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Assessing Women Entrepreneurship Program (WEP) as a Training Tool in Malaysia

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ABSTRACT

This study is essentially an investigation into the nature and acceptance of the Women Entrepreneurship Program (WEP) which aims to contribute to the area of entrepreneurship training. This study therefore, addresses the training of entrepreneurs and reveals that education and training are crucial for the development and creation of entrepreneurs in Malaysia. More specifically, this study investigates and explores whether the training content of the WEP has any effect on women starting their own businesses. This study provides a framework and discusses the content of future entrepreneurship training programs. The findings of this empirical study could help to highlight the benefits derived by the WEP delegates and the new entrepreneurial and business skills they gained. It is shown that entrepreneurship programs can help create new businesses, grow existing ones and generate new jobs. Areas for future research are outlined and various recommendations are made to

guide current and prospective entrepreneurship training program developers, providers of funds and sponsors.

Keywords: *Entrepreneur, women, WEP, training programs*

Introduction

The increasing prominence of Asian women entrepreneurs has raised a lot of debate about their characteristics, which have been shown to be significantly different from those of their male counterparts. Compared to the men, they are said to be better at cultivating interpersonal relationships (Licuanan, 1992) but poorer at planning, organizing and controlling (Abdul Rashid, 1992). Abdul Rashid (1995) demonstrates that Malaysian women entrepreneurs are less motivated by financial reasons, such as money and economic necessity, than the men. Likewise, Turkish women surveyed by Hisrich and Ozturk (1999) found that one of the reasons for starting a business is boredom from being a housewife. In a study in Singapore, Lee and Choo (2001) find that the women face specific challenges in the form of family commitments and sex-role conflicts. Interestingly there are signs that even within the continent the women differ in some aspects. Findings in a more recent study (Al-Riyami et al., 2002) suggest that in Oman, instead of hampering, families are a source of motivation and support for the women.

Literature Review

Universities and research institutes also contribute to the development of women entrepreneurs through provision of trainers and consultants and through direct research on entrepreneurship with particular focus on women. This is also done by highlighting their contribution to the local, regional and national economy. In some cases they have also developed technologies to improve productivity and reduce the time burden of women. Studies on women entrepreneurs in the industrialized countries suggest that women business owners have emerged largely from the educated, commercially experienced segments of the female population. Yet the corresponding category of women in the developing countries has received little attention either from development planners or from academic researchers. The few studies that investigated women entrepreneurs in developing countries relate largely to the very poor, uneducated women in rural areas who are involved in survival oriented activities on the fringes of the economy.

There is less information about entrepreneurship/business-ownership of urban women in developing countries, that a significant amount of exploratory field work is required to form a rudimentary foundation for more rigorous scientific

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method. In order to augment women's entrepreneurship, overall concern must be to develop aspiration of business start-up among women and to promote acceptability and feasibility of women's business-ownership in the country. In so doing, efforts should be made to encourage wide spread media exposure of role models, ideas for product and market development, introduce effective women friendly 'software' (provision of information, counseling, training) and 'hardware' support (grants, loans, premises provision etc.) as well as to improve the overall law and order situation in the country.

Commitment has been described variously as "both an individual's intention to stay in a relationship with an organization and a willingness to put effort into maintaining the quality of the relationship" (MacMillan et al., 2000), "an implicit or explicit pledge of relational continuity between exchange partners" (Zineldin, 2002, p. 553) and "to make maximum efforts to maintain the relationship (Hausman, 2001, p. 615). The demonstration of commitment by one party and the perception of commitment by the other(s) is an essential prelude to trust building and a prerequisite for investment in a relationship (Ford et al., 2001; Hausman, 2001). Specifically in respect of the way in which women build business relationships, Brush (1992) introduced the integrated perspective suggesting that "women view their businesses as an interconnected system of relationships instead of a separate economic unit in a social world". In this way, it is proposed that women do not separate their business activities from the other aspects of their lives but rather "the woman business owner is at the centre of a network of various relationships that include family, community and business" (Brush, 1992). Henry, Hill and Leitch (2003) are of the opinion that entrepreneurship training can complement the early stage awareness-raising function of entrepreneurship education, as it provides the more practical skills that entrepreneurs require when they are ready to set up their business.

An important research finding by Van der Merwe & Nieman (2003) was that 68% of the women entrepreneurs stated that they would like to receive some form of entrepreneurial training and education from commercial banks. McMullan, Chrisman and Vesper (2001) have argued that it is necessary to assess the effectiveness of entrepreneurship courses on a number of grounds such as; there is an expectation that the net benefits of entrepreneurship programs should outweigh their costs and risks, training programs and courses can be expensive in terms of money from sponsors and time for participants. In addition to the more obvious costs highlighted by these authors, there are hidden costs which should also be taken into consideration when assessing a program's effectiveness. For example, extra costs might be borne by guest speakers, mentors and unpaid consultants associated with program delivery and participants may take additional risks if they decide to implement advice from entrepreneurship program. Thus, they suggest that central to such evaluations is an assessment of the cost-effectiveness of a particular program as well as its opportunity costs. Kirkpatrick (1967) suggests measurements on four different levels in which

reaction measures are used to find out trainees' satisfaction with the training program. This evaluation is done at the completion of the training program and consists of a number of questions about the course that participants' rate according to their level of satisfaction, learning measures and behavior measures that assess the effect of the training on the entrepreneurial factors.

Learning measures are also used to assess the gain in training specific skills, increasing knowledge and changing attitudes; behavior measures are conducted to find out whether the participants are able to apply these skills to job situations, and post-training success measures are used to measure training outcomes in terms of economic factors such as profits, costs, productivity and quality. A study conducted by Kalleberg and Leicht (1991) on 400 entrepreneurs used measures including primary performance measures (number of employees, growth in employees, number of customers, sales/turnover and value of capital assets); proxy performance measures (geographical range of markets – national versus international markets, formal business and VAT registration); subjective measures (including the ability of the business to meet business and domestic needs – confidence in running a business); and entrepreneurial performance measures (the desire to start a business or the desire for growth and the ownership of multiple businesses). Therefore it is imperative to focus on the training of entrepreneurs and in particular on the development of previously disadvantaged individuals, specifically women entrepreneurs (Van der Merwe, 2002). Carter (2000) agrees and suggests that the only way to encourage larger numbers of women into self-employment is to recognize that there is a clear need to widen access to business start-up and growth training and advice.

Methodology

Population/Respondents

The population for this research was women entrepreneurs listed in the Small and Medium Industries Development Corporation (SMIDEC). They were randomly selected from the population and 50 entrepreneurs were chosen based on the awards they obtained from SMIDEC. The selected companies were from various types of industries.

Procedure

A set of questionnaire was constructed to collect the data. The questionnaires were divided into three sections namely; demographic details, business information, and women entrepreneurship program. These questionnaires were mailed to the selected entrepreneur or owners and they were given ten days to complete and return the questionnaire to the researcher. From 50 questionnaires

that had been distributed, 40 entrepreneurs or owners returned it. The data was analyzed through descriptive analysis and frequency analysis.

Findings and Analysis

Based on Table 1, 50% of the women entrepreneurs are in the age range of above 30 years old. They are mostly Malay married women. As for the level of education, 37.5% and 32.5% of the women entrepreneurs have Diploma and Degree respectively.

Table 1: Demographic Profile

	Percentage
Age	
20-25	10.0
25-30	40.0
30 and above	50.0
Status	
Single	37.5
Married	60.0
Divorced	2.5
Race	
Malay	67.5
Chinese	25.0
Indian	5.0
Others	2.5
Education	
Less than	12.5
Matrix	2.5
Matrix	37.5
Diploma	32.5
Degree	15
Master Degree	

From Table 2, 92.5% of the women entrepreneurs own the businesses and they are mostly involved in food and beauty businesses. Also 60% of the respondents indicated that they have achieved their business goals. In addition, 72.5% of the respondents have surplus money left after covering their business expenses. The findings also show that 60% of the respondents think that their customers are somewhat satisfied (meet customer expectations) with the services that they have given.

Table 2: Business Profile

	Percentage
Mode of business	
Actual owner	92.5
Others	7.5
Nature of business	
Service	12.5
Retail	5.0
Manufacturing	5.0
Food	32.5
Education	5.0
Medical	2.5
Beauty	30.0
Others	7.5
Success of business	
Unsuccessful (not achieving business goals)	7.5
Somewhat Successful (achieve some business goals)	15.0
Most successful (mostly achieving all business goals)	60.0
Highly successful (always achieving all business goals)	17.5
Profit of business	
Regularly not covering fixed costs	7.5
Mostly covering fixed cost only	2.5
Profitable (mostly have surplus money left covering costs)	72.5
Highly profitable (always have surplus money)	17.5
Customers satisfaction	
Highly satisfied	27.5
Somewhat satisfied	60.0
Do not know	5.0
Highly dissatisfied	7.5

Table 3 presents the important factors for business success. All of the ranked factors were significantly more important ($p < 0.05$) for entrepreneurs in Malaysia. Location, customer care, good quality, and level of training and acquiring skills were ranked highly by the women entrepreneurs as important reasons for starting their businesses. Meanwhile, the most highly ranked factors was product/service followed by location, customer care, good quality, entrepreneurs and employees level of training and acquiring skills, capital and low prices.

Table 4 shows the list of opportunity for women entrepreneurs. Most of the respondents cited that business planning was their main opportunity in their

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Table 3: The Important Factors for Business Success

Factor	NI/FI%	A%	FI/VI%	Mean	Rank
Location			100.0	4.8500	2
Product/ Service			100.0	4.9000	1
Customer Care		2.5	97.5	4.8000	3
Low Prices		42.5	57.5	3.8000	8
Good Quality		5.0	95.0	4.5250	4
Sufficient parking		22.5	77.5	3.9500	7
Capital		5.0	95.0	4.3333	6
Your level of training and acquiring skills		2.5	97.5	4.4750	5
Your employees' level of training and acquiring skills			100.0	4.4750	5

The 5 – points scale was collapsed into three categories as follows:

NI/FU – Not important at all and fairly unimportant

A – Average

FI/VI – Fairly Important and Very Important

Table 4: Women Entrepreneurs Opportunity

Item	VP/P %	A %	G/E %	Mean	Rank
Taking advantage of an opportunity		5.0	95.0	4.1500	7
Product knowledge		12.5	87.5	4.1250	8
Commitment to business		2.5	97.5	4.2250	4
Enthusiasm		10.0	90.0	4.0750	10
Performance motivation		10.0	90.0	4.1750	6
Business planning		5.0	95.0	4.3000	1
Running a business		7.5	92.5	4.2500	3
Persistence and determination		5.0	95.0	4.2000	5
Being independent and in control		7.5	92.5	4.2750	2
Need for achievement		2.5	97.5	4.2750	2
Leadership abilities		2.5	97.5	4.2500	3
Knowledge of competitors		20.0	80.0	3.9250	11
Good communication skills	2.5	5.0	92.5	4.1000	9

The 5 – points scale was collapsed into three categories as follows:

VP/P – Very Poor and Poor

– Average

G/E – Good and Excellent

business. From the sample, being independent and in control was considered as another opportunity and was ranked second in position. Running a business and leadership abilities were rated as the third most important opportunity for women entrepreneurs. This was followed by commitment for business,

persistence and determination, performance motivation, taking advantage of an opportunity, product knowledge, and good communication skills. Entrepreneurs ranked enthusiasm and knowledge of competitors as the least important opportunity for their business.

Based on Table 5 the responses from the entrepreneur's expectation of the WEP were assessed. Most of the respondents expect this to help them to start/grow and develop new products in their businesses. To market their product and business were ranked as second highest while financial and cash flow planning were the most important expectation by the respondents from the Women Entrepreneur Program. It was also found that to be more creative, networking with other women entrepreneurs and compiling a business plan were also useful.

Table 5: Expectation from the Women Entrepreneurship Program

Item	SD/D%	N%	SA/A%	Mean	Rank
To start/grow a business		2.5	97.5	4.4000	
To compile a business plan		17.5	82.5	4.1750	
To be more creative		7.5	92.5	4.3000	4
To develop new products			100	4.4000	
Networking with other women entrepreneurs		12.5	87.5	4.2500	5
Financial and cash flow planning		2.5	97.5	4.3500	3
To market my products and business		2.5	97.5	4.3750	2

The 5 – points scale was collapsed into three categories as follows:

SD/D – Strongly Disagree and Disagree

N – Neutral

SA/A – Strongly Agree and Agree

Table 6 presents the knowledge and skills acquisition in business. From the analysis, respondents ranked the ability to obtain financial assistance for business and creative problem solving as their most important knowledge and skills for their business. This was followed by the activities of compiling business plan, sustainable competitive advantage, making use of networking opportunities, compiling feasibility study, risk orientation, using mentors and counselors, opportunity identification, creative and innovation, using role model for guidance, business failure signs and causes, break-even analysis, managing growth, legal aspect-company/business registration, conducting market research, general management, marketing of business/products/services, drawing up financial statements, financial management and cash flow management.

Table 6: Knowledge and Skills in Business

Item	NK/SK%	N%	SK/K%	Mean	Rank
Ability to obtain financial assistance for your business		10.0	90.0	4.4000	1
Using mentors and counselors	2.5	27.5	70.0	4.1750	6
Making use of networking opportunities	2.5	15.0	82.5	4.3000	3
Creative problem solving		15.0	85.0	4.4000	1
Compiling a Feasibility study		10.0	90.0	4.2500	4
Compiling Business Plan	2.5	47.5	50.0	4.3500	2
Sustainable competitive advantage		17.5	82.5	4.3750	2
Break-even analysis		25.0	75.0	4.0250	10
Drawing up financial statements		17.5	82.5	3.8250	15
Managing growth		5.0	95.0	4.0000	11
Business failure signs and causes	2.5	22.5	75.0	4.0500	9
Conducting market research		5.0	95.0	3.9750	12
Cash flow management		10.0	90.0	3.7000	16
General management		7.5	92.5	3.9500	13
Marketing of business/ products/ services	2.5	5.0	92.5	3.8500	14
Legal aspects – company/ Business registration		27.5	72.5	4.0000	11
Human Resource Management		12.5	87.5	4.1750	6
Financial Management		7.5	92.5	3.8250	15
Risk Orientation		17.5	82.5	4.2000	5
Creativity and innovation		2.5	97.5	4.1500	7
Opportunity identification		15.0	85.0	4.1750	6
Using role models for guidance		15.0	85.0	4.1250	8

The 5 – points scale was collapsed into three categories as follows:

NK/SK – No Knowledge / Some Knowledge

N – Neutral

SK/K – Some Knowledge but need more knowledge / Sufficient Knowledge

Table 7 indicates how the WEP can assist an entrepreneur. Most of the respondents ranked highly that the WEP will assist them to increase productivity levels and profitability of their business. Growth in net value of business and recruitment of employees were the most important factors gained from WEP.

Correlations

Table 8 shows the correlation of entrepreneurship program and women. From the table, it can be seen that WEP has a positive relationship with importance of

Table 7: Women Entrepreneurship Program/Workshop to Assist You

Item	SD/D%	N%	SA/A%	Mean	Rank
Growth in net value of business			100.0	4.0769	2
Recruitment of employees		7.5	92.5	4.0769	2
Increasing productivity levels		7.5	92.5	4.2051	1
Increasing profitability		7.5	92.5	4.2051	1

The 5 – points scale was collapsed into three categories as follows:
 SD/D – Strongly Disagree and Disagree
 N – Neutral
 SA/A – Strongly Agree and Agree

Table 8: Correlations of Entrepreneurship Program and Women

		Women Entrepreneurship Program	The Important factors for business success	Women Entrepreneurs Opportunity	Expectation from the Women Entrepreneurship Program	Knowledge and skills in business
Women Entrepreneurship Program	Pearson Correlation	1	.581**	0.262	0.222	.571**
	Sig. (2-tailed)		0	0.102	0.168	0
	N	40	40	40	40	40
The Important factors for business success	Pearson Correlation	.581**	1	.480**	0.061	.618**
	Sig. (2-tailed)	.000		0.002	0.708	0
	N	40	40	40	40	40
Women Entrepreneurs Opportunity	Pearson Correlation	0.262	.480**	1	.523**	.551**
	Sig. (2-tailed)	0.102	0.002		0.001	0
	N	40	40	40	40	40
Expectation from the Women Entrepreneurship Program	Pearson Correlation	0.222	0.061	.523**	1	0.261
	Sig. (2-tailed)	0.168	0.708	0.001		0.104
	N	40	40	40	40	40
Knowledge and skills in business	Pearson Correlation	.571**	.618**	.551**	0.261	1
	Sig. (2-tailed)	.000	.000	.000	0.104	
	N	40	40	40	40	40

** . Correlation is significant at the 0.01 level (2-tailed).

business success (.581), women entrepreneurs opportunity (.262), expectation from the WEP (.222) and also knowledge and skill in business (.571). Both business success and knowledge and skills in business have a moderate positive

association with WEP. The women entrepreneurs' opportunities and expectations from WEP were positively correlated although the relationship was not very strong.

Conclusion

Programs such as the WEP are indeed important in enhancing the entrepreneurial inclinations and business strengths of the women entrepreneurs. Most of the respondents ranked highly that WEP will assist them in increasing their productivity levels and indirectly affect the profitability of their businesses. This could be associated with the networking established through this program and the possibilities of business leads that will be generated. From the correlation analysis, it can be seen that both business success and knowledge and skills in business are significantly correlated. This is indicative of the positive impact that such programs are likely to generate. As such, this study has established that the effort by the Malaysian government and specific agencies to enhance women entrepreneurs' business acumen through programs like WEP is indeed beneficial and is likely to stimulate further and enhance the abilities of the women entrepreneurs.

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