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# Women Entrepreneurs' Networks and Innovation: Multiple Cases of Food Manufacturing Industry

# Siti Sarah Omar\*

Faculty of Technology Management and Business, Universiti Tun Hussein Onn Malaysia, Parit Raja, Batu Pahat Johor Malaysia

#### Umi Kartini Rashid

Faculty of Technology Management and Business, Universiti Tun Hussein Onn Malaysia, Parit Raja, Batu Pahat Johor Malaysia

#### Nawal Senun

Faculty of Technology Management and Business, Universiti Tun Hussein Onn Malaysia, Parit Raja, Batu Pahat Johor Malaysia

## **Abstract**

The purpose of this study is to explore the social network that lead to innovation among women entrepreneurs (WE) in small and medium-size enterprises (SMEs). This paper is to identify the most important networks that helped WE in business deal and determine the way networks contribute to innovation in entrepreneurs' businesses. Insights were derived through a qualitative, in-depth, interview-based study of five WE operating Food Manufacturing Industry in Selangor. There is an urgent need to explore the social network that lead to innovation among WE. Moreover, with complex social phenomenon where relationships of entrepreneurs is prominent, this method is the most suitable to uncover the scenario. Interviews conducted with WE Bumiputera (Indigenous) of small manufacturing of food and beverages firms located in Selangor. Hence, the findings indicate that these micro-entrepreneurs have successfully innovate their business, with the helped by two main networks that become their strong supporter that are Personal Network and Business Network. In addition, this paper reveal the reasons entrepreneurs were not involved in all networks at once. Besides, they provide explanations for not being involved in the other three networks, which are Professional, Reputation, Competition Network, and Community Network. Therefore, from the ideas, comments, and supports from both main network, they have been successful in creating product innovation, process innovation and marketing innovation but not being able to make organizational innovation. Finally, this study provide recommendations to SMEs, government agencies and future researchers.

Keywords: Women; Entrepreneurial network; Innovation.

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#### 1. Introduction

The involvement of women in entrepreneurship has increased significantly with the development of information and communication technologies. Especially, SMEs play an important role in the economic development of Malaysia (Omar, 2015). Many studies show that entrepreneurship is the driving force behind economic development of every country (Ahmad and Xavier, 2012). Hence, women entrepreneurship has grown all over the world and this progress is seen crucial for low-income countries (Nguyen *et al.*, 2014). An entrepreneur must have the characteristics of a solid entrepreneurial.

In spite of acknowledgment of the importance of networking, there has been scarcely investigation into the networks of WE (Hampton *et al.*, 2011). Hence, there is an urgent need to explore the field of this study to contribute to the theoretical perspective of women networks. Besides that, such as in Malaysia, there is very little studies done on WE. Previous studies (Bogren *et al.*, 2013) have conducted research about WE in mid-Sweden and mid-Norway, as relating to supporting and willingness for growth. Accordingly, Malaysian also appropriately need to discover the varieties of associates and networks women gain strength behind supporting their activities as leader, and also support desire to raise their business innovation. Thus, this is hope to contribute to the contextual perspective of Malaysia as a developing country.

Recent evidence shows that SMEs contribute to 32% to gross domestic product, 56.4% to employment opportunities and 19% to export (Omar, 2015). In Malaysia, the number of women-owned has improved due to the help and encouragement provided by the government, private sector and non-governmental organizations in the last decade (Teoh and Chong, 2014). This has contributed to the increase of the numbers of establishments especially SMEs that play an important role in developing a nation's economy that create a huge segment of business activities (Koe *et al.*, 2015). The rise number of WE of new businesses is contributed to the use of an untapped resource efficiency for the local economy. Thus, further studies about women entrepreneurship should be made to determine types of social networks that the WE involved in and the way these network influence the innovation capability of the firm. Hence, contributing to the economic condition.

This study focuses on WE. According to previous studies, past researchers employed quantitative methodology to acquire information about women entrepreneurship and support of social networks that they are involved in. By using qualitative methodology, this holds a strong grasp the way WE are involved in network. Thus, further studies

about women entrepreneurship should be made to determine types of social networks that WE involved in and the way these network influence the innovation capability of the firm. Hence, contributing to the economic condition. Due to complex social environment where relationships of entrepreneurs are investigated, this method is deemed the most suitable method to embark on (Omar, 2015). Thus, qualitative method is adopted in this study to get more indepth and detailed results.

Currently, researchers are becoming more interested on women's entrepreneurship research as a contextual perspective. As growing number of success stories of women entrepreneurship exhibited, many housewives or working women inspired to start his own business (Teoh and Chong, 2014). Associated with previous studies, Bogren *et al.* (2013) has carried out a study about WE, with regard to supporting and willingness for growth. Following the contributions of the above associated to several perspective that are theoretical, significant to economy, contribution to methodology and very little studies done so far, this shows an urgent need to embark on this research. The objectives of this study are twofold: To identify the most important networks that help women entrepreneurs in their business; and to determine the way these networks drive and develop the business innovation.

#### 2. Literature Review

## 2.1. Women Entrepreneurs and their Participation

In Malaysia, there are 30.098 million people, 51.4% of the population are male and the remaining 48.6% of Malaysian are women (Quick Facts KPWKM, 2014). Hence, in recent years, WE became an extremely influential because they are a major contributor to the national economy (Teoh and Chong, 2014). Now, there are over 12,000 WE involved in various programs under the SMEs Corporation (Teoh and Chong, 2014) and this statement considered as a reinforcement that the involvement of women in the small business sector is increased. The increase of women participation in the labor force shows that women's participation in nation development activities is accentuated and increasingly positively.

According to Program 1Azam (2014), 1AZAM is a special initiative of the National Key Result Areas (NKRA) aimed at low-income households from poverty and able to earn income through employment with their own businesses, agriculture, entrepreneurship and service. The goal of this program is to provide opportunities for the poor and hardcore poor to generate income. Besides that, it also for empowering the target groups in order to be independent and for reduce dependency on government social assistance (1Azam). The number of women recipients of the program 1Azam is higher than men which is 65% (NKRA, 2014). Thus, based on these percentages show that women more involved in this field. According to (SMEinfo, n.d), the Malaysian Government has embarked on increasing capacity building initiatives through various Ministries and agencies to generate, encourage and raise more women entrepreneurs, due to the Fourth Thrust of the National Key Result Area (NKRA), which is to increase 4,000 WE by the year 2012.

#### 2.2. Entrepreneurial Network

Every society has a difference in terms of attitudes, beliefs, identity, and values as well as access to opportunities and resources and ultimately to authorities. Since many companies are not homogeneous, they have different ways to access the sources and power. Either, they may have 'bonding social capital', that there is a high social capital to help the members in the group or second, 'bridging social capital', they are excluded and isolated from the group Molina-Morales and Martínez-Fernández (2010). Both social networks are differentiated according to the concept of Putnam (2000). He also defines the "bridging social capital" bonds that are formed for all the various social groups while "bonding social capital" only for homogeneous groups. Thus, bridging social capital showed a positive effect on growth, while bonding social capital can have a negative impact on the level of sociability outside the closed social circle.

Social networks is defined as a set of relation among individuals which are tied by the set of ties formed amongst them (Omar, 2015). There are several types of social networks which are; Personal network, Business network, Professional network, Reputation and competition network and Community network. All of these network are important for entrepreneurs at different business levels.

## 2.3. Organizational Innovation

Organizational innovation means applying new ideas or actions within organization, involving all fields of the organization's activities, such as the creation of new product / services, new production process technology, structure or organization system and the new arrangement or agenda in the organization (Oly and Iftikhar, 2012). Meanwhile, Chen et al. (2016) said that organizational innovation is the manufacturing of valuable and useful new products/services, and more efficient and adaptive organizational mechanisms that support product/service innovation. According to Oly and Iftikhar (2012), an innovation in the company is not related to the size of the business. The size of the business and the ability of an organization to create and innovate, it is totally two different things. Clearly, there are several points of innovation that can be made in the business. Hence, WE should seek out and look at all the potential opportunities that exist in the organization for innovated in the future. Further, entrepreneurs can also upgrade or improve the quality of their work.

# 3. Methodology

Due to complex social environment where relationships of entrepreneurs are investigated, qualitative methodology is deemed the most suitable method to embark on (Omar, 2015). The sample of this study are selected

based on purposive sampling, and they are the WE of SMEs manufacturers in the Food and Beverages sector. Those chosen were six WE of small producers of food products in Selangor, Malaysia. They are required to answer questions and explain in order to give information about the phenomena given. According to Omar (2015), considers that four cases are sufficient to illuminate the phenomenon being studied. In addition, previous research also considers that six cases are sufficient to illuminate the phenomenon being studied, and this stance follows Eisenhardt (1989) who argued that cases must be between four and ten for it will be difficult to explore a phenomenon in depth with less than four cases because of its complexity and will result in less convincing findings. The respondents are selected characterized as follows: Muslim Women Bumiputera (Indigenous) entrepreneurs of small manufacturing of food and beverages firms; The firm has innovative product or process; The firm also have been in operation for more than 5 years; Firms located in Selangor (coast of Peninsular Malaysia).

# 4. Analysis of Findings

# 4.1. The Overall Findings of the Study

**Table-4.1.** shows the data analysis of networks contributions according to the types of innovation

| Themes              | Sub-themes           | Respondent A (Popcorn)  ✓Innovation process ✓Innovation product ✓Innovation marketing | Respondent B<br>(Goat's milk<br>✓Innovation<br>process | Respondent C ('Dodol')  ✓Innovation process ✓Innovation product ✓Innovation marketing | Respondent D (Chips)  ✓Innovation process | Respondent E<br>(Frozen Food)<br>✓Innovation<br>product<br>✓Innovation<br>marketing |
|---------------------|----------------------|---|--|---|---|---|
| Personal<br>network | Spouse               | ✓<br>Ideas  | ✓<br>Experience  | ✓<br>Recipe   | ✓<br>Ideas                                | ✓ Observations and comments   |
|                     | Family               | ✓<br>Ideas  |  |   | ✓<br>Ideas                                | ✓ Observations and comments   |
|                     | Close Friends        | ✓<br>Inspiration  |  | ✓<br>Ideas  |   |   |
| Business<br>network | Customers            | Comments of the product   | Demand from customers                                  | ✓<br>Demand from<br>customers   |   | Demand from customers  Comments of the product                                      |
|                     | Employees            |   |  |   | Created from the problems                 |   |
|                     | Government<br>Agency | Department of Agriculture as references   | Veterinary Department as references                    | Gain exposure and education about the SMEs  | A oricillfure and                         | Courses on frozen food  provide equipment e.g.  Mixer, oven etc                     |

According to Table 4.1, the results of interviews showed that only two closest network and support WE in their business, which is personal network and business network. Personal network including their spouse, family and close friends while business network are customers, employees, and government agency.

Respondent A, get support by her spouse, family, close friend, and from their customers through ideas, inspirations, and comments respectively. Besides that, she also get supportive from Department of Agriculture as their reference for the business knowledge. She has succeeded in her business's product innovation, process innovation, and innovation of marketing. For innovation of product she was successful in creating the products taste and long durability that's not slightly stale and modifying the popcorn flavors. Besides that, she also created process innovation about the way to improve in their quality of products by the use of a machine. Lastly, she also tapped on marketing differently than before by selling the product as door gift for special event.

Respondent B, she get the booster by her spouse, and her customers through her husband's experience and demand from customers respectively. Veterinary Department also help them by providing animal husbandry knowledge. Besides that, she also success in product innovation, and process innovation. She produced Goat milk

not smell-fishy in product innovation meanwhile she also make diary procedure to ensure that the milk is in high quality.

Respondent C, she get the booster and supportive from her spouse, close friends and her customers through the recipe, ideas, and demands respectively. Also, there are responsible parties who gave a talk on knowledge of business, SMEs agency to her. Furthermore, she doing innovation of products, innovation of process, and marketing innovation. Quite similar with respondent A, she also successful to develop recipes for their products last longer than other brand. Besides that, she do innovation of process through innovated mixer paint machines transform into cooking pan. Lastly, for the marketing innovation, she have chosen for selling the products by delivery to the customer's home.

Respondent D, her spouse, family, and employees become supporters and booster by their ideas and creates some equipment from a problem that is shared by employees. She also mentioned that she has attended the program in the Ministry of Agriculture and Agro-based Industry to support their business skills. In addition, without realizing she had successfully make the innovation process by creating a frame to facilitate the manual cutting of banana chips process.

In addition, respondent E get support from her spouse, family, and the customers through the observation and comments from her spouse and family, also get demand and comments from her customers. Thus, she has do innovation on product and marketing. She successful to transform the traditional cake into frozen food based on traditional recipes. Besides that, she also create for marketing innovation which is through the packaging. In addition, she also mentioned that she get courses on frozen food from Department of Agriculture and Malaysian Agricultural Research and Development Institute (MARDI) provide equipment e.g. mixer, oven, steamer, and etc.

Last but not least, the right to freedom of expression is also seen as being able to maintain a good relationship between employer and employee. If the freedom of speech given to employees affected, they are more open-minded to accept the views, criticism and new ideas are presented, especially in solving problems for the good of the organization. They do not feel belittled although not all the ideas or views expressed are accepted. Cultural discuss, consult, advise and honest should have for solving problems that arise. Therefore open discussion and prudence are key to overcoming any difficulties.

## 4.2. The Findings of the Uninvolved Network

Based on the Table 4.1, WE network in this area just focusing on personal network and business network. They have not involved in any other types of network yet, such as professional network, reputation and competition network, and community network. This might be due to the size of their businesses that is micro-businesses.

They don't involve in Professional Network caused of micro size of their company unable to hire professional network to audit their company accounts. The researcher found that, when there are no separate of position in organization, meaning that every dealing and decision in business is entirely dependent from the business owner or entrepreneurs themselves alone. This condition causes the company does not have details of accountancy that will manage money flow in business deal. Entrepreneurs might only use a basic methods to calculate their profits or loss. Thus, it is not compulsory for them to hire Professional Network for performing audit on their company. They may have problems and lack of information if they want to do so because this company have no complete documents about management in company.

Besides that, for Reputation and Competition Network, they are not afford to form relationships with other companies for some reason such as, they do not have enough capital to increase existing production as pointed by respondent A, "Currently, I'm not afford to increase the production while I have been refused a lot of current demand." - respondent A

There is also reason that they are not contented with the quality of the products from other companies that caused them to cancel the intention to establish a business relationship, as respondent B and D mentioned;

"We plan to become a vendor to other breeders but considering other breeders do not want to follow our ways / methods, in terms of maintaining the quality of the products then we decided not to cooperate. Even we lack of milk production, we still do not dare to take supplies from other parties because it involves quality of Goat milk." - Respondent B

Entrepreneurs also give the reason their business is only as a source of income for the family and only upgrade their lives. They have no desire to build the Community Network, as mention by respondent C "It is sufficient as my income for my family and to cover the expenses of children's." - Respondent C

Entrepreneurs have no desire to build a network of community because they old already, no ability, and they felt no need to establish a community network. In addition they have no knowledge about these networks clearly, they also do not know about the extent of current technological developments. Therefore they have less exposure on social media that can be used as a way to maintain community network.

#### 4.3. The Findings of the Involved in Personal Network

Essentially it is important for an organization to have a strong social network to ensure the continuity of their business. Personal network is the closest and main network for the WE. The entrepreneurs also agreed that the personal networks are composed of their spouse, families and friends. It is proven after interviews conducted. Hence, there are WE who make their spouse as a booster, also make of success of their close friends as inspiration, and makes family as motivation to continue their business. Therefore, consciously or not there should be a private network within each organization as it is a backbone because entrepreneurs will not be able to and will not go forward to continue its business without the help and encouragement of people around them.

## **4.3.1. Spouse**

Generally, all of the respondents are married and have families. As an entrepreneur and wife, they really need one closest to her to share all the problems encountered. In business conducted process, a lot of things that need to be considered such as during decision making which will affect the future of the company. Therefore, entrepreneurs need an assistant who can afford it and can help them to ensure that they do not make wrong decision or as a reference whenever they need.

In this cases, the husband is the backbone and as a strong supporter of a strong women entrepreneurs to continue running their business. As pointed by the respondent B: "I'm working on goat milk business was helped by my own husband. He is backbone and my supporters to continue the business." - Respondent B. Spouse also can be an observer and give their opinion about something in women entrepreneurs' business. As mentioned from respondent E:

"My husband and family have been very helpful in terms of support and give their opinion. For example, my husband prefers observe every work and planning that I made then he will give a comment or opinion on whether they were good or not. He will also give another ideas that I improve it." - Respondent E

There's also smart entrepreneurs to look for opportunities with skills and experience that existing on their spouse to start their business. Respondent B, stressed that:

"I just made my husband as references because he had the experiences about dairy cattle breeding and he is also a breeders since little. So, from the experience of cattle dairy milk is forwarded to the goat milk." - Respondent B

#### **4.3.2. Family**

According to WE, they are doing business as monthly income and to raise their children. In addition, they are also smart to use their skills to start their business. As pointed by respondent C and D respectively: "As a source of income for my family and raise children." (Respondent C); "My interest and my skills also recipes to make chips." (Respondent D)

Beside the monthly income, and skills applied, the family also contribute as workers and help together in developing their family business. This is proved through employee recruitment in their production process. Almost all respondents take their family members as employees. "Currently, I have 5 workers. Consisting of my own family members and neighbors." (Respondent A); "I do not hire people because I have 14 children and among them will be help me in this business. But also we just hire two driver." (Respondent D). It is prominent that the family is an institution that is very important for an entrepreneur to continue their businesses to develop stronger or in fulfillment of survival.

#### 4.3.3. Close Friends

Other than close family, close friends are also be a booster for entrepreneurs to get inspired. Close friends also known as best friend where somebody who you can talk about everything with, who makes you feel comfortable without fear of judgment. It is approved by the respondents, who make her best friend as an inspiration and role model for her to continue developing her business. "Of course we need a mentor to develop our business and my mentor is a recipient of Anugerah Peladang Jaya Wanita Peringkat Kebangsaan in 2009, Siti Noraini binti Markom also my best friends." - Respondent A

Hence, as an entrepreneur they really need someone to guide them or as sources of inspiration for her to continue to develop its business. Hopefully, this relationship can provide useful ideas to further encourage women entrepreneurs to the occurrence of innovation in the business.

#### 4.4. The Findings of the Involved in Business Network

Business network is the relationship between the parties involved in business dealings. It includes the suppliers, customers, employees and the government agency. This is because almost all respondents interviewed stated that they had received assist from these parties were also those who got help by government departments to develop and expand their business. Definitely they also need the intervention of the parties to ensure that their business can continue.

Generally they need to keep the relationship with customers to build loyalty among them. In addition, the employee is an indispensable entity during the production process. All the work and the production process can be affected without them. Next, agency or government department that provides many facilities, space and opportunities for new entrepreneurs who want to venture into this field. Next, agency or government department that provides many facilities, space and opportunities for new entrepreneurs who want to venture into this field. The next point will tell the more in depth of each of the parties involved in business network.

#### 4.4.1. Customers

Customer is not always right but they are essential in popularize of your product is also determinant of success of the products. This is because they are the individuals who will buy and use our products. They also have the right to evaluate and determine the best choice for a particular product. There are several ways for entrepreneurs to get feedback from consumers about their products. For example, respondent A used media 'WhatsApp' application to get feedback from their customers.

"Usually, after they ate my popcorn, they will message me through 'WhatSpp' to give their feedback and satisfaction about my popcorn." - Respondent A

With the feedback that it can help entrepreneurs improve their products. Besides that, apart from giving feedback, there are also consumers who provide insights for entrepreneurs to produce products that will be well received and there is a demand.

"Besides Goat's milk, customers began asking about Kambing Aqiqah. So,I made it. Other than rearing, we also make collaboration with catering for Kambing Golek." - Respondent B

Other than getting feedback and demand from users, as entrepreneurs they have to give something as well in return for consumer's loyalty towards their goods.

"For regular customers, I give them a special price that is not the same as normally selling price. The wholesale price and the retail price is not the same also." - Respondent D

Thus, customers should be given special service to keep a good relation with each other. Besides being able to build loyalty and confidence in the quality of your products.

#### 4.4.2. Employees

Employees are an important asset in any organization and they are contributing to the success of the organization. Entrepreneurs are difficult or unable to run in the production process by itself while employees also cannot do the jobs without getting instructions and navigation every time.

In addition, elements of mutual respect between employers and employees as well as worker co-workers were able to maintain good relations between them. This attitude when applied within an organization is able to create a good social relations and can make sure every organization running smoothly. The best employers are sensitive to their employees' requests, such as respondent E who pay salaries to their employees in accordance with the day of work as requested by them. This clearly shows that a good discussion can create a win-win situation between workers and employers.

"My workers prefer to be paid their salary by working days because it more expansive. So, I did as requested." - Respondent E

Other than payment of the salary to workers, their welfare is the most important thing in running the organization. This is because as an employer, they must be aware with the current situation in the organization. Such as respondent A, she saving for Employees Provident Fund (EPF) for each worker. It is amazing because even though it's only micro businesses but she was able to perform like that.

"Besides salary and eat here, they also have saving of EPF."- Respondent A

In short, maintaining good relations between employers and employees in the organization must give substantial effect in the development of the organization to continue to achieve improved productivity as well as to contribute to harmoniously, Secure and Full Fellowship in Related Organizations.

#### 4.4.3. Government Agency

All entrepreneurs stated that they had received help from government departments either in terms of financial support, equipment, knowledge of business and etc. It has helped entrepreneurs to increase their business development. There are entrepreneurs who get equipment from Department of Agriculture such as mixer, oven, and steamer. As respondent E mentioned;

"Agriculture Department helped me by giving equipment such as mixer, oven and steamer." - Respondent E

Besides that, respondent A and B indicated that they have made Department of Agriculture and Jabatan Peternakan Haiwan as their references respectively. When asked whether she had made any party as a source of reference, she answered;

"I have referred Department of Agriculture. For information, in this department there are a lot of sub department and one of them is special for the SMEs." - Respondent A

"We also refer to the Department of Animal Husbandry." - Respondent B

In addition, there are also entrepreneurs who are exposed to the business knowledge through the programs, lectures, or courses conducted by the government agency. As mentioned;

"I get talk and instruction about SMEs industry. For example, they will be briefed on how you want to sell or market the products. It can improve our spirit as small traders." - Respondent C

"I have followed the program in the Ministry of Agriculture and Agro-based Industry. Thus, we gained additional knowledge for raising and managing this business." - Respondent D

"I have attended courses at MARDI, the Agriculture Department and MARA. To increase the production of this product, I have attended courses at MARDI, I learn how to make frozen food. Thus, I started improving my production." - Respondent E

Obviously that, the government have helped much in terms of knowledge and equipments for the small business entrepreneurs. Besides it proved much change in terms of the production of their products. This is very good thing and should continue to provide support and opportunities for this industry to develop and build up their business in the future.

#### 4.5. Innovation

Progress in science and technology lead to a shorter product cycle. To remain competitive, manufacturers must continue to innovate in improving the characteristics and quality of products. However, most manufacturers have low innovation capacity due to a lack of resources and knowledge and reluctance to change. In addition, a lack of

understanding on the development of intellectual property (IP), avoid risks, as well as the rules and standards that are not in line with the changing needs of industry in turn hampering innovation of the company. The results of these interviews found that almost all respondents did not know about the innovation. Some are not even notice that they have innovated in her business. This case is interesting because although they are micro enterprises, but they can create innovations inside.

## 4.5.1. Innovation of Products

A product innovation is the introduction of a good or service that is new or has significantly improved characteristics or intended uses. A smart entrepreneur should look for opportunities to improve their products. This is because each of the products have an estimate limit life before death finally. There are some cases where the respondent has success to make innovations in their products. As mentioned by respondent A, B, C and D.

"My popcorn is able to withstand a month not slightly stale than others. If another popcorn, a week may have unpleasant to eat or taste has changed from the original, may also be slightly stale." - Respondent A

In addition to successfully create a way for the durability of the product, respondent also successful to change the taste of the product according to suitability. As mention that,

"I use flavors that I created myself to make it suitable for a door gift that it's not the same as the popcorn eaten every day." - Respondent A

"I have managed to make innovations in the milking process or the production of milk for our goat milk does not smell and I win there." -Respondent B

## 4.5.2. Innovation of Process

A process innovation refers to the combination of facilities, skills and technology used to produce the product or provide the service in a different way, a more effective and efficient. In this case the use of tools, machines, labor and material similar but different production process. The difference comes from the production process innovation (development of ideas and knowledge) to produce the same output but have a more competitive edge.

Results indicate that all respondents except the respondent E has been through the process of innovation. First, respondent A has been through the process of innovation in manufacturing processes initially only use a small machines and switch to a larger machines which is from one production process to become quadruple production at one time.

"Total production once of the production process is not same by using small machines compare to larger machines large machines which is capable of producing a fourfold production of popcorn at one time. Means there is a difference of a fourfold (more) in one production compared to using a small machines before. "- Respondent A

Second, respondent B has managed to create innovation process of Goat's milk which she managed to produce Goat's milk not smelly-fishy. Respondent fortunate to have a spouse that has the experience and knowledge about animal care. Furthermore, technique during the process of milking goats it is also a contribution of ideas and knowledge of her husband. Other than milk production does not smell, she also has switched from the traditional way to use milking machines.

"Our first squeezing is manually, that is by hand which takes 2-3 hours for every 60 goats and when we switched to using a milking machine it only need 1 hours to done." -Respondent B

Although the facilities have switched to using machines, but she still needs to repeat the milking process for some cases. This is because in order to ensure optimal milk production.

"To ensure the goat milk really has dried up to breathe, we will repeat the milking process manually when the situation requires us to do so." -Respondent B

Third, respondent C, was using tech machines from Korea which originally for brewing cat and she changed it into suitability for cooking dodol. It is the idea of her husband who helped in the production process.

"This machine is a creation from Korean technology which was originally used for brewing paint. But when brought into Malaysia, I bought it and used the machine for cooking dodol." - Respondent C

Last but not least, respondent D have created a frame for manual cutting banana chips which can facilitate its employees during the production process. This clearly shows that she is sensitive to the difficult situation that the workers went through during the production process and with the help of her husband, she managed to create tools to facilitate the process.

"My husband tried to create 'penyagat' as you see it earlier and it was easier for cutting banana although apparently not so perfect or look good. Quite simply we are only able to facilitate the work." - Respondent D

#### 4.5.3. Innovation of Marketing

Innovation in marketing refers to the strategies and methods to market their products and services with creative ideas. This impressively when micro entrepreneurs creating innovative marketing in their products. As pointed by respondent A, C, and D.

Respondent A, she has changed her popcorn sales which previously could be purchased at the cinema or the supermarket, but now she has to sell it as a door gift for weddings or any event. This proves the micro-entrepreneurs who have creative thinking and be able to change the fate her business to become stronger and more secure in future.

"I was inspired of God suddenly and there is no people do this business. I decided to create this business. I just want to sell as door gift for the weddings and that's why I put a price compatible with the event." - Respondent A

Respondent E, also make marketing innovation by making changes to its packaging, as mentioned;

"I'm in process to add new products and make packaging in box." Respondent E

- 5.0 Discussion
- 5.1 Discussion of Objective 1

The first objective in this study is to identify among the five networks, what is the most important networks that support women entrepreneurs in Selangor. The interview session conducted with five different company and different type of business but still in same industry which is food manufacturing industry.

According to previous researcher Johannisson (1986); Hamed (1995); Anderson *et al.* (2005); and Omar (2015) they said personal network is the strong ties and usually become the first source of entrepreneurs can acquire help, especially in the formative stage and at the beginning of business operations. Meanwhile, for this study the researcher find that both personal network and business network is the most important networks that help and support their business development. It is actually both personal network and business network are interlinked with each other. Hence, they cannot stand alone without assistance from the others who are in the network.

This study also find that the entrepreneurs are not involved in other three networks which are professional network, reputation and competition network, and community network. It is because they are only run in micro business. Thus they are not able to establish relations with other networks. It is actually in line with the author Omar (2015), pointed that because of the small size of the business, all cases were found to have no network connectivity and network reputation competition either at the start-up or during the development stage. This also means they are not able to build relationships with firms that are bigger in the industry.

The results of this study found that women entrepreneurs involved in the social networking, which makes their spouse, family and close friends booster to the development and success in businesses. In fact this study are in line with Johannisson (1986); Hamed (1995); Anderson *et al.* (2005); mentioned that commonly, they (the family members) will assist in managing the business and usually become the first source of entrepreneurs to acquire help, especially in the formative stage and at the beginning of business operations. In addition, it is also in line with Hamed and Deraman (2002) mentioned, when the businesses of family members are successful, they are also proud and happy.

Other than personal network, entrepreneurs also involved in business network. It is actually supported Holmlund and Törnroos (1997); Omar (2015) that mentioned anyone directly or indirectly involved in the issue of the business is treated as a business network included the suppliers, customers, employees and the government agency. Meanwhile, almost all respondents interviewed stated that they had received facilitate from these parties were also those who got assist by government departments to develop and expand their business. This proves that they have used such a facility provided by government agencies as specified by SME corp Malaysia (n.d); AIM (n.d); TEKUN Nasional (n.d).

#### 5.2. Discussion of Objective 2

The second objective is to determine the way these networks can help in the development and drive the business innovation. The findings indicate that each respondent is unclear about innovation. More interesting when they do not realize when they've successfully made innovations in their business. This study supports (Oly and Iftikhar, 2012) which is an innovation in the company is not related to the size of the business. The size of the business and the ability of an organization to create and innovate, it is totally two different things. Thus, do not look at the size of the business as a measure of their ability to create innovation in industry.

This objective achieved when the entrepreneurs mention that the successful of innovation is come from both personal network and business network through the ideas, comments, experience, supported by giving the equipments, and etc. It also showed that entrepreneurs have great potential to create innovations in their business deal, but they need to be given opportunities and knowledge as a booster.

This study found that WE are successful in products innovation with improved their product better than others and used their own methods or ideas. This also makes them have their own advantages over competitors in the market. It is in line with Khin *et al.* (2010) mentioned, product innovation is the introduction of a new product or service are more better, significantly with respect to the characteristics or any of their intended use. Besides that, this study also support (Nakata and Sivakumar, 1996); (Alegre *et al.*, 2006); (Parry *et al.*, 2009) with stated product innovation as the process of conceiving and implementing new products, include activities such as technical design, R & D and commercial activities, and assumed that product innovation is the first stage in the whole process of product life cycle management respectively.

Other than success in products innovation, WE also successful formed process innovation. The successful of creates innovation process has helped women entrepreneurs to increase number of production in their company and reduces the production cost, it is supported. Besides that, process innovation also assist entrepreneurs to more effective in production process, it is in line with Yu et al. (2016).

According to Medrano *et al.* (2016) the introduction of new sales methods in the business of entrepreneurial is the effort and dedication of the company and it is also considered a marketing innovation. In fact, this study proved that WE are successful in marketing innovation. They have their own way to sale the products uniquely for example, sell the popcorn as door gift, sold by delivery to customers' home, and have their own box packaging. This makes it supports previous research by Medrano *et al.* (2016). In addition, this study also similar with Oecd (2005); Ren *et al.* (2010); Utkun and Atılgan (2010) mentioned, innovation in marketing is the application of a new marketing method involving significant changes in product pricing, promotion, placement or packaging.

## **6. Conclusion and Recommendations**

This study recommend that, future researcher should explore more in depth about WE. Besides that, this study limits the researcher to complete all the issues that arise. In the future research, researcher will make recommendations to those that be earmarked to develop SMEs.

Outcome of this study shows that entrepreneurs are slightly or may not involved in professional network, reputation and competition network, and community network. Therefore, they need to try and find the opportunities to involve in these three networks.

The business owners need to take care of the networks that involve in their business deal. It is able to encourage entrepreneurs to be more open minded to accept the opinion a different perspective. This is because, the entrepreneur has the potential to be more successful if they have more knowledge.

It is proved by their successful in creating innovation in business. Although, only the small and very slightly improvement but it's better than never. Hence, if they are given the opportunity and knowledge, definitely they can create more innovation in this industry.

The researcher indicates, the government provides many facilities to help entrepreneurs to build up the business but there are still entrepreneurs who do not know how to use all the facilities provided by the government optimally. For example, entrepreneurs need to find the funds, equipment and raw materials itself at the beginning of his business because they said that the government departments do not see the direction of its business. The entrepreneur had to start everything themselves and when it is successful, then the government saw it as a good thing. Thus, government agencies have do something that shown themselves as part of a business network because entrepreneurs barely aware that these agency be able to help them in business deals.

Therefore, as a responsible party, they should have to provide opportunities for entrepreneurs to create something new. The Government should also regularly monitor the level of SMEs' needs and progress. In addition, it is necessary to expose rural entrepreneurs about all kinds of assistance that they can get from government agency and try to simplify all matters in government. This is because every innovation that is created can contribute development of the idea to other industries as well.

Future researchers need to study more deeply about the reason, entrepreneurs are not involved in three others networks are mentioned before. This is because, previous studies prove that there are five networks that involved in the business. Therefore, future researchers need to study more about the involvement of entrepreneurs with professional network, reputation and competition network, and community network. Finally, future researcher can also change the scope of the study, which conducted the survey in mid-sized businesses because it is difficult and limited to identify innovation in microenterprises.

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