

WOMEN ENTREPRENEURS IN MEXICO: AN ANALYSIS OF FINANCIAL, HUMAN AND SOCIAL CAPITAL

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Abstract

It has been stated that entrepreneurship represents an important force in the economies. Particularly, women entrepreneurs constitute a sector in growth towards which many organisms as well as the academic area have overturned the attention. The main objective of this research is to detect the presence of a selected group of capabilities and resources in women-owned business in Mexico. Their possible interrelationship was evaluated utilizing the tool analysis of variance (ANOVA).

This research adopts the Resource Based View of the firm as theoretical framework, considering in its analysis three strategic capabilities and three important resources. The data used for this analysis was obtained from two women associations in México. Results show that human and social capital may be important for the appropriate display of some capabilities, which may have significant implications for management. According to the analysis made, women entrepreneurs should pay special attention to the capabilities and resources examined.

Keywords: Resources, performance, Mexico, women entrepreneurs

Introduction

It has been stated that entrepreneurship represents an important force in the economies. Particularly, women entrepreneurs constitute a sector in growth towards which many organisms as well as the academic area have overturned the attention. For them and for every entrepreneur, is especially important to know the factors that can give the company a competitive advantage.

According to the Resource-Based View of the Firm, these elements contribute in developing and maintaining a competitive advantage in organizations (Katila and Shane, 2005; Xiong y Shang, 2007). On the one hand, capabilities are created through learning from repetition, coordination and cooperation of people and other resources of the firm (Grant, 1991). On the other hand, the resources are defined as "assets or production inputs - tangible or intangible - that an organization owns, controls or has access to" (Helfat and Peteraf, 2003).

It should be considered that not all capabilities and, therefore, not all resources are suitable to generate an enhanced performance. Spanos and Prastacos (2004) classify them as follows: Elementary and supplemental. "Supplemental" or "enabling" are those that alone will not meet the objective of creating a sustainable advantage, but cooperate to this end. "Elementary" capabilities are those that directly contribute to customer satisfaction and lead to sustainable competitive advantage.

The core capabilities and the resources that better achieve business performance are the factors we are interested to study in particular. Therefore the main objective of this research is to detect the presence of a select group of capabilities and resources which we consider essential to women's businesses in Mexico and their possible relationships. For the analysis, we also consider the age of the firm.

In order to achieve the objective, this research has four sections. The first presents the theoretical background and introduces the hypotheses. It sought to link the concepts of capabilities, resources, performance and characteristics of women's businesses. The second section discusses the research methodology. It contains a brief description of the sample, details about the origin of the measuring instrument, the process of data collection and analysis techniques. The third section shows the results of analysis of variance. Finally, we present the conclusions, limitations and future lines of research.

Theoretical Background and Hypotheses:

Some capabilities that have been classified as elementary or essential, and that have often been associated with high business performance, are the entrepreneurial orientation, market orientation and learning orientation. An important precedent is the work of Hult, Snow and Kandemir (2003), who in their research attributed the creation of a competitive advantage called "cultural competitiveness" to four capabilities. The capabilities that they identify are entrepreneurship, innovativeness, market orientation and organizational learning. However, as a result of reviewing the available literature, we will consider that entrepreneurship and innovativeness are grouped in the concept of entrepreneurial orientation.

Grinstein (2008) in his meta-analysis on market orientation and other strategic orientations, points out that there are a variety of studied combinations of capabilities, as well as their effects on performance and creating competitive advantage for organizations. After examining a group of these capabilities (innovation orientation, learning orientation, entrepreneurial orientation and the employee orientation), the two with the highest correlation to market orientation are entrepreneurial and learning orientation. That is, market-driven firms have a high probability of combining this capability with the entrepreneurial and learning orientation.

The resources allow the firm to create and implement strategies that improve their efficiency and effectiveness (Barney, 1991). At the startup of a business, its absence can be a difficult barrier to overcome and sometimes be the cause of failure of a new venture. Ireland, Hitt and Sirmon (2003) offer an attractive combination of them when discussing “strategic entrepreneurship”. This construct aims to create wealth by strategic management and entrepreneurship, and involves finding opportunities and competitive advantage, considering three types of essential resources in the search for both benefits: financial capital, human capital and social capital. The idea is based on the assumption that the effective strategic management leads to the creation of advantage and improves organizational performance (Ireland et al., 2003).

In short, the three “essential” capabilities considered in this study include entrepreneurial orientation, market orientation and learning orientation. Also, the resources selected are financial capital, human capital and social capital.

Entrepreneurial orientation (EO) refers to the willingness and behavior of a firm to venture into new markets or existing ones, introducing new services or products, or that are already part of the available line (Walter et al., 2006; Tahir, Mohamad y Basher, 2011). Market orientation (MO) is the organizational culture whose main goal is to provide a higher value to the customers, without neglecting the importance of the company's relationship with its internal shareholders and domestic competitors (Narver and Slater, 1990, Liu et al., 2002). Learning orientation (LO) of a company is a set of values that its people possess and consists in the ability to create, disseminate and use knowledge. (Liu et al., 2002).

"Financial capital includes all the different monetary resources that companies can use to develop and implement strategies" (Ireland et al., 2003). "Human capital derives from the investments that individuals make in themselves, often through education (formal and occupational experiences) and training" (Carter et al., 1997). Social capital refers to connections between organizations that generate mutual benefits and involves some degree of cooperation, as well as connections within the same company that

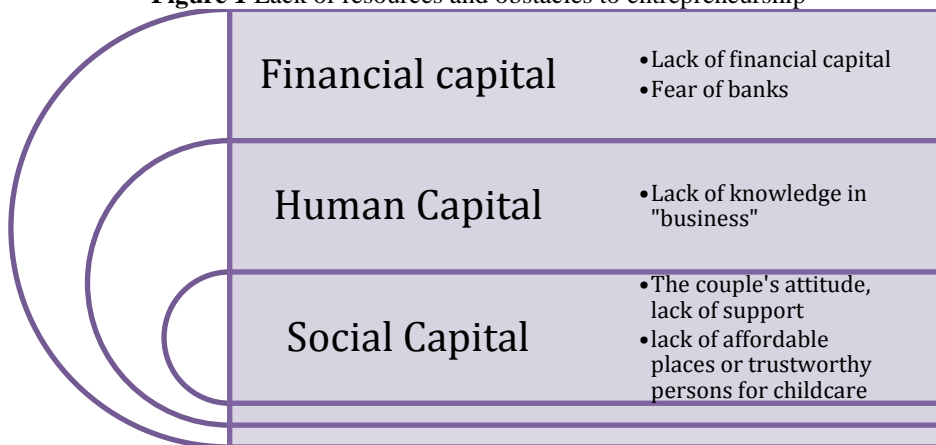
allow to control other resources and also gain knowledge (Ireland et al., 2003).

Resources and capabilities in the female entrepreneurial sector

In the case of the female entrepreneurial sector, a study that shows the importance of resources is that of Fielden and Dawe (2004), which examines barriers and fears of women when planning a business. These authors found five major barriers to women when making the decision to conduct a business. (1) Fear of failure, (2) lack of financial capital/fear of banks, (3) the couple's attitude, lack of support, (4) lack of knowledge in "business" (5) lack of places or trustworthy persons and affordable in price for childcare. Among these elements we identified the lack of financial capital, shortage of human capital as lack of knowledge and we identified lack of social capital as a lack of support from couple, family or friends for childcare. (See Figure 1)

It is important to mention these barriers, because as Katila and Shane (2005) argue, capabilities are the ability to use the resources to achieve organizational goals. This suggests the bond that may exist between capabilities and resources. Assuming that capabilities are responsible for the effective use of resources, we can in turn say that a lack of resources in companies can result in not being able to optimally deploy the capabilities in the strategy and not achieve a competitive advantage and a higher performance. Therefore, we can observe that in the next hypotheses the three capabilities selected as essential are always included as dependent variables, at the same time as performance.

Figure 1 Lack of resources and obstacles to entrepreneurship



Source: Prepared based on Fielden and Dawe, 2004.

In the case of financial capital, the GEM Report 2006 (Allen et al., 2007) mentions that men and women who are paid employees are more likely to become entrepreneurs than people in different situations. However,

something that discourages women is that men tend to have better paid wages than women in the same position and level (Boden and Nucci, 2000). This could create a disadvantage for them because when they are self-employed they cannot manage to accumulate a similar amount of money to what a man can save to start his own company, starting operations with a certain lack of this resource.

Along with this Lituchy et al. (2003) affirm that "historically the lending policies of many financial institutions have been unfavorable towards women". Causing a large number of women entrepreneurs to obtain funding from their own savings, family or personal credit cards (Winn, 2005), generating a low amount of money available at the startup of the company, which does not allow for the acquisition of other resources necessary for the enterprise which leads to failure (Coleman, 2007).

Based on the above background the following is proposed.

Hypothesis 1: The women in the sample, in which external financial capital was used at startup or during the life of the company, have higher rates in the capabilities -(a) entrepreneurial orientation, (b) market orientation, (c) learning orientation-, and (d) performance than those who did not use it.

On average, women are less likely to have previous experience in owning their own business, fewer years of experience in paid employment (Carter et al., 1997) and fewer opportunities to access managerial positions. In addition to financial capital, human resources have been highlighted as critical in creating a company and its success. Coleman (2007) suggests in his study that in women's businesses there is a strong influence of human capital (specifically education and experience) on the profitability or growth. Therefore, we suggest the following:

Hypothesis 2: Women's companies of the sample, with prior knowledge and experience listed as human capital, have higher rates in the capabilities -(a) entrepreneurial orientation, (b) market orientation, (c) learning orientation-, and (d) performance than those who do not have it.

In the case of social capital, it involves all agents that encourage the creation of new companies (Audretsch and Keilbach, 2004) and from which support can be obtained during the operation of the business -government, friends, family members, other entrepreneurs-. This idea goes hand in hand with the environmental approach (Lituchy et al., 2003), which is based on the premise that an entrepreneur receives direct influence of a model or, where appropriate, a rejection model in the decision to be self-employed. Besides these factors of influence or encouragement, regarding social capital it is important to mention membership in networks or associations, from which support, knowledge, resources and information about opportunities can be

obtained (Bruni et al., 2004, Manolova et al., 2007). From the above, the following emerges.

Hypothesis 3: Women's companies in the sample that have been influenced to start their business, have support or belong to a network of businesses, have higher rates in the capabilities -(a) entrepreneurial orientation, (b) market orientation, (c) learning orientation-, and (d) performance than those who do not have it.

Age of women-owned businesses

An important aspect shown by the GEM reports in which Mexico has participated¹²⁷. We refer to the wide gap that is observed between the rate of early stage entrepreneurial activity and the rate of established business owners with more years of life. The discrepancy suggests that there is a high mortality rate of enterprises since it shows a higher proportion of young rather than mature companies. We thus assume that the companies that survive have resources and a strategy or approach that has kept them in the market, and somehow their performance is at a competitive level.

Table 1 Entrepreneurial Activity In Mexico

	2001	2002	2005	2006	2008
Established Business Ownership Rate	5.8	1.5	1.9	2.3	4.9
Total Early-Stage Entrepreneurship Activity (TEA)	20.4	12.4	5.9	5.3	13.1

Therefore we suggest that:

Hypothesis 4: Women's companies in the sample with more years have higher rates of capabilities - (a) entrepreneurial orientation, (b) market orientation, (c) learning orientation-, and (d) performance than those with fewer years.

Methodology

We can say that the capabilities as part of the strategy of a company may give it a competitive advantage and higher performance. Additionally, we find that participation of the resources is required because they allow for the optimal deployment of capabilities. Namely, companies can benefit greatly from the presence of such important resources as financial, human and social capital, since their use enables the company to move towards innovativeness, learning, knowledge of the market and competitors, among others.

What is next proposed is to explore the possible relationships between these factors using an Analysis of Variance (ANOVA). Due to our assumptions that without resources we can hardly implement an ambitious strategy, and at the same time, if we have them, but lack the proper strategic

¹²⁷ In the new public data interface of the official site of GEM Consortium, only information of the years 2001, 2002, 2005, 2006 and 2008 is available.

approach it will be difficult to create a competitive advantage, the financial, human and social capital resources and age of the company are considered as independent variables. Dependent variables include the entrepreneurial orientation, market orientation, learning orientation and performance capabilities. The results of this exploration will allow us to propose the basis for a future study, emphasizing the significant differences between groups.

The Universe of study that was taken into account to distribute the measuring instrument includes companies initiated and managed by women in Mexico. Since it is not possible to access non-aggregated information from the most comprehensive database of Mexico (Instituto Nacional de Estadística y Geografía) National Institute of Statistics and Geography, INEGI-), the sample selection was made through the collaboration of two associations. Mexican Association of Women Entrepreneurs AC -Asociación Mexicana de Mujeres Empresarias A.C. (AMMJE)- and the Network of Women Entrepreneurs of the National Women's Institute -Red de Empresarias del Instituto Nacional de Mujeres- with 3000 and 322 associated, respectively. In both cases, the questionnaire was sent via email, but for AMMJE it was necessary to make a personal delivery of the questionnaire at the annual meeting of the association as no reply was received.

The response rate in the case of the Red de Empresarias Network of Women Entrepreneurs of INMUJERES was 12.11%, for AMMJE, 11%, collecting a total of ninety usable surveys. The anonymity of the respondents was protected to prevent bias by common method, in addition to reducing evaluation apprehension. A pilot test was made, confirming that the translation and editing of the questionnaire was clear and concise, with the participation of 37 Mexican women entrepreneurs based in the city of San Luis Potosi. The pilot surveys were not included in the final sample.

Measuring instrument

The measuring instrument is a questionnaire that was prepared from a review of literature on issues of internal organizational capabilities, resources and organizational performance. In the case of the capabilities and performance, in all the constructs a Likert scale is used for evaluation¹²⁸.

For the construct of entrepreneurial orientation an adaptation of the Covin and Slevin scale was used (1989). To assess market orientation, the selected questionnaire was the one used in the work of Hult, Snow and Kandemir (2003). It consists of fourteen items, all adapted from the questionnaire developed by Narver and Slater (1990). To measure learning orientation the questionnaire of Sinkula, Baker and Noordewier (1997) was

¹²⁸ Likert scale goes from 1 “totally disagree” to 7 “totally agree”.

used, adapted by Calantone, Cavusgil and Zhao (2002), only two items of the scale were left out because they promote confusion. The performance section includes twenty items, modification of the work of Gupta and Govindarajan (1984). The measures are subjective and were chosen in their study of small firms, mainly due to the unwillingness of this business sector to disclose financial information. To assess social capital, dichotomous questions were developed as a result of three of the factors that Davidsson and Honig (2003) mention as important for the existence of social capital in an entrepreneur CS1-CS3. Additionally, a direct question was made about membership of the firm to a chamber or association. Finally, we prepare an item based on Audretsch and Keilbach (2004), about the existence of government support towards entrepreneurship CS4. To measure human capital three factors used in the investigation of Davidsson and Honig (2003) were considered, in addition, within the general data, there is a question about the previous experience in the economic sector in which the firm is located, also considered as part of the human capital. In the case of financial capital, a question was made to know the structure of the initial capital, as was done in the study by Chandler and Hanks (1998), and in another question, it is verified if foreign capital has been requested at the beginning or during the life of the firm.

Brief Description of the sample

The final sample of the study has the following features. Most of women's ventures in the sample are in the commerce and services sector. Specifically, 48.9% of the companies in the sample are in the category of services, 18.9% were engaged in commerce, 26.7% have their manufacturing company and only 5.6% engage in agriculture. In terms of company size of women entrepreneurs in the sample, they have an average of 18 employees, with a concentration of 70% of the cases within the range between zero and ten employees, amount of persons considered standard for micro companies. In fact, we only found five firms with over one hundred employees in the total sample of ninety. In the other hand, years of business life show an average of 10.46 years. The youngest firm that was reported has almost a year of life (0.75 years) and the oldest, 50 years. Almost half of respondents (49%) have a firm with five or fewer years of life and only 10% of firms in the sample have more than 25 years operating. In at least four cases of firms with more than 24 years, the firm is a family business that has continued in this generation, and sometimes has been initiated by the father. In other cases, 83.3% of respondents founded the firm and 35% have a financial stake greater than 81%.

Results

The main purpose of ANOVA was to explore the existence of relationships between the constructs of capabilities, performance, the

instrument items that are part of the resources and the age of the company. In this analysis, we used the Bonferroni inequality contrast as Post Hoc test for non-metric dependent variables of more than two categories.

As mentioned before, in a first stage of the analysis the items of financial, human, social resources and age of the company were included as independent variables. The entrepreneurial, market and learning orientation and performance capabilities were included as dependent variables.

Table 1 shows the results for the "financial capital" independent variable measured by four items:

CF1E External financial capital used at the startup of the business.

CF1I Internal Financial Capital used at the startup of the business

CF2E External financial capital used during the life of the business

CF2I Internal financial capital used during the life of the business.

The results in Table 1 show that there seems to be no significant differences ($p < .050$) in the rates of capabilities and performance. Causing much surprise as we expected to find significant differences, especially when using external funding to start the business or during operation. Thus Hypothesis 1 is completely rejected.

Additionally, an analysis was made which included the financial capital as an independent variable -item CF1I- and the size of the company as dependent variable. It was found that the use of internal financial capital at the startup of the business has significant difference in the "size of the company" ($p < .050$). Looking at the mean of the group of respondents who answered that no internal financial capital was used to start their business, we see it has a higher mean in the size of the business than that of the group that responded affirmatively. This means that women who did not use their own personal financial capital or that of the partners, and therefore used external financing, are those with the larger firms in number of employees.

In the case of human capital, the items analyzed are:

CH1 Previous work experience

CH2 Previous experience in starting a business.

CH3 Previous experience as a manager.

CH4 Specific training on business administration.

As shown in Table 2, the test results for the variable CH3 "I have previous experience as a manager" shows that this variable has significant differences on entrepreneurial orientation, market orientation and learning orientation ($p < .050$). Looking at the mean of the dependent variables, we see that the group of respondents who do have previous experience as managers show a higher mean rate for EO, MO and LO than those who reported not having previous experience as managers. Therefore, the hypothesis H2a, H2b and H2c are accepted. Because it was found that the aspect of human capital "previous experience as a manager" does seem to be

related in some way with high rates of the three analyzed capabilities. The H2d hypothesis, suggesting that women-owned businesses in the sample, with prior knowledge and experience listed as human capital, have higher performance rates than those who don't, is rejected.

Social capital was measured by the following items:

CS1 Some of my parents had or have their own business.

CS2 My couple has or has had his own business.

CS3 I have close friends or neighbors who have their own business.

CS4 Friends and/or family encouraged me to start my own business.

CS5 My company or business is a member of a chamber or association.

CS6 The government of my country/state fosters and supports the entrepreneurial phenomenon among its residents.

For the social capital, in Table 3 we see the results of the analysis for variable CS5 of social capital "my firm or business belongs to a chamber or association." This independent variable has a significant difference in the rate of entrepreneurial orientation ($p < .050$). There is a slight mean difference of this index among the group of respondents who belong to a chamber or association of those which do not belong to any network. Therefore we accept the H3a hypothesis that establishes the following:

H3a "Firms of women in the sample who have been influenced to start their business or belong to a network of businesses, have higher rates of EO than those that do not have it."

In the case of the variable "the government of my country/state fosters and supports the entrepreneurial phenomenon" CS6 (Table 3), the results show that it has significant difference in the performance index ($p < .050$). Observing the mean of the group of respondents who responded "yes", we see that the mean for performance is higher than the group who answered "no" to the question. In this case, we accept the hypothesis that is shown as follows:

H3d Firms of women in the sample who have been influenced to start their business or belong to a network of businesses, have higher performance rates than those who do not.

Finally, Table 4 shows that the variable "age of the company" shows significant mean differences in both categories for the three capabilities discussed here as well as for performance. In the case of entrepreneurial orientation, the effect of age of the firm is significant at ($p < .001$), and for market, learning and performance orientation at ($p < .050$). We also notice that the means of indexes of the capabilities and performance are lower for

the sample group of younger aged firms, i.e. for the group of firms with 0 to 15 years of operation.

Table 2. Anova Of The Independent Factor Financial Capital

Independent Variable		Dependent Variables																
Independent Variable	Category	Entrepreneurial Orientation				Market Orientation				Learning Orientation				Performance				
		N	Mean	F	Sig.	N	Mean	F	Sig.	N	Mean	F	Sig.	N	Mean	F	Sig.	
Financial Capital	CF1 E	No	45	4.5	.592	.444	45	5.2	1.430	.235	45	5.2	1.803	.183	40	25.4	.337	.563
		Yes	43	4.3			42	5.5			43	5.6			40	23.8		
		Total	88	4.4			87	5.3			88	5.4			80	24.6		
	CF1 I	No	9	4.2	.117	.734	9	5.3	.007	.932	9	5.5	.067	.796	9	23.1	.153	.697
		Yes	79	4.4			78	5.3			79	5.4			71	24.8		
		Total	88	4.4			87	5.3			88	5.4			80	24.6		
	CF2 E	No	28	4.6	1.301	.257	28	5.0	2.253	.137	28	5.4	.055	.814	25	26.7	1.099	.298
		Yes	60	4.3			59	5.4			60	5.5			55	23.7		
		Total	88	4.4			87	5.3			88	5.4			80	24.6		
	CF2 I	No	22	4.4	.001	.976	21	5.5	.772	.382	22	5.4	.000	.994	20	21.5	1.807	.183
		Yes	66	4.4			66	5.2			66	5.4			60	25.7		
		Total	88	4.46			87	5.3			88	5.4			80	24.6		

Table 3. Anova Of The Independent Factor Human Capital

Independent Variable		Dependent Variables															
Independent Variable	Category	Entrepreneurial Orientation				Market Orientation				Learning Orientation				Performance			
		N	Mean	F	Sig.	N	Mean	F	Sig.	N	Mean	F	Sig.	N	Mean	F	Sig.

	able	ory	Human Capital															
Human Capital	CH1	No	9	3.9	1.2	.2	8	5.	.20	.6	9	5.	.00	.9	7	3	2.8	.0
		Si	7	4.4	18	7	3	1	2	5	4	3	5	3	5	2.	81	9
		Total	8	4.3		8	6	5.		7	5.	4		8	0	4.		6
	CH2	No	3	4.1	1.4	.2	3	5.	2.3	.1	3	5.	2.2	.1	3	2	1.7	.1
		Si	5	4.5	24	3	2	0	90	6	2	1	13	4	2	2.	38	9
		Total	8	4.3		8	6	5.		7	5.	4		7	9	4.		6
	CH3	No	3	4.0	5.8	.0	3	4.	4.4	.0	3	5.	5.9	.0	3	2	.38	.5
		Si	5	4.6	80	1	3	9	16	3	4	0	61	1	1	3.	3	3
		Total	8	4.3		8	7	5.		8	8	5.	4		8	0	4.	6
	CH4	No	2	4.0	2.6	.1	2	5.	.43	.5	2	5.	.36	.5	2	2	.58	.4
		Si	6	4.5	61	0	4	2	2	3	5	3	0	5	1	6.	6	4
		Total	8	4.4		8	7	5.		8	8	5.	4		8	0	4.	6

Table 4. Anova Of The Independent Factor Social Capital

Independent Variable		Dependent Variables																
Independent Variable	Category	Entrepreneurial Orientation				Market Orientation				Learning Orientation				Performance				
		N	Mean	F	Si.g.	N	Mean	F	Si.g.	N	Mean	F	Si.g.	N	Mean	F	Si.g.	
Capital Social	CS ₁	No	36	4.6	1.883	.174	35	5.3	.003	.956	356	5.6	.960	.332	325	2.9	.616	.435
		Si	51	4.2			51	5.3			513	5.3			488	2.38		
		Total	87	4.3			86	5.3			874	5.4			806	2.46		
	CS ₂	No	32	4.2	1.097	.299	31	5.3	.225	.637	327	5.7	1.349	.250	276	2.9	.524	.472
		Si	36	4.5			36	5.2			364	5.4			344	2.47		
		Total	68	4.4			67	5.3			685	5.5			616	2.56		
	CS ₃	No	14	4.2	.388	.534	144	5.4	.015	.903	144	5.4	.005	.945	138	2.8	1.239	.269
		Si	74	4.4			73	5.3			744	5.4			707	2.4		
		Total	88	4.4			87	5.3			884	5.4			806	2.46		
	CS	No	3	4.	.28	.53	35	5.	.25	.63	35	5.	.09	.72	22	2.	.12	.7

4		2	5	4	9	1	2	2	1	2	4	5	5	8	5.	4	2
	Si	5	4.		6	5	5.		7	5	5.		9	5	3		6
	Tot al	8	4.			8	5.			8	5.			8	2		
CS 5	No	4	4.	6.2	.0	4	5.	2.2	.1	4	5.	2.3	.1	3	2	1.4	.2
	Si	4	4.		4	4	5.		4	4	5.		7	4	2		
	Tot al	8	4.			8	5.		8	8	5.			8	2		
CS 6	No	2	4.	.23	.6	2	5.	.27	.6	2	5.	1.0	.2	2	2	4.3	.0
	Si	6	4.		2	6	5.		4	6	5.		9	5	2		
	Tot al	8	4.			8	5.		8	7	5.			8	2		

Table 5. Anova Of The Independent Factor Age Of The Firm

Indep enden t Varia ble	Dependent Variables																
	Entrepreneurial Orientation					Market Orientation				Learning Orientation				Performance			
	Cat ego ry	N	M ea n	F	Si g.	N	M e a n	F	Si g.	N	M e a n	F	Si g.	N	M e a n	F	Si g.
Age of the Firm	0 to 15 yea rs	6	4.	12.0	.0	6	5.	5.2	.0	6	5.	4.1	.0	6	2	8.7	.0
	16 yea	9	1	52	1	8	1	42	4	9	3	65	4	3	5	00	4

	rs or more																	6
Total		90	43			89	53			90	54					81		245

Conclusion

After performing the analysis of variance we have some significant results which lead to reflection. The first variables studied pertain to financial capital and assesses the use of internal and external resources at startup and business life of the women surveyed. In this case, the fact that there seems to be no significant effect of these items on the capabilities and performance in the form analyzed in this research is remarkable. Speaking of capabilities, this suggests that the use or not of external financing is a decision that will not cause any difference in the deployment of strategies. We can then say that in the business of women considered in the sample, the origin of financial capital used in business startup and during its lifetime does not affect the selection of any of the three approaches proposed here as essential to gain a competitive advantage, or in its performance.

However, with further analysis it was found that using internal capital - own savings or partners' savings- at the startup of business does affect the size of the firm. In cases where internal capital was used the size of business is smaller than for the group that only used external funding. Considering the size - number of employees - as an indicator of business performance, we observe that the choice to use external sources of funding early in the life of the business could improve the condition of the firm and contribute to its success.

An important aspect of the results is that previous experience as managers in entrepreneurial women seems to be a factor that could have strong ties with the three capabilities that are here studied, but not with performance. This aspect of human capital is a substantial source of resources for the firm owned by the entrepreneur. It can provide knowledge, networks and financial capital. Lerner and Almor (2002) point out that previous experience as managers is not a resource easy to acquire for women. There is still discrimination against them and they are often not allowed to access this type of positions. However, in this sample, the percentage of women surveyed who had this experience before starting their business is 61.4%. In addition, firms in which the owner has this important experience are the largest in the sample. This may indicate that certain resources were acquired during their managerial activity, which later on,

when starting a business, enables them to implement strategies that include a combination of the three approaches.

On the other hand, although data collection was done through two associations, not all respondents belonged to them at that time. An interesting aspect, result of the analysis of variance is that the firms of the sample that claim to belong to a chamber or association have a higher rate of entrepreneurial orientation than those that do not belong to any business network. This agrees with what was suggested by Lechner et al. (2006), who talks of the relationships created in these networks lead to information about market opportunities or to the research or development of projects.

We also find those agents that foster or support the entrepreneurial phenomenon in their regions as another element of social capital. One that we consider crucial to the successful performance is the government of each state or country in which the person with a spirit of entrepreneurship is located. For the women in the sample, the group that declares that their local or federal government supports entrepreneurs is the one who also has the highest rates of performance. This result is striking because none of the other agents - parents, friends, neighbors or spouses - was important in the firm's orientation or its performance.

In this situation the authorities have much to do. There is certainly a great responsibility to make available financial and support instruments to the female entrepreneurial sector. Remember that without resources one can hardly implement an ambitious strategy, yet, having them but lacking the proper strategic approach will make it difficult to create a competitive advantage. We have to point out that it is vital for women entrepreneurs to have no fear in seeking external financing, either through investors or by a commercial loan if they want to see their businesses grow in size.

Finally, we observe that over the years, once the survival of businesses initiated and operated by women is achieved, its performance is greatly favored. Not only that, but the firms of the group operating 16 years or more have been able to show higher rates of entrepreneurial, market and learning orientation than the group of firms with less than 15 years. It then endorses the need to implement a combined strategy in the firm. Using the three approaches for the benefit of the business and paying attention to the acquisition and management of resources, especially the experience and knowledge generated in managerial positions.

Limitations and future research

Like all research, this analysis has limitations that makes it even more important to replicate. The most important relate to sample size and sampling method used. As mentioned before, the associations could not provide the database of its members to conduct a probability sampling. On the other hand, distrust or lack of sensitivity towards academic research, together with

a lack of resources has meant that we face a very low number of responses - ninety usable surveys-.

Considering this, we can say that the research presented here is inconclusive but rather may be considered exploratory. However, it provides a very important vision of the relationship that may exist between resources, capabilities and performance. It constitutes a substantial platform for further work, in which it would be important to consider a larger sample. In addition to a greater number of responses, the sample should include the presence of entrepreneur men to establish a comparison between the sexes.

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