Track 5 SMEs, international new ventures and international entrepreneurship

Competitive paper submission

GENDER AND INTERNATIONAL OPPORTUNITY IDENTIFICATION BY FEMALE SME OWNERS IN CHINA

ABSTRACT

We study subjective perceptions and behaviour of female SME owners in China who identified international business opportunities for their firms. We explore how gender influences network building and risk perception, important activities in the process of international opportunity identification. We do so through the theoretical lens of social feminism applied to multiple case studies. Based on the empirical evidence we uncover a number of constructs that explain the gendered nature of network building and risk perception by female SME business owners in the context of international opportunity identification. We offer a model of relationships between these constructs that uncovers the mechanism of gender influence on international opportunity identification by females.

Key words: gender, social feminism, international opportunity identification, risk perception, network building, self-efficacy

GENDER AND INTERNATIONAL OPPORTUNITY IDENTIFICATION BY FEMALE SME OWNERS IN CHINA

INTRODUCTION

This paper explores how gender influences the process of internationalisation of female owned small and medium sized enterprises (SMEs). We examine the influence of gender on international opportunity identification activity that precedes a first-time international market entry and furher expansion into new international markets.

Globalization created an increasing pool of international opportunities for SME owners (Orser et al., 2010). Although the number of female-owned SMEs has been increasing globally (UNCTAD, 2010), the majority of female-owned SMEs are less likely to export compared to male-owned firms of similar size (Davis & Shaver, 2012; Orser et al., 2010). Internationalisation is an important strategy for SMEs' long-term growth (Davis & Shaver, 2012), nonetheless, little is known about how gender influences it (Orser et al., 2010; Welch et al., 2008). Internationalisation of a firm is an entrepreneurial act (Johanson & Vahlne, 2009) and we leverage off advances in an established stream of gender research within entrepreneurship literature (Ahl, 2006) to advance the understanding of the gender effect on internationalisation of female owned SMEs.

Recent studies highlight the importance of opportunity identification as a starting point for internationalisation of a firm and subsequent entry into new international markets (Mainela et al., 2014). We define international opportunity as the possibility of conducting exchange in a new international market with a new or existing partner (Ellis, 2011; Muzychenko & Liesch, 2014).

Exploring gender differences in opportunity identification for international expansion can contribute to understanding the internationalisation process of female-owned SMEs. Risk perception (Figueira-de-Lemos et al., 2011; Muzychenko & Liesch, 2014) and network building (Ellis, 2011; Johanson & Vahlne, 2009) are major activities undertaken by individuals to identify international opportunities. They are determined, among other factors, by individuals' motivation (Anderson, 2008) and perception of their self-efficacy (Chen et al., 1998). Risk perception, network building, self-efficacy and motivation are gender sensitive constructs (Aldrich et al., 1989; Bandura, 1994; Fischer et

al., 1993; Gustafson, 1998). Therefore, gender effect on international opportunity identification can be better understood if these constructs as well as the interaction between them are explored. This leads us to ask a research question "How does gender influence network building and risk perception in the context of international opportunity identification by female SME owners?" We adopt the social feminist perspective theory (Black, 1989) that advocates socially constructed nature of gender (Brush et al., 2009).

We choose China as the context for our investigation because of its the consistent increase in export volume (OECD, 2014), reasonable entrepreneurship activity and the degree of internationalisation orientation among the Chinese females, and their moderate opportunity identification capability (GEM, 2014).

The structure of this paper is as follows. We introduce social feminist theory as our theoretical foundation; review literature that connects our major theoretical constructs and present a theoretical framework; and report methodology, findings and analysis. The discussion offers propositions, directions for future research and theoretical and practical contributions. Conclusion terminates the paper.

A THEORETICAL PERSPECTIVE ABOUT GENDER: SOCIAL FEMINISM

The two dominant approaches to feminist thought are liberal feminism (Jaggar, 1983) and social feminism (Black, 1989). Liberal feminism advocates that men and women are fundamentally similar and equal (Jaggar, 1983) with equal capability of rationality to gain access to equal opportunities (Fischer et al., 1993). Gender is seen as a biological attribute, something that "is" (Ahl, 2006), and researchers compare female and male business owners as the gender difference resides within them (Orser et al., 2010). Extant studies of internationalisation behaviour grounded in liberal feminism measure biological sex failing to explore variations in socially constructed perceptions of gender by individuals (Welch et al., 2008).

Social feminism holds the view that men and women are fundamentally different but equal (Black, 1989; Marlow & Patton, 2005). They have different but equally effective socialised traits and values, group-based rationality and ways of viewing the world (Fischer et al., 1993). Social feminism argues that gender differences exist due to variations in upbringing and socialisation into existing

social practices that prescribe the categorisation of 'feminine' and 'masculine' (Ahl, 2006). This paradigm focuses on socially constructed perceptions and subjective factors such as social practices, power and cultural values. Gender is seen as a social identify reflected in "something that is "done" " (Ahl, 2006: 596) and enacted on a daily basis. Researchers explore how females interpret their experiences (Welch et al., 2008) and what perceptions they have about gender differences that reside in their social context (Orser et al., 2010).

We apply social feminist theory in this study. Its value in elucidating the effect of gender on entrepreneurial and internationalisation processes has been widely advocated in the literature (e.g., Ahl, 2006; Brush et al., 2009; Welch et al., 2008). Entrepreneurship and internationalisation are initiated and carried out by individuals who are socially embedded and social feminism provides a platform to better understand how social structures affect their behaviour and decision-making. Social feminist studies recognise that internationalisation of SMEs is not gender neutral (Orser et al., 2010). Further, we study international opportunity identification, an inherently socio-cognitive activity (Mainela et al., 2013). Therefore, gauging socially constructed perceptions of individuals who conduct this activity, such as self-efficacy and motivation, can shed light on their behaviour and decision-making (Zahra et al., 2005).

Gender identity and gender role

Social feminism uncovers the effect of gender examining gender identity and gender role. Gender identity reflects an individual's beliefs about the extent to which he or she has feminine or masculine traits (Bem, 1993). It influences self-perception (Ely, 1995) and interpretation exporting experiences (Welch et al., 2008).

Gender role is a comparatively stable social construct based on socio-cultural norms that guides and constrains the behaviour of role players (Leung, 2011). Social order encourages women to undertake family roles (Powell & Eddleston, 2013). As a result, females have lower expectation for success than males in a wide range of different occupations (Wilson et al., 2007) and contribute more hours to family responsibility (Díaz-García & Brush, 2012). In addition, females tend to perceive business goals differently from males (Powell & Eddleston, 2013).

Gender role and gender identity emanate from the social context shaped by gender stereotypes and institutions (Unger, 1979; Wheeler & Petty, 2001). Gender stereotypes are psychological traits generally attributed to men and women respectively (Williams & Bennett, 1975) that form expectations created by social forces (Pines et al., 2010). They are the product of two types of institutions: formal, such as laws, rules and regulations, and informal, such as values, norms and culture (Lewis, 2006). The discriminatory effect of formal institutions, less relevant within the social feminism paradigm, has been drastically reduced through equal opportunity laws and regulations in most countries, including China. However, informal institutions are important due to their profound effect on gender stereotypes that shape and maintain females' entrepreneurial values, attitudes and intentions guiding their behaviour and decision-making (Kobeissi, 2010). Gender stereotypes and institutions delineate the context in which women are embedded and conduct their activities. Brush et al. (2009) suggest "motherhood" as a metaphor to reflect the family and household context.

Next, we review literature to elucidate the effect of gender on major constructs used in this study and we present our theoretical framework.

INTERNATIONAL OPPORTUNITY IDENTIFICATION: GENDER, NETWORK BUILDING AND RISK PERCEPTION

International opportunity identification is a relatively new filed of inquiry (Mainela et al., 2013), therefore, we present empirical evidence from entrepreneurship and international business literatures in relation to gender effect on various individual level factors pertinent to that activity. As explained previously, we focus our study on network building and risk perception. Further, we explore self-efficacy and motivation, the key psychological characteristics influencing an individual's cognition and behaviour (Chen et al., 1998). We now discuss relevance of these constructs to international opportunity identification and their gender sensitivity.

Network building

Social network, defined as the entirety of relationships linking an individual to other people, matters most in international opportunity identification (Ellis, 2011) as it provides access to information about and knowledge of opportunities (Johanson & Vahlne, 2009). Its diversity and scope help in identifying opportunities due to diversity and quantity of information (Singh, 2000; Smith et al.,

2009). Social networks determine how information moves around (Angeli & Grimaldi, 2010) and facilitate international opportunity identification by information transfer (Anderson, 2008). Proactive participation within social networks creates positive effects on internationalisation activities (Ellis, 2011).

Gender differences in network structures and network building behaviour influence female SME owners' decision-making that affect internationalisation of a firm (De Bruin et al., 2007) and put them in a less favourable position (Diaz-García & Carter, 2009; Westhead et al., 2009). When compared to males, females' domestic business networks are more likely to consist of their family members and friends (Sullivan & Meek, 2012) and include both males and females, while males have preference for other males as their network members (Aldrich et al., 1989).

Females are disadvantaged because they lack suitable and effective social networks (Klyver & Terjesen, 2007; De Bruin et al., 2007; Díaz-García & Brush, 2012; Diaz-García & Carter, 2009). Females have difficulties in building effective networks (Farr-Wharton & Brunetto, 2007) and focus on the quality of interpersonal networks instead of establishing networks based on the needs of business expansion, like males do (García & Carter, 2009).

Trust formation is essential part of network building (Johanson & Vahlne, 2009) and empirical evidence of pertinent gender difference is inconclusive (e.g., Spector & Jones, 2004; Wells & Kipnis, 2001).

Risk perception

Risk perception is the decision-maker's assessment of the level of risk relevant to an uncertain situation and the perception of their control over such uncertainty (Sitkin & Weingart, 1995). Risk perception can be reactive, being a response to an external stimulus, or active, when risks are selected for attention (Rayner, 1992). An individual's risk perception influences internationalisation activity, its propensity and intensity (Johanson & Vahlne, 2009; Acedo & Jones, 2007).

Risks are socially and culturally constructed and gender power inequality affects how individuals perceive risks: men and women perceive different risks in the same context and females' risk perception is sometimes influenced by fears related to sexualised behaviour (Gustafson, 1998). Also, men perceive risks as more acceptable than women: they have better trust of authorities and

institutions and benefit from risk-taking more (Gustafson, 1998). Female business owners have higher risk aversion, lower risk tolerance (Sexton & Bowman-Upton, 1990) and slower decision making under uncertainty (Zimmerman & Brouthers, 2012) compared to males. Females demonstrate lower level of confidence in the context of investment activity because due to its masculine nature (Olsen & Cox, 2001). As business owners, they often prioritise non-profit goals over maximizing financial profit because of discomfort in assuming business risks or taking on financial debts (García & Welter, 2013). The way females perceive risks affects their internationalisation behaviour (Welch et al., 2008).

Self-efficacy

Self-efficacy is "people's beliefs about their capabilities to produce designated levels of performance that exercise influence over events that affect their levels" (Bandura, 1994: 71). Self-efficacy is a task specific construct and is, among other factors, subject to the social context as positive social persuasion and encouragement increase its level (Wilson et al., 2007). Individuals with high self-efficacy are more likely to see opportunities while those with low self-efficacy are more likely to see costs and risks (Chen et al., 1998). Opportunity identification emerges from an individual's perception that the situation is controllable and positive (Krueger & Dickson, 1994). Increased self-efficacy also enhances network building in the context of international opportunity identification (Muzychenko & Liesch, 2014).

The stereotype of an ideal entrepreneur is someone with dominant characteristics of risk-taking and high growth aspirations that are perceived as masculine (Brush, 2002). Some evidence suggests females have higher self-efficacy in performing 'feminine tasks', such as nursing, but lower self-efficacy in 'masculine tasks', such as entrepreneurship (Díaz-García & Jiménez-Moreno, 2010; Gonzalez-Alvarez & Solis-Rodriguez, 2011).

Motivation

Motivation is a drive within the organism that activates behaviour or directs it towards a goal (Coon, 1983). It is an important factor in international opportunity identification (Muzychenko & Liesch, 2014; Zahra et al., 2005). SME owners' motivation determines the relationship between an SMEs' expansion and its benefits for the owner's life style. 'Lifestyle business' motivation emphasises survival and maintaining sufficient income to ensure a satisfactory lifestyle rather than ongoing

growth (Haber & Reichel, 2007). Although women value financial success, it is less important to them than the need for independence (Sullivan & Meek, 2012).

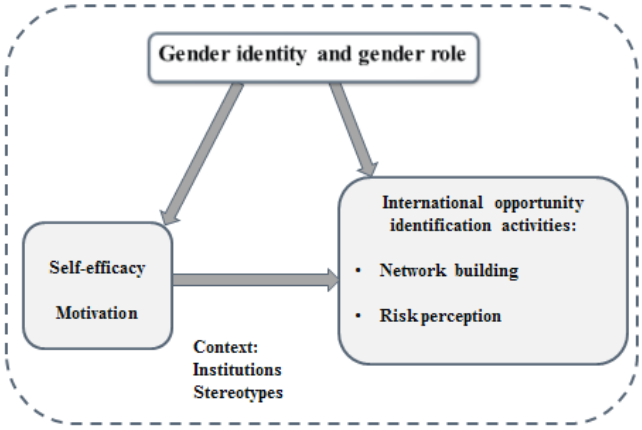
Theoretical framework

Literature review indicated that gender is likely to shape network building and risk perception activities of female SME business owners as well as their self-efficacy and motivation in undertaking them in the process of international opportunity identification. This will affect how they go about international opportunity identification.

Females seem to build their networks in a way that may result in limited access to knowledge and information needed for international opportunity identification. They are likely to perceive significant risks when operating internationally and this may have consequences for risk perception pertinent to international opportunity identification. The way individuals network and perceive risks in the context of identifying an opportunity, including that in the international context, depends on their self-efficacy and motivation. As these psychological characteristics are affected by gender, a subsequent gender effect on international opportunity identification activities is possible. While extant literature indicates the likelihood of gender effect on network building and risks perception in the context of international opportunity identification, little is known about the mechanism of that effect and how it manifests itself.

By applying a theoretical lens of social feminist theory and based on the literature review we integrate our focal constructs in a research framework that guides seeking an answer to our research question, how gender influences network building and risk perception in the context of international opportunity identification by female SME owners, (Figure 1). Female SME owners operate in the social environment delineated by gender stereotypes and institutions that influence various aspects of their business activity (Díaz-García & Jiménez-Moreno, 2010). This environment shapes gender identity and gender roles that impact females' self-efficacy and motivation. As self-efficacy and motivation are significant drivers that encourage behaviour or otherwise, the way females build networks and perceive risks in the context of international opportunity identification for their firms will be affected by gender.

Figure 1 Theoretical framework for this study



METHODOLOGY

We adopted a qualitative approach due to the exploratory nature of our research and recent calls in the literature to move away from the over-reliance on positivism in gender studies of entrepreneurial behaviours (Hughes et al., 2012; Orser et al., 2010). Gender exerts the contextual influence delineated by institutions and stereotypes. The international business theorists argue the value of multiple case study technique when the contextual influence on a phenomenon is to be explored with the purpose of identifying the cause and effect of human experiences (Welch et al., 2011). We used multiple interpretive sense-making case studies, as advocated by Welch et al. (2011), to meet this objective. Our choice of the research paradigm and technique is in line with the research foci in the extant literature (Mainela et al., 2014) and provides an opportunity to obtain context and behaviour-rich data (Jones & Coviello, 2005).

"Individual female SME owner" is the level of analysis adopted in this study. Four to twelve case studies are deemed to be adequate for exploratory research (Eisenhardt, 1989). This study is based on four case studies. This is sufficient because our aim is not to provide an explanation in the form of tested hypotheses but to understand subjective experiences of females through the gender lenses.

We employed purposive sampling (Davidsson, 2005) complemented with snowball technique (Biernacki & Waldorf, 1981) to identify potential study participants and ensure that we could obtain thick and rich data. The participants met the following selection criteria: (1) a female of Chinese

ethnic background, lives and operates business in China; (2) owns an SME with less than 200 employees; and (3) derives minimum 5% of the revenue from foreign markets. Table 1 provides information about firms owned by the study participants.

Table 1 Information about participating firms

	Gui*	***Zhang****	***Huang****	***Qing****
Year commenced internationalisation	2013	1997	2011	2009
Industry	Supply chain management	Light manufacturing	Light manufacturing	Financial services
Number of employees	34	112	27	54
Yearly revenue (RMB: Million)	1-5 M	>15 M	1-5 M	5-10 M
Markets	USA, Thailand, Canada	India, Chile, South Africa	Australia	South Korea, Japan, USA, Taiwan
Owner's overseas networks prior to internationalisation	√			√
Main motivation for internationalisation	Differentiation from domestic competitors	Revenue growth	Improving quality of life via immigration	Survival and long-term development in the market

*Coded names

Data collection protocol involved two questionnaires and an interview guide for semi-structured in-depth interviews. We also collected secondary data about the study participants and their firms from publically available sources. The questionnaires and interview guide were prepared in English, translated into Chinese and then back translated into English by a third party to check for accuracy. We conducted a pilot case study to test and adjust the data collection protocol. After that the researcher of the Chinese ethnic background interviewed participants online through QQ program in the private and confidential environment. Interviews were conducted in Chinese and ranged from 45 min to 80 min. The participants provided a company website and electronic advertising material. We collected publically available information about the interviewees' firms and their industries (Table 1) as an extra data source to compile case studies and triangulate facts referred to by the study participants during the interviews.

The primary objective of feminism informed studies is to understand the subjective world of women and this requires in-depth interviews for immersion in women's experience (Prasad, 2005). We conducted semi-structured interviews that included the following questions: "How do you understand 'identifying opportunity to enter a new export market?" "What have you done to identify

an opportunity to enter a new export market?" "How did you build network to enter new export markets?" "Do you think that being a female influences how you identify opportunities to enter new export markets? If yes, in what ways?" The interviewer (1) obtained interviewee's stories asking "could you give me examples" or "what events illustrate that"; (2) did not use theoretical constructs to avoid any confusion; (3) avoided leading questions throughout the interview, and (4) asked direct questions about gender only at the end of the interview. Interviews were audio-recorded. Each interview was transcribed in Chinese, checked with the participants for accuracy and translated into English. We conducted a follow up communication via e-mail to seek clarifications where necessary.

Data analysis included examining, categorizing, tabulating and recombining the evidence and this was guided by our initial theoretical framework (Yin, 1989). Data sources were carefully compared and examined. We performed three cycles of coding, open, axial and selective (Strauss & Cobrin, 1998). The cases were analysed individually. We continuously moved between the raw data and the literature to seek insights into themes that started to emerge during data analysis. Then we conducted cross-case analysis. Findings from each individual case were compared and synthesised for similarities and differences. To ensure the reliability and validity of results we used triangulation employing independent coding to enhance the reliability of data analysis (Patton, 1999) and investigator triangulation to ensure quality of findings (Yin, 2003).

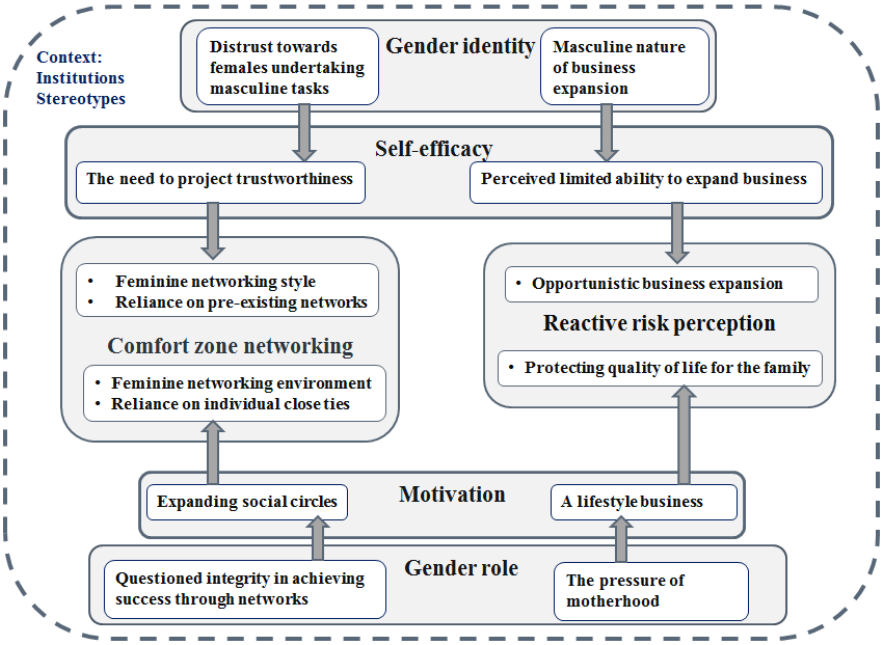
FINDINGS AND ANALYSIS

To address our research question, how gender influences network building and risk perception in the context of international opportunity identification by female SME owners, we applied social feminist theory to uncover what factors explain this influence. We now report our findings and analysis. Figure 2 presents our data structure and models relationships between constructs.

Network building

Comfort zone networking The participants noted that females build networks differently: "*Males have their way of doing business, so do we, females" (Huang).* They demonstrated preference for feminine networking style and environment as well as reliance on pre-existing networks

Figure 2 **Gender, network building and risk perception in the context of international opportunity identification by female SME owners**



and individual close ties, which together describe the essence of *comfort zone networking*. The participants used feminine networking style to make a good impression on new foreign contacts who could potentially become new exchange partners: *"a females' advantage is being friendly and persuasive, males are more direct" (Gui)*. Network building occurred in a relatively feminine environment. This included business functions where the participants knew they will not feel uneasy: "*My contacts ...invite me to events about product development or strategies…and especially to informal occasions where the atmosphere is not awkward" (Gui).* They also favoured private gatherings: "*During these occasions they get to know what I'm doing now and share new information with me. Most of my business is achieved in this way" (Huang).*The participants admitted that females can be reserved in forming new network ties. They demonstrated reliance on pre-existing network ties, such as old clients: "*generally, most of network building is that old clients brining us new clients. That means increased reliability" (Zhang).* Active use of pre-existing networks is in line with the notion of 'guan xi' ('relationships') in Chinese business culture. However, we found over-reliance on pre-existing networks due to the participants' reservations in forming new ties: "*I personally don't like it when a new client, who does not have any connection with us, suddenly jumps out to contact my firm" (Zhang).*

Individual close ties served as a significant source of building network contacts for international opportunity identification. Because of this reliance on individual close ties the participants attached importance to the notion of friendship: "*The people who are close to me, when they accept me, they are comfortable to pass on information about me to their friends" (Huang).* Overall, the participants used limited types of connection such as pre-existing networks and individual close ties and focussed on building quality networks (Garcia & Carter, 2009) slowly (Farr-Wharton & Brunetto, 2007) .

The need to project trustworthiness The participants demonstrated *the need to project trustworthiness* to their potential new international exchange partners. It defined their self-efficacy in network building in the context of international opportunity identification: "*I need to gain trust from my international stakeholders… that's the way to do my work... I need to make sure I really have 100% trust from them" (Qing).* The need to project trustworthiness explains over-reliance on pre-existing networks for international opportunity identification as the latter leads to higher self-efficacy because the participants feel their trustworthiness has been recognised: "*When I set up my own firm [my past employer's] international clients showed a great interest. They felt comfortable to cooperate with someone they were familiar with" (Gui).*

The participants demonstrated feminine networking style, 'being friendly and persuasive', to mitigate a perceived weakness in networking and gain trustworthiness. According to Gui, females are reserved meeting people for the first time. Therefore, feminine networking style was beneficial to be seen as reliable or trustworthy.

Distrust towards females undertaking masculine tasks Cross-case analysis reveals the participants perceived that their feminine gender identity carried a disadvantage of *distrust towards females undertaking masculine tasks*. They perceived they were treated differently because of their gender: *"Males' presence makes you trust them. The stereotype in this society is that people are more likely to believe in the ability of males to perform in the market. This difference is obvious" (Gui).* In order to mitigate the effect of this stereotypes attached to their gender identity, the participants sought to deal with people who share their values. Gender driven self-perception (Welch et al., 2008) in the

context of international opportunity identification seems to be delineated by the conflict between a feminine gender identity and engagement in a masculine occupation. The participants perceived difficulty in projecting trustworthiness to their networks due to their gender and this explains why their self-efficacy in network building was determined by being able to have their trustworthiness recognised by new foreign network contacts. This is in line with Spector and Jones (2004) who found gender differences in trust formation in the workplace context.

Expanding social circles The participants were motivated to build networks in the context of international opportunity identification with the purpose of *expanding social circles* regardless of economic benefits (Sullivan & Meek, 2012). They had a desire to explore the world through getting to know people from other countries. Network building for them was building new individual close ties: "*The expression 'network building' is very purposeful and profit-driven. I have my own definition: 'Let's become friends first' "(Gui).* They preferred to establish a friendship and then possibly leverage it for identifying a new international opportunity.

Questioned integrity in achieving success through networks Based on our cross-case analysis, the non-profit motivation for network building by the participants in the context of international opportunity identification was underpinned by *questioned integrity in achieving success through networks* by business women in China**.** The society has different criteria for females and males because of power inequality between genders (Gustafson, 1998): *"Females' success is difficult to get acknowledged by the society. A lot of bad words are said. Many people question the way we [females] achieve. But males' success comes without any questions. The way males succeed is very direct. But the way females succeed is very complicated" (Gui).* How female owners built and leveraged their networks for international opportunity identification was scrutinised and questioned by others to the extent of suggesting sexual favours may have been involved. Female gender role is that of a less powerful party who uses sexualised behaviour in the business context to compensate for the lack of power (Ely, 1995). This echoes Gustafson's (1998) reference to gender roles and sexualised behaviours, but in the context of gender differences in risk perception in the urban environment. Due to their concern about keeping their reputation intact the participants built networks slowly (Eddleston

& Powell, 2008) and restricted network building activity (Garcia & Carter, 2009) to comfort zone networking to build solid social relationships.

Risk perception

Reactive risk perception Cross-case analysis indicates that the participants demonstrated *reactive risk perception* in the context of international opportunity identification. They reacted to external developments instead of actively directing their attention to risks inherent in the international business environment (Rayner, 1992). They preferred incremental business growth and opportunistic rather than strategic international expansion: "*I do not set a long-term goal... My strategy is to move forward gradually... There are ten opportunities overseas and you get one. I'll wait for an appropriate time to do it rather than identifying opportunities deliberately" (Gui).*

The participants also perceived increased risks of identifying new international opportunities once their firm's turnover reached a threshold that represented their individual economic satisfaction. At that point their concern shifted from business growth to protecting quality of life: *"I'm happy about what I'm doing and where I'm right now with my business. I just hope that it will stay like that" (Qing).*

They feared losing what they had achieved financially if they expand their business beyond the scale they were comfortable with. These results are in line with previous findings that females are prone to risk aversion in the business context (Sexton & Bowman-Upton, 1990) and weight possibility of loss and ambiguity very carefully (Olsen & Cox, 2001).

Perceived limited ability to expand business According to our data analysis one of the reasons behind the reactive risk perception in the context of international opportunity identification is that self-efficacy of the participants is shaped by their *perceived limited ability to expand business*. Self-efficacy affects risk perception (Krueger & Dickson, 1994): "*[self-efficacy] can decrease perceived risk a lot... the scariest thing is when you don't believe you can manage it, your capability" (Gui).* The participants did not strive to keep identifying international opportunities because they believed they had limited ability in controlling risky situations inherent in further business expansion: *"I do everything based on my capability. Not everybody can control this situation [exporting] ... you*

can't be too eager to enter new international markets. It's something that comes naturally… I don't set too many requirements for myself. I let it go" (Zhang).

Masculine nature of business expansion The participants' perceptions about their ability to expand business through international opportunity identification was influenced by gender stereotypes. Their feminine gender identity clashed with the perception of the *masculine nature of business expansion*: "*Compared to females, males like expanding business. But…I really don't want to…many of my female friends are in exporting. If they were men, they would definitely want to expand the business…I prefer just to maintain it" (Huang).* Gui echoes Huang further confirming the view in the literature that avid risk-taking and high growth aspiration are masculine orientations (Brush, 2002): "*Men don't care about details of the process, they just keep moving forward…But females are sensitive, they are concerned about details. I am like other females and I like to move forward gradually".*

Society discourages females from choosing masculine occupations and exporting is seen as undesirable career for females not encouraged by the society: "*It obviously affects me… What I'm doing now is a real surprise to other people" (Zhang).* Instead, females are expected to perform low risk jobs: "*People around me, including my family, thought that I should take a secure job" (Huang).*

Due to the contextual stereotypes females are socialised into gender identity that prescribes feminine professional choices and that seems to have influenced self-efficacy of the participants who undertook tasks perceived as masculine, such as continuous business expansion. After the initial success in international opportunity identification they still questioned if they should pursue it further: *"Even if you have succeeded, you might not acknowledge that yourself…I ask: shall I continue to do what I'm doing now?"(Gui).*

A life style business The participants' motivation in risk perception in the process of international opportunity identification was defined by their desire for *a lifestyle business.* Both single and married participants wished to establish a balance between career and family/future family and expressed how they valued family life: "G*etting married, becoming a wife, being a mum, these are all wonderful things" (Qing).* International opportunity identification depends on personal

ambitious (Chandra et al., 2012) and our participants wanted to work hard and grow their firms through identifying international opportunities to achieve the desired quality of life: *"I passed the stage when I had to work for food. Currently I only need to improve my business operations" (Huang).* They later lost motivation for active risk perception and instead reacted to external stimuli (Rayner, 1992): "*I don't know what is enjoyable [about new international markets]…My employees are so excited about it, but I feel numb…In the past, my life was like 7-11 [convenience store]. Now at 5 p.m. I cook, I don't use computer at night… That's it" (Huang).*

The pressure of 'motherhood' Gender role underpins entrepreneurial goals and ambitions (Eddleston & Powell, 2012). The participants expressed that *the pressure of 'motherhood'* (Brush et al., 2009) affected the way they perceived risks in the context of international opportunity identification, and this was equally pertinent to single and married respondents: *"Women are more likely to hold back. They will think that they are going to marry, or they will have kids." (Qing).* Single participants experienced marriage pressure: *"More than 80% of Chinese girls get married at my age… Many women lose their professions after getting married…I feel very stressed. You are worried about marriage when you are 30, having babies when you are 35" (Gui).* Married participants stressed differences between gender role of males and females (Díaz-García & Brush, 2012): "*Maybe men can do a better job, because they do not look after the household and children. As a female, I don't like a messy house and I have to cook for my family. I have to take some time to look after my child. But males can fully concentrate on the business" (Huang).* All the participants expressed their perception that household responsibilities and being a wife were important, but it is the role of a mother that mattered most to them. They associated their children's/future children's wellbeing with their business.

Family role was previously found to influence females' attitudes towards risk-taking and decrease their entrepreneurial intentions (DeTienne & Chandler, 2007; Jamali, 2009) and we find a similar connection in the context of international opportunity identification. The contextual gender stereotypes generate pressures of family embeddedness for the study participants as their gender role encompasses family responsibilities. This explains why female SME owners were motivated to

establish a lifestyle business and experienced a shift in their risk perception due to the fear of losing their material wealth.

DISCUSSION

We contribute to two emerging bodies of literature: research on international opportunity identification and studies of gender effect on internationalisation of a firm. Our findings extend extant evidence in relation to gender effect on risk perception and network building as we uncover how gender affects the focal activities in the process of international opportunity identification. Our results improve understanding of behavioural drivers that underpin international opportunity identification by individuals. Muzychenko and Liesch (2014) studied a mixed gender sample of Australian entrepreneurs using theory of planned behaviour (Ajzen, 1991) and found no effect of social norms on factors, including self-efficacy, that define an individual's intention to identify international opportunities. Our results highlight the effect of gender related social norms on how females perform opportunity identification activity. We explain this variation in results by difference in social contexts between China and Australia, the subtle and often unconscious nature of the gender effect on behaviour and decision-making (Gupta et al., 2008), our focus on behaviour itself rather than intention to perform it, use of different theoretical lens and application of interpretive sense-making analytical approach.

In relation to network building in the context of international opportunity identification we found that females engaged in *comfort zone networking* and this was because their self-efficacy in network building seemed to suffer from a conflict between a 'feminine' gender identity and a 'masculine' occupation. Gender identity ascribes 'masculine' and 'feminine' professions and our participants described their perception of *distrust towards females undertaking masculine roles* in China. This may be a possible explanation of gender differences in trust formation reported by Spector and Jones (2004). As females perceived difficulty in being trusted when identifying international opportunities, they felt the *need to project trustworthiness* to new ties. To increase their self-efficacy in network building, they selected strategies and contexts to facilitate meeting that need. The drive of *expanding social circles* rather than economic gains as their motivation for network building also

explains comfort zone networking. While Pines et al. (2010) link the non-profit motivation in network building to the quest for self-actualisation, we attribute it to the effect of the gender role leading to unequal power relations between males and females in the society. Women are socialised into a weaker, dependent role and become more conscious of sexualised behaviours reflecting power inequality (Gustafson, 1998). A stereotypical view is that females advance themselves in the business context using sexuality to gain favours from powerful males (Ely, 1995). Due to the gender power inequality Chinese female SME owners were subject to a stereotype-based *questioned integrity in achieving success through networks*. They were concerned about protecting their reputation with subsequent effect on their behaviour.

In relation to risk perception in the context of international opportunity identification we found that females engaged in *reactive risk perception* as part of opportunistic business expansion. Their risk perception was focussed around responding to the serendipitous emergence of international opportunities because of their *perceived limited ability to expand business*. This precluded them from more proactive search for international business opportunities and active selection of risks for their attention. We explain this self-efficacy assessment and its subsequent effect on risk perception by the conflict between the feminine gender identity of our study participants and the *masculine nature of business expansion*. Reactive risk perception also reflected that females were protecting quality of life because they were motivated by a desire to have *a lifestyle business.* Once they reached the desirable quality of life, the possibility of losses and ambiguity inherent in international opportunities started to carry more weight for them (Olsen & Cox, 2001). We explain these motivations by the effect of gender role that exerted *the pressure of 'motherhood'* on our participants.

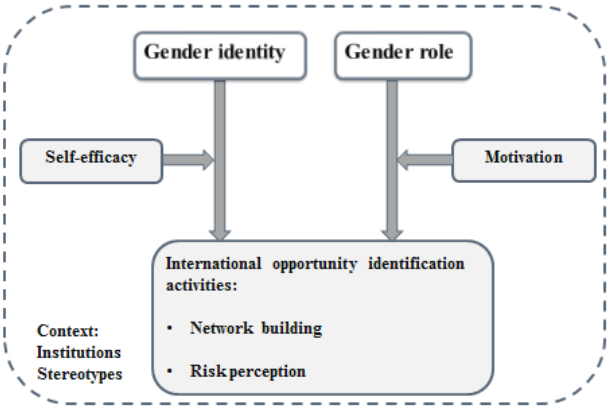
While extant studies provided fragmented evidence of the correlation between gender and the way the focal activities are understood and/or performed by females (Orser et al., 2010; Welch et al., 2008), our second contribution is in uncovering the mechanism behind these correlations. We identified a number of constructs that describe the gendered network building and risk perception pertinent to international opportunity identification. To explain the influence of gender, we highlight that gender role and gender identity shape behaviours of female SME owners through the mediating functions of motivation and self-efficacy respectively (Figure 3). Based on the preceding discussion,

we conjecture the following:

Proposition 1: Gender role affects network building and risk perception in the context of international opportunity identification by female SME owners and motivation mediates this relationship.

Proposition 2: Gender identity affects network building and risk perception in the context of international opportunity identification by female SME owners and self-efficacy mediates this relationship.

Figure 3 **Gender effect on international opportunity identification by female SME owners**



Limitations and directions for future research

Our study has limitations that suggest directions for future research. We derived data in the context of China and conducted analysis through the lens of social feminist theory. However, international opportunity identification and gender are complex phenomena that can be best explored using variety of cross-disciplinary approaches, research techniques and conducting studies across different socio-cultural contexts. We applied qualitative research method and, therefore, our results are generalizable analytically only. Based on our insights, future studies can formulate and test hypotheses for statistical generalisation. Further, the scope of our investigation was limited to gender effect on network building and risk perception activities. Future research could extend this scope and explore gender effect on other aspects of international opportunity identification such as, for example, knowledge acquisition, learning processes, cross-cultural interaction and trust formation. We also

suggest testing if subjective perceptions of females about how others view their trustworthiness reflect the reality.

Practical implications

Given the qualitative nature of our results we offer tentative practical implications for female SME owners, policy makers and export development bodies. Our results indicate that female SME owners are likely to not utilise the potential vested in internationalisation of their firms fully because of the gender effect on their network building and risk perception in the context of international opportunity identification. They will be in a better position to reach their full potential in international opportunity identification activities if they overcome their limiting gender driven subjective perceptions. It is possible that not all females are entirely conscious of this gender effect (Gupta et al., 2008), hence, it may be useful to raise their awareness about the issues identified in this study. Females may choose to undergo relevant training programs to increase their self-efficacy in establishing trust based relationships and handling business expansion. While their subjective perceptions and behaviour are delineated by the socio-cultural context of their home country, cross-cultural training and understanding gender related expectations of their new international contacts (that, in some cases, may well be less demanding than in China) could also be conducive to unleashing the potential of females in international opportunity identification. While personal experience derived via training interventions helps increase self-efficacy, external encouragement and vicarious experience play a role too (Bandura, 1994). Therefore we suggest that policy makers and export development bodies identify and promote female role models, run networking events for female exporters to create peer support, offer training programs based on their specific needs and review their processes and procedures to make them female friendly. Creating a public and transparent environment where females interact with others may assist making them feel comfortable and not threatened with a possibility of their integrity and reputation being questioned. This will help extend comfort zone networking for females and reduce their reliance on ‘old clients’ or ‘friends’. Policy makers and export developments bodies can better target their interventions to stimulate female exporting activity if they consider our insights into the influence of gender role on motivation, the effect of gender identity on

self-efficacy, and the pertinent contextual stereotypes. Finally, females see their business goals and objectives differently. Their gender role, such as being a mother and caring for a family, should be respected and celebrated by the society rather than imposed.

CONCLUSION

We offer a number of contributions from the social feminist perspective to explain how gender influences international opportunity identification by female SME owners in China. International opportunity identification and the gender effect on internationalisation of a firm are relatively new areas of inquiry. We uncover a number of concepts, their relationships and the mechanism of the gender effect on international opportunity identification by female SME owners. These new insights advance extant understanding of both international opportunity identification activity and the gender effect on internationalisation of a firm. While previous studies provided fragmented evidence we propose more comprehensive insights grounded in social feminism. We identify how gender role and gender identity influence the behaviour and decision-making of female SME owners through the respective mediating roles of motivation and self-efficacy. Our findings lead to directions for future research and practical implications.

REFERENCES

Ajzen, I. (1991). The theory of planned behaviour. *Organizational Behaviour and Human Decision Processes*, 50: 179-211.

Ahl, H. 2006. Why research on women entrepreneurs needs new directions. *Entrepreneurship Theory and Practice*, 30(5): 595-621.

Aldrich, H., Reese, P. R., & Dubini, P. 1989. Women on the verge of a breakthrough: Networking among entrepreneurs in the United States and Italy. *Entrepreneurship and Regional Development*, 1(4): 339-56.

Anderson, M. H. 2008. Social networks and the cognitive motivation to realize network opportunities: A study of managers' information gathering behaviors. *Journal of Organizational Behavior*, 29(1): 51-78.

Angeli, F. & Grimaldi, R. 2010. Leveraging offshoring: the identification of new business opportunities in international settings. *Industry and Innovation*, 17(4): 393-413.

Bandura, A. 1994. *Self-efficacy*. In V.S. Ramachaudran (Ed.), *Encyclopdia of human behavior*. (Vol.4, pp. 71-81). New York: Academic Press.

Bem, S. L. 1993. The lenses of gender. New Haven: Yale University Press.

Biernacki, P. & Waldorf, D. 1981. Snowball sampling: Problems and techniques of chain referral sampling. *Sociological Methods and Research*, 10(2): 141-63.

Black, N. 1989. *Social feminism*. Cornell University Press: Ithaca, NY.

Brush, C. G. 2002. A gendered perspective on organizational creation. *Entrepreneurship Theory and Practice*, 26 (3): 41-65.

Brush, C. G., de Bruin, A., & Welter, F. 2009. A gender-aware framework for women's entrepreneurship. *International Journal of Gender and Entrepreneurship*, 1(1): 8-24.

Chandra, Y., Styles, C., & Wilkinson, I. 2009. The recognition of first time international entrepreneurial opportunities: Evidence from firms in knowledge-based industries. *International Marketing Review*, 26(1): 30-61.

Chandra, Y., Styles, C., & Wilkinson, I. F. 2012. An opportunity-based view of rapid internationalization. *Journal of International Marketing*, 20(1): 74-102.

Chen, C. C., Greene, P. G., & Crick, A. 1998. Does entrepreneurial self-efficacy distinguish entrepreneurs from managers? *Journal of Business Venturing*, 13(4): 295-316.

Christensen, P. S., Peterson, R., & Madsen, O. Ø. 1990. *Opportunity identification: The contribution of entrepreneurship to strategic management.* Institute of Management: University of Aarhus.

Coon, D. 1983. *Introduction to psychology.* St. Paul: West Publishing Company.

Davidsson, P. 2005. Methodological approaches to entrepreneurship: Past research and suggestions for the future. *Small Enterprise Research*, 13(1): 1-21.

Davis, A. E. & Shaver, K. G. 2012. Understanding gendered variations in business growth intentions across the life course. *Entrepreneurship Theory and Practice*, 36(3): 495-512.

De Bruin, A., Brush, C. G., & Welter, F. 2007. Advancing a framework for coherent research on women's entrepreneurship. *Entrepreneurship Theory and Practice*, 31(3): 323-39.

DeTienne, D. R. & Chandler, G. N. 2007. The role of gender in opportunity identification. *Entrepreneurship Theory and Practice*, 31(3): 365-86.

Díaz-García, M. C. & Brush, C. 2012. Gender and business ownership: questioning "what" and "why". *International Journal of Entrepreneurial Behaviour and Research*, 18(1): 4-27.

Díaz-García, M. C. & Jiménez-Moreno, J. 2010. Entrepreneurial intention: The role of gender. *International Entrepreneurship and Management Journal*, 6(3): 261-83.

Eddleston, K. A. & Powell, G. N. 2012. Nurturing entrepreneurs' work–Family Balance: A gendered Perspective. *Entrepreneurship Theory and Practice*, 36(3): 513-41.

Eddleston, K. A. & Powell, G. N. 2008. The role of gender identity in explaining sex differences in business owners' career satisfier preferences. *Journal of Business Venturing*, 23(2): 244-56.

Eisenhardt, K. M. 1989. Building theories from case study research. *Academy of Management Review*, 14(4): 532-50.

Ellis, P. D. 2011. Social ties and international entrepreneurship: Opportunities and constraints affecting firm internationalization. *Journal of International Business Studies*, 42(1): 99-127.

Ely, R. J. 1995. The power in demography: Women's social constructions of gender identity at work. *Academy of Management Journal*, 38(3): 589-634.

Estrin, S. & Mickiewicz, T. 2011. Institutions and female entrepreneurship. *Small Business Economics*, 37(4): 397-415.

Farr-Wharton, R. & Brunetto, Y. 2007. Women entrepreneurs, opportunity recognition and government-sponsored business networks: A social capital perspective. *Women in Management Review*, 22(3): 187-207.

Figueira-de-Lemos, F., Johanson, J., & Vahlne, J.-E. 2011. Risk management in the internationalization process of the firm: A note on the Uppsala model. *Journal of World Business*, 46(2): 143-53.

Fischer, E. M., Reuber, A. R., & Dyke, L. S. 1993. A theoretical overview and extension of research on sex, gender, and entrepreneurship. *Journal of business venturing*, 8(2): 151-68.

García, M.-C. D. & Welter, F. 2013. Gender identities and practices: Interpreting women entrepreneurs' narratives. *International Small Business Journal*, 31(4): 384-404.

García, M. C. D. & Carter, S. 2009. Resource mobilization through business owners' networks: Is gender an issue? *International Journal of Gender and Entrepreneurship*, 1(3): 226-52.

Global Entrepreneurship Monitor (GEM). 2014. *Female Entrepreneurship Data.* Global Entrepreneurship Monitor.

Gonzalez-Alvarez, N. & Solis-Rodriguez, V. 2011. Discovery of entrepreneurial opportunities: A gender perspective. *Industrial Management & Data Systems*, 111(5): 755-75.

Gupta, V. K., Turban, D. B., & Bhawe, N. M. (2008). The effect of gender stereotype activation on entrepreneurial intentions. *Journal of Applied Psychology*, *93*(5), 1053.

Gustafson, P. E. 1998. Gender Differences in risk perception: Theoretical and methodological erspectives. *Risk Analysis*, 18(6): 805-11.

Haber, S. & Reichel, A. 2007. The cumulative nature of the entrepreneurial process: The contribution of human capital, planning and environment resources to small venture performance. *Journal of Business Venturing*, 22(1): 119-45.

Hughes, K. D., Jennings, J. E., Brush, C., Carter, S., & Welter, F. 2012. Extending women's entrepreneurship research in new directions. *Entrepreneurship Theory and Practice*, 36(3): 429-42.

Jaggar, A. M. 1983. *Feminist Politics and Human Nature*. Rowman & Littlefield.

Jamali, D. 2009. Constraints and opportunities facing women entrepreneurs in developing countries: a relational perspective. *Gender in Management: An International Journal*, 24(4): 232-51.

Johanson, J. & Vahlne, J.-E. 2009. The Uppsala internationalization process model revisited: From liability of foreignness to liability of outsidership. *Journal of International Business Studies*, 40(9): 1411-31.

Jones, M. V. & Coviello, N. E. 2005. Internationalisation: conceptualising an entrepreneurial process of behaviour in time. *Journal of International Business Studies*, 36(3): 284-303.

Klyver, K. & Terjesen, S. 2007. Entrepreneurial network composition: an analysis across venture development stage and gender. *Women in Management Review*, 22(8): 682-88.

Kobeissi, N. 2010. Gender factors and female entrepreneurship: International evidence and policy implications. *Journal of International Entrepreneurship*, 8(1): 1-35.

Krueger, N. & Dickson, P. R. 1994. How believing in ourselves increases risk taking: Perceived self-efficacy and opportunity recognition. *Decision Sciences*, 25(3): 385-400.

Leung, A. 2011. Motherhood and entrepreneurship: gender role identity as a resource. *International Journal of Gender and Entrepreneurship*, 3(3): 254-64.

Lewis, P. 2006. The quest for invisibility: female entrepreneurs and the norm of entrepreneurship. *Gender, Work and Organization*, 13(5): 453-69.

Mainela, T., Puhakka, V., & Servais, P. 2014. The concept of international opportunity in international entrepreneurship: a review and a research agenda. *International Journal of Management Reviews*, 16(1): 105-29.

Marlow, S. & Patton, D. 2005. All credit to men? Entrepreneurship, finance, and gender. *Entrepreneurship Theory and Practice*, 29(6): 717-35.

Mueller, S. L. & Dato-On, M. C. 2008. Gender-role orientation as a determinant of entrepreneurial self-efficacy. *Journal of Developmental Entrepreneurship*, 13(01): 3-20.

Muzychenko, O. & Liesch, P. W. 2014. International opportunity identification in the internationalisation of the firm. *Journal of World Business*, doi:10.1016/j.jwb.2014.12.001

Olsen, R. A. & Cox, C. M. 2001. The influence of gender on the perception and response to investment risk: The case of professional investors. *The Journal of Psychology and Financial Markets*, 2(1): 29-36.

Organization for Economic Co-operation and Development (OECD). 2014. *Exports of goods and services growth (volume)*. 2014 ed: Organization for Economic Co-operation and Development (OECD).

Orser, B., Spence, M., Riding, A., & Carrington, C. A. 2010. Gender and export propensity. *Entrepreneurship Theory and Practice*, 34(5): 933-57.

Patton, M. Q. 1999. Enhancing the quality and credibility of qualitative analysis. *Health Services Research*, 34(5 Pt 2): 1189.

Pines, A. M., Lerner, M., & Schwartz, D. 2010. Gender differences in entrepreneurship: equality, diversity and inclusion in times of global crisis. *Equality, Diversity and Inclusion: An International Journal*, 29(2): 186-98.

Powell, G. N. & Eddleston, K. A. 2013. Linking family-to-business enrichment and support to entrepreneurial success: Do female and male entrepreneurs experience different outcomes? *Journal of Business Venturing*, 28(2): 261-80.

Prasad, P. 2005. *Crafting qualitative research: Working in the postpositivist traditions*. ME Sharpe.

Rayner, S. 1992. Cultural theory and risk analysis. In S. Krimsky & D. Golding (Eds.), *Social Theories of Risk*, (pp. 83-115).

Sexton, D. L. & Bowman-Upton, N. 1990. Female and male entrepreneurs: Psychological characteristics and their role in gender-related discrimination. *Journal of Business Venturing*, 5(1): 29-36.

Sitkin, S. B. & Weingart, L. R. 1995. Determinants of risky decision-making behavior: A test of the mediating role of risk perceptions and propensity. *Academy of Management Journal*, 38(6): 1573-92.

Smith, B. R., Matthews, C. H., & Schenkel, M. T. 2009. Differences in entrepreneurial opportunities: The role of tacitness and codification in opportunity identification. *Journal of Small Business Management*, 47(1): 38-57.

Spector, M. D., & Jones, G. E. (2004). Trust in the workplace: Factors affecting trust formation between team members. *The Journal of Social Psychology*, 144(3): 311-321.

Strauss, A. & Cobrin, J. (1998). *Basics of qualitative research techniques and procedures for developing grounded theory.* Thousand Oaks: Sage.

Sullivan, D. M. & Meek, W. R. 2012. Gender and entrepreneurship: A review and process model. *Journal of Managerial Psychology*, 27(5): 428-58.

United Nations Conference on Trade and Development (UNCTAD). 2010. *Trade and Development Repot, 2010: Employment, globalization and development.* United Nations.

Welch, C., Piekkari, R., Plakoyiannaki, E., & Paavilainen-Mäntymäki, E. 2011. Theorising from case studies: Towards a pluralist future for international business research. *Journal of International Business Studies*, 42(5): 740-62.

Welch, C. L., Welch, D. E., & Hewerdine, L. 2008. Gender and export behaviour: Evidence from women-owned enterprises. *Journal of Business Ethics*, 83(1): 113-26.

Wells, C. V., & Kipnis, D. (2001). Trust, dependency, and control in the contemporary organization. *Journal of Business and Psychology*, 15(4), 593-603.

Welter, F. 2011. Contextualizing entrepreneurship—conceptual challenges and ways forward. *Entrepreneurship Theory and Practice*, 35(1): 165-84.

Westhead, P., Ucbasaran, D., & Wright, M. 2009. Information search and opportunity identification the importance of prior business ownership experience. *International Small Business Journal*, 27(6): 659-80.

Wheeler, S. C. & Petty, R. E. 2001. The effects of stereotype activation on behavior: a review of possible mechanisms. *Psychological Bulletin*, 127(6): 797.

Williams, J. E. & Bennett, S. M. 1975. The definition of sex stereotypes via the adjective check list. *Sex Roles*, 1(4): 327-37.

Wilson, F., Kickul, J., & Marlino, D. 2007. Gender, entrepreneurial self-efficacy, and entrepreneurial career intentions: Implications for entrepreneurship education. *Entrepreneurship Theory and Practice*, 31(3): 387-406.

WTO (2010), UNCTAD (2010). *Report submitted to the G20 on trade and investment measures* . Geneva/Paris.

Yin, R. 2003. K.(2003). *Case study research: Design and methods.* Sage Publications.

Zahra, S. A., Korri, J. S., & Yu, J. 2005. Cognition and international entrepreneurship: implications for research on international opportunity recognition and exploitation. *International Business Review*, 14(2): 129-46.

Zimmerman, M. A. & Brouthers, K. D. 2012. Gender heterogeneity, entrepreneurial orientation and international diversification. *International Journal of Gender and Entrepreneurship*, 4(1): 20-43.