

**AN INSIGHT INTO THE CHALLENGES FACED BY MUSLIM WOMEN
ENTREPRENEURS IN THE HOSPITALITY AND TOURISM INDUSTRY IN
MALAYSIA**



**RESEARCH MANAGEMENT INSTITUTE
UNIVERSITI TEKNOLOGI MARA
40450 SHAH ALAM
SELANGOR
MALAYSIA**

BY:

ASSOC. PROF. DR. SAADIAH MOHAMAD

NORLIN NOR

GEETHA SUBRAMANIAM

AUGUST 2010



Surat Kami : 600-IRDC/SSP/DANA 5/3/Dsp (52/2008)
Tarikh : 9 Mei 2008

Prof. Madya Dr. Saadiah Bin Mohammad
Ketua Projek
Fakulti Pengurusan Perniagaan
UiTM Shah Alam

Puan Geetha Subramaniam
Ahli Projek
Fakulti Pengurusan Perniagaan
UiTM Shah Alam

Puan Norlin Binti Nor
Ahli Projek
Fakulti Pengurusan Perniagaan
UiTM Shah Alam

Tuan/Puan,

TAJUK PROJEK PENYELIDIKAN DANA KECEMERLANGAN : " AN INSIGHT INTO THE CHALLENGES FACED BY WOMEN ENTREPRENEURS IN THE TOURISM AND HOSPITALITY INDUSTRY IN MALAYSIA."

Dengan hormatnya perkara di atas adalah dirujuk.

Sukacita dimaklumkan bahawa Mesyuarat Jawatankuasa Penyelidikan Dana Kecemerlangan telah meluluskan cadangan penyelidikan yang telah dikemukakan oleh puan bertajuk di atas dengan syarat-syarat seperti berikut :

- i. Tempoh projek penyelidikan ini ialah 1 tahun, iaitu bermula **15 Mei 2008** hingga **15 Mei 2009**.
- ii. Kos yang diluluskan ialah sebanyak **RM5,000.00** sahaja. Tuan/Puan diminta mengemukakan bajet yang baru mengikut kos yang diluluskan sebelum tuan/puan memulakan projek penyelidikan tuan/puan.
- iii. Pembelian computer adalah tidak diluluskan.
- iv. Semua pembelian bahan/peralatan adalah diminta agar tuan/puan mematuhi prosedur perbendaharaan di mana pembelian melebihi RM 500.00 hendaklah mengemukakan sebutharga dan borang analisa harga.
- iv. Pihak tuan/puan dikehendaki mengemukakan laporan prestasi secara ringkas pada bulan Disember 2008 sepanjang penyelidikan Tuan/Puan berjalan.

TABLE OF CONTENTS

	Page
Executive Summary	vii
CHAPTER ONE: INTRODUCTION	
1.1 Introduction	1
1.2 Problem Statement	8
1.3 Research Objectives	12
1.4 Research Questions	12
1.5 Scope of Study	13
1.6 Significance of Study	13
1.7 Limitations of Study	15
1.8 Definition of Terms	16
CHAPTER TWO: LITERATURE REVIEW	
2.1 Introduction	19
2.2 Conceptual Framework	19
CHAPTER THREE: RESEARCH METHODOLOGY	
3.1 Introduction	31
3.2 Samples	32
CHAPTER FOUR: FINDINGS AND DISCUSSIONS	
4.1 Introduction	36
4.2 Findings	36
4.2.1 Challenges and Issues	36
4.2.2 Strengths and Weaknesses of Malaysia in the Hospitality and Tourism Business	48
4.2.3 Business Strategies	56
4.2.4 Conclusion	62
CHAPTER FIVE: CONCLUSION AND RECOMMENDATIONS	
5.1 Conclusion	65
5.2 Recommendations	66
REFERENCES	69
APPENDIX	
1 Interview questionnaire	72

"The hands that rock the cradle rule the world" – salute to all women!

EXECUTIVE SUMMARY

This paper reports part of a bigger study on the role of Muslim women entrepreneurs in Small and Medium Enterprises (SME) tourism industry in Malaysia. Essentially it focuses on the challenges, opportunities and business strategies adopted by the Muslim women entrepreneurs in dealing with the challenges of globalisation such as rising global competition posed by the existence of big international chains and fluctuating demand caused by economic uncertainties. The study also explores on whether culture, traditional and religious values are important factors that influence the business practices of these Muslim women entrepreneurs. Interestingly, this paper also describes Malaysian women's participation as employees, managers, and entrepreneurs in the hospitality and tourism industry, as well as the multiple roles the Malaysian families play in relationship to Malaysian women's domestic and hospitality work.

Number of women involved in business sector is a growing phenomenon worldwide. Despite this scenario, the involvement of women in business, especially the Muslim women, particularly in the hospitality and tourism industry in Malaysia is not being studied thoroughly and systematically. Many of the researches conducted in the 1980s identified business challenges specific to women entrepreneurs (1). Some of the challenges and difficulties reported included obtaining start-up funds, financial management and development of effective marketing and advertising (2). Other researches also pinpointed that some significant barriers especially financial barriers remained for women establishing and growing businesses (3). Among the list of priority barriers to women entrepreneurship were lack of access to (i) credit; (ii) formal business and social networks; (iii) opportunities to gain management experience and exposure; as well as (iv) the limitations of combining household and family care responsibilities with those running the enterprises, which all could lead to the impact on the growth of women entrepreneurs in the development of SMEs in Malaysia.

This study attempts to look into a few questions on the challenges and issues that are faced by the Muslim women entrepreneurs who own hospitality and tourism businesses in Malaysia. The questions asked are specifically aimed at trying to discover a new social phenomenon within family ties; presents a new perspective in Islamic management of hospitality and tourism businesses; and to find out if the same old challenges and difficulties which existed among women entrepreneurs in the 1980s based on the many researches, still persist in this globalised age. The questions were: (1) What are the challenges and issues faced in their day-to-day operations of the hotels/tourism business? (2) What are the strengths and weaknesses of Malaysia in attracting foreign in-bound as well as local tourists and where Malaysia stands next to our neighbouring countries? (3) What are their business strategies in facing the stiffer competition from bigger names in the hospitality and tourism industry?

This research is conducted on an exploratory qualitative method with in-depth interviews that are done face-to-face with 12 selected Muslim women business owners in the hospitality and tourism industry in the areas of Penang, Negeri Sembilan, Melaka and Johor. An open-ended structured questionnaire is being used to conduct the interviews to enable the researcher to compare and contrast each component of the issues. As most popular qualitative research methods are interviews, observations, and archival document studies, the researchers used all three methods in this study. Detailed data was gathered through open ended semi-structured questions that provided direct quotations from the respondents and through corroboration, it helped the researchers to increase their understanding of the probability that their findings would be seen as credible or worthy of consideration by others (Stainback & Stainback, 1988). All of the interviews had taken place at the owners' properties, thus the respondents felt very comfortable, secured, and at ease enough to speak openly about their point of view.

The findings show a few commonality areas among these Muslim women entrepreneurs. The respondents believe that they are not badly affected by the influx of international chains. Rather than becoming victims to globalization, they have come up with