

The Role of Culture and Gender on Women Entrepreneurship

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ABSTRACT

The economic progress of the nation is indicated by the entrepreneurial activity and overall societal development in displayed through the gender equality in terms of women's contributions across all domains. Various studies on entrepreneurship point that several factors contribute to the entrepreneurship in a nation. These include – culture, economic scenario (ease of doing business), finances, entrepreneurial traits, skills, the level of development in the markets, etc. Research shows the gradual progress of women across multiple professions. However, they continue to lag behind because of traditional culture, improper balance between the roles in the family and profession, lack of societal support, and the most vital factor is the skills. Many women, who are not culturally supported, continue to suffer from excessive dependency on male dominance. Despite having innovative ideas, in addition to bringing additional economic wealth and social progress, lack of encouragement through conducive business environment continue to have a negative impact on the societal development. Therefore, it is suggested to bring equality between the genders in entrepreneurship as it has numerous socio-economic and cultural benefits.

1. Introduction of Entrepreneurship

Economic development and stability lie on the effort of all the citizens and are frequently dependent on the level of productive entrepreneurial activity (Gupta & Fernandez, 2009; Kelley et al., 2016; Nongsiej & Shimray, 2017). Entrepreneurship suggest diverse approach on entrepreneurial behavior and activities. According to Schumpeter (1934) an economists regard entrepreneur as people who produce fresh combinations, innovative ideas to create new markets, products, or distribution systems. Most of the countries weather developed or developing consider entrepreneurial activities of both male and female to be job providers, establisher of innovative firm and the healthy promoters of competition between the public and private sectors (Batool & Ullah, 2017). Even though the most accepted representation of an entrepreneur is the one who starts an independent business, but then people can also be entrepreneurial in numerous ways. They may operate on their own or they may execute entrepreneurial ideas in organizations (Bosma & Kelley, 2019).

According to the Global Entrepreneurship Monitor (GEM) report, 2019 on the entrepreneurial activity of the 48 countries, which has been grouped into four geographical region i.e East and South Asia, Europe and North America, Latin America and the Caribbean, Middle East and Africa. It is found that the lowest entrepreneurial activities exist in the high income countries in the Europe and North America region. This traditionally is due to the availability of alternative job options and the level of competition to start an attractive business is very high. Canada and the United States exhibit the highest rates in this region. The Latin America and Caribbean region too show the lowest rates, excluding Chile, where one-quarter of the residents start or run a new business. Similarly, in the East and South Asia region, two economies, Japan and Taiwan with high-income report the lowest rates. However, the

Republic of Korea and Thailand show the highest entrepreneurial activity. The Middle East and Africa region show a two-fold pattern, with Morocco and Qatar showing the lowest entrepreneurial activity while Lebanon and Angola has the highest entrepreneurial activity (Bosma & Kelley, 2019).

2. Women Entrepreneurship and its Cultural Dimensions

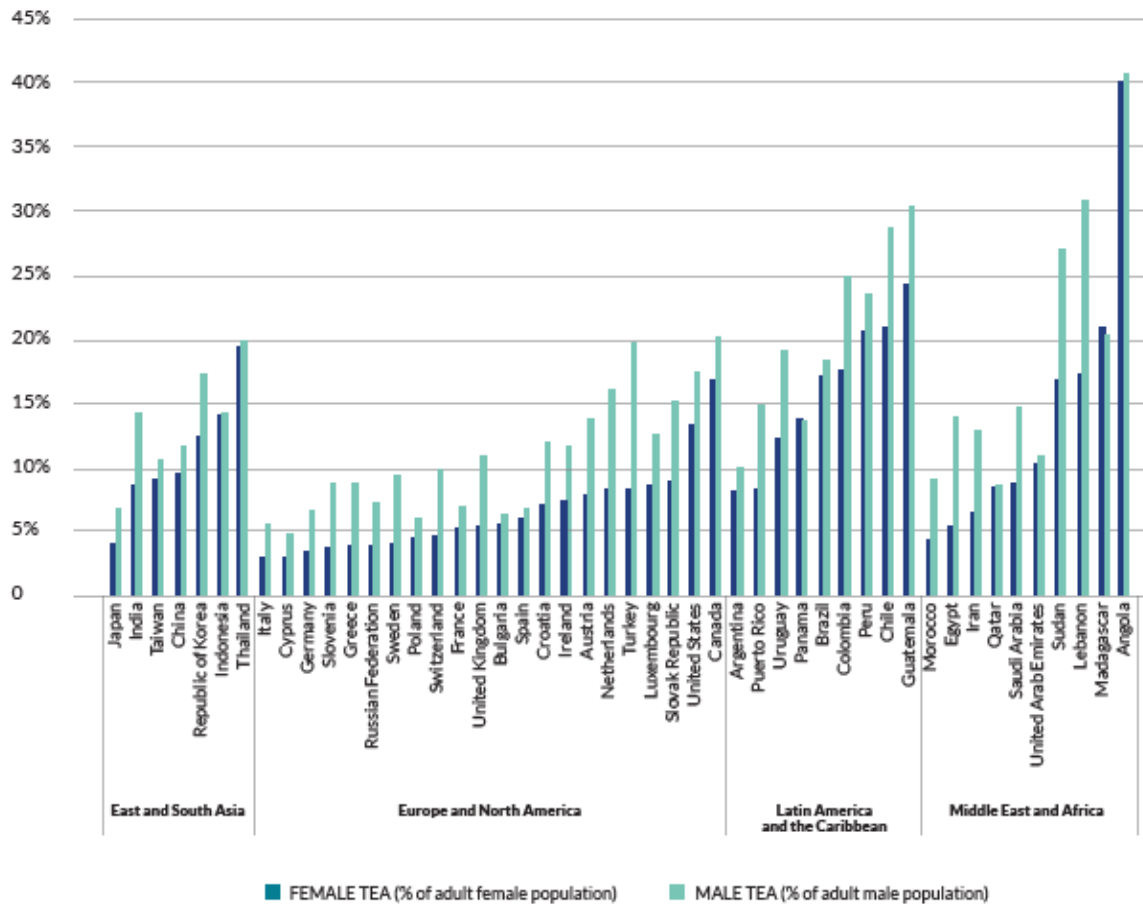
In comparison to the previous century, the present century is experiencing high rates of female participation in the work. They have made their way forward at every level – from attaining highest educational qualifications to occupying the key professional positions in the job, from engaging in manufacturing to entrepreneurial activity etc. According to the Women Business Council report, the rate of women employment worldwide has increased from 68% in 2014 to 71% in 2018 (Snowbal, 2018).

The concept of equality among the genders in as many professions as possible has been gaining significantly in many nations. Present economic scenario provides numerous incentives to women entrepreneurs. For an example, Tirupati-based women run cooprtive Shreeja Mahila Milk Producer Company with a membership of 83,000 women who are co-owners of a dairy that not only procures 3.5 lakh litres of milk every day but has become a 'game-changer' in the milk-rich Chittoor district of Andhra Pradesh.

Shreeja, is the world's largest dairy that is exclusively owned by women, was established under the emerging concept of a 'producer company' in September 2014. Backed by the National Dairy Development Board (NDDB).

The women members of the milk cooperative provides economic freedom to women, thereby leaving them to take on more responsible activities.

Table 1: Entrepreneurial activities among men and women



Source: Global Entrepreneurship Monitor Adult Population Survey, 2019

Encouragement of entrepreneurial activity to especially women will bring numerous economic benefits to not only individual families but also the economic contribution to the nation (Elenurm & Vaino, 2011).

Increasing trend of women engagement as entrepreneurs in the society has a positive impact on the society and progress of the nation. The report from Global Entrepreneurship Monitor has found that the “Total Entrepreneurial Activity (TEA) among women increased by 10%, based on the 63 out of 74 economies researched and the gender gap (ratio of women to men participating in entrepreneurship) is narrowed by 5%” (Kelley et al., 2017).

3. Cultural Dimensions

The cultural and societal aspect can limit as well as promote the entrepreneurial activity. Socio-cultural generally refers to the influential drive from relations with people, which shape the attitude, character and behaviour. This environment comprise mostly of elusive essentials created by people which affect the behaviour, relationship, awareness and lifestyle. Such elusive essentials consist of principles, mind-set, beliefs and the way of life of the persons which is initiated from culture, religious, educational and cultural conditioning (Adeleke et al., 2003; Kumar, 2014).

According to the study of Mehtap et al., (2017) on the cultural and educational barriers of Arab women in Jordan,

there are a number of reasons that hinders their entrepreneurial intention, the foremost explanation is that most the Arab female have a propensity to see their role in society as a housekeeper, a mother and a traditional wife – despite their level of education. Regardless of their drawbacks, a number of female entrepreneurs in Jordan is growing and these startup or businesses are mainly operated from home, through technology and social media support. This enables women to generate a work-life stability which is more culturally acceptable (Al-Dajani & Marlow, 2010).

According to Rubio-Banón & Esteban-Lloret (2016), they investigate the variation among the male and female entrepreneurship from a cultural viewpoint, it was found and agreed upon that the cultural factors are considered to be an immense value among the constraint of entrepreneurship and in particular female entrepreneurship. Therefore, an encouraging and strong approving education system to some level may decrease the opinion of cultural barriers for women entrepreneur, however the overall impact can be limited (Mehtap et al., 2017).

Numerous societal traditions and beliefs hold back women’s role in economic activity or preferred next to males. These traditions seriously limit the aspirations of women in terms of bringing equality in the society as well as personal achievements. In addition, women start depending on men and mismanagement of men in terms of finances especially spent

of consuming alcohol or other personal habits impede the progress of families in general.

Culturally, risk-taking ability has to be nurtured to take on entrepreneurial activity. For an example, in Israel most of the fresh MBAs prefer to start their own business rather than taking up readily available jobs. In contrast, Indian women are encouraged to marry immediately after mandatory marital age of 18 among the economically low-income families. In case girls get jobs, parents prefer their jobs rather than encouraging any entrepreneurial activity even among the rich families. The risk-aversion culture has serious negative impact on the nation in terms of equality, gender-gap across professions, economic-dependency etc.

4. Gender Distribution of Entrepreneurial Activity

In general, research suggest male are more likely to be engage in entrepreneurship rather than female, but when they (female) do, they are more likely to do so out of necessity, but this however vary from one region to the other (Kelley et al., 2016; Mueller & Dato-on, 2010). The most acknowledged theory of social development by (Eagly, 2013), shows that people need to progress the definite stereo-types, in order to be socially adequate.

This theory in itself appeal to 'Social Custom' which characterize the suitable actions for both men and women. Social customs position female inside the house, doing household activity, loving and caring for family, whereas the male are in charge to get employed and drive home the monetary support in the family. For this reason, to start and run a business the male group is more ideally preferred (Bird & Brush, 2002). Nevertheless, the involvement of female in the globe when expressed numerically is still sadden when one recognize that 37% of the world GDP is contributed by women. In order to closed this gender gap the World Economic Forum has anticipated an average of 169 years with the current growth rate (Bharathi & Kaveeswarar, 2017).

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According to the Bosma & Kelley (2019), the report has identified two regions - East and South Asia (Indonesia and Thailand), and Latin America and the Caribbean (Panama) - show more gender equality than countries in the other regions (Table 1). In comparison, the Europe and North America region has numerous economies with a lack of gender equality. The Middle East and Africa is unique in having countries which display gender equality and gender inequality. In Angola and Madagascar, equal participation between the genders boosts overall total entrepreneurial activity (TEA) rates. In Lebanon and Sudan, on the other hand, women participate at high levels. However, men account for a disproportionate share of overall entrepreneurship activity.

5. Conclusion

The role of women in every socio-economic and cultural aspect is vital for overall progress of the nations and peaceful co-existence of both genders. Progress of women and bringing their equality has been gaining significant importance across the globe. The reasons that hinder the progress of women are several and culture is the primary contributor for that. World-wide there are two contrasting developments in women disparity in entrepreneurship as per GEM report 2019. One, in developed countries jobs are all in organized sector and are well paid. High level of development witnesses stiff competition, and therefore, women take up relatively easier economic roles of jobs. In contrast, in developing countries, economic opportunities are numerous as many countries economies are globalized and women continue to take up entrepreneurial.

Entrepreneurial traits also contribute significantly to take up an economic activity by an individual (Yukongdi & Lopa, 2017). Personal abilities and professional skills coupled with societal support significantly contribute in the development of nation through women entrepreneurship.

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