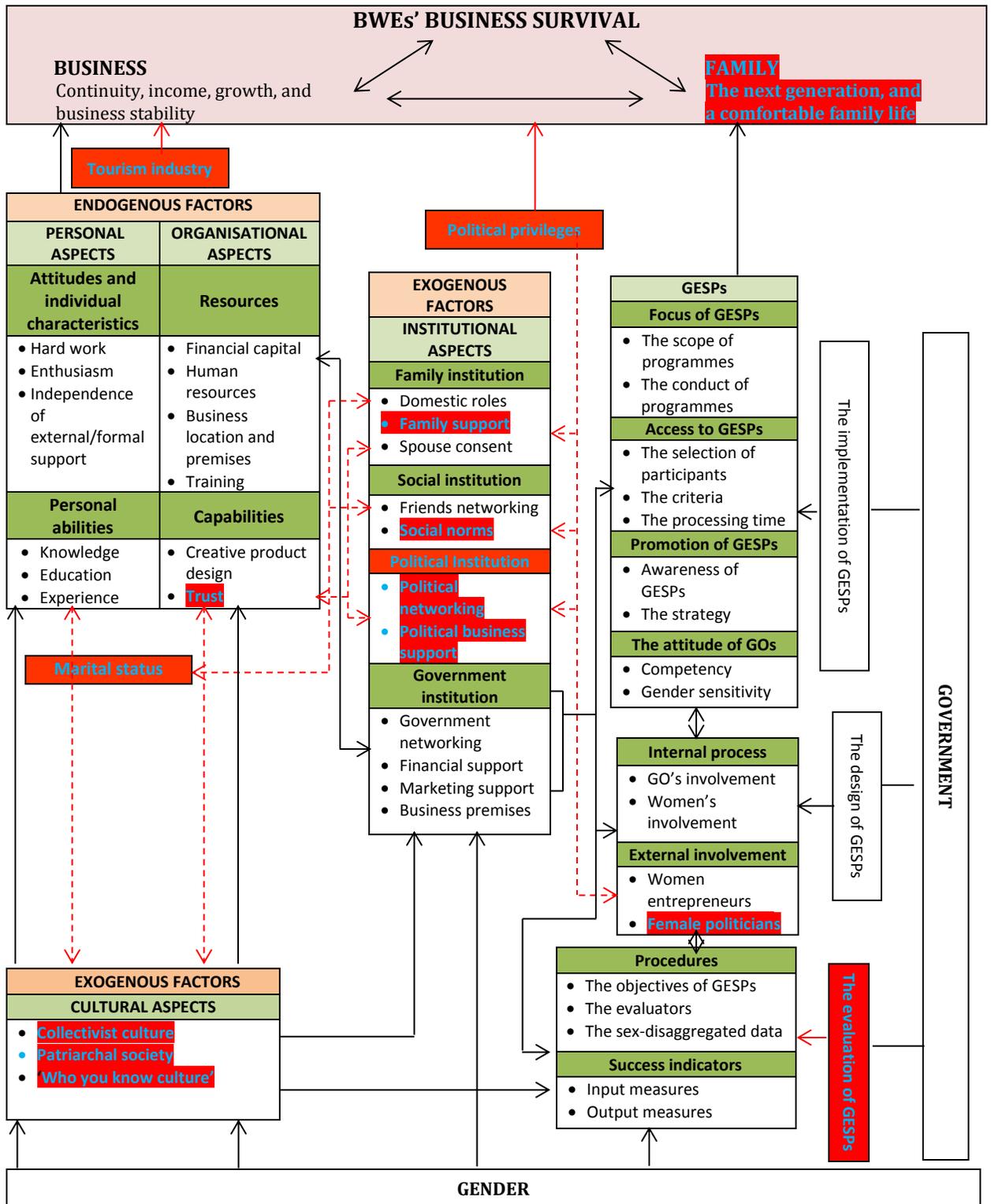
The new framework illustrates that a **family** perspective emerged from this study as a new theme. In this respect, the family perspective broadens our understanding of the business survival concept, which is commonly viewed from the business perspective. The revised framework demonstrates that all of the four different aspects identified in this study: personal, organisational, institutional and GESPs are closely interlinked with BWEs' socio-cultural environment. This study reveals that the influential elements of business survival on BWEs in the handicraft industry in Malaysia can be categorised into endogenous and exogenous factors.

In the endogenous factors category, **marital status** appears as a new theme that influences BWEs' business survival. Although BWEs' marital status is a personal matter, this factor has an impact on their entrepreneurial actions. However, the extent to which marital status affects BWEs' business operation is closely linked with their social environment. For example, BWEs' marital status will determine whether their entrepreneurial actions are perceived as appropriate in their social environment. In addition, in order to access some particular financing initiatives, the marital status of BWEs is particularly important in satisfying funding criteria that require spouse identity cards as supporting documents.

In relation to the exogenous factors influencing BWEs' business survival process, several new themes were identified. Firstly, this study supports that the **collectivist culture, patriarchal society** and **'who you know' culture** of Malaysia are significant in influencing BWEs' business survival. On one hand, this cultural aspect encourages the development of unique factors such as **trust** and the availability of unlimited **family support** which facilitate BWEs' business survival. For example, while trust has helped BWEs to secure the supplies of the handicraft products,

unlimited family support has helped them to minimise the burden in terms of domestic responsibilities. On the other hand, the patriarchal society found in the Malaysian culture hinders the business survival process through the creation of **social norms** that require BWEs to give more priority to family than business. In addition, the culture of '**who you know**' becomes a great barrier for BWEs in accessing GESPs as the BWEs continue to be invisible amongst the relevant government organisations due to their lack of formal networking. Figure 10 also demonstrates the existence of political influence on BWEs' business survival. The revised framework illustrates that political institutions provide BWEs with **political networking** and **political business support**. However, the fundamental issue is the existence of **political privileges** that provide advantage to some BWEs in getting support for their business, whereas the politicised nature of accessing GESPs provides challenges to other BWEs. However, political privileges appear as a significant way of BWEs taking advantage of women-only programmes that are based on the recommendations of **female politicians** in Malaysia. The findings also revealed that the **tourism industry** in Malaysia has a significant influence on the business survival of BWEs in the handicraft industry. All BWEs agree that the increased numbers of both local and international tourists has contributed to their business income. Finally, this study highlights the significance of the **evaluation process of GESPs** in ensuring the effectiveness of the programmes. The new themes emerging from the findings contribute to knowledge about BWEs that enriches the existing women's entrepreneurship literature and is illustrated on the next page.

**Figure 10: The influential elements of business survival on BWEs in the handicraft industry in Malaysia**



Sources: Developed from the interpretation of the research findings

Note: —> indicates direct linkage - - - -> indicates indirect linkage

## **8.6 Conclusions**

This chapter has discussed the findings pertaining to the business survival of BWEs in the handcraft industry in Malaysia and the extent to which the business survival process is facilitated by GESPs. This study has highlighted that both endogenous and exogenous factors contribute and constrain the BWEs' business survival process. There are factors that can be seen as common with women entrepreneurs such as the low level of human capital BWEs' possessed and the lack of business resources and capabilities, particularly in terms of financial capital and human resources. In addition, factors that can be seen as having a gender dimension emerge from four different aspects of the institutional environment: family, social, political and government institutions. However, the way gender-related factors impact on BWEs and their businesses depends largely on the cultural conditions embedded in Malaysian collectivist society and the patriarchal norms that govern BWEs. This study discovered that in the pursuit of their business survival, BWEs encounter various constraints and have utilised both informal and formal supports for overcoming difficulties. Within this context, the findings revealed that all BWEs had sought and received some form of entrepreneurial assistance from relevant government organisations. Therefore, the findings suggest that comprehensive and conducive GESPs that are able to capture both the BWEs' business needs and gender demands will provide them with business survival opportunities. The following chapter discusses the contributions of this study, implications of the findings for policy makers and BWEs as well as limitations of the study and suggestions for future research.

# CHAPTER 9

## CONCLUSIONS AND RECOMMENDATIONS

### 9.1 Overview

This final chapter concludes this study on the impact of government initiatives on the business survival of BWEs in the handicraft industry in Malaysia. The existing literature which focuses on the issue of government intervention on women entrepreneurs in general and BWEs in particular is difficult to locate, which identifies a gap concerning the influence of institutional factors on women's entrepreneurship development. In addition, previous literature on entrepreneurial support for women revealed that the effectiveness of such intervention is contested. As such, this study aimed to determine whether the government's initiatives to support women entrepreneurship facilitate the business survival of BWEs in the handicraft industry in Malaysia. This study is guided by the following research question:

- Does the Malaysian Government support facilitate the business survival of BWEs in the handicraft industry in Malaysia?

The findings of this study have shown that BWEs' business survival is a complex process in which almost every aspect of their individual, business and social environment provides them with a different set of opportunities, challenges and needs that are critical for business survival. Although the findings demonstrate that government intervention is crucial for BWEs, this study has questioned the value of GESPs as a formal institutional support in BWEs' business survival process. The study found that although many initiatives to support women entrepreneurs in general, and BWEs in the handicraft industry in particular, are implemented by five government organisations involved in this study, these initiatives have been unsuccessful in facilitating BWEs' business survival. As such, in order for the existing initiatives to have a positive impact on BWEs' business survival, this study suggests that there is a need for improvement across the design, implementation and evaluation process of GESPs. In addition, the findings demonstrate how political influence is relevant in influencing BWEs' access to GESPs. Of note is that the political aspect of GESPs creates political privileges that hinder BWEs access to them whilst encouraging the establishment of women-only entrepreneurial support programmes. This study

also acknowledges the significant role of Malaysian collectivist culture as an informal support which minimises BWEs' patriarchal pressures in conducting their business.

To this extent, 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. As such, this study provides a conceptual framework of women's business survival in the handicraft industry in a developing country.

In the subsequent section the details of the study's contributions are presented. This is followed by a discussion of the implications of the findings for policymakers, BWEs and other women entrepreneurs. The limitations of the study and recommendations for future research are presented in the last section of this chapter.

## **9.2 The contributions of the study**

### **9.2.1 Theoretical contributions**

This study has investigated how BWEs in the handicraft industry in Malaysia manage their business survival by taking into account the influence of different aspects of their personal, organisational and institutional environments, paying particular attention to the role of GESPs in facilitating the process. The theoretical explanation of business survival as a concept that goes along with the firm's life cycle model where firms are naturally shifting their position from one stage to another (Churchill and Lewis, 1983; Lester et al., 2003), does not reflect the business survival experience of BWEs in this study. The findings show that the business survival process is influenced by many aspects that intertwine with each another and the way in which they influence BWEs' entrepreneurial activities are also complex.

As such, this study acknowledges the imperativeness of going beyond individual explanation in understanding women's entrepreneurial experiences (Ahl, 2006). The conceptual framework presented in this study has included a family aspect as a new element in understanding the

business survival concept of BWEs. In this respect, this study has expanded the business survival concept by recognising the importance of non-business elements in understanding women's business survival process. The significance of a family perspective in determining BWEs' business survival concepts has reduced the domination of the time period as an indicator in explaining a firm's business survival phenomenon (Astebro and Berhardt, 2003; Bekele and Worku, 2008; Boden and Nucci, 2000; Headd, 2000), acknowledged the view of business survival as a dynamic process (Ciavarella et al., 2004), and minimised the discrimination effect of financial performance indicators on women entrepreneurs (Brush, 1992; Ahl 2006; 2002).

Also, most research into business survival which includes women's businesses as the focus of study has been conducted in developed countries and in a Western context (i.e. Boden and Nucci, 2000; Cooper et al., 1994). Therefore, by conducting it in a Malaysian context, this study has shifted the focus away from studying women's entrepreneurial activities only in a Western cultural setting, thus contributing to the development of a conceptual framework on women's business survival from a non-Western perspective.

The framework of this study was presented based on the business survival experience of BWEs in the handicraft industry in Malaysia. The handicraft skills possessed by BWEs are crucial in determining their involvement in the industry but the way their business is conducted is very much affected by institutional aspects. This study highlights various challenges to business survival which are embedded in different aspects of BWEs' institutional environments such as family, social and institutional supports. While women are expected by their social environment to adopt gender-appropriate behaviour (Scott, 1986), this expectation has placed BWEs at a disadvantage in the effort to maximise their business potential. The expectations from BWEs' social environment do not match with their business expectations. Therefore, acknowledging the argument that entrepreneurship is far from gender neutral (Ahl, 2006; Bird and Brush, 2002), this study draws upon gender theory in investigating the phenomenon of the business survival of BWEs.

A critical issue in the women entrepreneurship literature pertains to gender relations issues that stem from the patriarchal pressures in society (Al-Dajani and Marlow, 2010; Marlow, 2002; 1997; Roomi and Parrott, 2008). However, the degree of patriarchal pressure on women has been acknowledged as varying according to national contexts and the cultural values practised in the particular contexts (Mordi et al., 2010). Therefore, it is essential to investigate the impact of gendered institutions on women's entrepreneurship through a larger cultural context which

considers different aspects of cultural values. The gender relations of BWEs are explored in this study by contextualising the issue in a Malaysian cultural setting which involves a combination of collectivism as the national value, and patriarchal norms in society. The gender-patriarchal issues appear as a liability for women entrepreneurs in this study but the collectivist culture that governs BWEs facilitates their business survival process. 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 study has indicated that patriarchal norms prevent BWEs acting in the best interest of their business. However, the collectivist culture of Malaysia has provided BWEs with unlimited support that has helped them in overcoming some of the challenges in both the private and public sphere. For example, in balancing the domestic-business roles and in securing constant supplies of handicraft products for their businesses. In this respect, while the finding conforms to earlier arguments on the effect of patriarchal pressures on women entrepreneurs in a patriarchal society (Al-Dajani and Marlow, 2010; Roomi and Parrott, 2008), the patriarchal pressures faced by BWEs is minimised through the collectivist culture of Malaysia. By investigating the business survival phenomenon of BWEs in their own cultural setting, a better understanding of how entrepreneurial activities are influenced by gender-related issues is obtained. Therefore, this study adds a new perspective in understanding the influence of patriarchal issues for BWEs in a collectivist culture, which helps to further develop the relationship between gender theory and women entrepreneurship.

This study has supported the idea of institutional theory providing more meaningful research into the women entrepreneurship discipline. Recognising that government is the influential factor in the institutional environment for entrepreneurship (Shane, 2003), this study has viewed GESPs as one of the elements in BWEs' formal institutional context that are significant in influencing BWEs' business survival. Since government initiatives have contributed much to the development of Bumiputera entrepreneurs in Malaysia, the focus on GESPs becomes relevant. The critical issue of studies concerning government or formal institutional support for women entrepreneurs pertains to the weaknesses found in the implementation process (Singh and Belwall, 2008; Audet et al, 2007).

The same issue emerged in this study; however, it is highlighted that the ineffectiveness of GESPs to BWEs is also related to political influence. This study demonstrates political privileges act

both as a hidden institutional barrier in accessing GESPs, as well as encouraging the establishment of women-only entrepreneurial support programmes through the recommendations made by female politicians. The political aspect that emerged in this study becomes part of the findings that explain the experience of BWEs in accessing GESPs in the pursuit of their business survival. This study shows the inter-relatedness between different institutional variables (i.e. political aspect and GESPs) which provides a better explanation of the issue of the ineffectiveness of GESPs to BWEs in the handicraft industry in Malaysia. 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). Also, this study has highlighted the interactions between different dimensions of context, i.e. between Malaysia as a developing country (spatial) and its cultural foundation (social) to give meaning to BWEs' business survival process. As such, this study 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.

### **9.2.2 Contribution to practice**

This study has shown that the factors which contribute to and hinder the survival of BWEs handicraft businesses stem from four different aspects of BWEs' life: personal, organisational, institutional and GESPs. The first two aspects relate to individual perspectives whereas the last two aspects refer to institutional elements. While the collectivist culture that governs BWEs offers great opportunity for their business survival, the challenges of business survival for BWEs becomes more intensive with the presence of the patriarchal system in Malaysia which further places BWEs at the crossroad of fulfilling their business and family responsibilities. What was revealed from this study enriches the understanding about BWEs' experiences in managing businesses which corresponds to the suggestion for researching women entrepreneurship through multiple lenses (Brush et al., 2009; Jamali, 2009). In this study, BWEs' experiences were explored by taking into consideration their positions as wives, mothers and entrepreneurs in a patriarchal system of Malaysia's collectivist culture. The findings contribute to knowledge of how the patriarchal system and collectivist culture in Malaysia is relevant and important in influencing the business survival of BWEs which may be applied to other developing countries with similar cultural values.

The emerging issue of the impact of the paternal system on the political aspect of government entrepreneurial initiatives in Malaysia for BWEs offers rich situated knowledge of women entrepreneurship that can be extended to other regional contexts. The study found that despite the availability of GESPs for BWEs, the implementation of these programmes still limits the opportunity for BWEs to reach their full potential in conducting their business. The reasons for this situation are related to the presence of political privileges in obtaining supports from local politicians and the politicised nature in accessing GESPs. However, the influence of female politicians appears significant in the establishment of women-only programmes in some government organisations which indicate another impact of gender issues on BWEs in accessing GESPs. This finding contributes to knowledge of the political influence on BWEs' business survival.

This study recognises the strong linkage between BWEs' individuals and environmental perspectives in influencing the survival of their business. Within this context, the role of government initiatives was highlighted as crucial in minimising the challenges and constraints of BWEs' business survival. This study adopts the institutional approach in explaining the entrepreneurial experience of women entrepreneurs as suggested by Ahl (2006) and Ahl and Nelson (2010). As such, the gap in the women entrepreneurship literature in relation to the need for institutional perspective in enlightening the reality of women entrepreneurs' experiences is addressed.

This study makes a significant contribution to the literature on BWEs in the handicraft industry in Malaysia due to the scarcity of publications about their entrepreneurial activities. This study has extended the knowledge of previous studies on the Malaysian handicraft industry. Although women represent 61.8% of the handicraft industry in Malaysia (Mat Amin, 2006), research on the Malaysian handicraft industry was conducted without separating the gender of the research participants and this study has addressed this issue by solely focusing on BWEs. While previous studies were concentrated on handicraft entrepreneurs in rural areas of Malaysia who run their businesses informally (e.g. Redzuan and Aref, 2011), this study focuses on BWEs who run their businesses formally where the businesses are legally existing as business entities. Therefore, the BWEs' experiences, challenges and needs in running a formal business can be differentiated with BWEs who run a business informally. In addition, the factors that were identified in this study as contributing and constraining BWEs' business survival indicate that business survival is a great challenge for BWEs. Therefore, BWEs' active involvement in the development of the Malaysian

economy through their handicraft businesses can be ensured if both BWEs and government organisations are concerned with the factors that facilitate and hinder the survival process. It is evident in this study that the challenges that stem from various aspects of institutional factors have forced BWEs to deal differently with their business survival. In fact it is not possible to understand the entrepreneurial activities of BWEs by separating their activities from cultural influences. The collectivist cultural values of BWEs emerge as central to the understanding of their business survival, yet cultural aspects have been largely missing in women entrepreneurship literature that is very Western-centric. Therefore, while this study provides additional knowledge on women entrepreneurship from a non-Western context, it also postulates that western literature on women entrepreneurship is inadequate in explaining the business experiences of BWEs in the handicraft industry in Malaysia. In addition, this study has responded to Brush and Cooper's (2012: 4) suggestion that most of the literature on women entrepreneurship is based on the experience of Western countries which has caused 'geographical bias' in women entrepreneurship research.

This study also responds to the need for researching women entrepreneurs beyond their start-up issues by focusing on business survival of BWEs' established businesses. The emerging issue of this shift involves women as micro-entrepreneurs of established businesses which in turn contributes to the literature on micro-businesses. In addition, the fact that BWEs remain as micro-entrepreneurs of established businesses challenges the assumption of survival as a natural phenomenon in the firm's life cycle model and is not consistent with the dynamism of business survival concepts that firms tend to increase their competitiveness.

This study also has methodological implications. There were some cultural-methodological issues occurring during the conduct of the study. Firstly, the size of the research sample for BWEs which was initially set at 20, was changed to 21 due to the fact that one BWE came to volunteer as a research participant. In the Malaysian culture, it is inappropriate to refuse her generous offer to participate in the research. Secondly, recording an interview with research participants is one of the ethical issues normally addressed in conducting research. However, it appears that it is not an issue in this study as BWEs reportedly felt proud when the interviews were recorded. In the patriarchal system where BWEs' voices are less likely to be heard in the public sphere, the recording process is seen as an opportunity for them to share their voices with others, which can help to improve the situation of other BWEs in the handicraft industry in Malaysia. However, these cultural-methodological issues help to enrich the findings of this study.

Thus, if one is to conduct a research on Malaysian women entrepreneurs in general and BWEs in particular, it is imperative to consider the cultural situation that can impact the data collection.

The need to capture the views of support agency staff is highlighted in previous research (Audet et al., 2007). This gap is addressed in this study, in which the research findings were generated based on the perceptions of both BWEs and GOs. Thus, a better understanding of the underlying reasons that contribute to or constrain the effectiveness of GESPs can be explored and is presented as a conceptual framework which is developed based on the first hand data collected. This framework is presented in Figure 10 (page 248).

Finally, it is hoped that this study has contributed to knowledge on BWEs in the handicraft industry that can be used by other researchers in increasing their understanding about BWEs' experiences in business in the research area. My position as an academic researcher has given me an opportunity to get involved in some academic-related activities such as research projects on BWEs as well as meetings and discussions with them. This experience has provided me with knowledge of the common challenges faced by Bumiputera women in positioning themselves as successful entrepreneurs.

Also, as a Bumiputera woman, it gives me an advantage in conducting this study. Being raised in Malaysia's collectivist culture, the patriarchal and gender issues highlighted by BWEs in this study came as no surprise to me and have helped me to understand the situation faced by BWEs. Knowing that I am also a Bumiputera gives an impression to BWEs that their experiences are easily understood by other Bumiputera women. Therefore, the process of obtaining information from BWEs has faced less difficulty. Rather than seeing my background as a negative influence that could bias the findings, I believe that my personal background facilitated the process of collecting data and helped to reveal BWEs' real issues.

In addition, the fact that this study was conducted during my PhD study in England allowed me to be more focused in analysing the data collected. In this respect, the literature developed mostly from Western context and the research guidance received from my supervisory team have helped me to be more open in interpreting the experiences of BWEs and avoid my personal judgment on the issues. In addition, my position as an academician in the local university has also provided me with easy access to information from the relevant government organisations, particularly in identifying the population of BWEs in the handicraft industry.

### **9.3 Implications for policymakers**

Given that BWEs are latecomers to the entrepreneurship development of Malaysia compared to the general entrepreneur population, they need adequate and appropriate support to accelerate their business development. Although it is evident that government provides entrepreneurial support for BWEs, it is more likely that support is given with a lack of understanding of the specific needs of BWEs. Therefore, it is suggested that, rather than providing support programmes in a general manner, it is worthwhile if, prior to the implementation of the programmes, the needs of and the business challenges faced by BWEs are identified. The challenges that were highlighted by BWEs as constraining their business survival can be summarised as relating to lack of business skills and knowledge, limited business resources and capabilities, family, social and political-related factors as well as difficulty in accessing GESPs. In view of these constraints, this study recommends that the relevant government organisations should formulate programmes that reflect the stage of their businesses. Since the focus of this study is on BWEs in established businesses, the scope of the programmes should go beyond the start-up issues. For example, the marketing programmes should not only educate BWEs about new market opportunities but also concentrate on how BWEs can increase their market competitiveness. Realising that the majority of BWEs face financial constraints in running their business, the financial initiatives provided by government organisations should be able to support the financial needs of BWEs. In this sense, an adequate amount of budget allocation should be provided for BWEs who require a substantial amount of money to increase their business capacities.

It is highlighted by BWEs that the difficulty in managing their business is related to domestic roles and the need to obtain consent from their spouses in order to be involved in the entrepreneurial-related programmes which are conducted far from their locality. These family-related challenges can be addressed in several ways. Firstly, it is suggested that programmes such as entrepreneurial training for BWEs be conducted within their locality to increase participation. Secondly, it is suggested that for other programmes requiring BWEs to travel from their locality such as national or international marketing and promotional activities, BWEs should be accompanied by their spouses. For BWEs who have limited company status, the cost incurred in bringing their spouses should be treated as deductible tax expenses, whereas, for BWEs with sole proprietorship and partnership status, an allowance should be given by relevant government organisations. Any childcare expenses incurred by BWEs should also be treated as deductible tax expenses.

BWEs have difficulty in accessing GESPs due to some inappropriate strategies used in disseminating information about the programmes. Government organisations should increase awareness programmes to inform BWEs about the existence of and the criteria set in applying for the GESPs. The awareness programmes should be conducted directly by government organisations to avoid the issue of lack of transparency in using other organisations as intermediaries to disseminate information about GESPs as well as reducing the impact of political connections in accessing the programmes. In this sense, it is suggested that politically-neutral support should be available in order to ensure BWEs' long term business survival. In addition, a proactive strategy that considers the opportunities and limitations of BWEs in obtaining the information about GESPs should be explored by government organisations.

GOs have significant influence in shaping the direction of GESPs in their respective organisation. As such, in order for GESPs to have a positive impact on BWEs, GOs should have competence in designing programmes that can reflect the needs of BWEs. In this respect, an accumulation of entrepreneurial knowledge and skills should be encouraged among GOs who are directly involved in providing GESPs. It is suggested that more efforts by government organisations should be made in giving exposure on current business and gender issues to GOs and other employees of the organisations. One way of doing this is by encouraging GOs to attend entrepreneurial and gender related seminars and workshops in which their participation in those programmes can be included as one aspect in measuring their work performance.

The findings have shown that there were some issues pertaining to the process of designing GESPs that contribute to the ineffectiveness of the programmes. It is recommended that the process of designing GESPs should consider the involvement of some external parties, for example with other government organisations that are providing entrepreneurial support programmes and BWEs. The input and ideas derived from this collaboration can increase the focus of the programmes in meeting the needs of BWEs and avoid any issue pertaining to the overlapping of programmes offered by government organisations. In this respect, government organisations should acknowledge the importance of BWEs as role models to other BWEs. This practice will enable BWEs to share their experiences with other successful BWEs in general and in the handicraft industry in particular.

Finally, this study identifies the lack of systematic approach in evaluating the effectiveness of GESPs. It is suggested that government organisations should practice professionalism in the evaluation process of their GESPs. This can be done through the appointment of independent

organisations or agencies that are responsible for evaluating the effectiveness of GESPs. Within this context, the involvement of women evaluators, who could be entrepreneurs in general and Bumiputera handicraft entrepreneurs in particular, is critical in capturing any weaknesses of the programme. To finalise the evaluation process, a monitoring system should also be implemented. One of the activities that can be conducted in the monitoring system is thorough discussion about the status of their business during the periodic field visits conducted by GOs and their representatives who are fully aware and sensitive about BWEs' business needs.

#### **9.4 Implications for BWEs**

This study recognises that the majority of BWEs rely on two sources of networking: friends and GOs. Although both networking sources are beneficial for BWEs, they are not fully optimising the potential of these contacts. The most common reasons for this situation, as highlighted by BWEs, is the conflicting demands in handling both business and family tasks, as well as lack of knowledge as to how to widen their networking contacts. It is suggested that BWEs need to nurture the networking that has been established particularly with GOs because this is the most practical way to obtain information about GESPs and increase the chances to participate in the programmes. In order to nurture the networking with GOs, BWEs can use telephone communications. In addition to being time-saving and involving less cost, the approach also remains the best way of getting a personal response from GOs and may help BWEs to develop their level of confidence in communicating with people in a formal way. The most important thing is for BWEs to continuously contact GOs to show that they are interested in developing their business networking.

The networking between BWEs and their business friends is developed through individual basis-social connections between one individual and other individuals. However, the benefits generated from this social arrangement are limited to the level of knowledge possessed by particular individuals. Therefore, it is suggested that BWEs must create and widen the composition of their networking members. In this sense, BWEs should be members of associations or organisations that relate to their businesses, such as trade associations, and be connected with people related to the business environment such as business counsellors. While the existence of this formal networking is easy to identify in urban areas, it is not the case for women in suburban areas. Nevertheless, it is suggested that BWEs in suburban areas take advantage of the presence of community-related associations and local committees that are significant in disseminating government-related information. Therefore, it is suggested that

BWEs must establish their networking with these establishments as an alternative to the absence of government organisations that provide GESPs in their areas. However, the success of this arrangement largely depends on the extent to which the local community-related associations and committees are willing to consider some structural changes to accommodate women's needs. For example, it is common that the leadership and membership of the local community-related associations and committees are men. In order for BWEs to widen their networking, it is suggested that a women's section is provided within these establishments.

### **9.5 Implications for other women entrepreneurs**

The sample of BWEs that participated in this study were selected based on a purposive sampling technique (Patton, 2002), suggesting that it is not possible to generalise the research findings to a population. However, this study has described its context in detail, which, according to Ryan et al (2007), is crucial in determining generalisability of the qualitative research findings. Based on these arguments, it is believed that the results of this study can be generalised to other contexts and will be meaningful to different groups of women entrepreneurs who are not involved in this study.

This study points out three different sources of challenge that impact on BWEs' business survival: personal, business, and institutional. These findings are significant for Malaysian women entrepreneurs who are not involved in this study. Taking into consideration that many Malaysian women's enterprises are located in traditional and vulnerable sectors such as handicrafts (Habib Shah, 2004), the challenges of business survival highlighted in this study are seen as relevant for both BWEs and non-BWEs who operate their business in other sectors such as garments and food in Malaysia. In this respect, although the traditional sectors provide women entrepreneurs with low barriers for entry, particularly in terms of the initial financial investment (Al-Riyami et al., 2002), BWEs and non-BWEs must realise that there are challenges for business survival within the industry. As such, this study suggests that BWEs and non-BWEs who aim for business survival and growth need to find ways of dealing with the challenges that might constrain the process. Based on the research findings, one important way of minimising the challenges faced by BWEs is by participating in GESPs that are relevant for their business. However, the challenges in accessing GESPs could be more critical for non-BWEs than BWEs, as the entrepreneurial development programmes in Malaysia are provided by the government to encourage more involvement of Bumiputera entrepreneurs.

The research findings also provide important implications for non-Malaysian women entrepreneurs. Firstly, this study provides additional support for the view that women's business potential is not being realised due to the various barriers such as lack of business support that continue to prevent the progress of their business (Fielden et al, 2003). The findings identify the elements that can improve the effectiveness of entrepreneurial support programmes for women entrepreneurs. For women entrepreneurs in general, this study has implications for understanding the importance of endogenous and exogenous factors that influence the business survival process and how it can be facilitated by effective GESPs. Secondly, the results of the study support the positive role that cultural values play in women's entrepreneurial activities (Mordi et al., 2010) but do not fully support the argument that socio-cultural norms provide barriers to women's advancement in business (Ahmad, 2011). The findings demonstrate how BWEs' survival process and patriarchal pressures are facilitated by the support received from the Malaysian collectivist culture. For women entrepreneurs living in a similar cultural context, such as in other Asian countries that are located near to Malaysia (i.e. Indonesia and Brunei), this study has implications for understanding the nature of cultural factors that pose significant opportunities and challenges to business survival. In addition, this finding demonstrates that cultural aspect has influenced on women's business activities, thus suggesting culture as a significant element on studying women entrepreneurs. Finally, this study is based on the experience of BWEs in the handicraft industry who own a formal business entity, thus shifting the focus that associates handicraft women entrepreneurs with home-based businesses (i.e. Abdul Halim et al., 2011; Al-Dajani and Marlow, 2010). The implications of this shift from home-based working environment to outside their homes are significant for handicraft women entrepreneurs attempting to increase their business positions. In this respect, women handicraft entrepreneurs need to strengthen their personal abilities, such as acquiring more advanced handicraft skills, and improving business capabilities through their involvement in appropriate GESPs or other institutional support available in their contexts.

#### **9.6 Limitations and suggestions for future research**

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 will inevitably have some limitations.

The data of this study was collected from a sample of BWEs in the handicraft industry in Malaysia. Taking Malaysia into consideration as a multi-racial country, similar 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. Also, future studies should include other industries that have major involvement of BWEs to enrich the understanding of women's experiences in their business survival.

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 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.

This study uses a qualitative approach in exploring the views and perception of BWEs in relation to their experiences in conducting business, as well as in understanding GOs' opinions in relation to BWEs' business survival and GESPs that are provided by their respective organisations. This approach is considered as the most appropriate approach in revealing the business survival experiences of BWEs; however, it may be useful for future research to consider a mix-method approach. While the qualitative data help to increase the understanding of the reality of BWEs through their own voices, statistical findings on the other hand would be useful to support recommendations for policy makers and to provide statistical figures for the use of future research.

This study has conducted in-depth interviews with GOs in exploring the status of GESPs that are provided by their respective organisations in facilitating BWEs' business survival. However, to improve the understanding of the impact of GESPs on BWEs and the factors that contribute or constrain the implementation process of the programmes, it is suggested that case study analysis on the individual programmes offered by each organisation should be conducted. The use of other qualitative methods of collecting data such as case study might increase the understanding of the linkage between BWEs' business survival and GESPs that are not covered by this study.

This study is based on a sample of 21 BWEs from one state of Malaysia. Future studies with a larger sample of BWEs may reveal better understanding of their business experiences and could enhance the validity of research findings. Taking into consideration the strong influence of socio-cultural factors on BWEs, this study can be extended to other states in Malaysia to see the significance of social-cultural influence on BWEs. Also, future studies could explore the socio-

cultural influence on women entrepreneurs in the handicraft industry from other countries with similar-cultural environments to provide some cross-cultural findings.

### **9.7 Summary**

The findings of this study contribute knowledge about women entrepreneurs and enrich the women entrepreneurship literature in several ways. Firstly, this study provides insights about BWEs' business survival experiences from multiple perspectives – individual, organisational and institutional. Within these perspectives, BWEs' roles as wives, mothers and entrepreneurs, and the socio-cultural environment that influences how they perform their roles are acknowledged. The important dimensions that emerged are the significance of the collectivist culture of Malaysia in influencing BWEs' business survival.

Secondly, this finding provides a better understanding of the reality of women's experiences in business by highlighting the importance of the institutional factor, the role of government initiatives in influencing BWEs' business survival process. In this respect, the practice of using individual explanation in describing women's experiences in business is minimised.

Finally, this study focuses on the question 'Does the Malaysian Government support facilitate the business survival of BWEs in the handicraft industry in Malaysia?' The findings discovered that government initiatives to support Bumiputera entrepreneurs in general and BWEs in particular do not facilitate the business survival of BWEs in the handicraft industry in Malaysia. BWEs continue to face various challenges in running their businesses even with the presence of a wide range of entrepreneurial programmes provided by government organisations.

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### Appendix 1: The Evolution of Institutional Framework of Women in Malaysia

Year	Explanations
1976	Gender was first mentioned in the Third Malaysia Plan (1976-1980). Encouragement of active participation of women in development and economy of the country
1976	The establishment of the national Advisory Council on the Integration of Women in development (NACIWID)
1983	The Women affairs Secretariat (HAWA) was set up and was placed under the Administration and Finance Division of the prime Minister's Department. The secretariat served to the NACIWID
1984	HAWA was upgraded to a division known as Division of Women's Affairs (DWA)
1989	The National Policy on Women (NPW) was formulated
1991	The inclusion of a full chapter on Women in Development (WID) in the Sixth Malaysia Plan (1991-1995)
1997	The DWA was upgraded to a department and known as Department for Women's Affairs
Jan 2001	Ministry of Women Affairs (MWA) was established to focus solely on the development of women
Feb 2001	The MWA was re-named as Ministry of Women and Family Development and the scope has been widened
	The DWA was renamed as the Women Development Department
2002	The Women Development Department (WDDP) established branches in all states of Malaysia to ensure the successful implementation of policies
2004	The MWA was re-named as the Ministry of Women, Family and Community Development and the name remains at present

*Source: Adapted and assimilated from Ahmad (1998), Women Development Department and the Ministry of women, family and Community Department*

## Appendix 2: Interview guide for BWEs

### Interview questions for Bumiputera women entrepreneurs (BWEs)

#### Personal background

1. Age:

Below 30		36-40		46- 50	
31-35		41-45		Above 51	

2. What is your marital status?

Single		Married		Widowed	
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Do you have children? How many?

Child 1	Age:
Child 2	
Child 3	
Child 4	

3. What is the highest level of education obtained?

Certificate		Master degree	
Diploma		Doctorate degree	
Degree		Please state the field of study	

4. Could you tell me about yourself before you started your business (Working experience)?

5. Does anyone in your family involve in business?

6. Are you a member of any association(s)? If YES, which association(s)? Do you think that these contacts are useful to your business? In what ways?

If NO, why?

7. Do you think that being a woman has an impact on your business? In what way?

To what extent has being an entrepreneur affected your domestic role?

Do you think that as a woman and Bumiputera you are at a disadvantage in business? Why?

Do cultural beliefs have an effect on you as an entrepreneur? In what way?

As a Bumiputera woman entrepreneur, to what extent do you think the government has assisted women entrepreneurs to overcome the constraints or obstacles related to women's issues?

#### Business background

1. In which year was the business founded? Are you the founder?

2. What type is your business organisation?

Sole proprietorship		Partnership		Private limited company	
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Why did you choose this type?

3. Tell me what your business does? Who are your customers? How do you market your products?

4. When you started the business, how many people were employed? Full time: \_\_\_\_ Part time: \_\_\_\_

How many people do you now employ? Full time: \_\_\_\_ Part time: \_\_\_\_

5. What motivated you to start your own business?

6. Do you have financial support when you started your business? From which source?

Prompts:

## Ratio of formal and informal financing

How do you finance your business now? How would you describe your experience of financing the business during the start-up stage and now?

Have you ever obtained financing from a government organisation(s)?

If YES:

- When and from which organisation(s)?
- How would you describe your experience of accessing finance from government organisation(s)/other organisation(s) for your business?
- How much? Do you find the amount of finance adequate? Why?
- What, if anything, makes you feel positive/negative about government/other organisation(s) financial assistance for your business?

If you have NEVER obtained financing from government organisation(s)/other organisation(s), what is the reason(s)? (For the present business)

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## Business survival

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1. What does survival (success) in business mean to you?

2. In your view, what are the key factors that lead to business survival?

3. Have you had any challenges in operating your business?

If YES:

Could you describe the challenges? How did you face these challenges?

4. How do you see the performance of your business? Do you consider yourself to be successful in this business?

If YES:

How do you measure success in business?

Prompts:

Are there any increases of sales, employees or products?

Is there any increase in market or new market?

Do you achieve: freedom, autonomy, self-fulfilment or balance of family and work?

If NO, Why?

5. After ..... years in business, how would you describe your experience of ensuring the survival (success)of your business?

Good or bad? Enjoyable or frustrating? Why?

What, if anything, makes you feel positive or negative about what you do? Could you give me an example(s)?

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## Perception and views about government entrepreneurial support programmes (GESPs)

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1. Have you received any form of government assistance for your business?

If YES, when? What type? Do you think that GESPs are important to your business survival? How?

If you have NEVER been involved in any GESPs, why is that?

2. Are you aware of any GESPs that are currently available? Could you please give me examples?

The government provides various entrepreneurial support programmes; what is your opinion of the benefit of these for women entrepreneurs in general and BWEs in particular?

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Awareness of government entrepreneurial support programmes (GESPs)

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1. Have you seen any promotion of GESPs by government organisations (e.g. posters, flyers, electronic media etc.)? What, if anything, makes you feel positive or negative about these promotions? Why? Do you think that the government has delivered the information about GESPs well to promotions entrepreneurs, particularly the Bumiputera? Why?  
Any efforts from government organisation(s) in relation to the dissemination of information about GESPs must be effective. In your opinion, how should the effectiveness of the efforts be measured?
2. In your opinion, what is the appropriate strategy to disseminate information about GESPs to women entrepreneurs? Why?

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Satisfaction with government entrepreneurial support programmes (GESPs)

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1. What do you think about the procedure to access GESPs? Is there anything that you like or dislike? Could you provide me with examples?  
Are there any issues that you would like to highlight in relation to the accessibility of GESPs?
2. Are there any similar programmes offered by different organisations? If YES, could you provide me with examples? How do you feel about the redundancy of programmes and how they affect you and your business?
3. How would you describe the impact of GESPs on your business? Could you provide me with examples?
4. Do you have any expectations of the GESPs and have your expectations been met?  
  
If YES, in what way?  
  
If your expectations haven't been met, why?
5. Have you had any contact with government organisations that provide support for entrepreneurs?  
  
If YES:  
  
How do you think these contacts help the survival of your business?  
  
How would you describe your experience of engaging with government organisations?  
What kind of advice is given and how do you see its value?  
  
In your opinion, do you think that government officials have taken into consideration your position as a Bumiputera woman entrepreneur in giving their advice? Do they try to understand you? Could you give me an example?  
  
How would you describe the ability of government officials in delivering their roles, particularly to facilitate the survival of your business?  
  
If you have had NO previous experience of getting advice and guidance from government organisations, from where did you get the support? Was it useful and how do you regard its value?
6. Have you had any business/entrepreneurial training?  
If YES:  
  
Who was the training provider? Was it a government or private organisation? When was that? How many times have you participated? What kind of training programmes have you attended?  
  
What is your opinion of the value of the training received?

Could you share your views in relation to:

- The duration, location, timing and setting of the programmes?
- The programme content?
- The programme trainer?

7. Other than financing and training support programmes, what else do you know about GESPs for BWEs?

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Final comment

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1. Before we finish, how do you think that the GESPs available today could be further enhanced to better meets BWEs' needs?
2. Is there anything more you would like to add?

## Appendix 3: Interview guide for GOs

### Interview questions for government officials

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#### Personal background

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1. Tick: Male/Female

2. What is your ethnicity: \_\_\_\_\_

3. Age:

Below 30		36-40		46- 50	
31-35		41-45		Above 51	

4. What is the highest level of education obtained?

Certificate		Master degree	
Diploma		Doctorate degree	
Degree		Please state the field of study	

5. How long have you been working here?

With the organisation		With the entrepreneurship unit/section	
0-3 years		0-3 years	
4-6 years		4-6 years	
7-10 years		7-10 years	
More than 10 years		More than 10 years	

6. Job title: \_\_\_\_\_

Could you describe your job specification?

What is the degree of your involvement in the entrepreneurship development programmes offered by your organisation?

7. Could you tell me about yourself before you worked with this organisation? (Working Experience)

To what extent do you think that your previous experience is important in your current career? In what specific ways?

Do you have any personal experience in relation to entrepreneurship? If YES, when, and can you share your experience?

8. How did you develop your understanding and knowledge about women entrepreneurship in general and in Malaysia in particular?

What is your opinion of BWEs and the handicraft industry in Sabah? Do you have any particular knowledge about this industry?

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#### Business survival

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1. How do you define the survival of a business?

What do you consider to be the survival period?

In your opinion, what are the most appropriate indicators to measure the business survival of BWEs? Why?

2. Based on your experience of working in the entrepreneurship development unit of this organisation, what are the main problems faced by BWEs in general and in the handicraft industry in particular?

How does your organisation help to encourage the survival of BWEs' businesses?

3. Are there any challenges faced by your organisation in providing support for BWEs? Could you give me examples?

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#### Current initiatives

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1. What are the current strategies and incentives available to women entrepreneurs? Anything specific for BWEs? How long have they been available?

2. What are the objectives or focus of your support programmes? (*Check with documents later*)  
Are the current strategies successfully achieving their objectives?  
Do you think that the current initiatives adequately facilitate the development of women entrepreneurs and BWEs?

If YES, how?

If NO, why?

---

#### Dissemination of information about GESPs

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1. How is information about your entrepreneurial support programmes delivered to potential clients?

Probes:

Financial and credit assistance	Services marketing and market research
Technical and training assistance	Infrastructure support
Extension and advice	

2. Is there any difference between the strategies employed to deliver information to women entrepreneurs and entrepreneurs in general?  
If YES, in what way are they different and why?
3. Based on your experience, are there any issues that might hinder the effectiveness of delivering information about GESPs to women entrepreneurs and BWEs?

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#### The design of GESPs

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1. How are the entrepreneurial support programmes in this organisation designed?  
What factors are taken into consideration in designing the GESPs?
2. When your organisation designs entrepreneurial support programmes, is any specific model or approach, such as from other countries or other organisations, referred to?  
  
If YES, why does your organisation refer to this model/approach/country/organisation? Can you explain the model?  
  
If NO, could you explain the process of designing the programmes?
3. How does this organisation view the needs of BWEs? How does your organisation ensure that the entrepreneurial support programmes match the needs of women entrepreneurs in general and BWEs in particular?
4. Are there any women involved in the design process?  
  
If YES, how are they selected? Are there any Bumiputera? Are there any women with handicraft experience/related business experience? Could you explain their roles?  
  
If NO, why?
5. Does your organisation build partnerships with other organisations in providing support for BWEs?  
If YES, why does your organisation engage in the partnership and could you please name the organisation(s)?  
  
If NO, why?
6. Are any women involved in the implementation of GESPs?

For example, in the training programme, are any women entrepreneurs or BWEs involved? Could you explain their roles?

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#### Selection of target groups

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1. In selecting participants for the entrepreneurial support programmes in your organisation, is there any preference for an industry? If YES, what is the industry(s) and how do you decide upon the industry?

2. Are there any specific criteria set by your organisation for selecting participants for the entrepreneurial support programmes?

If YES, what are they and to what extent do these criteria take into consideration the different background of BWEs?

If NO, how is the selection process conducted?

---

#### Evaluation of GESPs

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1. Is there any effort to measure the effectiveness of your GESPs?

If YES:

How does your organisation measure the effectiveness of the entrepreneurial support programmes provided?

How is the evaluation conducted? Could you explain the process?

When? How often does evaluation take place? Who undertakes the evaluation?

2. Are there any follow-up actions taken by your organisation after the evaluation of each initiative? Could you provide some examples?

3. Is there any sex-disaggregated data to show the participation of women entrepreneurs in your entrepreneurial development programmes? What about data for BWEs, do you have that as well?

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#### Suggestions for improvement

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1. Before we finish, do you have any suggestions about how the survival rate of BWEs can be improved?

2. Is there any specific element that has not been included in this interview that you want to address?

#### Appendix 4: Sample of interview transcripts

BWE (KB11)

**Age:** 36-40, **Marital status:** Married, **Children:** Yes, **Number:** 3, **Children's age:** 1(21), 2(19) and 3(14)  
**Highest level of education:** Certificate (higher)

Before I ventured into handicraft, I was already in business. I sold vegetables at the market. I collected vegetables from Kundasang and sold them at the market for 2 years. I used to work as an Accounting Assistant in a logging company when I first got married. I worked and ran the business at the same time.

I'm not sure how but I think it's the heritage that we have to preserve. The Tourism Department visited us in 2000. That year, it was the Visit Sabah Year. They requested us to produce something appealing for the tourists that came for the Visit Sabah Year in 2000. I started involve in producing handicraft products since 1999. I produce handicraft products that use the material from tree barks. Back then, my products are special clothes for cultural dance. That was all I produced and sold them to the Tourism Ministry. I produced bags too. Then purse, then many others. But at the time, I was doing it for fun, a part-time job. But when I saw the potential then I kept going. My husband's family. But only part-time. Because they work but at the same time running their business. None in my family were into business.

Yes. Sabah Handicraft Association. It's been recently established, I've just submitted my form. But the organiser is originally from KL. There's never been any meeting. I've just submitted a form. That's all. But not in the past. Perhaps there are other people from my village joining it too. I'm interested in becoming a member but so far there isn't any in the area. Sometimes I search for them but I'm not sure where they are.

I think there are advantaged for women to be in a business because I think we receive better service from the banks or financial institutions. For example, my husband works but he often doesn't get a good service form the bank. But when I visit the bank, I get a better service. Therefore it'll be me who'd often visit the banks or any financial institutions.

There are (issues), but what works for me is to make use of schedules. When I'm producing handicrafts at home, because my workshop is at home, I start off the day by completing all my house chores. Then I start my work at the workshop. I'd usually stay at the workshop until midnight. I settled all the house chores beforehand. When my elder children were little, I cooked meal for them first, I do everything else, but not anymore because my elder children don't live with me anymore, they're studying somewhere else, only left me with the youngest child. My youngest child is grown up now so it's much easier. He eats anything I cook. Not a fussy-eater.

I started making handicraft when my youngest child was 4 months old. Even before that, when I was trading at the vegetable market, I had to bring along my child. Money wasn't an issue at the time because I didn't need much to survive in the village. It's always been my hobby; I don't like to stay still at home. This work has never been giving me any grief. Because it's easy to manage. If there's any urgency for the business, that's where priority lies. But I've never had any issue with my domestic responsibilities. If I don't have time to do laundry, then I'd do that at night. I do it all at once. I only clean the house at weekends. I don't have any housemaid. Weekend is a family time. Monday – Friday allocated for business.

There is an impact. I go out of the time. People used to talk in the past. My in-laws have been very supportive. But my immediate family hasn't. Well, perhaps they couldn't see any profit at the early

stage. Sometimes they bug my husband. My husband is a school headmaster. He works in an office and could hear people talk bad things about me. They said *'your wife is always out and about. Never at home'*. Coincidentally my uncle works at the school too and has always been trying to offer advice to my husband. He said *'our family has never been in a business before, so what you wife is doing now is not normal'*. My husband just ignores it and carries on his work in the office. My husband said *'I know my wife better than you'*. He helps me a lot. I tell my husband to ignore the jeers because I know what I'm doing. We won't be successful if we listen to their mockery. I often take part in motivational courses I'm prepared to face this. Especially if I'm out and about most of the time, when only at home a day in a week.

But I think it's very challenging to women. People will jeer if you socialise with men. They'd do that even when you're not doing anything. Even if you're already married. I think we have to follow our hearts. Our business won't be successful if we could easily draw astray. If you're a bad person, you won't change, doesn't matter if you stay at home or not.

Haa... the government role is important. I think the government has helped me a lot. But sometimes they only help people from the rural areas. They'd help the poor from the rural areas. Those who're new and want to learn. Sometimes their acceptance is very different. They would only want to start their own business if they receive full support from the government.

Yes I could see that the government is focusing on helping poor women. But it's challenging to help this type of women. You need a totally different approach in order to help them. I want to progress further but the supports (handicraft) are only meant for the poor women.

### **BUSINESS BACKGROUND**

**Year of establishment:** 2003

**Type of business organisation:** Sole proprietorship

**Why this type:** That's the only type that I know (Laughing).

The business I'm in ... I produce handicraft products, sell and supply my products to all parts of Sabah. At the moment, I supply to the entire Sabah, Sarawak, Miri. Kuching and Miri Airports are a couple of my customers. I deliver my products and I take part in exhibitions across Malaysia. I'd definitely take part in any programme organised by the MHDC or the Trade and Industry Ministry.

Individuals and companies. I think companies outnumber individual customer, 80% of my customers are companies.

I take part in any programme that the MHDC organises. I'd usually take part in their sales and promotional programmes. Sometimes they reimburse my expenses. Sometimes not. I take part in any of them and the promotional activities for my business are depending upon the MHDC. I fully take part in any promotional activities organised by the MHDC.

Many have suggested that I should use internet for promotion of my business. But my husband doesn't agree with this idea because at the moment I'm struggling to keep up with the demand. At the moment my products are insufficient to meet the demand. Also, I lack of human resources.

I used to sell my products on my own, from one shop to another in KK at the *Wawasan Plaza, Philippines Market*. I deliver my products to the Pekan Nabalun Town, Poring, all of them. For the airports, I visit them directly to introduce my products. I told them that there's a discount for bulk orders. That's how I promote them.

The Radio and Television Malaysia (RTM) came here in 2010 to film a documentary. We were filming the documentary for 2 days. I have already been supplying my products to the Tourism Ministry. When they came to visit me, they interviewed and informed me that they were here to film a

documentary about how I process tree barks and turn them into handicraft such as bags. They broadcast the documentary over 3 years, 2010, 2011 and 2012. That was my biggest promotion.

I had several before but now only a few. I had 2 permanent staff and was helped by 5 of my family members. When I received the SDSI, the entire village produced the same product. So I passed down my own order to the others to produce. There used to be 100 entrepreneurs. But since the tree barks have become scarce, there are only a few of us who could produce them. At the moment I'm looking after 50 entrepreneurs. I have 2 permanent members of staff. But they're on contract; most of them are on contract. I've employed 4 additional staff on contract. They are very skillful. I manage my own balance sheet and record all the business transactions myself.

There was no financial support. I use my own capital to start the business. I applied for loans for 3 times from M2 (government) and once from a bank.

It's easy now but not when I first started. It'd be easy if we have a good record. But quite difficult for my friends. It is not easy for women to obtain loans. So when I often receive loans, my friends always come to me for guidance. Perhaps their accounts are unsuitable. We have to explain the nature of our business when we meet the bank officers. There are interviews. Sometimes perhaps the loan providers don't have confidence in the business. We have to really convince them that we could easily pay back the loan because the interviewing officer will judge this.

Once I borrowed from the Agro Bank but for a small amount. They offered me RM5000. But it worked different with banks because I only received RM2000 + compared to RM5000 that I applied for initially.

I think in order to survive a business must continue its operation. Like some of my friends, who have licenses, they only produce their products only if they receive orders. They should carry on the production even if orders are yet to come. I have my own plan. I'd normally start the production from early January because they've (Handicraft Malaysia) then already provided us information of the handicraft promotional programme. So I know when exactly I'd be on a tour with the promotional programmes, so the months that I'd be in, I'd solely focus on the productions only.

I think we have to persevere. Without perseverance then it'd be difficult for the business to survive. I motivate myself every day. If we feel lazy then it won't work. I think about the business when I wake up every morning. Then I think about what needs to be done for the day.

I'm not sure about others but I have alternative ways if the government doesn't help me. I already have a strong foothold in the market so my business will continue regardless of the support from the government. I couldn't rely on them. We must ensure where to market our products. In order to survive, we must continuously have a market. We have to explore and search for the market ourselves; we couldn't just stay put.

The biggest challenge for me is to start the business, the capital and customers. We have to search for customers. That's most difficult. It's useless if there isn't any customer but our products are in abundance. It was very difficult then. It's a long story. Now not anymore because I have many customers.

Initially, it was too difficult, too challenging. I used to cry because it was so difficult. I cried and I was surrounded by my products. When we want to get involved in business, we need inner strength (crying). I look for my own ways. I did everything on my own. I went to any places that I can sell my products back then. It was not easy, believe me.

My performance is okay at the moment. I could call it okay because I'm now struggling to meet demands. I have to start refusing orders. I have to be honest to my customers in order to maintain their loyalty. I have to tell them if I couldn't meet their orders. I learn this from my Chinese friends. They run their business day and night. When I first started, there were times that I couldn't sleep for 2-3 days. It was very challenging. I sewed and breastfed at the same time because my customers would come and collect their orders in the next morning. I couldn't sleep. Customer satisfaction is my priority so wherever I go – Johor, KL, Perak, there always demands. Recently at the National Handicraft Day event in KL, my stocks ran out even after bringing additional products from four other handicraft producers. My products are still insufficient to meet demands.

But I think I'm not successful yet. I received the Successful Women Entrepreneur award in 2010, sponsored by *Yayasan Usaha Maju*, under the account management category. They were very impressed with my account management. My records were the best because I record all of my handicraft activities systematically. At the moment, I've been teaching the new handicraft entrepreneurs on the account management best practice.

Anyway, I don't think that I'm successful yet. I think the human race is insatiable. I had less before. Before I started the business, even though when my husband was working as a teacher. His income as a government servant was not great, there wasn't enough after paying off our expenses. We weren't poor but only average. Once I started my own business I could apply for a loan to build our own house. I wasn't competing with my husband but I felt self-fulfilled when I could do that. We don't have a car. My husband and I used to deliver our products on the motorcycle. Before I received my loan in 2007, I could afford to buy 2 cars in 2005. I bought a *Land Cruiser* by cash in 2006 and it felt very satisfied. Let people think I am but I still think that I'm not successful.

Of course I have so many targets to be achieved. As women we must set our objectives. I plan to venture to another type of business when I reach 50. I will still continue with the handicraft business but I also plan to pursue a homestay business. I have a piece of land and I've recently traveled to Vietnam to learn how to start a homestay business. I was listed to participate in a homestay seminar for the whole Asia countries. In 2010, I went to Vietnam and learnt how to start a homestay business. That's my target. I don't want to continue travelling here and there, selling my handicraft products which I'm currently doing. I want to start and manage my own homestay business which means I involve less in travelling.

I had obtained loans for three times. All are from the M2. In 2007, I borrowed RM8,000 for three years but I managed to make settlement in a year. Then, M2 offered me another loan. The boss called me directly and asked me to make another loan. He told me that there are still some amount of money that was belong to me because I settled my loan two years earlier than the original schedule. Then, I made another loan for RM25,000 for 5 years period but I managed to re-pay the entire amount within two years. Once I have money then I pay. After that, M2 offers me another loan of RM100,000 but I took only RM50,000. It was in 2010 and it is 7 years of loan. This amount is enough for my business. I don't want to borrow more than I need. I'd borrowed from the Y1, still in progress and hope to pay all off this year, but the amount is not that much. It is only for RM12,000. But it wasn't really meant for this business but to support my children's college fees. I don't want to use my business money.

I have positive comments for the financial support provided by the government. It's very good but sometimes their management isn't great. Sometimes I think that they have their own preference.

Maybe they are quite biased. I say this because it's been very difficult for my friends to receive any support. But in my case it is very easy. It'd be hard to get it if we're not successful then. I mean they only support you if your business is doing well, but not because we need capital. That's why most of the women who've not been getting any support, their business remains the same even after 10 years in business. Perhaps it's an advantage for me because my husband will apply for a loan if my loan application was rejected. But, I can't always depend on him for the rest of my life.

M1 (government) is very slow. I received my loan after 4 months. Compared to Y1, a much quicker, they only took 2-3 weeks. But the problem with Y1 is that they won't provide any more loans if any of the group member hasn't settled her re-payment. My style is different; I helped others in my group to settle their re-payments so that they'd then pay me back. I can't wait. They could pay me back. Otherwise, there won't be any progress.

I often take part in courses or trainings. 2 or 3 times a year. Last year, in 2012, I learned about documentation. Then I was awarded the Best Women Entrepreneur at the Marina Resort. I was the exemplar entrepreneur. The best at the course. I did my best at the course. I was the best participant at the time.

I was often invited to attend courses. I was often invited by the MHDC but the course was run by other government agencies. I often search for other courses worth attending. I took part in a financial management course. But the course was too simplistic so I won't mind attending a more comprehensive course. I enjoyed all of the courses that I've attended. Lately they started electing a leader for the course. I don't like it but perhaps it's an opportunity for me to learn to become a leader. The longest duration for each course is a week, sometimes may take up to 5 days.

I suggested to the government that they organise a course in making handicraft bags. We need to look for the most skilled people in this area. I found that only one person under the MHDC programme, Pn. Saniah who is very successful in producing handicraft bags. Her products have been exported to London. I applied for the 2-week course but I'm offered 3 days by the MHDC. Not much can be gained from this short period of course.

I'm not fussed about the location of the course, and it doesn't matter whether the participants are mixed, with the men. Mental handicraft is popular among men. I like to network with them so that I could learn from them. Often the instructor does the talking; but there is also opportunity for us to talk. I don't mind being taught by a male or female instructor. All the courses that I've attended are very beneficial. Whether they're business or self-motivation courses. I attend many courses for women. Such as how to manage family and business successfully.

My machines are 80% supported by the M2. I was eligible to get a workshop support but then was rejected due to the small space area in front of my house. I was successful in obtaining the workshop support after I renovated my house, so there wasn't an ample space to build a workshop there. So in my own initiative, I built a workshop on the ground floor of my house. I widened my house in order to build the workshop. I built the workshop myself. I have 4 machines, 3 in a set. Their value is more than RM50,000.

I always contact the officers at the M2. I listen to their advice. I'll visit them directly if I have problems. Sometimes there are things that we're unsatisfied with. But I can't remember them.

Furthermore, my involvement with them is only in promotional activities and exhibitions. So I've not been having any issues in these. I wasn't happy with them when I first started but I can't remember why.

I've seen them in the news. Sometimes I read the newspaper. But not about promotions from any particular government agencies. Furthermore, I've not thought about government support before. When I speak directly with the officers, they only tell me what they offer. It's much better now, the MHDC are on Facebook and they even have their own blog site for handicrafts. So many of my friends who are shy to ask questions face-to-face can make enquiries through Facebook. That's good. Perhaps the information could also be disseminated to all members registered with the government.

I think a course on self-motivation is very important for women. Not just limited on starting a business course how to start a business, but also post-start-up. At the moment, I'm looking for courses that could help me improve my business. Also I think a capital support would be useful for women.

## Appendix 5: Ethical approval

Odell, Sandra

To: Topimin, Salmah 2010 (PGR)

Cc: Brindley, Clare; Cicinski, Rachael

14 June 2012 11:18

Dear Salmah

Thank you for your recent submission (No. 2012/31) to the College Research Ethics Committee (CREC) on 29 May 2012 requesting ethical clearance for the project entitled: Government intervention in women entrepreneurship development: Opportunities and challenges for Bumiputera women entrepreneurs (BWEs) in the craft industry in Malaysia. I am pleased to inform you that the CREC was happy to confirm that in its judgement there were no outstanding ethical concerns that required further discussion or exploration prior to data collection. The committee would like to wish you well in the completion of your project.

Yours sincerely

Kay Wheat

Chair CREC

Sent on behalf of Kay Wheat by:

**Sandra Odell**

College Research Support Team Co-ordinator

College Research Support Team, Business, Law & Social Sciences Nottingham Trent University, Nottingham, NG1 4BU

Direct Tel: +44 (0)115 848 8117

Location: Chaucer Room 4704

E-mail: Sandra.Odell@ntu.ac.uk

Website: [www.ntu.ac.uk](http://www.ntu.ac.uk)

## Appendix 6: Participant information sheet (BWEs)

The purpose of this research is to determine the extent to which the government initiatives to support women entrepreneurship facilitates the survival of Bumiputera women entrepreneurs in the craft industry in Malaysia.

The importance of government intervention on women entrepreneurship development particularly in the developing countries has been discussed in the literature. Yet, the effectiveness of government support programmes for women entrepreneurs has been argued by many scholars (Huq and Moyeen 2011; Moser, 1993). Therefore, it is the interest of this research to investigate the impact of Government support on the survival of Bumiputera women entrepreneurs in the craft industry in Malaysia. The high percentage of women entrepreneurs in the craft industry in Malaysia provides the reason to select them as the research subjects.

The outcomes of this research will make recommendations concerning the support of Bumiputera women entrepreneurs in the craft industry in Malaysia, particularly in developing and encouraging the survival rates of their businesses.

You are invited to participate in this research by agreeing to a 60-90 minutes interview. The interview will ask a series of questions about your experience in relation to government intervention in supporting Bumiputera women entrepreneurs in the craft industry in Malaysia. The interview will cover the following areas:

- Demographic and business information
- Perceptions on business survival
- The management of the business
- Perceptions on government support programmes
  - Access to government support programmes
  - Satisfaction with government support programmes
  - Awareness and evaluation of government support programmes

To protect anonymity, all names, places and organisations will be changed. The interview will be recorded and only the researcher will have access to the recordings. The interview transcripts will be fully anonymised. Data collected from the interview will be kept confidential, on a password protected computer and external hard disk drive. Data will be destroyed at the end of the Project. Pseudonyms will be used in reporting the findings of the research. Extracts from the interview will be included in my thesis and other academic publications. Participation is voluntary and greatly appreciated. If you decide to participate in the interview, you have the right to:

- Ask any questions about the study at any time during participation.
- Provide information on the understanding that your name and organisation will not be used.
- Withdraw from the study before the analysis of the data started (up to two weeks after the date of the interview).

Should you require any clarification, do not hesitate to contact me or the Director of Studies.

Contact details:

Researcher: Salmah Topimin, [N0356733@ntu.ac.uk](mailto:N0356733@ntu.ac.uk) Tel: 019-8624460

Director of Studies: Prof. Clare Brindley, [clare.brindley@ntu.ac.uk](mailto:clare.brindley@ntu.ac.uk) Tel:+44(0)115 848 2758

Nottingham Trent University, Burton Street, Nottingham, NG1 4BU, UK



## **Appendix 8: Letter of application to government organisations**

Researcher's name  
Researcher's address  
Researcher's telephone number and e-mail address

Date:

Director  
Government organisation  
Address

Dear Sir/Madam,

I would like you to grant me permission to conduct research in your organisation. The research will involve a series of interviews with the head of the section or unit of entrepreneurship development in your organisation in the following areas:

- Demographic information of the government official (interviewee)
- Current government support programmes
- The implementation process of government support programmes
- The evaluation of such programmes
- Future enhancement of such programmes

The research will also involve analysis of relevant documents such as project documents and strategy papers to give further valuable insights on the government initiatives in promoting women entrepreneurship in Malaysia.

I confirm that all data collected will be treated with utmost confidentiality and will be anonymous. All names, places and organisations will be changed. The data collected during this research will be kept confidential and kept on a password protected computers and external hard disk drive. The data will be viewed only by me and will be destroyed at the end of the project.

I believe the co-operation and support given by your organisation for this research will lead to greater insights into the issue of business survival of Bumiputera women entrepreneurs in the craft industry in Malaysia.

Please sign and return the consent slip attached in this letter.

Thank you.

Yours sincerely,

SALMAH TOPIMIN  
Research Student  
Nottingham Business School  
Nottingham Trent University

**Consent Agreement**

I certify that I have read, understand and agree to the terms set forth in this research.

..... (signature)      PRINTED NAME: .....

DATE:.....      POSITION:.....