LINKING BETWEEN INTELLECTUAL CAPITAL AND SME PERFORMANCE MEDIATING ROLE OF ENTREPRENEURIAL ORIENTATION



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3. Enhanced Research Title and Objectives

Original Title as Proposed:

Relationship between Intellectual Capital and Women Owned SME Performance

Improved/Enhanced Title:

<u>Linking between Intellectual Capital And Sme Performance Mediating Role of</u> Entrepreneurial Orientation

Original Objectives as Proposed:

- i) <u>To determine the significant relationship between intellectual capital and women owned SME performance</u>
- ii) <u>To determine the mediating effect of entrepreneurial orientation on the relationship between intellectual capital and women owned SME performance</u>

Improved/Enhanced Objectives:

- i) <u>To determine the significant relationship between intellectual capital and women owned SMEs performance</u>
- ii) To examine whether entrepreneurial orientation mediates the relationship between intellectual capital and women owned SMEs performance

4. Report

4.1 Proposed Executive Summary

SMEs around the world lead the business phase. Ayyagari, Kunt and Maksimovic (2011) suggest that more than 95 percent of enterprises across the world are SMEs, accounting for approximately 60 percent of the private sector employment. In the developing countries, the roles of SMEs become more crucial as they have the potential to improve income distribution, create new employment, reduce poverty and facilitate export growth (Ramukumba, 2014). In Malaysian, women have played a very important role in the economic development and stabilize the economy in periods of recession (Ndubisi and Kahraman, 2006; Tan, 1990). According to Rozy (2009) women make 50% total population, but only 15% of the women own business enterprises in Malaysia. According to Pages (2005) women entrepreneurs are becoming more important players in the entrepreneurial landscape although there is no data on the number of women involved in small business, but in the last few decades women participation in small businesses increased tremendously. Indeed, there are growing women entrepreneurs in Malaysia (Teoh and Chong, 2008), and they play major roles in promoting the development of Malaysia economic, as well as help providing job opportunities (Isa and Jusoff, 2009).

Although there are some researches on women entrepreneurs, they have been conducted extensively in developed countries, and little has been done on women entrepreneurs in developing economies, such as Malaysia (Alam et al., 2011; Hanafi, 2012; Mahmood & Hanafi, 2012). In a competitive environment, intellectual capital is a vital constituent of an organization however, it was found that there is a lack of studies that examine the impact of intellectual capital on the organizational performance of SMEs (Khalique & Isa, 2014).

This research will employed quantitative study and the data will be collected from women owned SME using email questionnaires.

The result of this research will be beneficial to several bodies such as the SMEs, business owners, the Malaysian government, as well as all the agencies involved in Malaysia's policy making process. In line with Malaysia to be a knowledge-based economy, the findings will be significant to the government's needs to adopt the best approaches for women owned entrepreneur to compete in competitive business environment.