

A Survey On Socio-Cultural And Economical Factors Affecting Women Entrepreneurs In Khouzestan Province

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Abstract: The target of this study was to determine the socio-cultural and economical factors affecting women's entrepreneurship in Khouzestan province. The subject were entrepreneurial women in Ahwaz, Dezfol, khorramshar and Abadan, 100 entrepreneurs were selected based on simple random sampling. The measurement instrument of the research was questionnaire. Descriptive and analytic procedures were employed. The current research was a correlation type. Data analysis resulted using Pearson and regression coefficient showed that socio-cultural and economic factors had positive effect on women entrepreneurs. The present research revealed that social Factors had more effect on women entrepreneurship in Khouzestan than other factors.

Key words: entrepreneur, women entrepreneurs, self-employment, cultural, social, economic factors

INTRODUCTION

Today, women as half of the population of country not only are housekeeper but also they are skilled applicants with higher education. In this regard, they are superior to men. Therefore, now women occupy more than 60 percent of universities capacity. Given the limitations of government investment, entrepreneurship, if not as the only leading method, is considered at least as one of the solutions for women unemployment.

One of the obtained results of several studies in different countries is the questionable low rate of women's entrepreneurship compared to men (GEM2003). Why women's entrepreneurship rate is lower than men's? Environmental factors (social, cultural and economic) and their impact on women's entrepreneurship are considered important in order to answer this question. Khouzestan province is one of the richest provinces in the country due to its climate and oil resources. However, it seems that women's performance was weak in using the Khouzestan's potential opportunities. Therefore, this study aimed at investigation of the factors influencing women's entrepreneurship and self-employment in the Khouzesan province.

Research Theories:

Entrepreneurship and entrepreneurs were first considered by economists and economic schools. Ever since the sixteenth century, entrepreneurship has been described in their theories. Joseph Schumpeter's theory of economic development in 1934, during the great economic depression, about central role of entrepreneurs in profit making received too much attention. He is the main driving force of economic development (Poordariany,2002)

Fry (Fry, 1999) suggested that entrepreneurship involves one or more elements described as follows: 1)Setting up a business 2) creativity and innovation 3) Taking risk for the business development 4) Controlling of the business with rapid and continuous growth

Razlighil (2001) suggested that the most important effects of entrepreneurship could be considered as follows: Job creation factors, factors of improving the life quality, exploiting the resources and activating them for national productivity, factor of fixing market and society gaps and limitations, factors of development, and national and local revitalization, completion stimulating factors, factors of wealth creation and income distribution.

Because women constitute half of the country's human resources, without women the country development in any field will not be possible. Researches conducted by Entrepreneurship Organization Development and Economic Cooperation Committee showed that during five past years, all countries with impressive economic activities included those countries with high rate of women's cooperation in the business affairs. Today, women's entrepreneurship is considered as a top debate in all countries. World entrepreneurship report in 2002 by the Kauffman Entrepreneurship Center emphasized that women's entrepreneurship had a great impact on nation's economic health.

Lavoie (1995) suggested that entrepreneur women are considered as those women who establish a business alone or in cooperation, or received it through inheritance. He said" these women accept financial, social, moral and mental risk in order to produce new productions in their competitors market via creativity and innovation".

Helen Fisher, Ratjz University anthropologist, found that five characteristics make entrepreneur women unique in this field. It seems that these characteristics are very critical to their success:

1. Communication skills: Many women express their feelings better than their male counterparts, and they can communicate more effectively;
2. Public skills: Many women read the emotions of others face and their gestures, and discover the secrets of others voice very skillfully;
3. Skills to use network thinking: the ability to collect data from the environment make connections between different pieces of data is different with women. Contrary, most men usually classify pieces of information and focus things that seem more important to them.
4. Skills to establish an agreement: successful entrepreneur women are often good at discussing. They try to provide conditions in order to enter discussion with the parties and establish harmonious relationships. It is ability to develop good relationships: maintenance of long-term relationships with business customers need to create amity and friendship, and using effective public relations.

Social theories represent that organized social structures, work environment, family and social life have an impact on women's access to employment opportunities and their improved performance. Moreover, gender discrimination in employment and expectations about women's roles in the family may limit women role in the industrial environment. Additionally, incentives, business and financial risk also affects them.

Buttner(1999) suggested that women believed that they could not enter some social places due to their sex. It seems that men have more opportunities in the context of communication networks and facilities compared with women.

Carter & Cannon(1988) provided evidence on the impact of the glass ceiling preventing women reaching higher performance positions. These factors direct women from management positions to self employment.

Deakins & Whittam (2000) claimed that self-employment might not be the first choice for women, but it is true for the women who have come from certain groups within the community (such as young groups, ethnic minority groups).

Research Hypotheses:

- 1 - Cultural factors have no influence on women's entrepreneurship
- 2 - Social factors have no influence on women's entrepreneurship
- 3- Economic factors have no influence on women's entrepreneurship

Review Of Literature:

Kantor (2002) found that women's businesses are generally in small scales. Therefore, they are less valid in financial and administrative affairs. Brush & Histrich(2002) conducted researches on the factors affecting the performance of entrepreneur women. They used indices of previous studies such as economic indicators of growth in sales, growth in human resources, business profit makings, and businesses size in order to measure the performance and effectiveness.

Researchers (Carsrude Sapienza & Bloogood, 19 55) determined some environmental factors affecting entrepreneurial behavior including support systems and family, financial resources, staff and the customers, suppliers, communication area, government policy and political economic and cultural environment.

In another study in Allahabad, India., Rajesh Kumar Shastri & Avanika Sinha (2009) about affecting women entrepreneurship in India, it was found that women over 39 were turned to entrepreneurship, many of whom were willing to do the service activities than product activities. In this study, it was evident that social factors had greatest influence on women entrepreneurship in India.

Butel & Green House study suggested conflict between work and family roles because of different reasons including child caring, long hours of work and etc, hampered active participation of women in entrepreneurship (Abbasi, 2002).

Glas & Drnovsek study (1999) in Slovenia indicated that 71% of female respondents believed that they have homemakers problems because of business activities that influences their private life. Therefore, most entrepreneur and manager women ask help from their families and parents to do the housework.

Golrad study is among internal studies of entrepreneurship that just investigates factors influencing entrepreneurship. He investigated the factors influencing Iranian women's entrepreneurship in his article. Creative, innovative and inventive in modern era are considered as entrepreneurs. In addition, they are major source of developments in industrial, manufacturing and services fields. Therefore, their role as engines of economic development, national heroes and industrial development, stimulating and encouraging investment, operating employment creation, technology transfer and main factors of solving market problems in the society is explained. (Arasti,2006)

The most important factors in women's entrepreneurship are classified as personal, network organizational and environmental factors:

- 1 - Personal factors: factors indicative of personality, motivation ,purpose and demographic factors

2 - Network factors: explains relationship of entrepreneur women with consultants, Technical and Commercial Community, and close and trusted friends

3 - Organizational factors: Most important organizational factors in women's entrepreneurship are management skills, selection of appropriate methods for management and providing resources.

Environmental factors: socio-economic, cultural, political, technological and international factors describe environmental factors

Study of H.Ghafari, H.Sayadi & M(2009) entitled "Explanation and Analysis of Effective Obstacles for Women's Entrepreneurship" examines these barriers. According to this study, effective cultural-social barriers of women's entrepreneurship in the view of Yazd women entrepreneurs include: stereotypical beliefs about women, patriarchal culture in the community and organizations, and governmental relations in the work places. Obstacles of Financing for development of women's entrepreneurial activities are: There are some problems such as difficulty in obtaining initial capital and provide liquidity, limited access to credit and support services due to lack of confidence to the financial institutions, and investors distrust to ability of women.

H.Aramoon(2009)thesis entitled "Analysis of Women's Entrepreneurship Development in Garment Industry in the Yazd Province(2009)" investigated factors that influence women's entrepreneurship and concluded that the level of entrepreneur education, the level of education in close members of families, role patterns, and entrepreneur personality factors are among effective factors.

Methodology:

The present study is a functional, descriptive and field study in terms of purpose, amount of controlling variables, and method of data collection, respectively (functional, descriptive, field study). The study population is women who established an independent business. Therefore, according to the data obtained from Company Registration Organization, General Cooperation Department, and The Bureau of Labor and Social Affairs in Khoozestan province, 150 women participated in this study. Morgan table was used to determine sample size of the entrepreneurship questionnaire and obtain the largest possible sample size. Accordingly, the sample size was 100. In addition to some library sources such as books, magazines, scientific reports, other tools such as interview and questionnaire were also used for data collection in order to obtain insights of the entrepreneur women. Data were collected in two stages and designed by a questionnaire. First, research questionnaire were distributed among 12 to assess skilled entrepreneur women in Abadan to test its validity. Next, after removing some problems of the questionnaire, the original questionnaire containing 40 questions distributed among entrepreneur women in Ahvaz, Dezful, Abadan and Khorramshahr. This questionnaire included open and closed questions. Open questions encourage respondents to provide correct answers. 5-choice Likert scale was also used. Reliability of the questionnaire and its aspects was calculated as follows using spss software.

Table 1: Reliability of questionnaire components

Main component	Cronbach's alpha
Cultural factors	0.74
Social factors	0.88
Economic factors	0.71
All components	0.77

Research Findings:

Investigation of research variables indicates that characteristics of the individual (age, education, entrepreneurship, education level of parents, and husband of entrepreneur women as well as previous experience) is also true for selected entrepreneur women of this study. Statistical distribution of investigated demographic variables is presented in Table 2. Most respondents were between 30 and 40. These results are similar to the obtained results of the research review of literature examined the status of entrepreneur women in other countries. Most MSE entrepreneur women in were between 25 -40 with a college degree or higher education. Results of a survey conducted among Singaporean entrepreneur women also showed that the average age was between 30-29 and most of them were first child (Buddle, 2003: lee1999).

Table 2: Distribution of the research data

Age	frequency	percentage
Less than20	11	0.17
20-30	20	0.20
30-40	44	0.44
40-50	19	0.19
More than50	6	0.06
<u>Personal education</u>		
Primary	2	0.02
High school	37	0.37
Colleges	61	0.61
<u>Father's education</u>		
Primary	31	0.31

High school	46	0.46
College	17	0.17
Informational education	5	0.05
<u>Mother's education</u>		
Primary	48	0.48
High school	36	0.36
College	9	0.09
Informational education	7	0.07
<u>Spouse's education</u>		
Primry	45	0.45
High school	35	0.35
College	17	0.17
Informational education	3	0.03
<u>Number of Employees</u>		
Less than 5	35	0.35
5-10	45	0.45
10-15	11	0.11
15-20	3	0.03
More than 20	6	0.06
<u>Previous Job</u>		
Studying	32	0.32
Government	18	0.18
Private business	26	0.26
HouseKeeper	21	0.21
Other	3	0.03
<u>Years of experience</u>		
None	22	0.22
2-4	30	0.30
4-6	19	0.19
6-8	7	0.07
More than 8 years	22	0.22

As shown in Table 2, more than 55 percent of entrepreneur women in Khoozestan province have academic qualification requirements. These figures show that college and university education play an important role to make people aware of entrepreneurship opportunities and empowerment of people to use these opportunities. In addition, fathers' education of entrepreneur women was mostly at high school level. It shows the positive attitude of entrepreneurship in families whose head of household is educated. This leads to women's tendency towards entrepreneurship. However, in families whose father was has a nongovernmental job, it causes more tendency towards entrepreneurship. Low education of entrepreneur's mother has no effect on entrepreneurship though mother's role in all areas for social protection of their children cannot be ignored, but having such a role need not highly educated mothers. It is evident that educated mothers in addition to their supportive role are considered good consultants for their children. It seems that low maternal education with ethnicity variety of different areas in the province is not so far-fetched. Considering past studies, we can determine lifestyle, rural life, number of children, ethnic and tribal prejudice as main reasons for mother's low education level. Education level of husbands of entrepreneur women in Khoozestan province was at college-level. Again, this issue indicates importance of universities and institutions of higher education in changing attitudes and creation of entrepreneurship culture. Number of employees in jobs created by many entrepreneur women was between 5-10. These results suggest that entrepreneur women that are consistent with results of other studies run most small businesses. Business opportunities created by Iranian entrepreneur women was 44 percent and 56% in manufacturing and service activities, respectively. Literature review of women's entrepreneurship indicated that these activities are mostly service activities.

Further findings revealed that women tend to entrepreneurship after graduation. According to descriptive results that indicate education level of entrepreneur women in the province, it seems that university plays an important role in women's entrepreneurship. Further studies are required in order to understand effect of women's educational level and their tendency to entrepreneurship. Furthermore, the findings suggest that women who tend to entrepreneurship had an experience of 2 to 4 years. Studies indicated that the first reason for creation of women businesses is induction of this idea to women. Another expressed reason that is their anger towards their previous work environments. All these facts are obtained through study by three prestigious women business organizations published by National Association of Women (NOW)for Women Business Owner (NOW) : National Association of Women(NCWO)

In next stage, following results were obtained using Pearson correlation test according to the study purpose(investigation of the effect of the independent variables on dependent variable):

Table 3: Findings of the research hypotheses

Hypothesis	Independent variable	Correlation	The significance level
The first hypothesis	Economic factors	0.401	0.042
The second hypothesis	Cultural factors	0.540	0.025
The third hypothesis	Social factors	0.423	0.038

First hypothesis: economic factors have no effect on women's entrepreneurship

Table 3 indicates that significance level is less than 0.05. Therefore, the null hypothesis is not confirmed at confidence level of 95%. In other words, there is a correlation between economic factors and dependent variable of women entrepreneurship.

Second hypothesis: cultural factors have no effect on women's entrepreneurship

The table also shows that significance level is less than 0.05. Therefore, the null hypothesis is not confirmed at confidence level of 95%. In other words, there is a correlation between cultural factors and dependent variable of women entrepreneurship.

The third hypothesis: social factors have no effect on women's entrepreneurship

Table 3 suggests that significance level in social factors is less than 0.05. Therefore, the null hypothesis is not confirmed at confidence level of 95%. In other words, there is a correlation between social factors and dependent variable of women entrepreneurship.

Conclusions and Recommendations:

In the first hypothesis, financing, interest rates, inflation and the ability to attract investment influence the women entrepreneurial orientation. Research indicated that women have problems in finding business financing. Generally, women prefer financial resources for their own personal and business use, which leads to limited size of their business area. The reason for the reluctance to use external financing sources such as banks, investors and etc, is that women often feel that there is a discrimination between men and women in dealing with such issues. Economic conditions that can affect the success or failure of women's entrepreneurship include:

- Capital market - financial resources
- Government programs, policies and attitudes toward business ownership
- Continuing of government programs, policies and designs to support entrepreneurial activity
- Dominant economic value system in the country
- Welfare level and related individuals tendencies
- Available status of consumer markets
- Customer diversity
- Level of competition, power and influence
- Technological achievements
- The innovation and its value centered status
- Investment community and its tendencies
- Amount of hidden stairs in gaining economic benefits

In the second hypothesis in Iran society and especially in the Khoozestan province with traditional tribal prejudices, many cultural factors affect women entrepreneurship, directly or indirectly. Various entrepreneurship studies investigate opposite attitudes of the entrepreneur women's relatives, attitudes that makes them disappointed about creative ideas. Results of Arasty study on social-cultural factors affecting the business of educated women indicated that agreement of entrepreneur women's family and their supporting had a great impact on educated women. The researcher believed that one of the reasons for such an attitude was flexibility in working hours of nongovernmental businesses compared with that of governmental ones. According to this study, the attitude of the women's family including her husband strengthened creation of women businesses. In this regard, husband family attitude and related organizations were investigated. Values and beliefs of the community, role models in the family, education, environmental stimulus and cultural-social factors had no effect (Arasty, 2002). Cultural factors that are important in women's employment are community attitudes towards working of women, traditional beliefs about housekeeping as first and most important task for women, traditional working classification, boundaries between male and female jobs, various responsibilities of women at home and work, social insecurities, gender discrimination, lack of access to financial and information resources, troublesome rules, etc.

Most expert people in the status of women entrepreneurship suggested that restrictions and job discrimination for women entrepreneurship in society should be related to dominant cultural behavior in the society including:

- A) The opposition of women's working in economic organizations and their job creation

B) Because of the cultural limitations, it is expected that women are secured at work home and protected against strong people in the society

C) It is expected that women to be bound to home and take care of their children.

According to the results of this study, social factors affecting women entrepreneurship are as follows. These factors are repeatedly noted in the review of literature about entrepreneurship:

A) Women strong role in the family and increasing expectations of men for their permanent presence in the family

B) Negative thoughts and beliefs about the role of women in business

C) Relatively low levels of education for women due to limited access to educational in most countries

D) Limited opportunities to develop women skills in the public sector

E) Inadequate access of entrepreneur women to technology, supportive services, and inadequate informing systems

F) Lack of women access to financial credits because of the due to problems for women credit and negative attitude towards power of entrepreneur women in debt payment (Hosseini,2007).

Suggestions for women's entrepreneurship development:

A) Women empowerment

1 - Promoting and extending the part-time or correspondence education for women work outside the home in addition to family responsibilities.

2 - Increasing women's capabilities, such as guiding pre-university girls for education in the related fields based on society needs

3 - Strengthening of entrepreneurship incentives in educated women and girls

4 - Promoting a culture of entrepreneurship among women, girls and their families

5 - Providing training plans and developing educational courses related to women interests and activities

B) Expansion of women's employment area

1- Establishment of centers for equal employment opportunities in universities and institutions of higher education to monitor the development of women position in managerial and administrative jobs

2 - Using progressive and sample patterns as tools to inform students about job choices

3 - Supporting and encouraging of higher education entrepreneurs

4 - Supporting entrepreneur women in the business creation process

5 - Identification of entrepreneurial opportunities for women especially in universities

C) Elimination of gender discrimination

1 - Elimination of factors that inhibit women activity, whether in the family or society

2 - Elimination of discrimination between men and women in the job market

3 - Cooperation and responsibility division in the home

D) Supporting of organizations related to women's rights in the public and private sectors and formation of NGO association

5-4 Recommendations For Future Studies:

1 - In this study, economic, social and cultural factors effect were investigated. It is suggested that each of the factors to be considered in more detail.

2 - In this study, the difference between women in different sectors of the industry was not considered. It is suggested that women entrepreneurship in various industrial and non industrial sectors to be examined separately.

3 - In is suggested to study performance of the government institutions in promoting a culture of entrepreneurship and entrepreneurial development in future studies.

Finally, according to increasing participation of women in social activities, we hope to see authorities support of women entrepreneurship, development of entrepreneurial culture and elimination of social and economic barriers to reduce unemployment in the Khoozestan province.

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