

IMPLICATIONS FOR RESEARCH ON PREDICTORS OF SELECTED ENTREPRENEURIAL BEHAVIOUR OUTCOMES OF MALAY ENTREPRENEURS

Ismail Rejab

Fakulti Pengurusan Perniagaan
Universiti Kebangsaan Malaysia

SYNOPSIS

This paper outlines a framework to conceptualize the predictors of entrepreneurial choice and success among the Malays. The approach is behavioral, viewed from individual dispositions and situational or contingency perspectives. From the view that behaviour stems from individual dispositions, the Malay value system related to their belief in capitalism, represents the main baseline to conceptualize relevant socio-psychological variables. One other aspect of socio-psychological behaviour which is contingent upon the environment, draws from the importance of job satisfaction in delineating such behaviour. Predictors of entrepreneurial choice and success are conceptualized around perceived job satisfaction with business as an occupation. Finally, economic predictors are examined which include among others, the ability to assume risks, perception and evaluation of rewards, and the support system from the government and other related sectors.

SINOPSIS

Kertas kerja ini membincangkan aspek-aspek konseptual mengenai peramal kejayaan dalam perniagaan, dan kemungkinan memilih perniagaan sebagai satu bidang profesyen di kalangan orang-orang Melayu. Perbincangan mendekati masalah ini dari sudut psikologi sosial dan ekonomi. Kesan kelakuan sebagai variabel bergantung dijangka akan dipengaruhi oleh aspek-aspek psikologi, sosial dan ekonomi setelah ditinjau pada dua tahap; individu dan persekitaran. Di tahap individu, orientasi nilai hidup akan merupakan asas yang terpenting. Nilai-nilai hidup seharusnya mencerminkan aspek-aspek kepercayaan ke arah dunia perniagaan. Dari sudut psikologi sosial, asas utama yang dibincangkan ialah kepuasan kerja yang mungkin wujud pada perniagaan sebagai satu profesyen. Variabel-variabel peramal dijangka akan berkisar di sekitar kepuasan kerja yang dimaksudkan. Akhirnya ialah faktor-faktor ekonomi sebagai peramal kejayaan dan kemungkinan memilih perniagaan sebagai bidang profession. Variabel-variabelnya termasuk kemungkinan menanggung risiko, pentingnya ganjaran kepada individu, dan sokongan kerajaan dan lain-lain sektor ekonomi.

INTRODUCTION

An anthropologist who once studied the social structure of Malay peasant society in Jebeu observed that, "The importance of the rich man is recognized, but he is far from popular. Too obvious economic suc-

cess opens the way for bad relations with kins and neighbours".¹ In a traditional Malay society, the man who was always economically successful was the typical village businessman. This profession was once viewed as the means for a Malay to achieve affluence and acquire wealth, relative to other members of the community.

With the implementation of the New Economic Policy (NEP), the Malays in both urban and rural sectors are given the necessary support and opportunities to improve their economic status. Irrespective of the objectives of NEP either in terms of the eradication of poverty among the Malays, or to foster an egalitarian distribution of wealth among a multiracial society, an attempt to build a strong and viable Malay commercial society has been relatively achieved. The Malaysian society is today aware of the rapidly expanding Malay participation in business and industry.

Following that numerous studies have examined¹ the structure and achievement of Malay businesses, their needs and aspirations, and many other facets of this new Malay community. The major objectives of most of these studies were to determine the bases upon which various government policies, aimed at improving Malay business, were founded. In most cases, those studies attempted to describe economically-controlled factors governing the Malay business environment, such as the need for capital, the impact of capital structure on business, sources of funds, and others.

OBJECTIVE OF THE STUDY

The anthropologist's observation illustrated earlier, poses an important question that deserves research attention: despite the unfavourable attitude of significant others towards the economic status of a businessman, why do some Malays continue to participate in business. Apparently, there may exist within the cognitive structure of Malay entrepreneurs, some significant forces which generate their willingness to participate and succeed in business.

The task to identify these forces represents the main objective of the present paper. Specifically, this study seeks to outline a conceptual framework of the predictors of entrepreneurial choice and success. Several selected economic, socio-psychological and demographic factors will be utilized as bases to conceptualize the predictors and criterion variables.

¹M.G. Swift, *Malay Peasant Society in Jelebu* (New York: Humanities Press, Inc., 1965), p.2.

CONCEPTUALIZATION AND DEFINITIONS OF RESEARCH CONSTRUCTS

Social scientists have long recognized the need to study human behaviour from several perspectives. As Rush² has observed, modern man has different values, needs, and aspirations. His behaviour is constantly governed by changing beliefs and attitudes generated by his awareness of political, social, and economic environment, and by his desire to break away from traditional bonds.

This observation implies the need to examine the socio-psychological aspects of behaviour to provide a better understanding of the economic man. While there exist several approaches, management literature generally suggests two views in the study of individual behaviour. One view posits the study of behaviour as individual dispositions, while the other advocates an approach which examines behaviour as a function of the environment.

Secord and Backman suggested an integrated approach to the study of individual behaviour known as the interpersonal approach. This approach suggests that, in any given situation or series of situations, there are various factors which determine how an individual will behave, and the relative importance of these various determinants. "The range of answers is illustrated by two extreme views: (1) that behaviour springs fully from structured dispositions within the individuals, and (2) that a person's behaviour is determined by the situation he is in".³ Accordingly, the interpersonal approach focuses on the relations between individuals where such relations form a major part of the socio-psychological behaviour within a given society.

Based on the above approach, the following research constructs should be examined as follows:

Table 1. Research constructs.

PREDICTORS		CRITERION VARIABLES
Individual Dispositions	Situational (Contingency)	Behaviour Outcome
Basic Value Orientations	Socio-psychological Attributes	Inclination Toward Business
	Socio-economic Factors	Success in Business

²Harold M.F. Rush, "The World of Work and the Behavioral Sciences: A Perspective and an Overview," in Fred Luthans (ed.), *Contemporary Readings in Organizational Behaviour* (New York: McGraw-Hill, 1972).

³Paul F. Secord and Carl W. Backman, "Causation in Behaviour: The Psychological Approach," *Contemporary Reading in Organizational Behaviour*, ed. Fred Luthan (New York: McGraw-Hill Book Co., 1972), p. 216.

The above paradigm suggests that behaviour outcomes are contingent upon situational factors and individual dispositions. Basic value orientations epitomise the individual dispositions, where values are considered as the factors which shape an individual personality, which in turn governs his behaviour. As an individual is a member of the environment, the situational factors are pertinent determinants of behaviour. Socio-psychological attributes and socio-economic factors are situational variables that are relevant in the present conceptualization. Finally, behaviour outcomes are conceptualized in terms of inclinations towards business and success in business. The remainder of this paper discusses the constructs and the development of selected variables that are relevant for the purpose of the present attempt at conceptualization.

BASIC VALUE ORIENTATIONS

Values not only motivate and determine but also organise and integrate forces in personality, society, and culture.⁴ Citing Kluckhohn and Strodtbeck,⁵ Scott⁶ argues that the basic values of a culture taken together constitute the personality of a society. Both observations imply the importance of values in any discussion on human socio-psychological behaviour. In the present study, the concept of values refers to "an enduring belief that a specific mode of conduct or end-state of existence is personally or socially preferable to an opposite or converse mode of conduct or end-state of existence."⁷

However, the scope for the study of values is extremely broad. For convenience, the present study emphasises those value orientations which are pertinent to the present research problem. Since the problem centers on the inclination of the Malays to pursue and to succeed in entrepreneurial career, it would seem proper to examine those values which reinforce their belief in capitalism. As Parkinson argues, unless Malay values change, it is likely that their economic advancement will remain relatively slow. In his analysis, he further suggests that there exists "a conflict of values; a conflict between the values of the (rural) Malays and the values required for capitalism"⁸

⁴S. Takdir Alisjahbana, *Values as Integrating Forces in Personality, Society and Culture* (Kuala Lumpur: University of Malaya Press, 1974).

⁵Florence Kluckhohn and Fred Strodtbeck, *Variations in Value Orientations* (Evanston, Ill., Row Peterson and Co., 1961).

⁶James C. Scott, *Political Ideology in Malaysia: Reality and the Beliefs of an Elite* (Kuala Lumpur: University of Malay Press, 1968).

⁷Milton Rokeach, *The Nature of Human Values* (New York: The Free Press, 1973), p.5.

⁸Brien K. Parkinson, "Non-Economic Factors in the Economic Retardation of the Rural Malays," *Readings in Malaysian Economic Development*, ed. David Lim (Kuala Lumpur: Oxford University Press 1975), p.338.

In addition, because Islam is an important feature of Malay life⁹ it is relevant to consider value orientations which depict the influence of religious beliefs on economic and business-related behaviour. In the present study such value orientations will be examined accordingly.

Although the main purpose of this study is conceived in terms of conceptualizing theoretical constructs and deriving explications from them, at the outset we may envisage a close relationship between Malay value orientations and the inclination to participate or succeed in business. The following value orientations are selected for the purpose of conceptualizing the constructs on the assumption that they closely depict the belief of a businessman in capitalism.

Values Towards Wealth Accumulation. Wealth is one of the most important aspects of a status system.¹⁰ However, in a study of Malay peasants in Jelebu, Swift¹¹ notes that, while they strongly desire wealth, the Malays tend to view it primarily as an item for consumption. That is their values about wealth accumulation are geared toward short-run as opposed to long-run orientations. Accordingly, they express the desire to accumulate wealth for the purpose of present comfort and security.

Their value orientation favouring security is illustrated by the tendency of the Malays to seek employment with government or semi-government institutions, where a fixed income provides security for them and their family.¹² In this sense, the inclination of the Malays to participate in business tends to be inhibited, because such an attempt entails a long-term calculation of risks and benefits. Consequently, the Malays who have ventured into business or those who have a strong desire to be in one, are primarily those who do not strictly adhere to the traditional values which promote beliefs in short-term gains and security.

Based on the above observations, four variables are important in conceptualizing the Malay values toward wealth accumulation, namely:

1. the extent of belief that accumulation of wealth is important for future comfort and security,
2. the extent of belief that accumulation of wealth is important for present comfort and security

⁹William Wilder, "Islam, Other Factors and Malay Backwardness; Comments on Argument," *Modern Asian Studies*, II (April 1968), pp. 341 - 346.

¹⁰M.G. Swift, "Capital, Saving and Credit in a Malay Peasant Economy;" *Capital, Saving, and Credit in Peasant Societies*, eds. R. Firth and B.S. Yamey (London: George Allen and Unwin Ltd., 1964).

¹¹Swift, *op. cit.*, 1965.

¹²*Ibid.*

3. the extent of belief that accumulation of wealth is encouraged by Islam, and
4. the extent of belief that accumulation of wealth is not wrong in Islam.

Values on Sharing Wealth (Cooperation). The Malay society generally depicts a structure of social cohesion. The modernization of the society generates a number of new activities and roles such as local elections, cooperative ventures, development schemes, and many others, which require some forms of organizational framework. Although the effectiveness of kinship relations is gradually disappearing in some villages, Swift observes that "village sentiments are phrased in much the same way as those attached to the correct relationship between members of a kin-group. Friendliness, cooperation, and generosity are admired; envy, unfriendliness, and precise calculation in economic matters disapproved".¹³

The implication is obvious that values on sharing wealth is dominant amongst members of a cohesive social structure, such as the Malay society. Such values not only reinforce social cohesion, but also provide some baselines upon which village organizations are structured. Implicit though not institutionalized, are the ties of reciprocity in the Malay community characterized by exchanges of goods and services, small loans to neighbours in need of cash, and contributions for social causes.

However, for those who have a strong willingness to participate in business, especially if they are themselves wealthier than the rest of the community, the notion of reciprocity may not be readily acceptable. This is because such a system is not equitable, where most of the time one party in the exchange process tends to lose.

These notions of sharing and reciprocity are conceptually the opposite of a constant-pie or zero-sum orientation. In his study of Malaysian civil servants, Scott¹⁴ found that there was an indication among the respondents to have a strong belief in this concept. When the test was administered to a group of Malaysian businessmen, the same result was found. The result gave credence to his earlier assertion that because of the competitive environment in the private sector, it would be expected "to find more of a zero-sum orientation among managers"¹⁵ in this sector.

The above observations clearly indicate that several factors are present in the values of prospectively successful businessmen regarding

¹³Ibid.

¹⁴Scott, op. cit., 1968.

¹⁵Ibid.

the concept of sharing, or otherwise zero-sum orientation. The following variables are conceptualized in the present study:

- a. the extent of belief in sharing wealth;
- b. the extent of willingness to contribute toward causes that benefit the society;
- c. the extent of belief in cooperation or helping each other in the society;
- d. the extent of belief that through cooperation or helping each other in the society, no one loses, but everyone gains in one way or another; and
- e. the extent of belief that cooperation is encouraged by Islam.

Values Toward Independence from Traditional Authority. Relationships of conformity and dependence are pervasive in traditional societies. Scott suggests that “the uniformity of belief and values that characterizes traditional society is enforced by the social network of dependencies, according to which the crucial test of the rightness of a belief or behaviour depends on its being sanctioned by authority ...”¹⁶ However, within a changing Malay society, “Modern attitudes do more than lessen feelings of guilt about infringing the adat; they provide a positive sanction for behaviour which can be seen as freeing the Malay people from the bonds of outworn custom which make them a backward group in their own country. The deviant can picture himself as a pioneer of progress”.¹⁷

It is therefore necessary to consider to what extent these customary behaviour patterns are infringed by a Malay who has a strong inclination to go into business. Because business is a profession which often “opens the way for bad relations with kins and neighbours”,¹⁸ a Malay who is successful in business, or who initially has a strong desire to be in one, has to sacrifice a great deal in terms of his cultural and social relationships with other members of the society. Mostly, he has to have a strong desire to be independent from the bonds of traditional authority and other cultural norms. While outwardly his behaviour does not manifest an intention to set aside traditional norms of culture and authority, his real intention to seek independence from the bonds of tradition may indeed represent a behavioural feature which characterizes him as a successful Malay with a strong business inclination. This observation is significant because it will validate the

¹⁶Ibid.

¹⁷Swift, op. cit., 1965, p. 98.

¹⁸Swift, op. cit., 1968, p. 152.

assumption that a strict adherence to cultural mores and values tend to greatly inhibit the willingness of a Malay to participate in business.

The above observation clearly implies a choice situation faced by a Malay as a member of the society, who may be inclined to pursue a business career. On the one hand, he seeks independence, while on the other he is tied by the cultural need to get along with others. Positive conduct is difficult in such a situation where there exists a diagonally opposed set of choices. Yet the need to strike a balance is also important. However, a typical businessman would more likely choose to strive for independence from traditional norms of authority than opt for maintaining good relations with others. Accordingly, the following variables are important:

- a. the extent of awareness of the irrelevance to a person of some of the existing values within the Malay society;
- b. the strength of belief in independent actions even if such actions seem to be opposed to the approved norms of society; and
- c. the strength of belief in the importance of independent action as against the importance of the need to get along with others.

Values Toward Optimism and Aggressiveness. Optimism and aggressiveness represent the constructs which illustrate some of the characteristics required of a businessman. Optimism can be viewed from several angles including a view toward success, the extent of faith in one's future, the degree of fatalism, the degree of resistance toward changes in the way of life, and the willingness to assume risks. Aggressiveness can be viewed as the ability to react without mental inhibitions caused by environmental constraints and limitations.

In addition, both constructs are closely related so that the presence of one reinforces the other. For example, one has to be optimistic in order to be aggressive in business, and vice versa. However, the present study is not designed to determine the relationships between the two constructs, but to explore the value orientations of a typical businessman towards optimism and aggressiveness.

"A Malay is very prone, after a setback to stop striving, and say that he has no luck, that it is the will of God. In economic affairs, this is most clearly seen in the concept of 'rezeki', a person's divinely determined economic lot"¹⁹ This view encourages the Malays' negative reactions towards success, their passive attitude towards capitalism, and their unquestionable resistance towards change and especially those changes which affect their way of life.²⁰

The concepts of 'malu' or 'segan' which are common behavioural reactions amongst Malays, constitute a hindrance towards achieving

¹⁹Swift, op. cit., 1965, p. 29.

²⁰Parkison, op. cit., 1975.

economic success.²¹ Such attitudes lower the level of aggressiveness which is highly needed for success in business. While modern Malays may appear to have overcome such tendencies (probably by those who are currently in business), it is likely that at times, these attitudes lead to less aggressive behaviour. This is especially the case when under certain situations a Malay is compelled to defy his culture or deliberately jeopardize his social relationships with others.

In the present context, the question remains whether or not the Malay businessmen are content to accept without question those occupations which are not highly rewarding. That is, irrespective of success or failure, would a Malay businessman strive to improve his economic status with optimism and aggressiveness. This observation implies the need to examine their value orientations regarding:

- a. the extent of belief that a person will succeed in life if he strives for it;
- b. the extent of readiness to strive despite failure in current project;
- c. the extent of willingness to try a new project or occupation which is financially rewarding than the present project or occupation;
- d. that it is not embarrassing to perform any kind of job as long as it is beneficial to the person;
- e. that it is not embarrassing to perform any kind of job as long as it is beneficial to the society; and
- f. that it is not embarrassing to perform any kind of job even though it is against the norms approved by the society.

Manipulative Tendency. One of the important aspects of a value system concerns the individual's estimation of human nature. In his study of Malaysian civil servants, Scott assessed this facet of the value system by examining attitudes towards friends. In particular, he attempted to examine what civil servants hoped to gain through friendship. Among other things he found that these civil servants valued their friends "in terms of what assistance such people can offer when the need arises...friendship perhaps serves to cushion unexpected blows of fate and provides some measures of social protection".²²

²¹From the perspective of social and economic behaviour 'malu' or 'segan' can be viewed as "Being correct, showing consideration and concern, anticipating the other, conducting oneself with gentleness, and refinement, speaking softly and using the proper word, and above all, being sensitive to the other person." See, P. J. Wilson, *A Malay Village in Malaysia* (New Haven, Conn: HRAF Press, 1967, p. 132) Quoted in H.K. Charlesworth. *Role Strain in Bumiputera Entrepreneurs — Can it be Overcome?* (Unpublished Paper submitted to MARA Institute of Technology, n.d.)

²²Scott, op. cit., 1968, pp. 62 - 63.

This aspect of value is highly relevant to a study of Malay entrepreneurial behaviour. Largely, the manner in which Malay entrepreneurs treat their friends and associates represents the extent of their manipulative capability. Here, the concept of manipulation is broad, referring to the ability to adapt to environmental changes and demands. It indicates their ability to successfully utilize environmental factors (friends, associates, organizations, etc.) through legal means or other wise, for their own benefits. That is, manipulative tendency serves to indicate the degree of effort expanded to use people and things through personal persuasion, or official channels of authority.

Generally, Malay society does not socially approve behaviour which explicitly involves a precise calculation of economic matters, or a striving for personal ends at the expense of others, or above all, a manipulation of people. However, such behaviour is implicitly predominant amongst the Malay businessmen solely because of the perceived need to utilize these environmental factors (friends, associates, organizations, etc.) in order for them to attain their personal or organizational goals. It is likely that the Malays who have strong inclinations towards business are more manipulative than those representing the traditional elite.

Based on the above observation, the following variables represent the value orientation regarding manipulative tendency:

- a. the extent of belief that a friend can provide financial support and protection;
- b. the extent of belief that a friend can provide moral support and protection;
- c. the extent of trust accorded to a friend;
- d. the extent of trust accorded to a business associate;
- e. the importance of a business associate;
- f. the importance of a friend;
- g. the extent of belief that a friend can be used for personal ends;
- h. the extent of belief that a business associate can be used for personal ends;
- i. the extent of belief that anybody can be used for personal ends;
- j. the extent of belief that any organization can be used for personal ends;
- k. the extent of belief that anybody can be used for personal ends as long as the method is legal;
- l. the extent of belief that any organization can be used for personal ends as long as the method is legal;
- m. the extent of belief, whether legal or illegal, that anybody can be used for personal ends, as long as one can evade the law; and
- n. the extent of belief, whether legal or illegal, that any

organization can be used for personal ends, as long as one can evade the law.

SOCIO-PSYCHOLOGICAL ATTRIBUTES

Socio-psychological attributes are treated in this study as situational determinants of behaviour. As Secord and Backman observes, "Inherent in the situation are the social forces that shape and determine behaviour at any given moment, although it is recognized that ...previous experience with such situations has predisposed (a person) to react in certain ways in the particular circumstances".²³ For example, in organizational research, March and Simon²⁴ argue that the likelihood of a person to participate in his job or to leave the job depends, among other things, on the satisfaction with the job. A logical research task is to identify the relevant factors that constitute the correlates of socio-psychological behaviour associated with a given situation or series of situations.

The main problem associated with the above task is to determine the situations in which socio-psychological behaviour becomes relevant. To this end, the concept of social roles seems applicable, because roles delineate the nature of behaviour interaction in a social system. That is, roles clearly define the behaviour expected of a person as a member of a social group (a society) by other members.²⁵ In short, roles are fairly synonymous with the situations as stipulated above. Along this line the present study will examine the factors which are important in determining behaviour *vis-a-vis* the roles assumed by a person.

Perceived Satisfaction with the Job. Drawn upon the work of March and Simon,²⁶ the main socio-psychological construct proposed in this study is perceived satisfaction with the job. The main thesis related to this construct is that the probability of a person to continue to stay on the job depends on job satisfaction. While there may be other factors, job satisfaction represents the primary force which influences decisions to stay or leave a particular job. The assumption here is that perceived satisfaction with the job would also influence the choice of

²³Paul F. Secord and Carl W. Backman *Social Psychology* (New York: McGraw-Hill Book Co., 1974), p. 518.

²⁴James G. March and Herbert A. Simon, *Organization* (New York: John Wiley & Sons, Inc., 1958).

²⁵Lynn E. Gill and Louis W. Stern, "Role and Role Theory in Distribution Channel Systems," *Distribution Channels: Behavioral Dimensions* ed. Louis W. Stern (Boston: Houghton Mifflin Co., 1969).

²⁶March and Simon, *op. cit.*, 1958.

a particular profession or occupation. That is, the higher is the perceived satisfaction with an occupation (business) the greater is the inclination toward selecting or sustaining that occupation as a career.

Job Conformity. One of the factors affecting job satisfaction is the conformity of job characteristics with self-characterization held by individual.²⁷ March and Simon further hypothesized that the greater the degree of conformity, the higher is job satisfaction. The concept of conformity is operationalized as:

- a. perception (as a businessman) of the degree of conformity between business occupation and personality.

Conformity of Job to Other Roles. In addition to the above role, a businessman or woman is also a father or mother, and a member of the society at large. Similarly, it is important to determine the degree of conformity between the job with other assumed roles. Accordingly, the concept is operationalized as:

- a. the perception (as a husband or wife) of the degree of conformity between business occupation and personality;
- b. the perception (as a father or mother) of the degree of conformity between business occupation and personality;
- c. the perception (as member of the society) of the degree of conformity between business occupation and personality; and
- d. the perception (as a Muslim) of the degree of conformity between business occupation and personality.

Predictability of Job Relationships. "In general and up to a fairly extreme point, increase predictability (of job relationships) yield increased satisfaction for most people — particularly in activities that are primarily instrumental"²⁸ In the present framework, a businessman should be more satisfied with his job if he knows and is able to predict the factors (competition, customers, and government policies related to his type of business) that can influence the way he conducts his business. The environment is instrumental in determining the level of success in his job. Accordingly, the following variables are operationalized:

- a.
 - i) the degree of knowledge about competitors;
 - ii) the degree of ability to predict actions of competitors;
- b.
 - i) the degree of knowledge about the customer;
 - ii) the degree of ability to predict customer wants;
- c.
 - i) the degree of knowledge about related government policies;

and

²⁷Ibid.

²⁸Ibid, p. 94.

2. the degree of ability to predict changes in related government policies.

Autonomy in Decisions. Citing Reynolds and Shister,²⁹ March and Simon³⁰ suggested the importance of independence in decision making as a factor influencing job satisfaction. This refers to the extent to which a person perceives independence and control provided by the work situation.

The implication is obvious that the nature of the job and job environment can affect perception regarding independence and control. Accordingly, a positive relationship may exist between perception of independence and job satisfaction. Along with the nature of the job, the characteristics of the task itself may be important determinants of satisfaction. Therefore, in the present attempt at conceptualization, the concept of independence in decision making related to the job, and the degree of responsibility ascribed to the task are deemed important. These variables are operationalized as:

- a. perception of the degree of independence in decision making provided by the business, and
- b. perception of the degree of responsibility that business has inculcated in the person.

SOCIO-ECONOMIC FACTORS

It has been universally accepted that some selected economic factors may be important inducements in selecting occupations. One of the factors is the reward to be derived from the occupation. In this context, a person has "a conception of what he is worth in money and status, that his conception is not totally unrelated to the labour market value of his services, but that it is far from totally dependent on the market value".³¹ Although, the remuneration may be low (or high) a person would attach a considerable degree of importance on the level of income that can be derived from an occupation. This is likely to influence his selection of an occupation. Essentially, two aspects are relevant; the reward and status accorded to an occupation and the importance attached to such reward and status.

In line with our discussion of entrepreneurial choice and success, the perception that business will provide rewarding income, and the importance attached to such income, should be measured. It is also important to examine the status associated with business as an occupation, and the importance of such status to the entrepreneur

²⁹L.G. Reynolds and J. Shister, *Job Horizons* (New York; 1951).

³⁰March and Simon, op. cit. 1958.

³¹*Ibid*, p. 96.

The success or failure of an entrepreneur will not only depend on inherent socio-psychological factors, but also "on the ability of his country's economic structure to develop a market based on the law of supply and demand. The economic system must also provide the entrepreneur with an opportunity to prove his worth, and it must recognize his success"³²

As stated earlier, one of the main objectives of the Malaysian government's New Economic Policy is to develop a Malay commercial society through added Malay participation in commerce and industry, and through their equity participation in the private sector. Since its implementation, several strategies have been implemented to achieve these objectives. Financial as well as technical and technological advisory services are made available to the Malays who intend to start a viable business, and to those who have already been in prospectively successful businesses.

From our conceptualization of the importance of economic factors as predictors of entrepreneurial success, the government's financial and advisory support system should be analyzed and evaluated accordingly. Specifically, such evaluation should determine the extent to which the system is effective in generating and sustaining success amongst the entrepreneurs. A logical analytical procedure would be a comparative analysis of success across the various groups based on the availability of such support programs.

In most developing countries of South East Asia such as Malaysia, the control of economic factors tends to be segregated along the ethnic origin of the population. Any economic policies aimed at improving the economic stature of one particular ethnic group may generate adverse reactions from other groups. Such reactions have to be considered because support and cooperation from these other groups may contribute to the success of one particular group.

Our conceptualization calls for an evaluation of such support from the various ethnic groups by examining the macro structure or the existing system itself, and of knowledge and skills of Malay entrepreneurs in responding to the demands of the other groups. Accordingly, the following must be established:

- a. the extent of market shares of product offered for sale by Malay businesses, to determine whether such market share include buyers from all ethnic groups
- b. the extent to which Malay entrepreneurs are aware and capable of identifying business investment opportunities available within an open economic system, and

³²J. Panglaykim, "The Entrepreneur and Growth and Development Corporations, *Asian Survey*, XIX (July 1979), p. 708.

- c. the extent to which Malay businesses are constrained by discriminatory practices by other members or groups within the business system.

The anthropological study cited above pointed out that the Malays generally preferred short-term gains as opposed to long-term ones. The tendency to prefer short-term gains further indicates the value placed on occupational security as opposed to the need for risk taking. However, because Malay entrepreneurs may represent an elite distinct from the rest of the society, those who are potentially successful may portray a non-traditional outlook. They should exhibit the willingness and ability at risk-taking, and therefore should refrain from operating in the traditional areas where the returns are low, but operationally free from risks.

The above observation clearly indicates that the willingness and ability to assume risk by Malay entrepreneurs may be closely associated with their potential for success in business. It may also indicate that those who enjoy taking risks, would be the ones who would most prefer business rather than any other occupation. It is therefore pertinent to examine their perception associated with the ability to assume business risks.

CONCLUSION

This study discusses a conceptual framework and the implications for research regarding the predictors of selected entrepreneurial behaviour outcomes of Malay entrepreneurs. Behaviour outcomes include inclination towards business, and success in business, while predictors of behaviour outcomes are basic value orientations, socio-psychological attribute and socio-economic factors. Although socio-economic and demographic factors have been shown to influence behaviour, this study posits that socio-psychological attributes and values may improve its predictability. As behaviour itself is multi-dimensional, it would be conceptually restrictive not to include socio-psychological constructs in the study of human behaviour.

