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THE OVERVIEW OF CHINESE AND MALAY BUSINESS NETWORKING

Law Kuan Kheng

kklaw046@uitm.edu.my

Faculty of Business and Management, Universiti Teknologi MARA Cawangan Kedah

The term business networking had been used interchangeably with “networks”, “business networks”, “networking”, “guanxi” or “entrepreneurial networking”. Carson, Cromie, McGowen and Hill (1995) defined business networking as “an activity in which the entrepreneurially oriented SME owners build and manage personal relationship with particular individuals in their surroundings”. The individuals may refer to family, friends, bankers, lawyers, accountants, other entrepreneurs, government officials and etc. The relationships are very complicated and complex. While Anderson, Jack and Dodd (2005) viewed business networking as a complex mixture of multiple social and professional ties, all tend to contain both affective and instrumental elements, bonded by trust. Trust will be developed through long-term relationship between entrepreneurs and their network persons. Meanwhile, O’Donnell (2004) conceptualized networks as “a means of exploring how entrepreneurs do business”. Jaffar Abbas and friends (2019) defined entrepreneurial business network as “a platform by which business executives and entrepreneurs meet with each other to discuss available business network opportunities”.

There are two types of network ties in entrepreneurial networks which are either weak or strong. When an entrepreneur is defined to have a strong tie network, it means that the entrepreneur has a close relationship (interacts frequently) with the contact person. Whereby weak tie network is referred to an entrepreneur who seldom contacts and interacts with this group of people.

Chinese Business Networking

In the cultural perspective, there are a few key issues which have been discussed associated with Chinese enterprise include the Confucian ethnic, family firm model, “guanxi”(networking) and trust (Hamilton, 1996; Redding, 1990). The term of “guanxi” is very popular among Chinese businessmen. Some argued that through “guanxi” with other parties, the business can perform better compared to those without “guanxi”. Actually the word “guanxi” refers to dependable personal relations. The closer the “guanxi”, the better chance for entrepreneurs to obtain scarce resources they need (Brunner et al., 1989). According to Ann (2006), business network play important roles in Chinese related businesses. He quoted the business network of Chinese entrepreneurs as “The Bamboo Network” which means strong tie or relationship with customers, suppliers, employees, government agencies and related parties. There are two common types of business networks developed among Chinese entrepreneurs. The first one refers to formal

network which is through clan association and Chinese Chamber of Commerce. The latter is associated with informal network. This network has been the network since a long time ago when they started their business and it is recognized as tradition network (Ann, 2006). As highlighted by Li Zhuobin, vice chairman of All-China Federation of Returned Overseas Chinese, World Chinese Entrepreneurs Convention (WCEC) was an important event that aimed to assist Chinese businessmen to explore business opportunities and develop business networking or 'guanxi' (The Star Online, 2019, October 22).

Malay Business Networking

The importance of networking is not only limited to Chinese entrepreneurs, but it is extended to Malay entrepreneurs. Even though in general, Chinese entrepreneurs are perceived more capable in developing business networking but inevitably Malay entrepreneurs are diligent in ties with government agencies (Faridah Shahadan, 2001; Gomez, 1999; Mohd Khairuddin Hashim, 2007). Since the First Malaysia Plan (1966-1970), the government has been providing financial assistance to Malay entrepreneurs through agencies such as Majlis Amanah Rakyat (MARA), Bank Bumiputra and Malaysian Industrial Development Finance (MIDF) in order to promote increased equity for the indigenous race (Bumiputra). Even in the Ninth Malaysia Plan (2006-2010), the government was still concerned about the development of the Malays and a lot of schemes and assistances have been created to increase the participation of Malays in entrepreneurship (Malaysia, 2006). Shukor Omar (2006) also recognized that Malay or Bumiputra entrepreneurs always seek various assistance and supports through government agencies.

In conclusion, as the Malay and Chinese groups have differences in culture in their life styles and personality characteristics, it might cause some differences too in term of the characteristics of business networking they use in the business environment

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