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# **An Entrepreneurial Transformation of Malaysian Craftmakers into Craftpreneurs:**

## **A Conceptual Study**

**Muhammad Abi Sofian Abdul Halim<sup>1</sup>**

**Mohd Shaladdin Muda<sup>2</sup>**

**Wan Abd Aziz Wan Mohd Amin<sup>3</sup>**

**Abstract:** As the Malaysia craft industry grows and becoming more complex in business industry, entrepreneurship draw more attention to the need for emphasizing on craftmakers, especially for those who are involved in small and medium enterprise. Craftmakers should think in a context of entrepreneurship to shift their paradigm on operations management and strategies their business in facing the challenges of competitive market. A good craftpreneurs are not totally depends on the product philosophy and esthetic value of their producing, however, it is emphasizes on how to utilize the minimum resources to fulfill the maximum requirement of consumer towards the product demand in a market. Hence, this conceptual study reveals that the transformation process becomes essential to translate the activity of craftmakers in craft traditions into higher personality in craftpreneursas well as in craft industry. Additionally, this study also attempts to recognize the combination of previous models which are support the transformation process, there are; AIDA concept (attention, interest, desire, action) and ASK model (attitude, skill, knowledge). As a solution, these models were given a clear picture to describe the transformation process of craftmakers into craftpreneurs, in term of independent, motivation, creative, innovative, and business appreciation.

**Key words:** Craftmaker; Craftpreneur; Entrepreneurship; Craft industry; Transformation process; Conceptual study

## **1. INTRODUCTION**

Recent researches have shown that craftmakers are much more artistic creativity reliant and it is one of the most common entrepreneurial characteristics possessed by them (Ghouse, 2008). The culture of

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<sup>1</sup> Faculty of Business Management, Universiti Teknologi MARA, 21080 Kuala Terengganu, Terengganu, Malaysia.  
E-mail: abisofian@tganu.uitm.edu.my

<sup>2</sup> Associate Professor Dr. Faculty of Business and Economics, Universiti Malaysia. Terengganu, 21300 Kuala Terengganu, Terengganu, Malaysia.  
E-mail: shaladdin@umt.edu.my

<sup>3</sup> Associate Professor Dr. Faculty of Business and Economics, Universiti Malaysia Terengganu, 21300 Kuala Terengganu, Terengganu, Malaysia.  
E-mail: ziza@umt.edu.my

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entrepreneurship has been continuously assimilated among Malaysia craftmakers to aggressively in a craft industry for over three decades. The perceived importance of entrepreneurship to the growth of Malaysia craft industry is evidenced by the sheer amount and variety of supporting mechanisms and policies that exist for craftpreneurs, including; financial assisting, physical infrastructure, consulting and training, and any program in business chain. In fact, the study of entrepreneurship in a craft industry, as both concept and analysis, has been growing in importance in Malaysia. In fact, the importance of entrepreneurship toward craft industry is well recognized, as reflected an increasing number of studies devoted to entrepreneurship in recent years, for example; Wan Hashim Wan Teh, 1996; Chamhuri Siwar et al (1995); and Einarsson (2002).

In order to conceptualize the entrepreneurship within craft industry we have attempted to synthesize the conceptual of ASK model and AIDA concept to transform the craftmaker into craftpreneur. A lot of theoretical, philosophy and concepts of entrepreneurship have been discussed by academician, policy-maker, government agencies, private sectors, and others organization that are responsiveness in entrepreneurship. According to Heckscher et al (1994), a process mindset is the basis for effective transformation which involved the defining of clear concepts, planning future orientation, and remaining a continual learner (Mink, 1992). Therefore, the objective of this paper is attempted to develop the transformation model of craftmakers into craftpreneurs which can be practiced by government to implement a new policy in a craft industry. There were several factors in a personality of craftmaker should be develop to transform the personality to become as a craftpreneur.

## **2. MALAYSIA CRAFT INDUSTRY**

Historically, the traditions of craft activities in Malaysia started with the traditional producing in small villages and operated by family members since 17<sup>th</sup> century (Wan Hashim Wan Teh, 1996). Craft industry has been considered as a new practice in Malaysia and it has also been established in several sectors related to the needs of idea development in art composition through creativity, such as; *batek*, *songket*, ceramic, wood carving, bamboo-craft, rattan, *mengkuang*, and textile. Additionally, these traditional productions by craft producers were not the main activity to generate the income. However, it is playing the role to supplement the main economic activities among villagers which were farmers, rubber tapers and fisherman.

Malaysia is well known for its strength and rich of vast cultural resources in the fields of *batek*, *songket*, *mengkuang*, bamboo craft, ceramics, wood carving, and calligraphy which can be further developed and exploited. As well as we know, most of craft-makers in Malaysia are creative and skillful in a craft composition; however, they are less motivation in developing of entrepreneurial personality (Hatta Azad Khan, 2006). As well as to become a good craftpreneurs, there should be develop their entrepreneurial characteristics which significantly associated to their business success, in term of creative in having a right management, better marketing strategy, financial planning and competitive advantage (Sunario, 2008). Consequently, these issues become as a main problems to develop entrepreneurship in Malaysia craft industry.

Malaysian government has gives a positive feedback toward the development of craft industry as well as in United Kingdom (Hatta Azad Khan, 2006). Actually, craft industry become as a main sector in United Kingdom which is contributed to the gross domestic product in an economy, where the growing rate is faster than any other economic sector in a year of 1997 to 2003 (Einarsson, 2002). Nowadays, Malaysian government takes responsibility to ensure the business and entrepreneurship of craft industry becomes reality as well as in United Kingdom. Malaysian government through the Nine Malaysian Plan was allocated RM442.4 million for culture, arts and heritage programmes. A special programme, the Heritage Craft Apprenticeship Scheme will be implemented during the plan period to provide skill training as well as to preserve traditional arts and craft including indigenous craft (Economic Planning Unit, 2006). Instead of that, National Craft Institute also takes responsibility to build various entrepreneur development programmes that can contribute to the skilled artisans to meet future challenges. Additionally, state government also plays a vital and important role in the; promotion of traditional skill and craftsmanship; development of the handicraft industry; assisting craftsmen towards the use of modern methods of production; and promotes the marketing and export of handicraft products.

### 3. CRAFTMAKERS AND CRAFTPRENEURS

The term craft refers to the products of artistic production or creation that require a high degree of tacit knowledge, technical, specialized in producing, and involve manual labor (Wan Hashim Wan Teh, 1996). According to Siti Zainon Ismail (1997), the term of craft originally comes from the German word *kraft* which means strength, secure, and skill. Furthermore, Harvery (1975) was pointed out that the meaning of strength in craft covers the craftsmanship, skill and the power of knowledge. Normally, the craft involved in constructed from materials with histories that exceed the boundaries of art history, such as; batik, songket, wood carving, ceramic, rattan, and pewter.

In term of craftmakers, Siti Zainon Ismail (1986) has described those individuals who are actively involved in craftsmanship based on their skill, philosophy and strength. According to Wan Hashim Wan Teh (1996), most of craftmakers are involved in traditional and cottage industry which is done at home of the craftsman and manually by hand, small scale and labour intensive and informal management practice. Additionally, there are not highly motivated in business, where most of them are dependent on government assisting, art motivated rather than business, based on self-appreciation toward the craftsmanship, and creative in craft making.

**Table 1: The Character Differences of Craftmakers and Craftpreneurs**

Craft-makers	Craftpreneurs
1. Dependent	1. Independent
2. Arts motivated	2. Business and art motivated
3. Self-appreciation	3. Consumer-appreciation
4. Creative	4. Creative & Innovative
5. Social oriented	5. Profit oriented
6. Product value depend on producer	6. Product value depend on customer

On the other hand, the term of craftpreneurs is much more related to those craftsmans who have additional knowledge in the business skill, entrepreneurial skill, and technical skill. The development of craftpreneurs in Malaysia craft industry considered as a transition to move from social activity into profit oriented. This transition will directly effected to the personality of craftman to become more independent in their business, highly motivated in business and arts, more on consumer appreciation, creative and innovative in craft product, and focus on profit oriented. Table 1 displays the character differences of craftmakers and craftpreneurs.

### 4. THE TRANSFORMATION PROCESS

Basically, the term of transformation is a process of transmutation from one state to another can apply to an individual or an organization or the product or service supplied by the organization (Lewis et al, 2001). Consequently, Desai (2007) has added that a motivated entrepreneur will plan to design their transformational model to transmutation their business structure from a common activity to another business change. Previously, most of Malaysia craftmakers who are operated their business in a cottage industry plan to transform into a competitive market (Wan Hashim Wan Teh, 1996; Hatta Azad Khan, 2006). In fact, some of them already took initiative to develop them as a craftpreneurs and plan to expand their business performance as well as international standard (Rais Yatim, 2006). Therefore, the concept of transformation in this paper studied the stages in a process that need to be applied in a changing of craftmaker in a traditional operated into craftpreneurs who highly personality traits and involving their business in a modern technology craft producing.

Furthermore, to develop the culture of Malaysia craftpreneurs, the concept of transformational in this paper was practically applied two of previous model, there are; AIDA concept and ASK model. Firstly, the concept of AIDA was used in marketing communication to promote consumer to responds the message and interest to buy the product. On the other hand, this model outlines the process for achieving promotional goals in terms of stages of consumer involvement with the message; the acronym stands for attention, interest, desire, and action (Lamb et all, 2004). Figure 1 show the AIDA concept as a transformation process of entrepreneurship in achieving the craftmaker into a final stage as craftpreneurs.



**Figure 1: The Concept of AIDA**



**Figure 2: ASK Model**

Meanwhile, the ASK model is a theory of education which use to develop the students. Consequently, the application of ASK model in this paper is to study the personality of entrepreneurs which highlight of each component devotes for specific purpose. As attitude refers to the behavior aspects that allow craftpreneurs to conduct themselves as businessman, and to master the attitudes, either personal or professional that could eventually enable them to practice professionally. Skills refer to the business, technical and entrepreneurial skills that enable craftpreneurs to carry out their business properly. Finally, knowledge refers to the professional knowledge that allows craftpreneurs to think and act in a professional manner (Bakarman, 2002). Figure 2 display the concept and combination of attitude, skill and knowledge.

#### 4.1 The Transformation of Attitude

Basically, the terminology attitude in a ASK model deeply explained the entrepreneurial characteristics which included several factors, such as; tolerance for ambiguity, locus of control, risk-taking, need for achievement, creative and innovative, grab market opportunities, self-efficacy, and goal setting (McClelland, 1965; Rotter, 1966; Begley, 1995; Bandura, 1997; Shane, Locke and Collins, 2003). However, some of craftmakers in Malaysia are not really achieving in entrepreneurial characteristics (Wan Hashim Wan Teh, 1996). In fact, some of them are not really confident to face challenges in craft industry and also are still depending on the government initiative to support the product selling, financial, operation and also guiding in management in their business.

**Table 2: List of Entrepreneurial Characteristics**

1. Tolerance for ambiguity	5. Creative and innovative
2. Locus of control	6. Grab market opportunities
3. Risk-taking	7. Self-efficacy
4. Need for achievement	8. Goal setting

Malaysia government has taken the responsibility to provide facilities, technology, and workshop training programs to transform the personality traits of craftmakers into craftpreneurs who are more idealistic, innovative, able to grab market opportunities, tolerance for ambiguity, locus of control self-efficacy, and able to manage their business strategies (Kraftangan Malaysia, 2000). According to McClelland (1961), entrepreneurial personality is an individual who is highly motivated in a business, innovative in a product development; able to strategize in a competitive market and capable to manage a business independently. Therefore, the transformation process becomes prominent to translate the personality traits of craftmakers in Malaysia craft tradition to become excellent craftpreneurs as well as to contribute the economy of craft industry.

#### 4.2 The Transformation of Skill

According to Nieman (2001), the entrepreneurship skill can be practice in different angles. The main areas of concentration are; business skill, technical skill, and entrepreneurial skill. According to Ibrahim and Soufani (2002), several small business failure in Canada have attributed the high failure rate to lack of management skills, include strategic planning, marketing, cash management, networking negotiation and general management skills. Meanwhile, Dun and Bradstreet (1983) found in their research in Canada that 90 percent of small business failure is attributed to management incompetence.



**Figure 3: Entrepreneurship skill**

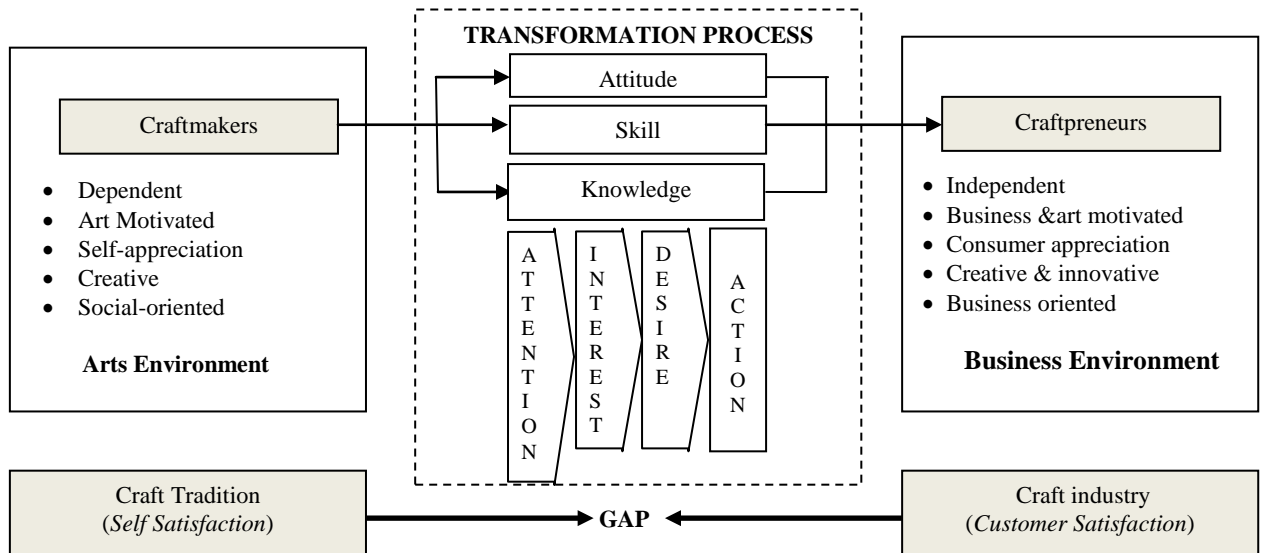
### 4.3 The Transformation of Knowledge

The most comprehensive studies in a concept of entrepreneurship are describe the significance of individual entrepreneurs toward the face of risk and uncertainty for the purpose of achieving profit and growth by identifying opportunities with its surrounding by a business challenging (Zimmerer et al, 2005). Therefore, the transformation of knowledge becomes essential as early exposures in developing successful entrepreneurs. As well as mentioned by Harvey and Knight (1996), the knowledge entrepreneurship describes the ability of individual to recognize, create an opportunity and take action aimed at realizing the innovative knowledge practice. Furthermore, the meaning of knowledge entrepreneurship is related to the personal transformation which focuses on opportunities with the goal to improve the production and throughput of knowledge rather than to maximize monetary profit.

Consequently, the impact of knowledge on the creation of craftpreneurs has been the subject of much discussion in the Malaysian government, industrial practitioners and academic community to transform the business form craft tradition into highly technology in production.

## 5. THE CONCEPTUAL MODEL

As well as to discuss the conceptual of transformation study, the conceptual model becomes essential to visualize the combination of idea and theory of entrepreneurship in developing of ccraftmaker to become craftpreneurs. Generally, this conceptual model divided into three part, there are; craftmaker, transformation process, and craftpreneurs.



**Figure 4: The Transformation Process of Entrepreneurship (Conceptual Model)**

## 6. IMPLICATION OF CONCEPTUAL STUDY

According to Hatta Azad Khan (2006), most of Malaysian creative entrepreneurs are not much thinking about the vision and mission of their business, strategic planning, develop competitive advantage, and the market characteristics. In other words, there are ignoring the achievement of their business in term of looking a better business improvement, challenging, and set the target. Therefore, this model implicate that craftmakers should change their business culture in a context of business value. The practicing of cultural changing in an entrepreneurship is to change the philosophy of craftmakers from traditional perceptions into entrepreneurial craft business in term of business vision, planning, and implementation of business strategic. The transformational concept of business culture in this study is to change the culture of self-satisfaction toward the business into customer satisfaction.

## 7. CONCLUSION

As the Malaysian craft industry grows from the producing sector into more complexes in industrialization, entrepreneurship will draw more attention to the need for emphasizing on personality traits of craftpreneurs. At present, the Malaysian government hopes to develop and expand craft industry which is related to the development of creative ideas in craft composition by craftmakers in areas such as; batek, songket weaving, wood carving, furniture making, ceramics, silver, crystal and leather. Therefore, this transformational model will give a clear concept to the industrial practitioner, government sectors, and academicians to plan and implement the development of entrepreneurship in craft industry. Additionally, this conceptual model will directly develop the successful craftpreneurs which contribute to the growth of craft industry in Malaysia.

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