Involvement of Women in Decision Making in South Africa:

A Family Business Dimension

Celenhle T. Dlamini

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ABSTRACT

Very little information seems to exist on the role of women in South African family owned businesses. Women in family businesses need to be recognized in order to highlight the constraints they may be facing and their contributions to the economy. The purpose of the study is to determine how human and social capital variables can empower women in family businesses to enhance their success or address their challenges. This research study follows a positivistic paradigm and a questionnaire was developed to assess the research objectives. The questionnaire was sent out to a sample of 200 females involved in family owned businesses from South Africa and 150 responses were received.

The findings revealed that at lower levels of education, females were the key decision makers for business expenditure, borrowing and investment decisions. With regards to experience inside and outside of the family business, decision making was shared between males and females with the exception of business expenditure decision making at 0-5 years experience inside the family business. Furthermore, decision making was generally shared between males and females for most of the social capital variables, with the exception of using or relying on partnerships where females did not play apparent decision making roles.

Practical recommendations from the findings for women in family owned businesses include shifting from operational to more strategic decision making; gaining experience outside of family owned business to strengthen decision making capabilities; which in turn, would empower them to tackle riskier elements of social capital, like relying on partnerships and conducting business on trust.

DECLARATION

I, Celenhle Thembayena Dlamini, declare that this research report is my own work except as indicated in the references and acknowledgements. It is submitted in partial fulfilment of the requirements for the degree of Master of Management specialising in Entrepreneurship and New Venture Creation in the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in this or any other university.

Celenhle T. Dlamini

Signed at …………………………………………………

On the …………………………….. day of ………………………… 2016

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CHAPTER 1: INTRODUCTION

1.1 Purpose of the study

Previous studies have revealed that women are expected to play certain roles, such as managing the household and child-rearing. Even though these roles are not clearly defined, women perceive numerous obstacles when attempting to assume roles beyond the domestic sphere. This study seeks to confirm that, regardless of the degree of women's direct participation in the family business, her strong commitment towards the business as well as other qualities can permeate the family relationship to the point of affecting the business performance by influencing the entrepreneur's motivation and business related decisions and thus may lead to increased chances of inclusion in senior management structures of the business.

1.2 Context of the study

The South African government currently does not have a reliable database pertaining to family businesses but estimates indicate that they are the predominant form of business, comprising about 80% of all South African businesses and 60% of the companies listed on the Johannesburg SecuritiesExchange (JSE) (Maas & Diedericks, 2007), and in today's stressful and high powered commercial environment, more and more entrepreneurs are turning to one or other form of family business as a means of projecting their ideas and products into the marketplace (Maas & Diedericks, 2007).

The average life span of a family business is 24 years which coincides with the number of years that the founder remains at the helm of the business (Lambrecht, 2005). Professionals who work with families in business need to understand what the complex dynamics that this ongoing multi-system negotiation entails. These dynamics include how family members talk about their work, which reveals differences in how family members such as spousal co-owners may perceive their situation (Hutcheson, 1999). Within the family business literature, the tendency is to consider the family as the system that impedes the functioning of the business. Much of that literature is based on case studies of family businesses with extensive problems/dysfunction, and the family is viewed as needing to be managed. Further to this, the role of the women within the business system is often characterised as "invisible". Previous research indicates that they are rarely considered serious contenders for succession (Dumas, 1989).

This research investigated the role of the woman within this complex environment, and furthermore sought to investigate the various roles of women at the individual, business and family interfaces, and to establish factors related to her being a strong contender for participating in senior decision making structures using the human and social capital variables of education, knowledge and networks.

1.3 Problem statement

1.3.1 *Main problem*

Very little information seems to exist on the role of woman in South African family owned businesses. Women in family businesses need to be recognized in order to highlight the constraints they may be facing and their contributions to the economy. The purpose of the study was to determine how human and social capital variables can empower women in family businesses to enhance their success or address their challenges.

1.3.2 *Research Questions and Hypotheses*

The research questions were as follows;

Research question 1: What is the role of women in the family business?

Research question 2: Will the human capital variables (education and knowledge) play a role in the inclusion of the women in senior decision making structures in the family business?

Research question 3: Does having the social capital variable (networks) play a role in the inclusion of the woman in senior decision making structures in the family business?

1.4 Significance of the study

Family businesses are an important segment of the global economy, where they contribute towards more than 75% of the gross domestic product (GDP) in most countries and employ more than 85% of the working population around the world (Poza, 2007). In the World Competitiveness Report 2000 produced by the Lausanne Management Centre, 80% of the enterprises around the world are more or less considered family enterprises (Lee & Li, 2009). In the USA, family enterprises contribute half of the job opportunities. In Germany, family enterprises create 66% of GDP and account for 75% of the total national employment. In Great Britain, the number of employees in family enterprise is 50% of the country‘s workforce. Family enterprises contribute a lot to GDP of Southeast Asian nations and the region, with Korea reaching 48.2%, Taiwan 61.6% and Malaysia 67.2% (Lee & Li, 2009).

A growing number of women are entering family businesses today and a strong belief exists that these women confront difficulties in the family business just because they are women (Danes & Olson, 2003). This is particularly unfortunate because, hypothetically, women could own about a third of all family businesses since by some estimates 90-95% of all businesses in the United States are family controlled (Vera & Dean, 2005). According to mid-2011 estimates from Statistics South Africa in July 2011, black women make up 41% (approximately 20 734 237 million of the total population), and a total of 79% of the female population in South Africa (Stats SA, 2011a). Yet little is known about their involvement in family owned businesses.

Considerable research has been done on family businesses in South Africa and in particular, Indian women that also show that Indian women felt they had more influence in their business role with a ranking of 53% and their family role received a ranking of 47% (Hoosen, 2007). With such figures from the Indian community, it was interesting to investigate how women fare within her environment and to gain a better understanding of the various role-plays of women employed in a family business and the negotiation of these roles between business and family as well as to understand factors affecting her rise to the top of the business.

1.5 Delimitations of the study

The research focused on the aspect of the role and characteristics of women in family owned businesses, and how human capital and social capital factors such as education, knowledge, social exchange, trust and work experience and having strong network ties.increased her chances of participating in the top structures of the family business. The research did not focus on self efficacy

1.6 Definition of terms

Family Business: There are numerous definitions for a family business. A family business is any business where the majority ownership is controlled by the family and two or more family members are employed and actively participate in management of the firm (Vera & Dean, 2005). According to the definition of the Expert Group on Family Business established by the European Commission, a family business is a firm of any size where the majority of votes are held by the person(s) who established the firm, by the person(s) who has/have acquired the share capital of the firm or are in the possession of their spouses, parents, child or child's direct heirs. In addition, at least one representative of the family or kin is involved in the management or governance of the firm. Listed companies meet the definition of a family enterprise if the person who established or acquired the firm (share capital) or their families or descendants possess 25 per cent of the voting rights (European Commission, 2009).

Female Entrepreneur: is the "female head of a business who takes the initiative of launching a new venture, accepting the associated risks, the financial, administrative and social responsibilities, and effectively in charge of the day to day activities of the business" (Rutashobya & Nchimbi, 1999).

Women-Owned Business: is defined as one which is at least 51% owned by one or more women or in the case of any publicly-owned business, at least 51% of the stock of which is owned by one or more women (McClelland, Swail, Bell & Ibbotson, 2005)

Micro Enterprises: For the purposes of this research, a micro enterprise is one that employs four or fewer people

Small and Medium Enterprises: For the purposes of this research, a small enterprise is one that employs five to fifty people and a medium sized business as one that employs fifty one to two hundred people.

1.7 Assumptions

The following assumptions are based on the research study:

- Respondents - it is assumed that all respondents play an active role in their respective family owned businesses.
- Research instrument - it is assumed that not all respondents might have access to complete the research instrument electronically; hence a paper version of the questionnaire was also distributed to increase response rates.
- Time and costs - it is assumed that there would be time and cost constraints to finalise the research results.

CHAPTER 2:LITERATURE REVIEW

2.1. Introduction

The literature review provides theory relevant to the involvement of women as decision makers in family owned businesses. It provides a foundation on which the following chapters can expand in order to gain further insight into the fields of family businesses, decision making, human capital and social capital. Figure 1 illustrates the conceptual framework that will be explored, researched and analysed in order to derive outcomes and conclusions in this study.

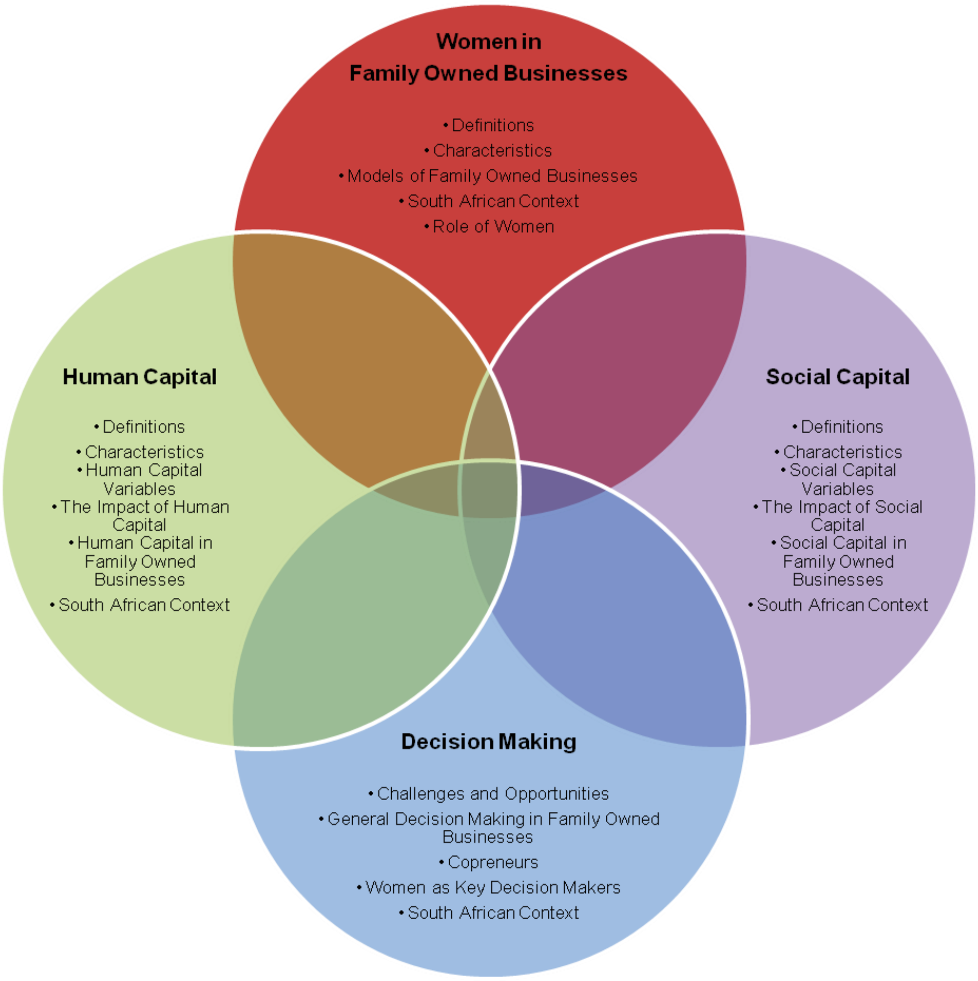

Figure 1: Overview of Conceptual Framework

The literature review investigates the following concepts:

- Definitions of family businesses, human capital and social capital.
- Characteristics of family businesses, human capital and social capital
- The role of women as decision makers in family owned businesses
- The impact of human capital and social capital
- Human capital and social capital in family businesses
- The South African context

The following sections explore the conceptual framework presented in figure 1 and the key elements identified from the literature review were used to formalise the research hypotheses.

2.2. Definition of Topic or Background Discussion

2.2.1 *Women in Family Owned Businesses*

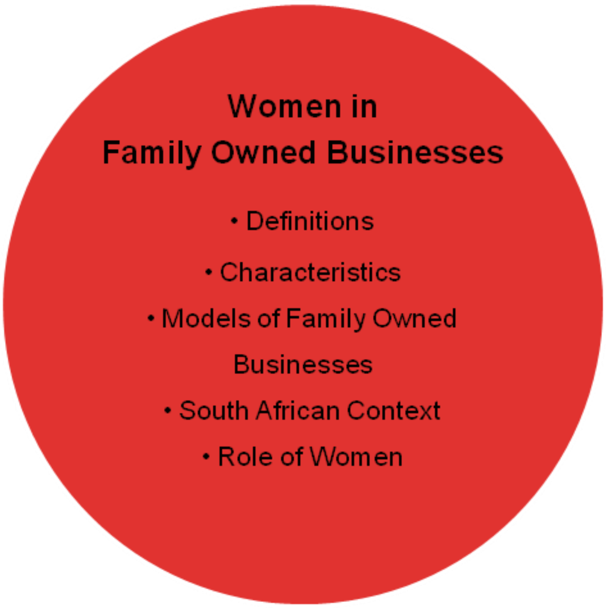

Figure 2: Women in Family Owned Businesses Framework

The concepts presented in figure 2 are discussed in the following sections.

2.2.1.1 Definitions

There are numerous definitions for a family business. A family business is any business where the majority ownership is controlled by the family and two or more family members are employed and actively participate in management of the firm (Vera & Dean, 2005). According to the definition of the Expert Group on Family Business established by the European Commission, a family business is a firm of any size where the majority of votes are held by the person(s) who established the firm, by the person(s) who has/have acquired the share capital of the firm or are in the possession of their spouses, parents, child or child's direct heirs. In addition, at least one representative of the family or kin is involved in the management or governance of the firm. Listed companies meet the definition of a family enterprise if the person who established or acquired the firm (share capital) or their families or descendants possess 25 percent of the voting rights (European Commission, 2009).

According to Chrisman, Chua and Sharma in De Massis, Chua and Chrisman (2008, p. 188), a family business is defined as "a business governed and/or managed with the intention to shape and pursue the vision of the business held by a dominant coalition controlled by members of the same family or a small number of families in a manner that is potentially sustainable across generations of the family or families."

2.2.1.2 Characteristics

A key aspect of the family business dynamic is the culture and ethos of the family business. Davis (1982) also suggested that family businesses have high intentionality in terms of their level of perseverance and commitment to see the business succeed. Denison, Lief and Ward (2004) say that the founder of the business plays a dominant role in the entrepreneurial and successive periods of the business. As a result, the personal values and motivation of the owner are powerful determinants of the business's overall culture. Denison, et al. (2004, p.

63) further state that: “This cultural uniqueness, if understood and nurtured, can be one of a corporation’s greatest advantages”.

Allio (2004) explores various criteria that contribute to the success of the family business. These are:

- Focus: successful family businesses are usually exceptionally focused on their core business or markets
- Speed: family businesses are usually able to respond quickly when making decisions and responding to crises
- Deep pockets for growth: Family businesses have quick access to considerable financial resources
- Follow through: Family businesses often pride themselves in their ability to follow through as this becomes a question of both professionalism and family honour

Even though there are many advantages inherent in family businesses, there are also some disadvantages. Ward (1997) explains that family businesses know that family problems pose a real threat to their futures. Disparate goals and values are the most serious threats, followed by interpersonal sibling conflict. Wise family business leaders invest substantial energies to nurture and strengthen family member harmony, trust and satisfaction (Ward, 1997). Craig and Moores (2005) state that family businesses largely practice values-based management. Additionally Litz (1997) argues that family businesses often function in confusing and clandestine ways that are not evident in non-family businesses.

2.2.1.3 Family Business Models

Ibrahim and Ellis (2003) present the dual identity family business model, which builds on the foundation of the two system model presented by Tagiuri and Davis (1992). In the dual identity framework, an overlap exists between the family and the business system. The focus of the family system is to satisfy the social and emotional needs of the family, while the purpose of the business (system) is to create wealth for the family. This dual identity also illustrates the continuous sharing of resources (i.e. human, financial and social capital) between the two systems.

The dual identity is a source of the business's competitive advantage; it is also a source of various problems in the family business. Ibrahim and Ellis (2003) outline some of the problems experienced in a family business, which are caused by its dual identity as being:

- Rivalry between family members; for example, rivalry between founder and siblings;
- Differences in the power and status among family and non-family employees; and
- Emotional frustrations, particularly during the succession process, because family members are more emotionally involved in their family business, such businesses tend to operate on a higher emotional basis than public companies.

The dual identity, however, creates the following advantages in family businesses (Ibrahim & Ellis, 2003):

- A high level of employee commitment and motivation;
- Faster decision making; and
- A reduction in agency costs which leads to higher economic efficiency.

Stafford, Duncan, Dane and Winter (1999) present a sustainable family business model which illustrates that the sustainability of family businesses is a function of both family and business achievements. In addition, the model suggests that there are two important variables: resources and constraints, which should be taken into consideration in the study of family businesses. The definition of resources is presented by the model as follows: the human capital of its family members and employees, the relational capital between the various stakeholders and the assets of the firm (Stafford et al., 1999). Constraints, on the other hand, are defined by the model as the liabilities and debts of the business. According to Ibrahim and Ellis (2003), the major source of constraints is the dual identity system of ownership and management that exists in family businesses.

The development or life cycle of the business and its founder is the next family business model to be discussed, as illustrated below (Neubauer, 2003).

Start-up

This is the earliest stage in a family business. The founder is at the centre of the business and is solely responsible for energising and driving the business to success. The founder invests a great deal of time and resources in the business (Lewis-Enright, 2006). According to Swarts (1989), consulting to family firms in multidisciplinary teams promotes an understanding of family issues, business issues, and their ongoing interaction. It is for this reason that this stage is also referred to as the pioneering phase. The key challenges that the business faces during this stage are the following: issues regarding survival post its entry into the market, planning, financing and dealing with rational versus the irrational business objectives (Dickinson, 2000).

Expansion

At this stage, the growth potential of the business becomes more evident, as it establishes and develops a broad spectrum of activities. It is also at this stage that the business experiences an increased level of complexity in its organisational structure as it expands. Furthermore, the founder's managerial limitations may become more evident, as he/she is unable to cope with the complexities of growing the business (Swarts, 1989). It is for this reason that the founder often considers recruiting a professional manager to assist in the running of the business. Hence, the key challenges for the business during this stage are as follows: the evolution of the owner-manager's role, professionalism, the implementation of organisational systems and policies, and cash management (Dickinson, 2000).

Maturity

The business at this stage is characterised by a professional structure, a stable customer base, a modest growth or decline in its sales, increased competition, and established processes. Key challenges during this stage include achieving a sustainable growth in the business. It is for this reason that succession now becomes crucial, particularly for the successor and the fresh ideas that he/she brings into the business (Balshaw, 2003).

The second part of the model describes the different developmental phases that the founder or the incumbent (the current CEO) goes through. At the start-up stage of the business, the entrepreneur is highly energised and is driven by his/her personal vision for the business. However, over time, the founder's mental and physical mobility deteriorates, as does, their motivation for the business. As the business becomes increasingly complex, in terms of its organisational structure, the founder's limitations regarding managing the growth in the business becomes increasingly evident. According to Neubauer (2003), this may not present an immediate danger for the business during its expansion or maturity stages, as the business may have built up sufficient internal reserves to sustain the founder's limitations.

2.2.1.4 South African Context

According to Balshaw (2003), family business constitute approximately 80% of all businesses in South Africa. Other South African authors (Maas, van der Merwe & Venter, 2005; Venter & Boshoff, 2007) modestly estimate family business to constitute between 50% to 70% of all businesses. Additionally, families influence entrepreneurial activities through their values and aspirations. There are many instances where founders of family businesses have established and developed organisations for the purposes of creating enduring family legacies. An example in South Africa would be the Rupert family dynasty (Urban, van Vuuren & Barreira, 2008, p. 84). Entrepreneurship requires an understanding of how family resources can be exploited and how family involvement can affect the type of venture pursued and the performance of ventures started (Chrisman, Chua & Steier, 2002).

More than 75% of South African family business owners believe that being part of a family business helped them through the economic downturn. This was almost 10% higher than the global average, showing the core strength of local family-owned companies compared with their international counterparts. South African family businesses believe their resilience comes from being better placed to take a longer-term view than their listed counterparts. Additionally, they are under less pressure to deliver quarterly results and dividend expectations, and are fundamentally underpinned by the values of the founding family (PricewaterhouseCoopers, 2011).

Women comprise approximately 52% (25 708 000 million) of South Africa's population (Stats SA, 2011a). 79.5% of the total number of women in RSA are Black African. 21% of the total number of women reside in the Gauteng province, the second largest after Kwa-Zulu Natal province which has 21.6% total female residents. Of the 21% total Gauteng women residents, the majority (74.4%) are black African (Stats SA, 2011b).

2.2.1.5 Role of Women

Women today are challenging the stereotype and assumption that men are the best and most qualified candidates for taking over the family business. It is evident that more and more women are becoming successors to the family business. In an ideal world there would be no distinction between the roles of men and women in family businesses, however the unfortunate reality is that in too many cases gender can still end up defining who does what in a company. Traditionally, female family members have played a role behind the scenes. The mother, wife or daughter who occupies the position is often referred to as ‘chief emotional officer’, contributes more to the family – as confidante, protector of values and nurturer of successors – than to the business (Folker, Sorenson & Hoelscher, 2002).

Dumas (1989) similarly concluded that, in general, women do not plan a career in their family business, do not aspire to ownership, and see their work as a job rather than a career. In addition, some became interested because they saw the potential when the business began to grow; in the same study, it was found that some of the women came into the business to help the family in a time of crisis. Contrary to these limitations, Cole (1997) suggests that some women perceive their family business as a reservoir of great careers. When they work outside the family domain, they may face restrictions in the corporate environment no matter how talented they are.

In concurrence with this, it has also been reported that better positions, higher incomes and more flexibility in work schedules are available for females who work with family, as well as more latitude for personal concerns, which is particularly important for woman who must juggle home and work (Rowe & Hong, 2000).

In the discussion and research of women in family business the terms “visible” and “invisible” command much attention (Cole, 1997). Some literature explains this phenomenon by pointing out that the roles and rules of the family are integrated into the family business culture (Hollander & Bukowitz, 1990). The research conducted by Danes and Olson (2003) confirm the findings by Dumas (1998) that when family members work together, patterns of behaviour, values, beliefs and expectations are often transferred to the work environment of the family business.

The cultural tradition that places women and men in different social positions, with gender-based definitions of work and home responsibilities, plays a large part in keeping women invisible in a family business (Rowe & Hong, 2000). Lee, Danes and Shelley (2006) provide an apt definition for invisibility: it is a role created for a woman in which family members and others ignore the woman’s professional capabilities. According to Cole (1997), many women do feel invisible in the family business because they are not viewed by others in the same way as the male family members. Similarly, Salganicoff (1990b) blames women’s invisibility in family companies on two factors working together simultaneously: one is continuing stereotyping and discrimination that are a result of prejudices in society and are reflected and expressed within the family business system and the second factor is women's own limiting attitudes derived largely from the way they have been socialised.

In further research cited in Vera and Dean (2005), women tend to feel invisible (i.e. their professional capabilities are unrecognised) in relationship with customers, sales people and non-family members in the family business. They felt discriminated against or stereotyped, based on their gender. In concurring studies by Dumas (1998) and Danes, Haberman and McTavish (2005), of married couples working together, it was found that although wives are still invisible in leadership of the family business, they are fundamental to the day-to-day running of the business and family. In contrast, the study by Curimbaba (2002), mentions that women are openly accepted in their family companies and they succeed and play a key role in the business.

2.2.2 *Decision Making*

Figure 3: Decision Making Framework

The concepts presented in figure 3 are discussed in the following sections.

2.2.2.1 Challenges and Opportunities

In the study by Cromie and O' Sullivan (1999), it is argued that women in family firms who are family members, have considerable advantages over other women. The study interestingly also found that there were disadvantages as well. The principle detrimental effect of working in a family firm is the impact on personal relationships, especially the social life. The other two disadvantages mentioned in the same study, is that flexibility in a family firm allows women to combine career and child rearing duties, but several women in the study resented having to perform the child rearing role. The other disadvantage was that women felt that working in the family firm actually restricted their career growth and caused them to miss career opportunities. Other disadvantages mentioned were: restrictions on education, family nurturance, long hours and remaining loyal to a partner.

Along with the disadvantages come the advantages. The principle one being the sense of achievement and personal fulfilment which membership engenders (Cromie and O' Sullivan, 1999). Flexible time schedules and working roles allow women to pursue several goals. Other advantages included greater financial reward; enhancing management skills as well the possibility of receiving an inheritance was mentioned. Salganicoff (1990b) also provides job security as a good advantage for family women employed in the family business.

These advantages therefore comprise a mixture of intrinsic and extrinsic rewards, but the dominant ones are intrinsic. Thus, working in a family business, offers women freedom which is unavailable elsewhere and this, coupled with the greater opportunities which are available, allow women family members to achieve and find personal fulfilment. In a supporting study by Dumas (1998), family businesses also give women the opportunity to access traditionally male-dominated industries that would otherwise be closed to them, such as construction and manufacturing.

2.2.2.2 General Decision Making in Family Owned Businesses

The decision-making process in family businesses often focuses on conflict and agreement between parent and offspring or between siblings (Ward, 1987). In consulting to family businesses, the principles of fairness, mutual support and consideration are among the basic tenets that guide interventions with couples involved in a joint venture (Foley & Powell, 1997). In addition, the decision-making process in family businesses must address the overlap of the family and business systems that includes family relationship dynamics in the business decision-making process. In relation to the above, Danes and Olson (2003) affirm that the involvement of the wife can be measured by the labour she provides to the family business, but having decision-making authority is a higher order of involvement.

2.2.2.3 Copreneurs

Rowe and Hong (2000), in their study on wives in family business, also focused on the likelihood factors of a wife's participation in a family business. Their main conclusion was that wives are more likely to be involved when the business was bought, invested or started by the couple, than when the business was inherited or given.

To complement this, Maas and Diedericks (2007) have provided useful insight into husband-wife teams as the foundation and base of family businesses. Maas and Diedericks (2007) define the term copreneurs as a referral to a husband and wife who start up and run a business together. In the family group, copreneurs can focus their work activities in different ways, one of them being where, a couple may work in, and share ownership of one business, the two individuals concerned are copreneurs because they are both involved in the management of the business.

Therefore to clarify the characteristics of copreneurs:

- They share ownership of the same business
- They are both involved in management of the business
- They share responsibility for all activities in the business

2.2.2.4 Women as Key Decision Makers

Aronoff (1998) identified the growing involvement of women in family businesses as one of ten "mega-trends" changing the field today. Women now hold majority ownership (51 % or more) in one-quarter to one-third of all privately-held firms globally (National Women's Business Council, 2005, p. 3).

In South Africa, although women are 51.3% of the population and 45.1% of the employed population, they still constitute less than 10 % of CEOs and Chairs of Boards of listed entities and State Owned Enterprises. Currently, 15.8% of all South African directorships positions are held by women. The Business Womens Association (BWA) census, which is weighted toward companies listed on the Johannesburg Stock Exchange (JSE), shows that the total number of directorships – with several women sitting on many boards – has doubled from 574 to 1 127 between 2009 and 2011. Of this number, Black women constitute 46.6% (HR Future, 2012). In addition, Statistics South Africa (Stats SA) indicates that women are less likely to occupy managerial positions. However, education plays a significant role in increasing the chances of women filling these positions. Women with tertiary education are more likely to be in managerial occupations compared to women without tertiary education (Stats SA, 2011c).

Black women are the largest single self-employed segment of the population; a fact that is not reflected in the current industry targets for business activity (Witbooi & Ukpere, 2011). The Department of Trade and Industry states that at least 80% of economically active black SA women are self-employed, driven by lack of jobs and the resulting threat of poverty. Most women enterprises range from micro to SME, with a few having broken into the mainstream economy (Finscope, 2006).

In the United States, women-headed firms are increasing at twice the rate of all firms (Center for Women's Business Research, 2004). Women are being drawn to business ownership in unprecedented numbers for many of the same reasons that have attracted men for decades: the pursuit of greater career satisfaction, job security, autonomy, and wealth creation (Cole, 1997; Nelton, 1998).

2.2.2.5 South African Context

In South Africa, however there is still slow growth in the entrance of women into the business arena. The GEM reports that although female participation increased across all phases of entrepreneurial activity in 2010, men are still substantially more likely than women are to be involved in start-ups and new firms. What was particularly encouraging, however, is the significant increase in women owner/managed established businesses (Global Entrepreneurship Monitor, 2010).

Women in family business are a valuable, but mostly unrecognized and underutilized resource (Salganicoff, 1990a). Unfortunately, as most of these strengths are not highly visible, the role of women is still highly undervalued (Folker et al., 2002). As a consequence, women encounter barriers. Not only are they kept away from the business but they also have no access to ownership (Cappuyns, 2007).

Various studies have been conducted on women groups (e.g Indian women) and their importance within the family business unit, however, little information exists on women in South Africa and their role with these structures. In addition, with the majority of family operations having sprung up since the early 1990s, a new challenge is looming for them – how to rise to the top decision making level within the business.There are many reasons why women join family businesses; a study by Hollander and Bukowitz (1990) reveals reasons such as: wanting to help the family, filling a position that no other family member wanted or being dissatisfied with another job.

In a study by Danes and Olson (2003), women in family owned businesses have been given role labels such as mom, spouse, caretaker, sounding board, negotiator or bookkeeper to describe their involvement in the business. Women have to juggle their roles (Cole, 1997). In the USA, women are increasingly participating in family businesses. Currently, nearly 60 percent of all family owned businesses have women in top management positions, and 31.3 percent of family businesses surveyed indicate that the next successor is female (Mass Mutual American Family Business Survey, 2007). Furthermore 24% of family businesses are led by a female CEO or President. In comparison, only 2.5 % of non-family businesses in the Fortune 1000 are currently led by women (Fortune magazine, 2007).

In spite of 80% of all businesses in South Africa being family-owned, only about 30% are handed over successfully from the first generation to the second. The majority fail to continue beyond the first generation, with as few as 14% of family-owned businesses surviving into the third generation (FABASA, 2009). Family businesses boast of higher female presence on the Boards of Directors compared to non-family businesses. Not only are women making a tremendous impact on the board, in executive and non-executive roles, they are also making huge contributions as owners – to the governance, ownership and philanthropic activities that surround the family enterprise (Wales Online, 2010).

In family businesses, women have traditionally played many subtle roles: spouse, mother, mother-in-law and family leader. These roles are related to the family rather than to the business sphere, that have made women believe they were not suitable for leadership roles (Galiano & Vinturella, 1995). This situation has been changing in recent years and women are creating their own firms and joining their family businesses pursuing professional careers (Cole, 1997).

Women have traditionally been responsible for domestic issues and taking care of their family, so that a professional career took a second place for them, and even if they were directly involved in the family business, they did not receive any recognition for their contribution, in the shape of either a formal position in the company or a salary (Nelton, 1986) and, if they earned it, it used to be lower than men's (Rowe & Hong, 2000). Women normally take on roles as assistants, informal advisers, or mediators between the members of the family who formally run the company (Francis, 1999).

Even though there is extensive literature on the topic of succession, knowledge on how family businesses are passed down from one generation to the next is still vague and undefined. As a result, there is no theoretical framework or guideline for how the succession process should take place, or what the universal critical success attributes are (Desai J, 2008). A common feature of family businesses is the relevant involvement of controlling family members in both strategic and daily activities. Social interactions among family members, and between the family and nonfamily agents, are hence central in shaping family businesses' strategies over time (Salvato & Melin, 2008). Since family businesses' are seen as organisations characterized by socially intense interactions, the specificities of the strategies they develop may well rest in their underlying human and social capital.

2.2.3 *Human Capital*

Figure 4: Human Capital Framework

The concepts presented in figure 4 are discussed in the following sections.

2.2.3.1 Definitions

Several authors, including Cooper, Gimeno-Gascon and Woo (1994), Pennings, Lee and Van Witteloostuijn (1998), Van Praag (2003) as well as De Wit and Van Winden (1989), have put forth empirical support for the theoretical foundation of human capital. Unger, Rauch, Frese and Rosenbusch (2011) suggest that human capital theory was originally developed to estimate employees' income distribution from their investments in human capital.

Coleman (2007) defines human capital as: the education, and past experience of the entrepreneur in the business and finally, the life experience of the entrepreneurs in terms of their background that might help them to face the challenges of the business world. Borchert and Zellmer-Bruhn (2010) quote Becker (1964a), who defines human capital as the level of education and experience.

Kenworthy and McMullan (2010) argue that the two human capitals worth investing in, in the field of management, are experience and education. This is mostly because his theory has been investigated many times in the past by many scholars such as Mincer (1962), who studies the importance of job training (that is defined today as work experience in the private sector) and the level of education of the owner of the firm.

The knowledge of entrepreneurs seems to be an important element to define human capital. Gates and Langevin (2010) agree that human capital is related to the knowledge, competencies, experience and creativity of the entrepreneurs as well as their attitudes and motivation; while Borchert and Zellmer-Bruhn (2010) define human capital as the skill and knowledge of the entrepreneur that is relevant to successfully run his or her business. Morever, Barcala, Sanzo-Perez and Gutiérrez (1999) maintain that the most important components of human capital are the knowledge and training acquired by a person which augments their capabilities of performing activities of economic value. Table 1 establishes several more definitions of human capital from the literature:

Table 1: Definitions of human capital

Author(s)	**Definition**
Becker (1964b)	Knowledge, education, and experience lead to a wide range of positive outcomes
Schultz (1971)	Knowledge and skills obtained by people as capital in the process of vocational and technical education
Snell and Dean (1992)	Human capital investments constitute various practices such as recruiting and selecting knowledgeables, developing the necessary skills and knowledge of employees, frequently appraising employees performance, and encouraging employees to reinforce their innovative behaviours for operating the manufacturing systems
Stone (2008)	Human capital is the knowledge, skills and abilities of employees in an organisation

Wei and Ismail (2008)	The measure of an individual’s knowledge and experiences
Jin, Huixin and Ruizhan (2010)	Human capital is personified in dimensions of common knowledge of entrepreneurs, their personal abilities, personality characteristics and psychological factors
(Roca-Puig, Beltrán-Martín and Cipres (2012)	The collective knowledge, skills and abilities of, not only an entrepreneur, but any individual working in an organisation
Marvel (2013)	Human capital theory indicates that people possess varying skills, knowledge, and experience that have economic value

2.2.3.2 Characteristics

Arribas and Vila (2007) argue that the concept of human capital looks at some personal abilities that qualify someone as an entrepreneur before even considering his or her organisation, or the role he or she plays in it. Jardon and Martos (2012) study the process by which an organisation can achieve success or growth in its environment. To do this, they discuss intellectual capital and its three components; the human capital lies in people, structural capital lies within the organisation and relational capital lies in the relations between the organisation and its environment (Sveiby, 2001). Table 2 illustrates which human capital characteristics contribute to competitive advantage:

Table 2: Human capital sources for competitive advantage

Author(s)	**Finding**
Bontis, Keow and Richardson (2000)	The set of values, attitudes, aptitudes and capabilities, of a person that allow him to generate value for the company
Halim (2010)	The stock of knowledge owned by the firm and includes corporate culture, information technology and explicit knowledge
Welbourne and Pardo-del-Val (2008)	Developing, maintaining and nurturing high-quality relationships with organisations, people or groups that have an influence on the firm’s business

According to Jardon and Martos (2012), human capital appears to be the key component of intellectual capital because knowledge dwells in people. In contrast, Wang and Chang (2005) found that human capital indirectly affects performance through the other three elements of intellectual capital: innovation capital, process capital, and customer capital. Furthermore, human capital can be characterised by a combination of knowledge, education and work experience (Venter, Urban & Rwigema, 2008). Knowledge can be classified into tangible and intangible aspects. Tangible being the formal education an entrepreneur may receive and intangible being the work experience, or suitable advice from advisors and mentors. For an entrepreneur, it is important to have management, technical and financial knowledge, hence increasing the chances of success (Venter et al., 2008).

Barnir (2012) states that human capital is composed of specific human capital (industry and occupational background) and general human capital (education and employment breadth). Similarly, Marvel (2009) claims that general human capital is measured by formal education and experience breadth whilst specific human capital is measured by prior knowledge of markets, customer problems, way to serve markets and previous start-up experience. Carrera, Carmona and Gutierrez (2008) agree, by specifying that general human capital refers to the gaining of formal education and training, such as a university degree, college diploma or other qualification from a formal institution that is relatively manageable across firms. On the other hand, specific human capital reinforces an individual’s knowledge about the personal routines in the firm.

Huang (2003) declares that human capital should be separate into general, firm-specific and industry-specific categories, and illustrate that industry specific is as vital as the others in wage determination. Diochon, Menzies and Gasse (2008) declare that general human capital relates to skills and knowledge that are easily transferable across a variety of economic settings; specific human capital relates to skills and knowledge that are less transferable and have a narrower score of applicability (Gimeno, Folta, Cooper & Woo, 1997). In the same way, Franck, Nüesch and Pieper (2011) indicate that specific human capital portrays the skills, experiences and knowledge that are practical to an employer or industry, whereas general human capital refers to the common knowledge that a person gathers through education and past experience in another industry.

Borchert and Zellmer-Bruhn (2010) illustrate that there are two types of human capital: general and specific. According to the researchers: “The general human capital refers to general cognitive abilities meanwhile the specific human capital transforms general abilities into a reservoir of skills and knowledge applicable to future activities”. In their study, Ucbasaran, Westhead and Wright (2008) agree with them by specifying that the two kinds of human capital are: general human capital and specific human capital. In his study, Marvel (2013) claims that general and specific human capital are important to the task of explaining the mode of discovery. And finally, Amaral, Baptista and Lima (2011) also define two kinds of human capital; general human capital and specific human capital. Additionally, their study argues that the differences between general and specific human capital will have an impact on organisational performance.

Hatch and Dyer (2004) present human capital in a different form, in the sense of how it can give a firm a competitive advantage in the market. To do so, the entrepreneurs must focus on the specific human capital of the firm and transfer it to their employees and to obtain it, the employees must learn while they are doing. Hatch and Dyer (2004) find that those firms that perform better are those that acquire, develop and deploy specific human capital and continue to invest in learning and training.

Table 3 highlights additional characteristics of specific human capital:

Table 3: Characteristics of specific human capital

Author(s)	**Finding**
Preisendorfer and Voss (1990)	Specific human capital within an entrepreneur can be measured in terms of experience in the same activity of the start-up and previous experience as a business owner
Hitt, Bierman, Shimizu and Kochhar (2001)	Firm-specific human capital is a resource that is essential to knowledge creation through learning by doing that is not easily stolen by competitor firms
Hatch and Dyer (2004)	Investments in firm-specific human capital have a significant impact on learning and firm performance. More specifically, human capital selection (education requirements and screening), development through training, and deployment significantly improve learning by doing, which in turn improves performance

2.2.3.3 Human Capital Variables

Gimmon and Levie (2009) have collected 29 empirical studies relating to the human capital of the founders of the organisations and their ventures' performance. They found that researchers have employed a large spectrum of variables - all signifying human capital: formal education, training, employment experience, start-up experience, owner experience, parent's background, skills, knowledge, and others. From the factors, Gimmon and Levie (2009) note that the most relevant elements of human capital are the education and experience of the entrepreneur.

Kenworthy and McMullan (2010) suggest that human capital can be separated into the following three categories:

- Human Capital Theory: The theory envisages that both formal education and experience impact personal career performance.
- Human Capital Theory with Diminishing Returns: This theory is the same as human capital theory, except that when the investment in education and experience increase; the rate of return decreases;
- Increasing Human Experience Model: This variant is related to the model implicitly planned by Cooper, Gimeno-Gascon and Woo (1994), and according to Kenworthy and McMullan (2010), their articles have inspired human capital research in the field of entrepreneurship.

Similarly, Minniti, Bygrave and Autio (2005) suggest that there is a correlation between entrepreneurial activity and education, with high income countries displaying higher levels of formal education than poorer nations. Furthermore, it was found that within USA, UK and Australia, 57% of their entrepreneurs have post secondary education; whilst in many African countries, Mexico and Brazil, only 23% of their entrepreneurs have any post secondary education (Acs, Arenius, Hay & Minniti, 2004). Additionally, it has been suggested that there is a link between work experience and entrepreneurial success. Timmons (1999) argues that entrepreneurs need a solid foundation in traditional management skills in areas such as finance, marketing, sales and research and development.

Tran (2012) testifies that human capital of the entrepreneur has significant influence on personal performance in a new start up. Sanders and Nee (1996) quote other authors, such as Borjas (1990) who supports the thesis that the level of education influences the possibility of start-ups, while Nakhata (2007) concludes his research by saying that human capital of entrepreneurs has a positive impact with both objective and subjective career success. Findings from several studies eschewing the importance of education and experience as human capital variables are presented in table 4:

Table 4: Education and Experience as human capital variables

Author(s)	Finding
Segal, Borgia and Schoenfeld (2009)	Both the level of education and managerial performance are positively related to the performance of the industry
Timmons and Spinelli (2007)	Successful entrepreneurs are likely to have 8-10 years of substantial experience during which they acquire the 50,000 chunks of relevant experience
Amaral et al. (2011)	There is a positive relationship between general human capital (years of education and previous work experience) with the performance of the firm
Coleman (2007)	Human capital variables, including education and experience, had a positive impact on the profitability of women-owned firms, whereas measures of financial capital had a greater impact of the profitability of men-owned firms
Ucbasaran et al. (2008)	An entrepreneur’s “inputs” relating to their general (i.e. education and work experience) and entrepreneurship-specific human capital profile (i.e. business ownership experience, managerial capabilities, entrepreneurial capabilities and technical capabilities) are presumed to be related to entrepreneurial “outputs” in the form of business opportunity identification and pursuit
Lucas (1978)	Better educated personas are endowed with enhanced skills and abilities, and as a result, may have a higher probability of opting for entrepreneurship than the less educated
Carrasco (1999)	Unemployment raises the probability of entering self-employment, but also increases the hazard of leaving self-employment, especially into unemployment.

In their paper about the opportunity that the entrepreneur should identify and pursue to create more wealth for their enterprises, Ucbasaran et al. (2008) testify that those entrepreneurs who have a high level of human capital, meaning they are well-educated and have previous experience in the same industry, are mostly the ones who identify the opportunity first and then pursue it. Furthermore, in their study Sanders and Nee (1996) demonstrate the importance of human capital/class resources, such as education and experience for immigrant self-employment.

2.2.3.4 The Impact of Human Capital

In their study, Roca-Puig et al. (2012) found that human capital does have a positive impact on the performance of the firm. Similarly in their conclusion, Borchert and Zellmer-Bruhn (2010) found that general human capital and specific human capital have a positive influence on the firm's goals. Table 5 indicates that many authors agreed with these findings and therefore human capital of entrepreneurs creates competitive advantages which ultimately lead to the growth of their organisation.

Table 5: Impact of Human Capital

Author(s)	**Finding**
Black and Lynch (1996)	Investments in education and training pay off in terms of higher productivity and non-inflationary wage growth
Pfeffer (1998)	There are seven practices of successful organisations: employment security, selective hiring, self-managed teams and decentralisation of authority, comparatively high compensation; extensive training, minimal status distinctions, and extensive sharing of financial and performance information
Hitt et al. (2001)	A firm's human capital is the primary source of sustained competitive advantage
Megistae (2006)	The probability of business survival increases with the number of years of schooling and the number of years of business experience of the entrepreneur as does the expected growth rate conditional on survival
Colombo and Grilli (2010)	There is a direct positive effect between human capital of the entrepreneur and the firm's performance and there is an indirect positive effect between human capital of the entrepreneur and growth mediated by venture capital financing
Jin et al. (2010)	There is a positive relationship between human capital of entrepreneurs and the growth in terms of the performance of their firms

According to Schultz's (1993) formulation, entrepreneurship is the ability to adjust, or reallocate resources, in response to changing circumstances. As such, entrepreneurship is an aspect of all human behaviour, not a unique function performed by a class of specialists. Increased abilities to adjust to change, for instance by adopting new technology and organisational practices, explain at least part of the returns of education. Brüderl and Schüssler (1990) argue that the profit and productivity of the firm is driven by entrepreneurial human capital; therefore, the greater the human capital of an entrepreneur the greater the possibility for the firm's survival and the lower the probability of an early exit.

Higher productivity of the founder means the business owner is more efficient in organising and managing operations or is able to attract more customers, negotiate better contracts with suppliers and raise more capital from investors (Baptista & Karaöz, 2006). Rastogi (2002) states that human capital is an important input for organisations, especially for employees' continuous improvement in knowledge, skills, and abilities. Therefore, the impact of human capital can be referred to as: "the knowledge, skills, competencies, and attributes embodied in individuals that facilitate the creation of personal, social and economic well-being" (OECD, 2001, p.18).

Human capital theory maintains that knowledge provides individuals with increases in their cognitive abilities, leading to more productive and efficient potential activity (Davidsson & Honig, 2003). The knowledge and skills that the entrepreneur has, are due to their ability to transform the learning process that they have acquired. Experience should not be equated with knowledge because experience may or may not lead to increased knowledge (Sonnentag, 1998). Human capital theory simply states that human capital investments "improve knowledge, skills, or health, and thereby raise money or psychic incomes" (Becker, 1993).

Davidsson and Honig (2003) also argue that from a learning theoretical point of view, human capital has to be successfully transferred to the business owner's situation to increase success. According to Barreira, in Urban, Barreira, Botha and Oostheizen (2011), human capital in essence evokes upper echelon theory, a fundamental theory that entrepreneurial or top management teams have great influence on firm performance. Human capital also has a strong influence on the resources of the company. Zarutskie (2010) argues the resource-based notion from the point of view that education, experience and knowledge as human capital variables are skills that are costly to acquire and, as a result, should better the company's performance.

2.2.3.4 Human Capital in Family Owned Businesses

Although empirical results have been mixed (Davidsson & Honig, 2003), there are studies showing labour-market experience, management experience, and previous entrepreneurial experience as significantly related to entrepreneurial activity, particularly when controlling for factors such as industry and gender. In light of this, human capital plays a significant role in the establishment of family owned businesses.

Human capital, as mentioned earlier, includes all other elements, such as social and emotional capital and Becker (1964) argues that from a broad perspective, labour market experiences, as well as specific vocationally oriented experience are theoretically predicted to increase human capital. In their study, Segal, Borgia and Schoenfeld (2009) demonstrate that the human capital of entrepreneurs figures significantly in the performance of their firms. It was found that entrepreneurs who possess the potent synergistic combination of education with industry managerial experience have the competencies and capabilities to manifest better results. Therefore, founding and growing a family owned business relies heavily on the human capital of the founder.

According to Maijoor and Van Witteloostuijn (1996), in order to produce and deliver high-quality services, professionals should have adequate knowledge and skills as part of their human capital. Similarly, Brüderl, Preisendorfer and Ziegler (1992) argue that greater entrepreneurial human capital enhances the productivity of the founder, which results in higher profits and, therefore, lower probability of an early exit. Brüderl et al. (1992) further state that the higher the productivity of the founder, the more efficient the business owner will be at organising and managing operations. Such family business owner will be able to attract more customers, negotiate better contracts with suppliers, and raise more capital from investors.

2.2.3.5 South African Context

Urban (2008) declares that efforts are under way to improve South Africa's human capital through education and skills training. In addition, some studies suggest that the concept of entrepreneurial human capital is implicit in the survival chances of new businesses, both in the domain of organisational ecology and in economics. Mincer (1974) established that the positive impact of human capital on employee performance is well accepted. Several other researchers, such as Van Praag and Cramer (2001), made a first attempt to formalise this impact for the case of the business founder.

It is therefore argued that entrepreneurial human capital increases efficiency of the organisation and plays a key and central role in the market selection process and business environment. Within the South African context, market conditions can either favour or hinder the success of family businesses. Baptista and Karaöz (2006), after having based their research on Jovanovic's (1982) model of market selection, argue that it is also possible to claim that entrepreneurs with greater human capital will be less uncertain about their efficiency and will be able to learn faster about market conditions, adjust capacity and, therefore, reduce the probability of exit. On the basis of higher earnings and more prestigious professional status as employees, people with higher human capital are in a position to raise more capital and set up larger and better equipped businesses (Colombo & Grilli, 2010). These people with higher human capital are able to detect profitable market opportunities that are still unexplored and to obtain relevant information about market conditions and, as a result, reduce uncertainty about their own efficiency.

In contrast, people with few human capital resources are often forced into self-employment (Baptista & Karaöz, 2006). According to Dunne, Roberts and Samuelson (1989), one of the findings of the literature that has examined the survival of new businesses is that the effects of the determinants of survival are different depending on whether entry is attempted by a new or by an already established firm. Being owned by an already existing firm or being started by an entrepreneur who already owns one or more firms may give the new venture several types of advantage and such people are less likely to suffer from lack of financial resources to start the firm. The constantly changing business environment requires firms to strive for superior competitive advantages via dynamic business plans, which incorporate creativity and innovativeness (Marimuthu, Arokiasamy & Ismail, 2009). Human resource input plays a significant role in enhancing firms' competitiveness (Barney, 1995).

2.2.4 *Social Capital*

Figure 5: Social Capital Framework

The concepts presented in figure 5 are discussed in the following sections.

2.2.4.1 Definitions

Social capital is defined as the network of relationships possessed by an individual or social unit, and the sum of actual and potential resources embedded within, available through, and derived from such networks (Nahapiet & Ghoshal, 1998). The term "social capital" initially appeared in community studies, highlighting the central importance for the survival and functioning of city neighbourhoods - of the networks of strong, crosscutting personal relationships developed over time that provide the basis for trust, cooperation, and collective action in such communities (Jacobs, 1965).

Social capital can also be defined as the sum of the actual and potential resources obtained from social networks (Zhang, Souitaris, Soh & Wong, 2008). The theory further postulates that social networks have value that is realised through the use of resources to achieve objectives, social support, business engagement and productivity (Verhoef, 2008). Additional, social capital can be defined as “networks together with shared norms, values and understandings that facilitate cooperation within or among groups” (OECD, 2001, p.41).

2.2.4.2 Characteristics

De Carolis, Litzky and Eddleston (2009) argue that social capital was based on the good will that resulted from social relations that are mobile. Furthermore, social capital is characterised by the entrepreneur attaining the resources, influence and sponsorships that are needed to launch a new venture (De Carolis et al., 2009). Social capital is measured by the benefits realised from strong and weak networks (Santarelli & Tran, 2012). The concept of social capital is central to the understanding of dynamic adaptation and value creation (Baker, 1990).

Three forms of social capital have been identified: social bonds, bridges and linkages (Woolcock, 1999). Bonding refers to relations among members of families and race groups. Bridging social capital refers to relations with associates and colleagues. Linking refers to relations between different social strata in a hierarchy where power, social status and wealth are accessed by different groups (OECD, 2001).

2.2.4.3 Social Capital Variables

There are two dimensions of social capital: the structural and the relational (Granovetter, 1992). First, the structural, or architectural, dimension of social capital refers to the pattern of connections between actors, comprising social interaction ties, network configuration, and appropriable organisation. Important dimensions of network configuration in family firms are network centrality - the extent to which “central” individuals have ties throughout the network and thus enjoy a broad span of influence - and network closure - the extent to which all actors in a network have relationships with one another (Coleman, 1988). Finally, appropriable organisation captures the extent to which networks created for one purpose may be used for another (Coleman, 1988). For example, trust can be transferred from family affiliations into work situations and the development of personal relationships into business exchanges (Adler & Kwon, 2002).

The second, relational dimension of social capital comprises a set of resources attainable through the structural dimension. These resources are effects of social relationships, such as trust - an attribute of the relationship between exchange partners, implying mutual confidence that no party will exploit another’s vulnerabilities - and trustworthiness, that is, an attribute of individual exchange partners sharing trust (Nahapiet & Ghoshal, 1998). Other resources attainable through networks are norms (e.g., cooperation and risk taking), obligations and expectations, reputation, identity, and identification (Orr, 1990).

According to Newbert and Tornikoski (2012); Potgieter, April, Cooke and Lockett (2006); and Verhoef (2008), social capital is characterised by the existence of trust and reciprocity within the network. In addition, trust is the single most important measure of the effectiveness of an individual or organisational social capital (Westlund & Adam, 2010). Trust, at the macro or market level, refers to the fulfilment of contractual obligations between organisations and results from previous interactions by the actors in the social network (Westlund & Adam, 2010). At the meso or regional level, trust tends to be an average of the heterogeneity of the networks and often conceals the differences that could exist in the networks (Westlund & Adam, 2010).

Social capital variables describe how an entrepreneur is able to derive benefits from their social structures, networks and memberships. These benefits are meant to supplement human capital variables such as education and experience (Venter et al, 2008). Some factors that influence social capital are network ties, family ties, social networking and culture.

2.2.4.4 The Impact of Social Capital

Chan and Tan (2009) declare that at a micro level, networks consisted of individuals and firms, whose performance resulted from their human and cultural capital as well as the firms' ages and sizes. Further, at the firm level, there was a strong link between social capital and firm performance (Westlund & Adam, 2010). A common theme that emerged at all levels was that trust was based on the previous history of interactions between the actors in the network (Westlund & Adam, 2010).

The core emphasis of the network approach is in bringing the involved parties closer, by using the information that the organisation acquires, by creating mutual relationships with customers, suppliers, the industry, distributors, and the supply and distribution chains. In comparison to large companies, entrepreneurial firms have to rely more on the social networks and personal contacts to build trust and shared commitment (Musteen, Francis & Datta, 2010).

A firm's social capital is calculated by an accumulation of the entrepreneur's or owner's business and social networks, as well as those of managers, employees and others in the web of contacts of the business. The personal resources of the entrepreneur of an SMME are crucial. These personal resources such as, knowledge, experience and network of relationships are the core of the internationalisation process (Makovec Brenčič, 2001; Ruzzier, Antoncic, Hisrich & Konecnik, 2007). Furthermore, relationships may be seen as a type of intangible, non-price source of firm competitiveness (Makovec Brenčič, 2001). In addition, they are the most important sources of competitive advantage of the firm which directly and indirectly influence the position and performance of the firm in their respective markets.

It is essential to note that there are two types of networks: business and social, both having a different scope. The social network represents all the relationships that an individual has with others in society (Burt, 1997), and the value of social capital to an individual is contingent on the number of people doing the same work. Furthermore the business network includes only the relationships between firms (Easton & Håkansson, 1996), and entrepreneurial networks have distinct opportunity horizons that limit the reach of exchanges (Ellis, 2011).

2.2.4.5 Social Capital in Family Owned Businesses

De Carolis et al. (2009) studied the influence of social capital and cognition in networks. Their argument is that social capital and cognition enhance entrepreneurs' risk propensity and confidence, which would determine whether they would establish a family business or not. The social cognitive theory on social capital states that entrepreneurs are likely to ignore research into the failures of new ventures and that the risk propensity is based on their ability to take decisions even when market conditions are uncertain (De Carolis et al., 2009).

Social capital alone is insufficient to drive nascent entrepreneurs to pursue their ideas in growing their family businesses. According to Rauch and Frese (2000), there are clear, albeit often small, relationships between need for achievement, locus of control and the emergence of entrepreneurship (start-up). Additionally, these variables are also related to success. Factors related to success are need for achievement, locus of control, low risk taking, human capital, planning and strategies, innovation, entrepreneurial orientation, and tough environmental conditions (Rauch & Frese, 2000).

As a result, entrepreneurs need cognition of their illusion of control over their skills, abilities, knowledge, and risk propensities in order to establish their family businesses (De Carolis et al., 2009). Contrary to the finding of De Carolis et al. (2009), Westlund and Adam (2010) argue that an organisation's aims in pursuing social capital were to maximise returns to the owners. The argument is that the motive of entrepreneurial organisations for networking was for economic returns and a need to improve their social standing (Westlund & Adam, 2010). One way a family business could achieve this is through establishing a presence in social networks.

A social network is a flexible system through which actors or agents interact with each other (Potgieter et al., 2006). A network is the relationship that exists between objects, individuals and organisations called actors or agents (McCarthy, Pitt, Campbell, van der Merwe & Salehi-Sangeri, 2007). Networks are also defined as conduits or channels that provide access to people who possess certain resources that may be of interest to the entrepreneur (Newbert & Tornikoski, 2012). Zhang et al. (2008) state that networks could be either direct or indirect, with the former referring to having prior relations with the members of the network and the latter acquired through referrals. It follows then that social networks are the number of informal and formal ties that individuals possess or have access to (De Carolis et al., 2009). Lastly, networks may be intra or inter-organisational (De Klerk, 2010).

Potgieter et al. (2006) state that because of the complex character of social networks, the characteristics of these networks are often through interconnected organisations that have a high degree of interaction with each other. There are temporal changes to social networks, meaning that over time the actors in the network change, adapt and grow their networks (Potgieter et al., 2006). These networks are either directional or non-directional, with the former requiring a close relationship whereas the latter are more about proximity rather than closeness (McCarthy et al., 2007). Furthermore, directional networks do not require reciprocity (McCarthy et al., 2007), in contrast to the case postulated in social capital theory (Verhoef, 2008). Jack, Dodd and Anderson (2008) argue that networks add to the entrepreneurial capacity of capabilities through assets such as human capital, market, financial and technical capabilities of the family business.

Chen and Tan (2009) declare that networks occur at three levels, namely the micro, meso and macro level. Westlund and Adam (2010) define these levels to be at the national macro, regional meso and firm micro level. At micro level, networks manifest themselves as individuals and firms with similar characteristics such as socio-demographic, human and cultural capital, industry, firm age and size (Chen & Tan, 2009). At the micro level, a firm's human capital, culture, use of technology and its age and size are the fundamental characteristics (Chen & Tan, 2009). Networks at the meso level are characterised by ethnic diversity, strong and weak networks, brokerage and closure, resources and the size of the network itself (Chen & Tan, 2009). At the macro level, networks take the form of a context such as globalisation, institutional contexts of host and home countries and the ethnic community (Chen & Tan, 2009).

Social networks are entirely dependent on the element of trust. Many researchers think that international transactions cannot be built without the existence of trust (Axelsson & Johanson, 1992). Johanson and Vahlne (2009) define trust as an ability to predict the behaviour of another individual, and it is characterised by high ethical standards. Trust enables people to share information with each other and is particularly vital in the situation of uncertainty (Johanson & Vahlne, 2009). Trust may even act as a substitute to knowledge if the family business founder lacks knowledge in a particular field, but can transfer decision-making process to a trustworthy intermediary agent (Arenius, 2005). Two firms that are parties to a relationship are tied to each other to some extent: they share in their mutual future development, and may exercise some degree of power each other. As a result, trust is an important ingredient for successful learning and the development of new knowledge to ensure the success and growth of family businesses (Granovetter, 1985).

2.2.4.6 South African Context

According to Urban (2011), there are many obstacles and limitations in South Africa hindering aspects of social capital. His study indicates that the key to countering these obstacles is to improve the country's social capital base through entrepreneurial networking. In addition, Urban (2011) suggests that one way to increase the social capital base of entrepreneurs is to devise a coherent and nationally-aligned government vision for building entrepreneurship. These measures would include fostering better working relationships between government, intervention agencies and target communities; and thereby creating networks.

Networks can either be strong or weak, with the former being characterised by high levels of interaction and dependence, whereas the latter bridges structural holes within the members of a network (Kreiser, 2011). These characteristics are equivalent to those of social capital as defined by De Carolis et al. (2009), that are bonding and strong, or bridging and weak. Further, networks could be either internal or external to the organisation. The former refers to the networks focused on the collectiveness of the network called bonding (De Klerk & Kroon, 2008; Kreiser, 2011).

The externally focused networks on the other hand are more about the resources that an organisation can acquire via the networks that it has created and its position within a network, and Kreiser (2011) refer to this as a bridging network. Other views on networks are that of firms with different ownership types such as family businesses and state-owned enterprises require a different network configuration as the relationships are largely closed or brokered (De Carolis et al., 2009; Dess, Pinkham, & Yang, 2011).

According to Slotte-Kock and Coviello (2010), there are three perspectives on network research: namely social, business and entrepreneurial. These could be differentiated by several characteristics. Firstly, the social networks perspective emphasises the identification and measurement of network characteristics in the influence of structural change (Slotte-Kock & Coviello, 2010). Secondly, the business network perspective argues for the 'how' of establishing, building and maintaining relationships in creating a positioning within a network (Slotte-Kock & Coviello, 2010). Lastly, the entrepreneurial network perspective seeks to identify the type of networks required at different stages of the entrepreneurial process (Slotte-Kock & Coviello, 2010).

Kreiser (2011) refer to the openness of the network as either network range or network closure. The latter, network closure, is defined as the extent to which strong networks exist between the different members of the network. Strong networks usually require frequent interaction between the members. Closed networks are about the cohesion that exists between the network members with regard to the vision that they may share and often tend to exhibit similar behaviours (Kreiser, 2011). Furthermore, the cohesiveness of the network leads to further networks with other strong networks that may not have existed before.

The emphasis is on the third party adding to the strength of the strong networks (Kreiser, 2011). Jack et al. (2008) added that being part of a strong network has the benefit of brokered relations by the individuals who already form part of the organisation's network. Closed networks are further characterised by the need to have trust and reciprocity among the network members and this may lead to sharing of information such as successes and failures of the respective members (Kreiser, 2011). Jack et al. (2008) state that closed networks are characterised by conflict avoidance. Individuals tend to cooperate even when the networks have outlived their usefulness (Jack et al., 2008).

Network range, on the other hand, refers to the number of networks with which an organisation has connections (Kreiser, 2011). Weak networks are characterised by infrequent meetings and the relations are not as intimate as in closed networks. Kreiser (2011) further argues that the benefit of weak networks is that of the exchange of a diverse set of information and it is up to the participating organisations to use that information as they see fit. As a result, the networks often have structural holes that are bridged by weak networks that are similar to bridging type social capital described by De Carolis et al. (2009).

Certain organisations see this gap and take advantage of it by being the link that was missing, and are referred to as network brokers (Kreiser, 2011; Santarelli & Tran, 2012). The use of sub-networks can strengthen weak networks and the actors in the sub-networks could be different from those in the main networks, such as in the formation of joint ventures or building closer relationships with suppliers (De Klerk & Kroon, 2008).

To conclude, Santarelli and Tran (2012) recommend that social capital be measured through the benefits that arise from strong or weak networks. The findings suggested that entrepreneurs benefited more from weak networks than from strong ones. Examples that were cited included subcontracting to organisations to which the entrepreneur had a weak relationship, a finding similar to that of De Klerk and Kroon (2008). Santarelli and Tran (2012) added that resources such as loans from family with whom an entrepreneur had a close relationship, demotivated the entrepreneurs from pursuing opportunities that would assist in repaying loans. This was a result of people in a close network not expecting to be paid back, which is not the case when loans are granted by people within a weak network (Santarelli & Tran, 2012). Access to funding is only one of the various resources that an entrepreneur can gain from a network.

2.3. Conclusion of Literature Review

The research presented in this chapter has focused on the aspect of the role and characteristics of women in family owned businesses establish, and how human and social capital factors increase her chances of participating in the top structures of the family business. Research conducted over the past fifteen years has increased our knowledge of family owned firms. Unfortunately, relatively little empirical research has been conducted on women and their participation in family owned business (Dumas, 1998). There are many reasons why women join family businesses, and a study by Hollander and Burkowitz (1990) revealed reasons such as: wanting to help the family, filling a position that no other family member wanted or being dissatisfied with another job.

In a study by Danes and Olson (2003), women in family owned businesses have been given role labels such as mom, spouse, caretaker, sounding board, negotiator or bookkeeper to describe their involvement in the business. Women have to juggle their roles (Cole, 1997). In the USA, women are increasingly participating in family businesses. Currently, nearly 60% of all family owned businesses have women in top management positions, and 31.3% of family businesses surveyed indicate that the next successor is female (MassMutual, 2007). In addition, 24% of family businesses are led by a female CEO or President. In comparison, only 2.5% of non-family firms in the Fortune 1000 are currently led by women (MassMutual, 2007).

In spite of 80% of all businesses in South Africa being family-owned, only about 30% are handed over successfully from the first generation to the second. The majority fail to continue beyond the first generation, with as few as 14% of family-owned businesses surviving into the third generation (FABASA, 2009). Family businesses boast of higher female presence on the Boards of Directors compared to non-family firms. Not only are women making a tremendous impact on the board, in executive and non-executive roles, they are also making huge contributions as owners – to the governance, ownership and philanthropic activities that surround the family enterprise (Wales Online, 2010).

In family firms, women have traditionally played many subtle roles: spouse, mother, mother-in-law and family leader. These roles are related to the family rather than to the business sphere, what have made women believe they were not suitable for leadership roles (Galiano & Vinturella, 1995). This situation has been changing in recent years and women are creating their own firms and joining their family firms pursuing professional careers (Cole, 1997).

Women have traditionally been responsible for domestic issues and taking care of their family, so that a professional career took second place for them, and even if they were directly involved in the family firm, they did not receive any recognition for their contribution, in the shape of either a formal position in the company or a salary (Nelton, 1986) and, if they earned it, it used to be lower than men's (Rowe & Hong, 2000). Women normally take on roles as assistants, informal advisers, or mediators between the members of the family who formally run the company (Francis, 1999).

Even though there is extensive literature on the topic of succession, knowledge on how family businesses are passed down from one generation to the next is still vague and undefined. As a result, there is no theoretical framework or guideline for how the succession process should take place, or what the universal critical success attributes are (Desai, 2008).

In light of the above, the research focused on the role and characteristics of women in family owned businesses and sought to establish how education, knowledge, trust, social exchange and having strong network ties increased her chances of participating in the top structures of the family business and possibly taking over the business. The literature review of prior research leads to the following research hypotheses:

2.3.1 *Hypothesis 1: Women have a role as decision makers in the family business*

2.3.2 *Hypothesis 2: There is an association between human capital variables and the inclusion of the women in senior decision making structures in the family business*

2.3.3 *Hypothesis 3: There is an association between social capital variables and the inclusion of the women in senior decision making structures in the family business*

CHAPTER 3: RESEARCH METHODOLOGY

This chapter describes the research methodology that was followed for the selection of the sample population and sample size, the development of the research instrument, the data gathering procedure and the statistical methods used to test the research hypotheses.

3.1 Research methodology/paradigm

Quantitative research refers to the systematic empirical investigation of social phenomena via statistical, mathematical or computational techniques. The objective of quantitative research is to develop and employ mathematical models, theories and/or hypothesis pertaining to phenomena. Paradigms are generally defined as "universally recognized scientific achievements that for a time provide model problems and solutions to a community of practitioners". They offer a structure of accepted sets of theories, methods and ways of defining data (Collis & Hussey, 2003, p.46-47).

There are two main research paradigms or philosophies, which are classified as phenomenological and positivist. The phenomenological paradigm is concerned with the comprehension of human behaviour from an individual's own frame of reference. This approach stresses the subjective aspects of human behaviour by focusing on the meaning and implication, rather than the measurement, of social phenomena. The phenomenological paradigm is, therefore, often referred to as qualitative (Collis & Hussey, 2003).

The positivistic paradigm seeks the causes of social phenomena, with little regard to the subjective state of the individual. Thus, logical reasoning is applied to the research so that precision and objectivity replaces hunches and intuition as the means of exploring problems. Positivism is based on the belief that the study of human behaviour should be conducted in the same way as studies conducted in the natural sciences. The positivist paradigm is, therefore, often referred to as quantitative (Collis & Hussey, 2003). In terms of the quantitative nature of the data collected, the positivistic paradigm is relevant to this research.

3.2 Research Design

The quantitative research methodology to be adopted for this research is that of a survey questionnaire of women participating in family owned businesses. Oppenheim (1966) defines a survey as a form of planned collection of data for the purpose of description or prediction as a guide to action or for the purpose of analysing the relationships between certain variables. Surveys can be either descriptive or analytic depending on the aim of the research. Oppenheim (1966) describes the descriptive survey as fact finding and actuarial. The analytical survey explores the relationship between particular variables usually set up to explore hypotheses.

The research instrument used in the mail survey was a questionnaire and Oppenheim (1966) defines a questionnaire not as just a list of questions or a form to be filled, but as output and a scientific instrument for the collection and measurement of particular kinds of data. The research design was correlational because it measured objectives against the research question.

Questionnaires come in many different forms from factual to opinion based, from tick boxes to free text responses. Whatever their form, questionnaires are often viewed as quick and easy to do. To get useful responses, in a cost-effective way, it is important to be clear about the aim of the questionnaire and how the responses will help you improve your research.

3.3 Population and sample

3.3.1 Population

A population is any precisely defined group of people, events or things that are of interest to and under investigation by the researcher and from which the sampling elements are drawn (Collis & Hussey, 2003, p.56). The population that the study targeted was females involved in family owned businesses in South

Africa. These women were in the small and medium sized enterprises (SME) The SME and micro-enterprise (ME) sector encompasses a very broad range of firms, from established traditional family businesses employing over a hundred people to "survivalist" self-employed people working in informal microenterprises.

3.3.2 Sample and sampling method

As this study was aimed at studying a particular population (Cochran, 1977), being females in family owned businesses, a non-probability purposive sampling method was used - this is a non-probability sample that conforms to certain criteria that the researcher wishes to study (Cooper & Schindler, 2001). Eighty questionnaires were sent out on the 10th November 2014, via online (survey monkey) to business women in South Africa belonging to various women's entrepreneurship clubs and organisations. Of these groups combined, online responses received were thirty. In addition, the researcher also had one hundred and twenty females involved in family owned businesses fill the questionnaires on a face to face basis.

3.4 The research instrument

The research instrument that was used for this report was a questionnaire. The study used a quantitative approach by surveying women in SME family owned businesses who had been in business for a minimum of six months operating in the business-to-business (B2B) and businesses-to-consumers (B2C) market. The questionnaire was prepared as an instrument to support the quantitative nature of the report. The same questionnaire was used across all respondents.

The questionnaire was split into six sections and had a total of thirty-three questions. Section one, two and three were related to the general demographic profile of the entrepreneur and the business profile and lastly, qualifying the family business aspect of the business. Section four, five and six had a total of sixteen questions that focused on decision making, human and social capital.

The research questionnaire was developed by the researcher for the purposes of this specific research project and did not include or make use of any previously published instruments. The actual research instrument and covering letter used for this research project are presented under appendixes A (Covering letter) and B (Questionnaire).

3.5 Procedure for data collection

The study used a quantitative approach of using questionnaires as a survey instrument for all respondents. Respondents were women involved in family owned businesses who were employed within the business for a minimum of six months at the time of data collection. The researcher contacted all respondents through the distribution channels (online and manually). The questionnaire was sent through for completion, and then collected by the researcher to be collated for analysis.

Table 6: Breakdown of responses collected

Collected questionnaires in total	150
Sent online	80
Online responses	30
Distributed face to face	120
Responses collected face to face	120
Spoilt	6

The total number of questionnaires collected were one hundred and fifty, and of these only six were spoilt, and not used for analysis purposes. The thirty online results were automatically captured online by the system as respondents completed the questionnaire, and the 120 questionnaires collected were manually entered on an online system - Survey Monkey (www.surveymonkey.com). The system collated all 150 of the responses into one repository which was administered by the researcher.

3.6 Data analysis and interpretation

Statistical analysis was used to analyse the questionnaire responses. Quantitative methods to analyse the data using a spreadsheet and statistical programs such as MS Excel and SPSS were used. These methods allow the researcher to capture and collate the data and process all statistical information correctly to ensure accuracy and reliability. Descriptive statistics were used as part of the data analysis to provide simple summaries about the sample and measures.

Bar, column and pie charts were used to describe the several profiles of respondents. Frequency and contingency tables along with their corresponding graphs were also used to demonstrate and describe all units of analysis. The researcher established the following thresholds when summarising the results:

- Education: 30% and above
- Experience: 40% and above
- Social Capital Variables: 60% and above

These thresholds were set to ensure consistent results across all variables. Furthermore, all percentages were ranked to identify trends across all human and social capital variables.

3.7 Limitations of the study

- Responses may be inaccurate, especially through mis-interpretation of questions in self-completing questionnaires;
- Incomplete questionnaires;
- Practical difficulties – time constraints and costs
- The complexity of designing, producing, distributing, and analysing the questionnaires made it expensive and time consuming.

3.8 Validity and reliability

The traditional criteria for validity find their roots in a positivist tradition, and to an extent, positivism has been defined by a systematic theory of validity. Joppe (2000) provides the following explanation of what validity is in quantitative research: Validity determines whether the research truly measures that which it was intended to measure or how truthful the research results are. Researchers generally determine validity by asking a series of questions, and will often look for the answers in the research of others. Wainer and Braun (1998) describe the validity in quantitative research as "construct validity". The construct is the initial concept, notion, question or hypothesis that determines which data is to be gathered and how it is to be gathered.

3.8.1 External validity

As with any voluntary survey, the potential for non-response bias always exists and this can threaten generalizability within the selected provinces and respondents too, if select groups do not respond for systematic i.e. non random reasons. Respondents may choose not to respond to the survey for a variety of reasons including a lack of motivation or interest, too busy, or other personal and/or business-related reasons. Furthermore, survey respondents may choose not to answer one or more survey items for a number of reasons, including the following: (a) the item is not relevant to their particular situation, (b) the options available to the respondent do not represent the respondent's true attitude or opinions, (c) the respondent does not understand the meaning of the survey item, or (d) completion of the item may embarrass the respondent or bring him/her discomfort (Erdos, 1983; Mangione, 1995).

3.8.2 Internal validity

According to Wohlin, Runeson, Host, Ohlsson, Regnell and Wesslen (2000) selection of the subjects for the research study also affects the internal validity and it also can be said to be a potential threat to the internal validity of the study. This threat to internal validity was eliminated by selecting respondents who had been employed in the family business for a minimum of six months. All the respondents were currently employed in the family business. Lastly, all questionnaires were batched based on the demographic profile. This process was helpful in analysing the results per province versus another province.

3.8.3 Reliability

Lewis (1999) defines reliability as the degree with which repeated measurements, or measurements taken under identical circumstances, will yield the same results. This definition assumes that the act of measuring does not affect the variable or characteristic of interest. Reliability is a measure of the randomness of the measurement process itself. In determining reliability of a measurement technique, repeated measurements of the data collected were made or statistically could be calculated what was likely to happen if repeated measures were made. This was based on an analysis of the correlations between parts of the measurement. Correlations between the answers on different questions on the questionnaire were tested.

Consistency on repetitions of the same measurement, reliability of the score from the questionnaire can be calculated even if the questionnaire is only given to each respondent once, by analysing the correlation of responses to the different items in questionnaire. These include the test-retest method, the alternative form method, and the split-halves method (Lewis, 1999).

In alternative form method, the questionnaire can be administered twice, but in a slightly different form the second time. In this case, the order of the questions may be altered. The goal is to change the test enough to reduce memory effects but, at the same time, make sure that the content of the test is as similar as possible. The alternative form approach may reduce slightly the effect of the first administration on the results of the second administration.

CHAPTER 4: PRESENTATION OF RESULTS

4.1 Introduction

The results of this study are presented in this chapter. Firstly the sample is described by presenting their demographics, business, family business and entrepreneurial profile results. Thereafter, results relating to general decision making and personality are highlighted. The next set of results are specific to each of the three research hypotheses. Finally, the summary and ranking of the results is discussed.

4.2 Sample Description

The sample description consists of the demographic, business, family business and entrepreneurial profile questions, as well as questions relating to general decision making and personality. The following sections present all results related to the profile of respondents.

4.2.1 *Demographic Profile*

The demographic profile consists of questions related to age, gender, education and race.

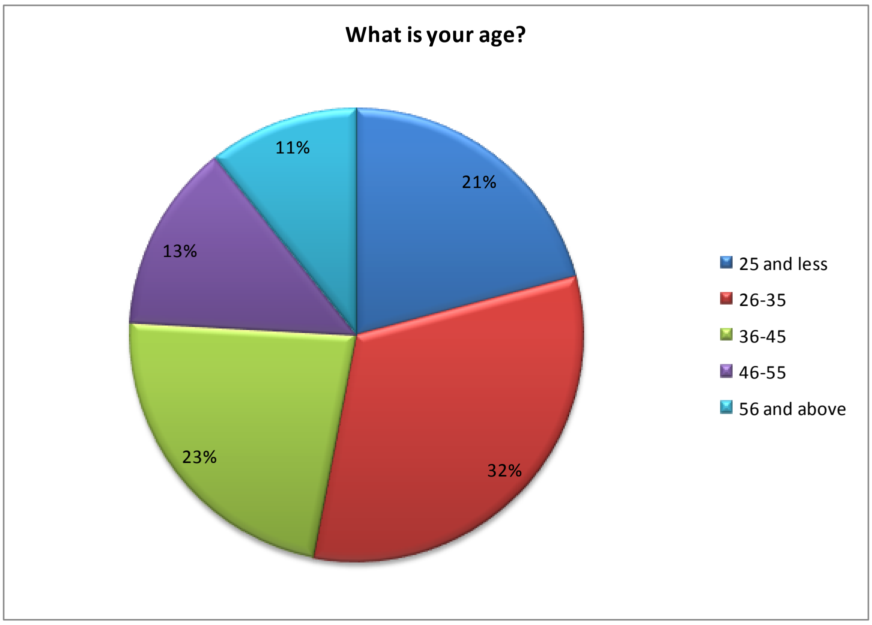

Figure 6: What is your age?

Figure 6 indicates that 21% of respondents are in the 25 and less age group, 32% of respondents are in the 26 – 35 age group, 23% of respondents are in the 36 – 45 age group, 13% of respondents are in the 46 – 55 age group, and 11% of respondents are aged 56 and above. A cumulative 47% of respondents are above the age of 35 years.

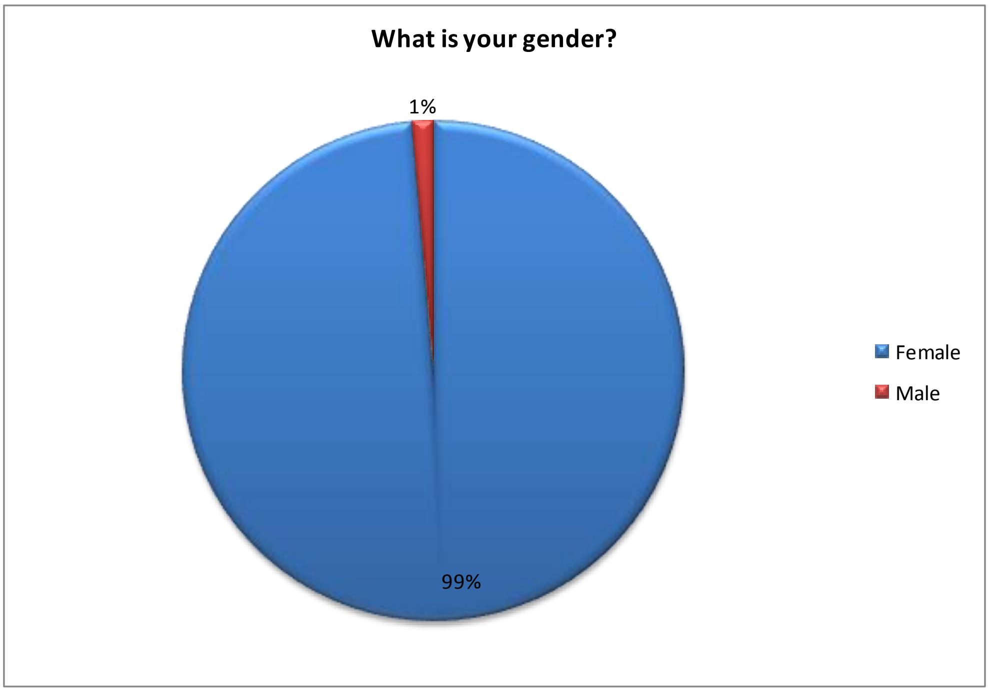

Figure 7: What is your gender?

Figure 7 reveals that 99% of respondents who took part in this study were female.

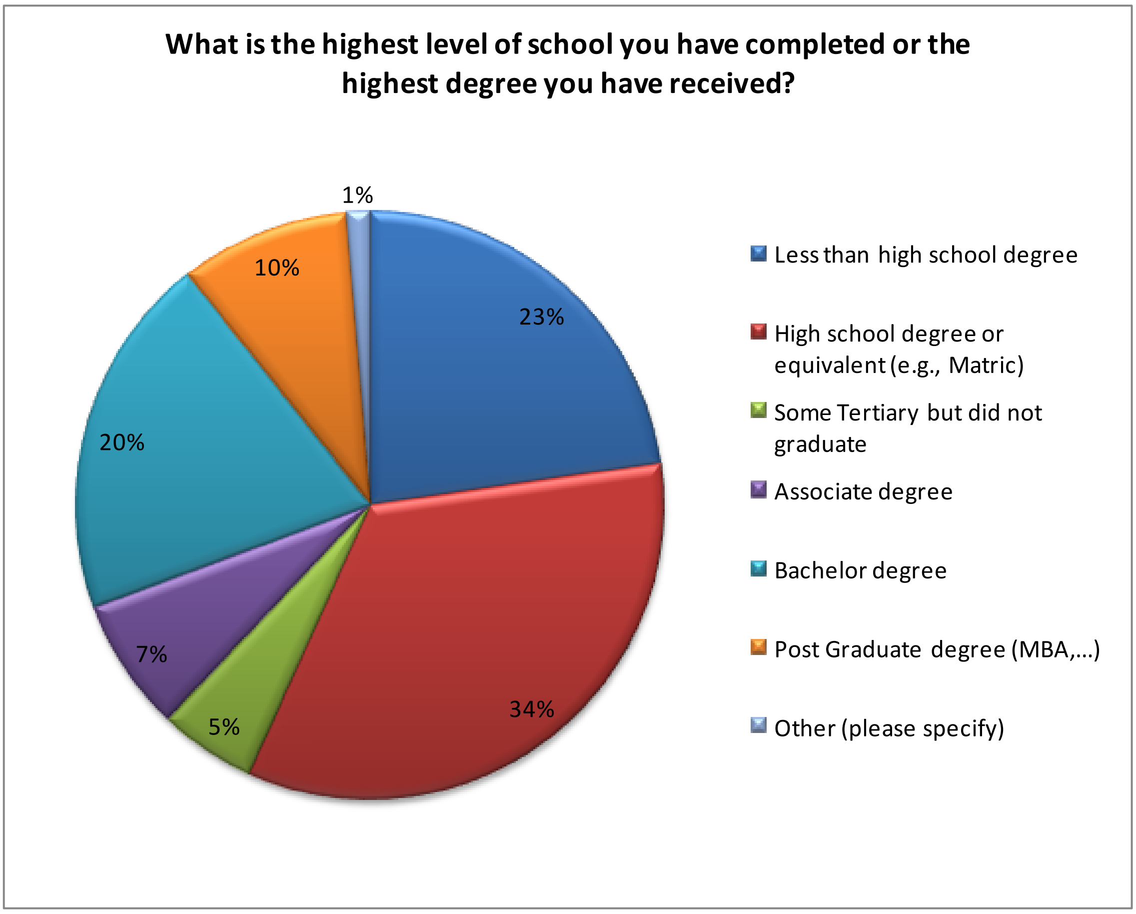

Figure 8: What is the highest level of school you have completed or the highest degree you have received?

Figure 8 illustrates that 23% of respondents had less than a high school degree, 34% of respondents had a high school degree or equivalent, 5% of respondents had some level of tertiary education but did not graduate, 7% of respondents had an associate degree, 20% of respondents had a bachelor degree, 10% of respondents had a post graduate degree, and 1% of respondents had some other type of education. A cumulative 43% of respondents had a level of education above a high school degree.

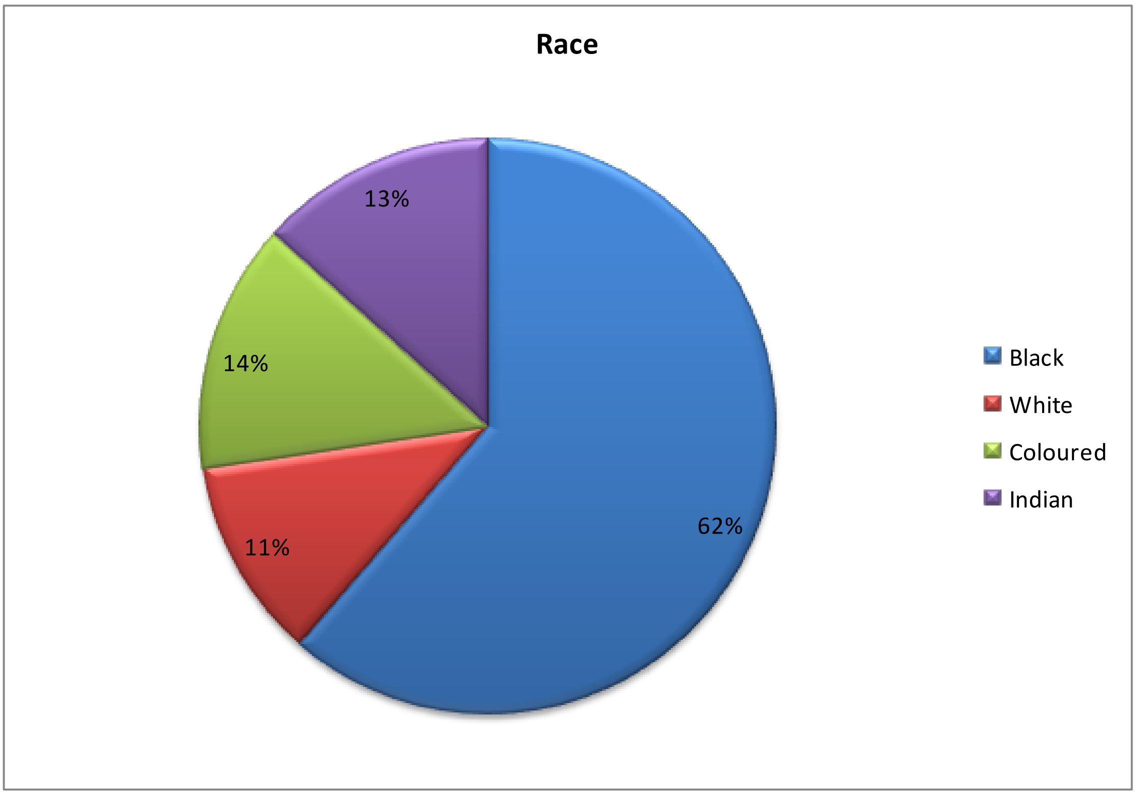

Figure 9: Race

Figure 9 indicates that 62% of respondents were black, 11% of respondents were white, 14% of respondents were coloured, and 13% of respondents Indian. A cumulative 38% of respondents who took part in this study were from a non-black racial background.

4.2.2 *Business Profile*

The business profile consists of questions related to the legal status of the company, how long the business has been in existence, the principal industry of the business, number of employees, annual turnover and location of the business.

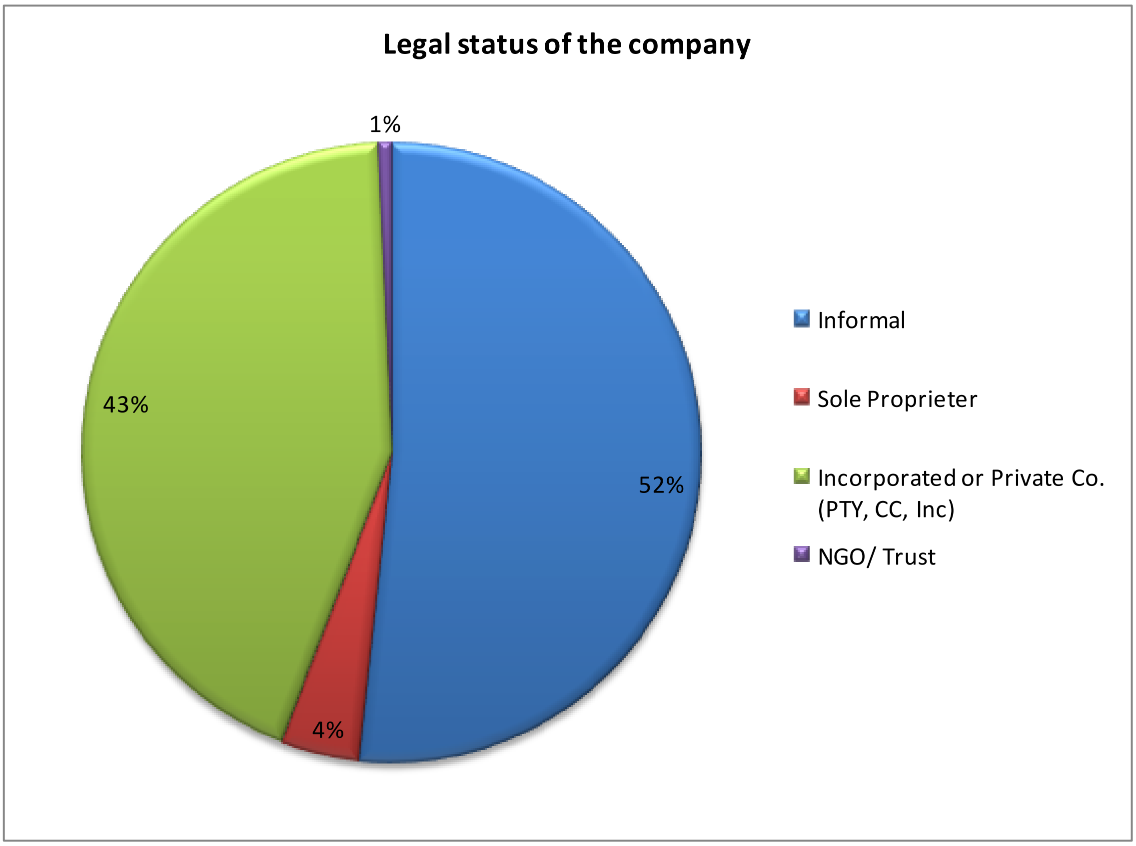

Figure 10: Legal status of the company

Figure 10 reveals that 52% of respondents were from companies in the informal sector, 4% of respondents were sole proprietors, 43% of respondents belonged to incorporated or private companies, and 1% of respondents worked in an NGO or Trust. A cumulative 48% of respondents worked in the formal sector.

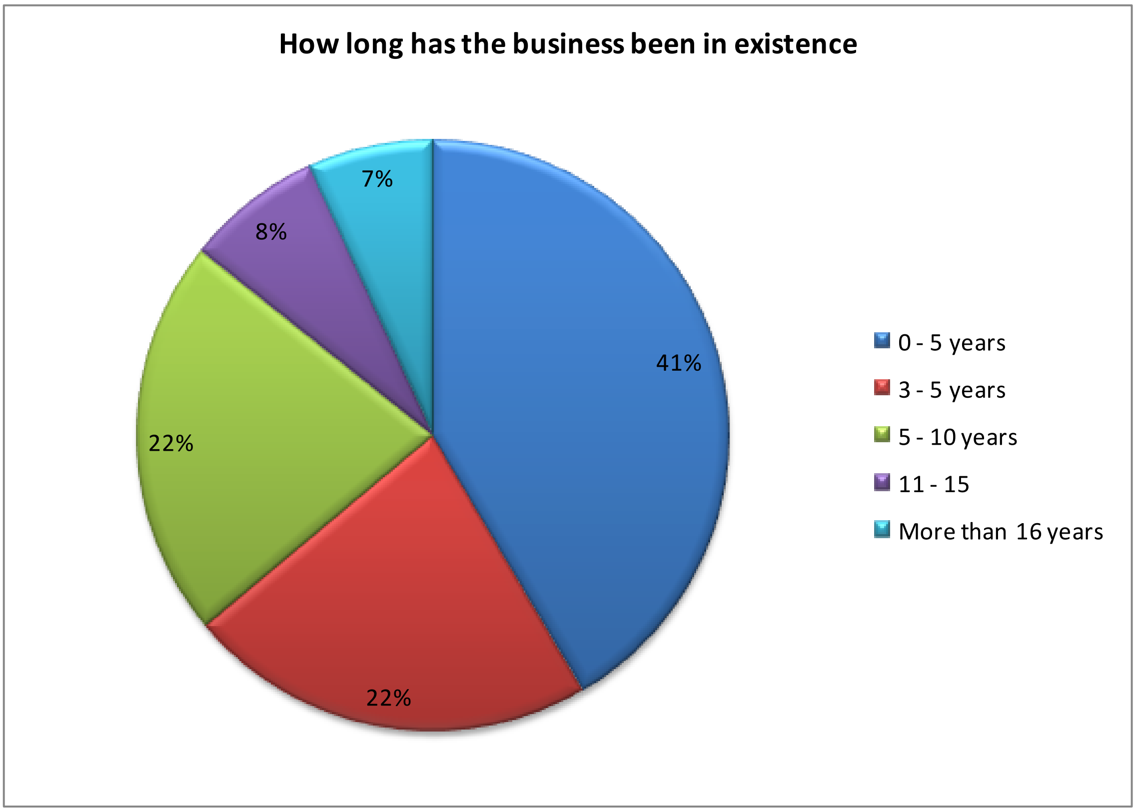

Figure 11: How long has the business been in existence

Figure 11 demonstrates that 41% of respondents were in companies that existed for 0 – 5 years, 22% of respondents were in companies that existed for 3 – 5 years, 22% of respondents were in companies that existed for 5 – 10 years, 8% of respondents were in companies that existed for 11 – 15 years, and 7% of respondents were in companies that existed for more than 16 years. A cumulative 37% of respondents belonged to companies that have been in existence for more than 5 years.

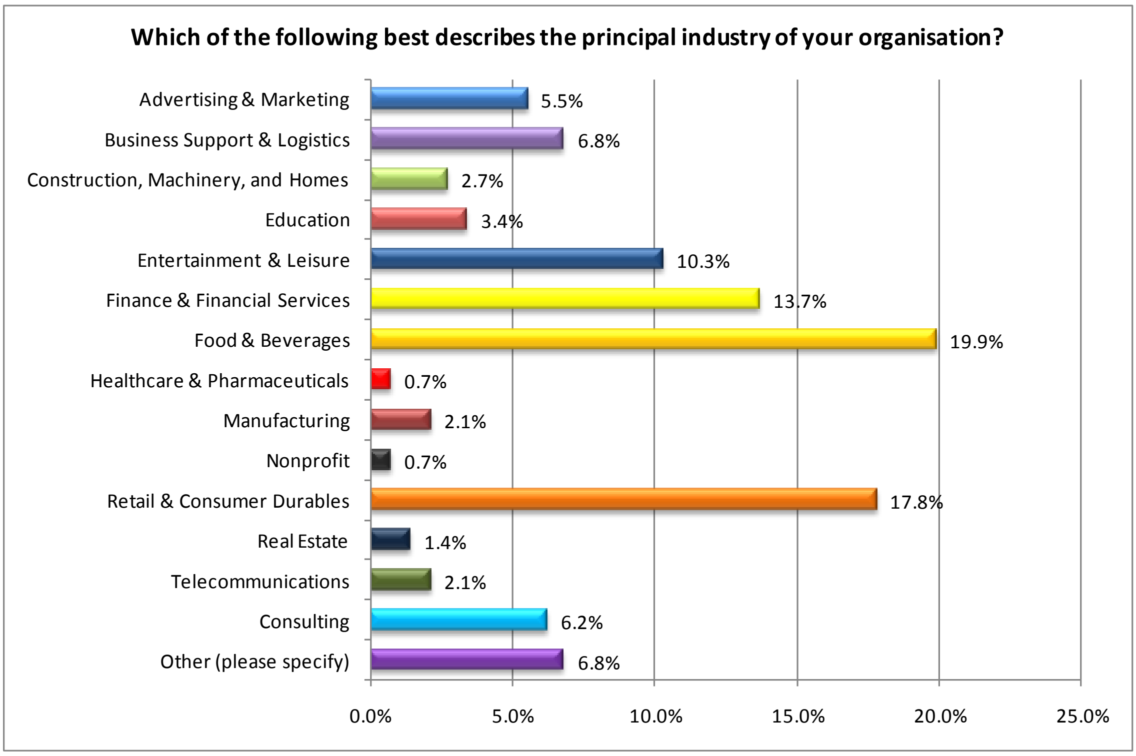

Figure 12: Which of the following best describes the principal industry of your organisation?

Figure 12 establishes that several respondents were from organisations that were part of the food and beverages (19.9%); retail and consumer durables (17.8%); finance and financial services (13.7%); and entertainment and leisure (10.3%) industries. The remainder of the respondents were from organisations in the business support and logistics (6.8%); consulting (6.2%); advertising and marketing (5.5%); education (3.4%); construction, machinery and homes (2.7%); manufacturing (2.1%); telecommunications (2.1%); real estate (1.4%); healthcare and pharmaceuticals (0.7%); and non-profit industries (0.7%). There were 6.8% of respondents that belonged to other industries not specified in the questionnaire.

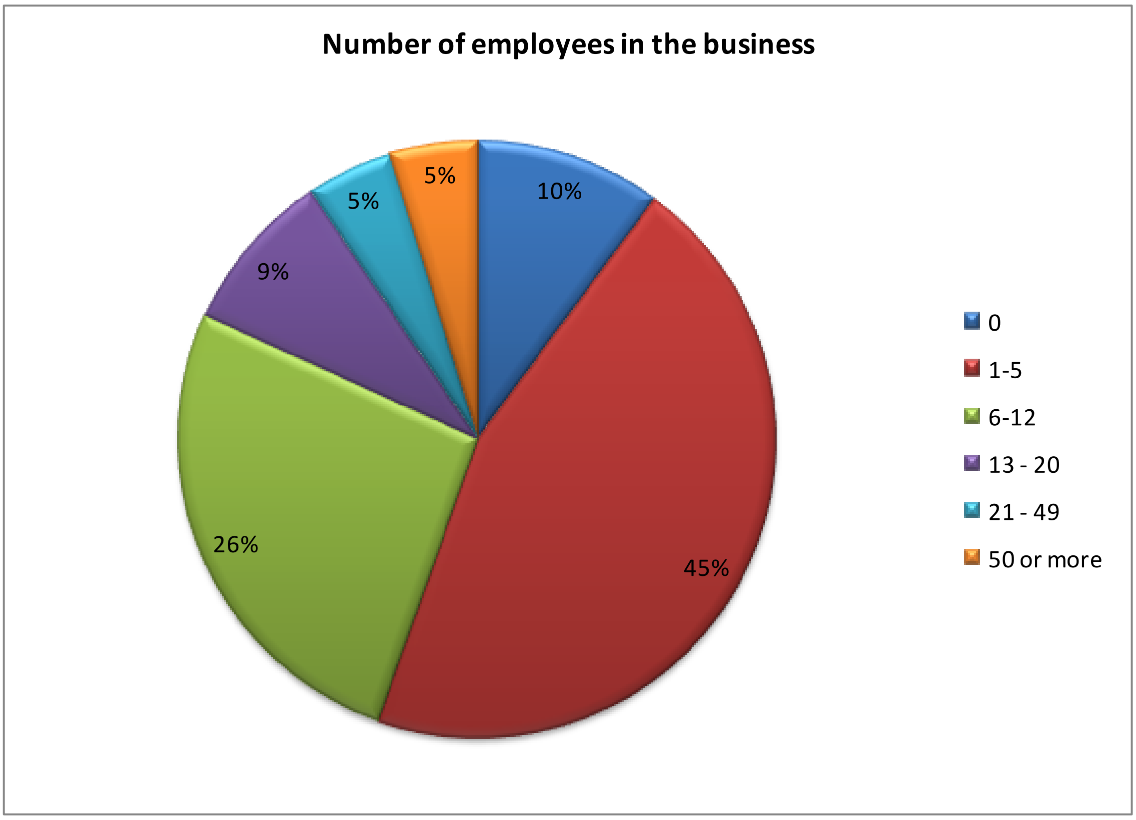

Figure 13: Number of employees in the business

Figure 13 explains that 10% of respondents were in businesses that had no employees, 45% of respondents had 1 – 5 employees, 26% of respondents had 6 – 12 employees, 9% of respondents had 13 – 20 employees, 5% of respondents had 21 – 49 employees, and 5% of respondents had 50 or more employees in their business. A cumulative 45% of respondents belonged to businesses that have more than 5 employees.

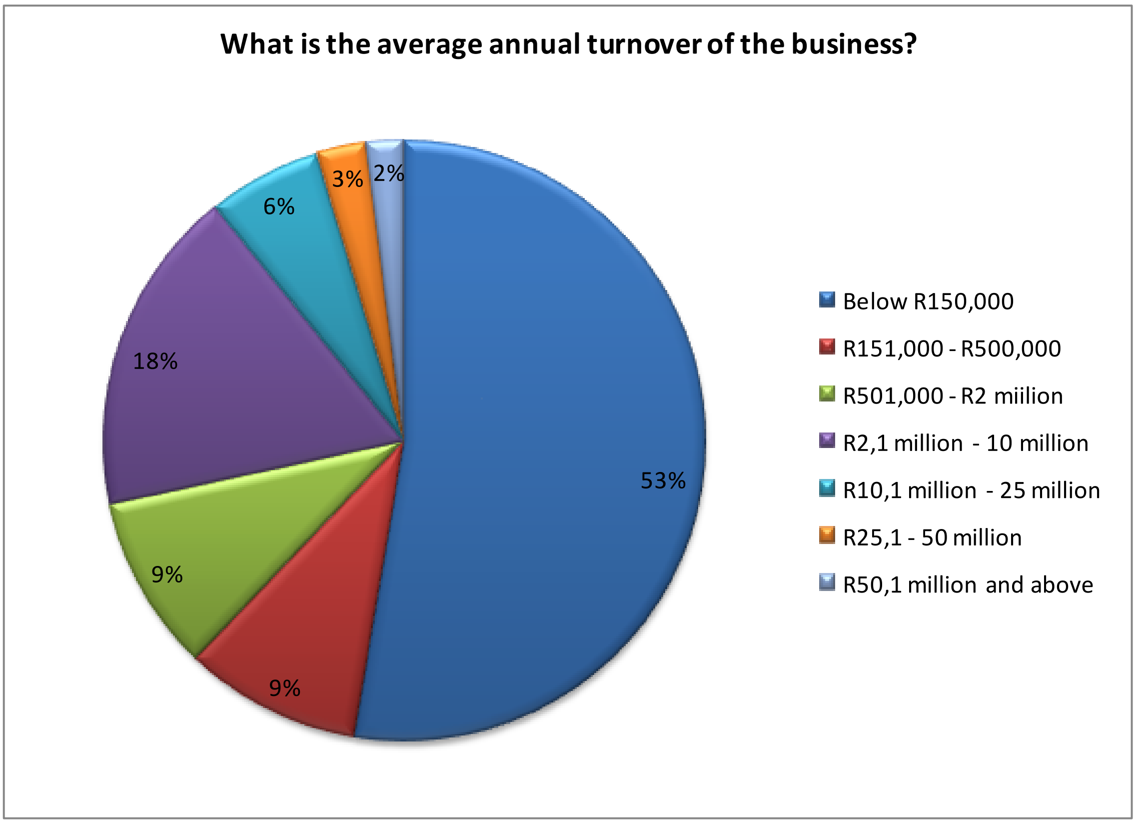

Figure 14: What is the average annual turnover of the business?

Figure 14 reveals 53% of respondents were in businesses that had an annual turnover below R150,000; 9% of respondents had R151,000 – R500,000 annual turnover; 9% of respondents had R501,000 – R2 million annual turnover; 18% of respondents had R2,1 million – R10 million annual turnover, 6% of respondents had R10,1 million – R25 million annual turnover; 3% of respondents had R25,1 million – R50 million annual turnover; and 2% of respondents belonged to companies that had an annual turnover greater than R50 million. A cumulative 38% of respondents were in businesses with an annual turnover above R500,000.

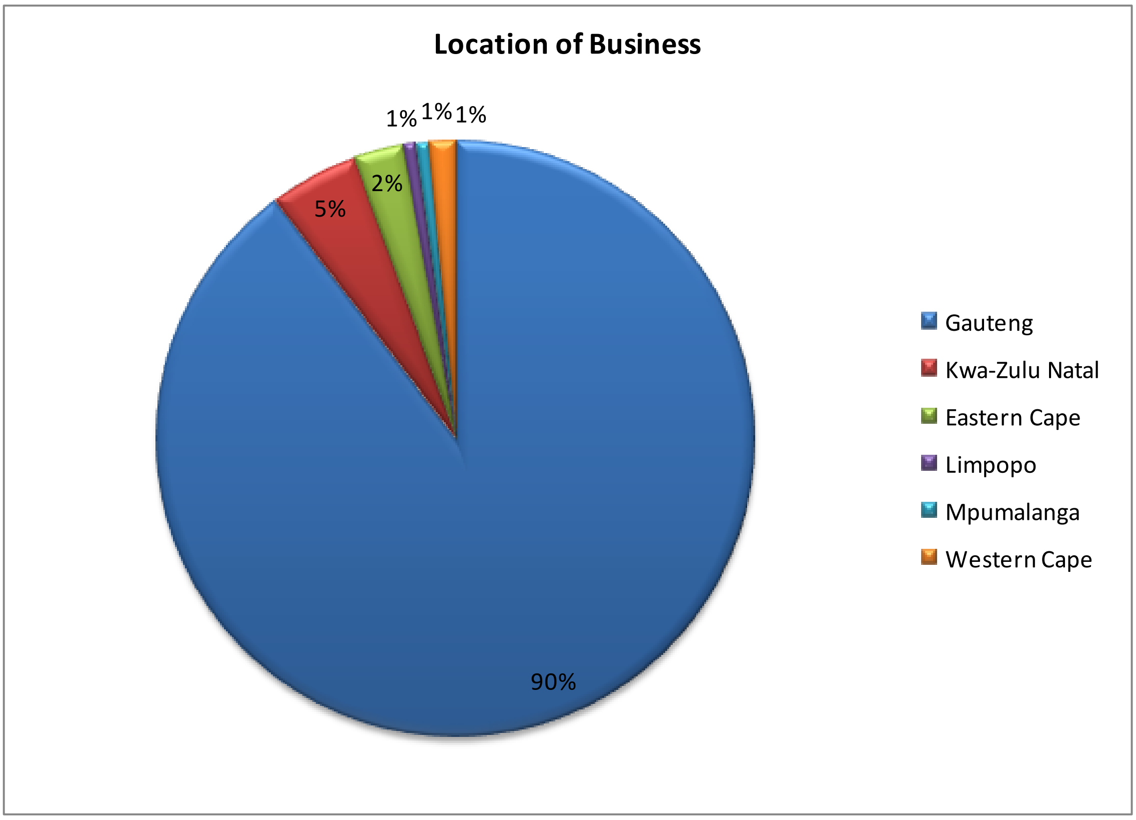

Figure 15: Location of Business

Figure 15 illustrates that the majority of respondents (90%) were from Gauteng and the remaining 10% were from the other provinces in South Africa.

4.2.3 *Family Business Profile*

The family business profile consists of questions related to the percentage ownership of the family in the business, number of family member employed and the founders of the business.

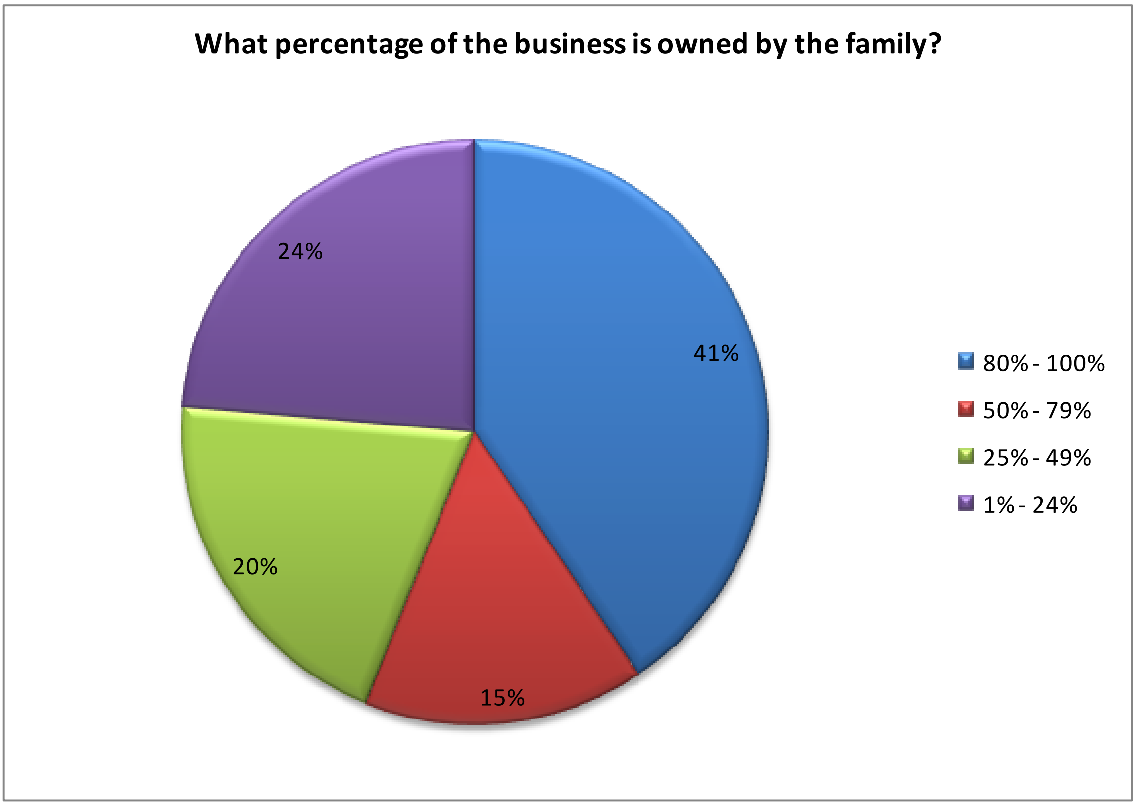

Figure 16: What percentage of the business is owned by the family?

Figure 16 demonstrates that 41% of respondents were in businesses where the family owned 80% – 100%, 15% of respondents were in businesses where the family owned 50% – 79%, 20% of respondents were in businesses where the family owned 25% – 49%, and 24% of respondents were in businesses where the family owned 1% - 24%. A cumulative 44% of respondents were in businesses where the family had less than a 50% share of ownership.

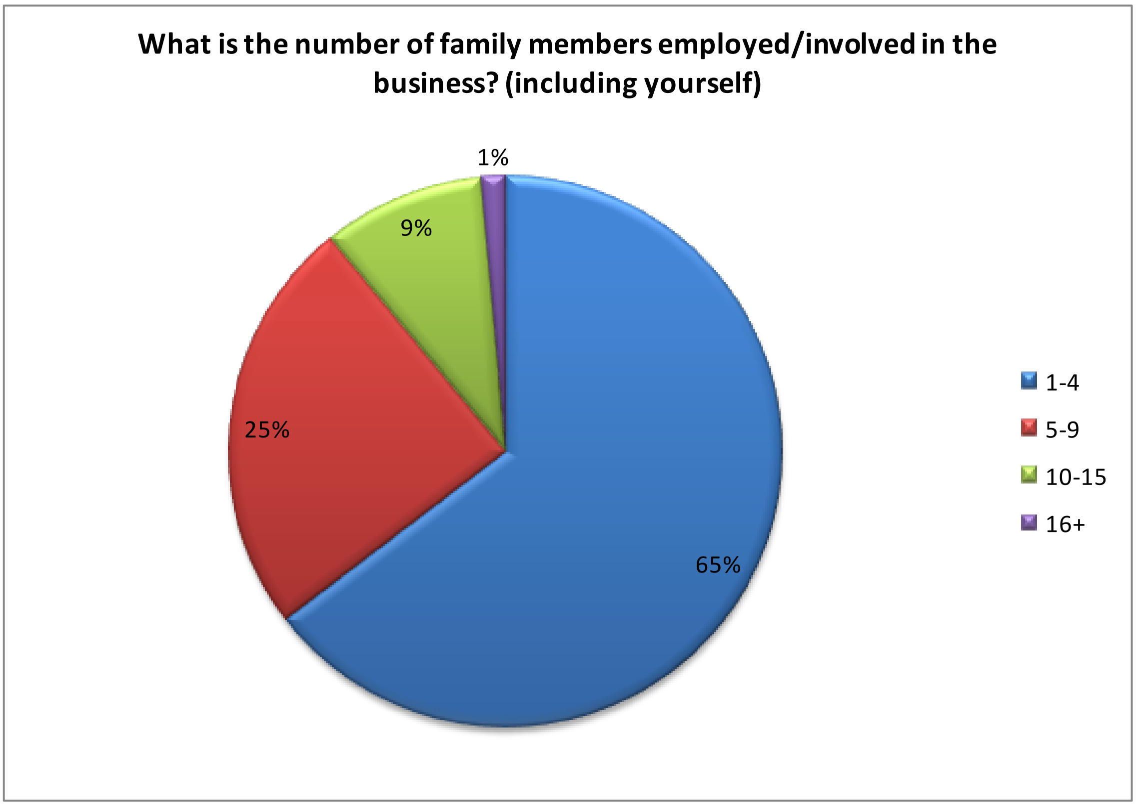

Figure 17: What is the number of family members employed/involved in the business? (including yourself)

Figure 17 establishes that 65% of respondents were in businesses that employed 1 – 4 family members, 25% of respondents were in businesses that employed 5 – 9 family members, 9% of respondents were in businesses that employed 10 – 15 family members, and 1% of respondents were in businesses that employed more than 16 family members. A cumulative 35% of respondents were in organisations that had 5 or more family members involved in the business.

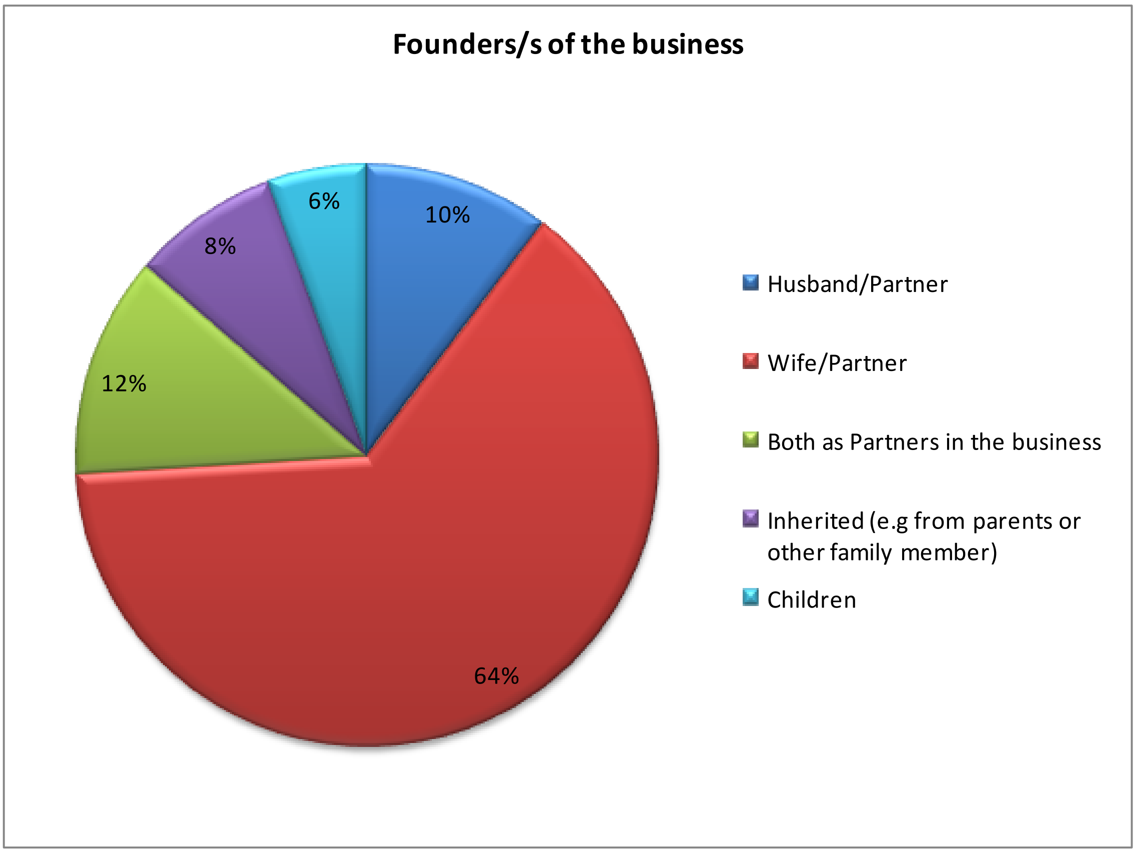

Figure 18: Founders/s of the business

Figure 18 reveals that 74% of respondents belonged to organisations that were founded by their partners, which could have been either the wife or the husband. The remainder of respondents belonged to businesses that were founded either by both partners (12%); inheritance (8%) or their children (6%).

4.2.4 *Entrepreneurial Profile*

The entrepreneurial profile consists of questions related to job level, business area and work experience inside and outside of the family business.

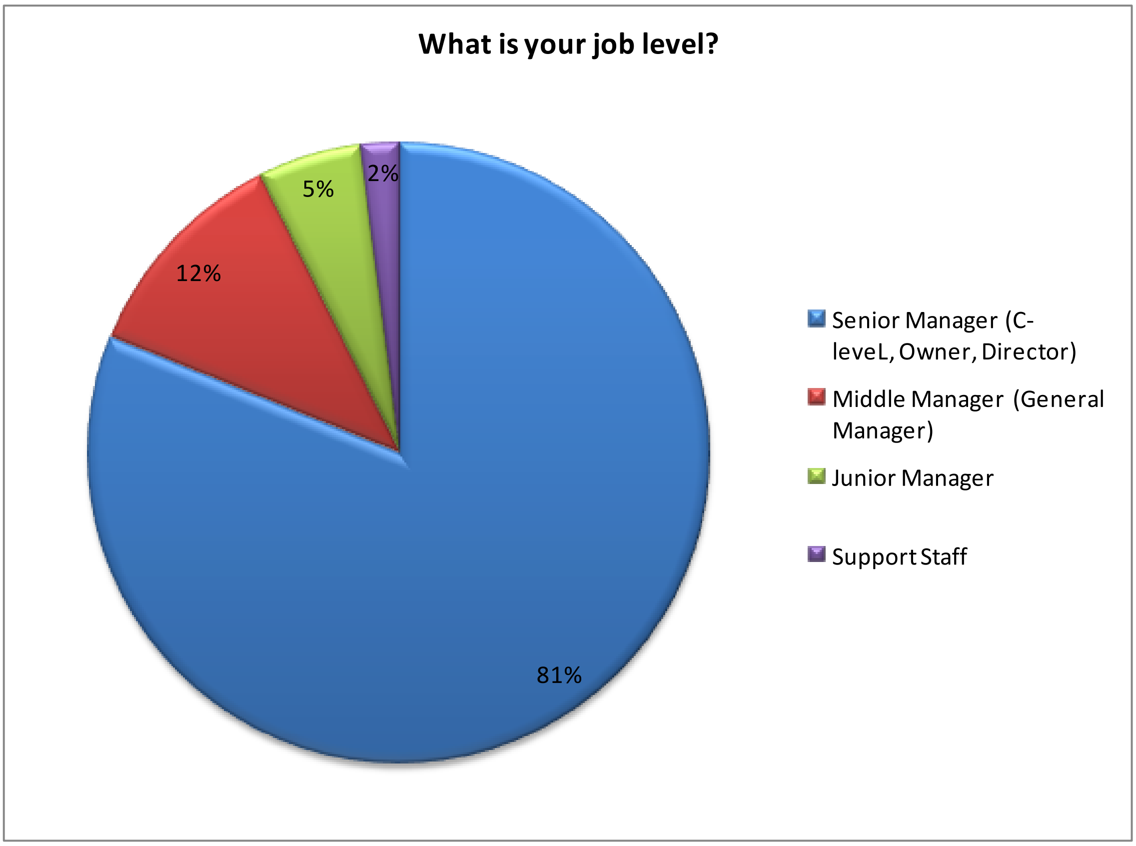

Figure 19: What is your job level?

Figure 19 establishes that 81% of respondents were at a senior manager level, 12% of respondents were at a middle manager level, 5% of respondents were at a junior manager level, and 2% of respondents were support staff. A cumulative 19% of respondents were in middle management or lower positions in their businesses.

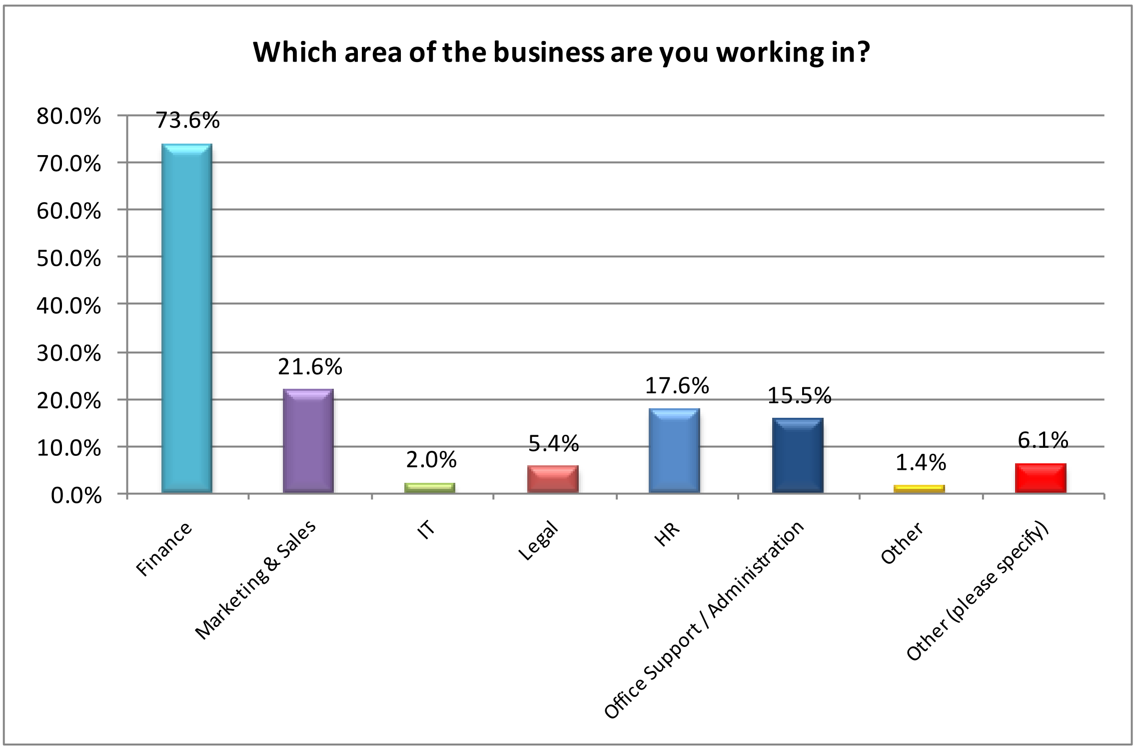

Figure 20: Which area of the business are you working in?

Figure 20 revels that the majority of respondents worked in finance (73.6%) while the remainder of respondents worked in the marketing and sales (21.6%); IT (2%); legal (5.4%); HR (17.6%); and office support / administration (15.5%). There were also 7.5% of respondents that worked in other areas not specified in the questionnaire.

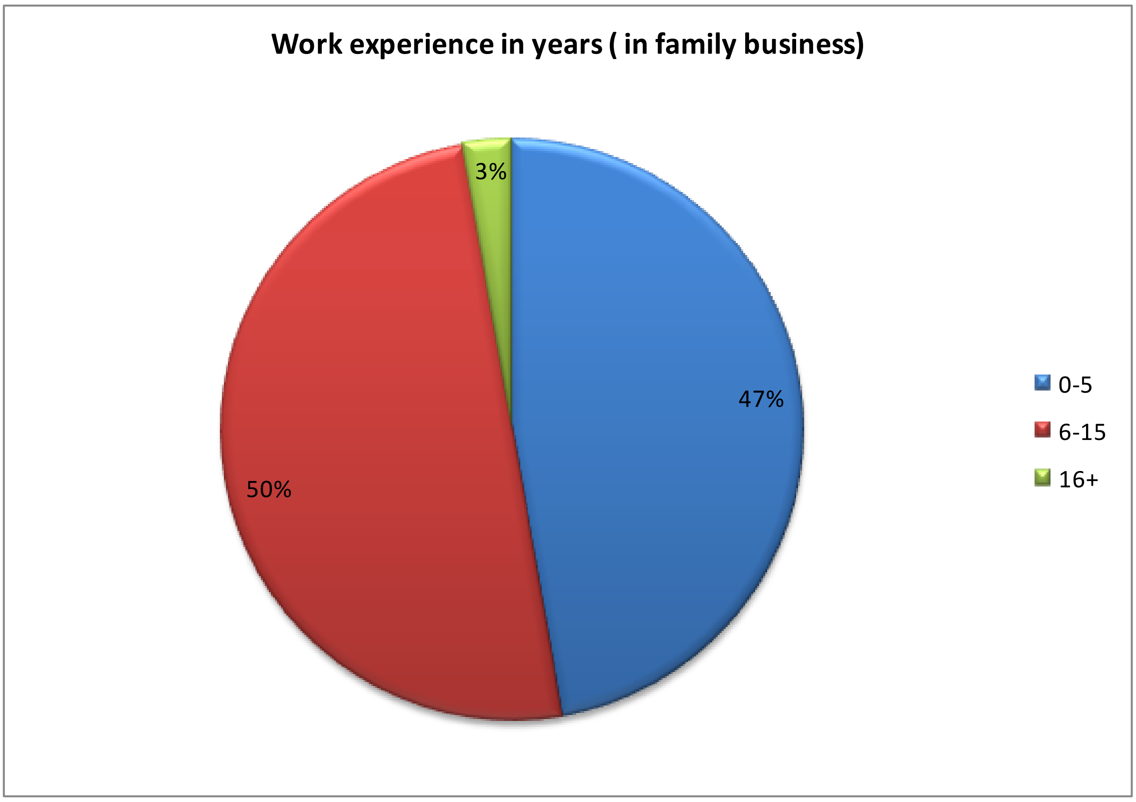

Figure 21: Work experience in years (in family business)

Figure 21 indicates that 47% of respondents had 0 – 5 years work experience in the family business, 50% of respondents had 6 – 15 years work experience in the family business, and 3% of respondents had more than 16 years of work experience in the family business.

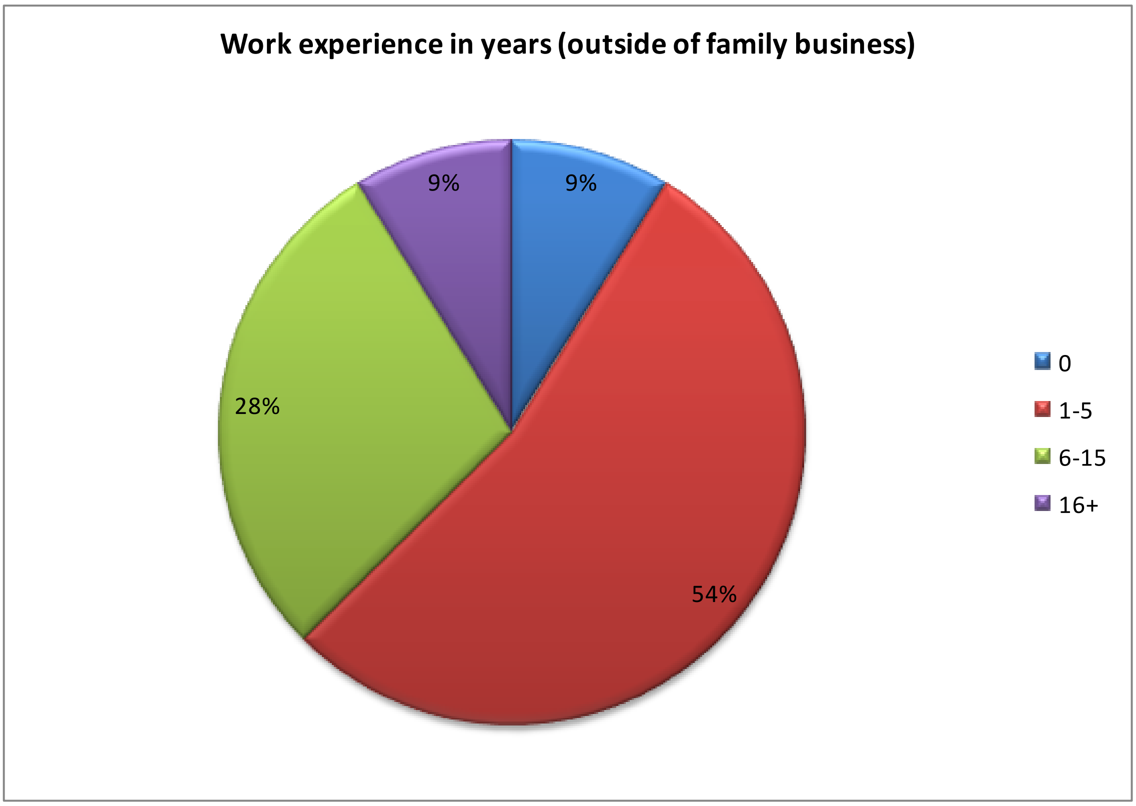

Figure 22: Work experience in years (outside of family business)

Figure 22 illustrates that 9% of respondents had no work experience outside the family business, 54% of respondents had 1 – 5 years work experience outside the family business, 28% of respondents had 6 – 15 years work experience outside the family business, and 3% of respondents had more than 16 years of work experience outside the family business. A cumulative 37% of respondents had more than 5 years work experience outside the family business.

4.2.5 *Decision Making and Personality*

The next section presents results related to general decision making and personality. There are two general decision making questions and two personality questions.

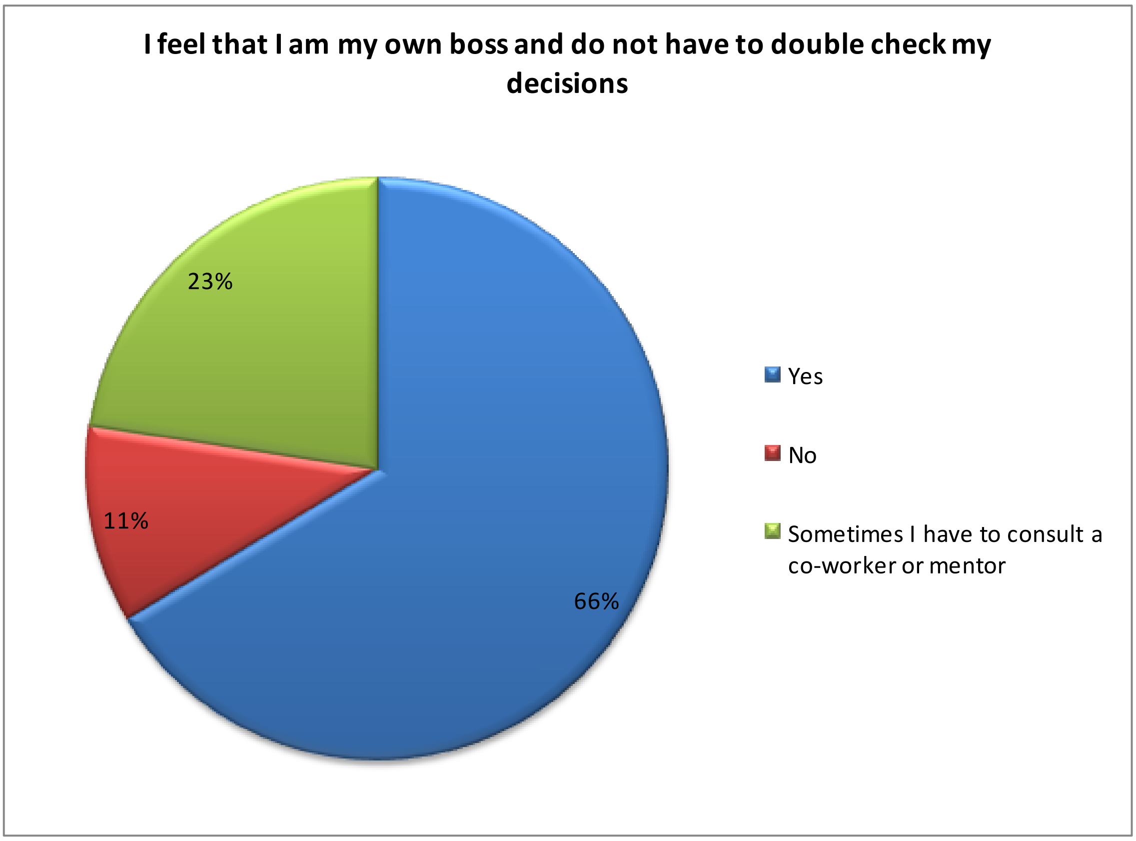

Figure 23: I feel that I am my own boss and do not have to double check my decisions

Figure 23 illustrates that 66% of respondents felt that they were their own boss and did not have to double check their decisions, 11% of respondents did not feel that they were their own boss, and 23% of respondents indicated that they would sometimes have to consult a co-worker or mentor when making decisions.

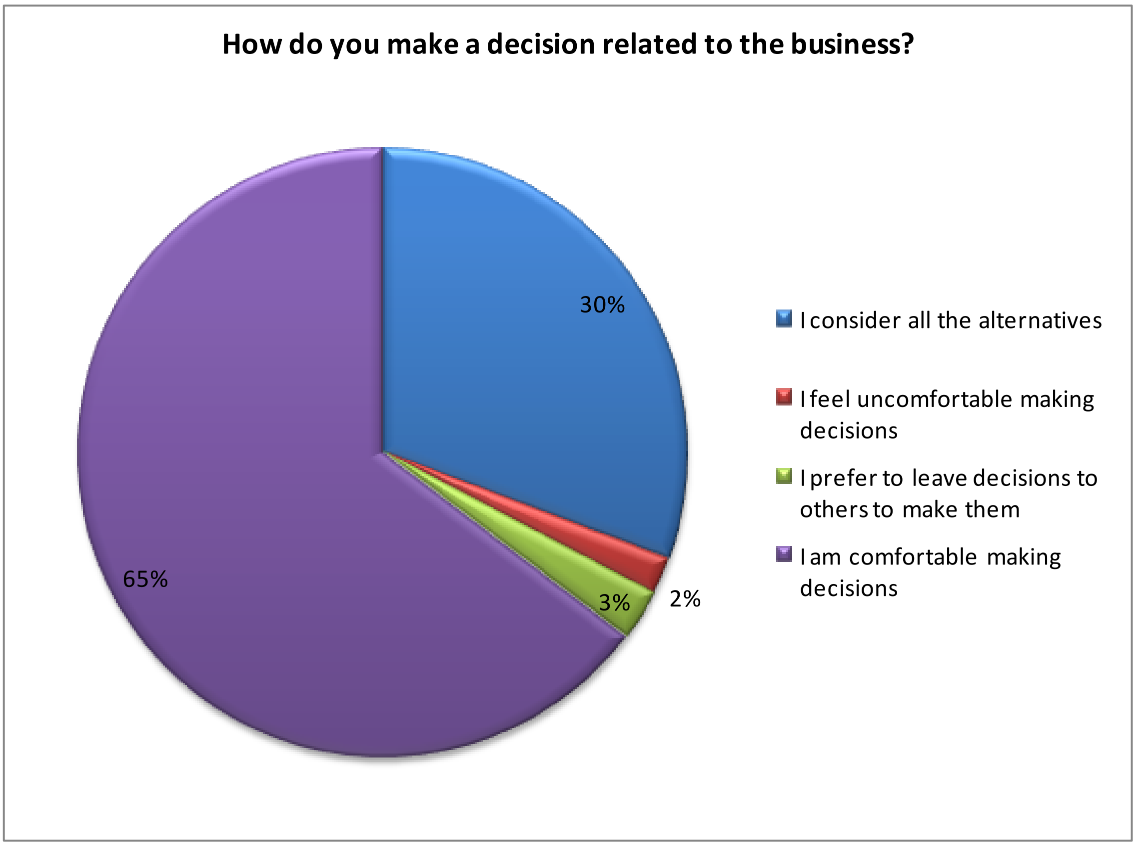

Figure 24: How do you make a decision related to the business?

Figure 24 establishes that 30% of respondents would consider all the alternatives when making decisions; 2% of respondents felt uncomfortable making decisions; 3% of respondents preferred to leave decision making to others; and 65% of respondents were comfortable making business-related decisions.

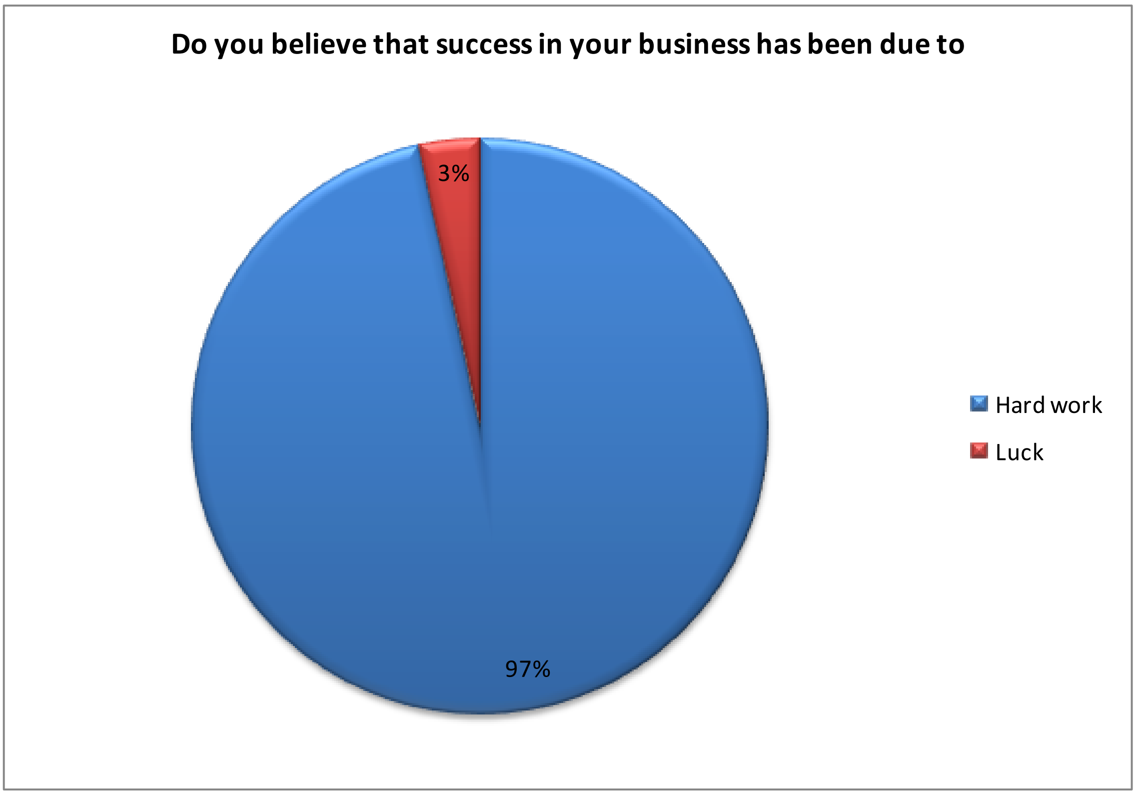

Figure 25: Do you believe that success in your business has been due to

Figure 25 illustrates that the majority of respondents (97%) believed that success in their business has been due to hard work; and the remainder of respondents (3%) felt that luck has caused success in their businesses.

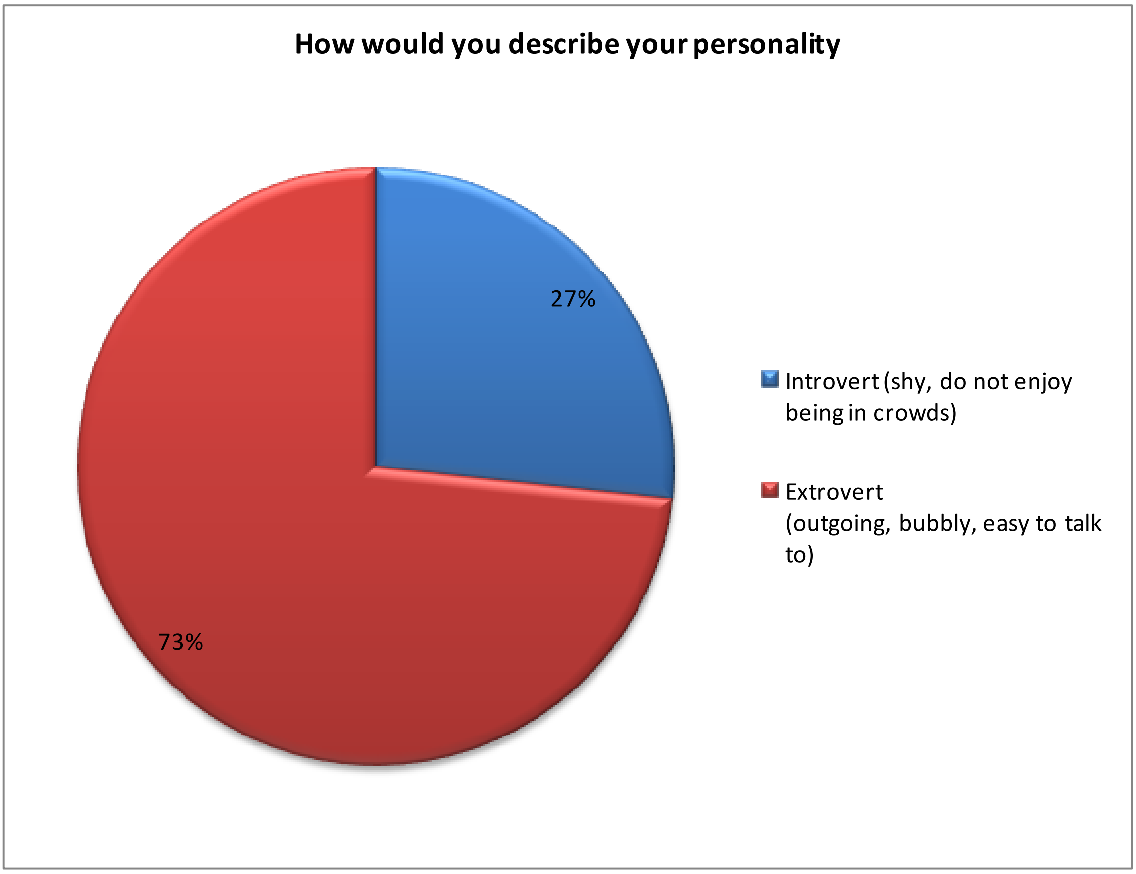

Figure 26: How would you describe your personality

Figure 26 indicates that 27% of respondents had introverted personalities and 73% of respondents described their personality as being extroverted.

4.3 Results pertaining to Hypothesis 1

Women have a role as decision makers in the family business

The results for the first hypothesis consist of questions relating to key decision making, business expenditure decision making, borrowing decision making and major investment decision making.

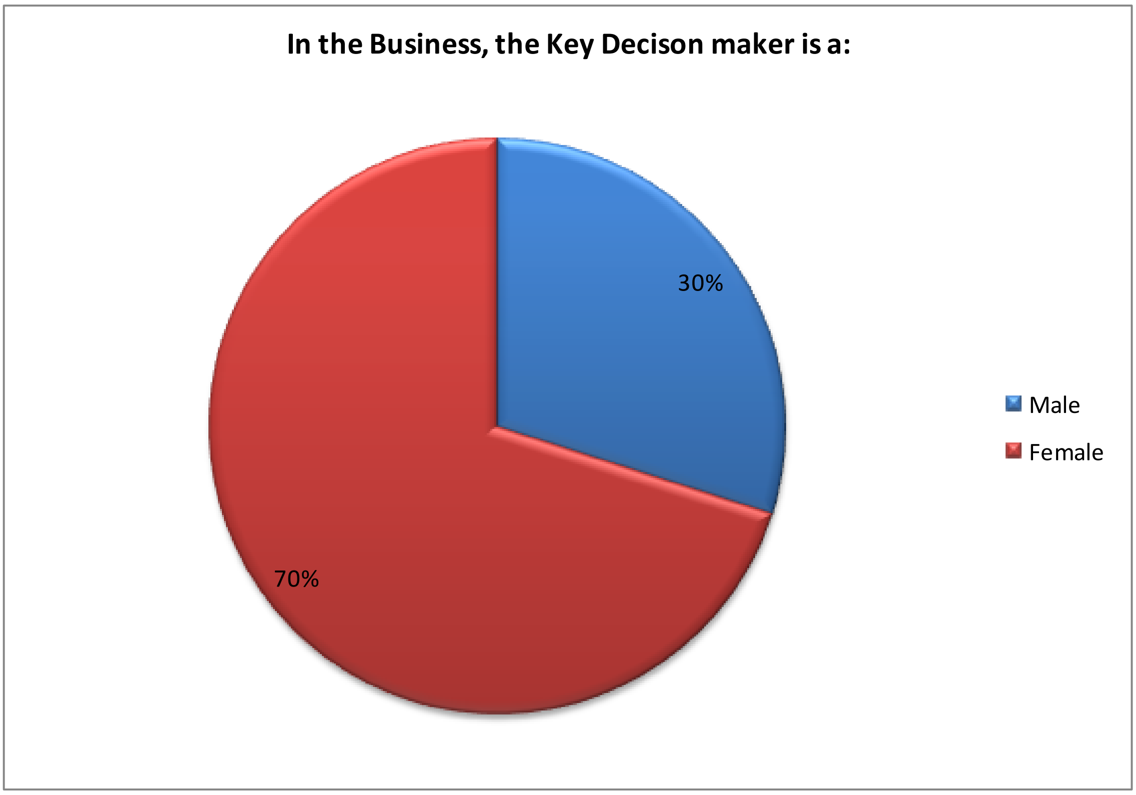

Figure 27: Key Decision Making

Figure 27 establishes that 30% of respondents felt that males were the key decision makers in their business; whereas 70% of respondents felt that females were the key decision makers in their business.

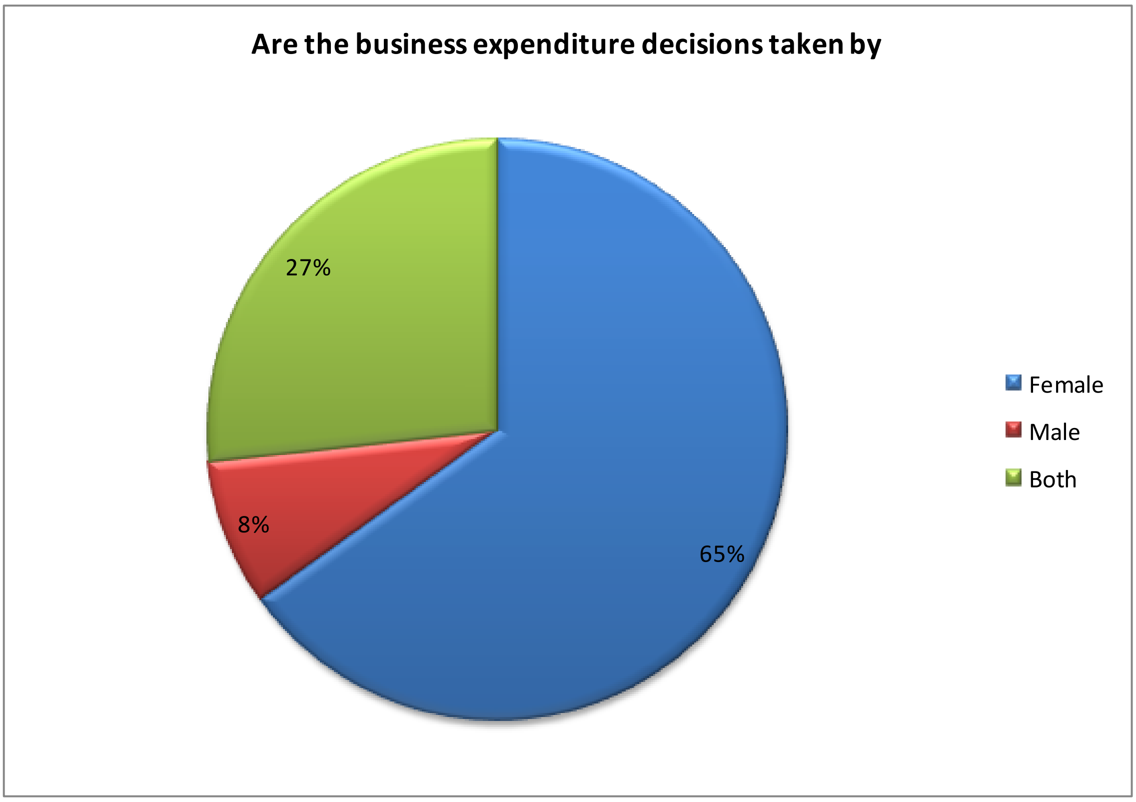

Figure 28: Business Expenditure Decision Making

Figure 28 establishes that 65% of respondents felt that business expenditure decisions were taken by females; 8% of respondents felt that business expenditure decisions were taken by males; and 27% of respondents felt that both males and females contributed to making business expenditure decisions within the business.

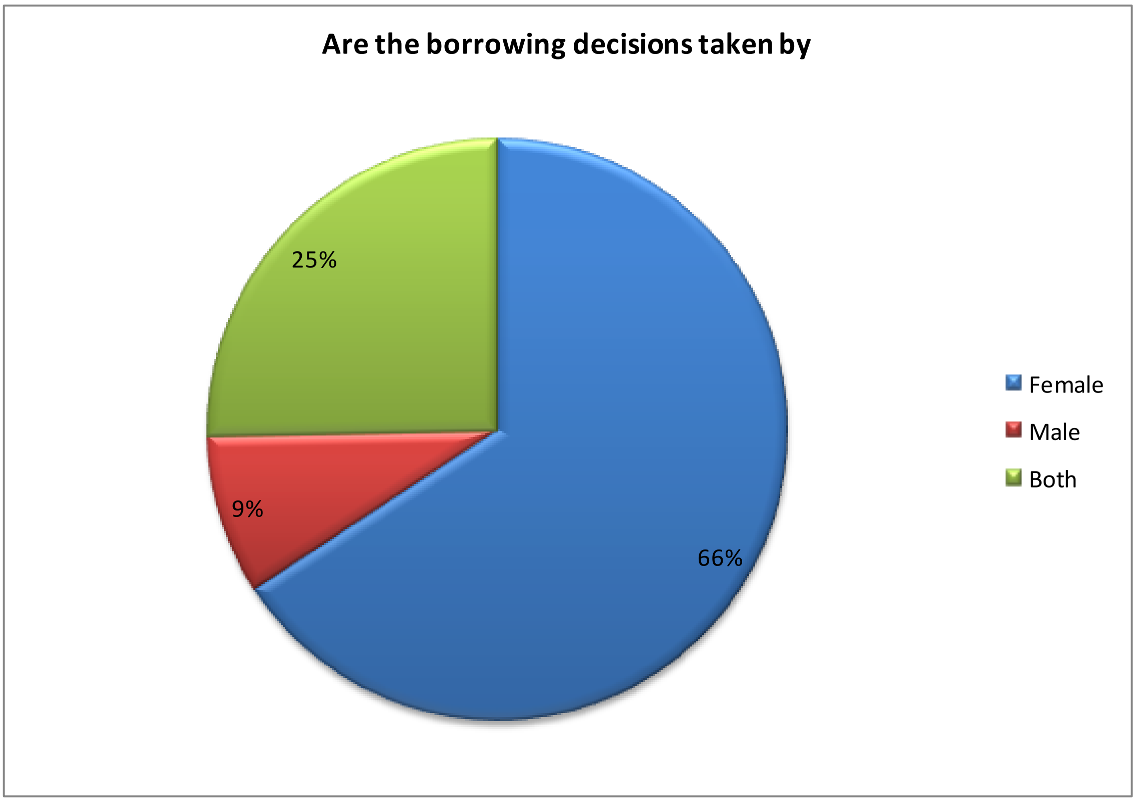

Figure 29: Borrowing Decision Making

Figure 29 establishes that 66% of respondents felt that borrowing decisions were taken by females; 9% of respondents felt that borrowing decisions were taken by males; and 25% of respondents felt that both males and females contributed to making borrowing decisions for the business.

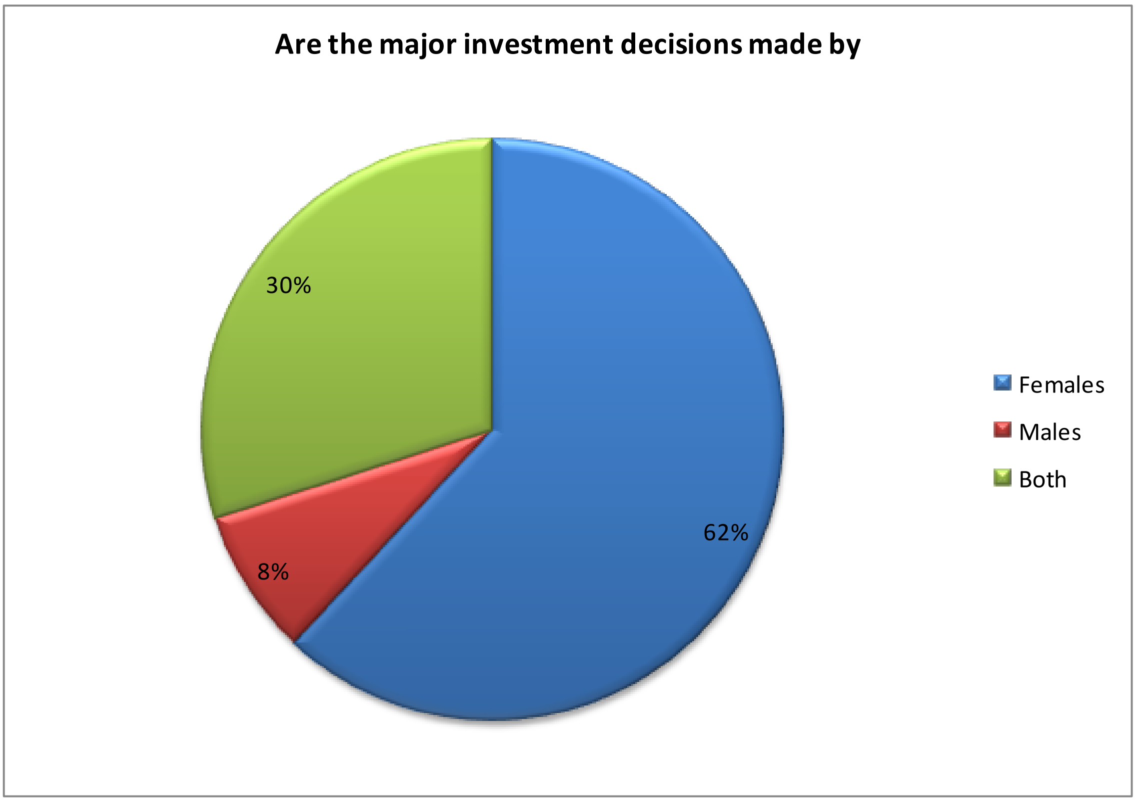

Figure 30: Major Investment Decision Making

Figure 30 establishes that 62% of respondents felt that major investment decisions were taken by females; 8% of respondents felt that major investment decisions were taken by males; and 30% of respondents felt that both males and females contributed to making major investment decisions for the future of the business.

4.4 Results pertaining to Hypothesis 2

There is an association between human capital variables and the inclusion of the women in senior decision making structures in the family business

The results for the second hypothesis consist of questions related to the human capital variables, namely: education, experience inside the family business and experience outside of the family business.

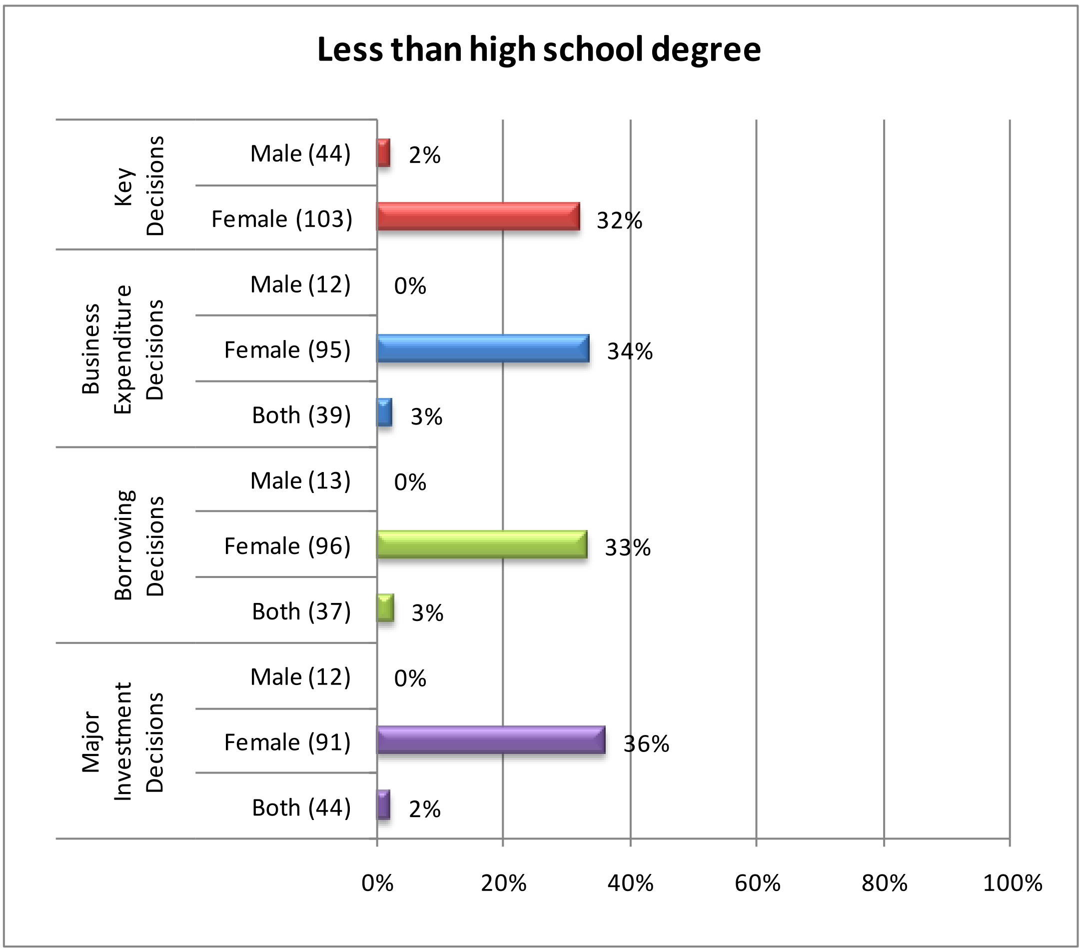

Figure 31: Less than high school degree

Figure 31 reveals that respondents who had less than a high school degree also felt that females were the key decision makers (32%); business expenditure decision makers (34%); borrowing decision makers (33%); and major investment decision makers (36%).

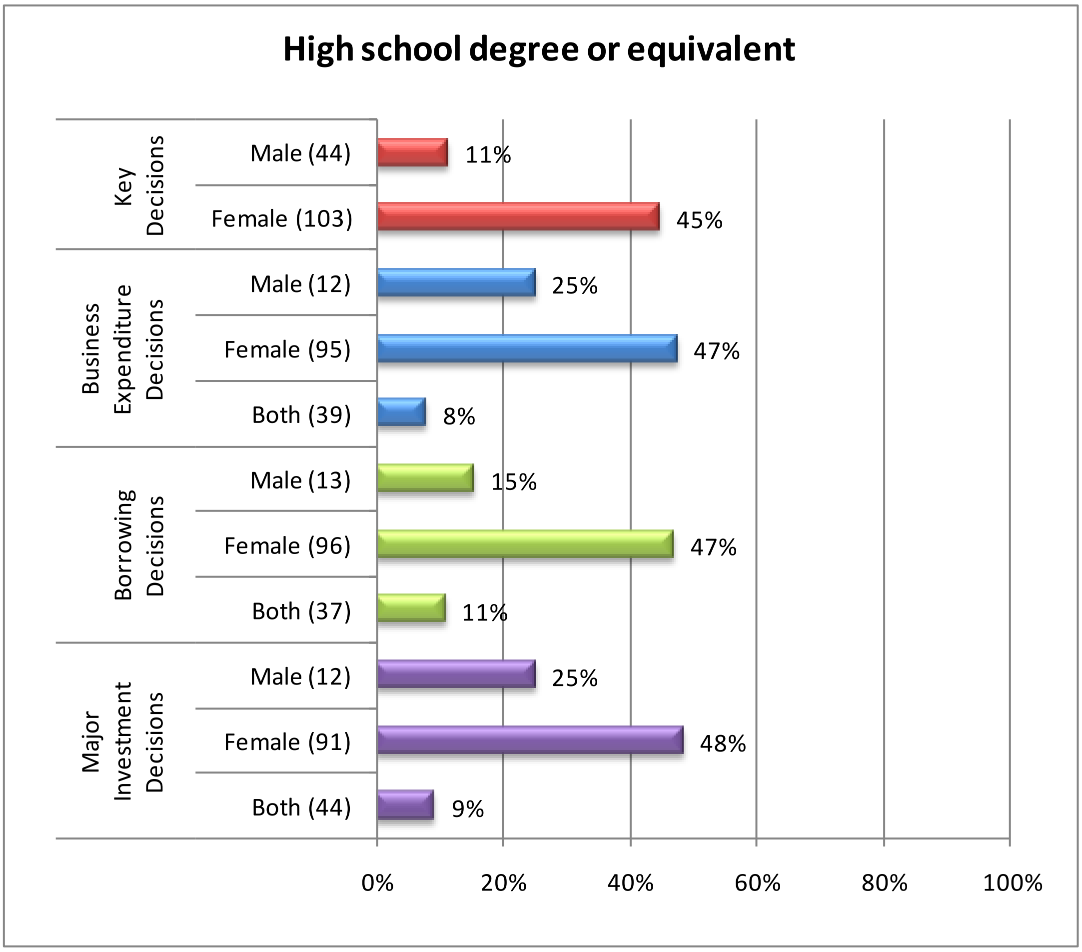

Figure 32: High school degree or equivalent

Figure 32 indicates that respondents who had a high school degree or equivalent also felt that females were the key decision makers (45%); business expenditure decision makers (47%); borrowing decision makers (47%); and major investment decision makers (48%).

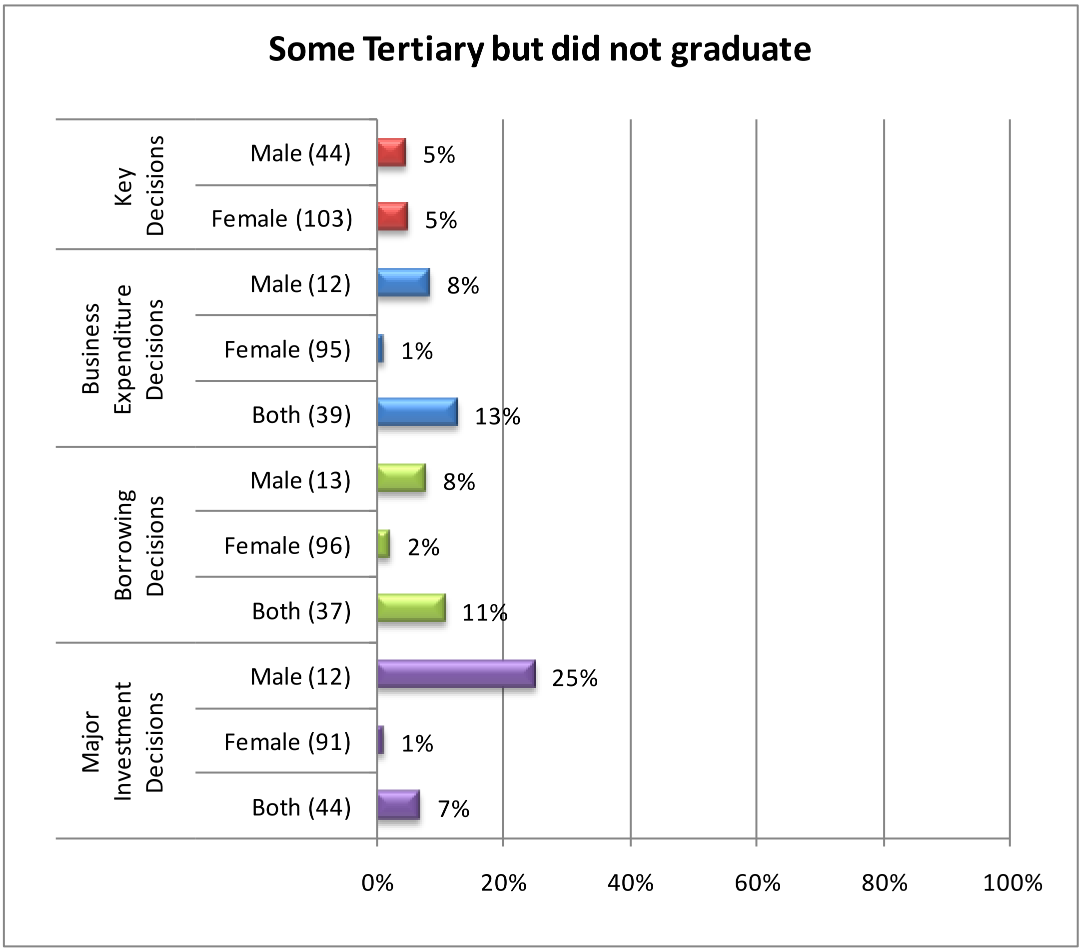

Figure 33: Some Tertiary but did not graduate

Figure 33 demonstrates that respondents who had some tertiary education but did not graduate had no preferences when indicating who were the key decision makers; business expenditure decision makers; borrowing decision makers; or major investment decision makers in their business.

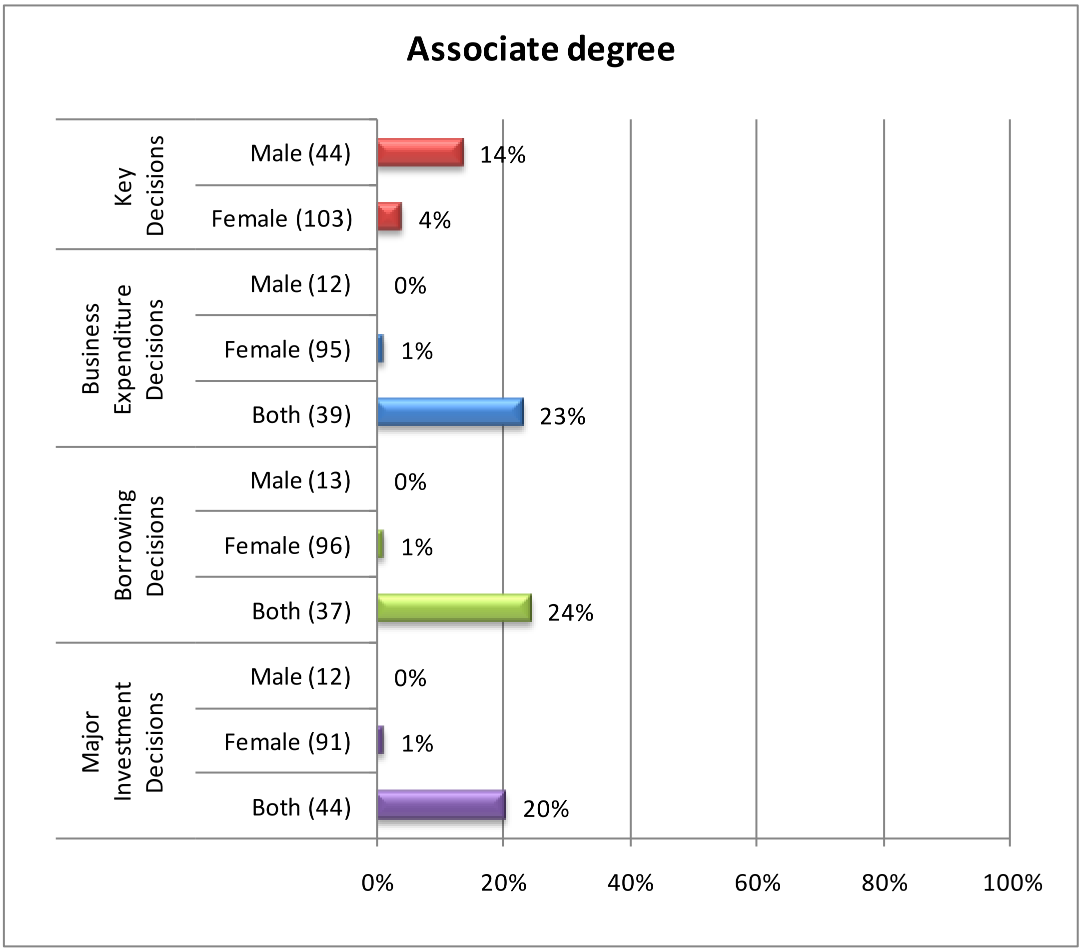

Figure 34: Associate Degree

Figure 34 illustrates that respondents who had an associate degree had no preferences when indicating who were the key decision makers; business expenditure decision makers; borrowing decision makers; or major investment decision makers in their business.

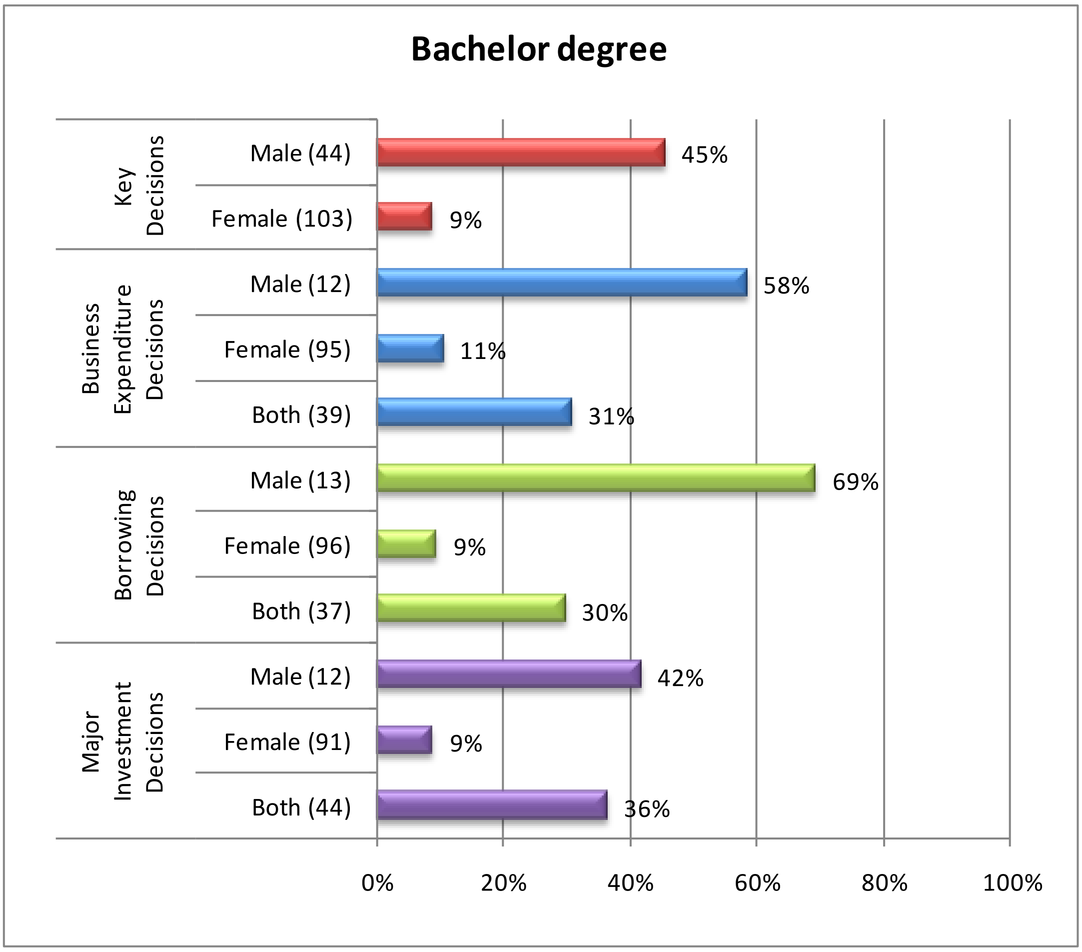

Figure 35: Bachelor degree

Figure 35 reveals that respondents who had a bachelor degree also felt that males were the key decision makers (45%); males (58%) and both (31%) were responsible for business expenditure decision making; males (69%) and both (30%) were responsible for borrowing decision making; and males (42%) and both (36%) were responsible for major investment decision making.

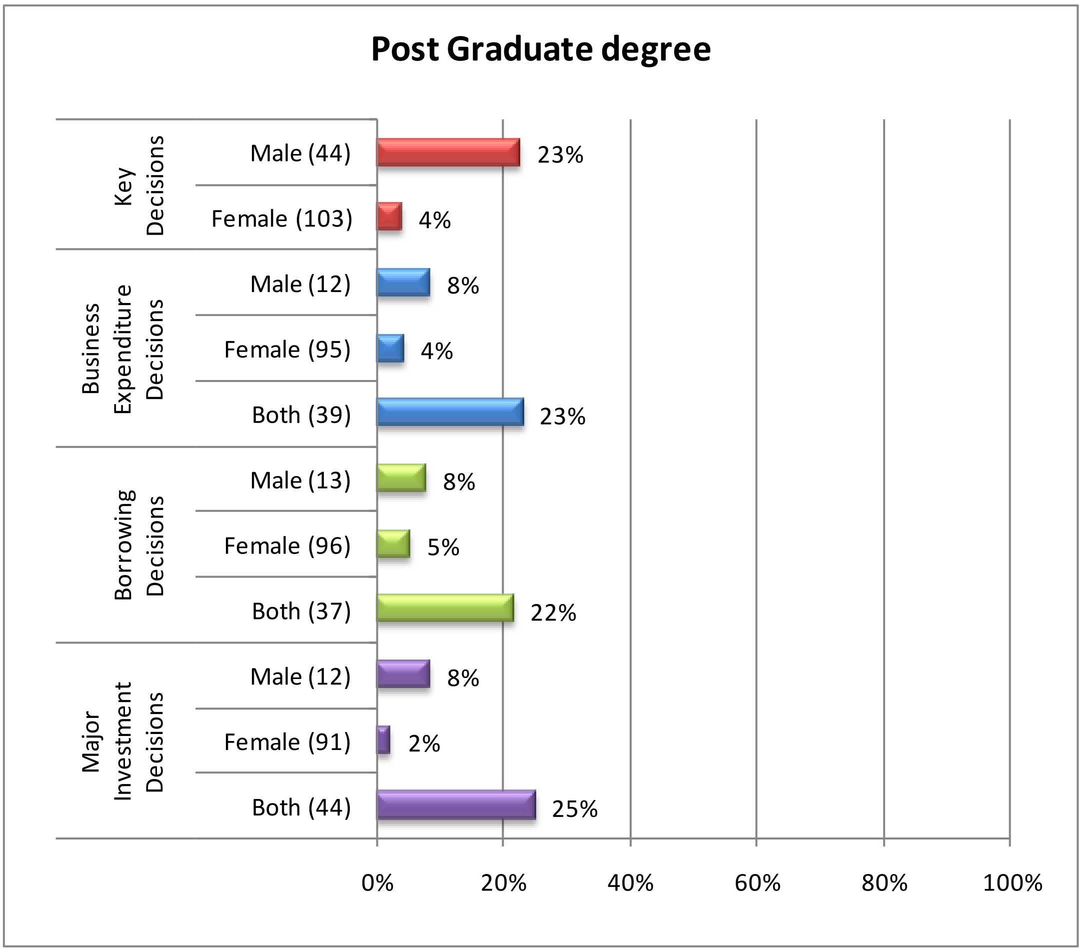

Figure 36: Post Graduate degree

Figure 36 illustrates that respondents who had a post graduate degree had no preferences when indicating who were the key decision makers; business expenditure decision makers; borrowing decision makers; or major investment decision makers in their business.

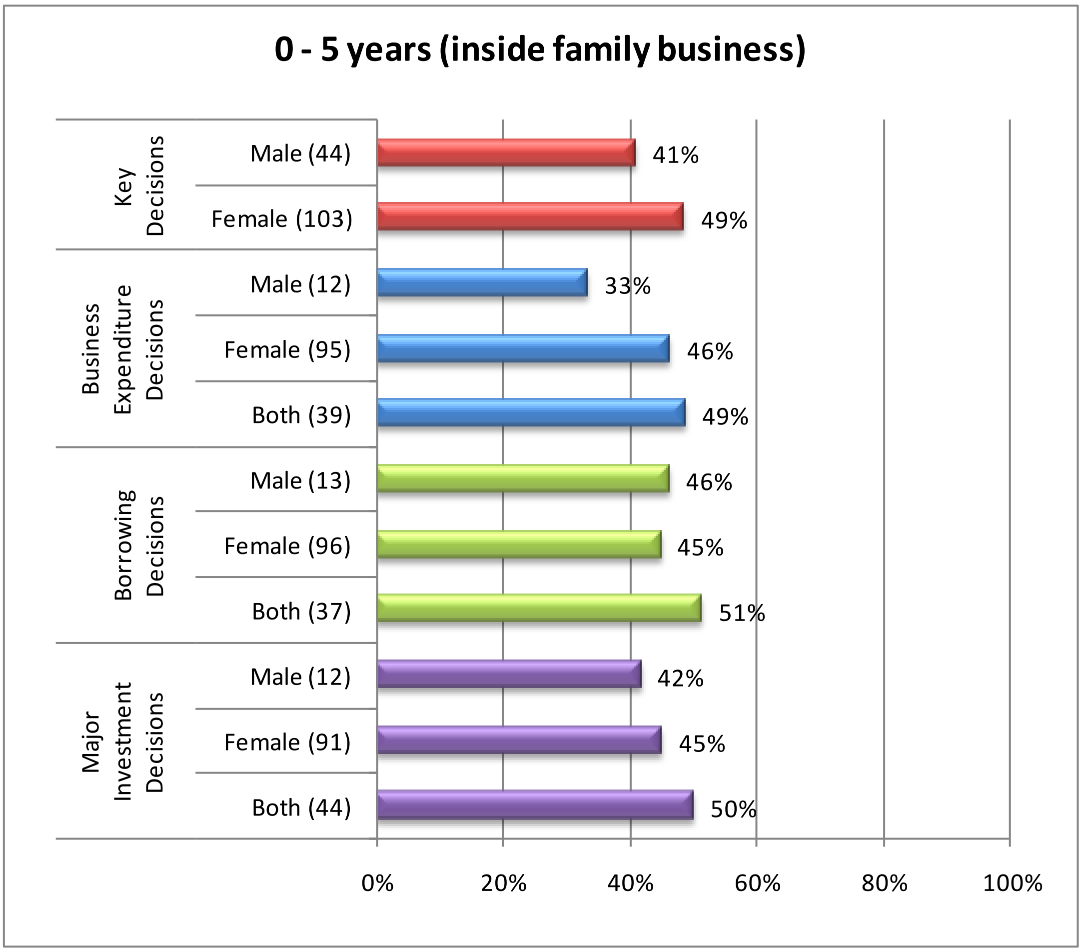

Figure 37: 0 - 5 years experience inside family business

Figure 37 establishes that respondents who had 0 - 5 years experience inside the family business also felt that males (41%) and females (49%) were the key decision makers; females (46%) and both (49%) were responsible for business expenditure decision making; males (46%), females (45%) and both (51%) were responsible for borrowing decision making; and males (42%), females (45%) and both (50%) were responsible for major investment decision making.

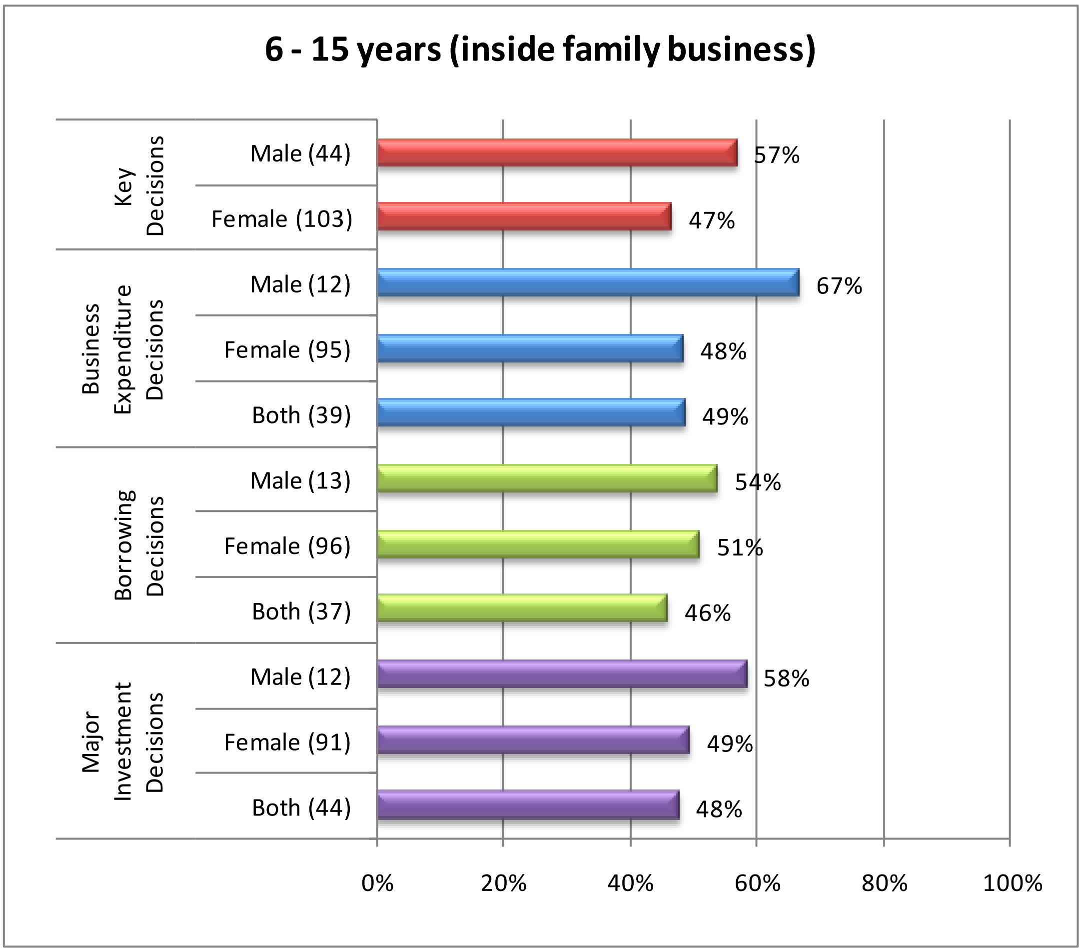

Figure 38: 6 - 15 years experience inside family business

Figure 38 establishes that respondents who had 6 - 15 years experience inside the family business also felt that males (57%) and females (47%) were the key decision makers; males (67%), females (48%) and both (49%) were responsible for business expenditure decision making; males (54%), females (51%) and both (46%) were responsible for borrowing decision making; and males (58%), females (49%) and both (48%) were responsible for major investment decision making.

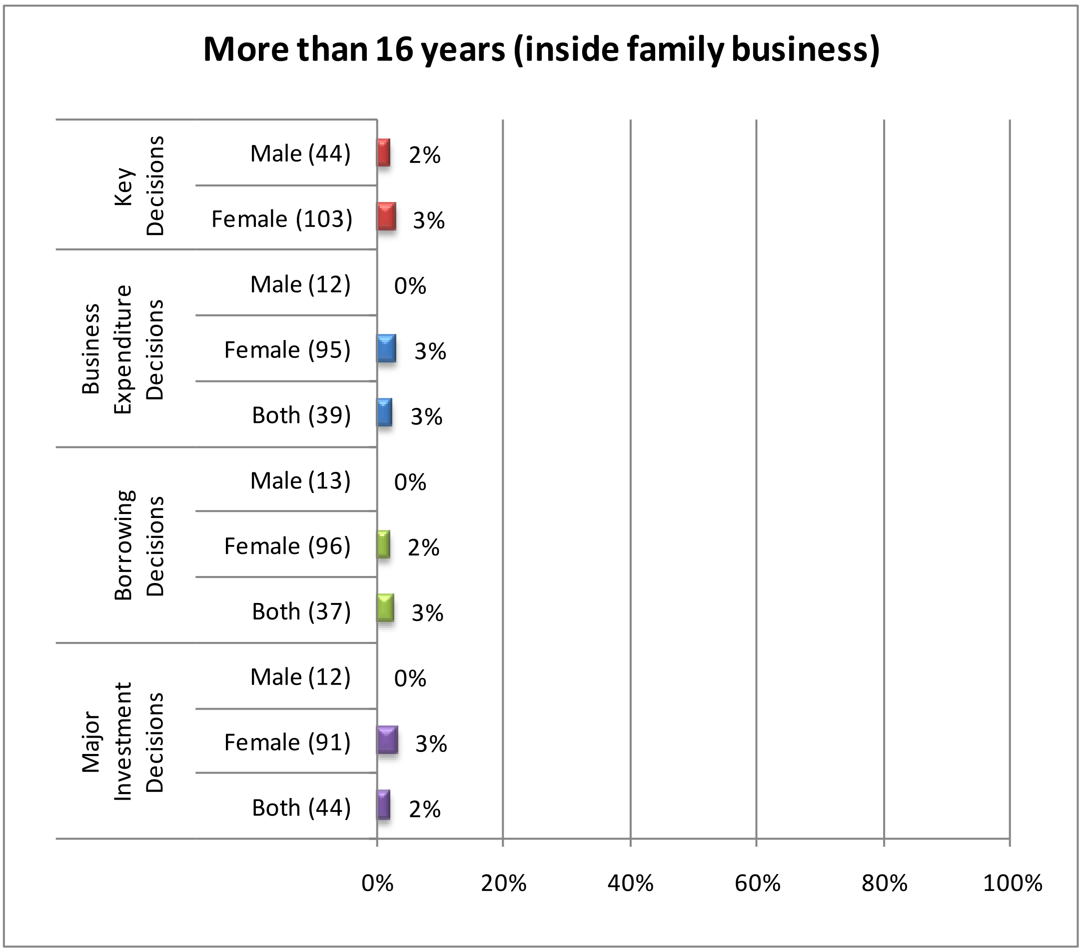

Figure 39: More than 16 years experience inside family business

Figure 39 indicates that respondents who had more than 16 years experience inside the family business had no significant preferences when indicating who were the key decision makers; business expenditure decision makers; borrowing decision makers; or major investment decision makers in their business.

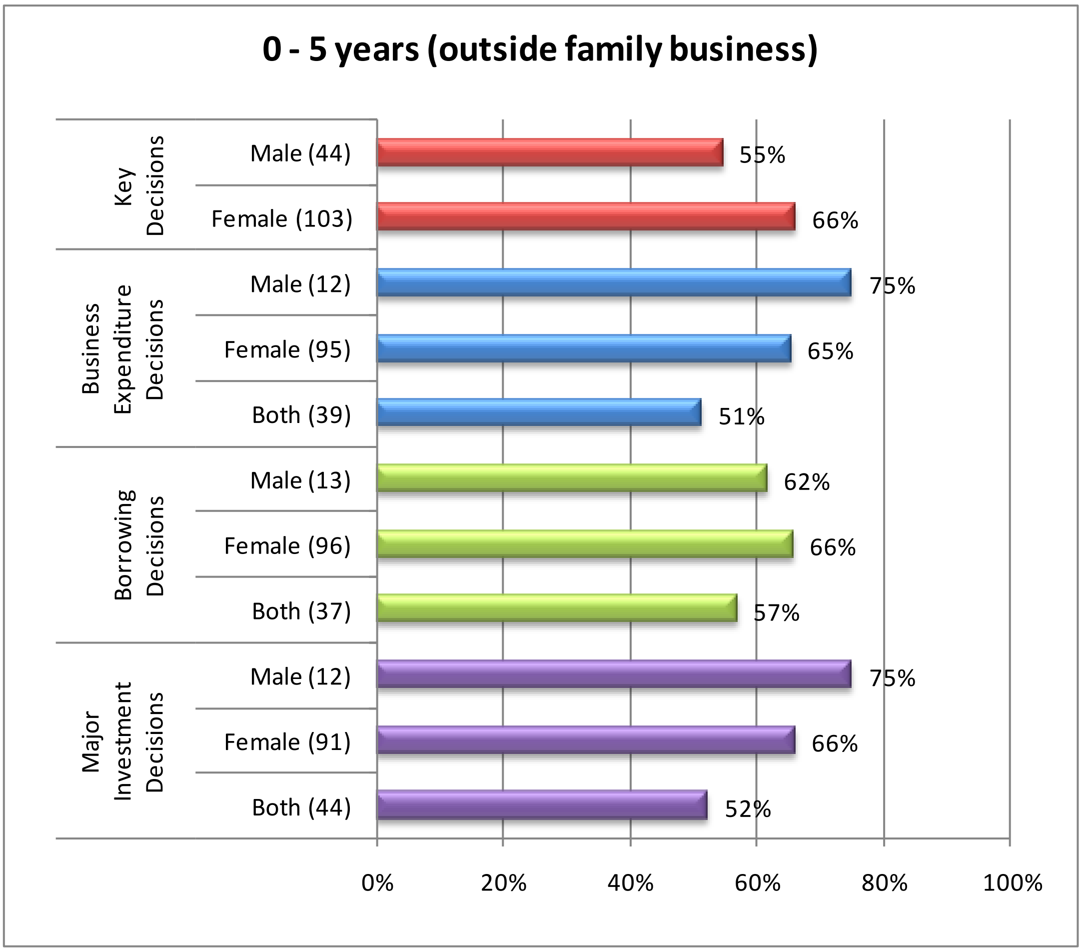

Figure 40: 0 - 5 years experience outside family business

Figure 40 reveals that respondents who had 0 - 5 years experience outside the family business also felt that males (55%) and females (66%) were the key decision makers; males (75%), females (65%) and both (50%) were responsible for business expenditure decision making; males (62%), females (66%) and both (57%) were responsible for borrowing decision making; and males (75%), females (66%) and both (52%) were responsible for major investment decision making.

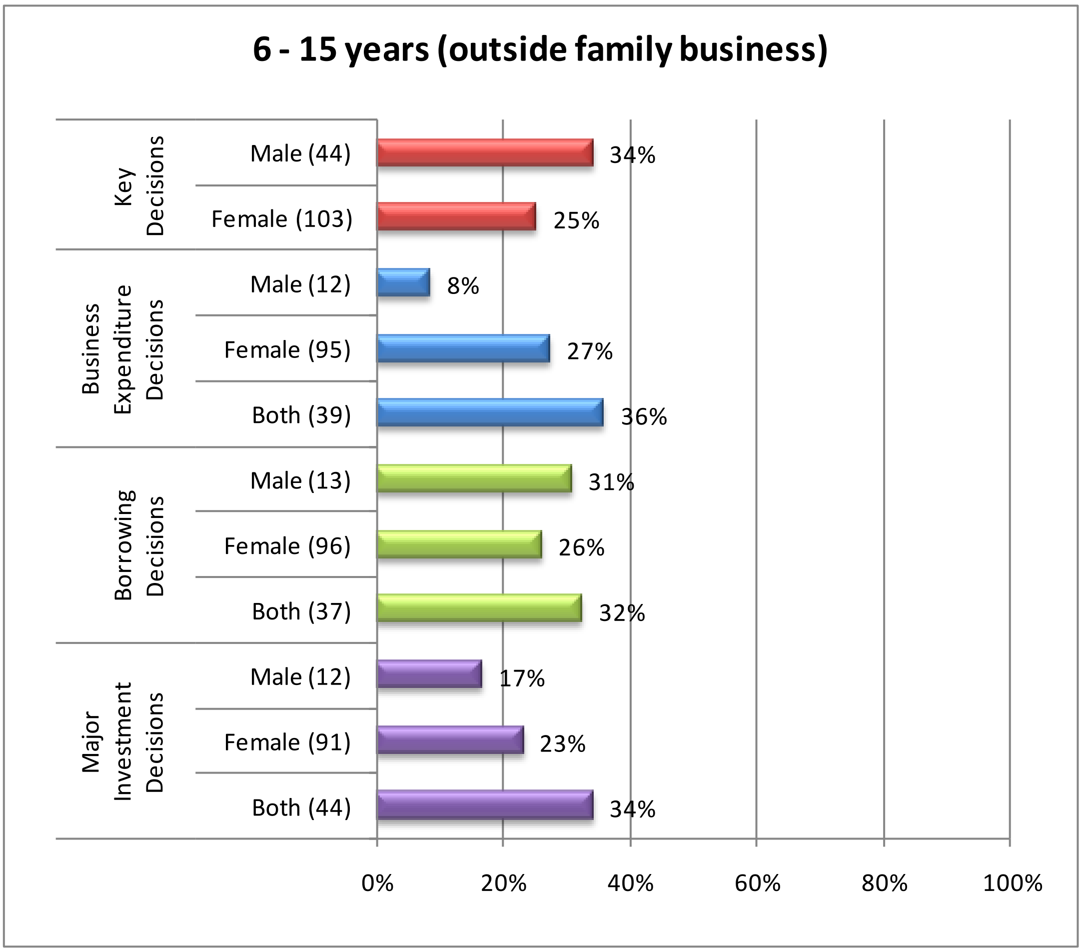

Figure 41: 6 - 15 years experience outside family business

Figure 41 illustrates that respondents who had 6 - 15 years experience outside the family business had no preferences when indicating who were the key decision makers; business expenditure decision makers; borrowing decision makers; or major investment decision makers in their business.

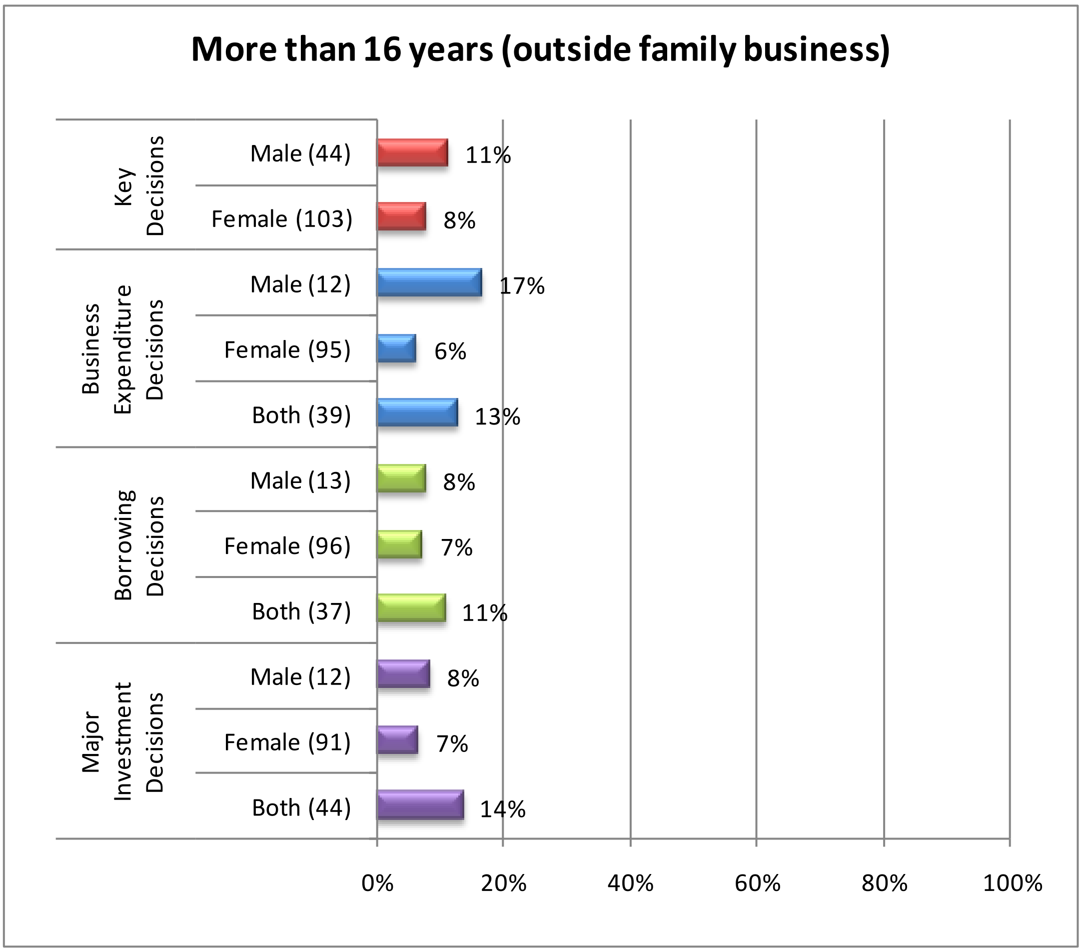

Figure 42: More than 16 years experience outside family business

Figure 42 illustrates that respondents who had more than 16 years experience outside the family business had no significant preferences when indicating who were the key decision makers; business expenditure decision makers; borrowing decision makers; or major investment decision makers in their business.

4.5 Results pertaining to Hypothesis 3

There is an association between social capital variables and the inclusion of the women in senior decision making structures in the family business

The results for the third hypothesis consist of questions related to the social capital variables, namely: networking events /conferences; use or rely on partnerships; social networking sites; leads from social networking sites, community groups; leads from community groups; role of culture, conduct business on trust.

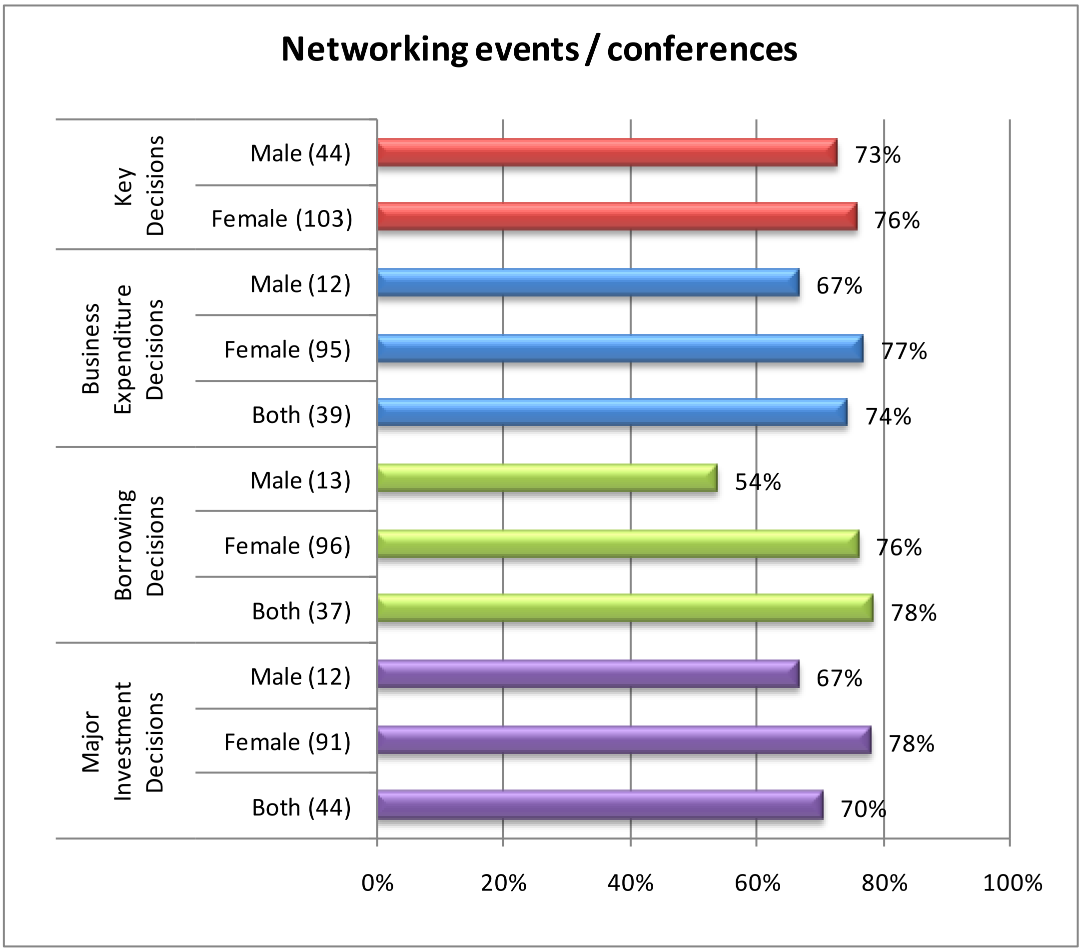

Figure 43: Networking events / conferences

Figure 43 reveals that respondents who attended networking events or conferences also felt that males (73%) and females (76%) were the key decision makers; males (67%), females (77%) and both (74%) were responsible for business expenditure decision making; females (76%) and both (78%) were responsible for borrowing decision making; and males (67%), females (78%) and both (70%) were responsible for major investment decision making.

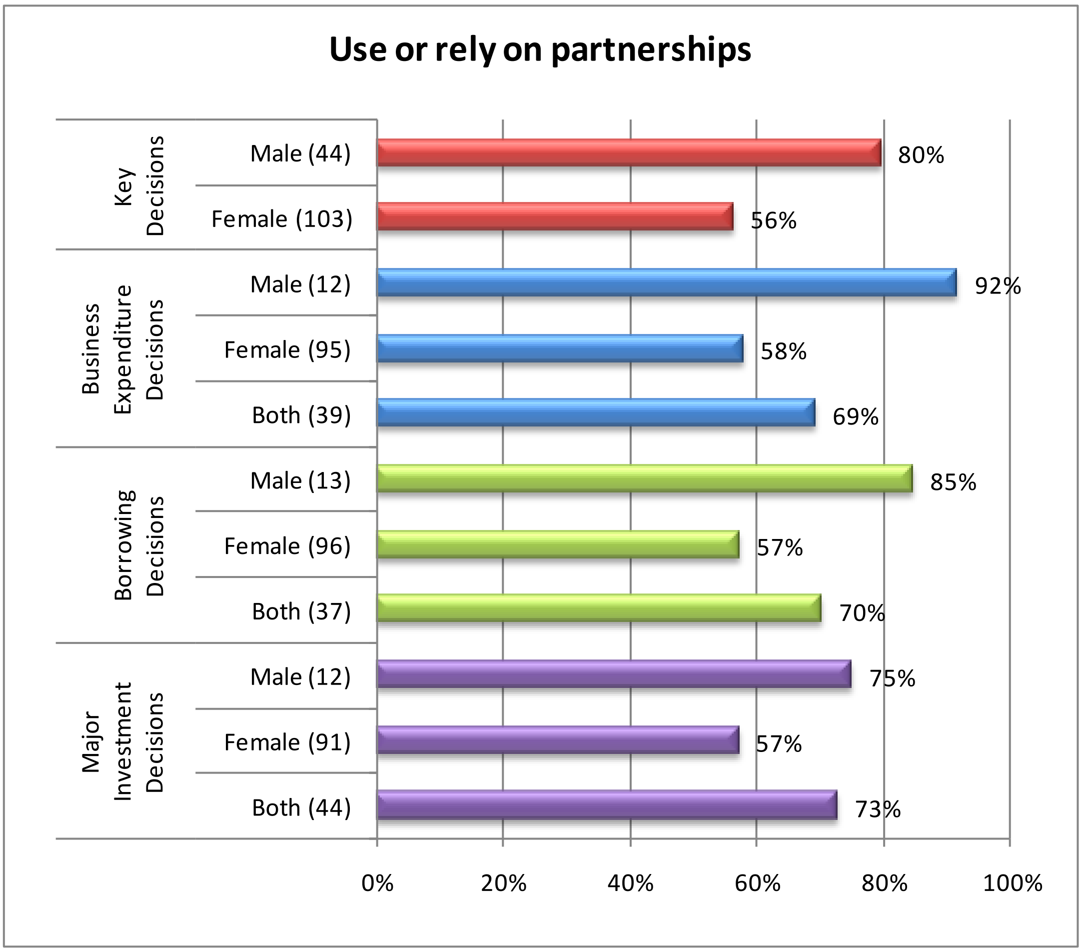

Figure 44: Use or rely on partnerships

Figure 44 indicates that respondents who used or relied on partnerships also felt that males (80%) were the key decision makers; males (92%) and both (69%) were responsible for business expenditure decision making; males (85%) and both (70%) were responsible for borrowing decision making; and males (75) and both (73%) were responsible for major investment decision making.

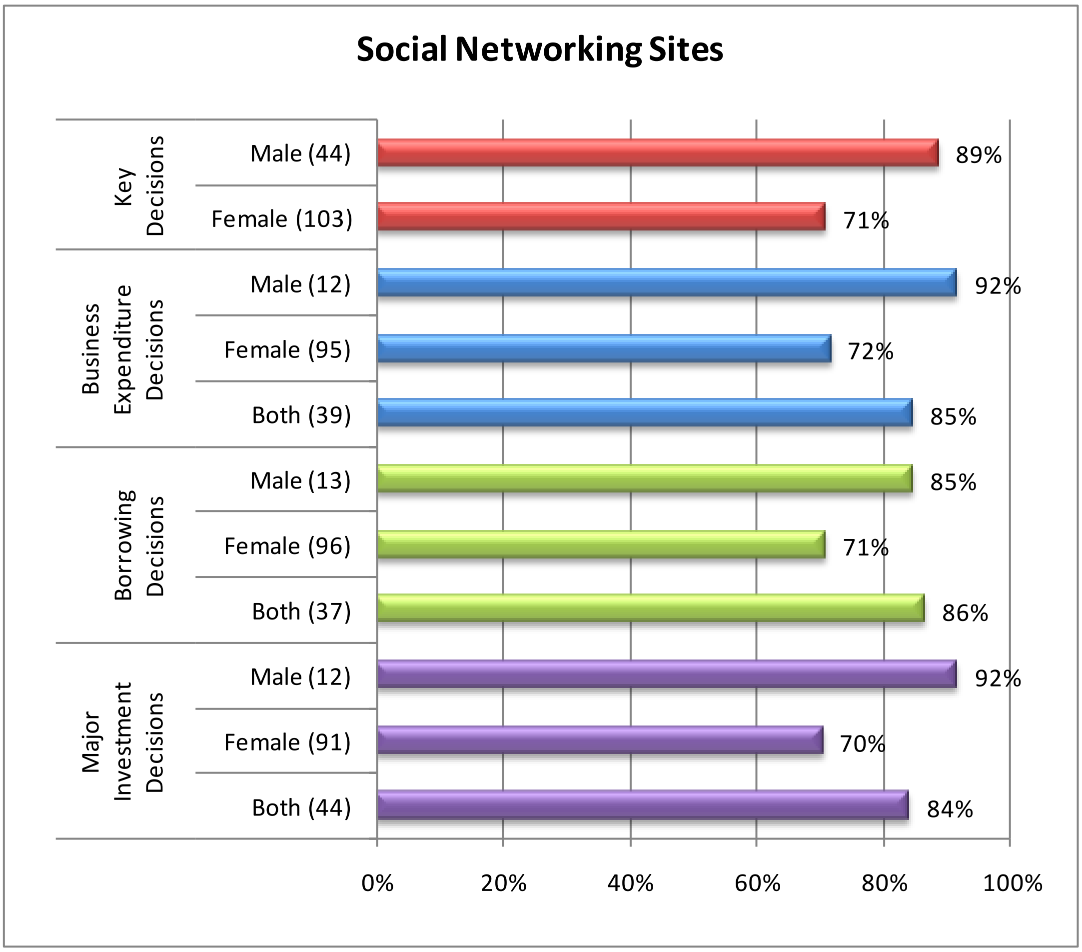

Figure 45: Social Networking Sites

Figure 45 demonstrates that respondents who were active on social networking sites also felt that males (89%) and females (71%) were the key decision makers; males (92%), females (72%) and both (85%) were responsible for business expenditure decision making; males (85%), females (71%) and both (86%) were responsible for borrowing decision making; and males (92%), females (70%) and both (84%) were responsible for major investment decision making.

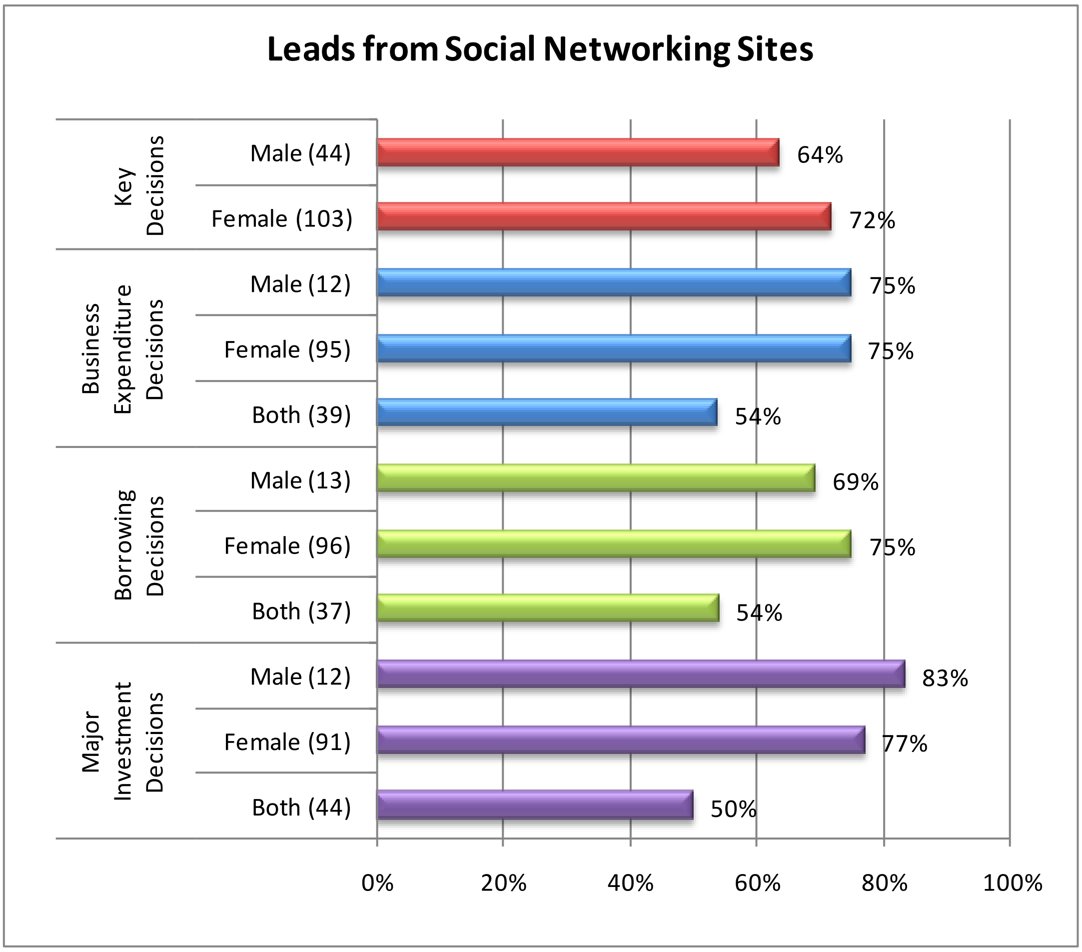

Figure 46: Leads from Social Networking Sites

Figure 46 illustrates that respondents who generated leads from social networking sites also felt that males (64%) and females (72%) were the key decision makers; males (75%) and females (75%) were responsible for business expenditure decision making; males (69%) and females (75%) were responsible for borrowing decision making; and males (83%) and females (77%) were responsible for major investment decision making.

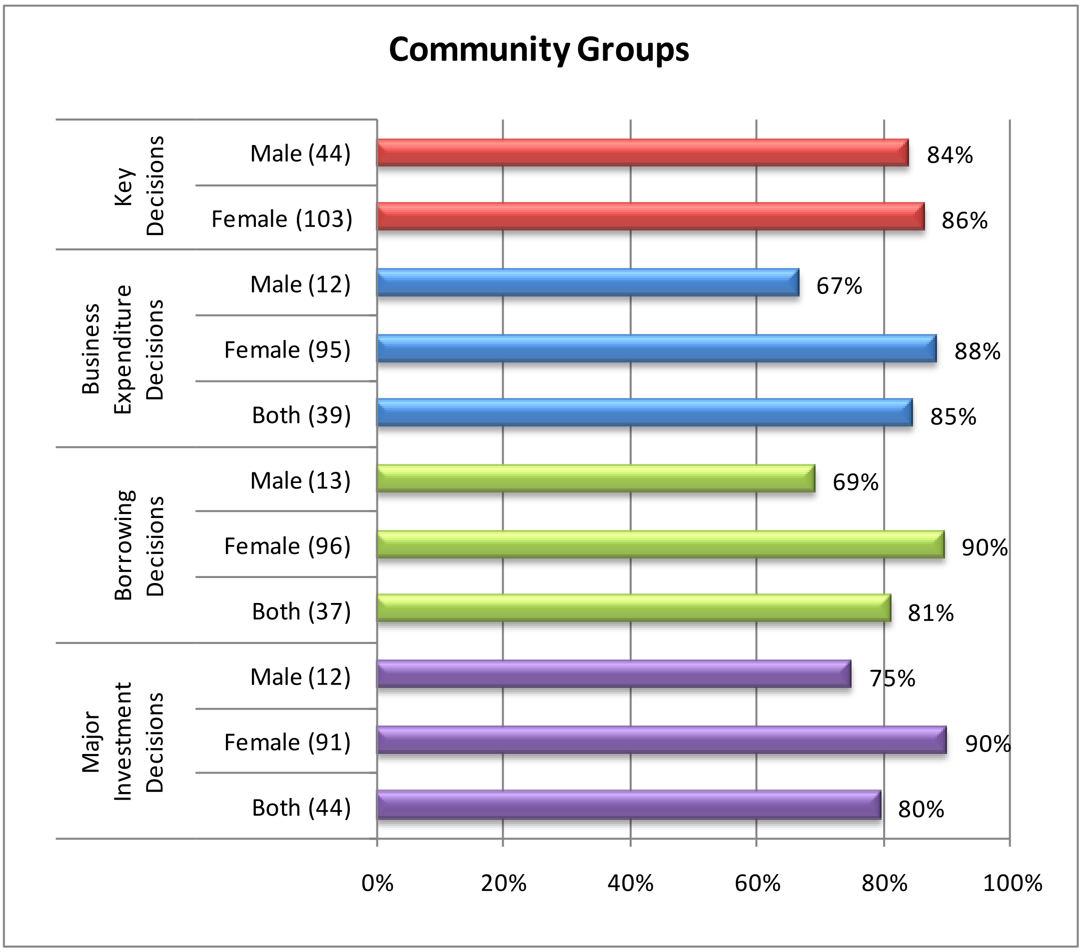

Figure 47: Community Groups

Figure 47 reveals that respondents who belonged to community groups also felt that males (84%) and females (86%) were the key decision makers; males (67%), females (88%) and both (85%) were responsible for business expenditure decision making; males (69%), females (90%) and both (81%) were responsible for borrowing decision making; and males (75%), females (90%) and both (80%) were responsible for major investment decision making.

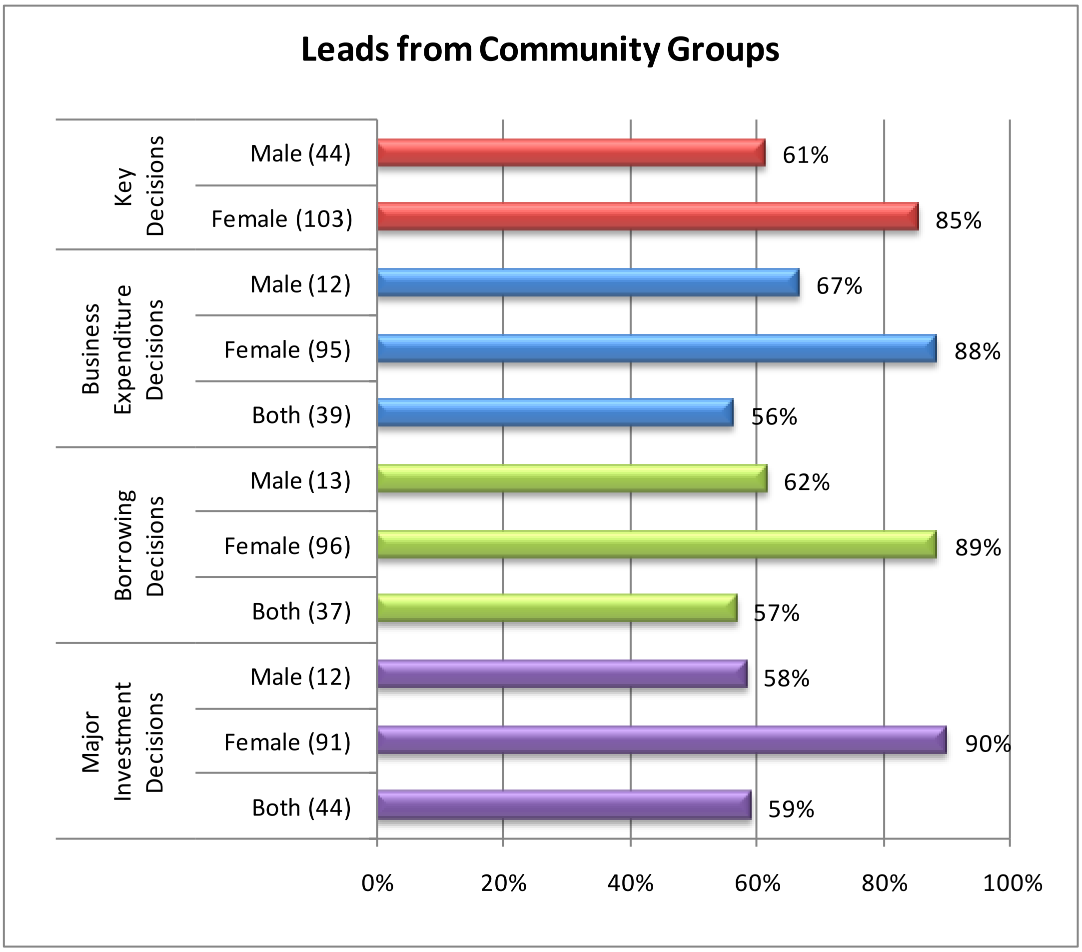

Figure 48: Leads from Community Groups

Figure 48 indicates that respondents who generated leads from belonging to community groups also felt that males (61%) and females (85%) were the key decision makers; males (67%) and females (88%) were responsible for business expenditure decision making; males (62%) and females (89%) were responsible for borrowing decision making; and females (90%) were responsible for major investment decision making.

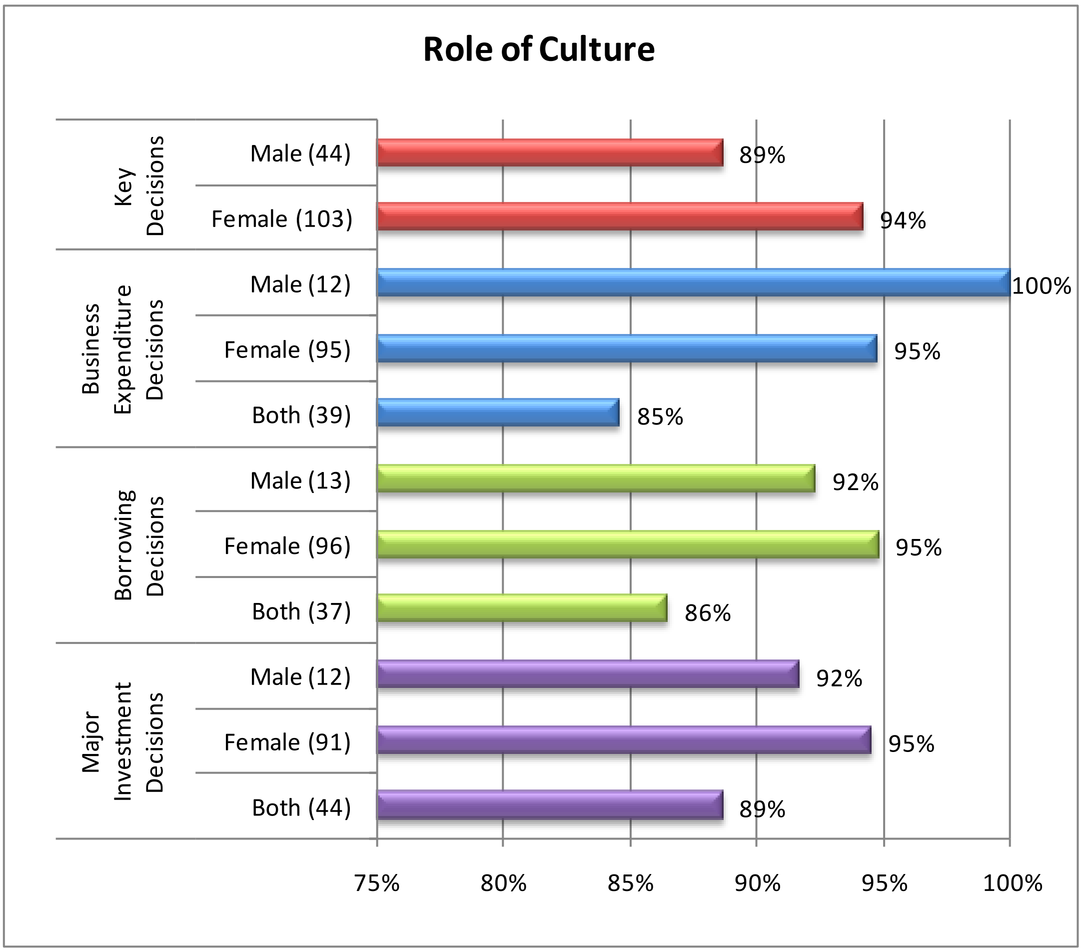

Figure 49: Role of Culture

Figure 49 demonstrates that respondents who attended networking events or conferences also felt that males (89%) and females (94%) were the key decision makers; males (100%), females (95%) and both (85%) were responsible for business expenditure decision making; males (92%), females (95%) and both (86%) were responsible for borrowing decision making; and males (92%), females (95%) and both (89%) were responsible for major investment decision making.

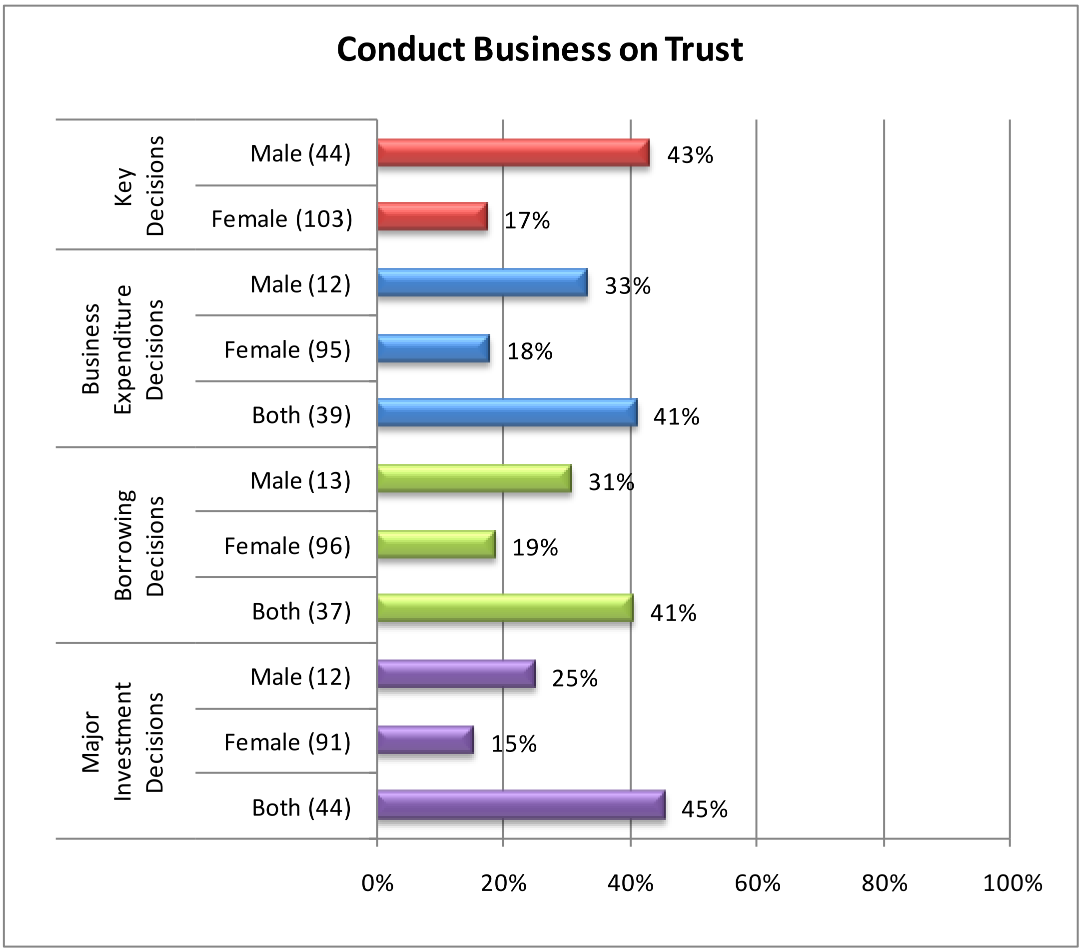

Figure 50: Conduct Business on Trust

Figure 50 illustrates that respondents who conducted business on trust also felt that males (43%) were the key decision makers; both (41%) were responsible for business expenditure decision making; both (41%) were responsible for borrowing decision making; and both (45%) were responsible for major investment decision making.

4.6 Summary of the results

The summaries for the three research hypotheses results are presented in the following tables.

Table 7: Summary of Decision Making Variables

Decision Making Variables	Decision Maker		
	Female	Male	Both
Key Decisions	✓		
Business Expenditure	✓		
Borrowing	✓		
Major Investment	✓		✓

Table 7 highlights that females were the key decision makers, business expenditure decision makers, borrowing decision makers and major investment decision makers. It also reveals that both males and females were responsible for major investment decision making.

Table 8: Summary of Human Capital Variables

Human Capital Variables	Key Decisions		Business Expenditure Decisions			Borrowing Decisions			Major Investment Decisions		
	Male	Female	Female	Male	Both	Female	Male	Both	Female	Male	Both
Less than high school degree		✓	✓			✓			✓		
High school degree or equivalent		✓	✓			✓			✓		
Some Tertiary but did not graduate											
Associate Degree											
Bachelor degree	✓			✓	✓		✓	✓		✓	✓
Post Graduate degree											
0 - 5 years experience inside family business	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓
6 - 15 years experience inside family business	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
More than 16 years experience inside family business											
0 - 5 years experience outside family business	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
6 - 15 years experience outside family business											
More than 16 years experience outside family business											

Table 8 establishes that at education levels of high school degree or lower, females were the key decision makers for business expenditure, borrowing and investment decisions. At the bachelor degree education level, males and both were the key decision makers for business expenditure, borrowing and investment decisions. With regards to experience inside and outside of the family business, decision making was shared between males and females with exception of business expenditure decision making at 0-5 years experience inside the family business.

Table 9: Summary of Social Capital Variables

Social Capital Variables	Key Decisions		Business Expenditure Decisions			Borrowing Decisions			Major Investment Decisions		
	Male	Female	Female	Male	Both	Female	Male	Both	Female	Male	Both
Networking events / conferences	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓
Use or rely on partnerships	✓			✓	✓		✓	✓		✓	✓
Social Networking Sites	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Leads from Social Networking Sites	✓	✓	✓	✓		✓	✓		✓	✓	
Community Groups	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Leads from Community Groups	✓	✓	✓	✓		✓	✓		✓		
Role of Culture	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Conduct Business on Trust											

Table 9 reveals that decision making was generally shared between males and females for most of the social capital variables, with the exception of using or relying on partnerships where females did not play any decision making roles. Tables 10 and 11 below illustrate the results further by presenting the rankings of both human and social capital variables at all levels of decision making.

Table 10: Ranking Key and Business Expenditure Decision Making

Human and Social Capital Variables	Male Key Decisions		Female Key Decisions		Male Business Expenditure Decisions		Female Business Expenditure Decisions		Both Business Expenditure Decisions	
	Rank	%	Rank	%	Rank	%	Rank	%	Rank	%
Less than high school degree	19	2%	12	32%	18	0%	12	34%	19	3%
High school degree or equivalent (e.g., Matric)	16	11%	11	45%	13	25%	10	47%	18	8%
Some Tertiary but did not graduate	18	5%	17	5%	15	8%	19	1%	16	13%
Associate degree	15	14%	18	4%	19	0%	20	1%	14	23%
Bachelor degree	10	45%	15	9%	10	58%	15	11%	13	31%
Post Graduate degree (MBA,...)	14	23%	19	4%	16	8%	17	4%	15	23%
0 - 5 years in family business	12	41%	9	49%	11	33%	11	46%	9	49%
6 - 15 years in family business	8	57%	10	47%	6	67%	9	48%	10	49%
More than 16 years in family business	20	2%	20	3%	20	0%	18	3%	20	3%
0 - 5 years outside family business	9	55%	7	66%	4	75%	7	65%	8	51%
6 - 15 years outside family business	13	34%	13	25%	17	8%	13	27%	12	36%
More than 16 years outside family business	17	11%	16	8%	14	17%	16	6%	17	13%
Networking events /conferences	5	73%	4	76%	7	67%	4	77%	4	74%
Use or rely on partnerships	4	80%	8	56%	2	92%	8	58%	5	69%
Social Networking Sites	1	89%	6	71%	3	92%	6	72%	1	85%
Leads from Social Networking Sites	6	64%	5	72%	5	75%	5	75%	7	54%
Community Groups	3	84%	2	86%	8	67%	2	88%	2	85%
Leads from Community Groups	7	61%	3	85%	9	67%	3	88%	6	56%
Role of Culture	2	89%	1	94%	1	100%	1	95%	3	85%
Conduct business on Trust	11	43%	14	17%	12	33%	14	18%	11	41%

Table 11: Ranking Borrowing and Major Investment Decision Making

Human and Social Capital Variables	Male Borrowing Decisions		Female Borrowing Decisions		Both Borrowing Decisions		Male Major Investment Decisions		Female Major Investment Decisions		Both Major Investment Decisions	
	Rank	%	Rank	%	Rank	%	Rank	%	Rank	%	Rank	%
Less than high school degree	18	0%	12	33%	19	3%	18	0%	12	36%	19	2%
High school degree or equivalent (e.g., Matric)	14	15%	10	47%	16	11%	12	25%	10	48%	17	9%
Some Tertiary but did not graduate	15	8%	18	2%	17	11%	13	25%	19	1%	18	7%
Associate degree	19	0%	20	1%	14	24%	19	0%	20	1%	15	20%
Bachelor degree	4	69%	15	9%	13	30%	10	42%	15	9%	12	36%
Post Graduate degree (MBA,...)	16	8%	17	5%	15	22%	16	8%	18	2%	14	25%
0 - 5 years in family business	11	46%	11	45%	9	51%	11	42%	11	45%	8	50%
6 - 15 years in family business	9	54%	9	51%	10	46%	8	58%	9	49%	10	48%
More than 16 years in family business	20	0%	19	2%	20	3%	20	0%	17	3%	20	2%
0 - 5 years outside family business	7	62%	7	66%	6	57%	4	75%	7	66%	7	52%
6 - 15 years outside family business	12	31%	13	26%	12	32%	15	17%	13	23%	13	34%
More than 16 years outside family business	17	8%	16	7%	18	11%	17	8%	16	7%	16	14%
Networking events /conferences	10	54%	4	76%	4	78%	7	67%	4	78%	5	70%
Use or rely on partnerships	2	85%	8	57%	5	70%	5	75%	8	57%	4	73%
Social Networking Sites	3	85%	6	71%	1	86%	1	92%	6	70%	2	84%
Leads from Social Networking Sites	5	69%	5	75%	8	54%	3	83%	5	77%	9	50%
Community Groups	6	69%	2	90%	3	81%	6	75%	2	90%	3	80%
Leads from Community Groups	8	62%	3	89%	7	57%	9	58%	3	90%	6	59%
Role of Culture	1	92%	1	95%	2	86%	2	92%	1	95%	1	89%

Conduct business on Trust	13	31%	14	19%	11	41%	14	25%	14	15%	11	45%

The rankings confirm that at lower levels of education, females were the key decision makers for business expenditure, borrowing and investment decisions. With regards to social capital, the highest ranked variables were culture and usage of social networking sites. There is also evidence from the rankings that suggests male decision makers are more likely to make use of, or rely on, partnerships than female decision makers. These findings are discussed further in the next chapter.

CHAPTER 5: DISCUSSION OF THE RESULTS

5.1 Introduction

This chapter commences with the discussion of the results derived from the online questionnaire. Firstly, the results relating to the profile of respondents are discussed. Thereafter, discussions around each of the three research hypotheses are presented.

5.2 Profile of Respondents

The results showed that there was an even split in the sample in terms of age with 53% of respondents below 35 years and 47% of respondents above 35 years of age. Most of the respondents had a level of education above below a bachelor's degree (57%) which suggests that many women might have had to suspend furthering their studies to serve in the family business; or to start up their own businesses to serve their families. According to Cromie and O' Sullivan (1999), one of the disadvantages of women working in family businesses are restrictions on education and career growth. In terms of race, two thirds of the sample are black; and from the non-black respondents, a third are from other races.

With regards to the business profile, there is an even split between respondents working in formal and informal sectors; and also an even split between businesses that have existed for less than and more than five years. The results also illustrate that women are involved across many sectors within the family business space; with food and beverages (19.9%); retail and consumer durables (17.8%); finance and financial services (13.7%); and entertainment and leisure (10.3%) industries being the most representative in the sample. The majority of these businesses had an annual turnover below R500, 000 and employed fewer than 20 staff.

The family business profile results highlight an even split in terms of ownership in the business. Most respondents worked at senior management level in their business and were either involved in the finance or promotion aspects of the business. These results suggest that most respondents were very active in the daily operational activities in the business as suggested by Salvato and Melin (2008). In their study, they found that a common feature of family businesses is the relevant involvement of controlling family members in both strategic and daily activities. The levels of work experience inside and outside the family business were also split between respondents with 0-5 years of experience and between 6-15 years of experience.

In terms of general decision making, most respondents were empowered within their family business structure; and did not need to consult with anyone else as they were comfortable when making decisions. With regards to personality, there is an overwhelming feeling amongst the sample that women in family owned businesses work really hard to attain success; which also suggests that that is the type of culture they would like to create in their businesses. Finally, most respondents indicated that they had extrovert personalities; hence they would feel confident to deal with external stakeholders of the business; which requires an outgoing personality in order to make their business successful. Dumas (1989) similarly suggests that, in general, women became interested in the family business because they saw the potential when the business began to grow; and it was also found that some of the women came into the business to help the family in a time of crisis.

5.3 Discussion Pertaining to Hypothesis 1

Women have a role as decision makers in the family business

The results for hypothesis 1 revealed that women have a significant role in the family business as the key decision makers, business expenditure decision makers, borrowing decision makers and major investment decision makers. In support of this finding, Danes and Olson (2003) affirm that the involvement of the wife can be measured by the labour she provides to the family business, but having decision-making authority is a higher order of involvement. According to

Salvato and Melin (2008), social interactions among family members and between the family and non-family agents are central in shaping family businesses' strategies over time. In support of this, table 7 illustrates that both males and females were responsible for major investment decision making. Moreover as the strengths of women in the family business are not highly visible and undervalued (Folker et al., 2002), not only are they kept away from the strategic activities of the business, but they also have no access to ownership (Cappuyns, 2007).

According to Cole (1997), some women perceive their family business as a reservoir of great careers. When they work outside the family domain, they may face the "glass ceiling" no matter how talented they are; however this finding suggests female decision making is more operational rather than strategic which creates a different "glass ceiling" within the family business structure.

5.4 Discussion Pertaining to Hypothesis 2

There is an association between human capital variables and the inclusion of the women in senior decision making structures in the family business

The results for hypothesis 2 revealed that at education levels of high school degree or lower, females were the key decision makers for business expenditure, borrowing and investment decisions. At the bachelor degree education level, both males and females were the key decision makers for business expenditure, borrowing and investment decisions. With regards to experience inside and outside of the family business, decision making was shared between males and females with exception of business expenditure decision making at 0 - 5 years experience inside the family business.

Coleman (2007) found that human capital variables, including education and experience, had a positive impact on the profitability of women-owned firms, whereas measures of financial capital had a greater impact of the profitability of men-owned firms. This supports the finding that when a female decision maker has more experience inside the family business, she takes control of business expenditure decision making (operational control) and strives for higher profitability. In addition, Ucbasaran et al. (2008) argue that an entrepreneur's "inputs" relating to their general (i.e. education and work experience) and entrepreneurship-specific human capital profile (i.e. business ownership experience, managerial capabilities, entrepreneurial capabilities and technical capabilities) are presumed to be related to entrepreneurial "outputs" in the form of business opportunity identification and pursuit. Their finding supports the results of this hypothesis and establishes that human capital is a significant factor for the inclusion of women in senior decision making positions within family businesses.

5.5 Discussion Pertaining to Hypothesis 3

There is an association between social capital variables and the inclusion of the women in senior decision making structures in the family business

The results for hypothesis 3 reveal that decision making was generally shared between males and females for most of the social capital variables, with the exception of using or relying on partnerships where females did not play apparent decision making roles. Social capital describes how an entrepreneur is able to derive benefits from their social structures, networks and memberships. These benefits are meant to supplement human capital variables such as education and experience (Venter et al., 2010). According to Rauch and Frese (2000), factors related to success are need for achievement, locus of control, low risk taking, human capital, planning and strategies, innovation, entrepreneurial orientation, and tough environmental conditions.

Women in family businesses can improve their decision making positions within family businesses by utilising their social capital capabilities to increase their success factors. One of the success factors identified by Rauch and Frese (2000) is low risk taking, which would also inhibit the use of certain social capital variables, for example, conducting business based on trust. In contrast De Carolis et al. (2009) argue that social capital and cognition enhance entrepreneurs' risk propensity and confidence; therefore achieving the ability to balance risk and profit would ensure success for women in family businesses.

CHAPTER 6: CONCLUSIONS, IMPLICATIONS AND RECOMMENDATIONS

6.1 Introduction

This chapter consolidates the research results and presents the conclusions of the study; implications and recommendations based on these conclusions; and lastly, the suggestions for further research are presented.

6.2 Conclusions of the study

The findings of the study establish that women are responsible for key decisions as well as the business expenditure, borrowing and major investment decisions in family businesses. Furthermore, women play an integral role in making decisions for short term business requirements; and for longer term decisions, they need to consult with other partners/stakeholders; therefore the nature of female decision making is more operational than strategic.

Females with low education felt that they were the key decision makers for business expenditure, borrowing and investment decisions. As their education increases, they realise that they need to rely on others and build strategic relationships. Additionally, experience was an important element for all types of decision making. As family members grow together in the business, they realise that risk is shared, so decisions cannot be made independently/autocratically, without the consent of other parties.

When a female decision maker has more experience inside the family business, she takes more control of business expenditure decision making (operational control). Women are more likely to be included in senior decision making structures when it involves a personal touch or networking within communities or groups; however, women are less likely to be included in senior decision making structures when there is a higher element of risk.

6.3 Implications and Recommendations

6.3.1 *Women in Family Businesses Recommendations*

The findings from this research study establish that women are hard working and have a hands-on approach to running their businesses. They are empowered for all operational decision making; however, there should eventually be a shift to a more strategic view to their decision making. Strategic decision making would be a key factor in ensuring the prosperity of their businesses, rather than just running the business day-to-day.

Women in family businesses should shift to a more strategic view with their key, businesses, borrowing and major investment decisions. Strategic decision making capabilities would play a big role in ensuring that they are included in the strategic direction of the family business. The shift can be attained by effectively utilising human and social capital variables

6.3.2 *Human Capital Recommendations*

Women should become more educated, which allows them to create bigger and more effective networks and empowers them to make more effective strategic decisions. Experience is important in creating confidence in decision making and creating a track record. Women should pursue all opportunities to maximise their experience and increase their capabilities. Therefore women should try to gain experience outside the family business to increase their strategic decision making capabilities.

6.3.3 *Social Capital Recommendations*

Women should participate in industries that foster their networking capabilities in order to strengthen their role in strategic decision making. The results from this research study suggest that women should increase their human capital to empower them to tackle riskier elements of social capital, like relying on partnerships and conducting business on trust. Once women have become better educated about the risks; they can gain further experience and confidence in dealing with it, and as a result achieve success and growth in their family businesses.

6.4 Suggestions for further research

This study has highlighted several areas in terms of future research:

- This research was limited to the role of women in family businesses. Future research could establish the effects of human and social capital for women in other types of businesses.

- Future research could establish the factors that inhibit women from long term or strategic decision making.

- With regards to experience, there were no significant findings to establish which type of human capital is more valuable. Future research could investigate human capital to determine which is more valuable to invest in - human capital inside the family business or outside the family business.

- With regards to social capital variables, elements of risk played a role in determining female’s level of involvement in decision making within family business. Future research could determine the risk threshold that prevents women from being more involved in senior decision making.

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APPENDIX A – LETTER TO RESPONDENTS

PRINTED QUESTIONNAIRE

Dear Madam,

I am inviting you to be part of a survey I am conducting in order to gather information related to the role of women in family owned businesses in South Africa.

I am conducting this study for the purpose of my thesis which I am undertaking for my Masters Degree in Entrepreneurship and New Venture Creation at the Wits Graduate School of Business Administration, Johannesburg. The focus of the study is to investigate the role of women in family-owned businesses in South Africa. The purpose of the study is to ascertain what role women play in key decision-making within the family business, and if factors such as knowledge, education and networks play a part in increasing her key decision-making role within the business. I plan to distribute the results of this study, based on the data provided by all survey respondents. Please be assured that your responses will be held in the utmost confidence, and if the results of this study were to be written for publication, no identifying information will be used.

The potential benefits of this study will be to measure the strides women in family businesses have made, which could result in the confidence to promote more women in key decision-making roles within the family business sector.

I am requesting you to please complete the survey attached.

I look forward to your participation in this research, and sincerely thank you for your time. Should you have any questions about this study, or wish to ascertain the results of the findings, please contact me below:

Sincerely Yours,

Ms. Celenhle Dlamini
Graduate School of Business Administration
Wits Business School
2 St Davids Place Parktown, Johannesburg
011 566 6813
cee@ubuntuinstitute.com

ONLINE QUESTIONNAIRE

Dear Madam,

I am inviting you to be part of a survey I am conducting in order to gather information related to the role of women in family owned businesses in South Africa.

I am conducting this study for the purpose of my thesis which I am undertaking for my Masters Degree in Entrepreneurship and New Venture Creation at the Wits Graduate School of Business Administration, Johannesburg. The focus of the study is to investigate the role of women in family-owned businesses in South Africa. The purpose of the study is to ascertain what role women play in key decision-making within the family business, and if factors such as knowledge, education and networks play a part in increasing her key decision-making role within the business. I plan to distribute the results of this study, based on the data provided by all survey respondents. Please be assured that your responses will be held in the utmost confidence, and if the results of this study were to be written for publication, no identifying information will be used.

The potential benefits of this study will be to measure the strides women in family businesses have made, which could result in the confidence to promote more women in key decision-making roles within the family business sector.

I am requesting you to please click on the link below to access the online survey.

https://www.surveymonkey.com/s/Women-in-Family-Owned-Businesses_Wits

I look forward to your participation in this research, and sincerely thank you for your time. Should you have any questions about this study, or wish to ascertain the results of the findings, please contact me below:

Sincerely Yours,

Ms. Celenhle Dlamini
Graduate School of Business Administration
Wits Business School
2 St Davids Place Parktown, Johannesburg
011 566 6813
cee@ubuntuinstitute.com

APPENDIX B – RESEARCH INSTRUMENT

DEMOGRAPHICS

1. What is your age?

- ☐ 25 and less
- ☐ 26-35
- ☐ 36-45
- ☐ 46-55
- ☐ 56 and above

2. What is your gender?

- ☐ Female
- ☐ Male

3. What is the highest level of school you have completed or the highest degree you have received?

- ☐ Less than high school degree
- ☐ High school degree or equivalent (e.g., Matric)
- ☐ Some Tertiary but did not graduate
- ☐ Associate degree
- ☐ Bachelor degree
- ☐ Post Graduate degree (MBA,...)
- ☐ Other (please specify)

4. Race

- ☐ Black
- ☐ White
- ☐ Coloured
- ☐ Indian
- ☐ Asian

BUSINESS PROFILE

5. Legal status of the company

- ☐ Informal

- ☐ Sole Proprietor
- ☐ Incorporated or Private Co. (PTY, CC, Inc)
- ☐ NGO/ Trust

6. How long has the business been in existence?

- ☐ 0 - 5 years
- ☐ 3 - 5 years
- ☐ 5 - 10 years
- ☐ 11 - 15
- ☐ More than 16 years

7. Which of the following best describes the principal industry of your organization?

8. Number of employees in the business

- ☐ 0
- ☐ 1-5
- ☐ 6-12
- ☐ 13 - 20
- ☐ 21 - 49
- ☐ 50 or more

9. What is the average annual turnover of the business?

- ☐ Below R150,000
- ☐ R151,000 - R500,000
- ☐ R501,000 - R2 miilion
- ☐ R2,1 million - 10 million
- ☐ R10,1 million - 25 million
- ☐ R25,1 - 50 million
- ☐ R50,1 million and above

10. Location of Business

- ☐ Gauteng
- ☐ Kwa-Zulu Natal
- ☐ Free State
- ☐ Eastern Cape
- ☐ Limpopo
- ☐ Mpumalanga
- ☐ North West
- ☐ Northern Cape

- ☐ Western Cape

FAMILY BUSINESS PROFILE

11. What percentage of the business is owned by the family?

- ☐ 80% - 100%
- ☐ 50% - 79%
- ☐ 25% - 49%
- ☐ 1% - 24%

12. What is the number of family members employed/involved in the business? (including yourself)

- ☐ 1-4
- ☐ 5-9
- ☐ 10-15
- ☐ 16+

13. Founder/s of the business:

- ☐ Husband/Partner
- ☐ Wife/Partner
- ☐ Both as Partners in the business
- ☐ Inherited (e.g from parents or other family member)
- ☐ Children

YOUR ENTREPRENUERIAL PROFILE

14. What is your job level?

- ☐ Senior Manager (C-leveL, Owner, Director)
- ☐ Middle Manager (General Manager)
- ☐ Junior Manager
- ☐ Support Staff

15. Which area of the business are you working in?

- ☐ Finance
- ☐ Marketing & Sales
- ☐ IT

- ☐ Legal
- ☐ HR
- ☐ Office Support / Administration
- ☐ Other
- ☐ Other (please specify)

16. Work experience in years (in family business)

- ☐ 0-5
- ☐ 6-15
- ☐ 16+

17. Work experience in years (outside of family business)

- ☐ 0
- ☐ 1-5
- ☐ 6-15
- ☐ 16+

DECISION MAKING

18. I feel that I am my own boss and do not have to double check my decisions

- ☐ Yes
- ☐ No
- ☐ Sometimes I have to consult a co-worker or mentor

19. In the Business, the Key Decision maker is a:

- ☐ Male
- ☐ Female

20. How do you make a decision related to the business?

- ☐ I consider all the alternatives
- ☐ I feel uncomfortable making decisions
- ☐ I prefer to leave decisions to others to make them
- ☐ I am comfortable making decisions

21. Are the business expenditure decisions taken by:

- ☐ Female
- ☐ Male

- ☐ Both

22. Are the borrowing decisions taken by

- ☐ Female
- ☐ Male
- ☐ Both

23. Are the major investment decisions made by

- ☐ Females
- ☐ Males
- ☐ Both

HUMAN & SOCIAL CAPITAL

24. Do you believe that success in your business has been due to:

- ☐ Hard work
- ☐ Luck

25. Do you attend networking events /conferences?

- ☐ Yes
- ☐ No

26. How would you describe your personality?

- ☐ Introvert (shy, do not enjoy being in crowds)
- ☐ Extrovert (outgoing, bubbly, easy to talk to)

27. Does the business ever use or rely on partnerships?

- ☐ Yes
- ☐ No

28. Are you on any social networking sites?

- ☐ Yes
- ☐ No

29. Have you ever generated business leads from any of the sites you are

subscribed to?

- ☐ Yes
- ☐ No

30. Do you regularly attend or belong to any community groups/clubs/associations or forums? (E.g Co-operative, Business Association, Tennis Club, Book Club, Neighbourhood Watch, Religious Group, etc.)

- ☐ Yes
- ☐ No

31. Have you ever generated any business from your participation/ belonging to a community group / club or forum?

- ☐ Yes
- ☐ No

32. Has culture played a role in your success as an entrepreneur (E.g values, beliefs)?

- ☐ Yes
- ☐ No

33. Do you conduct business based on trust ? (E.g you do not require a contract / purchase order to be in place?

- ☐ Yes
- ☐ No

APPENDIX C – CONSISTENCY MATRIX

Research objectives	Literature Review	Source of data	Type of data	Analysis
Establishing the role of women in the Family Business	(Hoosen, 2007) (Dumas ,1998). (Rowe & Hong, 2000) (Cole, 1997) (Danes and Olson, 2003) (Salganicoff, 1990b) (Maas & Deidericks, 2007) (Ibrahim and Ellis , 2003) (Stafford, Duncan, Dane and Winter, 1999) (Neubauer, 2003) (Salvato & Melin, 2008)	Questionnaire	Nominal	Quantitative: Pie Chart
Human capital variables (education and experience)	(Venter, Urban & Rwigema ,2008) (Borchert & Zellmer-Bruhn, 2010) (Jin, Huixin & Ruizhan, 2010) (Roca-Puig, Beltrán-Martín & Cipres, 2012) (Hitt, Bierman, Shimizu & Kochhar, 2001) (Gimmon & Levie, 2009) (Urban, 2008) (Davidsson & Honig , 2003)	Questionnaire	Nominal	Quantitative: Bar Chart
Social capital variables (networks)	(Venter, Urban & Rwigema ,2008) (Chen & Tan, 2009) (De Carolis, Litzky, & Eddleston, 2009) (Kreiser, 2011) (Potgieter, April, Cooke & Lockett, 2006) (Santarelli & Tran, 2012) (Slotte-Kock & Coviello, 2010) (Urban, 2011) (Westland & Adam, 2010)	Questionnaire	Nominal	Quantitative: Bar Chart

APPENDIX D – RESULTS

DEMOGRAPHICS

What is your age?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	25 and less	31	20.7	20.8	20.8
	26-35	48	32.0	32.2	53.0
	36-45	34	22.7	22.8	75.8
	46-55	20	13.3	13.4	89.3
	56 and above	16	10.7	10.7	100.0
	Total	149	99.3	100.0	
Missing	System	1	.7		
Total		150	100.0		

What is your gender?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	147	98.0	98.7	98.7
	Male	2	1.3	1.3	100.0
	Total	149	99.3	100.0	
Missing	System	1	.7		
Total		150	100.0		

What is the highest level of school you have completed or the highest degree you have received?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than high school degree	34	22.7	22.7	22.7
	High school degree or equivalent (e.g., Matric)	51	34.0	34.0	56.7
	Some Tertiary but did not graduate	8	5.3	5.3	62.0
	Associate degree	11	7.3	7.3	69.3
	Bachelor degree	30	20.0	20.0	89.3
	Post Graduate degree (MBA,...)	14	9.3	9.3	98.7
	Other (please specify)	2	1.3	1.3	100.0
	Total	150	100.0	100.0	

Race					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Black	92	61.3	61.3	61.3
	White	17	11.3	11.3	72.7
	Coloured	21	14.0	14.0	86.7
	Indian	20	13.3	13.3	100.0
	Total	150	100.0	100.0	

BUSINESS PROFILE

Legal status of the company					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Informal	76	50.7	51.7	51.7
	Sole Proprietor	6	4.0	4.1	55.8
	Incorporated or Private Co. (PTY, CC, Inc)	64	42.7	43.5	99.3
	NGO/ Trust	1	.7	.7	100.0
	Total	147	98.0	100.0	
Missing	System	3	2.0		

Total		150	100.0		

How long has the business been in existence?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0 - 5 years	61	40.7	41.5	41.5
	3 - 5 years	33	22.0	22.4	63.9
	5 - 10 years	32	21.3	21.8	85.7
	11 - 15	11	7.3	7.5	93.2
	More than 16 years	10	6.7	6.8	100.0
	Total	147	98.0	100.0	
Missing	System	3	2.0		
Total		150	100.0		

Which of the following best describes the principal industry of your organization?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Advertising & Marketing	8	5.3	5.5	5.5
	Business Support & Logistics	10	6.7	6.8	12.3
	Construction, Machinery, and Homes	4	2.7	2.7	15.1
	Education	5	3.3	3.4	18.5
	Entertainment & Leisure	15	10.0	10.3	28.8
	Finance & Financial Services	20	13.3	13.7	42.5
	Food & Beverages	29	19.3	19.9	62.3
	Healthcare & Pharmaceuticals	1	.7	.7	63.0
	Manufacturing	3	2.0	2.1	65.1
	Nonprofit	1	.7	.7	65.8
	Retail & Consumer Durables	26	17.3	17.8	83.6
	Real Estate	2	1.3	1.4	84.9
	Telecommunications, Technology, Internet & Electronics	3	2.0	2.1	87.0
	Consulting	9	6.0	6.2	93.2
	Other (please specify)	10	6.7	6.8	100.0
	Total	146	97.3	100.0	
Missing	System	4	2.7		
Total		150	100.0		

Number of employees in the business					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	15	10.0	10.1	10.1
	1-5	67	44.7	45.3	55.4
	6-12	39	26.0	26.4	81.8
	13 - 20	13	8.7	8.8	90.5
	21 - 49	7	4.7	4.7	95.3
	50 or more	7	4.7	4.7	100.0
	Total	148	98.7	100.0	
Missing	System	2	1.3		
Total		150	100.0		

What is the average annual turnover of the business?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Below R150,000	78	52.0	52.7	52.7
	R151,000 - R500,000	14	9.3	9.5	62.2
	R501,000 - R2 miilion	14	9.3	9.5	71.6
	R2,1 million - 10 million	26	17.3	17.6	89.2
	R10,1 million - 25 million	9	6.0	6.1	95.3
	R25,1 - 50 million	4	2.7	2.7	98.0
	R50,1 million and above	3	2.0	2.0	100.0
	Total	148	98.7	100.0	
Missing	System	2	1.3		
Total		150	100.0		

Location of Business					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Gauteng	132	88.0	89.8	89.8
	Kwa-Zulu Natal	7	4.7	4.8	94.6
	Eastern Cape	4	2.7	2.7	97.3
	Limpopo	1	.7	.7	98.0
	Mpumalanga	1	.7	.7	98.6
	Western Cape	2	1.3	1.4	100.0
	Total	147	98.0	100.0	
Missing	System	3	2.0		
Total		150	100.0		

FAMILY BUSINESS PROFILE

What percentage of the business is owned by the family?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	80% - 100%	60	40.0	40.5	40.5
	50% - 79%	23	15.3	15.5	56.1
	25% - 49%	30	20.0	20.3	76.4
	1% - 24%	35	23.3	23.6	100.0
	Total	148	98.7	100.0	
Missing	System	2	1.3		
Total		150	100.0		

What is the number of family members employed/involved in the business? (including yourself)					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1-4	95	63.3	64.6	64.6
	5-9	36	24.0	24.5	89.1
	10-15	14	9.3	9.5	98.6
	16+	2	1.3	1.4	100.0
	Total	147	98.0	100.0	
Missing	System	3	2.0		

Total	150	100.0		

Founders/s of the business					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Husband/Partner	15	10.0	10.3	10.3
	Wife/Partner	93	62.0	63.7	74.0
	Both as Partners in the business	18	12.0	12.3	86.3
	Inherited (e.g from parents or other family member)	12	8.0	8.2	94.5
	Children	8	5.3	5.5	100.0
	Total	146	97.3	100.0	
Missing	System	4	2.7		
Total		150	100.0		

ENTREPRENEURIAL PROFILE

What is your job level?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Senior Manager (C-leveL, Owner, Director)	120	80.0	81.1	81.1
	Middle Manager (General Manager)	17	11.3	11.5	92.6
	Junior Manager	8	5.3	5.4	98.0
	Support Staff	3	2.0	2.0	100.0
	Total	148	98.7	100.0	
Missing	System	2	1.3		
Total		150	100.0		

Which area of the business are you working in?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Finance	109	72.7	100.0	100.0
Valid	Marketing & Sales	32	21.3	100.0	100.0
Valid	IT	3	2.0	100.0	100.0
Valid	Legal	8	5.3	100.0	100.0
Valid	HR	26	17.3	100.0	100.0
Valid	Office Support / Administration	23	15.3	100.0	100.0
Valid	Other	2	1.3	100.0	100.0
Valid	Other (please specify)	9	6.0	100.0	100.0

Work experience in years (in family business)					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0-5	69	46.0	47.3	47.3
	6-15	73	48.7	50.0	97.3
	16+	4	2.7	2.7	100.0
	Total	146	97.3	100.0	
Missing	System	4	2.7		
Total		150	100.0		

Work experience in years (outside of family business)					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	13	8.7	8.8	8.8
	1-5	79	52.7	53.7	62.6
	6-15	42	28.0	28.6	91.2
	16+	13	8.7	8.8	100.0
	Total	147	98.0	100.0	
Missing	System	3	2.0		
Total		150	100.0		

DECISION MAKING

I feel that I am my own boss and do not have to double check my decisions					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	97	64.7	66.4	66.4
	No	16	10.7	11.0	77.4
	Sometimes I have to consult a co-worker or mentor	33	22.0	22.6	100.0
	Total	146	97.3	100.0	
Missing	System	4	2.7		
Total		150	100.0		

In the Business, the Key Decision maker is a:					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	44	29.3	29.9	29.9
	Female	103	68.7	70.1	100.0
	Total	147	98.0	100.0	
Missing	System	3	2.0		
Total		150	100.0		

How do you make a decision related to the business?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	I consider all the alternatives	45	30.0	30.6	30.6
	I feel uncomfortable making decisions	3	2.0	2.0	32.7
	I prefer to leave decisions to others to make them	4	2.7	2.7	35.4
	I am comfortable making decisions	95	63.3	64.6	100.0
	Total	147	98.0	100.0	
Missing	System	3	2.0		
Total		150	100.0		

Are the business expenditure decisions taken by					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	95	63.3	65.1	65.1
	Male	12	8.0	8.2	73.3
	Both	39	26.0	26.7	100.0
	Total	146	97.3	100.0	
Missing	System	4	2.7		
Total		150	100.0		

Are the borrowing decisions taken by					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	96	64.0	65.8	65.8
	Male	13	8.7	8.9	74.7
	Both	37	24.7	25.3	100.0
	Total	146	97.3	100.0	
Missing	System	4	2.7		
Total		150	100.0		

Are the major investment decisions made by					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	91	60.7	61.9	61.9
	Male	12	8.0	8.2	70.1
	Both	44	29.3	29.9	100.0
	Total	147	98.0	100.0	
Missing	System	3	2.0		
Total		150	100.0		

HUMAN & SOCIAL CAPITAL

Do you believe that success in your business has been due to					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Hard work	141	94.0	96.6	96.6
	Luck	5	3.3	3.4	100.0
	Total	146	97.3	100.0	
Missing	System	4	2.7		
Total		150	100.0		

Do you attend networking events /conferences?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	110	73.3	75.9	75.9
	No	35	23.3	24.1	100.0
	Total	145	96.7	100.0	
Missing	System	5	3.3		
Total		150	100.0		

How would you describe your personality					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Introvert (shy, do not enjoy being in crowds)	39	26.0	26.7	26.7
	Extrovert (outgoing, bubbly, easy to talk to)	107	71.3	73.3	100.0
	Total	146	97.3	100.0	
Missing	System	4	2.7		
Total		150	100.0		

Does the business ever use or rely on partnerships?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	93	62.0	64.1	64.1
	No	52	34.7	35.9	100.0
	Total	145	96.7	100.0	
Missing	System	5	3.3		
Total		150	100.0		

Are you on any social networking sites?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	112	74.7	76.7	76.7
	No	34	22.7	23.3	100.0
	Total	146	97.3	100.0	
Missing	System	4	2.7		
Total		150	100.0		

Have you ever generated business leads from any of the sites you are subscribed to?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	102	68.0	70.3	70.3
	No	43	28.7	29.7	100.0
	Total	145	96.7	100.0	
Missing	System	5	3.3		
Total		150	100.0		

Do you regularly attend or belong to any community groups/clubs/associations or forums? (E.g Co-operative, Business Association, Tennis Club, Book Club, Neighbourhood Watch, Religious Group, etc.)					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	126	84.0	87.5	87.5
	No	18	12.0	12.5	100.0
	Total	144	96.0	100.0	
Missing	System	6	4.0		
Total		150	100.0		

Have you ever generated any business from your participation/ belonging to a community group / club or forum?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	115	76.7	79.3	79.3
	No	30	20.0	20.7	100.0
	Total	145	96.7	100.0	
Missing	System	5	3.3		
Total		150	100.0		

Has culture played a role in your success as an entrepreneur (E.g values, beliefs) ?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	136	90.7	93.2	93.2
	No	10	6.7	6.8	100.0
	Total	146	97.3	100.0	
Missing	System	4	2.7		
Total		150	100.0		

Do you conduct business based on trust ? (E.g you do not require a contract / purchase order to be in place ?)					
		Frequency	**Percent**	**Valid Percent**	**Cumulative Percent**
Valid	**Yes**	**37**	**24.7**	**25.3**	**25.3**
	No	**109**	**72.7**	**74.7**	**100.0**
	Total	**146**	**97.3**	**100.0**	
Missing	**System**	**4**	**2.7**		
Total		**150**	**100.0**		

HUMAN CAPITAL VARIABLES

Education	Less than high school degree		High school degree or equivalent (e.g., Matric)		Some Tertiary but did not graduate		Associate degree		Bachelor degree		Post Graduate degree (MBA,...)	
	Count	Percent	Count	Percent	Count	Percent	Count	Percent	Count	Percent	Count	Percent
Male Key Decisions (n = 44)	1	2%	5	11%	2	5%	6	14%	20	45%	10	23%
Female Key Decisions (n = 103)	33	32%	46	45%	5	5%	4	4%	9	9%	4	4%
Male Business Expenditure Decisions (n = 12)	0	0%	3	25%	1	8%	0	0%	7	58%	1	8%
Female Business Expenditure Decisions (n = 95)	32	34%	45	47%	1	1%	1	1%	10	11%	4	4%
Both Business Expenditure Decisions (n = 39)	1	3%	3	8%	5	13%	9	23%	12	31%	9	23%
Male Borrowing Decisions (n = 13)	0	0%	2	15%	1	8%	0	0%	9	69%	1	8%
Female Borrowing Decisions (n = 96)	32	33%	45	47%	2	2%	1	1%	9	9%	5	5%
Both Borrowing Decisions (n = 37)	1	3%	4	11%	4	11%	9	24%	11	30%	8	22%
Male Major Investment Decisions n = 12)	0	0%	3	25%	3	25%	0	0%	5	42%	1	8%
Female Major Investment Decisions (n = 91)	33	36%	44	48%	1	1%	1	1%	8	9%	2	2%
Both Major Investment Decisions (n = 44)	1	2%	4	9%	3	7%	9	20%	16	36%	11	25%

Experience in Family Business	0 - 5 years		6 - 15 years		More than 16 years	
	Count	Percent	Count	Percent	Count	Percent
Male Key Decisions (n = 44)	18	41%	25	57%	1	2%
Female Key Decisions (n = 103)	50	49%	48	47%	3	3%
Male Business Expenditure Decisions (n = 12)	4	33%	8	67%	0	0%
Female Business Expenditure Decisions (n = 95)	44	46%	46	48%	3	3%
Both Business Expenditure Decisions (n = 39)	19	49%	19	49%	1	3%
Male Borrowing Decisions (n = 13)	6	46%	7	54%	0	0%
Female Borrowing Decisions (n = 96)	43	45%	49	51%	2	2%
Both Borrowing Decisions (n = 37)	19	51%	17	46%	1	3%
Male Major Investment Decisions (n = 12)	5	42%	7	58%	0	0%
Female Major Investment Decisions (n = 91)	41	45%	45	49%	3	3%
Both Major Investment Decisions (n = 44)	22	50%	21	48%	1	2%

Experience outside of family business	0 - 5 years		6 - 15 years		More than 16 years	
	Count	Percent	Count	Percent	Count	Percent
Male Key Decisions (n = 44)	**24**	**55%**	**15**	**34%**	**5**	**11%**
Female Key Decisions (n = 103)	**68**	**66%**	**26**	**25%**	**8**	**8%**
Male Business Expenditure Decisions (n = 12)	**9**	**75%**	**1**	**8%**	**2**	**17%**
Female Business Expenditure Decisions (n = 95)	**62**	**65%**	**26**	**27%**	**6**	**6%**
Both Business Expenditure Decisions (n = 39)	**20**	**51%**	**14**	**36%**	**5**	**13%**
Male Borrowing Decisions (n = 13)	**8**	**62%**	**4**	**31%**	**1**	**8%**
Female Borrowing Decisions (n = 96)	**63**	**66%**	**25**	**26%**	**7**	**7%**
Both Borrowing Decisions (n = 37)	**21**	**57%**	**12**	**32%**	**4**	**11%**
Male Major Investment Decisions (n = 12)	**9**	**75%**	**2**	**17%**	**1**	**8%**
Female Major Investment Decisions (n = 91)	**60**	**66%**	**21**	**23%**	**6**	**7%**
Both Major Investment Decisions (n = 44)	**23**	**52%**	**15**	**34%**	**6**	**14%**

SOCIAL CAPITAL VARIABLES

Social Capital	Networking events /conferences *(Personality)*		Use or rely on partnerships *(Risk)*		Social Networking Sites *(Personality)*		Leads from Social Networking Sites *(Personality)*		Community Groups *(Personality)*		Leads from Community Groups *(Personality)*		Role of Culture *(Personality)*		Business on Trust *(Risk)*	
	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%
Male Key Decisions (n = 44)	32	73%	35	80%	39	89%	28	64%	37	84%	27	61%	39	89%	19	43%
Female Key Decisions (n = 103)	78	76%	58	56%	73	71%	74	72%	89	86%	88	85%	97	94%	18	17%
Male Business Expenditure Decisions (n = 12)	8	67%	11	92%	11	92%	9	75%	8	67%	8	67%	12	100%	4	33%
Female Business Expenditure Decisions (n = 95)	73	77%	55	58%	68	72%	71	75%	84	88%	84	88%	90	95%	17	18%
Both Business Expenditure Decisions (n = 39)	29	74%	27	69%	33	85%	21	54%	33	85%	22	56%	33	85%	16	41%
Male Borrowing Decisions (n = 13)	7	54%	11	85%	11	85%	9	69%	9	69%	8	62%	12	92%	4	31%
Female Borrowing Decisions (n = 96)	73	76%	55	57%	68	71%	72	75%	86	90%	85	89%	91	95%	18	19%
Both Borrowing Decisions (n = 37)	29	78%	26	70%	32	86%	20	54%	30	81%	21	57%	32	86%	15	41%
Male Major Investment Decisions (n = 12)	8	67%	9	75%	11	92%	10	83%	9	75%	7	58%	11	92%	3	25%
Female Major Investment Decisions (n = 91)	71	78%	52	57%	64	70%	70	77%	82	90%	82	90%	86	95%	14	15%
Both Major Investment Decisions (n = 44)	31	70%	32	73%	37	84%	22	50%	35	80%	26	59%	39	89%	20	45%