

## **Women entrepreneurs in the agriculture sector: Issues and challenges**

(Pengklibatan usahawan wanita di dalam sektor pertanian: Isu dan cabaran)

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### **Abstract**

The purpose of conducting this study is to explore problems faced by women entrepreneurs with regards to gender issues, and their perceptions when they are dealing with male counterparts during business transactions. An inductive approach had been used as the design methodology for the purpose of this research. Interviews with a sample of women agriculture entrepreneurs allowed for in-depth exploration of their subjective experiences and the contexts in which these were situated. Data analyses were performed with the NVIVO software. The findings revealed that the research subjects encountered persistent gender stereotypes, a paucity of female role models, resistance from associates within and outside of their organisations, and societal pressures to maintain appropriate levels of work-family balance. The limitations/implications were in the form of similarities of the responses from the participants. Most of the answers were not so different amongst the respondents. Further studies need to be carried out, with more participants and time allocated for the purpose. This is necessary to fully understand the issues faced by women entrepreneurs in the agriculture sector.

### **Introduction**

Women are actively involved in diverse activities, either within the home or outside. They make up half of the potential human capital in any economy. The rate of women participation in the Malaysian workforce rose steadily from 46.8% in 2010 to 49.5% in 2012, and had further reached 51.1% in 2013 (EPU 2013). In the agriculture sector, women have long played and will continue to play an active part by engaging in a wide variety of tasks related to cultivation. However, the statistics for women in the agriculture sector in Malaysia recorded a negative growth (*Table 1*).

The involvement of women in the agriculture does not relate only to cultivation

activities. Today, more women are actively involved in agriculture-based activities related to entrepreneurship. Women entrepreneurs in Malaysia have increased significantly since independence. In 2011, about 54,626 businesses in Malaysia were owned by women, an increase of 10.24% from the year 2010 (Ilhamie et al. 2014). However, they still represent a minority of all entrepreneurs. Even though women entrepreneurs create new jobs for themselves and create many entrepreneurial opportunities for others (OECD 2004), the economic potential of the group is yet to be fully utilised. Women have lower participation rates in entrepreneurship than their men counterpart. Their average

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Table 1. Evolution of population and labour force composition

	Share (%)				Annual growth rate (%)		
	2000	2005	2010	2015	2000 – 2005	2005 – 2010	2010 – 2015
Rural population (% of total production)	38.02	32.43	27.99	24.60	-3.13	-2.9	-2.55
Labour force in agriculture (% of total labour force)	18.88	15.47	12.57	10.23	-3.91	-4.07	-4.04
Females (% of labour force in agriculture)	26.27	24.14	22.48	20.20	-1.68	-1.41	-2.12

Source: FAOSTAT

earnings from self-employment is 60% lower than that for men, and the level of their labour productivity is 5 to 30% lower than men-owned companies (Piacentini 2013). Moreover, women face specific barriers before they can access the same opportunities as men, since their most prominent roles and responsibilities pertaining to family.

Government support does exist for them which can be seen through many women development programs and exercises. Inclusiveness has been emphasised, via the 10<sup>th</sup> Malaysia Plan, to ensure that marginalised groups of population are taken care of. These include women, especially in the rural areas. The 11<sup>th</sup> Malaysia Plan continues to focus on common concerns that matters most to the people namely: jobs, small businesses, the cost of living, family wellbeing, and social inclusion. A sentiment from a respondent shows assistance is badly needed by the women entrepreneurs: the government can help women by organising business courses for them so that they can further understand the in and out of business ventures. This may help to make the womenfolks feel that they are not cheated by men and taken advantage of.

Unfortunately, the scarcity of reliable and valid data is actually one of the key obstacles to understand the challenges specific to women's entrepreneurship, even more so in the agriculture and agro-based sector. Thus, this study aimed to understand the issues and challenges faced

by women entrepreneurs and to suggest possible solutions.

## Literature review

### *Problems and challenges of women entrepreneurs*

Entrepreneurship is recognised as a source of job creation and income generation. Entrepreneurship, for women all around the world, provides them with the economic benefits, besides presenting them with the opportunity for empowerment and better integration in the society (Blomqvist et al. 2014). However, women have fewer entrepreneurial skills and face more constraints than men, thus making them more likely to face greater challenges in opening or sustaining businesses (Brixiova and Kangoye 2016).

By definition, a woman is considered to be an entrepreneur if she has started a business alone or with other women, or is someone who is a principal in a family business or partnership, or is someone who is a shareholder and manager in a publicly held company (Ilhamie et al. 2014; OECD 2014). Quite a number of research has been carried out on entrepreneurship and its relation to gender. Still, more attention should be given to the specific needs of women entrepreneurs to overcome their problems and challenges.

Literature specific to women and agriculture revealed workers to be segmented based on gender, race, ethnicity, marital status, and citizenship to give employers flexibility in production

practices (Sachs and Alston 2010). Agrifood corporations pay women less than men, but they benefited from the skills and knowledge women bring from their previous work in small-scale production. An OECD report concluded that women entrepreneurs in terms of self-employment represented a minority segment. Furthermore, their businesses have a lower probability to survive and grow. A recent study on small and medium enterprises (SMEs) found that among the problems faced by the respondents in their survey were lack of financial resources, legislation issues pertaining to the management of their businesses, lack of information from the domestic and international market trends, lack of business ISO standard certifications, procurement of construction permits, information about available technologies, insufficient number of employees, as well as insufficiently trained employees (Rakicevic et al. 2016). In another study conducted in Singapore, Chow (2005) found that the women face specific challenges in the form of family commitments and sex-role conflicts.

Interestingly, there is a significant difference of problems based on race, culture or religion. For example, it was found that a majority of Turkish businesswomen faced prejudice against them from the community (Turan and Kara 2007). Meanwhile, one of the challenges faced by Omani women entrepreneurs are the lack of women business organisations for them to draw experience from or refer to for guidance (McElwee and Al-Riyami 2003). Resistance from family can also become a barrier, often the case in developing countries where a woman's primary role is as a wife and mother. Ilhamie et al. (2014) pointed out that gender stereotypes are seen as a significant growth obstacle facing women entrepreneurs especially in male-dominated sectors of business.

Even though there is no data of involvement as entrepreneurs, Malaysian women are playing major role in economic

development. In the last few decades, women participation in small businesses have increased tremendously in SMEs (Alam et al. 2011). Majority of Malaysian women entrepreneurs are drawn to entrepreneurship by 'pull factors' such as the need for independence, challenge, to be recognised by the society and the urge to try to do something on their own (Ismail et al. 2012). However, women entrepreneurs have to deal with series of obstacles to sustain their businesses and further expand their operations. Alam et al. (2011) reported the challenges faced by Malaysian businesswomen are constraints in spending enough time with family, besides difficulty to obtain financial loans. A more recent study in Malaysia found that lack of managerial skills, financial constraints, and shortage of labour and skilled human resources are among the challenges faced by rural women agropreneurs (Nik Rozana 2015).

Most of the above findings used quantitative measures to derive their results. This study employs a qualitative approach to delve deeper into the current state of gender issues in agricultural entrepreneurship in Malaysia. It is important to know more about women, their situation and their problems, not only to understand them better, but to put their position in its proper perspective.

### **Methodology**

The study was conducted to see how women entrepreneurs cope gender discrimination in the agriculture sector. There are four reasons for the use of a qualitative paradigm for the study. These reasons manifest themselves as: a) naturalism (to better understand the condition of a community from within the community itself), b) ethnomethodology (to understand how social order is created through talk and interaction), c) emotionalism (concerns subjectivity and gaining access to inside experience), and d) postmodernism (emphasises 'method talk' (Gubrium and Holstein 1997).

This study focused on woman entrepreneurs who are involved in agriculture because the sector is perceived to be challenging and male-dominated. A series of interviews had been conducted with female respondents. A total of 25 entrepreneurs who were involved in various agricultural based businesses were interviewed. The interviews had been recorded and transcribed verbatim. Information and data had been analysed utilising the NVIVO software. The software would unify most frequently used words in the the interviews and determine the trend or the major problems faced by the respondents. A total of five major problems were chosen for discussion in the paper. In other words, under the qualitative research paradigm, the findings of the study is shaped by the content analysis (Pamela and Susan 2008) This is a qualitative paper and only reports the preliminary results of the study.

### **Gender stereotypes**

Gender stereotype is an issue that is still prevalent in our society. This is normally reflective of the broader social and cultural environment. The perception of the public is that it is somewhat less confident about the capability of women giving their utmost in their efforts in the area of their endeavour (Jennings and McDougal 2007). Most of the entrepreneurs cited similar responses. Some of these sentiments are echoed in the study by several respondents:

- The menfolks look down on the efforts made by women. They feel that the 'weaker' gender does not have the gumption to perform as well as they do. This sense of superiority will perhaps lead to the egoism exhibited by the men in their attitude towards women entrepreneurs.
- Faith and confidence in being a woman somewhat make me more understanding of the norms, gender roles, expectations in our society and affirmation of my worth.
- A woman boss is often assumed to

be running her business 'out of her house' and having few to no employees. Another assumption made is that the business belongs to her husband. It is also assumed that dealing with a woman boss is not easy.

- A visit to the government offices for assistance, for example, to get a kneading machine is a futile exercise when the officers in charge do not seem to be keen to help with the application. Perhaps this is because of a woman asking for help and they underestimated her capability in the agriculture sector. The entrepreneur will end up purchasing the machine on her own. There are instances when difficulty arise in filling up the application form for a subsidy from the PPK (Pertubuhan Peladang Kawasan).
- Women entrepreneurs also face discrimination from financial institutions. The perception of the bank in assessing an application is stereotypical for women. Women entrepreneurs are considered to be 'risky clients' as compared to their male counterparts when it comes to financial loans (Gatewood et al. 2004). Even though this statement has not been clearly proven, this perception is still persistent in the banking system when risks are to be avoided. Male bankers have to take this into account although the entrepreneur is a successful one. Sometimes the financial company will take advantage of women entrepreneurs assuming them to be less knowledgeable with the ins and outs of commerce with an offer of a non-profitable loan plan.

### **Work and family balance**

Stereotypes about women and their capabilities are prevalent in the agriculture industry. However, they often reflect the broader social and cultural environment. It is a popular comment that 'in society today, as long as a man makes the money, the rest can be a woman's job'. Pressure is also exerted

on women when they try to raise a child and run their businesses concurrently. Work and mothering are seen as 'competing devotions' that cannot be adequately performed in conjunction with other responsibilities. It is of the assumption that men are the primary providers of the social criticisms and judgments that pressure working mothers. Other women are also responsible for not respecting their choices. Some women judged women for not being committed enough to their work, others for not being committed enough to their families. The dynamism of technology, together with its male-dominated character both challenge the common wisdom that 'being your own boss' is a way for women to strike a better balance between career and family.

It is a challenge to be a woman entrepreneur as compared to the menfolk because in a Malaysian culture, the woman is always associated with household chores. Besides running their businesses, they also have to manage their families. This constitutes a major challenge to women entrepreneurs, and thus the attitude and behaviour of men have made it more difficult for them. This study has enquired the perception of men with regards to the role of a woman as mother and wife while running a business. Some responses indicated the thoughts of women entrepreneurs of these perceptions:

- Mothering – it was quite difficult at first because of the need to divide time for family activities, but it became easier eventually when one got used to it.
- Wife – the spouse sometimes did not fully agree with the choice of the partner to operate a business venture because of the worry that she would not have the time to look after their home.
- Pregnancy as stigma – the worry that pregnancy would make the womenfolk less efficient in the household management was a factor in the family balance. Lethargy and illnesses had to be considered, as well as emergencies that might arise should these be the

case. Taking measures to overcome these setbacks would be a good way of rectifying them.

- Husband – the husband was not forthcoming with his encouragement because he had not much confidence on the ability of his spouse. Nonetheless, the partner felt that she was capable of developing the business, which mattered most to her. It could be rather demotivating for her as she considered this wrong.
- Family demands – looking after the children is often a task that should not be neglected. The needs of school-going children were of utmost importance in a family and being distracted of one's duty to them was not at all good. A balanced schedule for their needs and that of the business must be put in place for an efficient management of one's life.
- Timing of family/business events – events pertaining to the family and business should be made beforehand with ample time for preparation and for them to be run smoothly. Last minute scheduling should be avoided so that anxiety and frustration over unforeseen problems would not arise.

### **Male dominated agriculture sector**

The agriculture sector has been known to be male-dominated since time immemorial. These days, however, more women are seen to be involved in agricultural entrepreneurship. Obstacles still exist for these women entrepreneurs in agriculture which is still dominated by the menfolks. These hurdles may be attributed to:

- *Differential performance standards*  
Firstly, a woman entrepreneur is assumed to be capable only of a lower standard of performance compared to her male counterpart. This mindset can be observed time and again when discussing women entrepreneurship. This sense of superiority will perhaps lead to the egoism exhibited by men in their attitudes towards women entrepreneurs.

- *Lack of female role models/mentors*  
Secondly, a result of a male-dominated character of the industry is the shortage of female role models. These role models can provide the mentorship and guidance for women entrepreneurs. They have a much smaller window of opportunity to prove themselves in the business. They have to work harder than their male peers despite being deprived of the benefit of mentoring. Hence the need to outperform their male counterparts is suggested here.
- *Competing with men/male-dominated organisations*  
Finally, male workers are difficult to be ordered around. It may be that in male-dominated environments, women entrepreneurs face obstacles arising from prescriptive gender expectations in the industry and society. These hindrances are looked upon in different ways by the women entrepreneurs, but a strong unifier amongst them is their dedication to persist in their chosen path. Some women entrepreneurs come out better if not a more superior business person than their male counterparts.

### **Stakeholder resistance**

Most of the women entrepreneurs are self employed and although they do not need to contend with male-dominated corporate cultures, they still have to deal with the 'male' industry. These are in the forms of predominantly male peers, predominantly male financiers, predominantly male clients, and predominantly male subordinates.

- *Resistance from financiers*  
Barriers to financing because of stereotypes held on the part of financial institutes exist for women entrepreneurs. Assumptions about women's managerial competencies influence their access to financing, which in turn affects their ability to manage their venture. It is particularly difficult for a woman by herself to obtain financing. A way out of this predicament is by partnering

with a male as a means of coping with the male-dominated field. A respondent even suggested that bank had double standards, whereby it was rather difficult to obtain loans just because of her gender. Another respondent, taking part in a program which included educating participants on creating winning business plans and other success formulae, noted the masculine nature of these recommendations was set up to become receptive to predominantly 'male' business ideas and models.

- *Resistance from clients*  
It has been noted that it is more difficult to compete for clients with larger and male-dominated competitors. However, the field is basically merit-driven in that gender barriers disappear once the women proved the quality of their product. A respondent regarded the first few years of being an entrepreneur as being more difficult than later on. A client would accept the entrepreneur who had proven herself to people who were in her peer group, by her hard work to get the respect that perhaps a male would get more immediately. On a lighter note, another respondent commented on being seduced and easily falling in love to a client as an encumbrance to her business.
- *Resistance from subordinates*  
Resistance can be encountered in a woman-run business within an organisation, especially from male subordinates. These male employees often looked upon their female bosses as incompetent and outsiders to the field. Resistance, open opposition, and even sabotage from these subordinates can often be seen. Respondents commented that these male employees often do not respect them and feel that it is because they are women. It is difficult to order them to do their work, as they assume that they are being reprimanded. They consider the woman boss as a 'bitch'. Perhaps they cannot easily accept

an opinion from a woman. These insubordinate workers are usually fired, and sometimes women workers are intentionally hired to replace them. This situation usually gives rise to a women-dominated, and women-managed business.

### **Discussion**

This study has looked into the barriers faced by women entrepreneurs in the Malaysian agriculture sector. These entrepreneurs are confronted by multi-layered challenges which come from various sources in their environment. The challenges arise from indirect gender associations that identify entrepreneurship with men and masculinity. Women experienced opposition from male subordinates and conflicts with male and female business partners at the organisational level. Women are gaged by differentials in the male-female performance standards at the industry level, together with a lack female role models, and stiff competition with male-owned businesses. Resistance on the part of various industry stakeholders which include clients, financiers and peers. Women have to strive with pressures to conform to their gender identity and to devote themselves to either work or family at the societal level.

### ***Implications and avenues***

Women often choose entrepreneurship to lead without compromising their other life priorities. They will however experience organisational, industrial and societal obstacles even though they are their 'own boss'. Such resistance can originate from within their organisations in the form of male subordinate opposition or sabotage. Entrepreneurship with its strong implication of creativity, adventurousness and risk-taking is often considered a masculine endeavour. Some women entrepreneurs consider the experience of discrimination as being related to a sense of challenge, a call to excel, and to overcome. These women feel that once they have put in that extra

effort which is needed to demonstrate their competence, they are finally rewarded by what they feel is a basically merit-driven industry.

The barriers to advancement experienced by women and the pressure to conform to their gender may be the result of men sending these messages to conform. However, it is equally true that women, colleagues and friends, pressured other women to conform just as well. The lack of support that women experienced from other women also exists. A more in-depth insight into the differential support and undermining effects of an entrepreneur's male versus female connections would be worth looking into.

Even though women can undermine other women's effort to succeed, they can also be the reason why women are successful. Some women entrepreneurs shift their businesses to gradually become women-led and eventually women-dominated. Women business owners being less inclined to hire men bears testament for equity and diversity. Women-dominated environments will eventually change the managerial dynamics of the agricultural field.

### **Conclusion**

A number of challenges experienced by women entrepreneurs in the agriculture sector is detailed in this paper. The findings revealed that there are enduring obstacles to the advancement of women even when women are their own boss. It is optimistic that these entrepreneurs have taken up mechanisms and ways of successfully overcoming these obstacles. It is hoped that interest can be sustained in advancing women's entrepreneurship in a male-dominated industry.

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**Abstrak**

Tujuan kajian ini dijalankan adalah untuk mendalami masalah yang dihadapi oleh usahawan wanita berkenaan dengan isu jantina dan persepsi mereka apabila mereka berurusan dengan kaum lelaki dalam transaksi perniagaan mereka. Pendekatan induktif telah digunakan sebagai metodologi untuk tujuan kajian ini. Temubual dengan sampel usahawan wanita pertanian membolehkan penerokaan yang mendalam mengenai pengalaman mereka secara subjektif dan konteks situasi semasa. Analisis data dilakukan dengan menggunakan perisian NVIVO. Kajian menunjukkan terdapat stereotaip jantina, kekurangan *role model* di kalangan usahawan wanita, rintangan daripada dalam dan di luar organisasi dan tekanan dari masyarakat untuk mengekalkan tahap keseimbangan kerja dan keluarga. Batasan/implikasi adalah dalam bentuk persamaan jawapan daripada para peserta. Kebanyakan jawapan tidak begitu berbeza di kalangan responden. Kajian lanjut perlu dijalankan dengan lebih ramai peserta dan masa diperuntukkan untuk tujuan itu. Ini adalah perlu untuk memahami sepenuhnya isu-isu yang dihadapi oleh usahawan wanita dalam sektor pertanian.