A Qualitative Study of Innovativeness, Strategies and Leadership Styles of Successful Women Entrepreneurs in Malaysia

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ABSTRACT

Women entrepreneurs play an important role in the development of a country's economy. Women today made up more than forty percent of the labor force in Malaysia. Past research on entrepreneurs demonstrated that individuals with innovative behavior, strategies and leadership distinguished them from non entrepreneurs. This research was done to explore entrepreneurial innovative behavior leadership styles and strategies of successful women entrepreneurs in Malaysia. It is a qualitative research which involved interviews with successful women entrepreneurs. Strategies on how they expand their business were also examined. .

Key words: Field of Research: Gender Studies, Entrepreneurial Studies, Leadership and Innovative Behavior, Strategies.

Introduction

A study conducted in South East Asia found that 18-30 percent of self employed workers are women (Lee, 1997). According to Lee (1997), the secret of why women become successful entrepreneur today is truly locked up in the motivational and innovative factors or perhaps more accurately in what is behind it. Examining why people start business and how they differ from those who do not may be useful in understanding the motivation that entrepreneurs exhibit during start up of the business as a link to the sustaining behavior exhibited later. While the research on the psychological characteristics of entrepreneurs has not provided an agreed upon "profile" of an entrepreneur, it is important to recognize the contribution of psychological factors to the entrepreneurial process (Lee, 1997).

Women have been involved in various types of business in areas which they have advantages like boutiques, hairdressing, beauty saloons, food stall, flower shops, etc. What are the leadership styles, innovativeness and strategies factors that determine the success in women's entrepreneurial business? This research posed these research questions which made up its research objectives.

Leadership

Leadership is the act of providing direction, energizing others and obtaining their voluntary commitment of the leader's vision (Kotter , 1990). A leader is a person who creates vision and goals, then energizes others to voluntarily commit to that vision (Kotter, 1990) Leadership therefore, can be defined as the process of social influence in which one person can enlist the aid and support of others in the accomplishment of a common task (Chemers,2002).

How a leader makes decisions affects the likelihood that influences the efforts of the group or the team. In earlier days a leader tended to be absolute when workers were relatively unskilled hence autocratic leadership style cannot be avoided because the leader has to be the sole decision maker.

There are many leadership styles that an entrepreneur can apply. They are mainly:

1) Task Oriented

Task-oriented style of leadership is defined as a concern accomplishing assigned tasks by organizing task relevant activities, and interpersonally oriented style defined as a concern of maintaining interpersonal relationships by

tending to others' morale and welfare (Bales, 1950).

Eagly and Johnson (1990) performed a meta-study and concluded that female and male leaders did differ in the two leadership styles of interpersonal orientation and task orientation. Men are often task-centered leaders to release good spirit between people to facilitate, and women entrepreneurs are more interpersonally oriented (Eagly and Johnson, 1990) Besides, Deaux and Kite (1993) also agreed that males are especially high in "masculine" traits and are more on task-oriented while females are high in "feminine" traits that are interpersonally oriented or communal. Eagly and Carli (2001), found that women displayed more positive social behaviors and agreement than men, whereas men are more task-oriented and disagree more than women.

2) Democratic Style vs. Autocratic Style

Another aspect of leadership style that also has been popular in research is the democratic and autocratic style of leadership. The democratic versus autocratic style is a different and narrower aspect of leader behavior than task oriented and interpersonally oriented style (Bass, 1981), The democratic-autocratic dimension also relates to gender stereotypes that men are relatively dominant and controlling (Eagly and Johnson, 1990). Leaders who behave democratically will allow their subordinates to participate in decision making or if the leaders behave autocratically, they will discourage subordinates from participating in decision-making (Likert, 1961; Vroom & Yetton, 1973).

Robbins (1999) noted that women are more democratic in their leadership style, while men generally tend to have commands and orders. Women, who used more of the democratic leadership style, will encourage their workers to participate in power sharing. e. On the other hand, men are lightly more autocratic in leadership and in circuit relation, more charismatic and democratic is lightly feminine. According to Eagly and Johnson (1990), "the strongest evidence we obtained for a sex difference in leadership style occurred in tendency for women to adopt a more democratic or participative style and for men to adopt a more autocratic or directive style." Furthermore, women

behave more democratically than men in leadership situation, use interactive skills, place emphasis on maintaining effective working relationships, and value cooperation and being responsible to others, integrating people into the group as respected individuals (Yammarino, 1997; Moore & Buttner, 1997; Buttner, 2001). Women leaders will place great value on relationships and forging ties to each team member and move toward integrating people into the group as respected individuals (Yammarino, Dubinsky, Comer & Jolson 1997; Moore &Buttner, 1997).

3)Innovativeness behavior and Strategies

According to Baron (2004), one of the central questions addressed in the field of entrepreneurs is why entrepreneurs recognize opportunities that non entrepreneurs fail to recognize. Building on the behavioral theory, innovative behavior of entrepreneurs are those who engage in activities that enable them to identify new opportunities. (Gartner, 1989). Based on Cliff, Jennings and Greenwood's study (2006) on imitative versus innovative entrepreneurs, one can defined innovative entrepreneurs as (1) the founder of a new venture who offer a unique value proposition relative to incumbents and (2) a person who came up with the original idea to start a new venture of business. Innovative behavior will usually lead to strategies develop mentwhich means an action plan developed to take advantage of an opportunity which came along their path for example in order to start up or expand a new venture. There were empirical support offered by Kaish and Gilad (1991) who reported that entrepreneurs spent a lot of time on searching for information during their off hours and through non verbal scanning to identity the opportunities for new ventures and expansion. Most ideas for new ventures would come from access to information or social networks(Dyer et. al.,).

METHODOLOGY

This was a descriptive and qualitative research which involved obtaining actual perspectives from the interviews with successful women entrepreneurs respondents. Successful women entrepreneurs were defined as women entrepreneurs who have achieved more than RM1 million sales in business with overseas business

enterprise expanding globally. These women respondents were considered "role model" in terms of their achievements and management to other women respondents.

Sample of this women entrepreneurs research consisted of nine(9) women entrepreneurs which were five (3) Malay women, four (4) Chinese and two (2) Indian women.

Data collected from this research were mostly primary and secondary data. Primary data were collected from interviews with the selected women entrepreneurs. The method used in this involved interviews, questionnaire and observation. Secondary data involved data collected from existing sources like internet, books, magazines, newspapers and other periodicals.

The questionnaire used in this research was developed by the researchers themselves, while questionnaire on the profile of respondents were adopted from Smith and Hunter (2006).

FINDINGS

The table below showed the personal characteristics and leadership styles of each women entrepreneur interviewed.

The following entrepreneurs were asked the following questions and their responses were as follows:

Q1	**As a leader what are your personal significant personal characteristics? How do you see yourself as a leader? How do you want others to see you?**	
1.	Persistent. Aggressive in meeting goals. High perseverance. Do not give up easily. Hard working. Honest. Prudent.	
2.	Fair. Moderator and coach	
3.	High spirit, motivated , avoid bringing personal problems from home to office	
4.	Caring leader, provide opportunity to train and improve themselves, listen to them and share with them company's values.	
5.	I am a responsible and caring leader. I want to be respected as a leader. You must have passion in the work you do	
6.	Discipline- punctuality, few enemies Be yourself – you are what you are – Don't try to copy and don't care how others see me.	
7.	High discipline. People see me as can be trusted and a very serious as role model	
8.	Motherly figure-responsible. Answerable and accountable	
9.	Tough and able to stand for my decision	
Q2	**What is your leadership style? How do you describe them? Give example of the significant action as a leader in your company.**	
1.	Situational leadership and transformational leadership	
2.	Participative leadership. Invite members of team to share real feelings about a solution, open communication	
3.	Democratic- I allow staff to voice their opinion	
4.	Situational – I looked at the situation and handle the situation differently	
5.	Democratic- I let staff have their say on certain issues	
6.	Participative and autocratic- sometimes you need to get things done- no time to follow others –so you need to be autocratic and sometimes you don't.	
7.	Participative leadership style- I like to sit down and discuss things with my staff	
8.	Situational leadership - sometimes all four according to the needs of the situation.	
9.	Democratic – allow staff to voice opinion	
Q3	**What does leadership effectiveness mean to you? From a scale of 1 to 10, how would you rate your leadership effectiveness? Please provide justification to your rating.**	
1.	I rate myself a 9. I demand flawless execution	
2.	I rate myself a 8. I have a cohesive team that work well together. But I can improve being not	

	too emotionally attached to issues	
3.	I rate myself a 8. Leadership effectiveness means getting things done. I guide and train my staff	
4.	I rate myself a 7. Effectiveness in leadership means getting feedback from staff	
5.	I rate myself highly – a 9. I continuously improve myself.	
6.	I rate myself a 3. I am rating from 1 being the best. I have not done enough to be a number one	
7.	I rate myself a 8 to 8.5. I am a great role model	
8.	I rate myself a 8	
9.	I think I deserve a 8	
Q4	**How many staff or subordinate are currently under you? How often do you meet all of them? Is it in a meeting, informal gathering or other means?**	
1.	We have a team of professionals and we are not necessary staff but working colleagues. We meet when it is necessary especially for business strategies	
2.	86-At least once a month. At meetings, training, or monthly staff gathering	
3.	30. We have a meeting once a month	
4.	Meeting every 2 week usually informal, sometimes formal	
5.	100 over – we usually have meeting once a month- but informal meeting nearly every day	
6.	38. Meeting once a week. Meet inside and outside office	
7.	30. Every week meeting. Staff on Friday and agents on Monday. Formal and informal gathering and meetings	
8.	About 30. Meet them everyday like family members, usually informal.	
9.	We are very close – we meet every day in meetings and other occasions	

In addition to the above questions, the following questions were also asked and the responses were as follows:

Innovativeness: How do you develop new business ideas?

1. Based on the needs of the community.
2. Often what needs to be resolved or when solving problems.
3. Traveling abroad, see the current trend there, compare with competitors.
4. From the business needs.
5. Customer needs.
6. By attending seminars related to business opportunities and identify with government agencies involved.
7. We look for ideas in the market.
8. Based on the knowledge, through research and development work done by scientists or research conducted themselves.
9. Through networking.

In summary, the entrepreneurs interviewed said that their business ideas were generated when looking at the needs of the community, through other people's problems to be solved, research and development, networking with government agencies as well as through their own knowledge.

What are the innovative strategies to grow the business?

1. With good management practice and use strategies like *'blue ocean'*. We look to three factors, namely the management of *retention, acquisition* and *development.*
2. Step by step according to the values and mission of the companies.
3. Using the existing management team experience
4. Through the expansion of customer needs.
5. Through franchising, many franchisees are former students.

6. By being creative, and discussing with friends on expansion of business.

7. Each year we set goals to be achieved, and we do "post-mortem" of each year. Whether negative or positive achievements. We have a system with goal setting by year, month and week. If we do notachieve the goals, we take corrective actions. With this business will grow each year.

8. We recognize that it is necessary to change to continue moving forward, for example for the steps taken to expand, in 2005 we ventured into new businesses by setting up a construction company involved in interior design and landscaping to the contract in 2011 amounting to RM11 million.. We see the need and opportunities to diversify the business in the agriculture and food manufacturing.

9. According to business needs.. And also based on customer's demand. Growing business needs and grabbing opportunities that arise

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All the entrepreneurs interviewed had gone through phases of expansion. Most of them start small and then grow the business in the same industry or business. The first entrepreneur used blue ocean marketing strategies and the preservation of existing businesses, buying over other businesses as well as developing new business in different industries. . Business expansion was done systematically and in accordance with strategic planning according to the first, second, third, fifth and eighth entrepreneurs. The fifth entrepreneurs expand their business using the franchise system, where she became franchisor and franchised many of her business to her former students. The eighth and ninth entrepreneurs grew the business through seeing opportunities for business diversification.. They identify an opportunity, either through networking or community needs.

DISCUSSION AND CONCLUSION

The research interview found most of the entrepreneurs have positive perspective of themselves and they think that their staff accepted them because of these personal traits. Most of them think they are highly motivated, with ability and self confident in their jobs. They also think that they have a lot of discipline and integrity.

Most entrepreneurs choose the participative or democratic leadership as their leadership style. Only few use the autocratic style of leadership. Some leaders think primarily about getting the job done, they are production focused and driven to achieve successful results. Other leaders are concerned primarily about gaining cooperation from their people and building relationships based on mutual respect- they believe high morale produces high and reasonable performance. This perspective combines two classic ways of viewing leadership. A matrix can be created by using the Ohio State behavior variables and one of the most popular explanations of cognitive leadership style is the Blake and Mouton(1985)'s Leadership Grid.

In general the findings suggested that there are some generalizable variables in the predictions of success factors of women entrepreneurs, Employees would respectwomen entrepreneur who have leadership with credibility. Therefore women entrepreneurs who want to be successful must have high credibility which comes with high ethical and moral standards. They must be able to project themselves as trustworthy, honestand reliable employer etc. This also means entrepreneurs must be "role model" to their employees. Participative and democratic leadership styles were more favored by these women entrepreneurs. The findings also supported the literatures that are differences in men and women entrepreneurs' leadership styles. Women entrepreneurs were found to prefer amore people oriented style and where soft skills personal approach and empowerment to staff are stressed. Rasdi and Ismail (2003) found that men entrepreneurs tend to portray the masculinity styles. Moreover, in Malaysia, where men are still considered the dominant in managerial positions, the commanding style is still exhibited in most management situations (Rasdi and Ismail, 2003).

Despite these findings, we also found that women seem to have a complementary leadership style in certain situation where blends of feminine and masculine attributes are found. For example one of

the respondents preferred to analyze the situation before deciding on the most appropriate way to lead or manage the situation. This also implied that women entrepreneurs are practicing more situational leadership. Though this study found that women do have difference compared to men in their leadership style, there is no "Best" leadership style". This corroborated with Maron (1992) who argued that there is no best style of leadership.- it all depends on the organization and the task to be done. For example, for flatter and less hierarchical organization, women participative leadership style will be more appropriate and vice versa. . Men and women should used leadership styles that they feel most appropriate in different situations to help them succeed in managing their organizations.

In terms of innovativeness behavior of the entrepreneurs , most if not all the women interviewed were reported to venture into new idea of their business through access of information, market research, customer surveys and from their friends and social networks as reported by the literature. They then develop strategies like blue ocean strategies, franchise out their business, set long and short term strategic plans, used merger and acquisition and re branding of their products to expand their businesses and markets overseas . The findings supported the earlier research as found in the literature.

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