

CHAPTER 3

FINANCIAL MANAGEMENT PRACTICES AND BUSINESS PERFORMANCE AMONG MARKET TRADERS IN PENKALAN CHEPA

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INTRODUCTION

Small Medium Enterprises (SMEs) assume a critical part in the economic growth, particularly in developed and developing countries (Ahmad, 2012). Regardless of the commitments of independent companies to the neighbourhood economy, including encouraging the Gross Domestic Product (GDP), mitigating neediness, and making employments, SMEs worldwide are exceedingly inclined to disappointment. Micro-enterprise (MEs) is the backbone of the economy in Malaysia and in most countries around the world (The Star, 27 March 2009).

From definition that taking from Micro, Small and Medium Enterprise Development Council Malaysia, market traders have been identified as a part under MEs business. Their role to the economy is very huge. As defined by the Ibrahim and Leng (2003), market trader can be classified as a place where retail business like a market or moving stall, is arranged extending down the road and makes use of public or private sites. Market trader is also defined as hawking activities although it is semi-static or seasonal. This business offers a variety of consumer commodities from food and non-food items that operates once or twice a week in different places (Salleh, 2012). Those who run the market traders' business produce a basic product and it is largely used by the public (Jamak et al., 2014).