Framework Identifying the Heterogeneous Resource Constraints Faced by Women Entrepreneurs at the Planning and Managing Stages

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Abstract: The aim of this research was to explore and identify the underlying dynamics in women entrepreneurship in the Sydney metropolitan region in Australia. While the main focus was on constraints and barriers, women in business face in general, the paper also specifically puts forth self-reported challenges about obtaining resources in the form of skills constraint, funding and network and support services. The goal is to understand the experiences of the Australian women entrepreneurs and recognise the constraints in resource requirements at varied stages of their business and the challenging environment in which they operate. This research found that challenges that the potential and the existing women entrepreneurs face can be divided into two areas: (a) barriers affecting women considering or planning a career in small business and (b) problems experienced by women managing their own business. Both groups identified the significance of access to varied resources for the survival and success of their business and pointed out that it was difficult to get a good mix of all these resources as the resource requirement in each case were heterogeneous at the varied stages of their business. Using the resource-based theory, this study recognizes the significance of heterogeneous resources at different stages in the business owned by women in Australia. The research identifies, firm-level factors and resource requirements for the survival and performance of women owned business in Australia. This study concludes that although human, social and financial resources are vital at each stage of the women owned business, the human capital requirement are stronger at the planning stages to set their business afloat and the social capital requirements are stronger at the managing stage for the survival of their business.

Keywords: Women in Business, Entrepreneurship Education and Training, Social, Human and Financial Resources

Introduction

Women Enterprises are proliferating across the world and their contribution towards the economic growth has been recognised, therefore it is vital to study women entrepreneurs disjointedly from male entrepreneurs as although research shows that they share common personal demographic characteristics, there are several business characteristics where a divergence can be seen in their behaviour. (Greene et al, 2003 pp.2). Most research on women entrepreneurs is concentrated in identifying differences between male and female entrepreneurs, the motivations of women entrepreneurs and the characteristics, barriers, challenges and survival of women entrepreneurs. Research on women owned business so far has explored the challenges faced by women (McLelland, Swail, Bell and Ibbotson, 2005), identified social factors impacting women in business (Schindehutte, Morri and Brennan, 2003), investigated women’s motivations, identified dissatisfaction with job situation as a main reason (Kephart and Schumacher, 2005)
and Scott (1986), explored the “glass ceiling” issues, the desire for increased flexibility to handle family responsibilities as possible motivators for women. Research also reported that female entrepreneurs found it difficult to triumph over society’s pessimistic viewpoint about women (Hisrich & O’Brien, 1981) in Greene et al, 2003. Although Survival and growth strategies were explored by (McLelland, Swail, Bell and Ibbotson, 2005) as reported in Dann, et al 2006, there has been very little empirical research addressing the factors impacting the survival and performance of firms owned by women (Lerner et al 1997). There is scant research on the association between strategy and survival and performance of women-owned businesses (Lerner and Almor, 2002) in Saffu & Manu, 2004.

Using the resource-based theory, this study recognizes the importance of different resources at different stages impacting survival and performance in the business owned by women in Australia. Women in business face challenges in general and specifically with obtaining resources in the form of skills, funding and support services. The research identifies, firm-level factors and resource requirements for the survival and performance of women owned business in Australia.

This study concludes that although human, social and financial resources are vital at each stage of the women owned business, the human capital requirement are stronger at the planning stages to set their business afloat and the social capital requirements are stronger at the managing stage for the survival of their business.

This paper presents the profiles of three successful women entrepreneurs in practice because it is assumed that the smaller the firm, the more the manager’s profile characterizes the determinants of its achievement, since in larger firms it is not possible to point out the impact of one single person on its success. Hence, the apparent way to examine such entrepreneurial people is to analyse them and their businesses; Their experience, ability and knowledge and resources are widely regarded as influencing their business survival and development (Bates, 1998; Westhead, 1995).

**Literature Review**

Informed by the theory of resource-based view of firms, the paper identifies the internal and external resources requirement in the environment which get activated at the start-up and growth stages of an entrepreneurial business (Bridge et al. 1998; Cooper, 1993; Davidson, 1991; Gnyawali and Fogel, 1994; Greene and Brown, 1997; Penrose, 1959).

The resource-based perspective disputes that sustained competitive advantage is created by the unique resources at the core of the firm. The resource-based view portrays how business owners build their businesses from the resources that they possess or can acquire. The term “resources” is envisaged broadly as “anything that can be thought of as a strength or a weakness” of the firm. The theory addresses the central issue of how better performance can be achieved comparative to other firms by acquiring and exploiting unique resources of the firm. (Barney, 1991).

According to resource-based researchers firms can achieve sustainable competitive advantage from resources such as business planning (Michalisin et al 1997) organization skills (Castanis and Helft 1991), implicit knowledge, human capital (Polanyi, 1962), financial capital, Wernerfelt, 1984) among others and articular experience in similar businesses guarantees survival and growth (Cooper, Gimeno-Gascon and Woo, 1994; Chandler and Hanks, 1994) in Saffu & Manu 2004.
As the theory of resource-based view focuses on the resources and capabilities of the firm as fundamental to factors of success, it is an appropriate theory to support this research which investigates and identifies the varied resources that become significant at different stages of their business and are vital for their survival and success.

The resource based theory emphasizes that valuable, rare, imitable, or non-substitutable firm specific capabilities (e.g. tangible and intangible assets, skills, competencies and learning mechanisms) are the fundamental determinants of creation, survival and performance in business (Barney, 1991, Teece, Pisano & Shuen, 1992) and sustained competitive advantage (Lado, Boyd & Wright, 1992). Ultimately, the resource-based view of strategy is an introspective approach whereby firms seek to create and sustain competitive advantages by developing their internal strengths and/or acquiring complementary resources that are both imperfectly mobile and imperfectly imitable.

Morris (1998) observes, resources are a vital part of the entrepreneurial process and a key role of the entrepreneur is to determine access and employ the necessary and appropriate resources. Importantly, while the “natural tendency is to assume that the principal resource required for any entrepreneurial event is money … the critical resources are typically non-financial” (Morris 1998) for example social and human capital.

The theory addresses the central issue of how superior performance can be attained relative to other firms in the same market and posits that superior performance results from acquiring and exploiting unique resources of the firm. Entrepreneurship prospects have different beliefs about the significance of resources when they are transformed from inputs into outputs.

Heterogeneity is a characteristic of both resource-based and entrepreneurship theory although resource based theory focuses on heterogeneity of resources while entrepreneurship theory focuses on heterogeneity in beliefs about the value of resources. (Shane & Venkataraman, 2000).

Resource heterogeneity is the fundamental condition of resource-based theory and it assumes at least some resources are heterogeneous across firms (Barney, 1991). Heterogeneous resources are also an essential requirement of entrepreneurship. (Kirzner, 1997). Entrepreneurial opportunities are thought to exist when prospective entrepreneurs see value in some resources that others cannot, and those that can exploit these resources create value from themselves in the entrepreneurial firms within which they apply these resources. (Kirzner, 1997; Casson, 1982).

Researchers have become conscious of the significance of unique heterogeneous firm assets in achieving a firm’s sustainable competitive advantage. (Dierickx and Cool, 1989) were the first to draw attention to the importance of such implicit resources.

Entrepreneurs need a range of resources for their business. These include human capital, social capital, industry specific knowledge and ability to acquire financial capital (Cooper et al., 1994). Several studies have found that there is a positive relationship between the resources of the firm and the probability of survival and growth (Cooper et al., 1994; Chandler and Hanks, 1994; Gimeno et al., 1997; Mosakowski, 1993; Westhead, 1995).

In 1981 Hisrich, Brush, and O’Brien focused on the human capital of women entrepreneurs by identifying the characteristics of women entrepreneurs, their businesses, performance, and barriers to enterprise growth (Greene et al, 2003). Hisrich and O’Brien’s study also found that, funding for their businesses was also an important issue at start-up as most women identified access to credit as a major blockade.
Some of the difficulties reported included: obtaining start-up funds, financial management, and development of effective marketing and advertising (Pellegrino & Reece, 1982).

This research found that lending institutions perceived women business owners to be less successful than men, (Buttner & Rosen, 1988), but that lending officers did not perceive any differences in the quality of the plans prepared by men and women (Buttner & Rosen, 1989). They hypothesized that lenders may discriminate or that female entrepreneurs may be more risk averse (Scherr, Sugrue, & Ward, 1993). Coleman (2000) reported that lenders did indeed discriminate, but on the basis of firm size, favouring to lend to larger and more established firms, thereby limiting their engagement with women-owned firms which were generally smaller. One article that did explore the network effects found that having a high amount of kin and homogeneity in the network created serious disadvantages for small business owners (Renzulli, Aldrich, & Moody, 2000).

Another important topic was introduced in the late 1980s: the social networks of women entrepreneurs (Aldrich, 1989; Aldrich, Reese, Dubini, Rosen, & Woodward, 1989). Hong Kong based study found that reliance on the immediate network or channel for information was more important to women business-owners than it was to men business owners (Chan & Foster, 2001). Taksa and Groutsis, (2009, p.173) state that its value is twofold. Social capital focuses its attention on networks, which have been shown to be of critical importance for minority groups and second it allows us to identify the ways in which cultural differences, language and communication skills and group norms and sanctions intersect in practice. In Entrepreneurship social capital is used most commonly to describe network mediated benefits beyond the immediate family. (Portes, 1998).

Informed by the resource based theory this paper identifies how the women faced constraints in obtaining resources and employed human, social and financial capital to plan and manage their businesses. The paper recommends a “A Best Practice Business Support Model” and a “Public Policy” to be adopted through the local council developed and recommended by the respondents themselves.

It is important to comprehend the attitudes of women entrepreneurs towards the diverse challenges they face and also the approach they adopt to meet these challenges. This paper presents the self reported issues by 3 women entrepreneurs in the Sydney Australia region to demonstrate the tribulations they face whilst planning and managing a business.

Figure 1 below presents the theoretical framework for this study. Following the resource-based perspective, we hypothesise that these embedded resources of human capital, social capital, managerial skills, business planning skills, financial skills influence the performance of Australian women-owned businesses, but the significance of these resources varies at the planning stage and the managing stage and their requirements vary at different stages of their business life. Both groups identified the role of varied resources for the survival and success of their business and pointed out that it was challenging to get a good mix of all these resources. This research recommends a best practice model to be adopted as public policy through the local councils to enable both the groups to get access to the varied resources required by them at different stages of their business.
Theoretical Framework

![Figure 1: Performance of Women Entrepreneurs]

Methodology

In order to be able to draw a more comprehensive picture of women’s entrepreneurship a mixed methodology was selected taking into consideration past research studies undertaken by other social scientists, in the area (DeBruin et al, 2007a).

A survey was conducted along with extensive interviews to develop respondent case studies The data for this research was obtained via extensive interviews and surveys. A nine page Instrument with 50 questions was designed to measure:

a) Entrepreneurial traits of the entrepreneur, the pull motivation attitudes, the push motivation attitudes, the human capital aptitudes and the social capital aptitudes. The questions included 31 direct and specific questions on demographics and business operations: age, gender, qualifications, years in business, there were 5 open ended questions and 6 ranking order questions and the rest of the questions were developed on likert’s 5-points scale. Face to face interviews were conducted over a period of 12 months. This questionnaire also investigated: Business skills, ownership of premises, happiness with being self employed, business performance & growth and challenges and resource requirements.

Next 5 questions were asked for each of these entrepreneurial traits below and they were derived from J.A.Timmons and Lee and Tsang 2001 on a scale of 1-5 where 5 was strongly agree to 1 being strongly disagree respondents were asked to 5 questions on each of these traits which were adopted from (Lee and Tsang, 2001) they were a) attitude towards risk, b) need for achievement, c) internal locus of control, d) self efficacy. (J.A. Timmons model, 1990 & Lee and Tsang, 2001)

From the data three cases of successful women entrepreneurs in varied industry sectors were selected to investigate the resources constraints faced by them. This qualitative paper
puts forth the self reported case studies in order to understand the real problems and develop some real solutions.

A case study approach was adopted as Robinson et al, 2011 described limitations of traditional approaches to the study of entrepreneurship (Aldrich, 1999; Gartner and Birley, 2002; Neergaard et al, 2005; Davidsson 2005; Calas et al, 2009) and Yin (1992, p. 123) stated the advantages of the case study method as “an empirical inquiry that (1) investigates a contemporary phenomenon within its real-life context, when (2) the boundaries between phenomenon and context are not clearly evident; and in which (3) multiple sources of evidence are used”. This method is generally chosen to contribute knowledge or get a deep understanding of particular instances of phenomena (Yin, 2009; Mabry, 2008). Extensive face to face interviews were conducted over several days to derive these cases.

**Case Study**

The existence of women entrepreneurs or even women in the workplace is an idea that once was not common. Many women including at least one of the women which we interviewed faced much resistance and the often heard of glass ceiling while trying to further their career. As times changed, the idea of women entrepreneurs became more recognized and accepted, although it is still a problem within some countries. Fortunately, we live in a society now that promotes women having a career, and in some cases such as those discussed within this report, very successful businesses of their own.

Businesses within multiple industries were contacted for this survey ranging from smaller retail outlets, to restaurants, mechanics shops and even privately owned hostels. It was at this point, contact was made with three women entrepreneurs, Karen Makin, an optometrist who after years of working as a fill in optometrist for many businesses purchased her own practice, Marina O’Neill, a creative woman with a storied background who stumbled across an entrepreneurial opportunity by accident while renovating her own kitchen and has turned this into a growing successful business, and June Hibbard, a real estate agent who now owns and operates her own agency. These women provided great insights into some of the trials and tribulations of starting and operating their own business.

**Case 1: Karen Makin**

Karen has a rather interesting story to tell about how she came to choose the career path she did. As a high school student Karen was unsure about her future. Having done exceptionally well in all of her classes it left a lot of doors open for her in regards to universities. When it was time for Karen to choose a career, she said “I just sort of fell into optometry”.

**Makin – Optometry**

**Human Capital**

After graduating from university Karen went to work at a couple of different jobs locally before packing up and heading off to England and worked in the optometry area there for a couple of years. When she finally returned home she had no plans, so she took up some odd jobs. She recognized her career path when she started working at OPSM. She was working
part time at OPSM but she was also applying the theoretical knowledge gained from her education. While she was working at OPSM she realized that optometrists were not hired, but they were licensed. Karen was unsatisfied with the freedom her job offered. Her interest in optometry and the opportunities in the market lead her to eventually set-up a business. The business was not new; it was a fairly well established business when she bought the business. Even so, after successfully managing the present business she eventually expanded her business by purchasing another store close by the first one. This was possible with due assistance from her family.

**Social Capital: Family Support and Work-family Balance**

Karen received help from her family. Initially her parents provided her with financial support, and then her sister extended help in the business by assembling the glasses and dealing with the accountants. Her verbatim response was as follows:

“my sister is in the business with me she makes the lenses and handles that sort of side of the business. My parents helped me financially to get us going”

However, Karen is the sole optometrist in her business, which makes her presence at the store crucial. In spite of her family’s help, Karen faced some work-family conflict. She had a little spare time after managing her family and business. Also she was a single mother. This made it difficult for her to divide her time between her kids and her business. Being the sole provider it was crucial for her new business to be successful. Being a single mother takes up a lot of her time so she doesn’t have time for herself. Even though it took roughly two and a half years before her business started to pay off financially but now it is hard for her to take time off. The parts of her business she doesn’t overly enjoy are the 46 to 48 hours a week she puts in, the extra responsibilities, not to mention all the paper work and book keeping she needs to do. It is difficult for her to be away from her business, as finding a replacement is an issue.

**Managerial Skills**

When Karen is sick or goes on vacation she needs to find a replacement optometrist and according to her that is not an easy task. Karen also went into a bad-staffing issue. Her verbatim response:

Strategic Business Planning Skills

Karen said that when she first opened the business she had no strategies for evaluating her success and that was one of the major setbacks. Even though she had a business plan, she failed to follow it through. She had a computer system they could track the performance of the business, but the business had no direction as to the end means.

In recent years, her company joined a support business program which involved five other optometry practices. These optometry practices get together once in a month to discuss problems and ideas. Karen says this benefited her business, her verbatim response was:
it really got us back on track where tracking things, we know where we're going we have budgets and goals and we can compare ourselves with other businesses now as well.

Working in a group assisted her to monitor the business, to have budgets and goals. She was also able to compare them with other businesses. Karen also gave us a bit of insight to what she thought she could have improved upon in running her business. She also highlighted that when she started the business she would have liked to learn more about the business. Karen feels very strongly that there should be somewhat of a business course offered along with the optometry course.

**Finance**

Karen was disappointed with the attitude of banks while granting her the loan. The bank officials prompted her to add her husband as a partner in the business to obtain more funds. This discouraged her to purchase anymore outlets for her business. Karen feels comfortable now with how her business is being run, and she is happy with the staff. Expanding the business further is something she implied but at present, she is not considering it. Mostly, because of the difficulty of obtaining funds and she enjoys being with a smaller business. It also allows her to be better oriented towards the people in her community, family and friends.

**Flexibility**

Karen does enjoy owning her own business though, she mentioned how she enjoys the flexibility of being her own boss and the control over where you want your business to go, and there is a much greater sense of achievement at the end of the day as well. Karen also likes the fact that she’s making money for herself and not making money for someone else. Even though Karen enjoy the flexibility and independence that her businesses provide for her, she occasionally had to encounter some stumbling blocks

**Case 2: Marinal O’neill**

Marina Isles - Unique Architectural Hardware is a small, family operated business located in the industrial district of Castle Hill in Sydney, Australia. Originally founded in 1993, it remains a small establishment, however substantially larger than its humble beginnings being operated from the home of Marina O’Neill. The story of the business and how it has developed is an interesting one, although an equally intriguing story is how Marina O’Neill herself came to be a small business entrepreneur.

**Human Capital**

**Background - Male Dominance**

Marina comes from a strong Italian up bringing; from this she gained a set of values and views all to her own, and her strong interest in horticultural activities became more evident. She developed some skills in the family business. However, she describes her life as being
pre-determined by her parents, her father in particular. Belonging to a patriarchal family, women were not considered to have education and/or work. Still, she began to work in the banking sector, the industry in which her father worked. She slowly began to climb the corporate ladder, picking up education and valuable training along the way. Eventually, she realized the ‘glass ceiling’ in the organization. The hostile environment at the organization prompted her to quit her job and pursue an alternate career.

**Social Capital**

For a while she put her career at standstill, as she prioritized her family’s welfare. Her children were suffering the most, being left with caregivers for much of the day while she and her husband worked. She chose her children over her career and says she has no regrets whatsoever regarding this. Following this she returned to Australia with her family and briefly contemplated the idea of opening a restaurant, realizing this would quickly be a seven day a week job, she realized again that her true interest laid in horticulture. Wondering why she never thought of working in this industry before, she quickly began earning her way with this business, while still having the time to spend with her children during their important years. From this point she continued the horticultural business with some success, but it was a home renovation project rebuilding their kitchen that gave her the inspiration to open the business she runs to this day. When building her cabinets the sometimes arduous task of choosing those small details, the handles and door-knobs. Wanting to have something unique to herself and not a mass produced product found in most stores, she proceeded to design her own and search for someone to produce it. Once she realized that there would be a demand for her handles she decided to put into motion, the beginnings of what is now known as Marina Isles – Unique Architectural Hardware. She receives a lot of support from her family to run the business. She said:

“My husband is the main person in this business. We do our own accounting that takes up a lot of time, once again that way we have control. We know what’s going on week by week. My daughter helps out, even my little 11 year old comes and helps out. So we all pitch in. My sister will come if I need her, my sister in-law too helps.”

**Managerial Skills**

Marian started to face obstacles as her business grew. Lack of business plan and problems from the suppliers were the two major problems. She sought the assistance from her accountant, tax advisor and also friends in business.

**Supplier**

An initial problem was finding suppliers who would be willing to produce small batches. Many suppliers would only manufacture a minimum of 10,000 units; this was an unacceptable number for such a small family based company. Another issue she faced when Marina started to produce more products and become more popular was with suppliers once again. She found it hard at first to identify the truthful and straightforward suppliers from the untrustworthy and misleading suppliers. The problem that she was having was of manufacturers
who were giving her a lead time that were inconsistent. This had an adverse effect on her company and its reputation. With Marina Isles – Unique Architectural Hardware growths being slow yet steady they were able to iron out the supplier issue before it became an extreme problem. They were able to keep the suppliers that followed a time frame and discarded the suppliers who were unable to deliver the goods in a timely manner.

**Business Planning Skills**

One of the major stumbling blocks in her business was dealing with bureaucracy. Her verbatim response captures her difficulty in facing bureaucracy:

*The main conflict is battling bureaucracy. Trying to setup the business and trying to get approvals from council. For example: We looked at buying a property, we didn’t want to lease one and even though this area is zone bulky goods retail we still had to get approval for bulky goods retail. We thought, we are not selling hazardous waste here, we are within the parameters of what they (council) wanted, we still had to pay to get that approval, and we had to fight to get that approval. I don’t know why but my suspicions are big business do not want competition. When small businesses start up they (corporations and council), make it difficult. You are not allowed to advertise on the building even though it is zone commercial. Yet any of the big companies don’t seem to have a problem putting their signs up out front. So it is very interesting and it is a constant battle with bureaucracy. You can’t get emotional, you have to have facts, you can’t use hearsay, you have to have facts. We were able to get approval but it was a long headache. When you are in a complex like this (strip mall) you have a body corporate to deal with, they don’t want you doing this, they don’t want you doing that. You aren’t allowed to paint the front you aren’t allowed to paint the back ect.*

**Finance**

When Marina, started this company she really had no goals in mind. She did however, have hopes, and she hoped people would like her product. This hope has fuelled both her and her husband to go to great lengths to see the success of this company. They had an objective when they started to not have a debt that was not manageable. They did not want any banks telling them what they had to do and they did not want to be forced to have any worries about paying their debtors. Their decision to sell their home to purchase their building in which the company operates shows a great deal of dedication to the company. Not many people would be willing to part with something as large as a house to see a vision to fruition.

**Case 3: June Hibbard**

Baulkham Hills Real Estate is located on Seven Hills Road in Baulkham Hills, New South Wales. When the business first opened in 1998, Principal and Licensee June Hibbard wanted “to create a culture within the organization of trust and commitment” (Baulkham Hills PRD, 2004). It is a franchise of PRD nationwide, and is owned by June Hibbard in a partnership with her sister. While June is involved in the daily operation of the business, her sister has
a weekly job elsewhere. Her involvement in the business is limited to helping out with open houses on the weekends and the business’ accounting. The rest is up to June and her staff.

**Human Capital**

After about ten years of experience in the real estate industry with West Pennant Hills PRD, she reached a point where she had become bored with what she was doing. Looking for a new challenge, June began to conjure up ideas of going into business for herself. After making the decision to go into business, June began researching where she would like the business to be located. Baulkham Hills was the obvious choice as there was no PRD nationwide franchise currently there and she wanted to continue with the same franchise she had worked with in the past.

**Social Capital**

Although June’s sister looked after the accounting for the business, they also had an accountant that they called in to check the books when needed. June’s franchise is involved in a group with other franchise owners who get together once a month to discuss things in the industry and talk about common problems everyone is facing. The group then discusses how they can overcome those problems. The franchise owners also give each other advice and explanations on how to run the business based on what they’ve done. Some of these meetings also include training sessions where franchise owners can learn how to do property auctions or property management for rental properties. June believes that location is one of the business’ strong points, as it is located at a very busy intersection in Baulkham Hills where plenty of people can browse her rental listings and see her signage. She meets and networks with the other local PRD franchises each Tuesday night to look at each other’s properties that they have for sale that might fit one of her clients. Her business is a very small franchise, but the size of the business has not stopped June from achieving success in the real estate market. Among her notable achievements is an industry gold award, which recognizes a high level of sales for her office, and award she considers it to be the reward for everyone’s hard work in her office.

**Managerial Skills**

June was able to learn a lot of management ideas from one of her previous employers. The man she worked for was very tough in how he ran his business and June felt it was a good experience to learn both what to do and what not to do in situations. While she didn’t agree with some of his ways, he was a good role model in the stepping-stones to her becoming an entrepreneur. One of June’s favorite parts about the real estate business is that she can put some of her own ideas into practice and run the business the way she wants to run it. With her sister being more of a silent partner, it allows June to have the freedom to develop her own philosophies. One of June’s major on-going goals with the business is to be able to get the staffing to a level where she does not have to be at the office every day. She is currently still trying to find two or three people who she can feel comfortable with leaving the business too that she knows they will be doing what they are supposed to be doing without her needing to check on them to see what’s happening.
June believes that selling real estate is harder than other sales industries. Another problem with real estate sales is a lack of motivation. Many salespeople are not interested in prospecting, which consists of knocking on doors or making phone calls to try and find people who want to buy or sell a house.

June believes that attitude is the most important trait that an entrepreneur must have when starting a business. This statement also goes for her employees. If they have a poor attitude, they are hard to train because they think they know everything. It may also result in the employee being rude to the customers, which is not good for business in a sales environment. Beyond the few courses that must be completed before getting into real estate, June believes the knowledge and the experience will come with practice, and that attitude is still the most important.

**Business Planning Skills**

Her advice to aspiring entrepreneurs is that you need to work in and obtain experience in the industry that you are starting a business in and have a good plan. She has found that a lot of people, who have never worked in the industry and have started a business in that industry have been the first to go broke. Those people don’t know how to deal with the problems they encounter because they have never experienced them before. She has always had a business plan and she follows it through.

**Finance**

When the time came to start the business, she tried getting finances from banks but had to face problems with bureaucracy, so June and her sister provided all of the initial capital from their savings and from their paid mortgage for the startup. June had a chance to sit down with her previous boss and plan out the kind of budgets that was needed on a monthly basis. They also determined the goals the business needed to reach each month in order to keep the business going. June admitted that she did not do much planning for the business beyond the budget making. When the business started out, June was working 12 to 14 hours a day and usually six or seven days a week. She quickly realized she was not going to have as much free time as she had thought. More recently, June works about 50 hours a week, and has more time to attend dancing and kickboxing classes in her spare time. After the business was on its feet, it took about six months to make a profit. The reality of the real estate business is that you may not make a sale for quite some time after the business has opened, possibly six weeks. Even after the first sale has been made, the sale still has to settle, so it could take three or four months before the business receives any money from the sale. June found that being a new business owner was tougher than she imagined. She said:

*I suppose, being a new business owner, there’s a lot of things to learn, like learning about tax and payroll and accounting which is holding on to other people’s money when you take a deposit on a property gets put into a special account so there’s a lot of software that we have to set up and learn how to use.*
Discussion and Conclusion

This study examined the significance of resources in female-owned businesses in Australia. The study was supported by the resource-based theory which delineates that the varied resources of the venture are vital in explaining the business success. (Dollinger, 1999; Barney, 1991; Wernerfelt, 1984). These three women entrepreneurs unintentionally choose the path of an entrepreneur. Their entrepreneurial skills and the resources available to them assisted them to survive and grow their business successfully.

Several studies have so far shown that women engaged in entrepreneurship, globally are still striving to grow and still have a barrage of problems. These problems include low or no access to capital, credit, and labor among others. Policies introducing support services for small business were not favorable and considerate to the specific problems faced by women entrepreneurs. There were no policies and support services specifically designed with women in small business in mind, although it was evident that women were found to have been engaged in small scale business. This paper examined all the major concerns reported by the 150 respondents to develop new support programs translated it into a public policy. It recommends the appointment of government and council supported mobile female business support advisors who can identify with the unique problems women in business face and assist them with developing the skills and resources required to take their business to the next step.
Resource Constraints

a) Skills and Training Needs

One of the major concerns raised by these women was the lack of appropriate and suitable training. One of the most common causes of business failure has been identified as poor business planning, lack of business plans or under-developed business plans and unclear goals (Rosa, Hamilton, Carter & Burns, 1994; Moore & Buttner, 1997, cited in Moore, 1999 Baines & Wheelock, 1998). National and state industry training plans and Australian National Training Authority by Industry Training Advisory Bodies and State Governments should address the training needs of women employed in small businesses; Providers of training should be encouraged to specifically design their training offerings in ways that will enable women to participate; Training designed for employees in small business be flexibly delivered to enable participation by all workers, including women with family responsibilities; and
programs should be marketed to women. Local councils should sponsor such training programs and provide them at subsidized rates.

**b) Business Formation and Survival**

Karen and Marina highlighted their lack of interest to expand their businesses. Karen highlighted the difficulties in getting financial help to expand the business and Marina’s lack of interest was due to her family responsibilities. In addition, Marina and June highlighted the problems with bureaucracy. Perhaps, their lack of awareness about government procedures may have lead them to face problems with bureaucracy.

**c) Government and Council Supported Mobile Female Business Support Advisors**

To assist women to make informed choices about small business ownership and to increase women’s awareness of the financial and business services and the support available to small business, the councils should undertake a public information campaign. The campaign should be specifically aimed at:

1. Potential female small business owner/managers;
2. Girls in schools, to assist them with career choices, including in non-traditional areas such as manufacturing; and
3. Suppliers of financial and business services to small business to raise awareness of women’s success in small business.

**d) Carer Responsibilities and Home-based Employment**

All the three women entrepreneurs received considerable support from their family members. Accounts were managed by their husband or sisters and also other family members supported their businesses. These women initially started their business near their home. However, some specific reasons for women seeking home-based employment are: ability to combine work and family care responsibilities; desire for flexibility; and desire to run business and avoid overheads involved in leasing premises; there is a need to promote the establishment and access of supportive networks, such as through existing women’s associations, particularly for self-employed women operating home-based enterprises. On the other hand, from the cases presented it is evident that family is the primary concern for these women especially for Marian and Karen. Karen was a single mother and Marian had sacrificed her career for their family’s welfare. These women coping with family and work are a challenge, so council could consider providing a child care facility. The issue of available adequate and affordable childcare is, for many women, one of the reasons for setting up business at home.

**e) Obtaining Finance**

Marina’s parents provided with financial assistance and Karen refused to purchase another store as the bank officials repeatedly requested her to add her husband as her business partner.
Feasibility of obtaining finances is preventing the entrepreneurs from expanding the business. Recommendations are:

1. Financial support for small business to obtain advice on financing options;
2. Improved availability of finance to women small business through council networks with banks for assistance to women in business.
3. Lastly, as part of the White Paper initiatives, the Government in Australia also did expand the number of places in the New Enterprise Incentive Scheme (NEIS) available to unemployed women wanting to establish businesses. Participants selected for the scheme receive training and support to establish their businesses, policies likewise should be implemented by each individual council to improve the number of women in business.

\[f)\] Market Research / Suppliers

June’s business was in the service industry so the role of suppliers was hardly significant, whereas Marina had problems with suppliers and problems with the supplier was not mentioned by Karen. Marina indicated difficulties in finding trustworthy suppliers. Such problems could be overcome through research and network support services through an association of women entrepreneurs sponsored by the council.

\[g)\] Business Networks and Mentoring

It has been observed from the three cases as well as from our survey that business networks and mentoring arrangements are widely regarded as effective, valuable sources of business advice and training and an important means by which business activities and practices are improved and developed leading to improved competitiveness and growth. Anecdotal evidence suggests that women are more prepared than men to take advice and learn from others, and in many cases actively seek such advice. However, it can be difficult to identify reliable channels and sources of advice. A major constraint to women’s involvement in more formal networks is time.

Recommendations are that small business owner/managers work very long hours and are not able to access formal networks unless meetings, etc. are held at a suitable time, in an informal setting and possibly with childcare provided within their local councils at no cost. These factors need to be taken into consideration to encourage women to access networks and mentoring arrangements. This paper also identified that although human, social and financial resources are vital at each stage the business for women entrepreneurs, the human capital resource requirement are stronger at the planning stages to set their business afloat and the social capital requirements are stronger at the managing stage for the survival of their business.

This paper is a self reported testimony to the resource constraints faced by women entrepreneurs in the metropolitan area of Sydney Australia. The above recommended solutions are derived and designed from the suggestions of these respondents to ease their constraints.

There still remains a great deal of confusion and contradiction about the factors that contributes to women’s success in business. Further research and study into the role of women, as employers and employees in small business need to be conducted to understand that story.
In addressing the important issue of women and small business this paper hopes that it will encourage the pursuit in greater depth of the issues that emerge as priorities at the planning and management stages of a business owned by a woman. It is also hoped that it will act as a catalyst for the suppliers of financial and other business services to improve their marketing and targeting of programs and encourage the policy makers to develop focused support systems in participation with the women entrepreneurs.
References


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