The Impact of Entrepreneurial External Resource Networks on Venture Growth of Female Small Business in Sri Lanka

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Abstract

Purpose - Researcher is exploring the female entrepreneurs and impact of networking in the Sri Lankan context. Few studies have been especially focus on the female entrepreneurship in terms of the impact of networking. This paper aims to investigating the relationship of entrepreneurial external resource networks and venture growth of female small businesses.

Design/approach – Social constructionist method is applied by the researcher to conduct the study. In-depth interviews were practiced as the data collection tool. Eighteen female entrepreneurs in Gampha district were interviewed after carefully separate them in to successful and unsuccessful according to the current business status. Data was analyzed and interpreted by using content analysis and coding methods.

Findings - Empirical results of the study indicate that entrepreneurial external resource networks have a clear impact on the venture growth of the female small businesses. Moreover, family and acquaintance appeared as prominent role inside the findings by leading in both driving and resistances for the female small business. Suppliers impacted as the most driving network apart from the family and relatives are extremely resisting networks for successful small business while frequently looking for the informational support. Within the entrepreneurial networks of unsuccessful entrepreneurs, acquaintance is second only to family in both driver and the resister while mostly expecting financial support. Regardless of the current status of the business all female entrepreneurs who conduct small business are negatively impacted with the emotional support. The findings of the study are highly essential for the Sri Lankan female entrepreneurs who conduct small business as it reveals real experiences of both successful and the unsuccessful small business separately.

Keywords: Entrepreneurial Networks, External Resource Support, Female Small Business, Venture Growth

Paper type Research paper

Introduction

The female participation in entrepreneurial activities were upstretched around the world in ever before (Brush et al., 2010). Even though the circumstance is like that majority of the entrepreneurial related researchers are still focused on male entrepreneurs and role of female entrepreneurs are still not highly concentrated and undervalued (Marlow et al., 2009).

Nevertheless, in present, entrepreneurial behavior in gender wise has become highly attention given area in academic (Blackburn and Kovalainen, 2009) and women entrepreneurship has emerged as most significant research domain among researchers (Carrasco, 2014). For the reason that women entrepreneurs vary in point of personal attributes, social networks and resources. Essentially the environment of the female is coming up with varies opportunities, obstacles and challenges to them. Researchers need to inspect how entrepreneurial affect entrepreneurial behavior and cognitive process for the better understand about women entrepreneurs and firms conducted by women.

The networks of entrepreneur are a major activity which enhance and easier the reachability to essential key recourses. Further networking provides opportunities for the firm and improve entrepreneurial effectiveness (Slotte-Kock and Coviello, 2010; Timmons, 2009). A Network can be simply defined as any interactive relationship or alliance that is highly beneficial to the women entrepreneurs (Martinez and Aldrich, 2011).

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There are theoretical arguments which support to clearly differentiate networking of men and women social psychology. It suggests that men and women have different socialization experiences, such as prior experience and social network affiliation. Those lead for different expectancies, effort, performance beliefs, and strategic choices (Manolova et al., 2007)

Networks are highly beneficial to the women entrepreneurs since it provides significant advantage through effective networking. (Linehan and Scullion, 2008). Miller et al. (2007) says it helps to gain a competitive advantage over competitors in the industry. The advices which can be lead to the greater success can be gained through the expert networks. (Bru¨derl and Preisingdo¨rfer, 1998), Greve and Salaff (2003)

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emphasis the support which are needed for the business, acquire the tacit knowledge which is hard to transfer (Linehan and Scullion, 2008), create strategic alliance to grow the business inorganically (Strohmeyer et al., 2005), look for viable and lucrative business opportunities (Farr-Wharton and Brunetto, 2007) and aid to acquire trustworthiness and legitimacy for themselves and their business (Carter and Shaw, 2006). According to Klyver and Terjesen(2007), there are some major differences are appeared when men and women network specially in the early stage of the business. Females are not willing to enter to male dominant networks because of low level of confidence (Tonge 2008). Women are looking for networks which include people who have high level of empathy, trust and confidence (Farr-Wharton and Brunetto, 2007). Therefore, most of the time women expect advice from their family and friends (Robinson and Stubberud 2009). Especially in the early stage of the women business, there are limited and only female networks (Hampton et al., 2009). Knouse and Webb (2001) indicate that females have small size of networks. Moreover, those networks are less mature, least available or less committed networks due to playing the huge role inside the family and networks which actors has no prior work experience (Brush et al., 2001).

Theories related to entrepreneurial networks and relationships

There are theories in networking which provides dissimilar viewpoints related to the networking. Further the structure of the networking in small enterprises are provided though these networks. Therefore, it is important to understand the theories of networking. The major objective of the researcher is to draw attention to extensive range of related theories and recognize possible syntheses.

Social Network Approach

Any individual in the society is having number of social connections with others in the society. Steier and Greenwood (2000) states that these social relationships are extremely important to entrepreneurial process. Hence the social networks assist entrepreneurs to obtain information, knowledge, finance and the resources. (Casson and Della Giusta, 2007). Three types of sub interactions are there when defining the Social Networks. First one is exchange network which represents the commercial relationship of the organization. Particularly the relationship between Vendors/Suppliers and Customers are considered as exchange networks. Second social network type is communication networks which includes set of individuals and organizations where an entrepreneur could receive the knowledge which needed to take fruitful decisions in terms of business. Consulting firms, Trade Associations, Financial Advisors and other kind of expertise plays major role inside the communication networks (Klyver, 2008). Personal networks are last network type of Social Network approach. Ongoing communication with family members, close friends, relatives and acquaintances are the elements under personal network. Exchange and the Communication networks are defined as formal/external networks while personal networks conceptualized as informal/internal networks. (Sequeira et al.,2007) Recent studies results that impact of social networks are significant to become an entrepreneur.

According to the Ostgaard and Birley (1996) two basic principles are provided by social network approach. Obtaining scare resources from the external environment is contain in the entrepreneurial process is the first one. These emphases scare resources are included with not only finance, but also information, ideas, customer contacts, advices and other material and non-material support. The resources which are usually acquired through the personal network of the entrepreneur is the second one. In this point, information, support, contact and credibility is important.

Scholars use social network approach to analysis the venture growth in Small and Medium Enterprises, new venture development and to analysis entrepreneurship. Entrepreneur or SME owner is not person who has abundant of resources or either experience. Therefore, entrepreneurs or SME owners collect essential resources from the external environment by using their social networks. Nevertheless, a few researchers have been conducted to analysis how female entrepreneurs are obtaining essential resource from the external environment

Social Network Approach is highly essential when discuss the nature of the entrepreneurial networks and the impact of venture growth which is the question of the researcher through this study. Further how to procedure relationships to obtain resources are disclosed by studying the social network approach.

P1 : There is a relationship between the entrepreneurial networks (personal networks, supporting networks, inter-firm networks and communication networks) and the female small business receiving external resource support (Finance, information, Knowledge, emotional and nonmaterial support).

Swedish Network Model

Actors, Activities, Recourses, and Linkages are the four basic elements in the Swedish network model. (Hakansson and Snehota 1995). Any individuals, firms and government agencies are defined as actors in the Swedish network model. (Moller and Willson 1995). Each and every actor in the network has its own kind of resources, activities and knowledge about the activities they conduct and rest of actors in their network. Actor is the one who govern the resources and execute activities. Actors have their own kind of independent goals, objective and strategies though they are connected to each other through links in their network. Actors have freedom to move in and leave at any time. The relationship of actors in the network can be varied according to the activities and resources of each actor. An activity is a result of add together, enhancement, exchange and generate resources using other resources by an actor or numerous actors. (Hakansson and Johanson 1992). The action of an actor is depending on the activities of other actor. (Awuah 1997). Beije and Groenewegen (1992) identify two major activities specifically transformation activities and transfer activities. Physical assets, human resources and financial assets are needed to perform these activities. According to the Hakansson and Johanson (1992) there are characteristics of resources. Actors are the one who control resource. Either resources directly control by an individual actor or jointly control by several actors. Those resources can be indirectly control by the actors who has good relationship with the actor who is entitled to control resources. The second characteristic of the resource is resource utilization also an activity. Number of dimensions of resources and how much standardization is
utilized under each dimension is considered. Versatility of resources is the third characteristic of resources. It considers the extent and the cost of the resources if it used in other activity cycle and in other transfer chains. Actors are no interest of controlling resources if the supply is unlimited. In the other hand there is no requirement of networking with actors if the resources are uncontrollable to actors. To conclude networks should be developed and used. Hence resources are controlled by many actors.

Relational theory
Miller (1976) development of female and worth of an individual is formed by a sense of connection to others, counting family followers. Number of females are devoting major proportion of their lives to aid to enhance other people. As a result of that females enhance their skills including authenticity, sympathy, caring and openness. Some literature stands for that female relationships are be subject to the emotional closeness while males focus on shared activities. (Johnson, 2004). Emotional closeness is that people value and prefer to have a relationship with the individuals who they are closely and emotionally engaged. Individuals are looking for intimacy, mutual empathy, security (Johnson, 2004), loyalty, trust and sensitivity (Camarena et al., 1990). Most of the time closeness in emotions and relational aspects of women are differed when compare to men in network composition. This is highly applicable in entrepreneurial context hence the family involvement an entrepreneur differs according to the gender. Pugliesi and Shook (1998) kin proportion in female networks are higher than the male networks. The studies on gender base networking are generally come up with significant difference in the kin proportion. The kin position of the studies related to entrepreneurial context are mixed results. Renzulli (1998) states that female entrepreneurs are more interest on the kin-homogeneous networks and some studies resulted with no dissimilarities in the involvement of family members (Menzies et al.,2004). According to the relation theory and the emotional closeness concept there is a high involvement from family members if the entrepreneur is coupled up. The spouse or partner is inside the social network if the particular entrepreneur is coupled up.

P2: Family members are the highest proposition inside the female entrepreneurial network
P3: Females are devoting major proportion of their lives to uplift other people inside the network
P4: Female entrepreneurs value and prefer to have a relationship with the individuals who they are closely and emotionally engaged

Social Support Theory
There are four types of support. Informational support, Emotional support, Social companionship and instrumental support (Agneessens et al., 2006). It emphasis that females are mostly seek and offer emotional support under the previous researchers which are relevant to social support theory (Plickert et al., 2007). Male seek and provide the instrumental support under social support theory (Reevey and Maslach, 2001).

P5: Female entrepreneurs are mostly seeking for the emotional support

Methodology

The networking relationships of female small business owners are the focus of this study and the social constructivism approach is adopted by the researcher to understand this relationship. Gergen, (2009) social and cultural factors are impacted for the meanings and realities through interaction with others. It is a combination of the norms and expectations that are experienced in daily life. The social constructivism approach is predominantly appropriate to understand the impact of external resource networks on venture growth of female small businesses in Sri Lanka. The research gives insights to the underlying reason of how do successful and unsuccessful female small business owners differ when obtaining external resource support by examining their relationship between external resource networks.

In depth interviews are practiced as the data collection method of the study. Gampha district in Sri Lanka which most number of people are engaged in small business are selected as the research site. Surangi (2018) a very tiny documented work is available on small and medium enterprises according to the gender in Sri Lanka. Nevertheless, according to the Department of Census and Statistics (2012) 80 percent of the economy is driven by the small and medium enterprises in Sri Lanka and 10 percent of them are led by female small and medium business.

Three months were taken to collect data and a pilot study was conducted to investigate the important components of the main study and answer the question whether main study also can be conducted in the same way which has been planned or alternations are needed. The responders of study clustered into two groups as successful female small business owners and the unsuccessful female small business. Eighteen female small business owners were interviewed including nine successful and nine of unsuccessful. Two meetups for each respondent was held with the selected sample. The interview is conducted during the first meet up and second meet up is used to enhance the validity of the research by confirming the findings and/or enhancing the core content of the particular responder. Ethicality is maintained during the entire process of the research. Each and every interview were recorded with the authorization of the participant. Each interview took 60 to 90 minutes.

Findings and Discussions
According to the findings of the study, Family and acquaintance appeared as prominent roles inside the findings by leading as both driver and as well as the resistances for the female small business. For successful entrepreneurs, Suppliers are the most positively impacted network apart from the family and relatives are extremely resisting networks. Most successful female entrepreneurs are frequently looking for the informational support while unsuccessful entrepreneurs were looking for financial support. Within the entrepreneurial networks of unsuccessful entrepreneurs, acquaintance is second to only family as a driver and as resister. Regardless of the current status of the business all female entrepreneurs who conduct small business are negatively impacted with the emotional support.

Females are devoting major proportion of their lives to uplift other people inside the network

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Authenticity, sympathy, caring and openness are skills of females which have been improved while uplifting people inside their network. Women acting in a highly empathic and caring manner nevertheless female business owners are in a profit generation activity.

Prashadi added relating to this:
“I have helped a lot to the financially incapable kids. I do to getting fees from this. Likewise, I helped to the number of kids during my journey so far”

Customers are the main income source for a business and due to empathy and with the intention to uplift the life of a kid, Prashadi devote her portion of profit and high level of caring is there with Prashadi towards her customers. Nelumi also added to how she treats for the customers to uplift them:
“We never cheat on customer, even me or my worker. I have never let my workers to do wrong things. Even I also don’t so. We lost thousands sometimes. But we never cheat on customer”

Sachini also added similar thoughts relating this:
“I always do not consider about the profit. If my loyal customer says that he/she needs a particular product. I just buy and give that product to a cost even. Likewise, I am helping to my customers. Sometimes I open my shop at midnight and early in the morning to distribute products to my clients”

Further she said:
“I attend for the funerals and alarms giving of my customers and I also invite them to the such a functions of mine”

The considerable level of caring also attached with female entrepreneurs as a part of uplifting the life of customers.

As Piyumi stated:
“when an old person or poor person asked the price and try to bargain the with it I would ask my sales people to reduce the price because I fell sin for them. Even if I feel that someone is so dedicated I would help them from my side, sometimes my predictions could be wrong and they might be so cunning”

With her words we can say that she is so sensitive and empathy when constructing networks.

According to the survey findings suppliers play a significant role inside the network of successful small business and females small business owners aid to uplift the life suppliers as well.

Piyumi added related to this:
“I was buying pots from company X and during that time a person from rural area start manufacturing flower pots at very little stage. I get to know that they had many difficulties. I helped them as I maximally capable and it is a Sri Lankan manufacturing product. I helped them to purchase a machine also. Today they are performing well”

According to Piyumi, she has helped to light up a small business by start buying products from him and by purchasing capital assets for the local manufacturers.

The female small business owners act as a wife to her husband and mother to her children. There also she plays a significant role to uplift the life of family. Nelumi shared her thought relating to this:
“I do everything to make my father happy. That’s all. I love my father more than my kids. My success is his happiness. Therefore, I am growing my business to make him happy”

Nelumi is devoting her entire life to growth the business to make her father happy. She is growing her business not because of intention to grow it but for the happiness of father. Further she elaborated regarding this:
“I don’t think that I might continue this business when he leaves us one day. Even I might not ask my kids to continue this”

Her only one priority of doing the business is to make her father happy. She has devoted her life for that objective.

It is clearly visible with the statements of Prashadi, Nelumi and Sachini, women devoting to ensure the greatness for their network actors.

Female entrepreneurs do not only prefer to have a relationship with the individuals who they are closely and emotionally engaged

Some literature stands for that female relationships are be subject to the emotional closeness (Johnson, 2004). Emotional closeness is that people value and prefer to have a relationship with the individuals who they are closely and emotionally engaged. Hence Individuals are looking for intimacy, mutual empathy, security (Johnson, 2004), loyalty, trust and sensitivity (Camarena et al., 1990).

According to Piyumi:
“I always do to consider about the profit. If my loyal customer say that he/she needs a particular product. I just buy and give that product to a cost even”

She cares for the loyalty of customer inside the relationship. Therefore, as Piyumi said she is not always money oriented and secure the loyalty of customer by building a healthy relationship which is positively impact to the growth of their business. As Sachini said:
“I have not much considered about gender when forming networks and I am not selective on gender at all, Because I am in the fertilizer industry which all the network actors are male including farmers (customers) and sales people. I just consider the confidence which I feel with him/her and the feeling that he/she try not to cheat me is considered here when forming networks”

Women entrepreneurs must come up with strategic decisions to build up partnerships with man to face the sex-hurdles in the male dominated industries (Godwin et al., 2006).

As Maduri said:
“I have no gender discrimination when forming networks. I actually consider his/her knowledge, talent and new constitutions. Because we cannot go forward without new constitutes in this industry. Day by day it should be updated. You cannot get competitive advantage by doing the same things in this industry”

Many factors are considered when forming and developing networks and according to the Sharafizad (2011), experience in industry also considered. as Maduri also endorsed through the above statement. Further responsibilities of the family also matter when it comes to networking of female small business owners. Hence the responsibilities of family have direct influence on forming and developing networks of female small business owners.

As Nelumi explained:
“My customers invite me to night parties. But I do not attend to them. Because nothing worth than two kids of mine
Female entrepreneurs sacrifice family and duty for the venture growth. The hard work herself is the only networking and even a little effort do not put to form anything they believe on as fact for the venture growth. Nevertheless, women in the 21st century sacrifice the family and husband to be the entrepreneur. Some studies emphasize that women do not utilize their connections of networks effectively when compared to men (Sing et al., 2002).

Attitude and the moral of women

Some entrepreneurs form networks to obtain the external resource support and some have an attitude of “doing the business independently”. The entrepreneur with this kind of mind set do not develop networks. Further do not realize any value of forming entrepreneurial networks (Stephanie, 2010). The highly confidence on them self.

Maduri shared her thinking: “My Husband helped always as he can. But I didn’t wait for his support by bothering him. Because he also has a job. I was not afraid to any one and I was young and beautiful in that time. But I do not afraid. I went everywhere to get my job done”

Some studies emphasize that women do not utilize their connections of networks effectively when compared to men (Sing et al., 2002). Further she added: “My business dropped down to the bottom. But as a result of my knowledge, strength, and my hands I stood up alone. I came alone a difficult journey so far”

Some females do not believe on the impact of networking and even a little effort do not put to form any entrepreneurial relationship. The hard work herself is the only thing they believe on as fact for the venture growth.

Female entrepreneurs sacrifice family

According to the most studies women are family oriented and it is disadvantage to the running business of them. Nevertheless, women in twenty first century sacrifice the responsibilities as a mother and wife to obtain the venture growth of their business. Nelumi talked about her scarification towards the business: “My elder daughter is just two months when my husband is migrating. I kept her in a day care center since I wanted to involve my business. I did a massive duty at the initial stage of my business”

Motherhood is culturally defined (Johnston and Swanson, 2006) and in Sri Lanka context she is the one who stays at home full time with the kids (Duberley and Carrigan, 2013). The females who have been engaged in the business sacrifices her responsibilities being as good mother her children and dutiful wife to her husband.

Isuri said related to this: “Actually I don’t have time to cook for my husband and my children. We used to eat from outside therefore”

Responsibilities of a mother and wife are determined by a diversity of social, religious and cultural values (Silva, 2005; Kodagoda, 2012). Therefore, in Sri Lankan context housewife plays a major role inside the home. She must be there for the tired spouse who comes back home after his work, prepare meals for the household, take care of children and clean activities (Kodagoda, 2012).

Isuri shared about her experience relating to lack of time to take care of her children: “My kids have said that you are too into business and you are not taking care of us. Then I say we can hug and wait at the payment too, but without foods and all the other facilities you currently enjoy, you can always stay around your mother by hugging tightly. But to stay in A/C rooms, to go trips and to eat delicious food we need money. Therefore I have to engage in this to earn money to make your life better without staying around you all the time”

Duberley and Carrigan, (2013) typical good mother is the one who stays at home entire twenty-four-hour with her children. At the same time some other researchers point out that the good mother should not need to stay at home all the time and it is all about doing everything for them (Kodagoda, 2012). Moreover, mother is the one who feels the responsibility of caring, practicing children for the domestic works and social development. The most of female entrepreneurs do not spending a quality time with their kids. Nevertheless, as Isuri explaining they are doing everything else to make a better future for their children.

Look after children and cooking meals are the conventional motherhood actives of a mother in Sri Lanka context and it is essentially base on the gender and there is no differ even women represent different generation (Kodagoda, 2012).

Rasuni added opposition to this: “My husband is very supportive me though he does a job. When he come after the job also he cooks when I have an urgent order to complete”

The above quote from Rasuni illustrate that there are no gender base activities within the home as a mother and a wife for the women who is conducting a business which wealthier entire household. Spouse are playing a very supportive role inside the female networking.

Piyumi added further related to this: “My husband is not used cook at all. He never involves to the household activities. But now he does everything. Sometimes I feel sin for him”

Additionally, the absence of father inside the family temporally for permanently put lot of weight on the role of mother as an economic provider, protector as well as the nurturing and care taker (Kodagoda, 2012; Duberley and Carrigan, 2013)

Nelumi added relating to this: “My elder daughter is just two months when my husband is migrating. I kept her in a day care center since I wanted to involve my business”

According to Nelumi she had enormous responsibilities about the family even without a spouse. She has to act as the protector and nurturing to their kids. Amali

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also has become the bread earner in the family and the protector of the family without male head.

Amali also added to this:
“My husband left me and my son. Then I started this business to feed my son”

Trust of Women with Network actors

Klapper (2008) trust is one of the emerging concepts in literature which is related to social capital and it is highly important under exchange relationships since it enhances the opportunities for the business growth, improve number of sources to acquire resources, enrich the flexibility. Nevertheless, the lower level of trust lead for the higher transactional cost (Klyver et al., 2008). Further building trust is one of the most essential skill of an entrepreneur and it reduces the transactional cost (Klyver et al., 2008). Premaratne (2001). Therefore, trust is vital role of an entrepreneur when reduce cost of transaction and to build economically feasible networks. Majority of entrepreneur emphasis that trust is an essential factor in networking and it will create path for the many kind of benefits to the business when referring the literature. But trust is not a thing which builds within seconds. Trust is built after some period of time when association develops. (Gilmore et al., 2006).

As Prashadi explained related to this:

“People cannot believe in now a days. I don’t trust anyone at once. Trust is built over time. That means number of opportunities we get to deal and interactive with them. There are some contacts I deal with the trust as result of long time interactions and at the same time there are contacts cannot trust at all. Some are some suppliers not even appropriate to even take inside to the institute”

Networking comprises an anticipation that the both involved parties are investing a long relationship (Aldrich et al.,1987). Nelumi relates:

“I trust my workers, they open the lockers. They know that I trust them. Then they do not anything which is harmful to me hence they are fear that they will miss the trust of mine towards them”

Gilmore et al. (2006) states better relationship with clients will be ended up with positive word of mouth as the knowledge of the organization and a recommendation.

Nelumi explained related to this:
“We do our work properly and maintain good relationship with customers. Then that customer recommends us to others. Sometimes customers come and give me blank cheque by asking to insert the total amount arrears for them and credit it my account. That trust is very important for a business”

The loyal customers of her keep coming to get the service because of the trust she has built with customers.

“I believe the trust which built through proper service is the best part of my business. We never cheat on customer, even me or my worker. I have never let my workers to do wrong things. Even I also don’t do. We lost thousands sometimes. But we never cheat on him because it breaks the trust of the customer towards us”

Strategies of women towards trust

“I do not trust anyone and I am not telling that I do not trust them. I act as I associate them as the most trustful person in my life. Then they also feel that I trust them and they do not try to cheat on me”

Trust of the Spouse

Sri Lanka is a country where people try to secure the relationship of marriage. It is not only because of the children but also in the point of socially. Mothers were afraid of hearing unpleasant things from others, including family and friends (Kodagoda, 2012)

Isuri added related to this:

“Sometimes I come in late night after business work. If my husband distrust me in that time I cannot continue the business by tomorrow. We have an agreement between us from the day we started the business. There are times that I needed to talk to men by holding their hands to impress that we have a good business relationship and sometimes I used to tap and talk to impress the familiarity. He also facing such a circumstance. When I do the shop at that time I used to keep my husband when I wanted to go out. So my husband used to dress the ladies with Saaries. Sometime near shop owners slander me about my husband that he was dressing saaries to pretty ladies and so on. There is no problem occurred between us as a result of that understanding and the trust”

The understand and trust between the spouse and the female entrepreneur is significantly important to the happiness of the family as well as the sustainability of the business. It is a hard task to continue a business by a lady lacking of mutual trust between the spouse.

Conducting business as Women

Most of Scholars are evidenced that females are disadvantaged when conducting business. Nevertheless, with the survey findings female small business owners added their opinions related to conducting business as a female.

According to the Nelumi:

“Some people also updating me about the newest technology. The customers are supportive most of time, I don’t know is it because of a lady doing a business. They come up with new suggestion and ask me to add them. That kind of customer base is around me”

As she explained she feels that she is getting special support from customers being a female. She obtains information support within her network as a result of being female. According to Nelumi, it is a privilege to being female to enjoy the support from the entrepreneurial network.

Sachini added her thought about women conducting a business:

“Being a female in this industry has come a blessed to me”

She also believes that being a female in the agriculture industry is an advantage to her hence almost other actors inside the network are male.

Isuri also shared her experience:

“I am engaged with the business since I am 30 years old. Even I was 30 I look so young and pretty in that time also. In that time whatever we did there are lot of people to help me around. I took help from every person. Sometime when I asked where the bus halt from a person, he come to help me with another intention I don’t say that I neglect their help in that time. I took the help from them and thanks them in very
And break my orders from the particular company”

According to Isuri, there is inherent advantage with is a mix of risk for being as a woman. That is applicable to the women who engaged with the small business as well. There are lot of people support you whenever you need an external resource support. Nonetheless the intention of them are not pure. As Isuri explained women should aware of back outing them after getting the external resource support. It is ordinary to face these kind of things as a woman from the society and the braveness of women should be important to prevent from those.

The faith of women about purchase intention of customer

Customers in exchange networks are highly essential for the growth of business since it is the only way to incur money for a small business. Therefore, female small business owners are so keen on finding potential customers and maintain profitable relationship with existing customers.

Female small business owners have a faith on invisible approaches of acquiring customers.

Isuri added relate this:

“I always telling to god that let customers to feel liking to my products and let my designs be attractive to customers. I don’t know that I am blinded believer. But I have faith in God, worship load Buddha, worship to boo tree, I meditate in front of Sri Maha bodi, I am waiting hours looking at Ruwanwali Seya, I go katharagama and asking from god to customers prefer my products and let them feel to purchase my products. That is luck of mine if a customer felt of buy what they taken to their hand. I don’t know how to explain that. But I am requesting that from god.”

From the above extract we can see the invisible belief of female small business owners which influence for purchase intention of customers.

Excepting sexual bribes to networking with female small business owners

For any product or service entrepreneurs should find out their markets which the particular product or service targeted for. Usually small business caters for the niche market. Nevertheless, the relationships with firms are highly essential as customers if the business is B2B. (Business to Business). That means business sell its products or services to another business instead of end customer. As a small business owner maintain healthy relationship with exchange networks are highly essential. Hence female small business owners are not capable of catering to number of shops or firms due the many barriers. Further finding a buyer for their products also a difficult task for female small business owner.

Isuri said:

“Currently I supply for a one company and I don’t want to disclose the name that particular company. Hence there are competitors who are willing to supply with less price and break my orders from the particular company”

That is how female small business try to secure their benefited exchange networks. Even forming healthy relationship with exchange network also not an easy task for female entrepreneurs. Building networks has inherent structural barriers for females and all networks are nor approachable to women even (D’Exelle and Holvoet, 2011).

Hence they are trying to secure what they have constructed healthy.

Isuri shared some experience of her:

“Sometimes the purchase managers in the shops are expecting sexual bribes to except the order from me”

Further she said:

“One day I asked one of my customer to find a person to borrow some money. Couple of days later he said okay and there is a small issue though. When I asked what’s wrong, he said that particular person is willing to lend some money for you, but he is expecting you as well”

Networks actors inside the exchange networks are expecting sexual bribes when forming an exchange networks. Sexual bribery is an inappropriate benefit which the nature is sexual. Usually sexual bribery is demanded by men who are in the position which has power to exchange for a service or for a help. Small business is lack of resources and less healthy compare to the large business. Hence they are not wealthier enough to corrupt by financially. Therefore, potential network actors are expecting sexual bribery from female small business owner.

Rule of women inside the family

Duberley and Carrigan (2012) good mothers are the one who stay at home and spend their entire time with their children according to some researchers. Even though this is the responsibility of women, female entrepreneurs involve for the income generation activity which is the responsibility of father. Nonetheless women are doing business to uplift the family economically. Therefore, small female business owners believe that is a duty of the family members to provide the labor resource to business. Hence the human resource is most challenging factor for the small businesses.

Isuri shared her thoughts:

“There is a rule of mine inside this home. We should not creditable for the meals we have from the home. My kids also accept that statement. So if my kids also involve for the operation activities, they add value to the business by Rs 1000 per day. My daughter is doing a fashion designing degree at NIBM. We need to pay Rs. 1,300,000 for that. So if she works here no need of doing part time jobs. Then she also aids with income generation inside the family. Initially we fulfil the labor requirement inside the family. If the demand cannot be catered within the family only we hired from the outside. We work our maximum capacity to fulfill the demand inside from family”

According to Isuri, members in the family also responsible for assisting with their human resource since they are the most benefited stakeholder of the business. Mishina et al. (2004) point out the fact that financial and human resources are the most important ones for the growth of the venture. With the ‘Rule of Women inside the Family’, female entrepreneurs are getting the human resource and diminish the cost of labor in the point of finance.

Thus the ‘Rule of Women inside the Family’ is applicable to every female entrepreneur to for better support with human resource while diminishing the cost of labor.

Networking is like double edge sword for female small business owners

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Networks are a fundamental element for the market development as source of supply and as a facilitator. Hence networks are significant for the entrepreneurial development (Jack et al., 2010). Further entrepreneurial networks are which enhance the fruitfulness of the small business by improving the assets of the business through labor, market accessibility and technology (Fuller-Love and Thomas, 2004). Hence networking is a valuable component which small business should develop to gain above mentioned advantages

Sachini explained about benefits of networking as experience:

“Manager of a plantation company came here one day. He was looking for particular service everywhere and still he couldn’t get it done. I repaired that thing anyhow through my one of worker. Lalan Rubbers is one of the leading company in Sri Lanka and He moved to Lalan Rubbers later and invite me for an interview of selecting chemical suppliers. I went for that interview and I was selected. As a result of that I supply chemical for Lalan Rubbers since from 2003. After that Pussellawa and Agalawath Plantation are acquired by Damro. One of the Group General Manager from Lalan Rubber had moved to Damro. Since he recommended our service is good, we got opportunity to cater Damro also. Damro is the one of the growing leading company in rubber industry. We got opportunity to cater those leading companies as a result of the relationship”

According to Sachini network has been resulted with number of new business through the recommendation which is directly impacted to increase the number of sales. Nevertheless, networking is not always benefited to the female small business owners. There are people who network with female small business owners get benefits from them. Eventually that can be a threat to the business even.

Same as benefits there are negatives of being networked for female small business owners. Maduri shared her experience related to networking:

“I experienced a worst circumstance because of networking. One of the fresher beautician came to Kiribathgoda and she send me her best employee for my recruitment interview and she asked to recruit that employee for my saloon. In that time I had six pool employees. That wasn’t not enough for me since I was at my peak level. I recruited her as my 7th employee. After a month she left the saloon with rest of my six employees. There are such an adventureus happened as a result of networking. The employees left the saloon with my customer base too. In that time, I was so helpless. Actually I drop down to the bottom of my business”

It seems most of network actors misuse their networks to get benefits unethically. Eventually impact of networking are act as a resistance to the business.

According to the Piyumi:

“There are two sides of networking. It’s good from one side and in the other hand it is negative to the business. I am going with a person to buy plants for me. On the next day he is taking another person to there or he/she buying plants from there and selling them. They go with me and try to find their own way by using me. Some are building networks with us to get benefits from us. Networking is like a double edge sword therefore”

Stephanie (2010) some studies showed the draw backs of networking as well. Accordingly, networking is a double edge sword for female small business owners. The level of satisfaction of doing a business

Most of female small business owners are satisfy about conducting their own business according to the findings of the study.

As Nelumi said:

“A woman should not merely die after boiling rice, a woman should do something to the country then die, establish the name and then die. I did everything. I invite any man to compete with me and I say he cannot! That is my satisfaction”

Isuri also stated her opinion:

“I cannot express my feeling of happiness from words. I am so happy about where I am today. But that happiness might be differ from person to person with the family background and surrounded people”

As she says the gratification or frustration of going a business is not purely inherently befallen. The external factors like family back ground and people who surrounded by female entrepreneur also matter. Moreover, as an example if the parents are into a very succeed businesses or the female entrepreneur is from a rich family is dissatisfy by even performing considerably good in the introduction stage of the business and earning little profit when compare the income of other members in the family.

Nelumi added relating to this:

“I grow higher to show my father. I buy lands, I buy vehicles and I buy everything to make my father happy. My father is very rich and he has lot of money, not like me. I do not take his money. I will do more than him to show him one day. I want to make enormous company X than my father built and show it to him before he dies”

According to Nelumi, she will be satisfied at the point she built a wealthier company than her father’s one. Her benchmarking measurement for succeed is the wealthier level of her father’s company. Likewise, surrounded people who are inside the network also matters when measuring the satisfaction of the female entrepreneurs.

The Costume of Women also important to get an advantage in external resource support

The role of the women in Sri Lanka is culturally defined and there is a unique costume for females. Saari and osari are the culturally defined consumes for females and respect is embedded to those costumes by the society. As a result of that the costume of the female gives a silent idea about the particular person who wears them.

As Piyumi said:

“I travel Thiland to buy new plants which are not available in Sri Lanka. So every time I return to Sri Lanka I was wearing a Saari and I never wear short dresses. When I was waering Saari officers in Bangkok stand up and greet me. Even they do not consider when there is little tolerance in the weight. Likewise, I have gained many supports when wear Saari. So I used to wear saari whenever possible”

The costume of the female is a fact which can bargain for the respect at the first impression. As a result of that favorable situation is created to obtain some external resource support occasionally.

Female small business owner’s attitude towards Patriotism when forming Networks
Entreprenuers are engine of the domestic economy and considerable level of contribution is given to the economy with the higher gross domestic production. Entrepreneurs directly contribute to the economy and at the meantime female small business owners are intentionally network with domestic business with the concept of Patriotism. Kleing et al. (2015) Patriotism is defined as loyalty to the particular country, an identification with it, and a willingness to act on its behalf. According to Piyumi:

“When my business was in growing stage I started purchasing from local manufacturers as a help to them”

Further she said:

“I was buying pots from company X and during that time a person from rural area start manufacturing flower pots at very little stage. I get to know that they had many difficulties. I helped them as I maximally capable and it is a Sri Lankan manufacturing product. I helped them to purchase a machine also”

Conclusion

This study was conducted to examine the impact of the entrepreneurial external resources (Financial, informational, knowledge, non-material, emotional support) on female small business growth. Mainly the entrepreneurial personal networks have a direct impact on the venture growth of female small enterpise with the external resources support. As result of research findings it is clear that numerous benefits are enjoyed as a result of networking. The question of the research is how entrepreneurial networks impact for the venture growth through obtain external resources support. Accordingly, there is an impact with the support of external resources to the venture growth of female small business. Resources are highly essential to the any kind of business. Especially female small businesses are obtained resources from the outsiders and those are defined as external resources. An individual actor doesn’t have all kind of resources. In view of that, this study originated that the female entrepreneurs who surrounded by networks which are capable of obtaining external resource/support (financial, informational, knowledge, non-material and emotional support) has a higher probability to success of the venture. The result of the study further found that personal network is the mostly impacted network within the entrepreneurial network of female small business owners and family is the highly impacted individual actor inside the network of female small business owners. Most importantly females are devoting major proportion of their lives to uplift other people inside their network and Female entrepreneurs do not prefer to have a relationship with the individuals who they are closely and emotionally engaged. Instead of that they consider the loyalty, knowledge, talent, innovations and the responsibilities of her inside the family. Female don not selective base on gender and emotional closeness when networking. Female small business owners were looking for the informational and financial support mostly and emotional support is negatively impacted for the female small businesses.

References


The loyalty for the country is highly visible within the female entrepreneurs and thus intentionally network with local entrepreneurs to support with external resource support.

She added more to her opinion:

“My responsibility is to teach something properly to next generation, we have no idea about when we will die. But we have to transfer our knowledge to next generation. Therefore, I support to the next generation even he/she is good or bad. I do so because of the country”

With the opinion of Piyumi it is clearly proven that the fact female small business owners are so much loyal to the national country. Patriotism is adopted to uplift the country as the ultimate result.

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