

The Effects of Entrepreneurial Management and Entrepreneurial Orientation on the Women-Owned Smes Business Performance in Malaysia

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Abstract

Purpose of the study

The purpose of this paper is to examine the effects of the six dimensions of entrepreneurial management; namely entrepreneurial culture, growth orientation, management structure, resource orientation, reward philosophy, and strategic orientation; and three dimensions of entrepreneurial orientation; namely innovativeness, pro-activeness and risk-taking) on the women-owned SMEs business performance in Malaysia. The research focuses on attaining two objectives. Firstly, to determine the significant relationship between entrepreneurial management (EM) and women-owned SMEs business performance in Malaysia. Secondly, to determine the significant relationship between entrepreneurial orientation (EO) and women-owned SMEs business performance in Malaysia.

Methodology:

A total of 207 usable data were gathered through a mail questionnaire survey. The obtained data have been analyzed using the Statistical Package for Social Science (SPSS) version 21.0. Regression analysis to test the relationships between EM and EO on the women-owned SMEs business performance in Malaysia.

Main Findings:

This research concerns specifically on women entrepreneurs who act as the owner-manager of the firms in Malaysia since their views often represent the views of the entire firms. The empirical findings revealed significant relationships between women-owned SME's business performance and resource orientation, reward philosophy, strategic orientation, innovativeness, pro-activeness, as well as risk-taking.

Implications /Applications:

This study helps the women entrepreneur to improve their quality of lives and furthermore, reduce the issue of poverty among them by providing the better understanding on how EM and EO contribute to their business performance. This research contributes significantly to both in theory and practical for women owners-managers of SMEs and women

entrepreneurial development in the country. Finally, some limitations will also be acknowledged that indicate future research directions.

Novelty/Originality of this study:

There is limited knowledge about the relationship between EO, EM and women-owned SME's business performance. This paper examines the interaction between EO and EM and provides evidence on their combined effect on women-owned SME's business performance.

Keywords: Entrepreneurial management, entrepreneurial orientation, women- owned SMEs, business performance

1.0 Introduction

According to [Moorthy et al. \(2012\)](#), the performance of SMEs is very important as it will transform Malaysia into a high-income economy based on knowledge and through the contribution to national GDP. However, for SMEs to capitalize on such an economy, it is important to configure their activities to enable value creation, or fade in their value and potential to drive the development of emerging economies which this requires focus on entrepreneurial activity and firm marketing ([Buli, 2017](#)). As stated by [Ireland, Hitt and Sirmon \(2003\)](#), an effective growth is expected to help firms create wealth by building a scale economy and market power. This is because, creation of wealth and strong of growth are interconnected ([Ireland et al., 2003](#)). Hence, for both initial start-ups and existing firms, entrepreneurship efforts in pursuing business opportunities stimulate the business expansion, technological advancement, and wealth creation ([Lumpkin & Dess, 1996](#)). This essentially explains the reason why SMEs are the priorities of policy makers around the world ([Jerven, Kale, Duncan, & Nyoni, 2015](#)). Despite the vital role of SMEs towards the countries' economic growth as mentioned above, a study by [Rahman, Yaacob and Radzi \(2016\)](#) found that the failure rate among SMEs in Malaysia was recorded high at 60 per cent. In addition, several studies also supported that performance of women-owned businesses were lower than their male counterparts, and therefore must be subject to further investigation ([Menzies, Diochon & Gasse, 2004](#); [Ahl, 2006](#); [Harrison & Mason, 2007](#); [Klapper & Parker, 2011](#)). Thus, SMEs need to be more competitive and require a smart approach in managing their business ([Bakar & Mamat, 2017](#)). Among the factors that contribute to the failure of SMEs is because the creation of SMEs usually remains a business of one person, not well-managed, not always permanent which usually lead to less productive, informal and undercapitalized ([Eijdenberg & Masurel, 2013](#)).

In Malaysia, women-owned SMEs underperformed is most probably due to lack of intangible resources: different behaviour or characteristics of women entrepreneurs compared to their male counterparts ([Teoh & Chong, 2007](#)). The authors found that five factors, namely individual characteristics, management practices, goals and motivations, networking and finally entrepreneurial orientation (EO), were found to influence the performance of Malaysian women entrepreneurs ([Teoh & Chong, 2007](#)). Besides that, not only because one of the main factors contributed to the failure of women entrepreneur was lack of management skills which was related to EM ([Teoh & Chong, 2007](#)), it was also suggested to the researchers to use both EM and EO instruments in order to get a complete assessment ([Brown, Davidsson & Wiklund, 2001](#)). Further added, these two different dimensions of entrepreneurship were also rarely used in the same study ([Gürbüz & Aykol, 2009](#)), although they were positively related, with only partly overlapping and gauged different and distinct aspects of entrepreneurship ([Brown et al., 2001](#)).

Therefore, this study makes use of this overlying and considers how the variables of EM and EO influence business performance independently within the scope of women-owned SMEs in Malaysia. After all, SMEs in Malaysia according to [Abdul Razak \(2011\)](#), stated that EO is critical in directing strategic entrepreneurial activities and an important way to achieve better productivity. Therefore, the ability of SMEs in Malaysia to possess and practice EOs is crucial to the success of entrepreneurship. To summarize, the insufficient results and lack of studies between EM, EO and women-owned SMEs business performance in the developing countries, particularly in Malaysia, make it interesting to conduct this study which will focus on the direct and indirect relationships between the variables.

2.0 Literature Review and Hypotheses Development

2.1 Women-Owned SMEs

Women-owned SMEs in this study is defined as a female who is an owner-manager of a business ([Subramaniam & Islam, 2014](#)), or a woman or a group of women, who initiate, organize and operate a business enterprise ([Thayammal, 2011](#)). That is to say, owner-managers become the subject because they are the key informants of the business and usually, they are involved in the overall running of the firms ([Abu Bakar, Mahmood, & Nik Ismail, 2015](#)). Accordingly, women-owned SMEs are particularly important in transitioning the nations for some additional reasons such as: reducing the discrimination rate amongst women by employing them regularly in the labour force, thus reducing women unemployment ([Welter, Smallbone, Isakova, Aculai, & Schakirova, 2004](#)). Thus far, studies on women entrepreneurs or women-owned SMEs had been carried out broadly across the nations. For instance, In England, [Roomi, Harrison, and Beaumont-Kerridge \(2009\)](#) confirmed that women who are growth-oriented appear to be inhibited due to lack of access to, and control over such resources as, capital, business premises, appropriate childcare, qualifications, experience, training facilities and appropriate assistance from business development agencies. In France, the reasons for women to enter into entrepreneurship were merely due to push and pull factors, and the environmental influence ([Orhan & Scott, 2001](#)). [Ekpe \(2011a\)](#) explained that motivation, foresight and achievement were also vital characteristics for success. The results of his study then concluded that women entrepreneurs in Nigeria possessed the necessary characteristics for entrepreneurial success, which confirmed that most of the failed enterprises belong to the men ([Ekpe, 2011b](#)). Women entrepreneurs in the United Arab Emirates (UAE) seemed to face some barriers at the start-up of their venture, emanating mainly from the lack of support, society and traditions, and personal and family reasons ([Itani, Sidani, & Baalbaki, 2011](#)). Therefore, due to the above conflicting results and findings, there is still a room for improvement that requires a need to further study on women-owned SMEs. Therefore, this study tends to fill the gaps and extends the study on the variables that contribute to the women-owned SMEs business performance particularly in Malaysia.

In Malaysia, the earlier participation of Malaysian women in entrepreneurial activities was encouraged as a mean to supplement family income ([Salleh & Mohd Osman, 2007](#)), particularly those who became single mothers or head of household ([Roddin et al., 2000](#)), or their obligation as family member in providing extra income ([Abdul Karim & Azmi, 2008](#)). [Haji Idris \(2008\)](#) identified that poverty occurs because of many factors such as low-income job, large number of self-employment, unemployed, low education level, lack of sufficient skills and age factor, and thus entrepreneurship is an important element as a way to get out of poverty. In fact, there is a growing evidence

suggested that there is a significant causal relationship between entrepreneurship, economic growth and poverty reduction (Ahmad & Xavier, 2012). Recently, studies on women-owned SMEs in Malaysia are increasing parallel with the growing number of women entrepreneurs in this country.

2.2 Women-owned SMEs Business Performance

Business performance in this study is considered as success from an economic point of view, parallel with the suggestion from Buttner and Moore (1997) that business performance is usually measured from the economic perspectives of growth in sales or employees; and/or by the increase in profits. Davidsson (1991) also added that firm growth is the sign for continued entrepreneurship. To date, research on small and medium enterprises (SMEs) does not adequately address the success of socially embedded subsistence businesses (Shivani, Mukherjee, & Sharan, 2006). More importantly, again, due to the smaller size and slower in growth of the firms owned by women entrepreneurs (Hanson, 2009), people might not view a majority of women-owned businesses as successful since most people commonly consider money and profits as the best way to measure individual and business success (Alam et al., 2011). Therefore, there are essential problems with measuring enterprise performance and success in pure economic outcome terms (Franck, 2012). Thus, entrepreneurial success was viewed as complex and difficult to measure which explained the lag of research in this particular area (Shane & Venkataraman, 2000). Therefore, this study will be considering business performance as success from an economic point of view, parallel with the suggestion by Buttner and Moore (1997) that business performance is usually measured from the economic perspectives of growth in sales or employees; and/or by the increase in profits. Furthermore, subjective measures of financial data will be adopted as specified by Dess and Robinson (1984) that managers may be neither hesitant nor unwilling to disclose their actual performance data if they consider it commercially sensitive or confidential.

2.3 Entrepreneurial Management (EM) and Women-owned SMEs Business Performance

The definition of entrepreneurship by Stevenson and Gumpert (1985) - “the process by which individuals – either on their own or inside organizations- pursue opportunities without regard to the resources they currently control”, and its approach explains “how” entrepreneurs act is regarded as management practice or “entrepreneurial management”. Moreover, the EM practices can help firms remain vital and contribute to firm and societal level value creation (Stevenson, 1983), later act as one of the most important factors that contributed to the success of neither men nor women-owned businesses (Gürbüz & Aykol, 2009; Hortovanyi, 2010; Abdul Majid et al., 2011; Bradley et al., 2011). Previous studies have seen EM in various contexts and countries with the inconclusive results. Hameed and Ali (2011) evidenced that EM has a positive influence on corporate venturing and directly influence the relationship towards firm performance respectively. Meanwhile, Lin et al. (2006) in their study provided evidence that resource orientation, growth orientation and entrepreneurial culture was significantly effected new venture performance, while strategic orientation, management structure and reward philosophy was not. Bradley et al., (2011) also found that EM partially supported the relationship towards firm growth where reward philosophy, growth orientation and entrepreneurial culture showed positive effects, yet, strategic orientation, resource orientation and management structure was not positively effected the firm growth. In the contrary, Kuhn et al. (2010) revealed that there was no significant influence of EM on firm performance. However, there is relatively lack of

studies that have examined the effects of EM on the relationship towards women-owned SMEs business performance although women were identified to be weaker compared to their male counterparts in terms of performance, including profits and management practices (Knotts et al., 2004).

In this study, EM is seen in six multidimensional constructs which include entrepreneurial culture, growth orientation, management structure, resource orientation, reward philosophy, and strategic orientation as explained by Brown et al. (2001). Entrepreneurial culture is defined by the development of new ideas in an entrepreneurial organizational culture (Stevenson & Gumpert, 1985; Stevenson & Jarillo, 1990) that are essential for opportunity recognition (Brown et al., 2001), while growth orientation is the growth objective that has to be known and understood by all the employees throughout the firm (Brown et al., 2001), and that EM will help create it (Stevenson & Gumpert, 1985; Stevenson & Jarillo, 1990). Meanwhile, management structure is the extent to which the firm has a flat and organic structure (Brown et al., 2001) where employees are free to create and seek opportunity (Stevenson, 1983). Resource orientation is the combination between commitment of resources and control of resources, and reward philosophy is the employee's rewarding system for their contributions to the organization, or when they add value to the firm (Brown et al., 2001). Finally, strategic orientation is an organization's orientation in strategy creation, and is concerned with the decisions that businesses make to achieve superior performance (Slater et al., 2006). It also defines the broad outlines for the firm's strategy while leaving the details of strategy content and strategy implementation to be completed (Slater et al., 2006). To date, empirical studies on EM have been done by numerous researchers and results revealed the significant relationships between EM and firm growth (Eliasson & Davidsson, 2003; Hameed & Ali, 2011), and thus suggested that the firms tend to be more entrepreneurial with regard to the EM's dimensions, namely entrepreneurial culture, growth orientation, management structure, resource orientation, reward philosophy, and strategic orientation. Therefore, this variable cannot be ignored in the context of women-owned SMEs to improve their business performance. Hence, based on the reported research, the following hypothesis is proposed:

H1a: There is a significant relationship between entrepreneurial culture and women-owned SMEs business performance.

H1b: There is a significant relationship between growth orientation and women-owned SMEs business performance.

H1c: There is a significant relationship between management structure and women-owned SMEs business performance.

H1d: There is a significant relationship between resource orientation and women-owned SMEs business performance.

H1e: There is a significant relationship between reward philosophy and women-owned SMEs business performance.

H1f: There is a significant relationship between strategic orientation and women-owned SMEs business performance.

2.3 Entrepreneurial Orientation and Women-owned SMEs Business Performance

EO is a concept emerged with the development of strategic management literature, and EO is related to firm-level entrepreneurial activities and processes (Stevenson and Jarillo, 1990; Lumpkin and Dess, 1996; Wiklund and Shepherd, 2005). According to Covin and Slevin (1989), EO is a strategic stance of a firm that reflects the general competitive orientation of the firm. Similarly, studies on the relationships between EO and women-owned SMEs performance showed conflicting results as well. While Ali and Ali (2013) found in one study

that innovativeness, proactiveness and risk taking were statistically significant and positively effect on firm performance, in other case, they found that only innovativeness and risk taking were found to have statistically significant and positively affected the firm performance, while proactiveness did not (Ali & Ali, 2014). Tantasuntisakul (2015) then found that only risk taking showed a positive and significant relationship with business performance among women entrepreneurs in Southern Thailand. In Malaysia, a study by Hanafi and Mahmood (2013) using unidimensional construct revealed that EO is positively and significantly related to women-owned business performance. Furthermore, despite of the growing number of women entrepreneurs and the vital effect of EO on their success, nevertheless, still there is relatively little research that have examined the effects of EO on the women-owned SMEs performance in Malaysia. Therefore, conducting this study among women-owned SMEs in this country addresses this issue.

In this study, EO was conceptualized as consisting of innovativeness, proactiveness and risk taking, the three dominant dimensions that are being focused by most of the EO relevant studies to explain the variance in the construct, and being considered to give a great impact in firm's growth (Miller, 1987; Lumpkin & Dess, 1996). Innovativeness is the first dimension of EO that has been employed in this study for its vitality in the sense that even in the presence of other dimensions, if innovation is not employed there is no firm level entrepreneurship (Covin & Miles, 1999). Proactiveness is the second dimension being employed and it is defined as an opportunity-seeking, forward-looking perspective involving introducing new products or services ahead of the competition and acting in anticipation of future demand to create change and shape the environment (Lumpkin & Dess, 2001; Rauch et al., 2004). And finally, risk taking is known as a tendency to take bold actions such as venturing into unknown new markets, committing a large portion of resources to ventures with uncertain outcomes, and/or borrowing heavily (Lumpkin & Dess, 2001). That is to say, risk taking is the degree to which managers are willing to make large and risky resource commitments (Miller & Friesen, 1982). Yet, there is a little concern on how EO determines the business performance of women-owned SMEs in Malaysia, despite the growing number of women entrepreneurs and the vital effect of EO on their success. Thus, it is postulated that:

H2a: There is a significant relationship between innovativeness and women-owned SMEs business performance.

H2b: There is a significant relationship between proactiveness and women-owned SMEs business performance.

H2c: There is a significant relationship between risk taking and women-owned SMEs business performance.

3.0 Methodology

In order to measure research purpose, we prepared a questionnaire depending on the scales used in previous studies in the literature. In this study we used 9 items business performance used by Gupta and Govindarajan (1984). EM scale adapted from Brown et al., (2001). EO scale adapted from Covin and Slevin (1986). EM scale included a total of twenty-eight items: (1) three items related to the entrepreneurial culture; (2) two items related to growth orientation; (3) five items to measure management structure; (4) nine items related to resource orientation; (5) six items related to reward philosophy; and (6) three items related to strategic orientation. EO scale includes 9 items: (3) items for risk-taking, (3) items for innovativeness, (3) items for proactiveness. The owner/managers were

asked to indicate their degree of agreement with these statements on seven Likert scale used by [Covin and Slevin \(1989\)](#) based on items adapted from [Khandwalla \(1976, 1977\)](#) and [Miller and Friesen \(1982\)](#), ranging from Likert Scale 1 to 7; Strongly Disagree (1) to Strongly Agree (7).

This research used the quantitative techniques implemented through data collection from the women owners and managers who are involved in running the firms will be selected as respondents. The respondents for this study will be selected based on the accessibility of data of the women entrepreneurs from online database. A pre-test is done to test the validity and reliability of each item indicator and the instrument as a whole. After the pretest stage is done, then with the improvement of writing and the contents of the questionnaire, then followed by the implementation of the survey according to the applicable protocol. As suggested by [Sekaran and Bougie \(2010\)](#) based on the table by [Krejcie and Morgan \(1970\)](#), the sampling frame which was being said to be made in accordance with the general scientific guidance for a population of approximately 9,000 women-owned SMEs is 368. We collected 231 valid questionnaires firm or organization that will be represented by the top management of the firm as owner or manager. Data obtained from 207 questionnaires were analyzed with SPSS. After collecting the data, statistical analyses provided basic features about respondents.

3.3 Results and Discussion

3.3.1 Factor Analysis

One of the ways in measuring the construct validity is factor analysis. Factor analysis, which was formulated based on the variables specified from past research, theory and the judgement of the researcher ([Malhotra & Birks, 2008](#)) was carried out in this study, and the interrelationships among a large number of variables were investigated, and furthermore, the common underlying dimensions among the variables were clarified ([Hair et al., 2010](#)). Two tests, Bartlett's Test of Sphericity and Kaiser-Meyer-Olkin measure of sampling adequacy (KMO-MSA) were considered important in determining the appropriateness of the data for factor analysis. In order to conduct factor analysis, KMO has to be more than 0.50, and Bartlett's Test of Sphericity has to be significant. As suggested by [Tabachnick and Fidell \(2013\)](#), Kaiser-Meyer-Olkin (KMO) statistic should be a minimum of 0.6 ([Blaikie, 2003](#)), while [Kaiser \(1974\)](#) recommended accepting values greater than 0.5 as acceptable. If this value falls below the minimum value, it is recommended that either more data be collected or that other variables should be included ([Field, 2009](#)). [Hutcheson and Sofroniou \(1999\)](#) interpreted the KMO values between 0.5 and 0.7 as "mediocre", values between 0.7 and 0.8 as "good", values between 0.8 and 0.9 are deemed "great", and values above. The items that had factor loadings lower than 0.50 were eliminated.

3.3.1.1 Factor Analysis for Entrepreneurial Management (EM)

The measurement scales for EM consisted of 28 items: entrepreneurial culture was measured by three items, growth orientation by two items, the management structure was measured using five items, resource orientation was measured using six items, reward philosophy was measured by nine items, and strategic orientation was measured using three items. As shown in Table 1.

Table 1: Factor Analysis for EM

Items	Factor Loading					
	1	2	3	4	5	6
Management Structure						
MS1	.603					
MS2	.725					
MS3	.760					
MS4	.472					
MS5	.786					
Resource Orientation						
RO1		.526				
RO2		.850				
RO3		.593				
RO4		.515				
RO5		.614				
RO6		.612				
RO7		.601				
RO8		.733				
Strategic Orientation						
SO1			.735			
SO2			.642			
SO3			.615			
Reward Philosophy						
RP1				.793		
RP2				.789		
RP3				.861		
RP4				.723		
RP5				.754		
RP6				.678		
Entrepreneurial Culture						
EC1					.512	
EC2					.496	
EC3					.557	
Growth Orientation						
GO1						.867
GO2						.710
Eigenvalues	7.50	3.80	2.61	1.55	1.32	1.29
Percentage	27.79	14.08	9.67	5.75	4.89	4.79
	KMO			0.871		
	Barlett's Test of Sphericity			3797.892		
	Sig.			0.000		

3.3.1.2 Factor Analysis for Entrepreneurial Orientation (EO)

The measurement scales for EO consisted of 9 items: innovativeness was measured using three items, proactiveness was measured using three items, and risk-taking was measured by three items. As shown in Table 2.

Table 2: Factor Analysis for EO

Items	Factor Loading		
	1	2	3
Innovativeness			
I1	.878		
I2	.755		
I3	.853		
Proactiveness			
P1		.714	
P2		.880	
P3		.820	
Risk-Taking			
RT1			.750
RT2			.843
RT3			.787
Eigenvalues	2.39	2.26	2.23
Percentage	26.57	25.12	24.81
KMO		0.790	
Barlett's Test of Sphericity		1,004.20	
Sig.		0.000	

3.3.1.3 Factor Analysis for Business Performance

The measurement scales for business performance consisted of 9 items. A varimax rotated principal components factor analysis was then conducted on these 9 items. As shown in Table 3.

Table 3: Factor Analysis for Business Performance

Items	Factor Loading
	1
Business Performance	
Cash Flow	.673
Gross Profit Margin	.640
Net Profit from Operation	.793
Sales Growth	.675
Return on Sales	.777
Return on Investment	.649
Profit to Sales Ratio	.839
Return to Shareholder Equity	.871
Ability to Fund Business Growth from Profit	.925
Eigenvalues	1.767
Percentage	63.429
KMO	0.765
Barlett's Test of Sphericity	467.172
Sig.	0.000

3.3.2 Correlation Analysis

3.3.2.1 Correlations between dimensions of EM and Women-owned SMEs Business Performance

In Table 4. exhibits the results of correlations analysis to examine the relationship between the dimensions of EM (entrepreneurial culture, growth orientation, management

structure, resource orientation, reward philosophy and strategic orientation) and women-owned SMEs business performance. Based on Table 4., all of the dimensions in EM were significantly associated with business performance. Results indicated that resource orientation had the strongest relationship with business performance ($r=0.629$, $p<0.01$), followed by strategic orientation ($r=0.582$, $p<0.01$), entrepreneurial culture ($r=0.551$, $p<0.01$), management structure ($r=0.539$, $p<0.01$), reward philosophy ($r=0.485$, $p<0.01$) and finally, growth orientation ($r=0.391$, $p<0.01$).

Table 4: *Correlations between EM and Women-owned SMEs Business Performance*

	P	SO	RO	MS	RP	GO	EC
Performance (P)	1						
Strategic Orientation (SO)	.582**	1					
Resource Orientation (RO)	.629**	.628**	1				
Management Structure (MS)	.539**	.673**	.736**	1			
Philosophy (RP)	.485**	.541**	.553**	.692**	1		
Growth Orientation (GO)	.391**	.541**	.500**	.584**	.786**	1	
Entrepreneurial Culture (EC)	.551**	.609**	.708**	.619**	.585**	.564**	1

Note: ** Correlation is significant at 0.001 level (2-tailed);

* Correlation is significant at 0.01 level (2-tailed);

3.3.2.2 Correlations between dimensions of EO and Women-owned SMEs Business Performance

In Table 5 indicated that the entire dimensions had significant relationships with the business performance of the women-owned SMEs. Risk-taking showed the highest relationship ($r=0.481$, $p<0.01$), followed by proactiveness ($r=0.413$, $p<0.01$), and innovativeness ($r=0.162$, $p<0.05$).

Table 5: *Correlations between EO and Women-owned SMEs Business Performance*

	BP	I	P	RT
Business Performance (BP)	1			
Innovativeness (I)	.162*	1		
Proactiveness (P)	.413**	.549**	1	
Risk Taking (RT)	.481**	.423**	.559**	1

Note: ** Correlation is significant at 0.001 level (2-tailed);

* Correlation is significant at 0.01 level (2-tailed);

3.3.3 Multiple Regression (Hypotheses Testing)

The multiple regression analysis was conducted with the purpose to test the direct effects on the relationships between the independent variables (entrepreneurial culture, growth orientation, management structure, resource orientation, reward philosophy, strategic orientation, innovativeness, proactiveness, and risk-taking), and dependent variable (women-owned SMEs business performance). In **Table 6**. one of the hypotheses testing reported the analysis being conducted on the relationships between the dimensions of EM (entrepreneurial culture, growth orientation, management structure, resource orientation, reward philosophy, and strategic orientation) and women-owned SMEs business performance. In **Table 7**. Second hypothesis testing reported the analysis of the direct relationships between EO (innovativeness, proactiveness, and risk-taking) and women-owned SMEs business performance.

As presented in Table 6, illustrates the result of multiple regressions to examine the effects of EM (entrepreneurial culture, growth orientation, management structure, resource orientation, reward philosophy and strategic orientation) on women-owned SMEs business

performance. The results indicated that EM (entrepreneurial culture, growth orientation, management structure, resource orientation, reward philosophy and strategic orientation) explained 47.4 per cent of the women-owned business performance ($R^2=0.474$, $F=30.070$, $p<0.001$). Only three dimensions showed a significant effect on women-owned SMEs business performance. They were resource orientation ($\beta=0.220$, $t=4.224$, $p<0.01$), reward philosophy ($\beta=0.108$, $t=2.321$, $p<0.05$), and strategic orientation ($\beta=0.161$, $t=3.779$, $p<0.001$). On the contrary, the other three dimensions such as entrepreneurial culture, growth orientation, and management structure, failed to predict the women-owned SMEs business performance ($p>0.05$).

Table 6: Results of Multiple Regression on the relationships between the dimensions of EM (entrepreneurial culture, growth orientation, management structure, resource orientation, reward philosophy, and strategic orientation) and women-owned SMEs business performance

	Beta (β)	t	Sig. (p)
Entrepreneurial Culture	.072	1.347	.180
Growth Orientation	-.064	1.706	.090
Management Structure	-.028	-.604	.546
Resource Orientation	.220	4.228	.000***
Reward Philosophy	.108	2.321	.021**
Strategic Orientation	.161	3.779	.000***
R Square	F	Sig.	
0.474	30.070	0.000	

Note: **p < 0.01; *p < 0.05

As presented in Table 7, the outcomes of the multiple regressions to examine the effects of EO (innovativeness, proactiveness, and risk-taking) on women-owned SMEs business performance. The results indicated that EO (innovativeness, proactiveness, and risk-taking) explained only 27.9 per cent of business performance of women-owned SMEs ($R^2=0.279$, $F=26.130$, $p<0.01$), that was lower than entrepreneurial management. All of the dimensions were found to significantly the women-owned SMEs business performance as follows: innovativeness ($\beta=-0.089$, $t=-2.177$, $p<0.05$), proactiveness ($\beta=0.136$, $t=3.561$, $p<0.001$) and risk-taking ($\beta=0.238$, $t=5.354$, $p<0.001$).

Table 7: Results of Multiple Regression on the relationships between the dimensions of EO (innovativeness, proactiveness, and risk-taking) and women-owned SMEs business performance

	Beta (β)	t	Sig. (p)
Innovativeness	-.089	-2.177	.031*
Proactiveness	.136	3.561	.000***
Risk Taking	.238	5.354	.000***
R Square	F	Sig.	
0.279	26.130	0.000	

Note: **p < 0.01; *p < 0.05

Accordingly, findings of the research suggest that the regression results in **Table 6** revealed that resource orientation, reward philosophy and strategic orientation had significant relationships with the business performance of the women-owned SMEs in Malaysia. On the other hand, the regression results in **Table 6** also showed that entrepreneurial culture, growth

orientation, and management structure had no significant relationships with the business performance of the women-owned SMEs in Malaysia. The regression results in **Table 7** revealed that innovativeness, proactiveness, and risk-taking had significant relationships with the business performance of the women-owned SMEs in Malaysia. In Table 8, summarizes the results of the hypotheses testing.

Table 8: *Summary of Hypotheses Testing*

Hypothesis		Statistically significant	Results
H1a	There is a significant relationship between entrepreneurial culture and women-owned SMEs business performance.	No	Not Supported
H1b	There is a significant relationship between growth orientation and women-owned SMEs business performance.	No	Not Supported
H1c	There is a significant relationship between management structure and women-owned SMEs business performance.	No	Not Supported
H1d	There is a significant relationship between resource orientation and women-owned SMEs business performance.	Yes	Supported
H1e	There is a significant relationship between reward philosophy and women-owned SMEs business performance.	Yes	Supported
H1f	There is a significant relationship between strategic orientation and women-owned SMEs business performance.	Yes	Supported
H2a	There is a significant relationship between innovativeness and women-owned SMEs business performance.	Yes	Supported
H2b	There is a significant relationship between proactiveness and women-owned SMEs business performance.	Yes	Supported
H2c	There is a significant relationship between risk-taking and women-owned SMEs business performance.	Yes	Supported

These findings are particularly consistent and supported by the RBV theory, which categorized the firm's resources according to physical, human and organizational capital resources (Barney, 2001), and that management falls under organizational capital which includes structures for reporting, formal and informal planning, and the whole organizing process in the firm (Barney, 2001). Thus, not only one of the intangible resources that is crucial factors for firm success (Barney, 1991; Hall, 1993), but also the sources of performance (Grant, 1991).

This study provided the evidences of the first objective that there is a significant relationship between resource orientation, reward philosophy, strategic orientation and women-owned SMEs business performance. These findings are paralleled with the work by [Lin et al. \(2006\)](#) on the resource orientation and contradicted with their findings on reward philosophy and strategic orientation. Meanwhile, compared to the work of [Bradley et al. \(2011\)](#), the above findings are paralleled with them in terms of reward philosophy, yet, contradicted in the results of resource orientation and strategic orientation. In other studies, strategic orientation that was defined as an organization's orientation in strategy creation, and concerned with the decisions that businesses make to achieve superior performance ([Slater et al., 2006](#)), was found to significantly related with the performance ([Wiklund & Shepherd, 2005](#); [Runyan et al., 2006](#); [Ibrahim & Mohd Shariff, 2015](#)).

Thus, the findings of the second objective also support the notions that the dimensions of EO vary independently in their influence on the business performance and that entrepreneurs who are willing to exploit each of these factors have a high possibility of success. Furthermore, SMEs in Malaysia need to be efficient and brave enough to nurture each factor of EO in order to achieve success for their organizations in the environment of globalization, legislation, reduction of trade barriers and market expansion due to the advances in technology and innovations ([Smit & Watkins, 2012](#)). To this end, it is also evidently enough to confirm that it is both theoretically and empirically supported that the dimensions of EO namely innovativeness, proactiveness, as well as risk taking influenced the business performance of Malaysian women-owned SMEs, further add to the body of knowledge in the contexts of the study among women entrepreneurs.

Conclusion

The purpose of this study was to examine the relationships between the dimensions of entrepreneurial management (EM) and entrepreneurial orientation (EO) on the women-owned SMEs business performance in Malaysia. The empirical findings supported nine out of six hypotheses developed and rejected the rest three hypotheses; thereby answering the research objectives despite some identified limitations, and also supported the key theoretical positions upon which the present study has been drawn. In addition, the research findings are consistent with a number of previous empirical studies conducted in the domain of current research underpinning theories. The research framework of this study contributes to the existing body of knowledge in women entrepreneurs' study and entrepreneurship literature. The theoretical contributions and practical implications are also significant findings for women owners-managers of SMEs and women entrepreneurial development in the country. In relation to the first limitation in this study that concerns with its cross-sectional nature in which data were collected over a single period of time from a number of women-owned SMEs in Malaysia, the use of longitudinal data would provide a remedy for this constraint. Next, to encounter the second limitation that is related to the generalization that was further research should use larger samples covering all the women-owned SMEs registered with the SME Corp. Malaysia. In addition, it is also essential if the same framework could be tested not only among women, but also in the whole SMEs population. Finally, some limitations are also acknowledged that indicate future research directions.

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