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Correlational Analysis Between Social Business Model and Women Entrepreneurs Empowerment

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ABSTRACT

In most developed countries, social entrepreneurship has strived to become an effective mechanism in inculcating skills of entrepreneurship, especially among women. In these countries, social entrepreneurship has become the main policy used as part of the poverty eradication strategies. Based on this foundation, this paper work is formed with the aim to study the effect of the micro-credit financing of the AIM in creating a strong line of women-entrepreneurs. In particular, it seeks to (1) explore the current social entrepreneurship model which uses AIM's micro-credit financing scheme, (2) evaluate the effectiveness of the AIM micro-credit financing scheme towards women-entrepreneurs; and (3) analyse the challenges and obstacles that are often faced by women entrepreneurs in relation to the current AIM micro-credit financing scheme. The study methodology involves the distribution of surveys to 1500 members of the AIM micro-credit financing scheme throughout Malaysia. As many as 1101 respondents had returned the survey forms, making the return rate 73%. The study findings were analysed using the descriptive statistics involving frequency, percentage and mean. The findings have shown that (1) AIM micro-credit financing scheme has successfully generated many women-entrepreneurs especially in rural areas; (2) the existing government policies are deemed sufficient in terms

of preparing financing opportunities to these entrepreneurs; and (3) among the main issues faced by women-entrepreneurs lie in the repayment method, insufficient capital, lack of relevant training entrepreneur to increase skills and the lack of mentor system. The outcome of this study is anticipated to be able to improve the policy of entrepreneur development, especially increasing the number of women in the field of entrepreneurship. Apart from that, there are several critical issues that need to be addressed by the government such as the need to coordinate institutions that offer micro-credit funding scheme, also the need to have a more transparent decision-making process in the distribution of financing allocation.

KEYWORDS: social entrepreneurship model, micro-credit financing scheme, women-entrepreneurs

INTRODUCTION

Social Entrepreneurship is seen as a proactive effort by the government, private agencies and non-governmental organisations (NGO) to encourage entrepreneurship development among the community that gives various implications in terms of the national economy, social and politics (Wang, 2012). Generally, entrepreneurship is able to increase national economic growth, contribute to the Gross National Income through job opportunities and at the same time reduce the national poverty rates. In third world countries such as Bangladesh, Nigeria, Kenya, Nepal, Pakistan, Malaysia they have adopted the

social entrepreneurship approach as a measure by the governments to elevate the community's status of living.

According to Syed dan Xavier (2012), entrepreneurship gives a great impact to the local economy and eradication of poverty by boosting the emergence of job opportunities, increase wealth and income, and finally help contribute to the greater global economy. Entrepreneurs also have the capability to stimulate the economy through innovations that lead to the economic growth and development. In Kenya, for example, entrepreneurship has produced innovation, by giving the opportunities to women to get involved at a higher level in the labour market by drawing in investments from abroad able to create jobs and economic development (Harding dan Harding, 2008).

One of the efforts through the social entrepreneurship is to introduce the microcredit financing scheme programme. Originally, this scheme was founded to bridge the gap of capital financing between rural operations and commercial banks. It is a measure to lay out small-scale loans and accept small-scale deposit savings. According to Otero (1999), the micro-credit scheme gives access to capital, enabling the poor who are self-employed to get productive capital, address risks and prevent themselves from losing their capital. This scheme is an effort to build assets and create wealth among the poor and the very poor.

In Malaysia, among the poverty development programmes which focus on helping the very poor people are *Yayasan Basmikemiskinan* and *Amanah Ikhtiar Malaysia* (AIM). AIM is a very aggressive agency in providing financial assistance to approximately 82% from the total poor and very

poor households in Malaysia. AIM is also the institution that offers the largest and the longest-standing micro-credit financing scheme in Malaysia. AIM uses Grameen Bank (a micro-financing establishment in Bangladesh) as a model in preparing the credit scheme without security to these two types of households in order to improve their socio-economic status.

Micro-credit financing scheme institutions all over the world including AIM, work towards reducing the rates of poverty by establishing a working model expected to increase the net value of commercial assets owned by very poor households. If we are talking about the largest AIM borrowers, they are women, constituting 90% of the total number of borrowers.

Such a great percentage of women-borrowers is in line with the intention to empower women in the *Millennium Development Goal* (MDG). MDG has been constructed by the United Nations to encourage gender equality and empower women all over the world. This aim has become an indicator to monitor the total number of women involved in non-agricultural sectors (World Bank, 2006). The implications lie in gender equality and women empowerment which become fundamental in making poverty development more formidable. One of the ways to make women more productive is through entrepreneurship. Entrepreneurship has the potential to increase the number of women working in non-agricultural sectors. *Global Entrepreneurship Monitor* (GEM) has shown that the increase in the number of women-entrepreneurs involved in starting new businesses and expand the existing businesses is vital for the long-term economic growth of a country (Kelly, Bosma & Amoros, 2010).

BACKGROUND

This study is done based on several measures adopted by the government, the private agencies and NGOs in reducing poverty rates also creating equality in the economic achievement between the people, especially in developing countries. Among the countries that are working on reducing the poverty rates and increasing the life status aggressively is Malaysia. One of the strategies adopted is through the field of entrepreneurship. In Malaysia, the main issue that is being debated relates to the low rate of involvement of the Bumiputera in entrepreneurship and the failure to achieve the New Economic Policy (NEP) target, which places Bumiputera equity ownership of 30%. Based on the current achievement of up to RMK-10, the Bumiputera corporate equity ownership is as follows (TERAJU):

- i. Bumiputera ownership at the capital shares was at 21.9% in 2008 as compared to 19.3% in 1990 showing that there is no relative change and the target of 30% stipulated in the NEP is still not fulfilled.
- ii. Most Bumiputera corporate equity ownerships are in the field that has a low value towards the National GNP such as the construction sector 36.4% but the contribution of this sector to the GNP is only 3.3%. Conversely, the Bumiputera ownership in the manufacturing sector was only 11.3% compared to its contribution to the GNP which was 26.6%.
- iii. The majority of Bumiputera industries are micro-scale and small scale such as 42% Bumiputera entrepreneur businesses have less than 5 workers, while 21% have 5 to 50 workers; There are several factors that have been identi-

fied by the Malaysian government serving as obstacles to the engagement of Bumiputera entrepreneurs such as the non-existent funding resources and skills, also the lack of exposure and opportunity to manage the business. (Malaysia, 2002 and Norfadzillah, 2010).

Nonetheless, the government sees women-Bumiputera as offering more critical contributions to the national rates of poverty. In Malaysia, the distribution of residents shows that almost half of the residents are women, which is 48.4% from the total number of residents in the middle of 2013 or 29.9 million (Malaysia Statistics Department, 2014). However, only 15% of women ran their own businesses (Syed, Zizah & Fauzi, 2012). This demonstrates that women's involvement in the field of entrepreneurship is still at a low level, although the government has equipped various entrepreneurship programmes to give more opportunities to women to get involved in the national economic development and also to reduce the rates of poverty in this country.

Every year, the government has allocated great expenditure to increase women's status of living. For example in 2010, The Malaysian government has spent RM 4.7 million to assist 946 women through a programme called 1Azam (Muhyiddin, 2010). Meanwhile in 2013, RM50 million was allocated by the government under the programme I-Kit aiming to help develop women's business skills (Mohd Najib, 2012).

Based on the 2010 annual report of the government transformational programme (GTP), it shows that the cooperation between AIM and Women Development Department (JPW) is evident through the successful training of 2000 women-participants in the entrepreneurship program

comprising of low-income households. As the outcome, 60% from the overall participants had been able to obtain an income totalling RM3500 for 3 months in a row. Also, there are also other agencies involved in offering women entrepreneurial development programmes such as Malaysian Small and Medium Industry Corporation (SME Corp. Malaysia), Malaysian Women-Entrepreneur Association Affiliation (FEM), National Association of Women Entrepreneurs, Malaysia (NAWEM). This agency is held responsible in promoting and encouraging Malaysian women's involvement as entrepreneurs other than serving as a platform to build the relationship among them (Teoh & Chong, 2007). However, the percentage of women involved in the field of entrepreneurship is still low (Syed, Mohd Fauzi & Norasiah, 2011).

Therefore, this study is done to analyse the effect of AIM's micro-credit financing scheme in creating a strong line of women entrepreneurs. In particular, it seeks to (1) explore the current social entrepreneurship model which uses AIM's micro-credit financing scheme, (2) to measure the effectiveness of AIM's micro-credit financing scheme to women-entrepreneurs; and (3) to analyse the obstacles and challenges often faced by women entrepreneurs in relation to the current AIM's micro-credit financing scheme.

THEORETICAL FRAMEWORK

THE CONTRIBUTION OF MICRO-FINANCING (AIM) TOWARDS NATIONAL DEVELOPMENT

Although the activities from the micro-financing scheme appear to be scarce, they have left a positive effect towards the development of a country. Through financing offered to the poor, in general, half of the world's population has been

able to have financial services' basic resources. Taking the words of a Nobel Prize winner, Milton Friedman where the poor continues to be poor not because they are too lazy, but the root of the problem is because they do not have the resource to obtain financial loans. Under this pretext, there is a stronger need for the micro financing scheme in the country's development agenda.

The establishment of the micro financing scheme has given the opportunity to the poor and the low-income people to work on their own in creating their own income and to get them out of the poverty zone; other than that, micro-financing has also increased their chance to get a better income and enhance human resource capability (Manum, 2010).

With the financial capability that they have, members of AIM are able to generate their own income using the start-up capital obtained from AIM's financing scheme. They are able to improve their living conditions, able to gain access to better healthcare and also able to prepare their children's school items better. Several studies have been conducted by Sutoro (1990) in Indonesia, Mosley (1996) in Bolivia, Dunn (2005) in Bosnia Herzegovina and Panda (2009) in India, and the findings show that the same effect is obtained due to participants' involvement in the scheme. Such an impact is not only evident in the financial impact but also in humanity impact (Mohd Saifol, Siti Hadijah and Roslan, 2012). Micro-financing is proven to have been able to assist the participants in leading better lives and contribute towards national development. According to Beck et al. (2004) an exponential financial growth is able to increase the income of the poor fast, and it also spurs the average growth of the GNDP. What is

striking the most for the poor is that they are able to generate income and also it takes them out from the cocoon of poverty (Hisako dan Hamoni, 2009).

WOMEN AND ENTREPRENEURSHIP

The concept of entrepreneurship is an initiative to change the concept of business as a new effort or an industry that has the potential to succeed. Entrepreneurs have to be sensitive to changes and are always seizing the opportunities, using the skills and also are bold enough to take risks when opening up market.

Women entrepreneurship has been acknowledged as an important indicator in economic growth. Women entrepreneurs are able to create job opportunities for themselves and for others. Entrepreneurship among women is the position of women in the society and their role as entrepreneurs in the society. All over the world, this shows that women still represent the minority group of the society that starts their own businesses or are self-employed. The low participation of women is caused by certain obstacles that they need to overcome in order to get the same opportunities as the male counterparts. Among the main obstacles faced by women in the field of entrepreneurship are the types of education, the lack of role model in entrepreneurship, family responsibilities, poor social status, and the lack of access to finance (OECD, 2004).

In particular, with the improved industrialization, responsibilities on family and children have been of utmost importance. Women still lead the way in family and children upbringing. With the growth of industrialization and development, child custody and productive work have become increas-

ingly important issues for women in the labour market. In advanced countries, workplace is usually far from home and the work schedule is not really flexible to allow working women to manage their children. Thus, women (as it is common for women to take care of the children) who wish to work need to find an alternative for their children's custody and care (Brewster & Rindfuss, 2000). With children being under proper care, women are more ready to take any part in the labour market, including entrepreneurship. Childcare enables women to manage their career and function as a mother. The field of entrepreneurship has opened doors for women to adopt both roles.

Some of the researchers (Hansen, 1995) discuss women entrepreneurs in relation to the factor of "push and pull" in the area of entrepreneurship. The factor of "push" that propels women to establish their own businesses includes the issue of unemployment, lucrative business position for women and gender discrimination in the area of work. Previous studies have shown that women's decision to become entrepreneurs due to economic issues, flexible business time and the reduction of the number of workers in the previous workplaces have become the reason why women work hard to set their own small-scale businesses. Other than that, the desire to work in freedom and self-awareness, becoming their own boss, and the desire to create a balance of concentration towards business and responsibilities for their families have exuded some kind of appeal (Cohen dan Mallon, 1999). Other than that, the factor of women's attraction to become entrepreneurs is caused by the desire to seek for freedom and to control their own business operations (Hisrich dan Brush, 1985; Scott, 1986). This is despite the fact that there are

many factors which influence women to make decisions to start their businesses, as there are several main obstacles that lead to the few women categories entering business and succeeding.

This imbalance has an implication for economic growth and national development. Lately, a lot of women generally become entrepreneurs to establish their own businesses. The role of entrepreneurs is acknowledged at the local level, district and international levels according to their stage of entrepreneurial development. Entrepreneurs also contribute to the economic growth and development through job opportunities, income generation and wealth ownership. Wealth ownership reduces the number of people who live with income below the poverty line.

Past studies show that women's involvement in economic activities can empower women in women's lives and themselves. Sen (1987) looks into two approaches where the activities that generate women's income can enhance their lives and their families. First of all, the increased income of the household and the second is the increase in women's contribution towards the household income. Income can give women a clearer picture about their personality, wellbeing and higher contributions to their families' economic status. Empowering women has a critical impact towards the national economic profit (Ditanam & Sebstad, 1989). Women's economic activity that contributes to household income relates to freedom, power and status of women as enjoyed by men as it influences the perceptions of who contributes to the family. Free lifestyle and outdoor income also have some social consequences, crucial in terms of the income and support (Sen, 1987; Osmani, 1998). Thus, it is clear that

access to micro-credit scheme financing does not only create wealth and enhance women's level of economy but it also makes them more empowered.

WOMEN ENTREPRENEURSHIP IN MALAYSIA

In Malaysia, the government really takes seriously women development programmes, where one of the programmes developed is the women entrepreneur development programme. This programme seeks to ensure that women-entrepreneurs are not left behind in terms of the national development and national development agenda. AIM is identified as one of the tools used for the purpose of increasing the capabilities of women entrepreneurs in Malaysia.

According to Hamdino, Pazim and Wan Sabri (2012) poverty eradication program using the method of entrepreneurship has long been practised in Malaysia, starting with the introduction of New Economic Policy. Entrepreneurship has been practised to increase the capability of the National economy. The implementation continues until today with the introduction of *K-Economy*.

The micro-financing scheme practised in Malaysia has opened up more opportunity to women to get involved in the field of entrepreneurship. AIM has provided training for women to own entrepreneurship skills. Among the training provided by AIM to its participants are entrepreneurial character building, entrepreneurship basic training, basic skill training and business skill consolidation (Amanah Iktiar Malaysia, 2011).

The relationship between women and socio-economic development is indeed, irrefutable. There is empirical evidence that seeks to measure the effect of micro financing and women's capability. The study done by Samia (2011) finds that

women engaged in entrepreneurship become more confident in managing finance and making decisions in their business activity.

RESEARCH METHODS

This study uses the quantitative approach through the survey distribution. It is distributed to participants using the Likert Scale.

The respondents chosen for this study are participants or borrowers from AIM agencies. 1101 participants were involved as our study sample involving four zones namely the North, South East and West. Specifically, respondents involved are from Pahang, Sabah, Kedah, Perak, Johor, Kuala Lumpur, Kelantan and Terengganu.

The study instrument involves one (1) set of survey form to analyse 9 main components related to entrepreneurship. Questionnaires were formulated based on items' adaptation in the entrepreneurship model by Ligthelm (2010). The questionnaire was divided into nine (9) sections. Section A was designed to collect information on the respondents' demography and Section B covers respondents' business information. Next, Sections C, D, E, F, G, H and I were formulated to measure the micro-credit scheme itself.

The survey form was divided into 9 sections containing 65 items encompassing 9 main sections, namely Demography (12 items) Business Information (6 items), Entrepreneurship Skills (6 items), Business Competition (6 items), Small Business Advantage (4 items), Government Policy (5 items), Implementation (12 items), Effectiveness (6 items) and Business Survival (8 items).

RESULT AND ANALYSIS BUSINESS INFORMATION

TABLE 1: BUSINESS INFORMATION

Category	Business information	f	%
Type of business	Grocery Shop	82	7.4
	Restaurant	105	9.5
	Cookies/chips	199	18.1
	Salon	25	2.3
	Others	690	62.7
Factor	Personal interest	416	37.8
	Improve standard of living	797	72.4
	Driven by surrounding	141	12.8
	Government's promotion	30	2.7
	Government's aid	63	5.7

Table 1 above shows the distribution of frequency and percentage for business information category and factors that cause people to start a business. Types of business ventured by entrepreneurs include grocery shops, restaurants, cookies or chips, salon and others. Based on Table 1, the majority of respondents had other types of businesses consisting of 690 persons or 62.7%. The second highest number belongs to cookies or chips business with 199 persons or 18.1%. This was followed by restaurant business with 105 persons (9.5%), grocery shops with 82 persons (7.4%) and salon with number of respondents of 25 (2.3%).

For the category of factors that encourage individuals to initiate a business, this includes personal interest, to improve standard of living, driven by the surrounding, government's promotion and government's aid. Table 1 also shows that the largest number of respondents chose improving the standard of living factor which corresponds to 797 persons or 72.4%. The second largest number belongs to personal interest factor with 416 persons or 37.8%. While as many as 141 persons (12.8%) chose driven by the surrounding factor, 63 persons (5.7%) chose government's aid and 30

TABLE 2: ENTREPRENEURIAL SKILLS

Entrepreneurial Skills	SS		S		TP		TS		STS	
	f	%	f	%	f	%	f	%	F	%
I create a business plan.	266	24.2	683	62.0	78	7.1	45	4.1	29	2.6
I advertise this business.	207	18.8	542	49.2	201	18.3	107	9.7	44	4.0
I perform a risk analysis before starting a business.	194	17.6	639	58.0	177	16.1	61	5.5	30	2.7
I frequently conduct an analysis on other traders.	159	14.4	606	55.0	201	18.3	96	8.7	39	3.5
I consider other ventures before starting a business.	217	19.7	611	55.5	166	15.1	80	7.3	27	2.5
I can trade anything.	237	21.5	430	39.1	273	24.8	92	8.4	69	6.3

TABLE 3: BUSINESS COMPETITION

Business Competition	SS		S		TP		TS		STS	
	f	%	f	%	f	%	f	%	F	%
My business is selling the same product as other businesses.	122	11.1	567	51.5	172	15.6	177	16.1	63	5.7
My business offers better customer service.	300	27.2	618	56.1	136	12.4	28	2.5	19	1.7
My business offers products of better quality.	351	31.9	613	55.7	98	8.9	25	2.3	14	1.3
My business sells cheaper products.	185	16.8	557	50.6	236	21.4	91	8.3	32	2.9
The location of my business is more strategic.	262	23.8	567	51.5	199	18.1	53	4.8	20	1.8
My business offers a comfortable environment.	2889	26.2	636	57.8	116	10.5	47	4.3	13	1.2

persons (2.7%) chose the government's promotions.

ENTREPRENEURIAL SKILLS

Table 2 clearly shows that the level of agreement is higher than the level of disagreement and level of uncertainty towards entrepreneurial skills. Four (4) of the six (6) items in the table indicate a high level of agreement that exceeds 50% towards entrepreneurial skills. The majority of respondents agreed with the item of creating a business plan, namely 683 person or 62.0%. Besides that, most respondents also agreed to the item of conducting a risk analysis before starting a business which corresponds to 639 persons (58.0%), consider other ventures before starting a business corresponding to 611 or (55.5%) and analysing other traders

corresponding to 606 persons (55.0 %). The item "I can trade anything' has the lowest level of agreement which corresponds to 430 persons or (39.1%) yet showed high levels of uncertainty, with 273 persons, with the percentage of 24.8%.

BUSINESS COMPETITION

Table 3 above clearly shows that the respondents' level of agreement towards business competition is higher than the level of disagreement and level of uncertainty. Based on the findings shown in Table 3, all items showed a high level of agreement that exceeds 50% towards the elements of business competition. The majority of respondents agreed that the offered businesses choose a comfortable environment which corresponds to 636 persons or (57.8%). Besides that, a total of 618

TABLE 4: THE ADVANTAGE OF SMALL INDUSTRIES

The Advantage of Small Industries	SS		S		TP		TS		STS	
	f	%	f	%	f	%	f	%	F	%
The price of my business products is negotiable to attract customers.	282	25.6	630	57.2	96	8.7	61	5.5	32	2.9
My business hours are longer and flexible in order to attract customers.	239	21.7	603	54.8	164	14.9	73	6.6	22	2.0
I can diversify my products.	283	25.7	630	57.2	121	11.0	43	3.9	24	2.2
My business environment is more safe and secure.	325	29.5	625	56.8	113	10.3	22	2.0	16	1.5

TABLE 5: GOVERNMENT'S POLICIES

Government's Policies	SS		S		TP		TS		STS	
	f	%	f	%	f	%	f	%	F	%
The Government always promotes and expands the participation of Bumiputera entrepreneurs in the business sector.	456	41.4	532	48.3	75	6.8	13	1.2	25	2.3
Government support is given to those who venture into potential businesses.	423	38.4	562	51.0	73	6.6	25	2.3	18	1.6
Government assists Bumiputera entrepreneurs to start their own businesses.	430	39.1	573	52.0	67	6.1	24	2.2	7	0.6
Government assists Bumiputera entrepreneurs in expanding their business.	434	39.4	559	50.8	81	7.4	18	1.6	9	0.8
Financial assistance programs (microcredit) have managed to produce more Bumiputera entrepreneurs.	453	41.1	529	48.0	95	8.6	12	1.1	12	1.1

person or 56.1% agreed that their businesses offer better customer service and 613 persons or 55.7% agreed that their businesses offer products of better quality. Table 3 shows the item 'business is selling the same product with other businesses' recorded the highest number of persons that disagreed namely 177 persons (16.1%). Meanwhile, the item 'the location of my business is more strategic' recorded the highest number of uncertainty which corresponds to 199 persons or (18.1%).

THE ADVANTAGE OF SMALL INDUSTRIES

Based on Table 4, the research findings also clearly show that the level of agreement is higher than the level of uncertainty and level of disagreement among respondents towards the advantage of small industries. The results showed that all four

(4) items have a high level of agreement that exceeds 50% in the element of the advantage of small industries. The item 'the price of my business products is negotiable to attract customers' and items 'I can diversify my products' has the highest number of 630 persons or 57.2% respectively. Meanwhile, the item 'my business environment is more safe and secure' recorded 625 persons or (56.8%) who agreed and the item 'my business hours are longer and flexible in order to attract customers' recorded agreement from 603 persons or (54.8%). Despite having a high level of agreement, the item 'my business hours are longer and flexible in order to attract customers' also recorded the highest level of uncertainty with 164 persons or (14.9%).

TABLE 6: IMPLEMENTATION OF THE PROGRAM

Implementation of the Program	SS f	%	S f	%	TP f	%	TS f	%	STS F	%
<u>TRAINING</u>										
Entrepreneur development program can increase the number of participation of Bumiputera entrepreneurs.	363	33.0	615	55.9	94	8.5	15	1.4	14	1.3
Entrepreneurship courses helped my business.	339	30.8	576	52.3	135	12.3	37	3.4	14	1.3
Course organized were carried out in sufficient period.	203	18.4	531	48.2	282	25.6	65	5.9	20	1.8
Course instructors applied methods that are easily understood.	228	20.7	609	55.3	215	19.5	38	3.5	11	1.0
<u>LOAN</u>										
Business loans help in increasing the participation of Bumiputera entrepreneurs.	366	33.2	649	58.9	58	5.3	11	1.0	17	1.5
Government loans are given to those who have good record and potential only.	267	24.3	555	50.4	172	15.6	86	7.8	21	1.9
Borrowers are given full information about their loans.	297	27.0	677	61.5	94	8.5	19	1.7	14	1.3
Tight lending procedures imposed on Bumiputera entrepreneurs who want to expand their business.	208	18.9	491	44.6	177	16.1	165	15.0	60	5.4
The offered loan period is reasonable with the type of businesses.	263	23.9	684	62.1	101	9.2	33	3.0	20	1.8
The sum of loan offered is reasonable with the loan period.	237	21.5	713	64.8	73	6.6	46	4.2	32	2.9
Advice given by the officer helps me in carrying out my business.	258	23.4	710	64.5	93	8.4	26	2.4	14	1.3
Monitoring by the officer determines the sum of eligible loans.	258	23.4	663	60.2	114	10.4	39	3.5	27	2.5

GOVERNMENT'S POLICIES

Table 5 clearly shows that the level of agreement is higher compared to the level of disagreement and level of uncertainty towards government's policies. Three (3) out of five (5) items in Table 5 show high level of agreement that exceeds 50% towards government's policy. The majority of respondents agreed with the item 'government assists Bumiputera entrepreneurs to start their own business with 573 persons or 52.0%. In addition, many respondents also agreed with the item 'government support is given to those who venture into potential businesses' with 562 persons or (51.0%) and the item 'government assists Bumiputera entrepreneurs in expanding their business' with 559 persons or (50.8%). The item 'financial assistance programs (microcredit)

has managed to produce more Bumiputera entrepreneurs' has the lowest level of agreement of 529 persons or (48.0%) but showed high levels of uncertainty, namely a total of 95 persons with a percentage of 8.6%.

IMPLEMENTATION OF THE PROGRAM

Based on Table 6, the research findings show that there are two (2) types of program implementation that have been carried out in terms of training and loans. Table 6 above clearly shows that the level of agreement of respondents towards training is higher than the level of disagreement and level of uncertainty. Based on the findings, three (3) out of the four (4) items exhibit a high level of agreement that exceeds 50% of the training element. Most of the respondents agreed that

TABLE 7: EFFECTIVENESS

Effectiveness	SS		S		TP		TS		STS	
	f	%	f	%	f	%	f	%	F	%
Monitoring conducted by the officials has smoothen my business.	201	18.3	687	62.4	143	13.0	45	4.1	25	2.3
Loans granted to me can be fully utilized for my business.	321	29.2	690	62.7	67	6.1	14	1.3	9	0.8
Entrepreneurship development program has motivated me to progress further.	331	30.1	662	60.1	75	6.8	24	2.2	9	0.8
Period of loans offered is appropriate.	267	24.3	678	61.6	96	8.7	37	3.4	23	2.1
Entrepreneurship courses organized had improved the performance of my business.	242	22.0	627	56.9	180	16.3	41	3.7	11	1.0
This program has made me become a successful entrepreneur.	280	25.4	625	56.8	153	13.9	28	2.5	15	1.4

TABLE 8: THE FUTURE OF BUSINESS

The Future of Business	SS		S		TP		TS		STS	
	f	%	f	%	f	%	f	%	F	%
My business cannot continue and will be closed	45	4.1	128	11.6	142	12.9	355	32.2	431	39.1
My business can continue but I need financial assistance	249	22.6	597	54.2	130	11.8	76	6.9	49	4.5
My business will be viable and has the potential to succeed.	392	35.6	615	55.9	65	5.9	13	1.2	16	1.5

entrepreneur development programs can increase the number of Bumiputera entrepreneur participation which corresponds to 615 persons or 55.9%. In addition, a total of 609 persons or 55.3% of the course agreed to use methods that are easily understood and 576 people representing 52.3% agreed that entrepreneurship courses have helped their business. The item 'course organized were carried out in sufficient period' has the lowest level of agreement totalling 531 persons or (48.2%), but it showed a high level of uncertainty namely with 282 persons or 25.6%.

Table 6 clearly shows that the level of agreement is higher than the level of disagreement and level of uncertainty towards the loan element. Seven (7) out of eight (8) items in the table indicate high level of agreement that exceed 50% regarding

loan aspect. Majority of the respondents agreed with the item 'the sum of loan offered is reasonable with the loan period' with 713 persons or 64.8%. Besides that, most of the respondents also agreed with the item 'advice given by the officer helps me in carrying my business' with 710 persons or (64.5%) and the item 'the offered loan period is reasonable with the type of businesses with 684 persons or (62.1%)'. The item 'tight lending procedures are imposed on Bumiputera entrepreneurs who want to expand their business' recorded the level of agreement that is less than 50% which corresponds to 491 persons or (44.6%) but showed a high level of uncertainty with 177 persons with a percentage of 16.1%.

EFFECTIVENESS

Table 7 clearly shows that respondents' level of agreement towards effectiveness is higher than the level of disagreement and level of uncertainty. Based on research findings as shown in Table 7, all items showed high level of agreement that exceed 50% towards the elements of effectiveness. The majority of the respondents agreed that monitoring conducted by the officials have smoothen their business which corresponds to 687 persons or (62.4%). In addition, a total of 690 persons or 62.7% agreed that the loans granted to them can be fully utilized for their business and 678 persons or 61.6% agreed with the item 'period of loans offered is appropriate'. Meanwhile, the highest number of uncertainty level recorded by the item 'entrepreneurship courses organized had improved the performance of my business' with 180 persons or who represent 16.3%.

THE FUTURE OF BUSINESS

Based on Table 8, one (1) item has a disagreement level higher than the level of agreement and level of uncertainty whereas another two (2) items show higher level of agreement compared to level of disagreement and level of uncertainty towards the future of business among respondents. Based on Table 8, the research findings show that the level of disagreement is highest on the item 'my business cannot continue and will be closed' which corresponds to 431 persons or 39.1%. In contrast, a total of 597 persons or (54.2%) agreed that their business can continue but they need financial assistance with 615 persons (55.9%) agreeing that their business would be viable and has the potential to succeed.

CONCLUSION

Findings obtained from this study show that most women entrepreneurs agree that micro-credit schemes have been successful in improving their lives through entrepreneurship which they have ventured. However, they suggest that business knowledge such as business planning and risk analysis is also included in the compulsory courses organized by AIM. This is because, most women entrepreneurs are aware about the existence of fierce competition in the business hence they should always learn more about the business, so that they are able to be competitive in the long term.

Entrepreneurship through microcredit schemes possess several advantages to small-scale businesses in a way that it can diversify product and the price offered is negotiable to attract customers. In addition, it is observed that government's aid could help entrepreneurs to start or expand their businesses. The implementation of micro-credit schemes may also increase the number of entrepreneurs and help women entrepreneurs via advice and ongoing monitoring from corresponding parties. Next, the micro-credit financing scheme would determine the business viability among woman Bumiputera entrepreneurs. The majority of women entrepreneurs have the potential to succeed and continue their business with financial assistance given upon them.

Moreover, women entrepreneurs find there are some challenges in micro credit financing scheme, namely in terms of loan repayment methods in which each member must bear the cost of other members who failed to make proper payment. This situation further burdens other members in which they have to bear the debt of the other

members, as well as required to make payments for their own loan.

Generally, micro-credit financing scheme is seen to be helping women entrepreneurs to sustain their businesses, but it can be further improved through several approaches. Firstly, most of the loaned capital and training given to entrepreneurs have not been systematically evaluated to measure the effectiveness of the programs offered. A study conducted by the Global Entrepreneurship Monitor (GEM) on business environment in Malaysia found that aspects of monitoring and evaluation from government are weak in terms of policies made which have prevented the formation of new businesses, government regulation and bureaucracy, such as business license requirements which preclude the existence of a new business to grow. This situation has raised doubts among the public on the seriousness and effectiveness of government in supporting and encouraging the growth of businesses. (Teoh & Cheong, 2007).

Secondly, although as a whole, there are various entrepreneurship programs in the form of both financial and non-financial, programs which focus on women's entrepreneurship are still limited. Therefore, more initiatives should be undertaken to empower women by introducing alternative entrepreneurship programs in accordance with the needs and background of women entrepreneurs.

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