

Factors influencing venture capital assessment of high growth companies in Malaysia

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Abstract: The urge to develop Malaysia through the growth of technology entrepreneurship has necessitated the government in establishing some technology financing agencies aimed at providing full assistance to technology entrepreneurs. This is because they are perceived to lack in certain support in technical expertise, training, disseminating information and, above all, in financing. The establishment of venture capital firms by the Malaysian Government is with the intention to encourage investments in high growth firms because they find it difficult to raise adequate financing at the early stage for growth due to their perceived high risk and opportunity uncertainty nature. This study elaborates on the assessment criteria of venture capital firms in Malaysia. Multiple case study approach is utilised to collect data for this study. Data is collated, transcribed and manually analysed. This study reported the factors considered by Malaysian venture capital firms when decisions to finance high growth companies are to be taken. The findings from this study will be useful to decision makers in public and private sector, professionals, researchers in Malaysia and other countries.

Keywords: venture capital; technology entrepreneurship; commercialisation; high growth companies; assessment criteria; qualitative research; small business; case study; innovation; Malaysia.

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