

Towards Sustainable Empowerment: A Guided Micro-Entrepreneurship Program for Unlocking Welfare Dependency in Malaysia

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ABSTRACT

Productive Welfare under the Social Welfare Department Malaysia aims to end welfare assistance by developing individuals' capabilities through government programs. The guided micro-entrepreneurship program is one of the means of empowerment, and sustaining it after the program ends is a challenge, especially for vulnerable communities such as Persons with Disabilities (PwD), single mothers, and the poor. This study explores the sustainable empowerment process among guided microentrepreneurs in a productive welfare program by addressing how sustainable empowerment occurs among guided microentrepreneurs. The study involved eight participants from Negeri Sembilan, Malaysia, selected through purposive sampling from the Social Welfare Department Malaysia, 2 Years Exit Programme (2YEP). Data collection included interviews, observations, and document analysis. Thematic analysis reveals that sustainable empowerment is achieved through coping strategies, lifelong learning, and effective business management. Hence, achieving this requires consistent efforts, good program governance, and full support from the family and community. In conclusion, ending the cycle of welfare dependency and driving it into self-reliance requires whole-of-government and whole-of-nation involvement, long-term program planning, and utilization of coping resources, namely social capital, attitude, material, spirituality, and psychology. Empowerment gains significance when welfare beneficiaries embrace independence from assistance and contribute to the welfare of others.

INTRODUCTION

In the field of community development, sustainable development can be explained as a long-term outcome resulting from an empowerment process that involves productive activities (Singh & Titi, 2001; Bukowski & Kreiss, 2021). This is further elaborated as a development product that emerges from the long-term participation and empowerment processes (Jaganathan, 2016). Therefore, a continuous reduction in dependency on welfare assistance can be achieved through initiatives that empower vulnerable communities, enabling them to become self-reliant and capable in the long run (Hlahla et al., 2016; Zurinawaty et al., 2020). Sustainability refers to the ability to maintain good achievement or performance (Dewan Bahasa dan Pustaka 2015). Sustainability also means the potential for a community to sustain achievements after receiving support from the government to ensure effective protection and resolution (United Nations High Commissioner for Refugees 2008).

According to the Department of Social Welfare Malaysia Statistics Report (2021), there are 519,160 financial aid recipients in 2021 compared to 505,188 in 2020, leading to an increase in financial support from RM1.8 million to RM2.4 million. The provision of this assistance also assessed the potential for self-

reliance in each aid recipient. This is because welfare assistance programs should serve as temporary tools in the process of assisting recipients in their recovery, prevention, development, and empowerment.

Welfare Dependency Culture

Social workers face challenges in changing the behavior of financial aid recipients who are unwilling to work but desire an improved quality of life (Maclean, 1977). Murray (1984) describes the Theory of Welfare Dependency as individuals relying on state assistance, which weakens their aspirations and self-help abilities. Welfare dependency issues occur when recipients receive financial aid for a prolonged period, become comfortable, and learn behaviors that enable them to remain in the welfare recipient status quo (Jaganathan, 2015; Spicker, 2011; Zakiyah & Norzalinda, 2018). Although a top-down approach is crucial when formulating policies, it indirectly contributes to the dependency issue when people in power provide various types of aid that are regarded as beneficial for developing disadvantaged groups. This opposes the traits of self-reliance, self-sufficiency, and responsibility for personal development through sustainable living (Amri, 2019).

In addition, there are various stigmas attached to welfare recipients, such as individuals dropping out of school, defrauding the government, bearing children out of wedlock, and blaming the system and aid recipients for their welfare dependency attitudes (Boyle, 2019; Spicker, 2011), leading to excessive state expenditure (Jaganathan, 2015). Welfare programs are described as transitioning “from legitimacy to stigma and entitlement to gift”. The impact of this culture creates an attitude of excessive comfort, easy giving up, and lack of self-worth (Fauziah et al., 2017). Consequently, victims are often blamed for poverty (Boyle, 2019). This problem has been addressed through welfare reforms, including the concept of productive welfare.

Welfare versus Well Fed: A Paradox

The policy strategy for the termination of welfare assistance or exit policies is very sensitive to discussion. This is because the goal of welfare is to help the livelihood of vulnerable and marginalized communities. The goal of empowerment is to help poor and marginalized communities understand their situation and achieve more capabilities in life (Rappaport, 1981). The conflict between empowerment and welfare drives the reform of welfare policy, which is productive welfare. However, few recent studies discuss the productive welfare approach in the context of guided microentrepreneurs, especially in Malaysia. How does productive welfare as an exit policy help vulnerable communities in Malaysia emerge from the status of welfare beneficiaries and achieve a sustainable life? The specific concept of “sustainable empowerment” as a product of empowerment has also not been explored in depth, especially in the context of guided micro-entrepreneurs’ social welfare assistance programs.

In Malaysia, there is a productive welfare program called the 2 Years Exit Programme (2YEP), which strives to develop vulnerable groups and end dependency traditions on welfare. Since introduced in 2016, the 2 Years Exit Programme (2YEP) has assisted welfare beneficiaries in achieving self-sufficiency via the development of survival skills and empowerment over two years. As of 2022, 6,500 welfare beneficiaries had participated in this project, with approximately 1,500 succeeding (The Sun Daily, 2023).

The Malaysian government through the Department of Social Welfare Malaysia (DOSWM) has distributed RM2.4 billion to 533,167 welfare beneficiaries throughout 2022 (The Sun Daily, 2023). This indicates the government’s efforts to provide financial support for those in need. This effort has been

ongoing for several years. However, “welfare versus well-fed” is the paradoxical phenomenon of being ‘constantly provided for’ or ‘dependent on welfare’. This can imply a situation in which individuals are consistently receiving assistance or benefits from the welfare system, potentially without actively seeking to improve their circumstances or become self-sufficient.

In contrast to the 2 Years Exit Programme (2YEP) productive welfare initiative, “well fed” suggests a state of continuous reliance on welfare support, which may create a sense of entitlement or dependency on government assistance. This raises questions about the long-term sustainability and effectiveness of welfare programs, as well as the potential disincentive for individuals to seek employment or strive for self-improvement. Is the welfare system designed such that self-sufficiency is devalued? Can welfare programs be designed to provide short-term support while still encouraging individuals to be responsible for self-improvement? These questions highlight concerns about striking a balance between providing necessary support to those in need and unwittingly fostering a culture of dependency on welfare, where individuals become accustomed to being “fed” by the system without actively pursuing personal growth or self-sufficiency.

Definition of Sustainable Empowerment

“Sustainable empowerment” combines empowerment and sustainability. Drakakis-Smith (1995) distinguishes it from developmental sustainability, emphasizing measurable ongoing change. Pappas (2013) defines a sustainably empowered individual as one living a value-driven, self-aware lifestyle, fostering control across physical, spiritual, emotional, social, and intellectual realms, and harmonizing relationships. This denotes the continuous ability to maintain personal power and control amid evolving lifestyles.

Research question

This study aimed to uncover the challenges faced by productive welfare program participants and their strategies for business and livelihood continuity during and after the COVID-19 pandemic. Micro-entrepreneurs and ex-financial aid recipients uplifted from poverty through the 2YEP initiative by DOSWM were selected. The research question “How does sustainable empowerment occur among guided micro-entrepreneurs under the 2 Years Exit Programme?” outlines the scope of this study.

LITERATURE REVIEW

Sustainable Livelihoods Framework

The Sustainable Livelihoods Framework by the Department for International Development (DFID) (1999), which was developed by Chambers and Conway (1991) and Scoones (1998) of the Institute of Development Studies (IDS), explains the scenario of sustainable livelihoods, as shown in Figure 1.

The Sustainable Livelihoods Framework aims to enhance the understanding of livelihoods, particularly of vulnerable communities. There are five essential assets or capital within this framework: Human, Natural, Financial, Physical, and Social (DFID, 1999). According to the DFID, the processes and structures of national-level development programs (such as the New Economic Policy in Malaysia) and the sustainable livelihood approach share the same goal of reducing poverty and promoting sustainable development. Both approaches emphasize holistic thinking, long-term sustainability, national wealth, partnership, process orientation, and participation. To achieve sustainable livelihoods, the eight key competencies listed by UNESCO (2017), as shown in Table 1, are crucial to the success of the vulnerable.

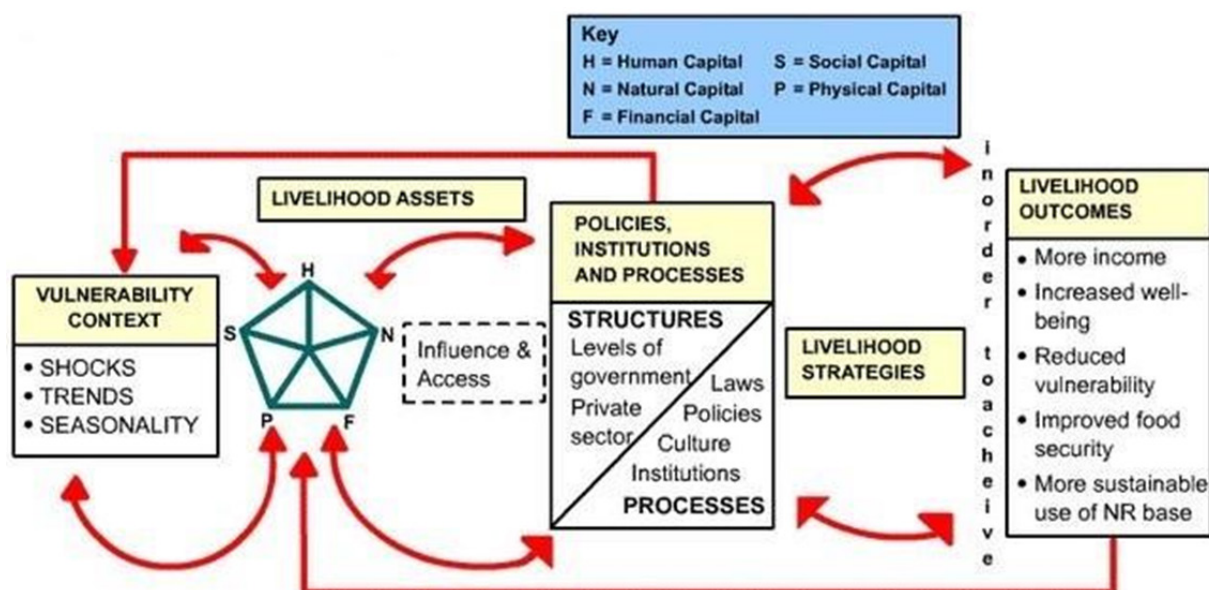


Figure 1: Sustainable Livelihoods Framework

Table 1: Key Competencies for Sustainability

Key Competencies	Definition
Systems thinking competency	The abilities to recognize and understand relationships; to analyze complex systems; to think of how systems are embedded within different domains and different scales; and to deal with uncertainty.
Anticipatory	The abilities to understand and evaluate multiple futures – possible, probable, and desirable; to create one's visions for the future; to apply the precautionary principle; to assess the consequences of actions; and to deal with risks and changes.
Normative	The ability to understand and reflect on the norms and values that underlie one's actions; and to negotiate sustainability values, principles, goals, and targets, in a context of conflicts of interests and trade-offs, uncertain knowledge, and contradictions.
Strategic	The ability to collectively develop and implement innovative actions that further sustainability at the local level and further afield.
Collaboration	The abilities to learn from others; to understand and respect the needs, perspectives, and actions of others (empathy); to understand, relate to, and be sensitive to others (empathic leadership); to deal with conflicts in a group; and to facilitate collaborative and participatory problem-solving.
Critical thinking	The ability to question norms, practices, and opinions; to reflect on one's own values, perceptions, and actions; and to take a position in the sustainability discourse.
Self-awareness	The ability to reflect on one's role in the local community and (global) society; to continually evaluate and further motivate one's actions; and to deal with one's feelings and desires.
Integrated problem-solving	The overarching ability to apply different problem-solving frameworks to complex sustainability problems and develop viable, inclusive, and equitable solution options that promote sustainable development, integrating the abovementioned competencies.

[Adapted from United Nations Educational Scientific and Cultural Organization (2017)]

Stress and Coping Theory

Lazarus and Folkman (1984) conducted cognitive efforts to manage stress, displaying adaptability when resilience was tested. The following six resources underpin coping: Health, Positive Beliefs, Problem-Solving Skills, Social Skills, Support, and Material Resources. Coping is versatile and addresses various stressors, such as Personal Limitations, Constraints, and Threats. Amid adversity, coping evolves, often commencing with loss, culminating in acceptance. Strategies vary and potentially extend over the years. Abravani and Gharibzadeh's study (2020) revealed that pandemic coping prioritized problem solving and was linked to mental well-being. Jean-Baptiste et al. (2020) observed emotional stability during COVID-19, attributing it to reliance on social resources. This study aligns with Muna et al. (2019), indicating that religious values influence coping strategies. In the context of this study's participants adhering to Islam, Islam encourages entrepreneurship ethics, practices, and rewards. Hence, further exploration is required to understand the influence of religion on sustainable empowerment.

Background of the 2 Years Exit Programme (2YEP)

The Department of Social Welfare Malaysia (DOSWM) addressed concerns over high dependence on monthly financial aid recipients through the 2 Years Exit Programme (2YEP), an empowerment initiative conducted from 2014 to 2016. 2YEP aimed to promote self-reliance by engaging aid recipients in active employment or income-generating activities. Participant selection considered factors such as age, health, ability to work (prioritizing business starters), and beneficiaries of specific assistance schemes. The pilot project spanned Negeri Sembilan and Perlis and involved 503 participants. By 2016, 48 participants had successfully transitioned from aid, resulting in an RM1.52 million (0.025%) reduction in allocation (Khairul Amri, 2019).

The 2YEP contributed to a 6% decline in financial aid recipients in 2016, totalling 462,322, compared to 492,067 in 2014 (Department of Social Welfare, 2016a). The pilot project played a key role in this achievement. The nationwide expansion of 2YEP in 2016 with RM2.5 million allocation aligned with the Eleventh Malaysia Plan, a medium-term strategy for social and economic growth. The 2019 2YEP Participant Income Movement Report revealed that 987 recipients (28.2% of the first batch) successfully completed aid participation from 2016 to 2019 (Department of Social Welfare Malaysia, 2020b). Although the program cost remains a concern, the empowerment progress achieved is significant. To grasp sustainable empowerment insights, the study delved into the experiences of former 2YEP participants (2014-2016) who independently ended welfare assistance.

The governance of the 2 Years Exit Programme (2YEP)

The Productive Welfare Division of DOSWM (2016) outlined the governance, terms of reference, and strategy of the program as summarized below:

- i. Maximum of 2 years of assistance
- ii. Client receives monthly welfare assistance with the Productive Welfare launching grant;
- iii. Create a 2YEP evaluation committee at the state or district level.
- iv. Periodic and monthly supervision over 2 years.
- v. Active client involvement in training, skills, job placement, and income-generating programs
- vi. Building a multi-sectoral collaboration network in developing clients towards independence; and
- vii. Providing incentives, rewards, and positive reinforcement to successful clients (2YEP participants) and caseworkers (DOSWM officers).

The approach used in implementing 2YEP is through four (4) main processes: screening, placement and intervention, monitoring, and termination.

Phase 1: Screening

In the screening phase, there are two (2) processes, the first is the initial screening process and the second is the advanced screening process. The initial screening process occurs when welfare beneficiaries are screened according to productive and non-productive categories according to the scheme applied for. At this stage, the client will be assessed for suitability based on productive criteria, which are health, age, ability to work, high motivation, and ability to develop towards independence (priority is given to those who have started a project/business), and recipients of Financial Assistance Schemes for Children; Disabled Workers Allowance (priority to recipients with an income of RM900-RM1000/RM1200), and General Assistance. For the advanced screening process, further screening will be conducted to assess each client's suitability and determine their plans and goals.

Phase 2: Intervention and Placement

The case workers initiated the program using the 2YEP Gantt chart. Clients partake in casework, group or community activities, co-planning with case workers, and contributing to actions and goals. Early intervention entails a Mind Development Program conducted by professionals in psychology, counselling, or motivation. Those with skills needing capital or job placement are assisted by relevant agencies like JobsMalaysia, *Tabung Ekonomi Kumpulan Usaha Niaga* (TEKUN), *Amanah Ikhtiar Malaysia* (AIM), Department of Fisheries, Department of Veterinary, Malaysian Agriculture Research and Development Institute (MARDI) and more. Aspiring entrepreneurs receive guidance tailored to their knowledge, skills, and interests in individual, group, or community projects.

Phase 3: Monitoring and Evaluation

During this stage, employees carry out regular and consistent monitoring and assessment based on a planned schedule. This includes comprehensive monitoring and assessment of both the project and the client's progress, such as socio-economic changes, career interests, potential, and family well-being.

Monitoring Process

Monthly monitoring and supervision will assess the following.

- i. Development of client's skills or training undertaken
- ii. Progress and development of pursued projects or work
- iii. Quality of life changes for the client
- iv. Monthly income generation or client's monthly income movement

Clients are provided with Progress Record Books and Business Record Books to ensure commitment to personal progress and undertaken projects or work. Clients are monitored in terms of income and categorized by color grades for the regular assessment of their performance, thereby minimizing project or business failure risks. Red (intervention stage), yellow (pre-survival stage), and green (survival stage) grades were assigned based on income achievement, project execution, and workplace performance.

Evaluation Process

At the state or district level, a 2YEP Evaluation Committee must be established to evaluate progress reports presented by caseworkers for successful clients surpassing the green grade. This committee may convene periodically to discuss program and implementation issues at the state and district levels. A post-mortem assessment by a 2YEP Assessment Committee at the state or district level will review client-and case worker-related challenges that hinder client development within two years.

Phase 4: Termination

Client termination occurs in three ways.

- i. Early termination: Clients who achieve independence before the two years
- ii. Termination by term: Clients who successfully become independent within two years
- iii. Termination beyond the period: Clients are unable to achieve independence within two years, with consideration for exceptional circumstances

After termination, the post-termination stage is as follows.

- i. Clients who have successfully completed the program are recognized and appreciated
- ii. They serve as role models and participate in motivational sessions and sharing experiences
- iii. They may act as facilitators or assistant facilitators in motivational programs
- iv. They become mentors for other clients still working towards independence
- v. They actively participate in client support groups to provide assistance and support to other recipients

In addition, the Department of Social Welfare of Malaysia offers various services to the participants of the 2YEP. These services are organized as follows:

- i. Counseling Services:
 - a. Provided by Psychological Officers
 - b. Programs focused on motivation and mindset change for clients without clear goals
- ii. Business Opportunities and Marketing Assistance.
 - a. Assistance in obtaining business opportunities and marketing products
- iii. Guidance, Monitoring, and Supervision
 - a. Continuous support through guidance, monitoring, and supervision
- iv. Basic Capital:
 - a. Provision of RM2,700 as basic capital for starting or continuing a business
- v. Referral to Other Agencies
 - a. Referral of clients to specialized agencies for expert advice and technical guidance
- vi. Job Placement:
 - a. Referral to JobsMalaysia, private companies, and corporations for job placement or matching
- vii. Microcredit Loan Assistance
 - a. Referral to microcredit loan assistance agencies like *Amanah Ikhtiar Malaysia* (AIM), TEKUN, Agro Bank, *Majlis Amanah Rakyat* (MARA), and related organizations to expand business ventures

viii. Encouragement and Guidance

- a. Continuous encouragement and guidance are provided to clients and their household members, aiming towards achieving independence

These organized services offered by the Department of Social Welfare Malaysia aim to provide comprehensive support to 2YEP participants, assisting them in areas such as counseling, business development, employment, financial aid, and personal growth.

Challenges or Limitations of the 2 Years Exit Programme (2YEP)

Even though the program has a comprehensive term of reference and structure, sustaining the effectiveness of the program is still a challenge, as DOSWM faces limited resources such as financial and human resources. The 2YEP requires significant funding of RM2700 per participant, along with financial aid, and constant monitoring and evaluation of the DOSWM skillful social workers on the ground; hence, the availability of resources might impact its implementation and effectiveness.

Identifying and selecting the right participants is also a challenge according to the case workers. The program set the participants' criteria to ensure effective resource allocation, and only beneficiaries that met the eligibility criteria were selected to participate in the program. Nonetheless, there are instances when political leaders direct the DOSWM to recruit a large number of participants, leading to a situation where compromises are made on the quality of participants to meet the quantity requirement, often resulting in the selection of incompetent or unqualified individuals. This is reflected in the participants' low commitment to the program's goals, which is to end their dependency on welfare.

METHODS

This qualitative case study approach investigates the difficulties faced by micro-entrepreneurs during the COVID-19 pandemic and the coping mechanisms they employ to ensure the survival of their micro-businesses. Eight 2YEP microentrepreneurs participated in this study. The participants were former financial aid recipients from the Department of Social Welfare, Malaysia (DOSWM). The eligibility criteria for participants in this study were as follows.

- i. They had previously participated in the 2016 2YEP pilot project
- ii. They had been in business for more than five years
- iii. They had been empowered and able to achieve higher and more stable income
- iv. They had voluntarily stopped receiving monthly financial aid from DOSWM
- v. They came from poor families, single mothers, and people with disabilities

Data collection

This research was conducted by utilizing the narrative qualitative, hence "a small sample was acquired" (Klopper, 2008) from participants who met the criteria outlined above and were willing to participate in this study. The researcher was in contact with the participants from Mac 2019 until Mac 2021 for her PhD research; hence, for this article, a follow-up interview was conducted from April 2023 to July 2023 to update her findings. The key interview questions were as follows.

- i. What difficulties did you face after the pandemic COVID-19?
- ii. How do you now run your business?
- iii. What do you think about the 2 Years Exit Programme's governance?

Interviews were conducted in Malay, transcribed, and analyzed verbatim. The main categories, key findings, and quotes were translated into English for reporting, maintaining accuracy via back-translation by bilingual experts following Chen and Boore (2009). Social media posts, observations, and the literature supported the data analysis. Triangulation enhances reliability and trustworthiness, aligning with qualitative research standards (Marshall and Rossman 2011).

Data Analysis

This study employed a qualitative description to analyze the respondent transcripts. Patterns emerged through manual color coding, examining the word, phrase, and sentence levels. No computer-assisted qualitative data analysis software was employed, as the sample was small, and the researcher found it easy to streamline the overall analysis process by cross-reading the codes and notes from the triangulation process. Furthermore, the researcher employed the content analysis method to analyze the data collected from participants' Facebook posts related to business marketing, as all participants preferred Facebook as their free online marketing tool. Under the triangulation process, the content of the posts was examined, keywords were collected and categorized, and the resulting themes were established.

Research Design

To address this research question, a qualitative case study was conducted with eight diverse participants from a productive welfare program. These individuals voluntarily left the welfare assistance and sustained their empowerment. Their backgrounds included people with disabilities, single mothers, former prisoners with a history of drug addiction, and impoverished families. Their businesses ranged from food stalls, seamstresses, and bakeries to groceries. Data were collected through interviews and observations at shop lots and homes. Data collection and analysis were concurrently performed. Coding patterns emerged from interviews and observations, aligned with Miles et al. (2014) and Glaser and Strauss (1967). Reliability was ensured by promptly analyzing interview memos and observation notes. Documents and member checks were used for the triangulation and validation.

RESULTS AND DISCUSSION

Theme 1 Coping Strategies

Through interviews, the researcher found that participants had coping strategies when faced with risks, events, or stressful situations, whether related to business, such as being deceived by wholesalers and customers, or other circumstances such as accidents, job loss, and death of a spouse. Referring to Figure 1, the Sustainable Livelihood Framework (DFID, 1999), individuals or communities in shock situations must utilize all their livelihood assets as a strategy for sustaining their livelihoods. Therefore, in the context of this study, the researcher found that entrepreneurs used the several sustainability competencies listed by UNESCO (2017) in Table 1 to ensure their survival. Hence, this study examined the coping strategies practiced by the participants.

This study identified six categories related to the application of coping strategies among the participants. These categories include total dependency on God (*Tawakal*), the ability to control stress and emotions, problem-solving skills, utilization of social skills competencies, benefiting from social capital support, and optimizing the use of available material resources. From all coping strategies, the researcher finds that social capital is vital, as it benefits participants in the long run. Social capital refers to social activities arising from stable relationships maintained by individuals, groups, and organizations in society (Bourdieu, 2018; Nieto & González-Álvarez, 2016). Based on the findings of the study, the participants received support and engagement from family members, the community, and local institutions, such as the Department of Social Welfare Malaysia, other government departments and agencies, and institutions such as schools and non-governmental organizations.

For example, Diana, the eldest of the four siblings, is a disabled entrepreneur. She invited her younger siblings to join her business, and they are still working together in perfume manufacturing. According to Diana:

"I survive in business with my siblings...Even if we argue, this cannot last long. We live in the same house and operate the same business. When we argue, this is usually about different opinions regarding the business. To make this decision, we must consider and discuss. Even when we fight, they take care of me and prepare my meals and bed. I do business not for anyone else; I do not have heirs. I do it for my livelihood, and then I can pass it on to my siblings' children, not for myself."

Through observation of the participants' business premises and residences, it was found that all participants practiced a sense of neighborhood regardless of the socioeconomic background of the community. This was evident, as they were well known and accepted by residents. Entrepreneurs utilize existing networks to expand their business potential and access (Doshi, 2018). This was demonstrated by Hilmi, who initially only sold coconut milk but gradually expanded into vegetables and food products.

Another part of social capital is their affiliation with the Department of Social Welfare, Malaysia, which provides access to networking opportunities that facilitate their businesses. The impact of these opportunities connected the participants to various other institutions. This relationship benefits all parties involved when it leads to integrated strategic cooperation between developing entrepreneurs and the community. Supportive networks and collaborations in the form of strategic partnerships and business cooperation provide advantages by establishing collective organizational frameworks among empowered entrepreneurs and supporting institutions (Nadisa, 2011). Hakim acknowledges this as follows.

"So, when we have a link with DOSWM, it becomes easier to work with other agencies or institutions. Otherwise, it would be difficult, right? They have to play the role of middlemen in these departments. This is probably how they knew about me. They will not simply believe what others say, right? Only when they see that I'm associated with DOSWM, then it becomes easier to deal with them."

The expansion of networks and connections not only provides opportunities for business collaborations but also opens doors to extended resources and support. Participants mentioned that they had received assistance in terms of training programs, financial support, and access to market opportunities through their networks. These resources play crucial roles in business growth and sustainability.

Theme 2 Lifelong Learning

Learning is a continuous process that begins in the early years of life, and is essential for human survival. Lifelong learning is immediately required to bring meaning to life, where individuals learn from everyday experiences and within social contexts, as well as through informal and tacit learning in the global consumer society and adult learning (Jarvis in Holford, 2017). For guided microentrepreneurs, ongoing knowledge of risk management is crucial (Sajiah et al., 2016), and learning from past experiences is essential. According to a study conducted by Amri (2015), guided micro-entrepreneurs who are open to learning and self-improvement are more likely to succeed in the 2YEP program. Therefore, this study identified two relevant categories.

- (i) **Experiential Learning:** Many entrepreneurs are reluctant to seek advice from the Credit Counseling and Debt Management Agency Malaysia (AKPK), even though AKPK can help entrepreneurs avoid bankruptcy. According to Diana:

“I registered with AKPK to reduce my loan repayment. They helped me calculate my monthly payment, so from RM1,000, it became only RM150 per month. They restructured the questionnaire and assessed how much I could afford to pay. Many people are afraid to go to AKPK, but in reality they save us from bankruptcy. I have even received court notice. The important thing is to settle your debts, rather than being unable to pay at all.”

Successful entrepreneurs must strive to solve problems and maintain business sustainability. Knowledge gained from experiences such as AKPK and financial consultancy is extremely valuable for advancing businesses.

- (ii) **Self-Directed Learning:** Educational and training programs for entrepreneurs should emphasize practical forms of training and education, as the learning experiences gained from courses must be applied in real business practices (Kuratko & Hornsby, 2018; Simi, 2011). This is acknowledged by Diana, who prefers to acquire business knowledge from the Internet, in addition to attending short courses such as the 2YEP and other paid courses. According to Diana, “I’ve gained a lot of knowledge and business skills from the 2YEP, but I also learn on my own and from the prominent entrepreneur mentor, Dr. Azizan Osman. I learn online and teach myself through YouTube on the computer. Attending classes can cost thousands.” Hilmi also shares his experience, saying, “I like to seek knowledge about coconut milk’. Google and YouTube were searched. For example, I learned that there is a company in Teluk Intan that manufactures coconut milk. I enjoy learning about coconut-related machines.” Diana adds that business sustainability, for her, means continuously acquiring knowledge that is useful and can be applied. She states,

“Sustainability, in essence, means having more concentrated knowledge for me, something that is more beneficial for me to practice. This continuity should never cease. In the current situation, the difference lies in the volume, speed, and movement of our business. Never stop because stopping is what causes us to keep falling. Therefore, it is crucial to seek this knowledge. Never stop.”

Theme 3 Effective Business Management

The research findings highlight five (5) categories related to effective business management:

- (i) **Exploring and managing financial capital:** Participants utilize various sources of financial support, such as grants from agencies like SME Corporation and the Disabled Business Incentive Scheme from the Department of Labour Malaysia. They also used microcredit loan schemes such as those provided

by *Amanah Ikhtiar Malaysia* (AIM). Additionally, they rely on personal savings and loans from family members.

- (ii) **Controlling product and service quality:** Participants prioritize the quality of the products and services they provide to ensure customer satisfaction. They tailor their offerings to meet customer preferences, as seen in the example of Udin, who adjusts his menu to cater to the dietary choices of mostly Chinese and Indian customers.
- (iii) **Consistent business operation:** Participants engage in full-time business operations, maintain active schedules, and demonstrate commitment to their chosen entrepreneurial path. They exhibit perseverance and dedication to their businesses, as illustrated by Hilmi's unwavering determination and reliance on business for his livelihood. The research findings indicate that all participants run their businesses full-time, actively, and with schedules without expressing a desire to quit or switch to another business field. This is acknowledged by Hilmi, a disabled entrepreneur, who says,

"I have never felt like quitting the business, never. This is everything in my life, and my life and death are tied to my business. I rely on God. In our current situation, we cannot be picky and choose; we must chase whatever is available. I pursue what I can, and if I cannot get what I want, I make do with what I have. I'm patient, patient, patient, patient. It has been 13 years since, and people can see the results of my hard work. When they enter my shop, they see my products neatly arranged, and everything in stock. Sometimes, customers ask if I have certain items, and at the very least, if I have bananas. The bananas are lifelines. I sell vegetables and fruits. All of this comes from the crops I take from my village."
- (iv) **Efficient human resource management:** Participants with employees adopt unique approaches to managing and developing their workforce. Atikah treats her employees as family members and ensures their well-being, whereas Amirul implements a salary payment system even without employees, allocating a fixed salary to himself and his wife.
- (v) **Ability to handle business risks:** participants encounter various risks in their businesses, including theft and unsold goods. They employ strategies to mitigate these risks such as implementing security measures and finding opportunities to donate unsold items. They also practiced saving a portion of their income for a 6-month buffer in the case of an emergency.

In short, for Themes 1 to 3, the research findings emphasize the importance of strong entrepreneurial achievements in creating quality opportunities by effectively utilizing resources and management capabilities. It is crucial to ensure systematic and organized business governance to sustain empowerment. The findings from the entrepreneurs' coping strategies, lifelong learning, and effective business management highlight the consistent efforts, good program governance, and full support from the government, family, and community that are necessary to achieve entrepreneurial success.

The relationship between good program governance and sustainable empowerment

The governance of the 2 Years Exit Programme outlined by the Department of Social Welfare Malaysia involves a structured approach to assist welfare beneficiaries towards independence. This governance includes several key elements, such as a maximum 2 year assistance period, the establishment of an evaluation committee, strengthening case management, active client involvement, building collaborative networks, and providing incentives and rewards to successful clients and case workers.

When analyzing the findings of the study on coping strategies, lifelong learning, and effective business management, we can relate them to the governance of the 2 Years Exit Programme as follows:

- i. **Coping Strategies:** The program recognizes the importance of coping strategies by directly involving clients in the planning and implementation of their cases. This approach empowers clients to actively participate in training, skill development, job placement, or income-generating programs. By promoting coping strategies, the program aimed to equip clients with the necessary tools to navigate challenges and work toward independence.
- ii. **Lifelong Learning:** This program incorporates lifelong learning principles by implementing the Mind Development Program during the early intervention stage. This program focused on mindset change and self-awareness, enabling participants to continuously learn and grow. Additionally, the program facilitates guidance, monitoring, and supervision throughout the two years, ensuring ongoing learning and skill development.
- iii. **Effective Business Management:** The program recognizes the potential of clients interested in enterprise projects and income generation. It guides individuals, groups, or community projects based on their knowledge, skills, interests, and inclinations. Furthermore, it offers various services, such as business opportunities, marketing assistance, basic capital, and referrals to other agencies for expert advice and technical guidance. These elements contribute to effective business management and support clients in building a sustainable livelihood.

In summary, the governance of the 2 Years Exit Programme aligns with the findings of this study on coping strategies, lifelong learning, and effective business management. The program emphasizes client empowerment, active participation, continuous learning, and support for entrepreneurial endeavors. By incorporating these principles, the program can reduce dependency, enhance self-sufficiency, and promote sustainable livelihood among welfare beneficiaries. Figure 2 illustrates the sustainable empowerment of guided microentrepreneurs through the Productive Welfare Program in Malaysia.

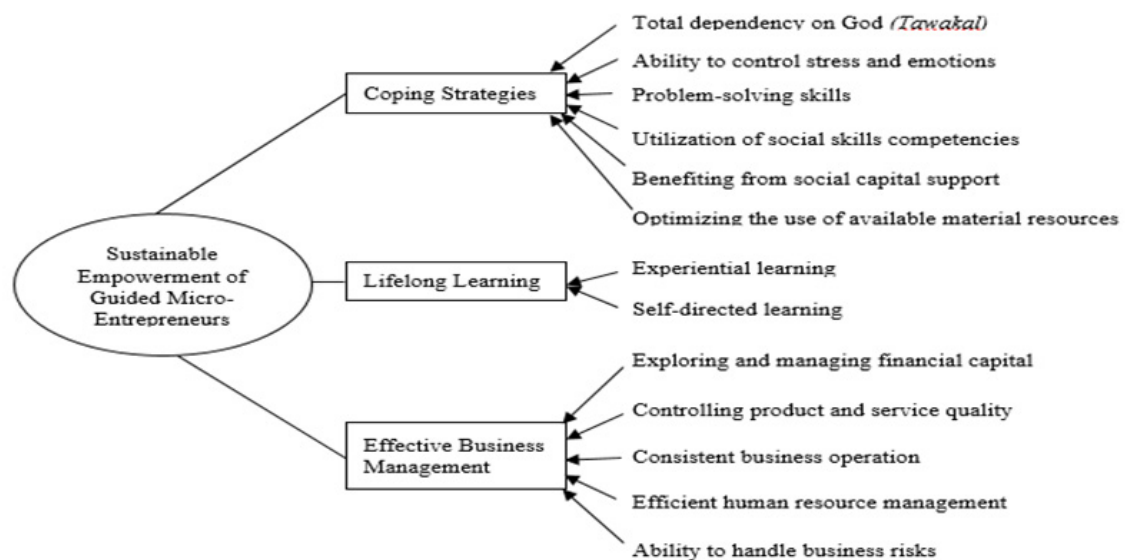


Figure 2: Sustainable Empowerment among Guided Micro-Entrepreneurs by the Productive Welfare Program in Malaysia

CONCLUSION AND RECOMMENDATION

This study investigates the process and significance of sustainable empowerment among entrepreneurs who participated in a productive welfare program in Malaysia. Specifically, this study explores the past experiences of participants during their involvement in the exit policy program and the factors influencing the sustainability of their empowerment after completing the program and welfare assistance. The central question guiding this study is how sustainable empowerment occurs among mentored entrepreneurs, following the cessation of welfare assistance.

The attainment of sustainable empowerment through the two-year productive welfare program necessitates active engagement of participants in developing the values and characteristics of independent entrepreneurs. The sustainable empowerment resulting from this process has equipped them with the necessary coping mechanisms to enhance their living standards through the sustainable operation of their businesses independent of welfare assistance. By achieving sustainable empowerment, participants successfully forged their paths without relying on welfare assistance, thereby improving their quality of life and demonstrating altruistic behavior by returning to their communities.

The application of coping strategies is integral for achieving sustainable empowerment. The two-year preparation period in the productive welfare program, leading to the discontinuation of welfare assistance, has fostered heightened awareness among participants regarding the importance of sustainability in the empowerment process. They have effectively built confidence in their ability to manage stress, exhibit quick problem-solving skills, and make efficient use of their personal skills, social connections, and available resources.

The most crucial strategy employed by participants was transitioning from dependence on welfare assistance to a complete reliance on Allah S.W.T. Once they decide to step out of their comfort zones, they continuously strive to maximize their potential and effectively handle various pressures and challenges through consistent cognitive and behavioral efforts, as emphasized by Lazarus and Folkman's Stress and Action Theory (1984).

In light of these findings, welfare programs should incorporate elements that promote sustainable empowerment among beneficiaries. This includes enhancing welfare programs with effective activities that can help participants become self-reliant, such as practicing lifelong learning and upskilling, self-confidence-building, and entrepreneurial activities. It is also recommended that program planners provide sustainable resources, such as access to working networks, that can help participants gain access to opportunities, even after the program ends. By doing this, planners can encourage long-term planning and personal responsibility of the participants to stay connected with their networks, thereby strengthening their business. In addition, program planners are recommended to offer mentorship and learn from their mentors' experiences, coping strategies, best business management practices, and insights throughout the program; the best part is that the relationship can grow and continue even after the program ends.

In conclusion, ending the cycle of welfare dependency and driving it into self-reliance requires whole-of-government and whole-of-nation involvement, long-term program planning, and utilization of coping resources, namely social capital, attitude, material, spirituality, and psychology. Empowerment gains significance when welfare beneficiaries embrace independence from assistance and contribute to the welfare of others.

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