

# The role of female entrepreneurial networks and small business development: a pilot study based on Sri Lankan migrant entrepreneurs of tourism industry in London

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## Key words

Female entrepreneurs, networking, structural dimension, relational dimension, narratives

## Abstract

*Over the past few years much has been written about the rapid spread of various types of firm networking, the area of female entrepreneurs' networks and small business entrepreneurship is still a challenging research field. This study aims to explore the role of female entrepreneurs' networks and examine the importance influences for female entrepreneurs' networking behaviour. Pilot studies are mostly under-reported in the qualitative research literature and this article specifically focuses on the pilot study findings. Having established that a qualitative methodology is most suitable for this study, the in-depth narrative interviews and observation are deemed a particularly suitable research tools. For this study, the pilot work was conducted in London prior to the main stage of data gathering in Sri Lanka. Five Sri Lankan migrant women entrepreneurs in London were purposively approached and interviewed. Findings show that the female entrepreneurs' networking experience provides a valuable insight for developing their own small businesses. More specifically, majority of the female entrepreneurs emphasized the purpose-driven nature of their contacts and they organized their networks around the family and social domains rather than professional ties. Further, influences: competing family responsibilities and business matters (being a good mum), gender, trust and running home based business, are important and they affect networking behaviour of female entrepreneurs. This study adds to the extant literature through its two-dimensional focus on entrepreneurial networking. The structural dimension which investigates who are parts of the entrepreneurial networks; the relational side which explores the contributions each tie brings to the entrepreneurial venture. Further, it brings new evidence to bear by examine the importance influences for women networking behaviour by showing how the phenomenon of entrepreneurship is context specific and the findings of the narrative approach to research on female entrepreneurial networks are limited.*

## 1. Introduction

Increasing numbers of women are becoming leaders of their own businesses, and many are struggling to succeed. A growing body of research is exploring how different women come to business ownership, their unique challenges and strategies for success, their personal change and the processes of business development they experience. Networking is an influential tool by which entrepreneurs use a wide variety of contacts to help them achieve their business and professional objectives and it gives them greater access to information, resources, new clients and people with similar business interests so on (Ascigil and Magner 2009, BarNir and Smith 2002). In addition, these relationships facilitate to reduce the firm's risk of failure, take new opportunities and learning (Mastura, Abdul and Muhammad 2009, Klyver, Kevin, and Denny, 2007). Networking is mostly important for women, who generally have more limited access to information and business contacts, whether through various memberships such as trade organisations, business networks and business clubs. Most of the researcher's argument is that development or success of an entrepreneurship or an individual women firm cannot be examined without taking the entrepreneur's personal network into account.

Networks can be defined as personal relationships between an entrepreneur and his 'external actors' (Robinson and Hans 2009). The external actors (outsiders) can be individuals or organizations. One area of networking literature is weak on is gender (Bird and Brush 2002). Ethnic and gender dimensions of networking stay under-recognized (Rauf and Mitra 2013, Ramachandra and Ramnarayan 1993). In the literature, networking is generally conceptualized gender-blind, paying little attention to gendered intra-household issues of power and hierarchy (Ramachandra and Ramnarayan 1993). The Global Entrepreneurship Monitor United Kingdom Report (GEM, 2004)

revealed that ethnic minority women entrepreneurs contribute to family earnings by participating in the family business, or by creating their own independent business. For such businesses the role of networks is critical as many of them depend on both their own communities and outside for financial and non-financial reasons. Their own societies are often considered to be a primary source of help and support for the growth of ethnic minority their businesses. However, some studies have revealed that there are significant differences in entrepreneurial effort and outcomes between and within the individual ethnic minority groups. These differences are described by socio-economic and cultural factors such as family background and support, ethnicity, religion, education, and more importantly personal network. Therefore, it is worthy to study of female minority and especially Sri Lankan female entrepreneurs as they remain a relatively under-researched community in London, UK.

## 2. Research Objectives and Questions

Researchers have interpreted gender differences in network composition as posing a disadvantage for women in the business world and weak ties are the source of male entrepreneurs' success (Foss 2010, Kristina 2010, Wendy and Jeffery 2001). Women who include greater proportions of kin and female in their discussion networks may secure greater social support than men, but at the cost of sacrificing the necessary instrumental support needed for economic achievement (Klyver 2007, 2011). Social support provides the emotional strength owners and managers need to cope with daily exigencies, but such ties may also limit the diversity and reach of women's networks. Women's networks tend to be more limited and to focus on family and friends whereas male entrepreneurs have wider networks (Chirs et al 2011). Taken that as given, this study attempts to achieve the following objectives.

1. To explore the role of women entrepreneurs' networks on small business performance
2. To examine the importance of factors those are perceived by women entrepreneurs to influence the process of their networking.

To achieve the research objectives, the study seeks the following research questions.

1. Why do women entrepreneurs establish and develop their networks?
2. How do women entrepreneurs form their networks?
3. What is the contribution of each network actors to the development of small businesses?
4. What influences the networking behaviour of female entrepreneurs?

## 3. Methodology

Given the limited understanding of the role of the women entrepreneurs' networks in the small business development, a qualitative research method will be considered the most appropriate, as it is useful in areas that are not well advanced theoretically. Therefore, this study is exploratory in nature and data are qualitative. Consequently, the research process of this study is inductive rather than deductive. Thus, this study adopts a social constructionist approach to obtain a deep understanding of entrepreneurs' experience of their networks. This qualitative framework and the constructionism stance consequently shaped the research design. The stress on the social constructionist approach with biographical, narrative, and interpretative analysis enabled the researcher to reveal the contextual entrepreneurs' networking relationships in their lived experiences. In line with Mishler (1996), this study adopts the narrative inquiry as a way of doing case centered research.

## 4. The Pilot study - Data analysis

For pilot study I conducted five interviews with Sri Lankan women entrepreneurs who are engaging tourism related small businesses in London. The pilot study provided the training a researcher in as many elements of the research process (ex: in interviewing, constant comparison, differences and coding) and gave valuable insights for the researcher. Further, to highlight the benefits of pilot work, it helped to identify the specific practical and methodological problems emerging in the pilot exercise as well as the modifications made for the main study as a result of the pilot work.

The all responses were audio-recorded and accompanied with written notes (ex: field notes) by the interviewer. Written notes contain observations of both verbal and non-verbal behaviours as they happen, and immediate personal reflections about the interview. The women entrepreneurs'

networking relationship for their businesses consisting past, present and future intentions narrated in their account have been analyzed and interpreted, and categorized under the important headings of why, how they form networks, what they obtain through networks and what factors that are influencing their network relationships. My analysis of the contents will reveal the similarities and differences across the interviews and the same grasps true for the story formats and ways of narrating.

Entrepreneurs' narratives will be analyzed in this pilot study in an attempt to answer the key questions of why and how women entrepreneurs form their networks, what is the women entrepreneurs' perception of the different contributions network ties make to the entrepreneurial venture?, and what are the influencing factors for women entrepreneurs' process of networking?. With the transcriptions, some key-words were identified and categorized into 4 themes: Why do women entrepreneurs form and develop their networks?; How do women entrepreneurs form their networks?; What is the women entrepreneurs' perception of the different contributions network ties make and develop to the entrepreneurial venture? and What are the influencing factors for women entrepreneurs' process of networking?. These key words were then incorporated into a cross-case analysis template.

#### **a) Why do women entrepreneurs form and develop their networks?**

The following narratives describe why women entrepreneurs form and develop their entrepreneurial networking during their business life-times.

##### **Networking for obtaining finance and other resources**

Women entrepreneurs' narratives revealed that networks matter as they have a lack of resources and that they bring access to tangible and non-tangible resources. The personal networks of entrepreneurs can prove to be a cost-effective means of obtaining information and other resources that is valuable to the business. Female entrepreneurs have particular difficulties in raising finances in the early stages of their businesses and they use their informal networks to raise finances. As Kumudu explains,

*When I start this business I do not have enough money, my mother, who also lives in the outskirts of London, gave me £25,000*

Gayani showed that she was successful in preparing her own capital sources for her venture as the result of the saving habit but she has to ask from family as that amount is not enough.

*I also had some saved-up cash and borrowed some from my father (Gayani)*

An extension of meeting the financial necessities of a new business through personal savings is to seek such funding from family, friends and relatives. This might have the benefit of being interest free and no guarantees compared to that of a bank loan. Depending on the relationship and the enthusiasm of the family member or relative to support the business, the repayment of such finance might be flexible and let the business to carry on its service without the added concerns of regular interest and capital payments. Therefore, women in the study have tended to use more informal source of finance.

##### **Networking for finding opportunities**

There are a variety of ways of finding business opportunity leads through networking. Word-of-mouth networking is simply getting the word out about the business verbally. Entrepreneurs can seek the aid of business professionals whom they know, their family, and friends and relative so on. They can spread the word about entrepreneurs' interest to enter into or provide a business opportunity. Entrepreneur could also ask them if they know of any related enterprises or individuals that are looking or providing business opportunities.

In Gayanis' case, most of the business opportunities she has received are from travel fairs. Her agents promote her and through word-of-mouth she gets business. For example, a couple of months ago, an Australian agent had asked an Indian agent about an agent in the UK and the Indian agent had recommended her. That's how she gets recommended through word-of-mouth. Gayani explains: *I don't miss an opportunity to go for travel fairs. It is also economical because you will find many opportunities. To be honest, most of the opportunities I have received are from these travel fairs. Our agents promote us and through word-of-mouth we get business*

Without interaction with other people, Gayani could not have had access to important information about new opportunities.

### Networking for Learning

Networking with others permits smaller businesses to share experiences and ideas and to improve in-house knowledge. Businesses can network with educational establishments, trade organizations, trade fairs, former employers and other businesses as well as their close network ties such as family and friends. In all cases of this pilot study, women entrepreneurs talked about their learning experience through networking.

Anoma's web designer is one of her best friends and her friend also has created a services company in London. Hence Anoma benefited from a learning experience as she possibly will learn from their successes and avoid repeating the mistakes they had made.

Above example shows that how entrepreneurs learn through their different networks and networking can also help entrepreneur develop knowledge and skills. It seems that entrepreneur learn from direct experience and move towards with improved knowledge and further skills. The businesswomen in London stated that they kept their business connections going in order to learn something. There could be many reasons for this. One is that all my interviewees got to London at a young age and were not used to the business environment in London. For example, they were unaware of the legal and tax details, how to begin a business, what organizations assist them etc... that were in comparison, different to Sri Lanka. So they had to learn all these anew. Another reason is that the difference in the business culture in London. For example, eating outside of the home has not been very common in Sri Lanka. But most British people go to pubs or restaurants regularly. So a women beginning a restaurant/hotel needs to have a thorough understanding of the culture. Therefore, these immigrant businesswomen have an interpersonal network that would help them gain knowledge in order to improve their businesses.

### Networking for seeking emotional support

Networks appear as being of particular importance to female in providing strong emotional support and in building confidence and in providing motivation. All women entrepreneurs in this study mentioned the friendly and supportive nature of networking groups such as spouse, family and friends and highly valued them for emotional support, inspiration, and encouragement.

One of the interviewees Anoma responded enthusiastically,

*My husband always gives emotional security and he encourages me in every drawbacks and disappointments*

Sunnetha comments that women entrepreneurs not only discuss their ideas about ventures with their family members, but also close friends and colleagues to get emotional support in return.

*"Friends are available, yes, in terms of time, in terms of necessity. The availability to listen, to make suggestions, to share, to exchange ideas, to change ideas"*

It seems that they receive emotional support from family, spouse, relations and friends (informal networks). Furthermore, most of the entrepreneurs highlighted that such emotional support enhances the motivation and determination of entrepreneurs to build successful firms.

### b) How do female entrepreneurs form their networks?

#### Women prefer to network with strong ties

Women entrepreneurs' networks are often dense with ties of kin and friends in closed circles. There were four cases where the spouse was involved (except Suneeetha), two entrepreneurs worked with their brother-in-laws (Anoma, Gayani) and Kumudu and Indika involved their daughters in different phases of her entrepreneurial venture. In general, family tends to get involved in all phases of the business, the exemption is Suneeetha. For example, Kumudu explains *"Besides my daughter, my elder sister and mothers help me a lot too and they are always with me. I am not involved in other organizations. ..."*. Furthermore, professional advice has not worked out for me.

Those in London have based their networks around the family and friends and this could be because of the isolations they feel when they migrate. For unlike in Sri Lanka, their families are limited in London so they are forced to gain help from the close family that they have.

### Membership in various organizations

Gayani and Indika highlighted the involvement of professional ties in the different phases of the venture. The strength of weak ties should therefore not be underestimated. In an interview with Gayani, she also highlighted the membership of various organizations and its importance. Further she explained, by taking membership of various organizations, business owners can expand their business networks and these networks give you the connections, tools and resources you need to go the next step in your entrepreneurial journey.

*Yes, I am involved in a few other organizations. If you have a tour organization, there are two other companies in which you need to register and you are able to get discounts on air fares and trade fairs. Sometimes you can get discounts more than 50%.*

From the findings, given the number of responsibilities that these women manage on a daily basis, joining a professional organization was not one of their top priorities. But, when these women joined professional organizations, they have developed existing business relationships and made new contacts on a regular basis. Such networking went beyond the exchange of business cards as they attended regular meetings, became active member on a committee and made strong relationships with others who have common interests and similar business concerns.

#### **Attending training and trade fairs**

Training and trade fairs will provide the company with the maximum amount of exposure for a limited amount of money. These meetings further help entrepreneurs to look for customers, suppliers and new network actors. This essence was found from Gayani's story.

*The WTM Trade Fair is in November, another in France in September. I'm hoping to go for both and I also participated in the ITV Trade Fair this month in Berlin. That is very important because it is a place in which many agents from around the world meet together and it is challenging to go from country to country to meet them. For example representatives from around the world meet at the World Trade Market which is held in London in November. Not just from other countries but also many from England participate in that. Though I could meet them in London, I don't miss an opportunity to go for travel fairs. It is also economical because you will find many opportunities there and there are 2 or 3 fairs annually.*

In this setting, attending or taking part in trade shows, exhibitions or training made these women more experienced as it was good opportunity to improve their knowledge. There are many things to learn about the business's field, other services, new ideas and trends. Further if women have built a large network with many connections, there is not always a good chance to meet each other in person. So this is the best chance to meet different people at the same time.

#### **Women have lack of participation for network activities at start up level**

I asked Indika to elaborate on her story of the start-up phase as I found it difficult to accept the short uncomplicated narrative. I wanted an elaborate, rich and detailed description of the start-up phase. Indika then started talking about the difficulties related to the start-up.

*"Honestly speaking, when I started this hotel, I worked very hard. My husband found it difficult to help me because of his job and I had no one to help me. It was I who cleaned. There was a person who came to iron, but apart from that, I did everything.*

It is clear that at the beginning of their businesses, these women have had only a limited number of relationships and help resulting in them having to put in a lot of hard work. Though the businesswomen based in London have had to work alone at the beginning, when the business began to grow, they have increased their relationships too.

The purpose of this section has been to examine the question of how female entrepreneurs form and develop their network relationships. According to the emerged themes, I found that female entrepreneurs have a strong favour for strong ties and they have a lack of formal contacts.

#### **c) What do female entrepreneurs think about the role and contribution of the different network ties for the development of their venture?? (Relational Dimension)**

This question focuses on the relational dimension of entrepreneurial networking and in particular the role and the contributions different ties make and develop to the entrepreneurial venture.

#### **The role of family and relatives**

##### *Providing functional support*

In entrepreneurs' narratives, I found that the family provides different types of functional support. As Kumudu explained, her daughter handles all the accounts and files all the bills and letters that she receives. Furthermore she explained,

*"Besides my daughter, my elder sister helps me a lot too. She lives close by. When the children were small, she was a great help with looking after them. Even now, when I need a place for my son to be, it is she who helps out. She also works in the shops and restaurants some days".*

In Gayani's story, the business would not have been run without the functional support of a loving spouse. As she explains,

*"Some days I go to the airport at 3.30am or 4.00am. Then my husband would get the kids ready and make their breakfast and would take them to the day care. On those days he has a big round of work and later picks the kids and me".*

The above quotation from Gayani's story shows that female owned businesses are increasingly acknowledging the support and encouragement from family members for their businesses.

#### ***Providing emotional support and being available***

Family ties may also represent important discussion partners to exchange the entrepreneurial ideas. Gayani's parents encouraged her to start and continue with the business, it is good to have the support from her family in this case, they asked questions her, they wanted to know how it works, because if it is not understandable for them it is not understandable for anybody else.

As she explained *"I am the first to join this field. But my parents strengthen me emotionally. My father had a great deal of faith in me. My relatively looked at me in a strange way when I decided to quit my job and start a business, but my father sponsored me and encouraged me".*

In Kumudu's story the family is very important for providing emotional support to the entrepreneur. As she described, once the entrepreneurial project which establishing a restaurant in the heart of Ilford, had been accomplished, she invited her whole family and close relatives for dinner. She wanted to try out the concept on them and use them before the official opening of the restaurant. She needed the feedback of her family on the concept and she trusted that they would give her an honest opinion.

Indika's husband, also a science graduate, has an important role as he helps Indika to manage her stress; he listens to her and asks questions. He helps her to think and then she acts. He is part of his discussion network. Indika described their relationship as follows:

*"He has helped me a lot because of his ability to listen, to manage my stress, and accept. Without my husband's help and kindness, I will not be here now".*

#### ***Providing competency related support***

Entrepreneurs take part a spouse or their life partner in their businesses because of the active help they can provide; I found in three stories where the partner was involved due to competences. For example, in the case of Anoma, her husband takes on responsibilities in the business the husband wants to create. Her husband is a solicitor and encouraged her to start this business and always was the first person of motivating to commence this business. He involved for lot of activities in the first phase of the entrepreneurial venture. Given her competences in marketing his role is of a commercial nature, as he brings in clients. This case is interesting as it highlights the importance of the competences of the partner for the creation of the business.

*I get so many businesses via the friends of my husband. He tells of my business with his friends. Since my husband has a membership in bar association, he gets more businesses for me and the major part of the promotion campaign is handled by my husband indeed. It's him who designed my web site even.*

The above example gives evidence about the competency related support of the spouse for women entrepreneurial venture and further it highlights on the positive aspects of spouse contribution to the venture

#### ***Bringing opportunities***

Anomas husbands' father and brothers are extending their helping hands. His father had a construction company which is currently owned by his brother. He also brings many businesses via his networks. Also her husband has a younger brother who is 23 years old and he too extends every

support he can. In Anoma's case one of his brother-in-laws and father in law created the link between the entrepreneur and possible customs, which was obviously very important for the entrepreneur.

### **Acting as financiers**

Kumudu raised some finance from his family in the early stages of the development of her start-up. Her mother, who also lives in the outskirts of London, gave her £25,000. As she remembered, her mother did not only provide finance to the business, but also valuable feedback and her entrepreneurial experience as she had B&B hotel in London. Simalry Gayanis' case, she also had some saved-up cash and borrowed some from her father to start the venture.

In above respect, the family assists the businesswomen in a big capacity and the level of assistance received from their husbands is high. Family has helped financially, with daily requirements, with bringing new customers and being there whenever the need arose. Also, when the businesswoman faces difficulties, it has been the family that has supported her. The family has assisted in ways that the other support groups are unable to – looking after children, cooking etc...

### **The role of friends**

#### ***Providing functional support***

As Indika explained, there are 3 Sri Lankan boys living close by. They help her as well. From time to time, they stay in the hotel to help her. According to Suneetha, running a guest house is not easy; especially being women. There are heating problems or the boiler breaks down or repairs need to be done and she has to ask for help from her friends. She has a friend who is in property service and when a repair needs to be done, she calls that person and he would send someone suitable. Recently, the some bricks on her roof broke down and it was a friend of her who helped to repair.

#### **Bringing business opportunities**

Word-of-mouth recommendation is identified the best form of advertising, because it is persuasive, reliable and free. Friends and family are likely to contain a host of influencers.

Suneetha relates,

*There are my friends who spread the news about my guest house. For example, I have a friend who does 'dress-making' and she sends many customers to me.*

Above example shows that the people within women existing network and the people they know (specifically friends) are very supportive to promote their businesses.

#### ***Giving advices and emotional support***

Suneetha described the relationship with her close friends and she feels that friends are knowing the real you and being available. When I asked her "the meaning of availability" she stated

*"Yes, in terms of time, in terms of necessity. The availability to listen, to make suggestions, to share, to exchange ideas, to change ideas"*

She gave me number of examples

*I am someone who is used to traveling and when I go to Sri Lanka I stay for about 2 months and I also visit Canada. Then the guest house is run by a friend. Even when I am ill and unable to work, my friends run the guest house and I make a payment for their work. But I strongly trust them.*

In this case close friends represent trusted people who the entrepreneur can confront with her idea, feelings to whom ideas can be exchanged.

Also, it is important to note that these women have learnt a lot through their friends in the same field and those in London also depend on their friends for emotional support. This is because apart from their family, they do not have a large support group in London and therefore they are forced to depend on their friends. They especially depend on their Sri Lankan friends for support during a crisis/problem.

#### ***Negative effect of networking through friends***

Only one entrepreneur (Suneetha) in this study talks about the negative sides of friendship ties. As she relates,

*"One of my friends stayed at my place and he promised to make a deposit to the bank, just as he was leaving and I trusted him and said ok. It has been a year since and I have not got paid.*

Friends are supposed to be good for anyone. But not all friends have such a salutary effect. Some friends lie, insult and let down. In Suneetha's case, her friend was the promise breaker. After spending time in these sorts of friendships these women are likely to feel bad about themselves instead of good.

## The role of professional ties

### *Acting as bridges*

In Indika's story, she is a member of the National Bakery Student Association. She contacted the head of that organization, when she was in the process of buying her hotel by asking the information.

Indika described *"She did not give me any advice, but she provided access to contacts who then could advise me"* From Indika's comment we can clearly see that National Bakery Student Association had a very important role as a door opener for the new entrepreneur. Whereas she could not advise on details relating to her business she gave, however, access to important contacts who could then provide the needed information and assistance. National Bakery Student Association acted as a bridge over structural holes between the entrepreneur and unknown, but potentially valuable.

### *Providing valuable professional advices*

Professional colleagues also tend to offer valuable professional advice and information as we can see in a few of cases such as Suneetha who continues to relate with a Fostering agency. Professional ties are a very important source of information for finding customers and any task-related issues linked to the kind of assistance. In Anomas case, she has the company registration and she is the member of AITO, the Association of Independent Tour Operators. She is aware of lot of supporting organizations though she did not much worried of getting the membership. Recently a training program was in London and she participated for it. She explains *AITO gave me lot of needed information for me. I met a lot in my field in the training and that network is important. The network was very important to the particular tasks like hotel booking and taking customers for good and safe foods*

When looking at women professional network, it is clear that these organizations support business women much. This is because they provide the needed advice, information and knowledge at the needed time, and connect these women to other organizations etc. In above respect, the analysis of the pilot study interview transcripts stressed three key types of ties involved in the different stages of the entrepreneurial venture such as family ties, friendship ties and professional ties. Family is the most important and used institution. But professional ties involvement is occasional and limited, as the entrepreneurs emphasized.

### **d) What influences the networking behaviour of female entrepreneurs??**

Having analyzed the entrepreneurs' stories in this study it becomes clear that family matters (being a good mum), gender, running home-based business and trust are very significant indicators of the formation and development as well as the barriers of the entrepreneurial networks.

#### ***Family matters: being a good mum***

As family members, we develop, protect, and influence each other. Throughout the Indika's narrative, she several time mentioned that the importance of family bonds and responsibilities of good mother. She feels close and in touch with her family.

She described *"Up until now, I have never put an advertisement out; as I am not comfortable with having a work load that I cannot handle. Then I would have less time to spend with my children. My two children are more precious to me than anything else."*

She continues her story *"Many customers ask me why I won't open a cake shop. If I do, I need to open and close it on time. This would make my house work difficult"*.

This explanation gives us the need for women to work flexible hours and to balance between work and family has been identified as the main motivator for women to pursue entrepreneurship and it leaves little time for other activities like networking.

The story of being a good mother is further continued in Indika's narration.

*"Whatever I have on the agenda for that day, I do not fail to serve food to the children and ask how their day has been. My kids don't go anywhere without a parent, but I keep watch over them at all times"*.

Above quotation also clearly shows that she has a little time for other activities like networking. The strong presence of the family in Indika's story is a surprise to me. As Kumudu explained, *I have two children. My daughter is 22 years old and she is doing a Psychology Degree. My son is 11. Now since my daughter is older, I don't have much of a problem. My children are used to a Sri Lankan lifestyle. They need their mother often. I still drop and pick my son from school though he is 11 years. Then I go home with him, give his food and stay for about 2 hours. Some days, I take him also to the business places. My*



daughter too, talks about everything with me, after she returns from the university. They are more attached to me than their father.

This type of career talk is of course not only limited to entrepreneurs but it seems that women routinely place their career stories in the context of their children and talk about managing home and work responsibilities when telling their work histories. The story of Kumudu being an entrepreneur is articulated with the story of being a good mother. Also, especially Sri Lankan women in London have a fear that their children would follow a wrong path in life because they are not in their home-land, they have had to spend more time with their children as well. This has limited their network relationships.

#### **Gender as positive factor for networking**

Everyone does not agree that simply being a woman means possessing characteristics that are a positive factor in business leadership. But, the question of challenges faced by women entrepreneurs comes not in the form of negative examples but of positive examples in this case.

*Nadee: Have you faced challenges as you are a working woman?*

*Gayani: M...m....not really. I see, being a woman in my field of work, as an advantage because most others are men. Even in Hotel Management, it is mostly men. The way we speak saying, "please", ("aney" or "aiyo") helps get the work done. However, we need to know our limits yet have a good approach. To be honest, being a woman is a blessing in this industry. In my experience, clients prefer to be welcomed/greeted by a lady. There is a brighter smile on the face of a client if greeted by a beautiful woman rather than a man. So I feel that it is an advantage to have women in this industry.*

Similarly Anomas' view, being a woman is a privilege for her business. For an example, to book a hotel and a negotiation on a discount, she can deal with them easily rather than her husband and this can be because of the friendly manner a lady is having in dealing with problematic cases

#### **Running home-based business**

I observed that, three out of five interviewees, the family home was the location for their business activity. Running a home-based business is the ideal situation for many women. A lot of people, especially young moms, decide that they're going to work from home in order to care for their children. As Indika explains,

*We live in the ground floor of the hotel. Whatever I have on the agenda for that day, I do not fail to serve food to the children and ask how their day has been. We have a home in which everyone is happy to be a part of this business and it is a happy place to work at. You know, important thing is, I am available for my children when they need me.*

Running home based businesses and being mothers permitted to work flexibly and they can do their domestic tasks including child care easily. These so called mumpreneur businesses, organized to work around the routines of child care makes them available for domestic work most of the time. According to the respondents' view, they have stated that it is much easier setting up a business in one's home place. This has been evident through Sunnetha's explanation, *You know, it's low cost and therefore less risky, because there aren't any expensive premises overheads. You can also claim for a percentage of your domestic bills, for lighting, heating, telephone calls, etc.*

But in reality, starting a home-based business has many rewards as well as challenges. These women need to think about how the business will affect their home life – and vice versa.

#### **Trust**

Building trust is vital if entrepreneur and her business are going to excel. Trust is a deliberately critical issue in any type of relationship because a relationship without trust is not really a relationship at all. Over the long-term, business success is dependent upon a network of positive relationships. Trust is always the critical component in enhancing business relationships. Trust may happen after a certain period of time when the relationship develops. Entrepreneurs are anticipated to spend a certain amount of their time with family, relatives, suppliers, customers, bankers, government organizations and so forth in order to grow trust in a network of relationships. In the personal network, trust is critical and it is also an important element of business dealings.

Gayani describes her trusting relationship with other organizations.

*"Even now we transact with many of the big hotels here. We have a great trustworthy relationship between us and have never had any issues regarding payments or otherwise. We get a bank guarantee issued according to the amount the bank requests and that gives us a 30 day credit facility. For the hotels that do not have a credit*

*facility, I send in the payment as soon as the client checks in. If the bookings fall on weekends, we call and make an arrangement to pay on Monday. As we have been working for about 8 years now, they trust us, I know this through experience and trustworthy relationship”.*

Women in the study state that a long and healthy relationship could be developed with suppliers and customers based on trust.

## 5. Discussion and Summary

According to the empirical research studies with regard to women entrepreneurs' networking, there is evidence that women entrepreneurs have less diverse networks (Foss 2010, Batjargal et al 2009). Furthermore, the social support literature specifies that women are more likely to seek and provide emotional social support whereas men are more likely to seek and provide instrumental (eg. informational) social support (Batjargal et al, Garcia and Carter 2009, Roomi 2009). Several studies have shown that women tend to nominate more kin as people with whom they “discuss important matters” and they had a more kin their networking composition (Moore 1990, Klyver 2011, Watson 2011, Arent and. Janet 2003). In line with literature (Batjargal et al., Roomi, (2009), women entrepreneurs in this study tend to include a higher proportion of family members in their networks and thus a lower proportion of fewer business contacts. Furthermore, this analysis showed that the diversity of the people the entrepreneurs involved in the different phases of the venture is very limited.

As far as concern women networks, several studies highlight that women favor “strong ties” in their networking behaviour (Klyver and Grant 2010). That is, women business owners have been revealed to organize their networks around the family and social spheres and, therefore, are in more contact with family members, mainly with their partner and friends than acquaintances with whom they have only employment relationships (Aldrich et al., 1989). This study finding also revealed that women do favour strong ties.

I found a number of cases in this study where the partner was involved due to competences and the partner always gives emotional support. In line with other studies such as Bruderl & Preisendorfer (1998) this investigation has also emphasized the importance of the emotional and functional support of the spouse. In a number of stories I found that the family offers different types of functional support and emotional support. In all cases the family and close friends represent trusted people who the entrepreneur can exchange with the entrepreneurial idea, to whom concepts can be presented, without the entrepreneur being fearful of possible negative consequences. Again the women entrepreneur is looking for comment, emotional support without being faced with a competitive or potentially offensive context. Moreover, Friends are very valuable source of information for finding customers.

Similar to the importance of family ties, the analysis of the professional ties identified only two of entrepreneurial stories where professional ties gave important information. In those stories, Women entrepreneurs learned a lot from these professional ties and gained business opportunities. Women in this pilot study talk about their families, children responsibilities, and domestic work when we were discussing their professional career. It clearly shows that women have the main responsibility for the family life. Therefore it is not easy to narrate their career story without demonstrating how it is managed with the family life. For example, Moore (1990) found that for women there is a decline in network size at childbearing age, when the burden of reproductive activities is particularly high. This study finding similarly validate that young children constrain the networks of their mothers, through increased time demands.

According to empirical evidences, women are disadvantaged compared to men (Foss 2010) and have more difficulties in gain access to those networks. But, conversely women entrepreneurs in this research revealed that being a woman is a privilege for their businesses.

Prior studies have suggested that networks are important for small firms as a provider of access to entrepreneurial opportunities and as a tool to increase firm performance. Stories from women entrepreneurs in this study also validate that the importance of particular networking relationship for development of their businesses and trust is central to understanding network success.

In summary, despite the research attention on entrepreneurial networking in recent years, prior work has tended to focus on how actors connect (structural dimension), however, there is a

lack of research about the resources actors can potentially gain access to by examining with whom they connect and what resource they have (relational dimension). Therefore, while the study of the structural dimension of networks has been found to disclose variations between male and female business owners, there is still a lack of research into the relational dimension of networks which may uncover differences in resource mobilization. Moreover, few studies have acknowledged the impact of gender on networking experiences (Garcia and Carter 2009). To date, researchers focus to study gender differences in entrepreneurial networking (Klyver and Grant 2010, Batjargal et al., Miller, Besser and Riibe 2007, D'Exelle and Holvoet 2011, Foss 2010, Garcia and Carter 2009), but very little research has been conducted specifically focus on women (Sappleton, 2009, Roomi 2009, Tsuchiya 2010). In addition to, it can be clearly seen that quantitative research are dominant in networking literature. In all respect, this research is a preliminary step towards filling this academic gap. In addition to, the controversial evidence of women entrepreneurial networking identified by the academic literature and the shortcomings of the existing research in women entrepreneurs' networks provide compelling reasons for further research on women entrepreneurs' networks in entrepreneurship in a transition context.

The narrative analysis of the interviews has suggested that most of the women entrepreneurs viewed their network and their networking purposes in a highly calculative way. In fact, majority of the women entrepreneurs emphasized the purpose-driven nature of their contacts. Very often these needs talk about to different types of assistance required; finance, emotional support, business opportunities and learning were frequently mentioned by majority of the business owners. The next question was what sort of support they receive for their business as business women. When researching this question it is clear that there are four main groups that support – spouse, family, friends and professional networks. When looking at emergent themes, it is clear that majority women entrepreneurs in this study have built their connections around their families and close friends. They have a strong bond between family members and most women fulfil their needs through the family unit. In contrast, women entrepreneurs have lack of formal contacts and the situation is worst specifically in startup level. Further women business owners are not looking for more external consultants, attending more seminars, conference, trade fairs and social network web sites. The next question was what was needed in order to continue these network connections and there are a few important points shown through the pilot study in London and they are gender, family matters, trust, education and experience, culture and social norms and running home based business. For the women in London, being a woman has made a positive influence and has been a plus point on their businesses.

## 6. Future Research Agenda

The data collected for the purpose of this study depend on the responses from a single entrepreneur and can, therefore, be viewed as somewhat subjective. Preferably, a second party would validate at least part of the information collected about the entrepreneur. Data collected from these women's husbands, other family members or employees could have been used to confirm information relating to the business if time and resources had been available. Further, this study is based on data collected within a fixed time period. Therefore, another suggestion for further research is in the form of longitudinal studies. A research method of employing a longitudinal study would be assist in deepening our understanding into the female networking behaviour and to see what, and if, differences exist in their ways of using various relationships as time goes by.

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