Breaking Barriers: An Exploration of Women’s Entrepreneur in Malaysia
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Abstract
Nowadays, women entrepreneurs has been perceived as an important role for the development of country. The significant contributions of women entrepreneurs is one of the key strategy for achieving growth and ingenuity in the real economy. In the contemporary society, women are not necessarily to restrain to the typical practice of life as many have ventured into the business world and have been proven to be successful. From point of views, it is observed that approximately 20 per cent of the entire estimated registered population of over 650,000 entrepreneurs consists of women. The comprehensive trend shows rising total numbers of women being participated in economic endeavors. One of the reason the contribution of women in the entrepreneurship, they need to earn extra income to support their families, taking care their children and adjustable working hours enforced them to choose in entrepreneurship activities. Furthermore, this study will identify the barriers among women’s entrepreneurs in Malaysia and resolving them to explore various strategy of business programme opportunities. The problems encountered by female entrepreneurs were anticipated to arise from three distinct factors. There exist challenges pertaining to financial access, gender bias, and restricted networking opportunities. This exploratory study used the method qualitative and analyse the secondary data from various sources. The finding of this study are each of the obstacles faced by the women entrepreneur was supported pillar and government organization such as Ministry of Entrepreneurship and Cooperative Development, Tabung Ekonomi Kumpulan Usaha Niaga (TEKUN) and Amanah Ikhtiar Malaysia (AiM) to enhance the women entrepreneurs performance in economics activities.

Keywords: Small Medium Enterprise, Women Entrepreneurship, Entrepreneurs, Economics

INTRODUCTION
Entrepreneurship sectors has contribute actively towards economic growth and innovation on a global spectrum. In real economics, entrepreneurship activities enhance the individuals capacity to boost the agency of individuals, increase employment opportunities, and transform various sectors. Entrepreneurship is a viable avenue accessible to individuals possessing desire and foresight. Women entrepreneurs contributes in the economic growth but some of them fail to sustained their business compared with male entrepreneurs. This is because some of the women entrepreneurs face a unique set of obstacles that can often be more pronounced and daunting compared to their male counterparts.

In this point of view, it is vital to explore and understand the challenges that women entrepreneurs encounter as they navigate the entrepreneurial fields. This preliminary discourse will explore several key difficulties encountered by women entrepreneurs, illuminating the intricate and diverse nature of these barriers. In Malaysia, the contribution of women in entrepreneurship consistent increasing with an annual growth rate of 20 percent in 2022. Malaysia recorded 920,624 businesses in 2022 compared to 648,260 businesses in 2019. Refers to the data from Department of Statistics Malaysia in 2022, the total count of women-owned enterprises in Malaysia in the year 2022 was 187,265, representing approximately 20.3 per cent of the overall number of firms. The information given demonstrates the significant contribution of women towards the increasing number of entrepreneurs in Malaysia. The highest participation of women in entrepreneurship came from services (92.7 per cent) and was followed by manufacturing (5.1 per cent) and construction (1.4 per cent). The agricultural sector only contributed 0.8 per cent of total women-owned establishments. According to the SME Corp data in 2022, the majority of women entrepreneurs this year, focused on the top industries such as retail (26 per cent), health, beauty and fitness services (17 per cent), and food and restaurant (14 per cent). About 13 per cent of women-owned businesses surveyed belong to the lodging (7 per cent) and education and

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training (6 per cent) industries. After Covid - 19 hit part the whole country, women entrepreneurs are more prefers to venture into the beauty and health sector than in other sectors.

**Chart 1:** Women Entrepreneurs in Malaysia Contributions by Industries in 2022  
Sources: Small Medium Enterprise Annual Report 2022

**Problem Statements**

According to the National Women’s Business Council (NWBC) Annual Report 2022, women were only represented by 25 per cent of all small business owners which is the value is below than their male entrepreneurs who held 75 per cent of businesses. However, there has been slight progress from last year when it comes to women-owned businesses, the gender gap in small business remains important.

![Figure 1: The Percentage Participation of Women Entrepreneurs in 2021](source: National Women’s Business Council Annual Report 2022)

The National Women’s Business Council (NWBC) Annual Report for year 2022 gives a clear picture of progress by women entrepreneurs have experienced remarkable growth in recent years. Hence, between 2020 and 2022, women entrepreneurs owned the firms saw an productively 16.7 percent increase compared to only 5.2 per cent among companies owned by men while gross receipts within that same period expansion 51.9 per cent. Besides that, about 10 million workers employed by women-owned business increased by 28 per cent, reflecting more increasing over male counterparts who experienced a 10.8 percent rise. This situation shows us the signs continued success as gender equality takes centre stage across the small business landscape nationwide. According to recent surveys conducted by the Central Bank (2021) and the Ministry of Finance and Economic Development of Malaysia (2021), it has been observed that women entrepreneurs in Malaysia exhibit a higher rate of business initiation compared to their male counterparts. However, these surveys also focused the challenges faced by women entrepreneurs in advancing their businesses to a higher level. Sustaining business defined as the ability of the firm to proceed its operation and survive in business during a certain period of time in a competitive market. In addition, research findings on key determinants of survival between 2016 and 2021 shows that 22 per cent of business had failed within five years, of which women (78 per cent) operated the majority of businesses failed. The average lifespan of women-led enterprises that ended operations was found to be 3.2 years, whereas male-led firms that terminated operations had an average lifespan of 3.9 years. The researchers reached the conclusion that businesses managed by women had a 2.52 times higher likelihood of failure when compared to businesses managed by males. This prompts an inquiry into the disparity between the failure rates of female-headed businesses and male-headed businesses, despite women's shown proficiency in establishing new businesses at a rate double that of males. Hence, this research aims to investigate the obstacles encountered by female entrepreneurs in maintaining their businesses within the country. It proposes addressing these issues by utilizing diverse platform options to support the establishment of women-led enterprises in Malaysia.

**Research Objectives**

The main objective this study is to identify the challenges of women entrepreneurs in Malaysia and to find the suggested to break the challenges.
LITERATURE REVIEW

Access to Financial Resources

In Malaysia, as in many other countries, women entrepreneurs face a unique set of challenges in their entrepreneurial journey. This literature review aims to provide an in-depth analysis of the challenges faced by women entrepreneurs in Malaysia and to explore opportunities facing women entrepreneurs in Malaysia. Alam, Senik, and Fauzi Mohd Jani (2019) conducted a study that examined the challenges faced by women entrepreneurs in Malaysia. The research highlighted several key challenges, including limited access to financial resources, societal expectations, and gender bias. Women entrepreneurs often struggle to secure financing for their businesses due to the prevailing belief that they are higher risk investments. This financial constraint significantly hampers their ability to start and expand their ventures.

Societal Expectations and Gender Bias

Moreover, societal expectations place additional burdens on women entrepreneurs. The traditional roles assigned to women in Malaysia often clash with the demands of entrepreneurship, making it challenging to balance family responsibilities with business obligations. Gender bias, both overt and subtle, persists in the business world, affecting women’s confidence and opportunities for growth. According to Alam, Senik, and Fauzi Mohd Jani (2019), societal expectations and ingrained gender biases in Malaysia can place additional burdens on women entrepreneurs. Women are often expected to fulfill traditional roles within the family, making it challenging to balance domestic responsibilities with the demands of entrepreneurship. Such expectations can limit their ability to devote time and energy to their businesses. Additionally, gender bias, both overt and subtle, persists in the business world, affecting women’s confidence and opportunities for growth.

Limited Networking Opportunities

Besides that, Afshan, G., Shahid, S., & Tunio, M. N. (2021) and Kumar et al. (2023) mentioned that networking plays a pivotal role in the success of entrepreneurs, and women in Malaysia often face limitations in this regard. Networking events and opportunities may be dominated by men, making it difficult for women to establish valuable connections and partnerships. Ahmad, N. A., Rasul, M. S., Othman, N., & Jalaludin, N. A. (2022) conclude that one of the challenges for women entrepreneurs is the lack of visible women role models and mentors in the Malaysian entrepreneurial ecosystem. They mentioned that sustained business should have mentors to provide guidance, inspiration, support, and help entrepreneurs navigate the challenges of business ownership. The absence of such figures can hinder women’s confidence and ambition to pursue entrepreneurial ventures.

The challenges faced by women entrepreneurs in Malaysia are diverse and multifaceted. From limited access to financial resources and gender bias to the complex balancing act between family and business, these obstacles continue to hinder their entrepreneurial journeys. Recognizing and addressing these challenges is essential for promoting gender equality and unleashing the untapped potential of women entrepreneurs, which can contribute significantly to Malaysia’s economic growth and innovation.

RESEARCH METHODOLOGY

This research conducted by an exploratory approach using secondary data research involves the systematic examination of existing sources, such as academic articles, government reports, and industry studies, to identify and analyze the multifaceted obstacles encountered by women in entrepreneurial endeavors. This study extract pertinent information, synthesize findings, and draw insights from this pre-exist data pool. By consolidating knowledge from various sources, this approach offers a comprehensive understanding of the challenges, enabling scholars to assess trends, identify gaps, and contribute to policy discussions, all without the need for primary data collection. This method proves invaluable in examining the intricacies of women's entrepreneurial challenges in a cost-effective and timely manner.
According to the proposed framework above, there are three main challenges for women to sustain the business in the economy. There are difficulties to access financial, gender bias and the limited networking opportunities. Women entrepreneurs often face difficulties in accessing funding for their ventures, whether from venture capitalists, angel investors, or traditional financial institutions. Breaking this barrier involves creating more equitable opportunities for women to secure investment capital and funding for their business ideas. Also, societal biases and stereotypes can hinder women from being taken seriously as entrepreneurs or business leaders. Breaking these barriers requires challenging and changing perceptions about women's capabilities in the business world. Building a strong network and having access to mentors can greatly benefit entrepreneurs. However, women sometimes face challenges in accessing these resources, especially in male-dominated industries. Breaking this barrier involves promoting mentorship programs and networking opportunities that empower women to connect with experienced professionals. Moreover, the three barriers of women entrepreneur can be resolve by three component. There are

Ministry of Entrepreneurship and Cooperative Development, Amanah Ikhtiar Malaysia (AiM) and Tabung Ekonomi Kumpulan Usaha Niaga (TEKUN).

EXPECTED FINDINGS

Access to Financial Resources

Most women entrepreneurs always rely on their personal finances to establish their businesses. However, this action would encounter difficulties in obtaining external financing during the production process and may lead them from the path to success. In the current situation, the government budget for 2021 has allocated about RM95 million in microfinance financing through TEKUN, MARA, and Agrobank mediums specifically targeted at women entrepreneurs. The programme titled "BizMe" is objective to empowered the training opportunities for women contractors involved in government contracts. The government has allocated a budget of around RM50 million ringgit through YAPEIM for the Ar Rahnu Biznita programme. This initiative equip to provide women entrepreneurs with easily access to finance for their business operations and production. In many times, the suggestion for gold investment and pawn transactions have gained significant recognition due to their more liquidity in comparison to personal loans obtained from conventional financial institutions.

Gender Bias

There were several women entrepreneur programs and initiatives in Malaysia focused at addressing gender bias and supporting women entrepreneurs activities. There are “Women Entrepreneur Network (WENA) Malaysia”
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is a platform that supports women entrepreneurs in Malaysia through networking, mentor mentee and training programs. They aim to empower women in business and help them overcome challenges, including gender bias. Other than that, Malaysia External Trade Development Corporation (MATRADE) provides programs and events to support women entrepreneurs in Malaysia. At the same time, they provide assistance in international trade and can help women-led businesses expand their markets. Furthermore, the Magic (Malaysian Global Innovation & Creativity Centre) focused on women, Magic offers various programs and initiatives to support startups and entrepreneurs in Malaysia. They often host events and workshops that can benefit women entrepreneurs and help address gender bias challenges. SME Corp Malaysia runs various programs to support small and medium-sized enterprises, including women-led businesses. They offer training, financing, and mentorship programs.

Limited Networking Opportunities

Through the Local Chambers of Commerce and Industry Associations, many local chambers of commerce and industry associations in Malaysia may have women's committees or subgroups that focus on networking and support for women in business. Hence, Entrepreneurship and Women's Organizations at Universities associated with a university, women entrepreneurs can explore entrepreneurship and women-focused organizations on campus. These groups often organize events and networking opportunities for aspiring women entrepreneurs. Also, the Programme Business Incubators and Accelerators include networking components. These programs can be beneficial for connecting with mentors, fellow entrepreneurs, and potential investors. Last but not least, Online Networking Platforms is a social network for women entrepreneurs in Malaysia. These can provide a convenient way to connect with like-minded individuals, share experiences, and seek advice.

CONCLUSION

As a conclusion, the roles of women entrepreneur in the economic growth is an important impact of a becoming well-developed country with a fully competitive and robust economy. The economic development of a country depends upon the contribution of women entrepreneurs. Malaysia is perceived as a nation with a predominantly male population, resulting in women encountering significant challenges while engaging in entrepreneurial activities. However, it is important to note that the phenomenon of women entrepreneurship in Malaysia continues to exhibit a consistent upward trajectory, so contributing to the creation of employment possibilities and avenues for producing money across various societal groups.

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