Women's Entrepreneurship: 31ˢᵗ June 2018

The Role of Self-Efficacy on Social Capital

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"Women's economic empowerment and entrepreneurial growth will drive the world's economy. It's not a matter of "if" – but rather a matter of "to what heights" (Muhtar, 2010)

Research Context in NI…

- Growing acceptance of Women engaging in Entrepreneurial Business Venturing

- However a low number of women pursue entrepreneurship as a career pathway

- GEM UK Report (2016) indicates that female early stage entrepreneurial activity in NI is 4.9% and is the lowest in UK (England 5.8%; Scotland 5.2% & Wales 5.8%)

- Extant research - Women are a relatively untapped source of entrepreneurial potential

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Research Aim…..

- Sought to consider the role of self-efficacy (confidence) in impacting on the development of women's social capital (networking)

- Three phases of business development:
  - Start-up / New Venture / Established

- Under-researched: substantial amount of anecdotal evidence but little rigorous academic research attention (especially true NI context).

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Key Literatures…

- ### Self–Efficacy

  - Defined as 'self-believe'

  - Major barrier to advancement of Women Entrepreneurs

  - Huge impact on propensity for entrepreneurial establishment and growth (McGee et al, 2009; Zhao et al, 2005)

  - Significant impact on the entrepreneurial ambitions of women entrepreneurs (Katila and Eriksson, 2013)

  - Confidence has received scant attention in the field of entrepreneurship (Fielden et al. 2003) yet it is one of the greatest barriers to women's entrepreneurship

  - Men = higher level & positive impact on entrepreneurial intentions (Kirkwood, 2009)

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Social Capital (Networking)

- Crucial to success (Robinson and Stubberud, 2009; Klyver and Terjesen, 2007; Manolova et al., 2007)

- Influences aspects of network quality

- Impacted on by qualifications & business experience

- Lack of engagement in formal networking activities

- Women need to achieve and develop affiliation

- Women entrepreneurs seek to achieve work-life balance

- Home-life can impact negatively on the development of women's social capital (Tonge, 2008)

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Research Approach…

- Exploratory study

- In-depth interview research
  - Convenience sample of women entrepreneurs in NI
  - Three phases of business development: Four in each category

- Analysis: Nvivo (Structure & Rigor)

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Profile of Participants….

- 12 Women Entrepreneurs

- No specific focus on the sector

- Ranged from 6 months in business to 15 years

- From 1 employee to 26 employees

- Included those with dependents and those without (max.7 dependents)

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Key Findings…

- All had a 'inner belief' in success

  - "I'm just so passionate about the idea…I just knew it was going to work" (Start-up)

  - "I had this unbelievable feeling inside that what I was doing, was going to be successful!" (New Venturer)

  - "I just find business really fulfilling and for me success is really only a measure of self-fulfillment!" (Established)

- Key was 'knowing' another entrepreneur = Gender irrelevant

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Key Findings…

- In early stages there was some 'self-doubt' and a need for reassurance in business

  - "Some weeks, I wonder what or earth I was thinking starting up X (business name) but then I speak with my mum and she puts things into perspective"(Start-up)

  - "….at a point there is a realisation that you can't know everything….Initially there were times when I didn't have a clue how to solve an issue" (New Venturer)

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Key Findings…

- In the established phase - perceived high levels of self-efficacy/confidence stemming from experience & knowledge in their industry sector

- "When I started out in business, I already had been in the industry for years so I knew how it worked"(Established)

- "I have a level of confidence now, having successfully completed projects and developed my reputation" (Established)

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Key Findings…

- Where self-efficacy was questioned it was 'other peoples perceptions of them'

- Perceived 'disapproval' of them running a business
  - Family 2nd Place / Guilt Association

- "I don't want people to think that I have neglected my kids to start a business – I can't handle that guilt" (New Venturer)

- "Even my dad said he wasn't sure that I could do both (have a family and a business)"(Established)

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Key Findings…

- A need to have to 'prove' themselves

    "…showing them that I could do it!" (New Venture)

- The need to constantly project a professional persona

    "I always feel like I need to be seen as positive and confident" (Established)

- A level of confidence that emanated from being 'representative' of Women's Entrepreneurship

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Key Findings…

Networks utilised by Women Entrepreneurs:

Enterprise Agencies · Friends · Industry Contacts · Princes Trust · Competitors · Previous Work Colleagues · Mentor · Family · Chamber of Commerce · Suppliers · Network Chair · Business Networks · Partner · Husband · Others in Business · Professional Services · Enterprise NI · Customers · Women in Business · Invest NI

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Key Findings…

- Networking activities vital to 'doing business'

  - Emotional support (build confidence)

  - Overcome isolation

- Initially was 'all-female' based

- Recognised the need for involvement in 'business networks' and 'mixed gender'

- Clear role and importance of a mentor

  - Experienced guidance

  - Accessing 'right' one = barrier

  - Gender irrelevant

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Conclusion:

- Women inherently good at developing Social Capital (networking)

- Deliberate and specifically targeted strategy

- Trust, Empathy and Confidence

- Initially network extensively on all-female

- Longer-term focus on expansion & development of networks

- Gender as barrier = less influential as confidence increases with years in business

- Mentors crucial to continued entrepreneurial activity

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Implications for Policy & Practice…

- Understanding of self-efficacy and impact on networking activities for women entrepreneurs = identification of ways to encourage women to engage in entrepreneurial business venturing

- Especially important within Northern Ireland & current levels of entrepreneurial engagement

- Need for more mentors & role models - both female and male

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Implications for Policy & Practice…

- Develop the support mechanisms required to allow women to consider 'entrepreneurship' as a 'viable career'

- Support and instil a 'Can do!' attitude and positive mentality

- Support women to achieve a work-life balance

- Seek to change 'negative perceptions' of others

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Next Steps:

- **Expand the research: number of interviewees to enhance the depth of findings (2nd set)**

- **Consider the impact of sectoral differences**

- **Propose a framework/model**

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Thank you for your time.

Questions?

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