

Muslim Women Entrepreneurs : A Study on Success Factors

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Abstract

*N*owadays, the interesting statistics related with the women entrepreneurs a round the world show us the significant forces of the women – owned businesses. This paper presents the theoretical aspects of the importance of women in the entrepreneurial, and what are the factors influence the performance of women entrepreneurs, like communication skills , people skills, consensus building. Moreover, the practical aspects have included some case studies on Muslim women entrepreneurs in Malaysia, with analyzing the success factors which make them unique. The paper has four parts; the first one will illustrate the paper methodology, then the framework of survey: the concept of entrepreneurships, common characteristics associated with entrepreneurs, the importance of women in entrepreneurship, the success factors that make women unique. The third include the case studies, involve four most successful women in Malaysia .The final parts will include the important conclusion and recommendations.

Keywords: Entrepreneurship, Success Factors, Common Characteristics, Muslim Women.

1.0 Introduction

Over the past two decades, the number of female owner business, self employed increase many times than the past .Moreover, at the beginning of the twenty – first century the women entering the entrepreneurial grown dramatically over, for instant the ‘US Small Business Administration’ estimates that of the 11.6 million self-employed workers in 2005, approximately 4.7 million will be women. A several women are starting business for many reasons such as to feel more flexible lifestyle, control over their lives or to earn money.

The problem which the paper tries to solve: are there any factors have been cited in an attempt to explain the success factors of women as entrepreneurs? Towards answering the paper problem, hypothesis of the paper is: “The successful entrepreneur women have some personality traits which make them successful business women. So that, the objectives of this paper that were attempted to accomplish are: to identify and discuss some of the most important factors account for the success of women as entrepreneur; and to highlight some of most successful factors account for the Malaysian women entrepreneurs.

2.0 First: Literature Review

2.1 The Concept Of Entrepreneur.

The concept of entrepreneur is very broad and a number of perspectives are applicable. Entrepreneur is an innovator or developer who recognizes and seizes opportunities; converts these opportunities into workable/ marketable ideas; value through time, effort, money or skills; assume the risks of the competitive marketplace to implement these

ideas; and realizes the rewards from these efforts (Kuratko & Hodgetts, 2004: 729). To (Madura, 2007: 722) Entrepreneurs are the people whom organize, manage, and assume the risk of starting a business.

2.2 The Common Success Entrepreneur Factors.

Many small business owners are motivated to start a business on the basis of lifestyle or personal factors, the most important success factors to small business owners are: (Kao, 1991)

- Total commitment, determination, and perseverance.
- Drive to achieve and grow.
- Opportunity and goal orientation.
- Taking initiative and personal responsibility.
- Persistent problem solving.
- Realism and a sense of humor.
- Seeking and using feedback.
- Internal locus of control.
- Calculated risk taking and risk seeking.
- Low need for status and power.
- Integrity and reliability.

2.3 The Differences Between Male And Female In Entrepreneurship

Longitudinal studies assessed psychological characteristics, personality traits, and business organizing activities; by using measurement of achievements and creativities, found that there are many differences between male and female as entrepreneurs such as:

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- The most significant difference between men and women entrepreneurs was found in scores on innovation and achievement/activity (Shaver, Gartner, Gatewood, & Vos, 1996:77-90).
- Female entrepreneurs and managers were more likely to take risks than their male counterparts. And women may be more willing to accept entrepreneurial risk because they face a more hostile and prejudicial work environment (Bellu, 1993: 331-344).
- Small business consultant Elizabeth Gordon, has noticed a similar trend in women business owners. "A lot of times, women are looking to get soft things out of their business," she says. "They want things like meaning, balance and fun. Men are more cut and dry; they're just looking for profits." (Alderton, 2008).
- (Seet, et al., 2008:262) have expanded to comparative studies between genders. The table below illustrates and summarizes some of the research findings with regard to various characteristics. In general, prior research has concluded that male and females differ in most personality traits.

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Personality traits	Male	Female	Authors
Sociable	*		(Baumeister&Sommer, 1997; Buttner, 2001)
Decisive	*		(Beasley, 2005)
Authoritative	*		(Beasley, 2005)
Goal –Oriented	*		(Beasley, 2005)
Self- confidence	*		(Feingold, 1994)
Anxious	*		(Feingold, 1994)
Risk-taking	*		(Byrnes & Miller, 1999; Arch, 1993)
Intuitive	*		(Feingold, Furnham & Stringfield, 1993)
Internal Locus of control	*		(Smith et al., 1997)
Self- confident	*		(Gohnson & Powell, 1994)
Leader	*		(Gohnson & Powell, 1994)

SOURCE : Seet,P.S., Ahmad, N.H., and Seet ,L.C.(2008)"Singapore's female entrepreneurs – are thy different?", Journal Entrepreneurship and Small Business,Vol,5,Nos.314.

- (The Center for Entrepreneurship and Business Creation, 2008) shows up that there are more similarities than differences between female and male entrepreneurship. On important aspects such as survival rate, growth potential or motive for setting up a business, the differences are marginal. More women than men do however state adaptation to family need as part of the reason for choosing to set up their own business.

2.4 The Women Success Factors:

a. Personal Qualities Factors:

Why so many women suddenly decide to start businesses? Schoenfeldt & Victoria Colligan found that women look for success for many reasons which are: (Alderton, 2008)

- Have more freedom, flexibility and control over their lives.
- Creativity, passion and fulfillment.
- Money.

According to the most important Personal Qualities required is becoming a successful entrepreneur (Fisher, 1999) has found that five qualities make women unique and can prove very important to their success:

- **Communication skills:** Many women tend to be better than their male counterparts at articulating their ideas and expressing themselves verbally.
- **People skills:** Many women tend to be very effective at reading emotions in the faces of others and in deciphering postures, gestures, and voice inflections. As a result, they are able to interact well with others.
- **Web thinking:** The ability to gather data from the environment and construct intricate relationships between the pieces of information. In contrast, many men tend to compartmentalize information and focus only on what they feel is important.
- **Consensus building:** Successful entrepreneurial women tend to be good negotiators. They view situations in “win – win” terms and seek to create harmonious relationships with the parties involved.
- **The ability to build and nurture good relations:** Maintaining long – term client relationships in business often requires the

development of friendships and the use of effective networking. Successful female entrepreneurs tend to be very good at these.

- Also (Nutek, 2008) found the most important personal qualities required to become a successful entrepreneurs are:
 - Self-reliance.
 - Ability to identify and exploit opportunities.
 - Creativity.
 - Willingness to take chances, even if it means to expose oneself to risk.
 - Personal drive.

b. The Supporting Factors:

The researchers found there are many more factors in society that make the choice of being an Entrepreneur attractive. (Nutek, 2008) identifies a number of key factors that could be improved in order to increase the number of new businesses.

- The education system is seen as a possibility for affecting attitudes towards entrepreneurship.
- Taxes, regulations and other structural issues should be adapted in order to encourage individuals to start their own business, by making it less complicated and more profitable.
- An adaptation of the social benefits, including the unemployment insurance system, would make it less risky to start a company. Entrepreneurs should be treated the same way as employees.
- Access to financing in an early stage to help entrepreneurs realize good commercial ideas.

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- Good advice should be readily accessible.
- It is in society's interest to help create dynamic environments where entrepreneurship could flourish.

Some other developments that have occurred over the last decade also help account for the growth and success of woman-owned business: (Kuratko & Hodgetts, 2004: 678)

- The financial community has established loan funds and training programs for women business owners and women's entrepreneurial initiatives. These efforts have contributed to growth in the number of women-owned firms.
- Public and private agencies have established training and technical assistance programs for women business owners. These programs have provided women entrepreneurs' with the tools they need to grow their businesses and make them more successful.
- Policymakers have undertaken initiatives that foster continuing growth of women-owned businesses.
- Educational institutions are creating new opportunities for women who are interested in entrepreneurship.
- Corporations have developed national and global marketing initiatives to better meet the needs of women business owners and to provide them with the products and services needed to expand their businesses.
- Organizations around the world have established for and systems of collecting data on the growth and economic implications of entrepreneurship by women in particular countries.

- Hundreds of media articles and television/radio broadcasts each year feature news about the accomplishments, and challenges of businesses ownership by women.
- Women business owners themselves are inspired and empowered by research findings.

3.0 Second: The Importance Of Women In The Entrepreneurship In Malaysia

Women comprise half of the population in Malaysia i.e. 12.8 million and form nearly 5.9 million families. From this amount, 63.1 % or more than 8.1 million are women in working groups i.e. from 15 to 64 years old. In overall, women form nearly 36 % from the nation work force.

Education, freedom and domestic instability have forced women to work. Other factors like having new ideas and products to enter the market, and the idea of working at flexible hours have inticed the women to join the business world. Consequently, women become significant contributors in entrepreneurship since the independence day. Since then, women have been working from small businesses such as selling food, jewelleries, clothes from house to house or at the market/shops to big businesses in private sectors, multinational companies, GLC and insurance and hold top posts such as CEOs, chairman and even own big businesses. Through their contribution in developing new businesses, new jobs are introduced. Hence, competition heightens, productivity increase and new markets or industries are introduced. As a result, women supplement the development of the nation. Without them, political, social and economical development in Malaysia will not prosper. In short, without their contribution, nation development will remain stagnant or stop from developing.

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Today, businesses owned by women contribute to 82,600 or 16% from the total 548,267 PKS in Malaysia. From that amount, 74,000 businesses owned by women are categorized into 89.5% in the services sector and this followed by 6,100 (7.5%) in manufacturing sector and 2,500 (3 %) in agriculture sector.

Some women entrepreneur associations have also cropped up such as Peniagaawati and Usahawati. Due to the increasing importance of women's involvement in this field, MECD has specifically increased its training program and financial assistance to them. They also are given better access to new technology, modern methods and potential economical activities. One of the MECD's agency, INSKEN functions to monitor training programs to all working agencies involved in the entrepreneurship development. Furthermore, another agency i.e. PNS introduced the women franchise program and monitoring scheme.

4.0 Third: The Success Factors Make Muslim Women Unique

Three most prominent women entrepreneurs in Malaysia are like Tengku Datuk Paduka Noor Zakiah Tengku Ismail, Datuk Khatijah Ahmad and Datuk Maznah Abd. Hamid. Due to the success, businesses owned by women grow like mushrooms. There are many new faces like Hajjah Rohani, the founder of Hijrah Wealth Management Sdn. Bhd and others.

Tengku Datuk Paduka Noor Zakiah Tengku Ismail is the executive chairman of K & K Kenanga Holdings Bhd. Before she co-founded K & K Kenanga Bhd. in 1973, she was the very first licensed female stockbroker. She had a tiny office about 20 staff, seven remisiers and RM2 million in paid-up capital. At the moment, the K & K Kenanga Group is currently

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involved in securities trading, asset and investment management, foreign fund management and unit trusts. Its total paid-up capital is RM600 million. Altogether she has more than 35 years experience in the securities industry. Currently, she sits on the boards of several private limited companies. Due to her continuous and numerous contribution, she has received the award of the best Malaysian women entrepreneur for the second decade (1967-1977).

Datuk Khatijah Ahmad is the founder of KAF Bhd, a financial powerhouse. Since then, she has received recognition both locally and internationally. In 1997, she became the first Malaysian to receive the Leading Women Entrepreneurs of the World award. Educated in UK as an economist, she had worked in Bank Negara, moved to the Federal Agricultural Marketing Authority and then seconded to the National Rice Board. However, in 1973 she quit her job, mortgaged her home and started a foreign exchange trading business. Later, she started a discount house and then purchased a stock brokerage. Today, KAF is Malaysia's largest bond and money market trading house. However, she believed that if she were a man, she would be five time more successful.

Datuk Maznah Abdul Hamid is the founder and Managing Director of the Securiforce Group of Companies. Dubbed as the Iron Lady of Malaysia, she entered a man-dominated business i.e. security guard. Before coming a successful entrepreneur, she has tasted poverty. She once stayed in a squatter house without water or electric supply. She had to work as a clerk, secretary manager and even security guard to ensure the success of her company. But today, she is the chairman of seven public listed companies.

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From these narrations, it tell us that successful women entrepreneur are women of full determination to succeed. This is as we know that businesses are men's world and it is very hand to knock the old boys' network.

The reasons why women are successful are due to their personal qualities. The most important personal qualities required to become successful women entrepreneur in Malaysia are self reliance, ability to identify and exploit opportunities, innovative, creativity, willingness to take chances, even it means to expose oneself to risks and failures, personal drive, communication skills, people skills, web thinking, good negotiation skills, ability to build and nurture good relationship, generally had less fear of failure, possess dynamic leadership and effective management, hard-working, honest, charismatic, possess can do attitude in overcoming obstacles.

Women also are disciplined and thrifty in managing the cash flow, resources and capital in their businesses. They are able to stand on their own feet, perservere and full of spirit in facing challenges in ensuring they are able to survive in their own niches. Meanwhile, according to Clarlassare (2007), successful women entrepreneur think big, recognise opportunities, do network, adopt a positive outlook, communicate with confidence, learn from setbacks and jump out of their comfort zones.

Due to these qualities, they are able reach the targets and achieve their goals and be successful. These personal qualities vary widely across the globe.

5.0 Fourth: Conclusion

The successful entrepreneurs women have personal qualities factors and skills like communication skills, web thinking and consensus building. The education system, an adaptation of the social benefits, and other supporting factors help successful entrepreneurs women to achieve their goal. There are many differences between male and female as entrepreneurs, such as, innovation and achievement/activity, anxious, intuitive and state adaptation to family need. Recently in Malaysia, businesses owned by women increasing especially in the services sector. Self reliance, ability to identify and exploit opportunities, innovative, creativity, willingness to take chances, even it means to expose oneself to risks, are the most important personal qualities required to become successful women entrepreneur in Malaysia.

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