

Women Involvement in SME's in Johor Bahru, Malaysia: a study on the Factors That Encourage the WomenMitwali Abd-el.Moemen^a, Jameel A Khader^a, Sadaf Shamsuddin^b, Saif-Ur-Rehman^c, Saqib Muneer^c^aArriyadh Community College, King Saud University, Riyadh Saudi Arabia.^bDepartment of Management Olaihash, King Saud University, Riyadh, Saudi Arabia^cFaculty of Management and Human Resource Development (FPPSM)

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Abstract: The purpose of this study is to explore the involvement of women in small medium enterprise in the state of Johor Bahru, Malaysia. Whether interest, life impulse, having necessary skills and environmental influence any relationship with women involvement in business. Quantitative data were collected via a questionnaire distributed amongst the women entrepreneur. A total of 130 women entrepreneurs completed the questionnaires. The result shows that interest, life impulse, having necessary skills and environmental influence has a significant positive correlation with women involvement in business. It is interesting to note that hierarchical multiple regression analysis indicated that the four dimensions of independent variables, namely interest, life impulse, having necessary skills and environmental influence significant relationship and influence with women involvement in business.

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Key Words: interest, life impulse, having necessary skills and environmental influence

1. Introduction

Female entrepreneurs have contributed significantly to the economic development of the economy, both in jobs created and in generation of revenue. Research has shown the importance of female entrepreneurship has contributed to the overall economic development of a country (Allen, Langowitz, & Minniti, 2007). While scholars of entrepreneurship agree that age, work status, education, and household income are significant deciding factors for females to start their own businesses (Allen, Langowitz, & Minniti, 2007), the majority of female entrepreneurship tends to be more visible and effective when connected directly to the improvement of low standards of living (Minniti, 2009). Over the past two decades an increasing number of women started their own businesses and were self-employed (Botha et al., 2006). Research & Development and Women participation in economic activity has become a growing importance to the development of a country (Khakbaz, 2012). Women are not compelled to do their duty at home but majority of them has participate in business. Their courage and high commitment in business has shown a tremendous success in contributing to the nation success (Karubi & Khaliq, 2012). According to Dato' Seri Dr Mahathir, 2002, achievement and role are played by women category in entrepreneurial field now clearly shown women's capabilities in facing competition. Azizah Tumin, in her speech in conjunction with the Opening Ceremony of Bumiputra Women Entrepreneur Malaysian

(USAHANITA) pointed out, if women dream of becoming successful men, they must inculcate competitiveness features, developed and create force. Courageous attitude and no fear to face risk of failing are the beginning to one success. In Malaysia, according to the Malaysian Business Commission in the year 2010 shows that among the top business venture registration were food and beverage businesses. There are 49,554 business units owned by women in 2010 and 54,626 was recorded in 2011. This increase in number of businesses owned by women clearly shown that women in Malaysia have strong commitment to involve in commercial and economic activities.

Background of the Study: Entrepreneurship is of critical importance to women because it provides a means to becoming self-sufficient, in charge of one's own career path, and as a way to rise above the "glass ceiling" of the corporate world. There is a correlation between female entrepreneurship and economic growth (Minniti, 2009). In the past 20 years, majority female-owned firms have grown at around two times the rate of all firms. Female owned firms – those that are 50% or more owned by women – accounted for 41% of all privately held firms (Center for Women's Business Research: Key Facts 2006). In Louisiana, 51% of privately held firms are owned by women, and female owned firms generate more than \$13 billion in sales and employ nearly 102,000 people (Center for Women's Business Research: Key Facts 2006). Adult females provide an available group of potential entrepreneurs that can be leveraged to

improve economies in all areas. Women are motivated to start a business for different reasons than their male counterparts (Hornaday, 1982); these reasons include self-realization, status, financial success, autonomy, and personal development and are heavily influenced by the early socialization experiences of women as they grow up (Marshall & Oliver, 2005). Gender role socialization implies that traditional attitudes about gender roles and the accompanying stereotypes had a tremendous influence on women's career choices and occupational self efficacy during the early years of the 20th century through the late 1970's (Klein & Cook, 2005). Other research has shown that the propensity for entrepreneurship is influenced by vicarious learning models, meaning that people learn by watching others and develop role models and occupational stereotypes (Krueger, Reilly & Carsrud, 2000). Developing new business has traditionally been seen as a male-dominated domain, hence there were few women to use as role models. Finally, for many women, the years between ages 30 and 40 - which are the prime years to develop careers and move ahead in the corporate world - are also the prime child bearing years, thus creating a dilemma for a woman that isn't faced by a man: whether to stay home with the children or to go back to work. Often by the time the woman who chooses to stay home and raise her children is ready to go back into the workforce only to find she's been left behind by her peers, by the technological changes in her industry, and by her lack of up-to-date training in her field. To some of these women, entrepreneurship is an attractive option and alternative to going back to their former careers at an introductory level and salary.

2. Literature Review

Entrepreneurship and Women:

Entrepreneurship is the engine of economics of human society (Khodabakhshi & Talebi, 2012). There is a correlation between female entrepreneurship and economic growth (Macoby & Kolvereid, 1996). Over 10 million firms in the United States are owned by women, employing more than 13 million people and generating \$1.9 trillion in sales each year. In the past 20 years, majority female-owned firms have grown at around two times the rate of all firms. Female owned firms – those that are 50% or more owned by women – account for 40% of all privately held firms. In addition, the number of firms 51% or more owned by women of color employ 1.2 million people and generates \$165 billion in revenues annually (Shapiro, 1980). In Louisiana, 51% of privately held firms are owned by women, which classifies these businesses as “women owned”-defined as 50% or more ownership by a woman

(Center for Women's Business Research: Key Facts 2008-09 update). Female-owned firms generate more than \$13 billion in sales and employ nearly 102,000 people. Overall, Louisiana ranks 23rd in the number of women-owned firms and 24th in sales, when compared to other states (Center for Women's Business Research: Key Facts 2008-2009 update). Research has shown the importance that female entrepreneurship has to overall economic development (Allen, Langoeitz & Minniti, 2007). And while scholars of entrepreneurship agree that age, work status, education, and household income are significant deciding factors for females to start their own businesses (Allen, et al, 2007), the majority of female entrepreneurship tends to be more visible and effective when connected directly to the improvement of low standards of living (Rwigema & Venter, 2004). Over the past two decades an increasing number of women started their own businesses and were self-employed (Whiting, 1988). By the year 2003, women were recognized as a driving force in the U.S. economy, whether measured by the number of businesses owned, the revenues generated, or the number of people employed (Kasseeah, 2012).

As one research study found, “if U.S.-based women-owned businesses were their own country, they would have the 5th largest GDP in the world, trailing closely behind Germany, and ahead of countries including France, United Kingdom and Italy” (The Economic Impact of Women-Owned Businesses in the United States, 2009, p.1). Entrepreneurship is of critical importance to women because it provides a means to becoming self-sufficient, in charge of one's own career path, and as a way to rise above the “glass ceiling” of the corporate world (Pleitner, 1996). Adult women provide an available group of potential entrepreneurs that can be leveraged to improve economies in all areas (Whiting, 1988). But to be able to fully tap into that group, it's necessary to understand what makes women become entrepreneurs. Recent research has shown that the likelihood of starting a new business is significantly higher among women who perceive themselves as having the necessary skills and knowledge than it is among women perceiving themselves as lacking such skills (Minniti, 2009). Self-employment intentions are directly influenced by attitude and pressure from social norms, which implies that self-confidence is required to be self-employed (Norudin, Suzana & Siti, 2008). Drucker stated, “The entrepreneurial mystique? It's not magic, it's not mysterious, and it has nothing to do with the genes. It's a discipline. And like any discipline, it can be learned” (Kuratko, 2005). It has been suggested by researchers that role models, exposure, networks and

insight into the independent business process can accomplish these goals (Koh,1996). Expectancy theory is also used as a framework for explaining human motivation, and action will be taken when we believe our efforts will lead to successful performances, which will bring certain outcomes with direct positive value or will lead to other valued outcomes (Phillipson,1995). And while there are some individuals who have an entrepreneurial mindset that allows them to find opportunities overlooked by others and most nascent entrepreneurs need positive environmental influence and educational opportunities in order to generate ideas and develop successful new ventures (Zimerer & Scarborough, 2002). Hence, the hypothesis conjectured in this study are:

H1: There is a relationship between interest and the involvement of women in SME

H2: There is a relationship between life impulse and the involvement of women in SME

H3: There is a relationship between having necessary skills and the involvement of women in SME

H4: There is a relationship between environmental influence and the involvement of women in SME

3. Methodology

Respondents in this study consisted of 150 women entrepreneurs randomly selected. A total of 100 questionnaires were distributed to the Entrepreneurial office in Johor Bahru. It took one month for the researcher to distribute and collect the responses and managed to get 30 respondents out of 100 questionnaire distributed. The study was conducted in January 2013. The respondent were women entrepreneurs who are keenly engage in business for more than 3 years. The researcher used simple random sampling which is able to generate some degree of generalization of the population of the study.

Measurements

Independent and Dependent Variables:

This data was collected using the quantitative types of methodology. The quantitative survey instrument used to collect the data was developed by the researcher for the express purpose of gathering the information needed for this study. Content validity was established by a panel of experts, including faculty from the College of Business and the School of Human Resource Education and Workforce Development. The variables, measured using nominal

and ordinal data and also on a five point Likert scale, were chosen after a review of literature, and included the following:

- a. Age range
- b. Race
- c. Number of children
- d. Marital status
- e. Academic Qualification
- f. Business Ownership
- g. Product
- h. No. Years operating
- i. Amount of Capital Invested
- j. No. of Employee
- k. Interest
- l. Life Impulse
- m. Having necessary skills
- n. Environmental Influence

Method of Analyses

Response and Profile of Respondents: At

the end of the stated period, of the 150 questionnaires sent out, 130 useable response were obtained representing a response rate of 77 per cent. The sample profile is shown in Table 1. The frequencies for the number of individuals in the five ministries/ departments are shown in Table 1. It may be seen that the greatest number of respondents are Malay (56.2%), 63.8% are at the age of 26-30 years; majority of them are married (61.5%) and about 46.2% of the respondents are having between 2 and 4 children, As for the academic background of the respondents 53.1% of them are having the Higher Certificate of Malaysia (STPM), about 63.8% of the respondents possessed their business individually, and 43.8% of the respondents are involved in food and beverage business, 50% have operated for 2 years, 40% started their business with an initial capital of between RM2000 to RM4500 and 46.9% have employees between 4 to 5 people and only 13.1% have employees between 6 to 10 people.

Women Involvement: All hypotheses were tested using inferential statistics. The hypotheses were tested using Pearson Correlation and using Multiple Regression.

Usage of Pearson correlation: Pearson correlation was used to test the hypotheses. The analysis was meant to determine whether interest, life impulse, having necessary skills and environmental influence and have any relationship with women involvement in business.

TABLE 1: Sample Profile

Demographic variable	Categories	Frequency	Percentage %
Race	Malay	73	56.2
	Chinese	37	28.5
	India	20	15.3
Age	22-25 years	12	9.2
	26 – 30 years	83	63.8
	31 – 40 years	20	15.5
	41 and more	15	11.5
Marital status	Single	48	36.9
	Married	80	61.5
	widower	2	1.6
Children	Only Child	30	23.1
	2-4 Children	60	46.2
	5.7 Children	25	19.2
	No Children	15	11.5
Academic qualification	No formal Education	5	3.8
	SPM	69	53.1
	STPM	56	43.1
Possession	Single	83	63.8
	Partnership	10	7.7
	Private Company	25	19.2
	Limited Company	12	9.3
Product	Cosmetic	14	10.8
	Food and Beverage	57	43.8
	Tailor	26	20.0
	service	12	9.2
	other	21	16.2
Business Age	1 year	7	54.0
	2 years	65	50.0
	3-8 years	52	40.0
	9 years	6	4.6
Capital	Less than RM1000	3	2.3
	RM1001-RM2500	47	36.2
	RM2501-RM5000	52	40
	RM5001and more	28	21.5
Employee	1-3 people	52	40
	4-5 people	61	46.9
	6-10 people	17	13.3

TABLE 2: Results of Pearson correlation analysis between Interest, Life Impulse, Having necessary skills And Environmental Influence And Women Involvement.

Variable	Women involvement
Interest	.116
Life Impulse	.341
Having necessary skills	.333
Environmental Influence	.326
* Correlation is significant at the 0.05 level (2-tailed)	
** Correlation is significant at the 0.01 level (1-tailed)	

The result of the analysis shows that there is a significant relationship between interest and women involvement. The correlation value of this variable of

$r = 0.116$, means that a positive and low relationship exists between the two. Thus H1 is accepted. The result shows that life interest has significant and

positive relationship with women involvement in business. The relationship between the two is moderate because the r -value = 0.341. Thus, H_02 is accepted. The result of the analysis shows that there is a significant correlation between life impulse and women involvement in business. The correlation value of $r = 0.333$ indicates that the two variables are positively and moderately correlated. Thus, H_3 is accepted. The result shows that having necessary skills and women involvement in business is significantly correlated. Since the correlation value, $r = 0.326$, environmental influence and women involvement in business is positively and moderately correlated. We may infer that higher scores on the independent variables are associated with higher score on Women involvement.

TABLE 3: Multiple regression analysis of Women Involvement

Variables	Beta	t	Significant t
Interest	.098	2.045	.042
Life Impulse	.267	5.453	.000
Having necessary skills	.239	4.831	.000
Environmental Influence	.250	5.096	.000

Dependent variable; $R^2 = 0.469$; $F = 19.381$; ** $p < 0.01$

The regression analysis on all 4 dimensions of the independent variables were significant at $p < 0.05$, at $F = 19.381$. It was found out that the dimensions were significant which have p -value < 0.05 , namely interest, life impulse, having necessary skills and environmental influences. We may conclude by saying that the 4 dimensions of the independent variables namely interest, life impulse, having necessary skills and environmental influences have impact on the involvement of women entrepreneur in Johor Bahru.

Recommendations: The result shows that the beta score for interest is the highest (0.980) among all dimensions of occupational stress. This indicates that women entrepreneurs perceive that interest is the main factor which contributes to their involvement in Business. This finding is in agreement with the documented sources of women involvement in Business. Many researchers found that interest is one of the main factors which influenced women to involve in Business (Pleitner, (1986), Nordin & Mohd. Zahari (2007). As expected from the result of correlation analysis, a multiple regression analysis shows that all four dimensions of dependent variables has a significant influence towards the involvement of women entrepreneurs in Johor Bahru, namely role overload, role insufficiency, role ambiguity and role boundary. As indicated by the multiple regression analysis, 46.9% of women involvement in business is due to the independent variables, whereas another 53.1% were

Usage of multiple regression: A multiple regression analysis is used to tell how much of the variance in the dependent variable can be explained by the independent variable. From the model summary indicated in Table 3, we can see that the R^2 value is 0.469 which means that independent variable only explains 46.9% of the variation in the dependent variable. Thus, it explains that 46.9% of the variation or change in the independent variable can be explained by the independent variable. Another 53.1% of the variation cannot be explained by the regression analysis that maybe influence by other factor. The value of R square indicates that the model does fit the data well.

contributed by other factors not included in this study. The researcher recommends the Ministry of Entrepreneurial Development conduct further research into both of these phenomena to uncover reasons for these ways of thinking. This could be accomplished by conducting focus groups and/or focused interviews with entrepreneurs to discover the sources of these emotions and to understand how to defuse these negative feelings in a positive way. Also of interest would be a dialogue regarding the reasons why women are choosing these types of businesses; for example, it could be that they are in unfortunate family situations or they would like to engage in business but have no financial means to do so because they do not have the same educational opportunities as other women. Understanding those reasons could lessen the resentment and feelings of frustration by those in whom it was expressed. It could also indicate different training programs specifically suited to those engaged in home-based businesses as opposed to those in more structured fields. Training programs specifically geared towards increasing business profitability and also to address the emotional needs of single female entrepreneurs might be warranted.

Entrepreneurial survey: This survey should be administered to all women entrepreneurs across all states in Malaysia. Through this survey, Ministry of Entrepreneurial Development can study the factors that could influence the involvement of women entrepreneur.

Training that Increases Motivation for Female Entrepreneurship: Empirical findings strongly suggest that successful training requires promoting perceptions of both feasibility and desirability. Understanding women's needs as nascent entrepreneurs seems to be a key element in successful training programs that teach both the basic business skills and cognitive adaptability (Woo, Cooper & Dunkelberg, 2000). There are also three basic categories of capital that contribute to a successful entrepreneurial venture: human capital, financial capital, and social capital (Marshall & Oliver, 2005). Human capital, described as one's own knowledge or skill and judgment (Marshall & Oliver, 2005), is vital to business success. Schultz, winner of the 1979 Nobel Prize in Economics and a professor at the University of Chicago, described entrepreneurial ability as a form of human capital and said that like other forms of capital, this ability could be increased through education, training, and experience (Hashim & Wafa, 2005).

Mentoring: Further study should be done to investigate the lack of spousal support is more generational in nature and if there is evidence of a more supportive attitude among a younger group of male subjects. It is recommended that further study be done to investigate if the lack of spousal support is cultural in nature and if so, how to address this issue to bring about more positive outcomes to encourage women to engage in entrepreneurial activities.

Research Limitation: This study acknowledges several limitations. First, the time duration to complete this research is very limited. As such, data collection cannot be expanded beyond the Johor Bahru. Second, this study is a cross-sectional design in which data were gathered at one point within the period of study. This may not be able to capture the developmental issues and/or causal connections between variables of interest.

Future Research: Future research should be conducted to identify the relationship between interest, life impulse, having necessary skills and environmental influences have impact on the involvement of women entrepreneur in other part of Malaysia. It is also recommended that the scope of the research be broadened to women entrepreneurs in all states in Malaysia. Further, future research should also consider longitudinal research in order to capture the development and/or causal connections between interest, life impulse, having necessary skills and environmental influences have impact on the involvement of women entrepreneur in Malaysia.

4. Conclusion

This study has been fruitful in identifying the relationship between interest, life impulse, having

necessary skills and environmental influences have impact on the involvement of women entrepreneur in Johor Bahru. It is hoped that this study would trigger an interest from all relevant parties related to entrepreneur to dwell further into the research questions, particularly, those related to the involvement of women entrepreneurs who have contributed significantly to the public service and the nation's development.

This study is consistent with the findings in the literature, which stated that intentions or interest prove to be the best predictor of planned behaviour (Krueger, Reilly & Carsrud, 2000). Entrepreneurial training has been shown to have a positive influence on the perception of a nascent business owner on their ability to be successful (Timmons, 1989) and motivate women to start their own businesses. It's not hard to see that hearing other women's successful stories and sharing their struggles has a tremendous impact on the beliefs of self-achievement (Ahmad, 2009).

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