



UNIVERSITI
TEKNOLOGI
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THE DOCTORAL RESEARCH

ABSTRACTS

Volume: 3, Issue 3 May 2013

THIRD ISSUE

INSTITUTE of GRADUATE STUDIES

Leading You To Greater Heights, Degree by Degree

IPSis Biannual Publication

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Title : The Influence Of Internal Resources And Entrepreneurial Orientation On The Performance Satisfaction Of Batik Firms In Malaysia

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Malaysian batik industry is one of the oldest industries as it has been existed in Malaysia since 1921. The industry produces variety of batik-based products including textiles, ready-made garments and household goods. Through out of its existence, batik industry has contributed to Malaysian economy by creating business and job opportunities, and also supporting tourism industry. As an old industry, it is fascinating to learn how firms in that industry able to perform. Unfortunately, from academic research

point of view, the industry was seen to be very much neglected. Hence, this research is undertaken to study the influence of internal resources and entrepreneurial orientation towards batik firm performance. Explicitly, this research's objectives were to identify whether there are positive relationships between reputation, human capital, culture and marketing capability with batik firms' performance satisfaction. This research also examined the moderating effect of entrepreneurial orientation's dimension on the relationship between resources and

performance satisfaction. The main theoretical underpinnings used to guide this research were resource-based view and entrepreneurship theories. Mail survey was sent to 196 batik firms throughout Malaysia, but only 173 responses were usable in analysis. Data was analyzed using descriptive statistics, factor analysis, correlation, simple regression and hierarchical multiple regression analysis. Results from hierarchical regression analysis showed that reputation, clan culture, adhocracy culture and marketing capability had direct relationships with performance satisfaction. As for the dimensions of entrepreneurial orientation, even though individually, they did moderate the relationship between resources and performance satisfaction, the effect were mostly in negative directions. However, analyzing

entrepreneurial orientation in aggregate manner revealed that the moderating effect of the variable was positive in most circumstances. The result showed that all three dimensions of entrepreneurial orientation have to be present simultaneously when entrepreneurship is needed to support batik firms' performance. This research is significant in both theoretical and practical ways. Theoretically, this research provides new knowledge to resource-based view and entrepreneurship theories using different sample from past studies. Practically, the findings from this research could be the guide to batik owners to improve their businesses, and other relevant parties to develop batik industry.