

## What Makes A Woman An Entrepreneur?

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### ABSTRACT

*Statistics show that there are significantly increasing number of women started their own business over the years. The work flexibility offered by entrepreneurship encourages women to enter the business world. The flexibility or working hours as well as working at home are among reasons why women are interested in joining and owning a business. Other factors such as motivation, personality characteristics, and encouragement from the government, economic condition, political condition and family support motivate them to develop their own business. Although there are many barriers especially when starting a new business, majority of them still survive as per their self-reliant, initiative and never ending give-up. This paper attempts to discuss the factors that contribute to the involvement of women in entrepreneurship.*

**Keywords:** women, entrepreneurship, factors

### 1.0 INTRODUCTION

Entrepreneurs are individuals who actively form or lead their own businesses and nurture them for growth and prosperity (UiTM Entrepreneurship Study Group, 2004). Harper's study (as cited in Ndubisi & Kahraman, 2005), defines the roles of an entrepreneur as follows:-

- Taking the initiative to combine the factors of production to produce a good or service in what is hoped will be a profitable venture;
- Making basic business policy decisions that set the course of the business enterprise;
- An innovator ó a person who attempts to introduce on a commercial basis new products, new productive techniques, or even new forms of business organization; and
- A risk-taker, risking not only time, effort and business reputation but his/ her invested funds and those of associates or stockholders.

In Malaysia, the importance of entrepreneurial ventures in the economic development of the nation cannot be denied. Women entrepreneurs also play an essential role in

developing the country's economy. They also contribute to the general social welfare by reducing unemployment rate (Pettie 2002). Maimunah (2001) reported that Malay women entrance into entrepreneurship was due to filling in the gaps in the economic participation of Malays and concurrent with economic recession occurring during the 1980s which synergized women to become self-employed. According to Tan (1990), entrepreneurial helps to sustain economic growth and stabilize the country's economy.

The Malaysian Government is concerned to create and develop a successful women entrepreneur. The Malaysian women have played an important role to sustain the economic development of Malaysia. As mentioned by Ndubisi and Kahraman (2005), the role of Malaysian women entrepreneurs in particular in the economic development of the nation is becoming more and more strategic and indispensable today than in any other time in history. The roles of Malaysian women today are not same as 30 years ago. The Malaysian Government always bent on motivating women to adopt and involve in entrepreneurship. Prerequisites to increase women participation in the labour force can be realize by improving the position of women in society and self employed women.

In entrepreneurship, women entrepreneurs must exploit their strengths and their unique abilities to stand in front like others. They can use their strengths to compete with each other. To develop empire is possible if they do really focus on what they did and dreams. In addition, communication plays a vital role in establishing networking. It can be beneficial to the women entrepreneurs as a set of interrelated relationships through transmission of information. This paper will discuss on factors that contribute to women's success in entrepreneurship.

## **2.0 FACTORS CONTRIBUTE TO THE RISE OF WOMEN ENTREPRENEURS**

Motivation is important in determining ones vision to be. It inspires individual creativity. It initiates driven within someone. Motivation is a must for individual to work effectively and efficiency. Ming-Yen, Teoh Wendy, Siong-Choy, Chong study (as cited in Shane et al., 1991), numbers of scholars believe entrepreneur's motivation leads to the growth of them involve in the business. The study also revealed that factors of psychological motivations such as independence, locus of Control (pull factors) and achievement are the influence on reason for women entrepreneur to start-up business (as cited in Brockhaus & Horwitz, 1986).

Krueger (2000), argued that financial rewards is a reason why their started their own businesses. The income received from running a business is a motive to a number of women entrepreneurs in joining the business world. Perhaps with this motive it will helps to develop family wealth. Life gets better when the financial is stable. According to Wan Rosnah (2006), studied successful in women entrepreneurship possess the characteristics such as hard work, competitiveness, belief in one's own vision, independence, goal setting, persistence, higher income and risk-taking (as cited in Butturner, 1993; Carsrud and olm, 1986; Fagenson and Marcus, 1991). Oppositely, study by Chun and Lee. (1999) shown that less than half of the respondents strongly agreed that "Making big money" is their definition to success entrepreneurships.

Wan Rosnah (2006) in her research found that women entrepreneurs in Malaysia have the caliber and do possess the ideal character to be successful entrepreneurs. Based on her findings above 70 per cent were scored by the respondents in the most of the critical successful factors expect in the three areas namely management, technical skills, education and human resource knowledge. Most of the respondents possess on the necessary success factors such as networking, risk-taking, innovation and creativity and far-sightedness, business knowledge, the willingness to work long hours, being resilient, being independent, adopting a never-say-die attitude, the right attitude in business dealings, being business-minded having business skills and being decisive and having a dominant character.

Chun and Lee (1999) claimed that in Korea, the most important factors that initiate women to start their business because of intrinsic values such as "Responsible for my own decision", "Realizing my own potential" and "Making a business a good idea". The only instrumental reason indicated as important to them is "Getting out of economic straits". For them success in business is defines as "Satisfaction with accomplishing tasks", "Achieving the goals", "Performing valuable work" and "Establishing friendly relationship with customers and employees".

Factors such as the perceived presence of a business opportunity, the desire to put their knowledge and skills into use, the need for freedom and flexibility, the desire to achieve personal growth and recognition and the needs to make more money for financial independence are the major factors that best motivate Singaporean female business owners. (Selvamalar Ayadurai and M. Sidiq Sohail as cited in Maysami, 1999). A study by Mankelaw et al. (2001) revealed that, motives of rural women own small business to start business are contributing to family income, more time spend with family, personally satisfying, reflected to life-style and associated with husband desired to start a business.

It cannot be denied the role of women in the family policies because their roles are significant and they have the main responsibility raising children. The women still have a major responsibility for their family and children, which means they have less possibility to be flexible with their day-to-day time management. As mentioned by Organisation for Economic Cooperation and Development (2004), when comparing women's entrepreneurship (and employment in general) one cannot neglect the role of family policies because there are significant cross-national differences and women still have the main responsibility for raising children. The basic assumption is that a family-friendly policy has a positive effect on women's employment and self-employment because it allows women to freely manage their time and still have an active career. Indicators that are normally used are the level of public child-care, parental leave arrangements and other financial child-related support.

One of the elements on The Ninth Malaysia Plan (2006-2010) is targeting on gender equality and women's empowerment towards participation in country's development. During this period, the Government will undertake the following efforts such as:-

- Participation in the labour force  
The practices of family-friendly workplace and introducing of appropriate training programmes to ensure a greater involvement in the labour force.

- Business and entrepreneurial activities

Financial assistance will be created to enable women to applying loans to enhance their participation in business. The Malaysian Government also encouraging the women entrepreneur to develop a network with local and abroad organizations.

Organisation for Economic Cooperation and Development (2004), has developed a strategy for creating more innovative women entrepreneur such as:-

- Increase the ability of women to participate in the labour force by ensuring the availability of affordable child care and equal treatment at the work place. More generally, improving the position of women in society and promoting entrepreneurship generally will have benefit in terms of women's entrepreneurship.
- Listen to the voice of women entrepreneurs. The development of government offices to facilitate women's entrepreneurs, such offices could have programme responsibilities such as providing women's business centres, organising information seminars and meetings and/or providing web-based information to women who are already entrepreneurs and who have important insights into the changes needed to improve women's entrepreneurship.
- Incorporate a women's entrepreneurial dimension in the formation of all SME-related policies. This can be done by ensuring that the impact on women's entrepreneurship is taken into account at the design stage.
- Promote the development of women entrepreneur networks. These are major sources of knowledge about women's entrepreneurship and valuable tools for its development and promotion. Co-operation and partnerships between national and international networks can facilitate entrepreneurial endeavours by women in a global economy.
- Periodically evaluate the impact of any SME-related policies on the success of women-owned businesses and the extent to which such businesses take advantage of them. The objective should be to identify ways to improve the effectiveness of those that should be retained. Good practices that are identified in this way should be disseminated and shared internationally.
- Improve the factual and analytical underpinnings of our understanding of the role of women entrepreneurs in the economy. This requires strengthening the statistical basis for carrying out gender-related cross-country comparative analyses and longitudinal studies of the impact of important developments and policies, especially over time.

According to Pettie (2002), factors that influence women to become entrepreneurs vary depending on elements such as personal characteristic and locations. Pettie (as cited in Turner 1993), divided factors contributing to the growth in female entrepreneurship across the European Community during the 1980s into push and pull elements. Rising unemployment, underemployment and unsatisfactory jobs have created the push factor stimulate women to become entrepreneur. Pull factors such as personal ambition, creativity, a desire for independence-to be one own boss, self-realization and an ambition to improve the quality of working condition ,and to raise economic returns (Pettie as cited in Hisrich and Brush, 1986).

Maimunah (1996) found that reasons why women leaped into the field starting with the strongest reasons are (1) opportunity to increase their incomes, (2) freedom to control

their working lives, (3) best way to maintain both domestic and career roles, (4) wanted a more rewarding job and (5) enjoyed the autonomy. She claimed that women entrepreneurs are strongly motivated with monetary rewards and secondly with the intrinsic reward such as personal freedom and self-interest.

Women in Israel view entrepreneurship as an opportunity for them to achieve economic parity. This is due to Israel women suffering from occupational segregation and typically earn less money than the men despite them having a higher level of education (Lerner, Brush and Hisrich 1997). Other factor as quoted from Dhaliwal (1999), there were many factors that facilitated women's decision to become self-employed and found that boredom was a great factor. This is due to their children need lesser time and attention from their mother once their children enter schools and colleges.

In addition, Orhan and Scott (2001) have identified seven types of motives for women to become entrepreneurs. One of the motives is dynastic compliance due to these women have lost their husbands who are running the business. These women could not find a job for a long time, entrepreneur by chance or resulting from financial difficulty and natural succession because it runs in the family or having relevant education. The remaining are forced entrepreneur as a result of necessity factors, informed entrepreneur due to the pull reasons such as influenced by their close environment, role models, or partner ensured some sort of expertise or financial backing and lastly, pure entrepreneur where running their own business appeared as a natural development of their previous experience.

### **3.0 CONCLUSION**

This paper provides factors contributing to the women's success in entrepreneurship. Statistic has shown that there are growing numbers of women entrepreneurs in Malaysia. Government places Malaysian entrepreneurs especially women entrepreneurs as a critical success factor for the economy in the future. Government of Malaysia has supported women entrepreneurs by arranging programs and incentives to motivate them to start as well as to develop their businesses. Some success factors being discussed in the paper are encouragement from government in its Ninth Malaysia Plan. Beside that women also feel that they are responsible in making better home and life for their family by becoming an entrepreneur. Women enter this field because there are looking for opportunity to increase their household incomes as well as freedom to control their working life by working on flexible time. Other factors such as personal characteristics and locations also influence women to become entrepreneurs. Economic factors also contribute to women in starting up their own business such as issues in rising unemployment and unsatisfactory jobs. Nowadays, we can see that women entrepreneurs have created highly successful firms in business environment. There are other success factors that can be explored to motivate other women to enter the entrepreneur world.

Entrepreneurships enable entrepreneurs to spur their creativity as catering the demand of customer. Entrepreneurships also permit entrepreneurs to think wise beyond the limit. Individual with the factors such as independence, risk-taking and goal-oriented, to name a few, has the chances of grabbing the opportunities. Women entrepreneurs may use the ability

(factors namely) that they have not only to promote the economic growth but to endorse those that inspire to start the business moving forward.

It seems the traditional reason of earnings a big income is the most factors that contribute to the successful of women entrepreneurships. Traditional factor is still relevant but other factor such as independency, risk-taking, goal-oriented, freedom and flexibility are also special significance contributor to the successful of women entrepreneurships.

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This paper is published in its original version

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