

PROFILES OF WOMEN IN RECYCLING BUSINESS IN THE LEAST DEVELOPED STATES IN MALAYSIA – AN ALTERNATIVE ENTERPRISE?

Mohd Rafi Yaacob^{1*}

¹ Faculty of Entrepreneurship and Business, Universiti Malaysia Kelantan,
Locked Bag 36, Pengkalan Chepa, 16100 Kota Bharu, Kelantan

*Corresponding Author : rafi@umk.edu.my

ABSTRACT

Kelantan and Terengganu have the highest number of hardcore poors in Malaysia. Over the years entrepreneurship is one of the means that has been propagated by the government to address this inherent problem. While women hitherto involve in usual business activities, recently more and more women in the said states dare to jump into a new domain of businesses which usually monopolized by men - recycling. This phenomenon warrants empirical research to unearth pertinent questions of the inroad of female entrepreneurs in a new territory of business which overwhelmingly dominated by male entrepreneurs. Yet at present not many researchers and relevant government agencies look into recycling as an alternative business but for men entrepreneurs, not women. This paper is a part of a larger study that investigated entrepreneurs and entrepreneurship in recycling business in the both states. Results of the study found that women entrepreneurs in this business are matured, married, and received full support from their families – husband and children. In terms of education majority of them only study until secondary school. Highlighting women entrepreneurs' profiles is deemed important because interested parties including future entrepreneurs, researchers as well as relevant government agencies gain some understanding of characteristics of women entrepreneurs have made a dent in the so-called male dominant business.

Key words: *women, recycling business, entrepreneurship*

INTRODUCTION

The relationship between entrepreneurship and poverty alleviation is rather direct. Through the means of entrepreneurship one can increase one livelihood. Success of entrepreneurship is rewarded with economic gains which in turn would increase one standard of livings and social life. One of the clear reasons for poverty is due to man as a breadwinner of family incapable to provide enough means to his family; inevitably his wife and children are dragged into abyss of poverty. Obviously, women unlike men are motivated enough to increase economic status of their families, they are working hard for their family and some of them have entrepreneurial inclination which yet explored and developed. In this regards, if one wants to address poverty it is paramount importance to equip women with entrepreneurial knowledge and skills together with microfinance assistance as a means for them to embark on small scale business (Yunus and Jolis, 1999). In Peninsular Malaysia, Kelantan and Terengganu are the two poorest states in which the majority of population are indigenous Malay. According to Hassan (2011) based on 2007 figure, the state poverty rate of Terengganu was 15% and followed by Kelantan 11%. Poverty alleviation in these two Malay belt states will be meaningful if women are empowered through entrepreneurship. This is paramount as these states have recorded higher percentage of women against men. While women in the past and hitherto involve in usual business activities run by them, recently more and more women in Malaysia and in the said states dare to jump into a new domain of businesses which usually monopolized by men - recycling. This phenomenon warrants empirical research to unearth pertinent questions of the inroad of female entrepreneurs in a new territory of business which overwhelmingly dominated by male entrepreneurs. Yet at present not many researchers and relevant government agencies look into recycling as an alternative business for women.

Entrepreneurship definitions vary from persons to persons. Simply put entrepreneurship refers to any value added business activities (Shah and Ali, 2008; Yusof (2010). Strictly speaking entrepreneurship refers to business activities that differ from previous other businesses where creativity and innovation come into

play in the vocabulary of entrepreneurship. Entrepreneurship involves innovation as well as creativity which can come from various aspects of business ranging from product development, marketing functions as well as services to existing and prospective customers. This definition which is widely accepted concurs with the so-called 'creative destruction' which was first introduced by the well-known economist – Joseph Schumpeter in the 1940s (Schumpeter, 1942). If one looks at a bigger perspective, creative destruction can also mean a new territory or type of business, including an inroad of certain communities, races or gender into new types of business. After all entrepreneurs are the one who not only able to see opportunities lie upon their eyes but at the same time able to seize them to gain some profits where non entrepreneurs can not.

In Malaysia as well as other developed countries including Indonesia, Thailand and Vietnam, recycling business is thriving because of fast development as well as modern consumerism that create ample of wastes including papers, glass, plastics, textile, scrap metals as well as electrical products. The advance of recycling technology, more and more materials can be churned back as materials into a new finished products or can be used again through a number of processes.

Recycling business provides opportunities in entrepreneurship as well as job opportunities. In Egypt, a special group Christian Coptic known as Zabbaleen manages city's waste through recycling. Over the years Zabbaleen have created an efficient ecosystem that is both viable and economically profitable with a capacity of almost 100% (<http://www.theguardian.com/world2013>). In Indonesia, ones who scavenge for recycling items including paper, plastics, aluminum cans and other recyclable items are call as pemulung. There is no such local word as so in Malaysia for scavenger. In Malaysia, scavengers exist and they sell recycled materials to recyclers, where majority of recyclers are Indian males who operate business in the West Coast of Peninsular Malaysia. Some of them came from poor families, through their entrepreneurship in recycling business not a few of them enjoy better living and turned to be millionaires, it is like a rag to rich story that can stimulate and motivate others to work hard and to involve in entrepreneurship (Draman, 2007).

Until lately, a score of Malays as well as Chinese entrepreneurs are in this business compete with Indian entrepreneurs. Since the pie of cake of recycling business is big, due to high demand for recycling materials, increasing number of recyclers will not a problem. In other development since last three decades a number of successful Indian entrepreneurs have moved to the East Coast States in Peninsular Malaysia because availability of recycled materials and less competitors as not many recycling centres exist then. They established their branches there to tap profitable markets (Yaacob, 2010). At the same time, indigenous people in Kelantan and Terengganu who are well-known as having entrepreneurship inclination see the opportunities in this new business and started experimenting on their owns, competing side by side with Indian entrepreneurs. It is also observed that some women entrepreneurs in the both states also run their recycling business, this is absolutely rare in the case of recycling business in other parts of Malaysia (Yaacob, 2010).

As far as literature of women entrepreneurship is concerned many studies pertaining to involvement of women in various activities that they are familiar with such as catering, sewing, bridal, cosmetics to name but four (Rosman and Rosli, 2011; Din, 2004) but none look in-depth on women entrepreneurship in recycling business. Only a few studies have been conducted pertaining to women entrepreneurship in recycling business (Yaacob, 2010, 2012). Study of women entrepreneurship in recycling business would fill the void in literature of women entrepreneurship in Malaysia as well as developing countries. This paper is a part of a larger study that investigates entrepreneurs and entrepreneurship in recycling business in the both states. Highlighting women entrepreneurs' profiles is deemed important because interested parties including future entrepreneurs, researchers as well as relevant government agencies can gain some understanding of characteristics of women entrepreneurs who have made a dent in the so-called male dominant business.

RESEARCH METHOD

This research employed qualitative research method where a score of women entrepreneurs in the both states of Kelantan and Terengganu were approached and interviewed by the researcher at their premises in late 2010 and mid year 2011 (Table 1). Names of recycling enterprises were based from the lists of recyclers available from the local authorities in the both states. Entrepreneurs were approached through walk-in and the interviews were conducted at their premises. On average an hour time was allocated for each interview.

Table 1: Demography of women entrepreneurs

Entrepreneur	Age	Marital status	Children	Qualification	Year in current business	Location	Date of Interview
1	40	Married	4	Diploma	2005	Kelantan	14 Dec. 2010
2	31	Married	2	Certificate	2007	Kelantan	15 Dec. 2010
3	40	Married	5	Certificate	1997	Terengganu	2 Feb. 2011
4	59	Married	6	Certificate	1984	Kelantan	16 April, 2011

Prior to the interview the researcher explained to each and every entrepreneur that her participant was voluntary and anonymous and the information will only be used for academic purpose. In order to ensure richness of the data, entrepreneurs were free to talk in the language that they were familiar – Kelantan and Terengganu dialects. All interviews were recorded using MP4 of entrepreneur consent and then were transcribed verbatim soon after the interviews. Transcripts of interviews then were analysed accordingly; according to the principles of qualitative research. In order to enrich the information, during the visit researcher also made observation. Some important information related to their recycling business premises were written down on a notebook.

RESULTS AND DISCUSSION

Entrepreneur 1

Entrepreneur 1, age 40 years old, married and bequeathed 4 children. She graduated from a local university with diploma in accountancy. Since she was not available at her premise (looking after her serious ill husband who just about to be operated and was hospitalized in the capital) during the visit, the interview was conducted with her eldest son; at noon on 14 December 2010 in her premise in Pasir Mas, Kelantan. Her recycling centre is situated along the road site, an half acre courtyard surrounded by high wall of red colour zink, overlooking green paddy field. Her eldest son, aged 18 who was waiting for the result of his Malaysian the certificate of Malaysian's examination available on the site. According to him, her mother jumped into business bandwagon in 2005 because of her interest in business. She came from business family, where her mother was a fishmonger at the central market in Kota Bharu. At the time of interview, the researcher found 3 workers busied themselves with recycled materials. At the premise basic necessities and requirement to function recycling business available – including a forklift and small size lorry as to assist her in upload and download recycling materials as well as carry them to available space at her courtyard. She operated her business together with her husband and after school and during weekend her eldest son would help her to look after her business. In her absence during the interview, the researcher found all business activities was managed by her eldest son. This including buying recyclable items and well as sort them out according to types and grade of the items. On the average she spent RM1000 (US\$300) a day to buy various recyclable items brought by small traders and scavengers in the vicinity of her place. She bought all recyclable items such as scrap metal, plastics, battery as well as unused television.

Entrepreneur 2

The interview with entrepreneur 2 and her husband was held at noon on the 15th December 2010 in her recycled premise in an industrial area in Kota Bharu, Kelantan. She is Kelantanese, age 31 years and a mother of 2 children. She completed her secondary school in Kelantan and seemed satisfied with her education. She came from business minded family, father and mother worked as petty trader in her village. She ran the business together with her husband. She hired a small warehouse owned by a Chinese businessman. She moved to the current site a couple of years ago as her recycling business expand. Both of them used to work with a recycled company in Kuala Lumpur prior to this and in fact the idea of running her business together with her husband sparked during their stint with the company. Armed with experiences in recycling business and entrepreneurship spirit, she and her husband parlayed a small sum of money, RM2,000 from their saving as capital for her start-up business in 2007. She concentrated on plastics because it easy to manage and profit margin for that item is higher compared to other items. Furthermore, plastics does not require larger

space compared to metals. However, if her customers bring plastics with other recyclable items she is willing to buy as part of her business strategy. If not her customers will sell to other recyclers because of convenient. On average, in a day she needed RM1,000 to buy recycled plastics from suppliers. She owned a small-sized lorry, a forklift, grounding machine as well as a compress machine. Some plastics were grounded to produce small pieces of plastics into granule (size of about small pebble) and put inside gunny sacks and sold to other buyers in West Coast of Peninsular Malaysia to be sent to India for processing. She hired 8 employees, mostly male foreign workers from Bangladesh. At the time of interview two local women employees were working, sat on a low plastic chairs; sorting out different types and quality of plastics.

Entrepreneur 3

Interview with the entrepreneur 3 was conducted in the morning, on 2 February 2011 on her cozy office in Kuala Terengganu, Terengganu. She's married, a middle aged mother of five children. Even though she interested to pursue her study and already secured a place in a local higher institution in business upon secondary school, she abandoned her interest because of the call of her family was more urgent; looked after her father business which was in a limbo at that time. She and her brother took over her father business and only started recycling business in 1997. Her company specialized in recycled paper and plastics. In her early years of business she went from one grocery to another to collect recycled papers and plastics on her own, she told the researcher that life was extremely hard that time. She experienced up and down in the early day of business, mostly down. But after some time her recycling business had grown leaps and bound and she attributed to her hard work and interpersonal and business skills that she learned from her father who she admired the most. At the time of interview her recycling company employed more than 100 staff and owned more than 40 small lorries. She operated her business in Kelantan, Pahang and Terengganu. During the visit the researcher was invited to tour around her 3 acres premise surrounded by high wall; women workers sorted out variety of papers and plastics, a score of male foreign workers visible at the scene. On the other corner of her premise an expensive machinery was on carrying paper on conveyor belt to be pressed and as well as a number of forklifts available on the site. Not too far from that heap of papers ready to be brought to recycling plant waiting for lorries. Later, the researcher was told that some of her women workers consisted on single mother as well as those came from poor family including teenagers who waited for the result of Malaysian Certificate of Education and Malaysian Higher Certificate of Education. She hired them as part of her corporate social responsibility to help disadvantage people.

As far as business is concerned in a day she spent RM20,000 to buy plastics and papers from her customers – some individual and some small recyclers around Terengganu. Because of her success in recycling business, to students from vicinity schools and higher institutions visited her premises and oftentimes she was invited to give talks about her business and recycling.

Entrepreneur 4

An hour interview with the entrepreneur 4 was conducted at her recycling premise at noon on 16 April 2011. Her premise situated by a small canal in the outskirts of Kota Bharu, Kelantan. As other recycling premises her courtyard were surrounded by high wall. She almost 60 years old and mother of 6 children. Although she was offered to study in a teaching college due to her good result of her Malaysian Certificate of Education, she unable fulfill her dream to be a teacher because of poverty and ended up working as a clerk with a women entrepreneur in recycling business for more than two decades. Due to her experiences dealing with customers and workers as well as she was a trustworthy person, her employer fully trusted her. During her employer absence she looked after the business. She learned each and every aspect of recycling business; types and quality of recycled items as well as their prices as well as profit margin of the business. She secretly started her own recycling business with capital of RM10,000 from her own saving while she was working with her employer and then resigned a couple of years after her business running. She bought variety of recyclable items and for daily operation she spent around RM5,000. During the time of the interview the researcher observed pile of sorted recyclable items; television, plastics, scrap metals, parts of car as well as used vehicle batteries. She employed 5 staff including two of her sons also worked alongside with her, in charged in buying recyclable items. She sat at the counter, managing cash, paying customers for selling items. She used her lorry to sell recyclable items to buyer in West Coast of Peninsular Malaysia, and husband responsible for transportation.

Although nature of qualitative study does not allow for generalization of demography of women entrepreneurs, it provides some lights into women entrepreneurship in this new venture. Usually women entrepreneurs have been confined in business as usual for them. Women entrepreneurship in recycling business is unusual, this business in Malaysia is overwhelmingly dominated by male entrepreneurs – especially Indians. Women in this study were the one who against the odd. A number of observation can be made from the interview as well as site visit to their recycling premises. First, all of them married and their husband as well as children in some case worked side by side with them. Women entrepreneurs work together with their family, however each had different function. More often than not women entrepreneurs were in charge with administration including financial matter. They made important decision for their business. Whereas their husband and children were handling recyclable items as well as looking after their workers. Although job in recycling premises required physical labor, that task was taken by their workers under responsibility of husbands and children. Their children were happy to work with their mothers. If the proverb says “every successful man, there is a woman behind”, in terms of a successful woman entrepreneurs in recycling business, all family members including husband were behind them as well as their parents. They worked together as a team because they know their business as their livelihood. In addition, apart from played a role as entrepreneurs they also fulfilled their motherhood function, so it came as no surprise to see their children or husband working under their instruction.

Second, women in this study had some experiences in business in the past and now in recycling business. If ones look at their background, almost all of them came from business family. Even though their parents were not so successful in their endeavor in the past, business experiences gained by those entrepreneurs of their family business background directly or indirectly provided tacit knowledge on them. Perhaps it is not exaggerated to say their family atmosphere nurture entrepreneurship within themselves. In terms of their involvement in recycling business, all of them at least had 5 years experiences in recycling business. Some had been in the business for more than two decades. Experiences helped them to manage recycling business, as they already when through ‘thick and thin’ of business as well as familiar with ‘twists and turns’ in recycling.

Third, they were intelligent and educated. Although looking on the surface only one of four women entrepreneurs in this study earned diploma but for the rests, certificates of secondary school was their highest education. However, when women entrepreneurs narrated their stories, it was very clear that they got good grades and they were offered places to pursue their study in higher degree. This was a clear indication that they were clever and educated. However, because of unavoidable circumstances including poverty, they abandoned their wishes to study. Albeit chosed to jump into entrepreneurship in early ages and unlike their friends who studied at universities they women entrepreneurs learned from their hand-on experiences. They were self educated in entrepreneurship. Capability to maintain their business is a clear indication of their entrepreneurship capabilities.

CONCLUSION

An investigation of demography of women entrepreneurship in recycling business provides a meaningful information. In-depth study together with more number of women entrepreneurs would provide a comprehensive view of demography of women in entrepreneurship. Furthermore, quantitative study would be helpful to generalize certain common demography of women entrepreneurship in recycling business. Involvement of women in their new business frontier which overwhelmingly dominated by males in Kelantan and Terengganu will be an eye-opener to other women to follow suit. As for entrepreneurs, they are not loyal to types of business, because they are the means, revenues that they gain, which are the ends that matter. Recycling will be an alternative business for women as long as they fulfill basic requirements to be entrepreneurs. As far as women entrepreneurship in recycling business is concerned matured age, married life, family supports as well business experiences come into played in recycling business.

REFERENCES

- Draman, W.R. 2007. Bahan terbuang menjana rezeki lumayan. Utusan Malaysia. 3 July 2007. Retrieved from http://ww1.utusan.com.my/utusan/info.asp?y=2007&dt=0703&pub=Utusan_Malaysia&sec=Bicara_Agama&pg=ba_02.htm

- Hassan, C.H. 2011. Poverty in Malay States in Malaysia – A socio-demographic study. Conference in Interdisciplinary Business Research. Society of Interdisciplinary Business Research (SIBR).
- Mahmood, R. and M.R. Mohamad. 2011. Perusahaan kecil dan dilema usahawan Melayu. Penerbit Universiti Malaya, Kuala Lumpur.
- Mohamad, M.R. 2000. Industri kecil dan sederhana, landasan–pembangunan usahawan. Universiti Malaya, Kuala Lumpur.
- Omar, S. 2006. Malay Business: Revivalism through entrepreneurship. Pelanduk Publication. Retrieved from <http://www.grameen.info.org>.
- Rosman, M. and M. Rosli. 2011. Perusahaan kecil dan dilema usahawan melayu. Penerbit Universiti Malaya, Kuala Lumpur.
- Sakawi, Z., K. Rostam, and A.R.M. Nor. 2008. Kepentingan pertumbuhan premis kitar semula dalam pengurusan sisa di Malaysia. *e-BANGI: Jurnal Sains Sosial dan Kemanusiaan* 3(1): 1-10.
- Schumpeter, J. 1942. *Capitalism, socialism and democracy*. Princeton University Press.
- Shah, S.H.A. and A.R.M. Ali. 2008. *Entrepreneurship*. Oxford Fajar Sdn. Bhd., Malaysia.
- Yaacob, M.R. 2010. A preliminary study of green micro-entrepreneurs in Kelantan, Malaysia. *International Journal of Business and Management* 5 (3): 81-88.
- Yaacob, M.R. 2012. *Usahawan dan keusahawanan kitar semula di Kelantan dan Terengganu*. Publisher Universiti Malaysia Kelantan.
- Yang, A.B. 2009. *Sampah di mana kesedaran masyarakat*. Institute Kefahaman Islam Malaysia.
- Yunus, M. and A. Jolis. 1999. *Banker to the poor*. Public Affairs, Philadelphia.
- Yusof, A.A. 2010. *Pengenalan kepada usahawan dan keusahawanan*. Scholarmind Publishing, Kuala Lumpur.