Role of Social Capital in Women-owned Businesses in Sri Lanka: A Relational Perspective

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Abstract

Structural dimensions and gender comparison in social capital dominate the entrepreneurship literature; however, little research has focused on women entrepreneurs and the relational aspect of social capital. Therefore, the objective of this study is to explore the role of social capital in women-owned businesses in Sri Lanka, focusing on the relational dimension. Social constructionists focus on interaction, and narrative design is particularly appropriate for exploring experiences of female entrepreneurs. For this purpose, fifteen women were selected using the purposive sampling method, and narrative interviews and observations were used to collect data, which were analysed using thematic analysis. The findings show that these women favour strong ties, accumulating social capital through multiplex ties. Family ties support businesswomen more than the support received from friends and via professional links. Overall, the study further extends the dynamic view of the relational dimension of social capital with evidence from Sri Lankan women entrepreneurs.

Keywords: Women-Owned Businesses, Social Capital, Relational Dimension, Narratives

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Introduction

This study explores the role of women entrepreneurs' network ties in business and focuses on the relational dimension of social capital. According to Butler and Hansen (1991), the structural dimension of social capital is the "overall form of contacts between actors, that is, whom you reach and how you reach them" (Butler & Hansen, 1991, p. 23). This contrasts with the relational dimension, which states that "actual relationships or bonds between actors enable them to make claims on one another" (Steier, 2001, p. 11). As Nahapiet and Ghoshal (1998) claim, people can create social capital such as reputation, negotiation and agreement through personal networking. The relationship is mainly based on trust, norms and obligations (Butler & Hansen, 1991; Coleman, 2007; Granovetter, 1983) and identity and identification (Hakansson & Johanson, 1992). Several authors, such as Neergaard et al. (2005) and Klapper (2008) argue it is hard to differentiate social capital from social networks. Furthermore, certain studies have indicated a significant relationship between social capital and business success (Ummah et al., 2019; Roomi et al., 2009).

Much research has been conducted which focuses on the structural dimension (Premaratne 2001; Surangi, 2018), examining who forms parts of the entrepreneurs' networks and at what stage they become influential, but there is less focus on the relational aspect. The relational dimension of social capital can be linked to Granovetter's notion of relational embeddedness (Nahapiet & Ghoshal, 1998). This refers to the personal relationships that people have developed through a history of connections (Granovetter, 1983). Thus, this notion embraces different aspects such as network content, quality of the network, tie strength, relational trust and information-sharing (Azam Roomi et al., 2009; Ferlander et al., 2016); the focus is on specific relationship aspects, such as respect and friendship, which influence behaviour (Karunaratne & Lee, 2019; Nahapiet & Ghoshal, 1998). Moreover, several articles point out the limitations in comparing the entrepreneurial experiences of men and women and attempting to place all men and all women into two distinct categories (Foss, 2010; Klyver, 2011). Thus, it is necessary to seek a more granular understanding that considers gender issues related to social structure and culture due to their dynamic and fluid nature (Henry, 2021). However, while there have been many discussions on entrepreneurs' social capital, there has been a dearth of studies in such discussions that deal with female-owned businesses, whose numbers and involvement are increasing in the current globalised economy.

Women, in general, face difficulties in accessing different kinds of capital, including human, financial, and social capital (Hernández-Carrión et al., 2020);
Marlow & Carter, 2004) discussed female entrepreneurs' underperformance and their inability to utilise capital, specifically at the start-up level of the business. They highlighted that this under capitalisation at the start-up level of the business is related to financing and social capital (Marlow & Carter, 2004). Therefore, it is no wonder that social capital has been identified as a more valuable resource to female entrepreneurs than their male counterparts. Social structures and societal expectations knowingly influence social capital creation, with women being less welcome and less valued than their male counterparts in many communities (Neergaard et al., 2005). Furthermore, scholars have indicated that, compared to men, a lower percentage of women become entrepreneurs as they have limited resources, including social capital (Surangi, 2018). Researchers have found that men and women are embedded in different social capital and have suggested that the differences in the content of the social capital lead to different economic consequences such as business survival and development (Sonfield & Lussier, 2009). Women's networks have less wealthy, less influential, and less respected actors (D'Exelle & Holvoet, 2011). Research has also shown that women tend consider their kin more as people with whom they discuss important matters and that they had more kin in the composition of their networks (Klyver, 2011). In addition, research has shown that women's non-kin networks are often more restricted and tend to be more homogeneous concerning wealth, education, marital and work status than men's non-kin networks (D'Exelle & Holvoet, 2011). Women-owned businesses typically have few contacts with external actors, even though such relationships are critical to business development (Hernández-Carrión et al., 2020). Researchers revealed that women's social capital has significantly less wealth in terms of content and compositional quality, which focuses on the relational dimension of social capital (D'Exelle & Holvoet, 2011). In this setting, this study questions whether women have less quality social capital in the Sri Lankan context. Therefore, this research explores the content and compositional quality (relational dimension of social capital) by focusing on the role and contribution of family, friends, and professional ties.

The article is structured as follows. The next section describes major arguments and debates in previous literature. The theoretical framework of the study is then introduced. Drawing from such debates, the researcher found gaps related to theoretical and empirical inquiry to advance understanding of the relationship between women's entrepreneurship and their social capital. The section to follow describes the methodology adopted in the study. Next, themes are introduced based on qualitative narrative analysis followed by a discussion. The future research agenda and implications are presented in the conclusion.
Literature Review

Structural and Relational Networks/Social Capital

Networks and social capital are interrelated (Klapper, 2008). The term "social network" refers to a social structure made of actors linked by interdependencies such as kinship, friendship, work relationships, or neighbourhood (Sullivan, 2006). Social capital refers to the resources embedded in social networks that can be used for an individual's or group's benefit (Klapper, 2008). Thus, social capital is networking and gaining access to resources through these relationships (Bourdieu 1986; Coleman 2007). Social capital is distinctive from other types of capital because it essentially includes the structure of its relationships. Bourdieu (1986) originally introduced three types of capital: economic, cultural, and social. Bourdieu perhaps provided the first definition of social capital when he demarcated it as "the aggregate of the actual or potential resources linked to the possession of a durable network of more or less institutionalised relationships of mutual acquaintance or recognition" (Bourdieu, 1986, p.18).

Additionally, Bourdieu revealed that social capital comprises five different aspects: resources, networks, institutions, relationships, and mutual recognition (Bourdieu, 1986). Coleman (2007) subsequently provided a comprehensive definition of social capital as she developed a model related to social capital. In addition, Coleman (2007) stressed that social capital includes norms and agreements, and it leads to the development of human capital because it depends on relationships, most obviously within the family. While Bourdieu and Coleman are considered by the academic community as key researchers in the area of social capital, Robert Putnam is perceived as the famous scholar of the social capital theory. Putnam's view of social capital has three gears: norms, trust and social networks (Putnam, 1993).

Bourdieu's idea stressed structural limits and unequal access to resources based on the factors such as gender, class, and race (Coradini, 2010). Like Bourdieu, Coleman realized that social capital fundamentally belongs to the social structure of relationships among people. Nevertheless, where Bourdieu’s work was concerned with power and status and the unequal access of social capital between people, Coleman discussed social capital as a public asset where the activities of individuals benefit the whole (Wong & Kohler, 2020). As such, Coleman theorised social capital as a shared asset of the community and created little space for discrimination that causes differential power and status (Hernández-Carrión et al., 2020). This negligence of power and conflict undoubtedly stemmed from Coleman's concern with social capital creating the social structure (Wong & Kohler, 2020). This is considerably
different from Bourdieu's concept, which considered collective property attributes under cultural capital. This means that ideas of Bourdieu and Coleman on social capital are different, and this has caused uncertainty in the literature about what is and is not social capital.

Three different dimensions of social capital, as structural, relational and cognitive, are found in the literature. However, significant attention has been given to the structural dimension, which focuses on "who you reach" and "how you reach them" (Klapper, 2008). In the same way, Steier (2001) suggested that the structural dimension focuses on network patterns, including network size, frequency, network density and the tie strength (Prajapati & Biswas, 2011; Gulati et al., 2002). Strong ties exist within close relationships, whereas weak ties are defined by detached relationships and occasional contacts (Gulati et al., 2002). For example, ties with families and friends are considered strong (Easley & Kleinberg, 2010) because relationships with families and friends have occurred in a particular social setting for an extended period, and mutual exchanges have already happened within these relationships. Conversely, Granovetter (1983), who introduced the strong and weak tie theory, argues that a weak tie would be more important for entrepreneurs to reach scarce resources beyond their community.

Female Entrepreneurs and Their Social Capital

Many researchers in the social capital area have not considered gender specifically (van Helden et al, 2021). However, gender is a significant determinant in social capital, as researchers found that women are omitted from high-ranking, influential, male-oriented networks (Patti & Dustin, 2020). Despite not focusing on women's social capital, Putnam (2000) has emphasized women as a leading network of actors in creating social capital. Carter and Hisrich (1999) have found that female entrepreneurs can experience extra burdens and difficulties building social capital (Henry, 2021). However, it is recognized that women's networks appear to be challenging the majority of the 'old boys’ network (Henry, 2021) and that many labels linked to female entrepreneurship still need to be challenged.

Social capital would be more critical for entrepreneurial women who have less access to different networks (Ascigil & Magner, 2009; Barnir & Smith, 2002). Women are still considered homemakers rather than businesswomen and having to engage in both domestic work and business limits other activities (Loscocco et al., 2009; Mand, 2006; Maclean, 2010). Entrepreneurial women struggle with the social norms related to their traditional role when developing their new identity as an
entrepreneur. Expectations of family members and running a business can create pressure for the female entrepreneur. Therefore, relationships are essential to female entrepreneurs because they enter entrepreneurship without linkages (Maclean, 2010; Welter, 2004). Regardless of the importance of female entrepreneurship in any economy, they have less power and less voice in influencing the business community (Azam Roomi et al., 2009). Collaborating closely with community members can create long term benefits for any business (Garcia & Carter, 2009) and therefore, such relationships would enhance women’s ability to have a greater voice in the business community.

Researchers have revealed that women build less effective and fewer quality networks than their male counterparts (Garcia & Carter, 2009). Men make more formal networks, whereas women depend on informal networks such as family, relatives and friends (Klyver, 2011). Furthermore, researchers have confirmed that men's and women's network compositions and contents are different as women have less access to professional organisations in developing countries (Foss, 2010; Garcia & Carter, 2009).

Female entrepreneurs in developing countries like Sri Lanka face several barriers and often depend heavily on informal networks (Surangi, 2018). In Sri Lanka, self-employed women in the handicraft sector use their traditional skills and social capital to make a living. Some of these women have issues in accessing finance, and their social capital is crucial for starting and running their businesses (Surangi, 2018). However, these businesses have little chance of reaching the growth stage in the business life cycle, and most of them operate simply at a survival stage. Similarly, Karunarathne and Lee (2019) found that divorced women choose entrepreneurship as their career option in Sri Lanka as they do not have any alternatives. However, a patriarchal society prevents these women from growing their businesses. Instead, women use informal networks to join informal micro-credit societies to find finance (Karunarathne & Lee, 2019). Researchers found that entrepreneurial women can be underprivileged because of the lack of access to certain influential groups in the male dominant society in Sri Lanka, and it mirrors a broader social order in which inequalities remain to be experienced by women (Ummah et al., 2019). Some researchers revealed that the increasing number of women-only networks was considered a good strategy for women's business development in Sri Lanka (Premaratne, 2001). On the other hand, women-only networks may hinder more diverse relationships such as formal networks. Further, in Sri Lanka, women also face various problems due to religion (Sahira & Surangi, 2022; Perera & Surangi, 2021).
For example, in most traditional Islamic families, women are not often allowed to go out of their homes and mix with their male counterparts independently (Sahira & Surangi, 2022). However, those who can challenge this situation and connect with business organizations and other related bodies could enhance their business performance (Ummah et al., 2019).

Despite the recent research attention on entrepreneurs' social capital, previous work has tended to focus on how actors connect (the structural dimension), and there is a lack of research on the resources that actors can potentially gain access to by examining whom they connect with and what resources they have (the 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. Research focusing on female entrepreneurs in other socio-cultural contexts is relatively new and limited in number (Kirkwood, 2009; Roomi et al., 2009). Therefore, this study contributes to filling this gap by focusing on the social capital experiences of female entrepreneurs in Sri Lanka as structures (institutional and socio-cultural) play an essential role in the women's experiences, and the power of socio-cultural influences is very evident within the women's networking experiences.

**Theoretical Framework**

Resource-based view, cost transaction, social networking, and innovation diffusion are the theories widely used in networking and social capital literature (Premaratne, 2001; Surangi, 2018). However, since all these theories are beyond the scope and perspective in the current study, the researcher has chosen to review only those most relevant to the study, namely Sarasvathy's effectuation theory, Wenger's community of practice theory and the social network approach. Furthermore, these theories approach networking from a sociological point of view. Therefore, this section focuses on the theoretical insights of these three approaches in terms of networking.

Social interactions grasp a critical yet relatively unexamined role in the network of constructs associated with effectuation. The logic of effectuation has recently been acknowledged in the entrepreneurship literature with the recognition that effectual approaches can increase entrepreneurial efficacy and reduce business failure (Read & Sarasvathy, 2005). Previous studies related to effectuation have shown that effectuation is a logic that fits within the broader discussions of decision-making.
under uncertainty (Sarasvathy, 2008; Read & Sarasvathy, 2005). The main argument of this study is that female entrepreneurs do not have enough experience and resources, often in uncertain situations. In order to do business, female entrepreneurs gather the necessary resources and opportunities from the external environment through their networks.

According to Sarasvathy (2008), effectuation processes may involve intra-subjective cognitions, interactive behaviours and inter-subjective outcomes. Intra-subjective cognitions refer to the means which the entrepreneur trusts she or he has available and the effects that might be achieved with these means (Perry, Chandler and Markova, 2012). Arising from cognitions conforming to a particular logic, effectuation processes also include interactive behaviours (social interactions with others). Ultimately, the effectual process may result in two inter-subjective outcomes due to cognitions and interactions. One inter-subjective outcome is the creation of artefacts such as firms, markets and economies (Sarasvathy, 2001). The other is that the entrepreneur obtains or can access additional material resources (funding) and/or intangible resources (reputation), and these resources are assets of the firm (Sarasvathy, 2008). The cognitive and the behavioural elements of effectuation processes are relevant to this study because the researcher focuses explicitly on social interactions. One of the most significant resources an entrepreneur has is the people she or he knows.

Lave and Wenger (1991) developed the concept and theory of Communities of Practice (CoPs) in the early 1990s. Communities of Practice (CoPs) are groups of people who share a passion for something they do and regularly interact with learning how to do it better. The group can develop naturally because of the members’ shared interest in a particular domain or area, or it can be produced specifically to gain knowledge related to their field (Wenger, 1998). Through sharing information and experiences with the group, the members learn from each other and have an opportunity to develop themselves personally and professionally (Lave & Wenger, 1991). As this study focuses on relationships, women can build different relationships in the community that enable them to learn from each other.

According to the social network approach, relationships are characterized by content, direction and strength (Breiger, 2004). The content of a relationship refers to the resource that is exchanged, and a relationship can be directed or undirected. For example, one person may provide social support to a second person. Here two parties can be seen: one giving support and the other receiving support. Alternately, actors
may share an undirected friendship, where they both maintain the relationship, and there is no specific direction to it. Relationships also differ in strength (Sullivan, 2006). This strength can be operationalized in several ways. Concerning communication, pairs may communicate throughout the workday, once a day, weekly or yearly. They may exchange large or small amounts of social capital, money, goods or services. They may supply essential or trivial information. Such aspects of relationships reflect different types of relational strength. Ties are often referred to as being weak or strong, although the definition of what is weak or strong may vary across particular contexts. Weak ties are generally infrequently maintained, non-close connections, for example, between co-workers who share no mutual tasks or friendship relations. Strong ties include combinations of intimacy, self-disclosure, provision of mutual services, frequent contact, and kinship between close friends or colleagues (Breiger, 2004).

In this setting, a single unified theory of social networks does not exist; instead, several theories have been adapted to describe the various patterns of interactions observed to occur. These theories have been selected based on their possible relevance to the research questions and the sociological perspective of this study.

Methodology

Methodological biases can be identified in the literature as quantitative studies have been dominant which have not explored participants' feelings, attitudes, and behaviour (Clandinin & Connelly, 2000). Given the limited knowledge produced through qualitative research, there is space for qualitative research in the area of social capital of female entrepreneurs. It can be used in disciplines such as entrepreneurship that are not theoretically advanced (Steyaert & Jerome, 2004). Thus, this study adopts a narrative design, which is most closely aligned with the social constructionist philosophy. The narrative approach is more appropriate for studying subjectivity and identity mainly because of the importance of imagination and human involvement in constructing a story (Riessman, 2002). For sociologists, narratives also tell much about social life or culture, as culture speaks through stories (Clandinin & Connelly, 2000). By citing how people talk, researchers can analyse how culturally contingent and historically contingent the terms, beliefs, and issues narrators address are (Clandinin & Connelly, 2000). Narrative inquiry as a methodology can therefore be considered integral to the production of knowledge from the participants’ experience, allowing, in this case, the depth of women's experiences to be better understood. Giving voice to the women means that the researcher values and pays serious
attention to the experiences related by her participants, and their beliefs, perceptions and opinions.

The in-depth interview empowers the researcher to get an in-depth and rich understanding of other people's experiences and reality through stories by permitting participants to respond in their mother language (Gergen, 2009). A pilot study was conducted to better craft the research process of the main study. The pilot study was conducted over eight weeks with five female entrepreneurs. It was interesting how, through their stories, the women made sense of becoming businesswomen and spoke about their network relationships. The pilot study provided an excellent opportunity to improve the researcher's skills in conducting interviews in terms of approaching research participants, selecting the interview setting, and seizing opportunities for examining and following-up emerging topics.

Purposive sampling was used to recruit women, and fifteen interviews were conducted for the main study and the research site was the Southern Province of Sri Lanka. Therefore, female entrepreneurs were selected who are involved in the business activities in the Southern Province since the province has received considerable development assistance, but the region continued to remain at a disadvantage (Asian Development Bank, 2012). Furthermore, the researcher had lived for over thirty years in the Southern Province. Therefore, the research site was familiar to the researcher, and thus she could find various familiar ways to gain access to the research site easily. Thus, the researcher's familiarity with the participants' culture, values and languages helped gain the relevant information for the research (Kerstetter, 2012). However, a certain degree of representativeness was established through the variety in the representation of age, marital status, education, business type, and the number of employees. Sampling in this way, seeking variation, assists in the identification of any common themes that exist in a heterogeneous sample. Table 1 lists the 15 female entrepreneurs/ interviewees who recounted their social capital experiences.

For this study, in-depth narrative interviews were used to tap the female entrepreneurs' voices. The narrative interview is identified among the qualitative research methods as being a form of an unstructured, in-depth interview with specific features (Creswell, 2007). Conceptually, the idea of narrative interviewing is encouraged by a criticism of the question-response outline of most interviews (Bauer 1996). The narrative interviews were conducted over five phases (preparation, initialization, main narration, questioning and concluding talk). All the interviews
were conducted in the women's business premises; the participants decided the date and time based on their convenience. All discussions were started by asking the women to share the story of their entrepreneurial journey. All interviews were audio or video recorded and transcribed by the researcher. To store the narrative interview transcripts, NVivo 10 qualitative software was used. The researcher visited, on-site, all of the female entrepreneurs selected for this study, and the researcher were able to get first-hand experience of their business place surroundings and their networking relationships. Further the observation method was vital to this study, as it added significant depth to the narrative analysis. This offered an excellent opportunity to obtain detailed and honest insights into real situations, including actions, conversations and physical descriptions.

Table 1: Description of Research Participants

<table>
<thead>
<tr>
<th>Name</th>
<th>Age</th>
<th>Marital status</th>
<th>Industry related experience</th>
<th>Education</th>
<th>Type of business</th>
<th>Number of years in the business</th>
<th>Number of employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>67</td>
<td>Married</td>
<td>Yes</td>
<td>A/L</td>
<td>Hotel</td>
<td>01</td>
<td>03</td>
</tr>
<tr>
<td>B</td>
<td>52</td>
<td>Married</td>
<td>No</td>
<td>A/L</td>
<td>Garment factory</td>
<td>06</td>
<td>04</td>
</tr>
<tr>
<td>C</td>
<td>45</td>
<td>Married</td>
<td>No</td>
<td>A/L</td>
<td>Restaurant</td>
<td>14</td>
<td>15</td>
</tr>
<tr>
<td>D</td>
<td>53</td>
<td>Married</td>
<td>No</td>
<td>A/L</td>
<td>Wedding recep. hall</td>
<td>10</td>
<td>04</td>
</tr>
<tr>
<td>E</td>
<td>74</td>
<td>Married</td>
<td>No</td>
<td>Less than O/L</td>
<td>Travel agency</td>
<td>37</td>
<td>15</td>
</tr>
<tr>
<td>F</td>
<td>37</td>
<td>Married</td>
<td>No</td>
<td>Up to O/L</td>
<td>Cloth shop</td>
<td>06</td>
<td>06</td>
</tr>
<tr>
<td>G</td>
<td>60</td>
<td>Married</td>
<td>No</td>
<td>Less than O/L</td>
<td>Coconut products</td>
<td>10</td>
<td>03</td>
</tr>
<tr>
<td>H</td>
<td>45</td>
<td>Married</td>
<td>No</td>
<td>O/L</td>
<td>Ayurvedic product</td>
<td>17</td>
<td>02</td>
</tr>
<tr>
<td>I</td>
<td>45</td>
<td>Married</td>
<td>Yes</td>
<td>A/L</td>
<td>Restaurant</td>
<td>10</td>
<td>04</td>
</tr>
<tr>
<td>J</td>
<td>33</td>
<td>Married</td>
<td>Yes</td>
<td>Graduate</td>
<td>Guesthouse</td>
<td>06</td>
<td>08</td>
</tr>
<tr>
<td>K</td>
<td>62</td>
<td>Married</td>
<td>No</td>
<td>O/L</td>
<td>Restaurant</td>
<td>29</td>
<td>03</td>
</tr>
<tr>
<td>L</td>
<td>29</td>
<td>Married</td>
<td>Yes</td>
<td>Graduate</td>
<td>Hotel</td>
<td>04</td>
<td>08</td>
</tr>
<tr>
<td>M</td>
<td>57</td>
<td>Married</td>
<td>No</td>
<td>Grade 8</td>
<td>Cloth shop</td>
<td>32</td>
<td>01</td>
</tr>
<tr>
<td>N</td>
<td>70</td>
<td>Married</td>
<td>No</td>
<td>Less than O/L</td>
<td>Restaurant</td>
<td>35</td>
<td>08</td>
</tr>
<tr>
<td>O</td>
<td>37</td>
<td>Married</td>
<td>No</td>
<td>A/L</td>
<td>Travel agency</td>
<td>03</td>
<td>01</td>
</tr>
<tr>
<td>P</td>
<td>33</td>
<td>Single</td>
<td>Yes</td>
<td>A/L</td>
<td>Ornaments</td>
<td>05</td>
<td>03</td>
</tr>
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</table>
Thematic analysis was used to analyse the collected data. There are different styles of performing thematic analysis; however, this study followed five step process prescribed by Braun and Clarke (2013). The first step of familiarisation involved transcribing the recorded interviews to a level of detail necessary for the research. Extracts were reduced where necessary to exclude unnecessary discussion, repetition, and examples provided by the participants. Next was the coding/labelling process where sections of transcripts were highlighted, and labels or “codes” were used to describe their content. The third stage was identifying themes. Usually, several codes can be brought under one theme and therefore, themes are broader compared to codes. Then the researcher tried to make sure that the identified themes were accurate representations of the data by reviewing the themes. The final stage was defining and naming themes, and it involved coming up with a concise and easily understandable name for each theme. Combining emerging sub-themes into three major themes and subsequently linking them to the selected theories and current literature provided the foundation for answering the main research question. The three major themes identified were family, friends and professional ties.

Strategies such as member checking and triangulation were used to ensure the quality of the study (Gordon & Patterson, 2013; Tracy, 2010). For example, different data collection methods, namely, in-depth interviews and observations, were used in this research to adopt triangulation. Further, the women's stories constructed in the analysis were returned to participants to check for accuracy and resonance with their experiences. All relevant ethical procedures were followed throughout the research process. Therefore, in terms of procedures for protecting confidentiality, participants were advised how the data they provided would be used and accessed, including how confidentiality would be maintained. The researcher did not include direct identifiers such as names, addresses, and telephone numbers. In many textual versions of data, pseudonyms for names and organisations have been used. Furthermore, the researcher was responsible for securing the environment in which confidential information is kept. Computerised data was stored in a password-protected file, and this password was changed from time to time.

**Findings and Discussion**

Emergent themes concerning the role and contribution of each networking tie for female entrepreneurs' ventures are presented in Table 2. The findings suggest three major themes - family, friends, and professional ties - and a group of 11 related sub-themes.
Table 2: Themes Derived from Research Participants' Narratives

<table>
<thead>
<tr>
<th>Major Themes</th>
<th>Sub Themes</th>
</tr>
</thead>
<tbody>
<tr>
<td>The role of the family</td>
<td>Providing functional support Being available and providing emotional support Acting as financiers Family assistance in attracting customers An entrepreneur can test out the business idea with family</td>
</tr>
<tr>
<td>The role of friends</td>
<td>Friends knowing the real you and providing emotional support Friends as entrepreneurs to learn from Friend as experts</td>
</tr>
<tr>
<td>The role of professional contacts</td>
<td>Provide resources Professional ties as role models which encourage learning Professional ties acting as bridges</td>
</tr>
</tbody>
</table>

The Role of the Family

Female entrepreneurs' closest family is their spouses, parents, siblings and children. Therefore, the role of the family, in terms of Sri Lankan female entrepreneurs' use of family and the importance of family as a network is emphasised throughout their narratives. This section will present the different contributions of family ties to the entrepreneurial venture. Eight themes were identified relating to the roles and contributions of family ties.

Providing Functional Support

Being a woman and a business owner also brings many responsibilities, with many tasks to manage and many broad and diverse duties critical for starting and managing a successful business. In this scenario, some researchers note that family members are always available to give functional support, helping to reduce the volume of work and the entrepreneur's responsibilities (Kirkwood, 2012). For example, regarding how the business functions in participant B's restaurant and guest house, their daily functions depend entirely on her children. As she explained:

> My daughters used to do the cooking, cleaning and waiting on tables. We functioned as a family business. Then we hired a chef, but it was still family who helped him.
> My son used to do the airport pick-ups and drops.

According to B's story, female entrepreneurs appreciate family members' support and encourage their engagement in the business. Family members can significantly impact the business. The issue is no longer about gender; it is more about having a suitable and qualified person with the right skills for a particular position. Family
members may join in at the start-up phase of a business without a clear idea of their role once it is ongoing. This was confirmed in the fieldwork:

*I spent the whole day at D's guest house, watching her and her family members manage the guesthouse and restaurant together. I saw her husband come and help her with her work. Except for the cook, all her employees are family members. In addition, two of her younger sisters-in-law, her father and two other relatives also work there (Field notes).*

Vadnjaland and Vadnjal (2013) argue that the family is vital as they provide help in both business and supporting activities, such as help with domestic chores (childcare, cooking). Almost 85% of the women receive some assistance from their extended family in terms of childcare and activities connected with housework, as well as the sorts of tasks that they are unable to delegate to employees, such as temporary help regarding sickness, homework, cooking (Vadnjal & Vadnjal, 2013). In M’s story, it is understood that close-knit relationships between family members play a vital role in making life easier for female business owners by providing trusting relationships:

*If I need to go somewhere, I leave my baby at my sister's place, and she even cooks my food sometimes.*

The above example shows that entrepreneurs' family members always provide supporting activities. Moreover, the family represents trust and reliability so that the woman entrepreneurs can delegate responsibility without a doubt.

In some cases, in this study, the women could not start the business without the husband’s support. However, most female entrepreneurs in this study revealed that they lacked functional support from their partners. Participant "E" described her experience regarding the lack of support given to her by her husband:

*My husband did not support me with looking after the children, even when they were very young. He always read newspapers and was involved in politics. Then all the responsibilities fell on me.*

In Sri Lanka, women are typically responsible for cooking, child-rearing and taking care of the housework. However, men are considered family breadwinners, and society appreciates their role. Therefore, a woman needs to combine business and traditional domestic activities. Similar findings were found in the literature, as only very few husbands involve in domestic activities in patriarchal societies, and their contribution is still little (Garcia & Welter, 2011).
**Being Available and Providing Emotional Support**

The analysis shows that the family is the essential institution for women entrepreneurs. The family always acts as an emotional companion to the female entrepreneur, and the family's availability at any time is an integral part of these women's business (Essers et al., 2013). Researchers have found a positive relationship between emotional support from family members and entrepreneurial success (Powell & Eddleston, 2013). Furthermore, family members' attitudes influence the construct of the entrepreneurial identity (Essers et al., 2013). This essence was extracted from H's account:

*My father is the one who has helped me since the day I began this business. Our family is proud of me and my current status, and they don't underestimate me because I run a business. I remember my relatives laughing at me in the beginning. They scoffed [at me] because I quit my job to run a business even though I had a degree and job. However, my family is always with me.*

The above fragment illustrates that a family plays a critical role in developing women's entrepreneurial characteristics such as initiative and independence, which are considered as male characteristics. H's case further exemplifies how family ties work not only in resource-sharing and making an entrepreneur have a positive attitude but also by being available when the entrepreneur needs them.

**Acting as Financiers**

Access to finance is a significant problem faced by female entrepreneurs in any country, but there is difference based on the socio-cultural context in a particular society. The majority in this study claimed that the family is the major financing source for their ventures. For N, who graduated with a degree in commerce, raising finance for business and financial management issues must have been a familiar subject. Therefore, she was completely aware that she could not access a bank loan due to her lack of collateral at the start-up level. "N" recalls:

*I built a small agency in the corner of my land and borrowed the money from my mother. I also had some savings, and one of my brothers supported me. So, I know it is not easy for me to go for a bank loan at the start-up level.*

On the one hand, the above fragment expresses the difficulties female entrepreneurs face when trying to obtain credit to start their businesses. A majority cannot even meet the banks' collateral requirements to secure a loan. On the other hand, it reveals that there is likelihood of receiving a loan from a family member or a close relative, which can compensate for the low level of social capital prevailing in that area. This finding is consistent with Fukuyama's (1995) assertion that areas with
low social capital are often characterised by a more powerful reliance on transactions within narrow subgroups, such as families and friends.

Family Assistance in Attracting Customers

Some scholars have found that the family impacts a business in different ways, such as providing sources of finance and human resources, as well as bringing customers (Trevinyo-Rodrıguez & Bontis, 2010). Small businesses typically have a limited marketing budget, if at all. However, their family members can add value to potential customers (Trevinyo-Rodrıguez & Bontis, 2010). In this study, several cases were found where a family member had brought customers to the female entrepreneur's venture.

Participant "A" explained how her family members promoted her customer base:

Many Swiss customers come through my daughter, son-in-law and grandsons. In addition, my youngest daughter’s husband works in an Italian hotel, and there have been Italian guests he sent.

Participant "O" highlighted her siblings' critical role in bringing customers. They are actively involved in informal social interactions with tourists, which helps maintain healthy personal relationships. In addition, they recommend their sister's business place to their customers through these connections. She relates:

My brother's guest house is close by. If any of his customers enquire about a place to buy clothes, he directs them to me.

According to the above examples, family members can act as bridges between the entrepreneur and unconnected people (Klapper, 2008). In both cases above, the entrepreneur's family plays a vital role to bring potential customers by connecting unknown parties.

An Entrepreneur Can Test Business Ideas with Family

The family is the most trusted institution where the entrepreneur can share and test entrepreneurial ideas without a doubt, as family members do not take any undue advantage (Klapper, 2008). Furthermore, the entrepreneur can get honest feedback, constructive criticism, and new suggestions from family members (Klapper, 2008).

In the story of F, she believed that a clear concept of the food to be served is the first thing to consider when running a restaurant. Therefore, she needed to form an idea of how the menu could best reflect her chosen food concept and made arrangements to test her menu first on her family for feedback. " F recalls:
I was afraid when we started the restaurant, wondering if the people would eat our food. I would initially make a sandwich or juice and let the family try it. Then I would serve the customers. Even when we hired a chef for the first time, the first meal was served to my family and relatives because I knew they would not lie to me.

In addition, F stated that the first thing she does is ask her family what they think of her business ideas. She knows that her family will give genuine feedback and that some will be more critical than they would with others because people are so attached to their families.

In line with the social network approach, collaboration with strong ties like family provides the person with a more substantial relationship (Seaman & McQuaid, 2021; Powell & Eddleston, 2013). These strong ties exhibit critical qualities between the network actors of the relationship, such as frequent interaction, extended history, intimacy and sharing, reciprocity in exchanges that allow for mutual confiding, and trust-based interactions (Trevinyo-Rodrıguez & Bontis, 2010; Powell & Eddleston, 2013). In addition, strong ties enable the flow of more affluent, detailed, and important information and knowledge resources between individuals and their respective groups (Mand, 2006). Moreover, the relational dimension of networking can be linked to Sarasvathy's effectuation theory. According to Sarasvathy (2008), the entrepreneur can do a self-assessment by asking the questions: "Who am I? What do I know? and Who do I know?" This third question is related to the entrepreneur's content of the social capital. The researcher identified networking practices that originated from the effectual logic. As a result, the women in this study have started their businesses with immense family support (whom they already know). They had not waited for the perfect opportunity; they had started taking action based on what was already available to them: who you are, what you know and who you know. This idea differentiates entrepreneurship not only as a simple activity of making ends meet but also as improving one's life. This implication may be used to analyse entrepreneurship in broader categories, depending on the context of the phenomenon studied. The approach to understanding entrepreneurship using this idea (entrepreneurship as a simple activity) is presented in the study.

The Role of Friends

Researchers emphasise that the primary network includes the spouse, parents, relatives and friends (Seaman & McQuaid, 2021; Premaratne, 2001). This kind of network is dominant in entrepreneurial social relations (Granovetter, 1983) from the entrepreneur's birth (families) and since their childhood or early working life (friends). On the other hand, some researchers stress that friends belong to secondary
networks (Premaratne, 2001). The relationships with these friends are usually unplanned and are due to spontaneous business activities or because they have similar interests. Many researchers have neglected the importance of friendship ties, specifically in South Asian countries, because people believe kinship is more critical than friendship (Mand, 2006). However, this study's analysis of the various contributions of friendship ties has shown that two types of friends (strong and weak) are involved in different entrepreneurial ventures.

**Friends Knowing the Real You and Providing Emotional Support**

Human beings depend on support from others in various ways. In the case of research participants, some people have offered emotional support, enhancing and fostering the self-esteem of these entrepreneurs. Emotional support is rooted in genuine relationships.

Participant "N" described the importance of friendships ties, particularly when the entrepreneur doubts where and how to go with her business.

*My friend Sujatha is only the person who believed in my entrepreneurial spirit.*

"N" went on to describe the relationship with her close friend (Sujatha): *"My friend knows who I am and she is available anytime"*. When asked more probing questions about the friends' availability, she explained, *"it is about availability of any time to listen, advise, criticise, so on"*.

In cases characterised by solid friendship ties such as this, the women emphasised that the development of the business idea was significantly rooted in their friendships.

**Friends as Entrepreneurs to Learn from**

There are very few stories in this study, such as those of "C", "N" and "B", where the women have good friends as entrepreneurs to learn from them. Nevertheless, these friends can share their significant entrepreneurial experiences. For example, "N", who runs a wedding reception hall and guest house, learned a lot of business ethics and strategies from a childhood friend:

*My friend is well experienced in business; I know him because we have been friends since school. According to him, failure is not bad as it paves a new direction, and you can learn how to do it better. So I learned many things from watching him.*

"N" further explains:

*I learnt many business tricks from him. He is somebody with whom I can share my ideas freely as I know that he will not take any advantage of me*
In this example, friends have a shared interest as they are both in business, and they communicate comfortably with each other. According to the respondents, having entrepreneurial connections with friends gives the female business owners a feeling of interpersonal trust. Interestingly, the overriding notion is that friends with strong ties provide support for the venture without expectations of any mutual benefit.

This relational dimension is closely related to the community of practice theory. Lave and Wenger (1991) argue that "A community of practice is not defined merely by who knows who, or who talks with who in a network of interpersonal relations" (p 23); it focuses on actual particular relational aspects such as friendship, which influences behaviour. In line with the community of practice theory, the respondents indicated they did not carefully evaluate a relationship's potential benefits, but just joined the group to learn something. Often, they were committed to certain relations because of their future potential, non-redundancy and emerging opportunities they may bring.

**Friends as Experts**

Friendship ties will bring benefits to your business by providing expert knowledge. "I shared my business ideas with one of my friends who worked in the hotel because I wanted to get true feedback." recalls "F", who owns a small hotel in Galle. One of F's friends has a background in tourism, and she works for a famous hotel in Sri Lanka. As "F" explained:

_Though I had an idea when I started, I did not know this industry. However, I had a friend who worked in a famous hotel and when I told her about my idea she said she would help me. She taught me how to arrange tables and serve food. I didn’t even know about food prices, and she created a menu for me. She even told me about the spices and the types of sauce used at her hotel and taught me to cook Western food. The assistance I received from her was precious to me. Since then, it has been 17 years now._

From the above quote, three important points emerge. First, this friendship provides support such as knowledge about the business process, expert advice and knowledge of the flow of business operations. Second, when these women set up any business, they think about a familiar person, such as a friend, who has a background in the field and can be personally trusted, as they would have to rely on these people. Third, according to the respondents' opinions and experiences, using friendship ties is about trust without any contract; sometimes, they can ask for business support straightforwardly. These findings are consistent with the literature as scholars have revealed that friendship ties act as bridges and consist of people willing to give advice and knowledge (Klapper, 2008).
The researcher also identified that networking activities have manifested as an effectual decision-making logic (Read & Sarasvathy, 2005). For example, respondents could intuitively sense the fit of certain friends among their contacts for different benefits without having a particular task or role in mind, which may relate to the under-specification of goals and hierarchies (Mand, 2006). Selecting this person for a relationship was based on the potential partner's known personal characteristics and prior experience and expertise (D’Hont et al., 2016). So it was still based on some pre-existing knowledge about them. However, it was a non-goal-driven choice, which may seem paradoxical but reflects the effectuation nature of networking.

**The Roles of Professional Contacts**

Professional networks comprise governmental agencies, banks, NGOs, other private supporting organisations, former employers, customers, and suppliers. Entrepreneurs, who have established their businesses as their primary economic activity, typically plan to network with these organisations, especially in getting financial aid, information, and training (Hardwick, 2011). Networks with the people in these agencies are bound to various formal commitments with those institutions (e.g., loans). Five themes were identified related to the roles of professional ties for female-owned businesses.

**Professional Contacts as Role Models Who Encourage Learning**

The analysis of the female entrepreneurs' stories shows that only 3 out of 15 interviewees believed that professional ties act as role models to encourage learning. In N's story, the business idea was first conceived during her time at University. One of Sri Lanka's very successful female entrepreneurs (Otara Gunewardene) is N’s role model, and she wants to emulate Otara. As a female entrepreneur, N has looked at other women who have followed their dreams and achieved success, believing that she, too, can succeed. According to participant N:

*At university, I must also mention that the owner of ODEL, Ms Otara Gunewardene, gave a guest lecture. She was stylish and pleasant, and the way she spoke was very nice. She had also begun her business in a small way, and when I heard that, at that very moment, I decided that I would be like her someday.*

The above quote reveals that choosing entrepreneurship as her career option is a role model's inspiration. Moreover, role models can provide further support in different capacities when a new business is launched.
Hite and Hesterly (2001) suggested that networks developed in particular previous career experiences or relationships with former employers would be helpful to new ventures. The analysis of the professional ties identified some entrepreneurial stories (N and K) where a former employer had acted as a role model. As K explained: 

*I did not enjoy that job [a previous employment]; however, I learned a lot about the garment industry and a lot from my boss.*

According to K's account, she had learned a lot from her former employer. When asked what she had learnt from her former employer, she continued: *Yes, I can give examples such as punctuality, working in a crisis and leadership qualities, etc.*

In the above cases, the female entrepreneurs had been fortunate to have had a good role model contributing significantly to their businesses. Therefore, the study findings have complied with the literature as it is considered that role models might considerably influence women's career decisions (Bosma et al., 2012; Laviolette et al., 2012).

**Professional Contacts Acting as Bridges**

As explained in a previous findings section, where it was argued that friendship ties link the entrepreneur with unknown people who possibly will support an inexperienced venture, a close examination of the different stories confirms that professional ties act as bridges to bring new contacts to the business. "D" related her experience concerning how government agencies supported her in contacting suppliers.

*I have no experience in business and no knowledge about suppliers. So, one day a staff member from the Chamber of Commerce came to my business place and told me where I could get the right materials and good prices.*

From her comment, it is clear that the Chamber of Commerce played a significant role by showing the right path to D. She was only given the information needed to contact essential suppliers. Thus, the Chamber of Commerce had played a role in connecting the entrepreneur with unknown, possibly valuable parties for the business.

In N's story, a designer had acted as a bridge connecting "N" and talented workers by putting her in contact with the right people. As she explains:

*I had a connection from the time I worked in the factory, and she was a designer, and later we became good friends. So, I got two talented girls through her. But, unfortunately, she gave me only their contact details.*

Here, "N" emphasised that her friend, a designer, only gave her the name and contact numbers of the relevant parties. Fortunately, those parties who were interested
in her business had later become her trusted employees. Thus, a further idea emerges from N’s story because her relationship with her designer is a rich illustration of how professional ties develop networks of a multiplex nature.

**Professional Contacts as Facilitators**

The government and other organisations that support entrepreneurial ventures can spur economic growth and support the small business sector. Thus, institutions play a supportive role in developing entrepreneurs as facilitators and experts. Some of the interviewees were appreciative of the support they have received. This is evident from E’s story:

*The Tsunami caused extensive damage, and it was after that that we built this building. In that, the government and an NGO assisted me financially.*

In most cases, female entrepreneurs are not self-sufficient and do not have the proper technical and management skills, which badly affects the efficiency of the business (Coleman, 2007). Furthermore, according to Breiger (2004), some female entrepreneurs rarely use external consultants for different purposes such as managing the workload, cost reduction, and technical support. Thus, professional organisations provide their expertise to entrepreneurs when they need it. Participant G explained her experience,

*We have outsourced our website, and they receive 15% for bookings made through it as commission. So this is a kind of service based on payment, not support.*

In this example, G rejects the idea of support, and says it was a service provided by somebody for a fee. However, Foss (2010) states that professional sources, including bankers, are used for specific purposes such as funding, contracting and accounting. Again, in line with the social network approach to tie strength, in many cases in the study, weak ties have a unique role in a women's opportunity for business development (Ummah et al., 2019); there is a structural tendency for those to whom one is only weakly tied to have better access to rich information one does not already have (Klapper, 2008; Surangi, 2018). Furthermore, the respondents revealed that weak ties, including those with professionals, are crucial whenever information is diffused through social interactions because these ties provide bridges between closely-knit clusters of social structures.

**Conclusion and Future Research Agenda**

The structural dimension is dominant in the social capital literature, yet significantly few studies have examined the relational side. Therefore, this study explored, among other dimensions, the relational side of social capital, thereby
focusing on the content and quality of the relationships. Thus, this study contributes to the current knowledge on the area of social capital of female entrepreneurs through an in-depth investigation of the different roles of the family, friendship, and professional ties in female entrepreneurs' businesses.

In the study, family members have been an essential part of the women's business, taking on significant productive and domestic roles. It was very apparent that the female entrepreneurs' families would clean the house, look after the children, and cook when they worked. Therefore, the family is the most important institution in Sri Lankan culture. Sri Lanka is regarded as collectivist culture as people have a strong bond with their families and relatives. In such a culture, family plays a vital role in entrepreneurs' businesses (Karunarathne & Lee, 2019; Sahira & Surangi, 2022). However, while most researchers focus on the strength of family ties, they neglect the importance of friendship ties (D'hont et al., 2016). This study revealed that some friends play a multidimensional role as friends have multiplex functions as entrepreneurs or experts, or a combination of all. Entrepreneurs can, in some ways, plan their relationships with professional networks. However, it is unlikely that professional ties will provide emotional support, love, care, and affection more than family and friendship ties. As discussed in the findings section, the most crucial difference between the ties is that the entrepreneur has to pay for their services. Therefore, the involvement of professional ties is very occasional.

In line with Community of Practice Theory, the findings reveal that women do not develop their learning individually and cognitively but predominantly through participation and interaction within their social context (Lave & Wenger, 1991). In addition, this research has revealed that Sarasvathy's Effectuation Theory can be applied to the Sri Lankan context, as the findings suggest the notion of survivalist entrepreneurship regarding the future. The survivalist theory of entrepreneurship focuses, as does Sarasvathy's Effectuation theory, on entrepreneurs using the resources they have at hand (Read & Sarasvathy, 2005). They are not generally interested in growth but simply in earning enough to survive. Strong ties are more important at the business's start-up level than formal networks in line with the social network approach to tie strength (Granovetter, 1983; Surangi, 2018).

Another contribution to the literature takes the form of describing the family as an entrepreneurial team. The entrepreneur has been defined as a heroic individual with unique characteristics (Renzulli et al., 2000). However, it has also been found previously that entrepreneurship results from collective action (Hytti, 2005). Businesses are run with the help of different network actors, which are often linked
by family ties (Kirkwood, 2012). The family creates and develop social capital through trust, reciprocity, mutual obligations and dependence (Granovetter, 1983). The women in this study introduced themselves as entrepreneurs, and their entrepreneurial identity exists with other identities such as mother and wife; further, this mix of identities are supported by family. In the traditional approach, entrepreneurs have been labelled as first and foremost entrepreneurs; there has been little scope for them to negotiate different identities in their everyday life (Foss, 2010). In this study, women negotiate their identities with other actors rearranging these written components to provide clear, contextual accounts of their actions. Therefore, this study supports the notion of reducing the predisposition in studies of entrepreneurs to emphasise the inherent, individual quality of the entrepreneurial essence.

As this study has shown, the women's main source of financial and other support is provided by family, friends and other informal sources, which are social networks. However, it was also found that several supporting organizations facilitate the small business sector and women-owned businesses in Sri Lanka. The findings indicate that formal financial institutions are less accessible to female entrepreneurs. Most of the women in this study did not turn to financial institutions. Instead, some professional organisations had acted facilitators. Thus, the policies and financial institutions of the government should be adjusted to help female business owners. This could be through access to information. The study's findings send a clear message to entrepreneurs and policymakers, and support organizations. Over the past twenty years, women-owned business development has been the main area of donor support for developing economies (D'Exelle & Holvoet, 2011). This traditional support system has focused on providing software (training and consulting) and hardware support (loans) for women (D'Exelle & Holvoet, 2011). However, they should focus their consideration and programmes on providing increased resources and more facilities to develop networks. Networking is, therefore, one of the answers, even though it is not a magical solution, because, through established network relationships, businesses can gain access to external resources, encouragement and influence.

There are several limitations of this study. First, the study mainly depended on the responses of a single party. A second party such as a spouse or children would have provided more comprehensive information. Finally, this study collected data at a single point in time. Hence, future researchers can use longitudinal studies to deepen the understanding of female networking behaviour and ascertain if, and how differences exist in the female entrepreneurs' ways of using various relationships over time.
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