

A Study on Gender's Role in Individual Networking Behavior of Entrepreneur

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Abstract

Aims *The purpose of this study was to determine if a difference exists between male and female networking of the registered entrepreneurs.*

Background *Networking activities between male and female entrepreneurs' will differs in the performance of venture.*

Methods *The literature review was carried out to recognize the aspects which are behind in this study. A survey has been conducted with 57 entrepreneurs through distributing semi-structured questionnaire by using a simple random technique among registered entrepreneurs, Coimbatore. The data analyzed with SPSS 18.0 in order to identify the difference on the gender of the entrepreneurs with networking behaviour. The Mean, S.D, Z-test and one way ANOVA were performed to test the hypotheses.*

Results *The result indicates that there is difference found between the gender and entrepreneurial networking of entrepreneur.*

Conclusions *Male entrepreneurs are more interested in the broadening the network whereas the female entrepreneurs are more into the deepening of network.*

Keywords: *small scale Entrepreneurs, Gender, Networking.*

I. Introduction and Design of the Study

India's economic development has been impressive, but recent events have sparked debate about gender inequality. This column argues that Indian women's levels of entrepreneurship and participation in the labour force are some of the lowest in the world. India's economic growth and shared prosperity depends upon successfully utilising both its male and female workforce, and improving this balance is an important step towards sharing the benefits of India's growth. Entrepreneurs respond to opportunities and potential threats from the environment with different

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entrepreneurial activities, attempting to achieve more successful performances and higher growth. One such activity is to create network connections. According to Valkokari and Helander (2007), success depends primarily on collaboration with other organizations. On the other hand, networks can also be based on personal relationships. Biggiero (2001) writes that networks of SMEs in particular are based on personal relationships, where small companies networks overlap with entrepreneurs networks. Therefore role of gender in access to the individual networking behavior of entrepreneurs differ.

The purpose of the current study is to investigate networking behavior of male and female entrepreneurs of micro small and medium sized entrepreneurs. The networking behavior of the individual entrepreneur consist of network broadening actions by which entrepreneurs add new interpersonal ties, network deepening actions by which they maintain existing interpersonal ties. The male entrepreneurs differ from the female entrepreneurs in networking behavior. Therefore the key contribution of this study is to show that contrary to extant literature that stresses the importance of particular types of networking behavior enable entrepreneurs to mimic the benefits of referrals and thereby upgrading performance of venture.

- **Objective**

To analyze the networking behavior of male and female entrepreneurs in Coimbatore district.

- **Formulation of hypothesis**

- ✚ There is no significant difference among gender of the entrepreneurs and entrepreneurial networking behavior

- **Literature review**

According to Hisrich and Shepherd: "Entrepreneurship is the process of creating something new with value by devoting the necessary time and effort, assuming the accompanying financial, psychic, and social risks, and receiving the resulting rewards of monetary and personal stratification and independence" (2008, p.8). Thus, for people who initiate these risks and carry

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out their dreams to start their own business, they are referred back to them by the phrase “entrepreneur”.

A small business is privately owned and operated, with a small number of employees and with relatively low volume of sales. Small businesses are privately owned either as corporations, partnerships and/or sole proprietorships (Moore et al, 2010).

Networks can be defined as patterned relationships among individuals, groups, and organizations (Dubini& Aldrich, 1991) and can be seen as facilitating or constraining (Aldrich & Zimmer, 1986) the action of people and groups (Antonicic, 1999, p. 195).

Networking continuously produces network outcomes for every participant (Ford et al., 2002, pp. 13-14). This is especially important for SMEs as they usually face a lack of resources regarding knowledge, professionalism, access to customers, and intangible resources. With connections, SMEs can eliminate these various barriers, exchange information, and create competitive advantages (Richter, 2000, p. 137).

Networking can be defined differently in different contexts, depending on the specific purpose of the study; many classifications exist regarding the *types of networks*. Field exploration is still relatively new; studies and other literature have traced a patchwork of definitions, concepts, and understanding of networks and networking operations

- **Research Gap**

Previous studies have focused on the enterprise networking, and networking capabilities predicting on the performance of the manager. But the current study is focusing on the networking behavior of the entrepreneur where the network broadening and network deepening activities are included. A handful of studies are done on the networking behavior of entrepreneur relating to relationship formation. Therefore, there is definitely a need arising to conduct a study to fill the above gaps.

II. Data Analysis And Interpretation

- **Scale Validation, Mean and S.D of Entrepreneurs’ Networking behavior Scale**

Table 1 shows the scale validation, mean and S.D of statement measuring networking behavior of entrepreneurs.

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Table 1 Scale Validation, Mean and S.D of micro small medium Entrepreneur’s networking behavior Scale

Networking Action Dimensions	Item	Mean	Std Dev
Network broadening: The extent to which entrepreneur (ego) takes steps to meet new people to promote his/her venture and the extent to which ego finds out more about the new people he/she meets (alpha=0.70)	When I attend industry forums & other business related networking events, I interact with people I did not know before	5.1	1.5
	When I attend social events (e.g. alumni meeting, rotary club, hobby associations etc.), I interact with people I did not know before	4.8	1.6
	I interact with strangers (face to face, by phone or online) to promote my business	4.9	1.9
	I consciously set aside time for meeting new people	3.9	2.1
	When I meet a new person, I find out if he or she is connected to people I already know	4.8	1.5
	I make an effort to find out as much as possible about a new person that I meet	4.7	1.3
	When meeting a new person, I find out how he or she will benefit from our (potential) relationship	4.8	1.6
	Network Deepening: The extent to which ego paces her relationship with contacts and to combine social and business relations with existing contacts (alpha=0.72)	I find it difficult to keep in touch with my contacts without having a specific reason	3.8
I get in touch with my contacts on a need basis - if I do not have a specific need, I do not contact them		4.0	1.7
When one of my contacts moves jobs, I lose touch with that person		4.6	1.5
I follow a systematic process for keeping in touch with my current contacts		4.7	1.8
I assess whether my current contacts would be valuable to me in the future		4.4	1.8
I deliberately keep away from some contacts in my network		3.2	1.7
I stay away from contacts who make me a “one-stop-		4.2	1.9

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	shop” for all their needs		
	I take actions to build personal friendships with my business contacts	4.4	1.5
	I socialize with my business contacts	4.4	1.5
	I convert work relationship in stages to a personal relationship	4.6	1.6

Table 1 shows the scale validation , mean and S.D of statement measuring networking behavior. For the first dimensions, respondents were asked to think about new people (i.e. people not yet part of their personal network) while for the next dimensions, respondents were asked to think about people who were already part of their personal network. In network broadening, “When I attend industry forums & other business related networking events, I interact with people” carries the highest mean score 5.1 and S.D 1.5. Therefore the respondents highly interested in the network broadening activity.

• **Z-test score of gender and status among respondents on networking behaviour**

Table 2 shows the z score of gender and entrepreneurial networking behaviour. The networking behaviour consist of Broadening and deepening.

Table 2Z-test score of gender and status among respondents on networking behaviour

	Gender	Sample	Mean	S.D	Z value	Sig	Result
Broadening	Male	32	22.9063	3.295	2.218	.031*	Rejected
	Female	18	20.5556	4.090	2.087	.046*	Rejected
Deepening	Male	32	27.1563	5.747	-4.522	.000***	Rejected
	Female	18	34.5556	5.181	-4.567	.000***	Rejected

Note:*P < 0.05 **P < 0.01 ***P < 0.001

Table 2 shows the z score of the gender and networking behavior of entrepreneur. In network broadening male and female entrepreneurs has the z value of .031 and .046. Therefore the result is rejected. In network deepening male and female entrepreneurs has the z value of .000 and .000. Therefore the result is rejected.

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- **One way ANOVA table of Gender and Entrepreneurial networking behavior**

Table 3 shows the one way ANOVA score of gender and Entrepreneurial networking behavior where Network broadening and deepening is compared with the networking behavior of entrepreneur.

Table 3 One way ANOVA of Gender and Entrepreneurial networking behavior

	Particulars	Mean	F	Sig	Result
Broadening	Between groups	63.65	4.919	.031*	Rejected
	Within groups	12.94			
	Total				
Deepening	Between groups	630.71	20.447	.000***	Rejected
	Within groups	30.84			
	Total				

Note:*P < 0.05 **P < 0.01 ***P < 0.001

Table 3 shows the one way ANOVA of of gender and Entrepreneurial networking behavior. The result shows that the network broadening has F value of 4.919 and the sig value is .031 therefore the hypothesis is rejected. In network deepening the F value is 20.447 and sig value is .000. Therefore the hypothesis is rejected.

III. Summary Of Finding, Suggestion And Conclusion

- **Summary of Finding**

The summary of the findings obtained from the study with reference to the towards gender on the entrepreneurial networking behavior. The z test result shows the significant difference exist between the gender and entrepreneurial networking of entrepreneur. From the one way ANOVA table the result indicates that there is difference found between the gender and entrepreneurial networking of entrepreneur.

- **Suggestion**

Although there is a huge improvement in the female entrepreneurs networking, when compared to male they stand little bit low. The women should come forward to accept the role of entrepreneur. The male and female support is essential to the environment in the constructive way.

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● **Conclusion**

- ✚ To conclude, gender issue is vital to explain the different perception of male entrepreneurs to female entrepreneur's gains on the light of their own experience. This reflects gender's perceptual differences and gender gap.
- ✚ With reference from the result male and female entrepreneurs are involved into the relationship building process, but male entrepreneurs are more interested in the broadening the network whereas the female entrepreneurs are more into the deepening of network.
- ✚ For the profitable business performance male and female entrepreneurs should have both the deep and broad networking activities.

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