

Rural Women Entrepreneurship in Malaysia: Issues and Challenges

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Abstract

The significance of rural women entrepreneurship cannot be denied as it contributes to both economic growth and gender empowerment in Malaysia, even though there are many opportunities available for progress in this domain it still faces many issues and difficulties. Malaysia's rural women entrepreneurs face numerous barriers including inadequate infrastructure and market access. The report also discusses limited access to financial resources alongside education/training hurdles and social/cultural bias. Addressing these difficulties effectively demands targeted approaches. Improving access to finance along with other strategies like investing in rural infrastructure and challenging socio-cultural norms are suggested ways of overcoming these barriers. Creating an enabling environment through the implementation of these strategies can empower and unlock the entrepreneurial potential of rural women entrepreneurs in Malaysia. The significance of cooperation from a variety of stakeholders — such as the government and financial institutions — along with educational facilities, community leaders, and non-profit associations cannot be overstated when responding effectively to problems confronting female entrepreneurs who operate in remote areas, and Malaysia's efforts in this direction will lead to gender equality and sustainable economic growth.

Keywords: Rural Women Entrepreneur, Entrepreneurs Characteristics, Challenges and Obstacles

Introduction

The significance of entrepreneurial activity fuelled by the hard work of Malaysia's rural women cannot be understated as it acts as a catalyst for economic growth while promoting progressive values such as gender equality (Fatimah et al., 2020) Therefore, the empowerment of rural women as successful entrepreneurs must be a top priority for the country to reach its development goals (Mustafa & Jamaluddin, 2017; Kaur & Kaur, 2018).

Rural women entrepreneurs face many challenges and obstacles despite immense potential. In this paper, we aim to explore the specific challenges faced by female entrepreneurs in rural areas of Malaysia. We delve into their struggles and offer possible remedies for these problems.

Individuals have ample opportunities to partake in business ventures thanks to Malaysia's varied economy and lively entrepreneurial scene, however, rural areas with limited infrastructure and traditional socio-cultural norms present a set of distinctive challenges for women entrepreneurs (Omar & Shahzad, 2016). Starting a company can be challenging for women due to numerous issues such as insufficient funds or access to professional networks as well as social barriers that limit their involvement in entrepreneurial endeavours (Mohamad & Ariffin, 2018).

The key to sustainable development and inclusive growth lies in comprehending as well as addressing these issues. By empowering rural women entrepreneurs in Malaysia with resources and support they need to succeed, we can help unlock their untapped potential and uplift not only themselves but also their communities (Mustafa & Jamaluddin, 2017). Additionally giving power to female entrepreneurs working from rural areas can increase gender parity while also providing a sense of empowerment for these same women (Zahari & Radzi, 2018). Gender parity is one key principle that needs to be upheld when it comes to both social justice issues as well as inclusive development (Shukeri & Halim, 2018; Saleh & Shamsudin, 2017).

To attain a complete comprehension of issues and difficulties experienced by female entrepreneurs living in rural areas, this paper will examine multiple factors including the existing sociocultural barriers that inhibit women's ability to engage in entrepreneurial activities, closely followed by an examination of constraints regarding finances being put forth (Zainal et al., 2019). An assessment shall also be made about how limited educational resources such impoverished communities face pose a challenge towards betterment amongst aspiring female entrepreneurs finally keeping the discussion open towards exploring the absence of supporting policy frameworks & infrastructures across these non-urban regions (Sulaiman et al., 2019). Policymakers who identify these obstacles can design effective interventions and initiatives that contribute towards a conducive ecosystem for female entrepreneurship in rural areas (Omar & Shahzad, 2016).

Literature Review

Rural Women Entrepreneurship in Malaysia

The contributions of rural Malaysian women entrepreneurs play a crucial role in advancing Malaysia's economy and promoting gender equality. Moreover, the tools provided to rural women for setting up successful businesses can not only promote overall economic expansion but can also encourage creativity and contribute to bringing about social change (Rasdi & Abdul Wahid, 2019). Rural women entrepreneurs experience a multitude of obstacles despite being highly capable and talented. Examining the challenges experienced by female entrepreneurs in rural areas of Malaysia and presenting alternative methods for overcoming those challenges is the main objective of this article. The primary purpose of this article is to investigate the peculiar problems and difficulties encountered by women entrepreneurs from countryside areas in Malaysia.

Socio-cultural barriers and gender stereotypes faced by rural women entrepreneurs in Malaysia

The presence of socio-cultural barriers is one of the biggest challenges faced by female entrepreneurs in rural parts of Malaysia, as social conventions surrounding gender often prevent women from pursuing entrepreneurial opportunities which limits their ability to participate in the broader economy (Nair & Abdullah, 2016). Cultural prejudices persist in supporting the idea that women ought to concentrate mainly on domestic responsibilities and not engage in entrepreneurial activities (Ahmad et al., 2016; Wahid et al., 2018). Moreover, limitations on the mobility of women as well as constraints on access to markets and decision-making authority created by cultural institutions could impede female engagement with entrepreneurship (Abdullah & Abdullah, 2017).

Financial constraints and limited access to funding for rural women entrepreneurs

According to Jusoh & Yasin (2020), for startups to succeed and established businesses to grow they need access to financial resources. However, businesswomen from rural regions of Malaysia often struggle to acquire sufficient funding for their ventures. Success may be a challenge if they cannot overcome this barrier, securing loans from financial institutions may prove challenging for women-owned businesses based in remote locations as they may not have adequate collateral or paperwork (Hassan & Noor, 2018). Apart from this, women who own businesses might come across prejudiced appraisals of their trustworthiness and discriminatory lending customs that impede them from obtaining formal monetary aid (Mohamad & Ariffin, 2018). This, in turn, stops entrepreneurs from benefiting from enhanced technology services and academic offerings.

Lack of educational opportunities and skill development for rural women entrepreneurs

Successful business ventures can only be achieved through continuous learning and skill development, though conversely, women who live in urban areas of Malaysia have greater access to higher-quality education and training compared to their rural counterparts (Saini & Mohd Ali, 2018). Lack of educational opportunities could result in individuals having insufficient abilities which would restrict their potential as successful business owners (Shah et al., 2020). Due to traditional gender roles and cultural expectations that prioritize investing in the education of male family members over females, many women face limitations in accessing educational resources which hinders their path toward entrepreneurship.

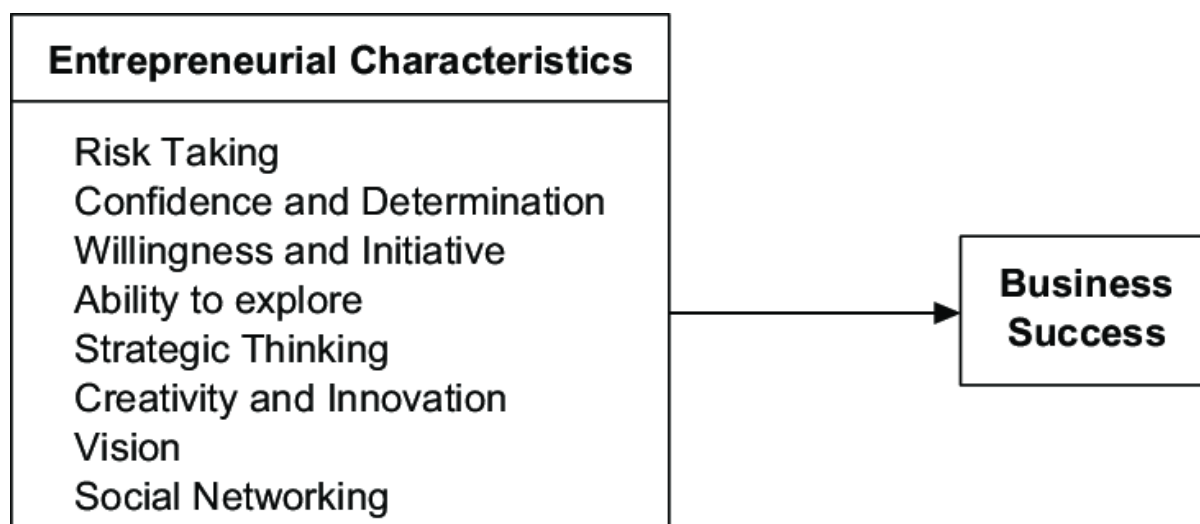


Figure 1: Rural Women Entrepreneurship Model

The key element of success for female entrepreneurs in remote areas is building a solid network of contacts and having access to a range of supportive structures (Nair & Abdullah, 2016). Meanwhile, rural regions often do not have substantial support structures or networks that would be able to provide mentoring and assistance in addition to access to markets (Mustafa et al., 2020). The absence of necessary supportive infrastructure such as company incubators or entrepreneurship development centers makes it difficult for rural women entrepreneurs to connect with others who share their interests and access essential business services needed for peer learning or knowledge sharing (Mohamad & Ariffin, 2018; Khatibi & Daud, 2019).

Malaysia's rural regions suffer from a deficiently developed infrastructure resulting in frequent hardships such as poor communication networks or restricted availability of public transport (Noor & Ismail, 2017). Connecting with clients and getting raw materials can be challenging for rural women entrepreneurs because of the restrictions they face which limit their access to market information. Insufficient infrastructure and poor market connections limit their ability to compete effectively or expand beyond the local marketplace (Nor et al., 2019).

Gender equality promotion along with entrepreneurialism and rural area growth can be encouraged through collaborative efforts between the government and concerned parties (Nuruddin et al., 2018). Expanding access to various financial services along with creating infrastructures that support rural communities is a priority for these policies which also aim at making the training and development of entrepreneurial skills more inclusive (Rasdi & Abdul Wahid, 2019).

The success of rural women-owned businesses relies on access to tailored financial solutions provided by forward-thinking and inclusive financial institutions (Mustafa et al., 2020). Considering different forms of credit capacity compared to standard methods is common practice among lenders offering alternatives such as microfinance initiatives and unsecured loans (Sulaiman et al., 2019).

Enhanced availability of high-quality educational and professional development opportunities is essential for rural women who want to establish their businesses. The development of vocational training centres in rural regions coupled with the integration of entrepreneurship education into school curriculum along with utilizing technology for online learning can be effective methods to achieve this goal (Nor et al., 2019).

Forming strong business networks and support systems can help rural women entrepreneurs succeed. To move ahead in this direction several potential steps include development of mentoring programs, conducting entrepreneurship seminars & conferences while promoting commercial ties between well-established companies & rural women business owners (Omar & Shahzad, 2016).

Improvements to rural infrastructure must take precedence if we hope to surmount the limitations imposed by lacking transportation and communication networks along with insufficient market connections (Mustafa & Jamaluddin, 2017). This will allow better outreach into lucrative marketplaces with provision of better supply chain networks, enabling women entrepreneurs in remote regions to build successful companies.

Rural Malaysian women have enormous potential to contribute to economic growth and gender equality by starting their own businesses. To help rural female entrepreneurs achieve success, it's vital we tackle the problems and obstacles they face (Khatibi & Daud, 2019). Increasing access to financial resources can unlock the entrepreneurial potential of rural women in Malaysia by addressing socio-cultural issues while investing in education and skill development alongside strengthened support systems and improved infrastructure (Nair & Abdullah, 2016). Not only does empowering female entrepreneurs promote gender equality but it also contributes to economic progress by creating job opportunities that benefits whole rural communities.

Issues and Challenges of Rural Women Entrepreneurship in Malaysia

Malaysia's long-term economic and social growth immensely benefits from empowering entrepreneurialism among rural women promoting equal opportunities (Ahmad et al., 2019). On the other hand, there is no denying that females who own businesses in rural locations come across various difficulties and roadblocks which slow down their progress and constrain them within limits (Abdullah & Abdullah, 2017). The objective of this paper is to elucidate the impediments encountered by Malaysian rural women entrepreneurs and analyse various alternatives for surmounting these impediments. This article centres on investigating the singular problems and challenges that female entrepreneurs from rural areas in Malaysia confront.

Financial Support

For beginning new companies and growing existing ones, access to financial resources is a must, still women who own businesses in rural areas regularly encounter issues when trying to secure funding (Chin et al., 2016). The stringent requirements of financial institutions can make getting a loan a daunting task. Additionally, banks may set out specifications that require documents or collateral which female entrepreneurs residing in rural areas might not have access to. Similarly, female entrepreneurs could encounter cultural bias or discriminatory behaviours leading others to view them as less creditworthy and making it challenging for them to obtain financial help (Jamaludin et al., 2019).

The key to solving this issue is expanding the accessibility of financial resources available to women who own businesses in rural areas. Creating solutions that are tailored specifically towards meeting the financial needs of rural women is essential such as setting up microfinancing institutions accompanied by offering adequate training on money management and alternative funding choices like crowdfunding platforms or P2P Lending (Fatimah et al., 2020).

In contrast to urban areas in Malaysia where educational opportunities are ample, rural regions' female population may have limitations regarding high-quality education. It is a common practice within cultures that adhere strictly to traditional gender roles and expectations for more emphasis to be placed on educating men than women leading those living in rural areas with fewer chances at continuing their own studies (Hassan & Noor, 2018). The consequence of this has led to an inadequacy in fundamental skills in addition to the necessary knowledge and proficiency needed by companies for achievement.

Access to Educational Opportunities

Solving the problem at hand requires an increase in the accessibility of educational opportunities as well as professional growth initiatives specifically targeted towards women from rural backgrounds (Azlina & Abdul Rahim, 2015). By introducing vocational training centres in rural regions and promoting entrepreneurship among students at schools while making use of technological advancements for online education opportunities, we can attain our objective. Aspiring businesspeople may benefit greatly from mentorship programs as well as collaborations with established businesses (Khatibi & Daud, 2019).

Establishing their own businesses is a challenge for rural Malaysian women due to various socio-cultural factors. Cultural conventions sometimes prevent women from owning businesses or pursuing careers outside of the home due to prescribed gender roles (Noor & Ismail, 2017; Saleh & Shamsudin, 2017). Discouraged by traditional gender norms that prioritise domestic responsibilities, many people hold onto prejudices and preconceptions causing them to believe that women must focus on household duties exclusively instead of pursuing career options (Omar & Shahzad, 2016). Limiting the likelihood of engaging in entrepreneurial activities for women are patriarchal cultural institutions which create barriers such as restricted mobility and limited market accessibility tied with constricting decision-making capabilities.

Education and skills development are vital for business success. To achieve success in overcoming these socio-cultural obstacles specific interventions are needed. One way to challenge gender-based biases and demonstrate the potential of women-owned businesses is through public awareness campaigns (Nuruddin et al., 2018). To alter societal views on women's obligations and gain support for their business endeavours, it may be helpful to establish ties with prominent community members. In the same vein of thought, presenting mentorship opportunities and effective examples for rural women might incentivize them to initiate independent commercial ventures (Ramli & Abdul Rahim, 2019).

Infrastructural Opportunities

Difficulties related to infrastructure are commonly encountered by residents residing in Malaysia's countryside which includes limited transportation access and undeveloped marketplaces. Entrepreneurial women residing in rural areas encounter notable obstacles attributable to these restrictions; such hindrances impede their capacity for customer engagement along with acquisition of raw materials & accessing relevant market data (Fatimah et al., 2020). Lacking adequate infrastructure and relationships with other markets hinders them from remaining competitive or expanding outside of local areas.

There is an urgent need to invest in the expansion of rural infrastructure if we want to find a solution for this problem. Amongst these are the broadband expansion along with enhanced connectivity options for effective communications plus stronger transport networks giving rise to links between markets (Jamaludin et al., 2019; Ismail, 2017). Increasing the reach of

women entrepreneurs in remote areas by providing them with necessary infrastructure for expanding into bigger markets is a key priority that demands close collaboration between governmental institutions and public-private entities (Khatibi & Daud, 2019).

By fostering women's self-employment in the rural areas of Malaysia we can encourage both economic growth and advancements in gender equality through innovation. If we aim for the success of rural women in business, then we must resolve various significant challenges which would lead to an enabling environment (Hassan & Noor, 2018). Overcoming socio-cultural obstacles is essential to unlocking the entrepreneurial potential of rural women in Malaysia along with improving access to financial resources while expanding education/training opportunities. Not only does empowering female entrepreneurs benefit the economy but it also encourages social progress and builds a more inclusive society.

Conclusion

From the study, can be concluded that many issues prevent rural Malaysian women from reaching their full entrepreneurial potential. These include inadequate education and training opportunities, social and cultural biases, and a lack of support systems like adequate infrastructure or market access. These are only some of the issues that this study of rural women business owners attempts to address. Taking into account every possible barrier results in a difficult setting that calls for astute problem-solving.

Although there are a variety of strategies available, it may still be difficult for women company owners in rural locations to secure funding. One solution is to expand access to alternative funding and personalised financial solutions through the promotion of inclusive finance. Women in rural areas can become self-sufficient if they have better opportunities to learn and advance their skills, as well as access to mentors and positive role models. It is crucial that we alter our views about women's place in business and entrepreneurship if we are to break down societal and cultural barriers. Business networks and support structures for rural women entrepreneurs that include mentorship in addition to market access can be of great help to these women. Rural communities that invest in their infrastructure may see an uptick in both market access and overall competitiveness.

Investment in rural women entrepreneurs has mutual advantages of boosting gender equality and social empowerment alongside inclusive development, thus it's no wonder that Malaysia is trying to implement these policies. This results in more affluence, increased employment opportunities, and the release of latent potential in rural communities. By taking SDGs 5 and 8 into consideration, we can promote gender equality and achieve decent economic growth, both of which are essential for more sustainable development.

Governmental and financial institutions, as well as civil society groups, need to work together to help rural women business owners overcome the challenges they encounter. Policymakers and other stakeholders must not discount the importance of gender-responsive policies, targeted program financing, and enabling measures.

Promoting gender equality and ensuring equitable opportunities for female entrepreneurs in rural Malaysia is crucial to the country's long-term economic and social development. Investing in support networks and physical infrastructure might help reduce cultural prejudices and create a more welcoming atmosphere for rural women entrepreneurs in Malaysia. Financial independence for rural women has the ability to boost the economy as a whole and the quality of life for millions of people.

Women company entrepreneurs in remote locations need strong professional networks and access to resources from several sources if they are to succeed. Countryside areas, on the

other hand, may lack the necessary support structures and linkages to provide mentoring and access to relevant markets. Women business owners in rural areas face barriers to networking and knowledge sharing because they lack access to critical business resources like firm incubators and entrepreneurship development centres.

We may address this challenge by bolstering commercial networks and sustaining systems in rural regions. To achieve this objective, it may be required to establish centres or hubs that provide chances for training, mentoring, and professional networking for aspiring and established business owners. Women business owners in rural areas might get access to larger markets and distribution channels by forming partnerships with established organisations and businesses.

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