

# **CROSSCHECK OF THE PERCEPTIONS ON WOMEN ENTREPRENEURS IN SMEs**

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## **Abstract**

This paper examines the perceptual similarities and differences between Turkish people and female entrepreneurs on women entrepreneurs in Adapazari in Turkey. Results are presented from two different empirical sources. The first one is a quantitative research of perception of Turkish people on women entrepreneurs in Adapazari which is in the Eastern Marmara Region of Turkey. The second consists of in-depth interviews of women entrepreneurs in SMEs in Adapazari. The aim is to crosscheck of the perceptions on women entrepreneurs of Turkish people and that of women entrepreneurs in SMEs.

Based on the analyses carried out, Turkish people perceive women entrepreneurs as domestic women, and they think that "women's place is their house". According to these people, females must have their conditional responsibilities; if they have additional time and have enough education level, they can work in the out-side. On the other hand female entrepreneurs perceives themselves as conventional women, they know the difficulties in business world but they believe that they can solve all the problems in Adapazari.

## **Introduction**

In Turkey, women play different roles when it comes to business start-ups and in the running of enterprises. More men than women start up on their own. There is otherwise a tendency for women to run businesses, which are on average smaller in size and less growth-oriented than those run by the other entrepreneurs. In addition, women business owners tend largely to be concentrated into a relatively small number of sectors (Aslesen, 1998), while men are more evenly spread across a wider range of sectors (Spilling and Jordfald, 1996).

In Turkish society the place of women is more different than that in Europe. Therefore, the perceptions of Turkish people on women entrepreneurs will be affected from this point of view. In this paper, the differences of women entrepreneurs from the other entrepreneurs will be sought within the Small and Medium-sized Enterprises (SMEs).

In order to understand the different personal characteristics of women in small business are analysed against the broader context of the position of women in Turkish society, where a key concept is the perception of female entrepreneurs in SMEs. This is a central theme in feminist literature on gender segregation in society. It directs attention to how women and men tend to work in different sectors, and why women are largely found at mean and lower levels, and why women have less experience in management position before starting up their own business (Kuratko and Hodgetts, 1995). It likewise underlines how women, in many families, still have the main responsibility for child care and house work while men function as the main supporters (Aslesen, 1998).

## **Background**

Culture of entrepreneurship is considered in 1980s in western countries and in Turkey. Recent technological developments and economic expectancies supported the entrepreneurial culture. Thanks to these events, entrepreneurs have influential status in their societies. In many societies, positive and valuable properties were attributed to entrepreneurs. Mean while, the number of women entrepreneurs was getting larger rapidly (Ljunggren & Kolvereid, 1996). This development attracted the attention of academicians to women entrepreneurs in western countries. This subject is searched

in very distinct perspectives, therefore conducted researches have many methodological problems (Stevenson, 1990; Moore, 1990). In 1980s, female movement in Turkey has also gained speed. Indeed, female movement started at the end of 19<sup>th</sup> century in Turkey (Sirman, 1989; Tekeli, 1998). Since 1980, women entrepreneurs have a privileged place in Turkish society, but there are a few researches about this topic academically (Celebi and Sallan, 1997).

The concept of female entrepreneurship has different meanings according to different writers (Goffee and Scase, 1985; Moore, 1990; Lee-Gosselin, 1990). Some of them consider the promoter of an enterprise as an entrepreneur, some of them include dependent entrepreneurs into the concept. From this point of view, two distinct kinds of entrepreneurs can be defined. One is "independent entrepreneur" who is founder and promoter of an enterprise primarily. The other is "dependent entrepreneur" who maintains of an established enterprise secondarily. This second kind of entrepreneur is called by some writers (for example Dhaliwal, 2000) as "hidden" entrepreneur. This is certainly true for some of the women entrepreneur interviewed, who openly say it is their husband, father or brother who run the business, thus masking the extent of their role even when playing a pivotal role in the management of the business (Ram and Jones, 1997; Ram, 1992; Phizacklea, 1990). Some female entrepreneurs also choose family partnerships which in essence constitute joint ownership with their husbands (Barret et al., 1996).

Turkish women are not strongly represented in self-employment. According to information of State Statistics Institute, 14 % of total women are entrepreneurs who are runners the business in Turkey. Interestingly, 67.3 % of women are "unpaid family workers". This ratio is 37.8 % in urban and it is 69.9% in rural areas in Turkey. Especially in agriculture sector, women have to do both house-work and agricultural work, and they do not gain any money for these activities. 65.3 % of female labour force is employed in agriculture, 13.3 % of them is employed in industrial sector and 21.4% of them is employed in service sector in Turkey. In agriculture sector, just 0.25 % of women are paid, the rest of them are unpaid. Among every ten women, six of them are unpaid family workers, three of them paid workers, and only one of them is an entrepreneur. In another words, most of the Turkish women are unpaid family workers.

Goffe and Scase (1985) propose four categories of women entrepreneurs. The four categories are summarized as follow (Simpson, 1993): 'Conventionals' balance their entrepreneurial ideals and conventional ideals about gender-related roles, they do not aim to growth their business situation therefore there is not any conflict between business and personal situation. 'Innovators' highly committed to entrepreneurial ideals but reject conventional female roles, they strongly motivated by profit and growth, and business is primary life interest for them. 'Domestics' highly committed to traditional female role, entrepreneurial ideals and business are not very important for them. 'Radicals' cannot balance their entrepreneurial ideals and traditional ideals about gender roles, they think that business is geared towards helping to overcome women's subordination. Cromie and Hayes (1988) also categorised female entrepreneurs almost in the same way.

Ljunggren and Kolvereid (1996) searched the gender differences in entrepreneurship grounded on three hypotheses. As a result of their survey, female entrepreneurs stress *personal* expectancies while male entrepreneurs stress *economic* expectancies and they perceive higher degree of social support than men do during the business gestation process. Additionally female entrepreneurs were found to perceive themselves as possessing higher entrepreneurial abilities than their male counterparts.

## **Research Setting and Limitations**

This study aims to identify critical factors of women entrepreneurs in SMEs. The Eastern Marmara Region of Turkey, where the earthquake occurred on 17<sup>th</sup> August 1999, has heavily been affected by the earthquake and the present economic crisis. The earthquake also affected entrepreneurs in this region and especially small businesses had very deep impacts from this.

This research is conducted within only one region, in a very short time (2 months) by two researchers. Therefore, time, person and geographic limitations are available in this study. In addition to this, most

of the women entrepreneurs have small enterprises and medium sized enterprises cannot be included into this study.

On the other hand, Adapazari is in between West and East or urban and rural areas of Turkey. Because of this feature, it can be said that, this region has a cosmopolitan structure synthesising different cultures. Some respondents answered the questions in modern point of view, some of them replied to the questionnaires conservatively.

### **Research Objectives and Questions**

In this study, the important personal characteristics of women entrepreneurs and perception level of Turkish people of these women in the SMEs are defined within the same region. The study addresses to answer the following questions:

- How Turkish society perceive female entrepreneurs in SMEs?
- Does gender make a difference in entrepreneurship?
- What is the specific personal and demographic factors of female entrepreneurs in SMEs?
- How did female entrepreneurs in SMEs start up their enterprises?
- What kind of difficulties that female entrepreneurs encountering in SMEs?

In the light of the literature and the results of the field-work, perception of Turkish society on female entrepreneurs and important personal characteristics of them in SMEs are determined.

### **Research Methodology**

Results of this study were presented from two different empirical sources. The first is a quantitative survey with 487 Turkish people in Adapazari. The second consists of in-depth interviews with 20 female entrepreneurs in SMEs within the same region. Then, these two research results are compared, and the differences are found out. It is obvious that 487 people can show some important characteristics of Turkish people.

For evaluation of quantitative research, SPSS 10.0 for windows is used; for the qualitative research, the results are analysed using content analysis (Holsti, 1969). In the quantitative research, questionnaires consist of 25 items about women entrepreneurs (Likert Scale: 1-Disagree, 5-Agree), and demographic properties of respondents. The interview consisted of cultural, personal and socio-economic factors of the female entrepreneurs in SMEs. Interview questions were divided into five main issues. It opened with questions about the background of the women entrepreneurs and continued by focusing on the phase of planning and establishment. The third issue concerned the enterprises and the management of these, before turning to the respondents' own experiences in the management of their enterprises. The interview ended with the women entrepreneurs' evaluation of future prospects for the business activity.

It is hoped that this research will contribute towards a better understanding of the situation of female entrepreneurs in SMEs in Turkish society.

### **Research Findings**

Firstly perceptions of Turkish people on women entrepreneurs will be summarized, secondly the ideas of female entrepreneurs about themselves will be explained. Then, similar and different perceptions of two parties will be listed at the end of this part.

#### **Perceptions of Turkish People on Women Entrepreneurs**

60 % of people think that 'entrepreneur family members can be an entrepreneur easily', 72.5% of Turkish people notified 'business experience of men was greater than that of women', according to 83.2 % of people 'working hours of men was greater than that of women', 63 % of them told that

'conventional responsibilities of women entrepreneurs have more importance than their work', 68 % of respondents expressed 'to start-up an enterprise was very difficult for women in Turkish society', 70 % of the stressed that 'males started-up an enterprise because of earning money'.

They did not accept the idea of 'females started-up an enterprise because of independence and flexibility on time. They also did not accept the idea of 'entrepreneurs may have more freedom and independence', because they think that entrepreneurs must work very hard if they want to be successful in business world.

84 % of the respondents stated 'sector types for female entrepreneurs were limited'. According to the respondents, within manufacturing the females tend to work with textiles, clothes, leather and leather products, while the males are either in production of wood and wood products or machinery for production and use of mechanical power businesses.

73 % of the people told that 'an independent female entrepreneur will face with a lot of difficulties in business world'. They are not sure whether female entrepreneurs can get their share in reply to their effort or not. 66 % of the respondents considered that 'the activities done by a person who is one's model, can illuminate him/her too', 67 % of the respondents emphasised that 'entrepreneurs may decrease the unemployment in their country', 75 % of them stated 'to start-up a new enterprise had a great economic risk, it may be profitable or not', 78 % of the persons said that 'to start-up a new enterprise may have a risk to lose'.

68 % of the people said that 'female entrepreneurs stressed personal expectancies while the male ones stress economic expectancies', 76 % of them pointed out 'female entrepreneurs perceive having less control and lower entrepreneurial abilities than their male counterparts', 83 % of the respondents declared that 'female entrepreneurs need more information about business world than their male counterparts', 79 % of them also stated that 'female entrepreneurs perceive stronger social support than men do', and 85 % of the people considered that 'entrepreneurs must be clever, extrovert, talkative people and they are good at personal relations'.

All these percentages show that, Turkish society perceived women entrepreneurs as domestic type, they have conservative ideas in general. On the other hand, the ideas of young and educated people are more similar with the ideas of women entrepreneurs than that of the older ones. The percentages listed above show the average values.

### **Self-Perceptions of Women Entrepreneurs**

Four of women entrepreneurs interviewed are furniture sellers, three of them have boutiques, three of them are tailors, three of them are doctors who have private surgery, two of them are pharmacists who have private pharmacies, two of them are beauty specialists who have beauty saloon, two of them are financial consultants who have separate offices, and one of them is teacher who has a private course of university examination. 14 of them are dependent, the rests are independent entrepreneurs. The dependent ones maintain the enterprise which established by their brothers, fathers and husbands. Most of them are also partners with their husbands in their private enterprises.

Interviewed female entrepreneurs employ at least three labour in their enterprises. After the earthquake, the number of women entrepreneurs is decreased in Adapazarı. Some of them have left the country, some of them closed their offices. Therefore, there is not enough number of female entrepreneurs in this country. On the other hand, after the earthquake, a few female entrepreneurs established new enterprises in terms of the needs of native people.

All of the female entrepreneurs are in between 30-55 years old. Seven of them know at least one foreign language. The dependent women entrepreneurs are younger than the independent ones. The education level of women entrepreneurs is quite high, most of them are graduated from university. In general, their education is on social sciences. The education level of family of independent women entrepreneurs is higher than that of dependent ones.

At the end of the socialisation process, females are grown up as passive persons and they do not have enough self-confidence (Rosen, 1989; Kagitcibasi, 1993). To start-up an enterprise independently, women need many years for gaining self-confidence and they also want to persuade others about their success. In addition, their high education level also encourages them in starting-up process.

18 of interviewed women entrepreneurs are married and have children. They do not have more than three children. Their husbands are graduated from university and they also have private enterprises. Their fathers are graduated from high school or university. The education level of their mothers is less than their fathers, and most of the mothers were house-wife. They are children of manager or entrepreneur fathers and house-wife mothers.

Most of the interviewed women entrepreneurs are conventional entrepreneurs who try to balance the entrepreneurial ideals and female roles. They do not complain about this situation, and they accept the situation without interrogation. They perceive this dual role as a necessary sacrifice in terms of altruism perspective, not a barrier in their business life. Women in such a family situation often aim at a strategy that allows flexibility to balance work and family (Goffee and Scase 1985, Scott 1986, Chaganti 1986, Kaplan 1988).

Apart from the need for income, two of the female entrepreneurs in the in-depth interviews also tended to emphasise dissatisfaction in a previous work situation as important for their decision to start up on their own. For several, this motive comes in addition to the need to make use of personal skills and resources. The desire for personal autonomy, flexibility on time, the need for independence and difficult conditions of the firms are the other factors that force the female entrepreneurs to start-up new enterprises.

Women entrepreneurs believe that they did not employ more labour than their male counterparts at the beginning, they can show their talent capacity and experiences easily thanks to this job, female entrepreneurs can satisfy their motive of self-actualisation and feel the satisfaction of acquisition the job in their job facilities. They also emphasised they sometimes worked as their male counterparts, some of them works more than 45 hours in a week in their offices.

They also described themselves as clever, extrovert, talkative people and they are good at personal relations. Some of them identified their personalities as introvert persons, but they tried to change after the establishment of their enterprises.

They stated some gender-based difficulties in their job. Especially furniture sellers, doctors, pharmacists and financial consultants stressed that some customers of them looked for a man when they got into the offices. Furniture sellers, doctors, pharmacists also complain some of male competitors. They believe that they can overcome every barriers in the future, they also believe that they have enough power for this challenge.

## **Conclusions**

Turkish people and women entrepreneurs are not very different and distinct groups from each other. Female entrepreneurs also grew up within this society, and they are also daughters of them. They share some ideas about this research. Shared items can be listed as follows: 'Entrepreneur family members can be an entrepreneur easily', 'Working hours of men is greater than that of women', 'Males start-up an enterprise because of earning money', 'An independent female entrepreneur will face with a lot of difficulties in business world', 'The activities done by a person who is one's model, can illuminate him/her too', 'An entrepreneur may decrease the unemployment in his/her country', 'To start-up a new enterprise has a great economic risk. It may be profitable or not', 'To start-up a new enterprise may have a risk to lose', 'Entrepreneurs must be clever, extrovert, talkative people and they are good at personal relations'.

On the other hand, they have opposite ideas on some items about gender. Turkish people give more importance to traditional roles of women entrepreneurs than their business related works. They give more chance to males in entrepreneurship. They considered males as experienced entrepreneurs, but females do not accept this idea. Turkish people imagined women entrepreneurs domestically, but

female entrepreneurs convey conventional perspective. People saw the business environment very difficult for women, but females noticed that they believed to overcome the difficulties. Turkish people also perceive limited sectors were proper for women entrepreneurs, on the contrary females told that they could enter every sectors easily. While the female entrepreneurs see the advantages of flexibility, freedom and independence of entrepreneurship, but the people did not accept this idea, because they noted that entrepreneurs must work very hard. While Turkish people accepted the idea of 'female entrepreneurs stress personal expectancies while the male ones stress economic expectancies', whereas female entrepreneurs did not accept this item. The people think that 'female entrepreneurs perceived having less control and lower entrepreneurial abilities than their male counterparts', but female entrepreneurs did not accept this idea. Lastly, the people think that 'female entrepreneurs need more information about business world than their male counterparts' contrary female entrepreneurs notified that both male and female entrepreneurs need detail information about business world. These conclusions can be seen in Table 1.

Table 1. Cross-check Table of Perceived Items by Two Groups

	Turkish People	Women Entrepreneurs
Business experience of men is greater than that of women	+	-
Conventional responsibilities of women entrepreneurs have more importance than their work	+	-
To start-up an enterprise is very difficult for women in Turkish society	+	-
Females start-up an enterprise because of independence and flexibility on time	-	
Women entrepreneurs employ more labour than their male counterparts at the beginning		-
Sector types for female entrepreneurs are limited	+	-
Female entrepreneurs cannot get their share in reply to their effort		+
Entrepreneurs may have more freedom and independence	-	+
Entrepreneurs can show their talent capacity and experiences easily		+
Entrepreneurs can satisfy their motive of self-actualisation		+
Entrepreneurs may feel the satisfaction of acquisition the job		+
My friends believe I can start-up a new enterprise		+
Female entrepreneurs stress personal expectancies while the male ones stress economic expectancies	+	-
Female entrepreneurs perceive having less control and lower entrepreneurial abilities than their male counterparts	+	-
Female entrepreneurs need more information about business world than their male counterparts	+	-
Female entrepreneurs perceive stronger social support than men do	+	

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