

# Chapter 17

## Malaysian Women Micro-Entrepreneur Performance, Role of Social Capital, Locus of Control, and Institutional Support on Entrepreneurial Orientation

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### ABSTRACT

*This chapter proposed a framework for the interactive effect of social capital, locus of control, and institutional support on entrepreneurial orientation (EO) and micro-enterprise performance discourse lacking in a single study. The study used the unidimensional form of EO of women micro-enterprises in developing novel jobs towards narrowing the economic gaps of people. A quantitative approach is utilised with the help of the G-Power to establish the minimum sample size. The chapter provides significant value on the significance of the antecedent variables on women micro-entrepreneurs' perceived performance. The chapter is anchored on the model of strategic entrepreneurship, organisational learning, and learning organisation theories stressing how their adoption by women micro-entrepreneurs could enhance optimal performance. These findings' implications would offer a vital role on women entrepreneurs' performance. Further, the chapter will provide direction for policymakers and future research to enhance the optimal sustainable performance of women micro-entrepreneurs in Malaysia.*

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## **1. INTRODUCTION**

Micro-enterprises' contributions in any form contribute to nations' economic development. They may operate full-time, part-time businesses at home or out of homes or in small shops and beside street stalls, facilitating enterprise formation. According to the literature, micro-enterprises can greatly support low-income households' socioeconomic growth and provide sustained economic growth and subsequently develop into SMEs that significantly benefit SMEs and large businesses (Zaato et al., 2022; Al-Mamun & Fazal, 2018). Businesses that are mostly micro-enterprises are more likely to be innovative and actively focused on developing jobs for the public. Additionally, micro, and small businesses are seen as expanding business prospects, raising family incomes, and improving social well-being (Franzke et al., 2022; Halim et al., 2022). As a result, advanced and emerging economies are focusing on entrepreneurship policies and initiatives to boost the performance of micro, small, and medium-sized businesses (MSMEs). Due to the radical shifts in gender values across the globe, more and more women are starting their businesses. However, male entrepreneurs have dominated research on small and medium-sized businesses due to their propensity to launch new goods and services onto the market (Franzke et al., 2022).

Governments worldwide have encouraged women to become entrepreneurs with various strategies actively involved in promoting women's entrepreneurship. The global involvement and expansion of female entrepreneurs have gained much attention recently. Regional balance and employment targets are projected to increase in the next decade (Jing, 2022; Fazal et al., 2022). However, due to their low level of entrepreneurial orientation, concerns about their access to social capital and other forms of support, and their capacity to execute with a high sense of achievement in order to realise their vision, the majority of women entrepreneurs, particularly in emerging nations, operate in unofficial, semi-structured and short-lived businesses.

Studies highlighted women entrepreneurship as a growing phenomenon on a global scale and have garnered much scholarly interest in recent times. Women entrepreneurs help the country create jobs and thrive economically. They support greater entrepreneurial diversity at the family and community levels in a range of economic circumstances (i.e., Laguía et al., 2022; Franzke et al., 2022). Regardless of the significant contributions made by female entrepreneurs in Malaysia and around the world, they continue to face some barriers and difficulties that can hinder their entrepreneurial orientation, access to social capital, and ability to access government institutional support that can help them improve the performance of their businesses.

Likewise, few empirical types of research emerged on the performance of women microentrepreneurs in relation to the effect of variables such as social capital, locus of control, and institutional support influence on women entrepreneurs performance (e.g., Zakariah et al., 2022; Abdelwahed et al., 2022; Gugnani, 2022). Entrepreneurial orientation influence on firm performance is the subject of several recent empirical studies (Rasiah, Ng, & Cheong, 2023). The insufficient research of entrepreneurial orientation on particularly women micro-entrepreneurs performance could be attributed to a number of political and social, religious, customary, interpersonal, and other obstacles that may discourage women from pursuing entrepreneurship and proving themselves to the limelight with the necessary tools for success. Additionally, a variety of supports, such as household, a low level of social capital, and a weak locus of control, might impair the performance of an enterprise owned by women entrepreneurs (Yap, Keling, & Ho, 2022; Mata, & Ibrahim, 2020; Franzke et al., 2022), and a lack of entrepreneurial know-how has a significant impact on how well women entrepreneurs thrive. The performance of women entrepreneurs

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