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The structure of the social capital of female entrepreneurs: A pilot study on selected regions of the Republic of Serbia and the Republic of Austria³

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Abstract: *The paper presents the results of a pilot study of the entrepreneurial activity of women in selected regions of the Republic of Serbia and the Republic of Austria, focusing on the components of the social capital of female entrepreneurs. Bearing in mind the importance of social capital for starting the entrepreneurial activity, and for the business performance of entrepreneurs, the study was conducted in order to identify the basic characteristics and possible differences in business discussion networks as forms of social capital of Serbian and Austrian female entrepreneurs. A field research was conducted on a sample of female entrepreneurs from urban areas in the Republic of Serbia and the Republic of Austria. The obtained results confirm the expectations that family members and friends are essential sources of information and business advice for female entrepreneurs, and that there are relatively more women in the business discussion networks of Serbian and Austrian female entrepreneurs. The structures of the business discussion networks of female entrepreneurs from the selected regions of Serbia and Austria show similarities in the majority of the analyzed aspects. These results will enrich the body of knowledge about the entrepreneurial activity of women in the analyzed countries and they may represent a starting guideline for defining support programs for the entrepreneurial engagement of women.*

Keywords: *female entrepreneurs, social capital, business discussion networks.*

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Struktura socijalnog kapitala preduzetnica: pilot istraživanje u izabranim regionima u Republici Srbiji i u Republici Austriji

Apstrakt: U radu su predstavljeni rezultati pilot istraživanja preduzetničke aktivnosti žena u izabranim regionima u Republici Srbiji i Republici Austriji sa fokusom na komponente socijalnog kapitala preduzetnica. Imajući u vidu potencijalni značaj socijalnog kapitala za otpočinjanje preduzetničke aktivnosti, kao i za poslovne performanse preduzetnica, istraživanje je sprovedeno sa ciljem da se identifikuju osnovne karakteristike i eventualne razlike poslovno-diskusio-nih mreža kao manifestacione forme socijalnog kapitala srpskih i austrijskih preduzetnica. Radi realizacije navedenog istraživačkog cilja, sprovedeno je terensko istraživanje na uzorku preduzetnica iz urbanih područja u Republici Srbiji i u Republici Austriji. Rezultati sprovedenog istraživanja potvrđuju očekivanja da su članovi porodice i prijatelji bitan izvor informacija i poslovnih saveta za preduzetnice, kao i to da u njihovim poslovno-diskusio-nim mrežama ima relativno više žena. Strukture poslovno-diskusio-nih mreža preduzetnica iz izabranih regiona u Srbiji i Austriji pokazuju sličnosti po najvećem broju analiziranih aspekata. Rezultati sprovedenog istraživanja doprinose obogaćivanju korpusa znanja o preduzetničkoj aktivnosti žena u analiziranim zemljama i mogu predstavljati smernicu za definisanje programa podrške preduzetničkoj aktivnosti žena.

Ključne reči: preduzetnice, socijalni kapital, poslovno-diskusio-nne mreže

1. Introduction

Human and social capital of a business owner are considered to be primary forms of capital which is needed to provide other forms of the required financial and physical capital (Carter, Brush, Greene, Gatewood, & Hart, 2003). Unlike human and physical capital, social capital is not inherent to an individual or to a physical resource. Physical capital has its material form, while the human capital is manifested in a form of one's knowledge and skills and it is determined by the answer to the question: *What do you know?* On the other hand, the content of the social capital is determined by an answer to the question: *Who do you know?* (Coleman, 1988; Baron, 2005; Coff, 2005: 84). "Social capital inheres in the structure of relations between individuals and among them" (Coleman, 1988: S98). Since it is embedded in the system of social relations, social capital is a potential source of tangible and intangible resources, therefore, like other forms of capital, social capital is productive in a sense that it contributes to the achievement of certain goals (Coleman, 1988; Baron, 2005; Coff, 2005).

Social capital is an important variable in the studies of entrepreneurship as it is seen as variable that can explain various aspects of the entrepreneurial behaviour and performance. Within the frame of the sociological approach, human behaviour is explained as one designed or guided by social norms, rights and obligations. On the other hand, the economic approach to the human behaviour implies that the guiding principle of one's behaviour is the maximization of his/her personal utility function (Coleman, 1988). Both of these approaches, taken separately, do not provide a holistic view to the complex phenomenon of the human behaviour. While the sociological approach does not recognize the existence of the internal incentives that drive the behaviour, economic approach does not respect the fact that economic or other activities of individuals are part of the wider network of social relationships and that they are formed, directed, restricted or encouraged in a particular social context (Coleman, 1988; Coff, 2005). With the aim to provide a more comprehensive analysis of the human behaviour, Coleman (1988) defines social capital as a conceptual instrument that connects the social and the economic approach in explaining the behaviour of individuals. Like the behaviour of other individuals, behaviour of the entrepreneurs does not happen in a social vacuum (Baron, 2005). Social capital that an entrepreneur has acquired by establishing relationships in a particular social context affects all phases of the entrepreneurial process. Before starting-up a business, social capital or social networks can provide an access to information on the business environment, such as information about the opportunities and threats, the availability and location of the resources (Brush, 1992; Babović, 2006; Xavier, Ahmad, Nor, & Yusof, 2012). Social capital can facilitate the identification of the business opportunities and ways for their exploitation, which then can encourage the initiation of the entrepreneurial activities (Baron, 2005; Estrin, & Mickiewicz, 2011; Xavier et al., 2012). The importance of social networks is also evident during performing a business, as they continue to be an important source of information (Carter et al., 2003; Loscocco, Monnat, Moore, & Lauber, 2009). Because it can determine the choice of the entrepreneurial activity and its performance, social capital is an important subject in the studies on entrepreneurship (Apergis, & Pekka-Economou, 2010).

In the context of researching the gender aspect of the entrepreneurship, it is suggested that social capital of female entrepreneurs has certain specifics that can affect the intensity and the performance of their entrepreneurial activities which are lower than those of their male counterparts (Brush, 1992; Watson, 2003; Xavier et al., 2012). Compared to the EU28 average (31 percent), slightly more than one third of the entrepreneurs in the Republic of Austria are women (35 percent), while this proportion for the Republic of Serbia is even lower and amounts 26 percent (European Commission, 2014b; 2004c). The women's entrepreneurship rate (a percentage of entrepreneurs in

the active labour force) is lower than the men's entrepreneurship rate, both in Serbia (14 percent vs. 31 percent) and in Austria (9 percent vs. 14 percent). Likewise, in both of the countries, men achieve higher mean net income relative to their female counterparts (European Commission, 2014b; 2014c). In starting and performing their entrepreneurial activities, women encounter a number of difficulties which are often greater than those faced by men (Stošić, 2015). One of the most pronounced obstacles for female entrepreneurs is the one relating to the access to networks that are relevant for their businesses (European Commission, 2013). Business networks are recognized as one of the elements of the business ecosystem that supports the entrepreneurship. They are considered to be of a particular importance for female entrepreneurs, given their unfavourable status in most of the societies (Loscocco et al., 2009). Therefore, promoting, broadening and deepening the networking platform for women entrepreneurs is a part of the EU and the national support programs for female entrepreneurial activities (European Commission, 2013; WES, 2013; Serbian Government, 2015).

Generally speaking, social capital of female entrepreneurs is attractive and valid field of empirical research. For example, for terms such as: social capital, female or women entrepreneurs, Scopus database search engine finds 177 documents that contain abovementioned terms in their title, abstract, or as a keywords. Nevertheless, no document is found when the terms such as Serbia or Austria are added. Moreover, the Serbian Citation Index database does not contain any document with the mentioned terms in their title, abstract or in the keyword list. Given the potential that networks have for the women's entrepreneurship and the fact that they are underresearched topics in selected countries, the aim of the paper is to explore the characteristics and differences of the social networks of Serbian and Austrian female entrepreneurs on a sample of selected regions of these countries. The results should enrich the existing knowledge about the entrepreneurial activity of women in the analyzed countries and they may be used to direct support policies and measures.

2. Literature review

Social capital occurs in the social structure of relationships and norms and it can affect business by creating a set of obligations, expectations, communication channels and norms which shape the behaviour of an entrepreneur (Carter et al., 2003: 6). Social networks are one of the components of the social capital (Golubović, Džunić, & Marinković, 2014), and as such they can be a significant determinant of business performances (Vossenbergh, 2013). The networks of relations that the entrepreneurs are involved in allow the flow of information, they can provide a cost effective

access to the externally-located resources, be a source of opportunities, advice and moral support (Coleman, 1988; Haynes, Rowe, Walker, & Hong, 2000; Renzulli, Aldrich, & Moody, 2000; Verheul, & Thurik 2001; Carter et al., 2003; Watson, 2010). The structure of the social networks and the type or the strength of the relations within, are the elements that determine the usefulness of the network in terms of its contribution to the business performance (Renzulli et al., 2000; Carter et al., 2003; Watson, 2010). The so-called business discussion networks can be particularly important for starting up a business and its later performances. These networks are referring to the networks of relationships with people with whom an entrepreneur is considering business issues (Renzulli et al., 2000: 525).

Depending on the frequency of interaction, the degree of emotional closeness and the level of the reciprocity in the relationship, ties between individuals can be strong or weak (Granovetter, 1973; Burt, 1992). Strong ties are relations between relatives and close friends, while weak ties are those with acquaintances and experts (Watson, 2010). Buttner (1993) states that the networking objectives of women are more affective compared to more instrumental objectives of men. Women prefer emotional or personal connections in the form of strong ties. That is why women's networks have more kinship ties, and why women are generally more reliant on the support of relatives and close friends (Haynes et al., 2000; Renzulli et al., 2000; Carter et al., 2003; Bird, & Sapp, 2004). Although they are aware of the importance of establishing and maintaining relationships with stakeholders, female entrepreneurs have more contacts with relatives and friends (Rodríguez, & Santos, 2009). Because they lack previous work experience, or they have an inadequate one, female entrepreneurs lack commercial networks, which means that they rarely have relationships with suppliers, customers and similar (Birley, 1989). Babović (2012) finds that only 8 percent of previously unemployed female entrepreneurs had business contacts which were important for beginning of their current entrepreneurial activity, while these contacts were crucial for starting own business for 16 percent of female entrepreneurs. Moreover, women are excluded from various associations that are mostly considered to be "*men's clubs*" (Winn, 2005). It is argued that certain social status is the source for social capital accumulation (Loscocco et al., 2009). The better the status is, the greater is the accumulated social capital, while the owner of that capital is more desirable network member. Therefore, the inadequate social status of women makes them not that valuable and desirable network member which disables them to establish instrumental ties. Moreover, because of the status homophily, one should expect that individuals who have better social status will network with individuals of similar status. According to Ibarra (1992), socially better positioned individuals are chosen for instrumental relationships, while affective relationships are established with persons similar on other criteria. If

it is true that men have better social position, it can be expected that women will establish instrumental relations with them, while other women will be used for affective relationships, because of the similarities in the interests and values (Ibarra, 1992).

The importance of the strong ties for female entrepreneurs can be seen in a context of the so-called relational perspective that they have. This relational perspective determines female entrepreneurs' perception of the environment which they see as a network of relationships and themselves as an integral part of that network (Brush, 1992). In the economic sphere of their life, female entrepreneurs do not see their business as an isolated economic entity established for making profit, but as a system of interrelations incorporated into their system of other connections and relationships (Manolova, Carter, Manev, & Gyoshev, 2007). Female entrepreneurs themselves are in the centre of this network of family, social and business relations (Brush, 1992). Because the business which they own, as a system of relations should be integrated into their network of existing relationships, prior to making business decisions female entrepreneurs tend to evaluate the decisions' effects on their family life (Kirkwood, 2009). Within this framework it is expected that:

H1: Family and friends are important members of business discussion networks of female entrepreneurs both in Serbia and in Austria.

Interactions between members of a society are the starting point of network formation. These interactions are essentially characterized by the so-called homophily, that is: a preference for entering into a relationship with individuals that are similar by gender, age, education, status or some other characteristic (Ibarra, 1992; Prell, 2012: 129). Homophily can be based on one's status and/or values (Centola, Gonzáles-Avella, Eguílz, & Miguel, 2007), and it increases the likelihood of the interaction and communication within a group (Runyan, Huddleston, & Swinney, 2006). Networks of women are characterized by gender homophily⁴ to a greater extent, meaning that most members of their social networks are of the same gender as they are (Verheul, & Thurik, 2001; Parker, 2009; Thébaud, 2010). McPherson, Smith-Lovin and Cook (2001: 422-424) state that tendencies toward gender homophily are present from the early developmental stage of children, resulting in gender segregated circles for boys and girls. While boys are part of more heterogeneous groups, girls choose smaller homogeneous networks. Similarly, later in life, certain environments such as: work establishments or voluntary associations are gender segregated, although there is gender heterogeneity at the general population level. Brush (1992:15) cites studies which find that women business owners have relatively more other women in

⁴ Gender homophily refers to the preference for interaction with individuals of the same gender (Laniado, Volkovich, Kappler, & Kaltenbrunner, 2016:1).

their networks and that they tend to create smaller female networks in order to gain social and instrumental support. Given this evidence it is hypothesized that:

H2: Business discussion networks of female entrepreneurs in Serbia and in Austria are women dominated.

3. Methodology

3.1. Sample and data gathering

Female entrepreneurs are considered to be female owners of an entrepreneurial venture, that is, the owners of micro, small and medium sized enterprises or women registered as entrepreneurs according to the Serbian Law on Companies (National Assembly of the Republic of Serbia, 2011: arts. 2, 83).⁵

Table 1: Comparison of the key population and labour market indicators of the selected regions and countries

Indicator	Republic of Serbia ¹	Vojvodina and South-East Serbia ¹	Republic of Austria ²	Carinthia ²
Population				
Gender structure (% of females)	51.31	52.00	50.92	51.24
Median age	42.72	41.46	43	46
Educational attainment level: Upper secondary, post-secondary and tertiary education	65.17 ³	61.58 ³	84.5 ⁴	89.4 ⁴
Educational attainment level: Tertiary education (%)	16.24 ³	13.35 ³	31.4 ⁴	29.4 ⁴
Labour market⁵				
Employment rate: total	45.2	43.75	71.5	69.9
Employment rate: females	38.1	35.8	67.7	65.1
Unemployment rate: total	15.3	15.45	6.0	5.4
Unemployment rate: females	16.1	16.65	5.6	6.0

Notes: ¹ 2011 census data; ² Data for 2016; ³ Population older than 15 years; ⁴ Population aged 25-64; ⁵Data for 2016, for both countries

Sources: Republički zavod za statistiku, 2013; 2017; EUROSTAT, 2016

⁵ The main difference between legal forms of a company and an entrepreneur is that the companies are considered to be legal persons, while entrepreneurs are seen as natural persons.

Serbian sample of female entrepreneurs was generated from the Serbian Business Register Agency's data base for the cities of Niš (centre of the South and East Serbia Region) and Novi Sad (centre of the Vojvodina Region), while the Austrian sample was generated from the base of the Business Women in Carinthia Association. Selected regions mostly show similarities in key population and labour market indicators with the national level (Table 1).

The questionnaire used for data gathering was distributed by e-mail and/or personally (for the Serbian sample). Response rate of 28.24 percent was achieved, calculated as RR2 (American Association for Public Opinion Research, 2016, p. 60). This can be considered as usual response rate for postal and online questionnaires which, depending on the data source, ranges from 1 to 30 percent (Aker et al., 2008; Fox, Robinson, & Boardley, 1998). As to the sample structure, there were no entrepreneurs younger than 26 or older than 65 years (Table 2). High school was the last completed level of education for the most of the units. These proportions are mostly comparable with those found in Europe-37⁶ where 91 percent of female entrepreneurs are in the 25-64 age group, while 40 percent of them have middle educational level (European Commission, 2014a). Like most of the female entrepreneurs and women in general (Tan, 2008; Stošić, 2015), the most of the sample units were educated in the field of social sciences while they were noticeably underrepresented in the field of engineering, manufacturing and construction.

Table 2: Structure of the sample (in %)

Age	26-45	45.8
	46-65	54.2
Last completed level of education	Primary school	2.1
	High school	41.7
	College	10.4
	Faculty	22.9
	Master	20.8
	PhD	2.1
Field of education	General programs	10.4
	Services	12.5
	Education	12.5
	Humanities and arts	8.3
	Social sciences	25.00
	Natural sciences	14.6
	Engineering, Manufacturing and Construction	4.2
	Health and Welfare	12.5

⁶ Europe-37 includes: the 28 EU Member States, Albania, Former Yugoslav Republic of Macedonia, Iceland, Israel, Turkey, Liechtenstein, Montenegro, Norway and Serbia (European Commission, 2014a:7).

3.2. Variables and statistical methods

Entrepreneurs' social capital is evaluated on the basis of the social contacts that they have related to their businesses or that are realized in order to get business advice and consulting. The choice of the social networks' advisory function as a criterion for assessing the social capital of entrepreneurs was made on the assumption that this aspect of social networking is directly related to business performance, growth and development. These business discussion networks are estimated on the basis of their scope, frequency of contacts and gender homophily.

The scope of the network is determined by the number of different types of individuals with whom an entrepreneur has a relationship regarding business consulting. Starting from the approach used in other empirical studies (see in: Renzuli et al., 2000; Carter et al., 2003; Loscocco et al., 2009; Rodríguez, & Santos, 2009; Babović, 2012), 10 types (categories) of individuals were defined as a measure of the network scope: family members, friends, colleagues, members of professional associations, accountants, lawyers, bankers, professional consultants, representatives of government agencies and bodies, clients. The frequency of contacts refers to the frequency of relationships with different members of the network. Regularity of contacts can be assessed descriptively, for example: frequently and rarely (as in: Verheul, & Thurik, 2001). However, given the high level of subjectivity in the interpretation of the terms frequently and rarely, this kind of qualitative assessment was not adopted. In order to increase the objectivity of the obtained estimates, the frequency of contacts was measured based on the number of contacts with each category of the network member per year. Starting from the measures used by Watson (2010), the frequency of contacts was measured on a quantitative scale with three levels: never, 1-3 times per year, more than 3 times per year. Finally, the gender homophily of the network is assessed through the gender homophily index. This index was calculated as proposed by Ibarra (1992: 432), that is, like the number of female advice contacts as a proportion of the total advice contacts, in each category of individuals and in general. It is clear that the extreme values of the gender homophily index are 0 and 1. The value of the index that is closer to one of the extreme values indicates that the network is more homogeneous with respect to its members' gender. When the value is closer to 0, there is a relatively greater presence of men, while the value closer to 1 indicates a greater presence of women. A value of 0.5 indicates an equal number of men and women in the network.

For exploring the characteristics of the structure of the female entrepreneurs' social capital, a set of descriptive statistics indicators were used: mean as a central tendency measure, standard deviation as a dispersion measure and frequency distributions. Differences in continuous variables were estimated by

using the parametric and nonparametric statistical tests: one sample *t-test*, independent samples *t-test* and *Mann-Whitney U* test. When the data were normally distributed (for both of the groups), as assessed by *Shapiro-Wilk* test ($p > 0.05$), the statistical *t-test* was used. Otherwise, the *Mann-Whitney U* test was used. For the evaluation of the differences in the categorical variables the *Chi-squared* test was used. Conventional level of significance was accepted ($p < 0.05$, 2-tailed). The analysis was performed by using the *SPSS* software package, version 22.

4. Results and discussion

Social networks of female entrepreneurs in the selected Serbian and Austrian regions are relatively small, as they have in average one (1.32) person with whom they council about their businesses (Table 3). Nevertheless, when analyzed by groups of different individuals, result show that the number of individuals from all ten different categories is different from zero ($p < 0.05$). This is true for the female entrepreneurs taken together, irrespective of their origin, and for the Austrian sample. In the Serbian sample, only the category referring to the representatives of government agencies and bodies is not present in the business discussion networks of Serbian female entrepreneurs (the number of individuals from this group is not different from zero, $p > 0.05$). These results seem important for female entrepreneurs, both in Serbia and in Austria. Namely, it is suggested that, beside the size of the network, the degree of its diversification and density are significant elements of a network's potential to contribute to the business performance (Burt, 1992). The more heterogeneous the networks are, the richer with information they will be (Carter et al., 2003). Heterogeneous network has a greater potential to contribute to the business performance. The heterogeneity of the network as a measure of its diversification represents a potential for network members to access various social spheres. Diversified networks offer wider access to information and, as the members of these networks have different sources of information, it is less likely that information from heterogeneous networks will be redundant (Renzulli et al., 2000).

Colleagues, clients, family members and friends are four most numerous categories in both the Austrian and Serbian female entrepreneurs' networks. These results suggest that the majority of the individuals who female entrepreneurs consult regarding their businesses are from their closest business environment (colleagues and clients). Moreover, it is obvious that female entrepreneurs seek for business advice in their private surrounding, consulting their family members and friends. Members from these two environments are the only categories in which more than one person is a part

of the female entrepreneurs' business discussion networks. These results are in line with those suggesting that there are more kinship ties in women's networks, and that they are generally more reliant on the support of relatives and close friends (Haynes et al., 2000; Renzuli et al., 2000; Carter et al., 2003; Bird, & Sapp, 2004).

Table 3: Number of network members

	Mean (Standard Deviation)		
	Total	Serbian sample	Austrian sample
All members	1.32 (0.80)	1.22 (0.80)	1.56 (0.78)
Family members	2.28 (1.72)	2.03 (1.53)	2.86 (2.03)
Friends	2.13 (1.81)	2.06 (1.90)	2.29 (1.64)
Colleagues	2.65 (1.97)	2.56 (2.03)	2.86 (1.88)
Members of professional associations	1.02 (1.36)	0.84 (1.46)	1.43 (1.02)*
Accountants	1.13 (0.83)	1.13 (0.84)	1.14 (0.86)
Advocates	0.52 (0.59)	0.53 (0.62)	0.50 (0.52)
Bankers	0.87 (1.13)	0.84 (1.27)	0.93 (0.73)
Professional consultants	0.43 (0.81)	0.34 (0.90)	0.64 (0.50)*
Representatives of government agencies and bodies	0.26 (0.83)	0.19 (0.90)	0.43 (0.65)*
Clients	2.43 (2.18)	2.41 (2.30)	2.50 (1.99)

* $p < 0.05$ (for the differences between the Serbian and Austrian sample)

The representatives of the government agencies and bodies are the least represented category in the business discussion networks of female entrepreneurs in the analyzed regions in Serbia and Austria, suggesting that either they are not seen as adequate business advisers, or that they cannot be easily accessed by female entrepreneurs. The professional consultants are the second least represented category (at the whole sample level). A small number of professional consultants in the business discussion networks of female entrepreneurs can be a result of the fact that their offer is not tailored to the female entrepreneurs' needs, or that it is too expensive for them. Whatever the reason, these results are worrying, because professional consultants are the social network members that are educated and trained to provide business advice. Based on data analysis and expert knowledge their advice can be particularly important for business.

With an exception of advocates, Austrian female entrepreneurs have more network members in all categories. Statistically significant are the results showing that Serbian female entrepreneurs consult fewer members of professional associations ($U=310.500$, $p=0.025$), professional consultants ($U=317.000$, $p=0.007$) and representatives of government agencies and bodies ($U=278.500$, $p=0.017$).

Table 4: The most dominant frequency of contacts with different network members

	Frequency of contacts	Total (% of respondents)	Serbian sample (% of respondents)	Austrian sample (% of respondents)	Chi-Square
Family members	More than 3 times per year	62.5	61.8	64.3	0.296 ($p=0.863$)
Friends	1-3 times per year	38.3	36.4	42.9	0.241 ($p=0.887$)
	More than 3 times per year		36.4		
Colleagues	More than 3 times per year	54.2	55.9	50.0	0.168 ($p=0.920$)
Members of professional associations	Never	47.9	55.9		3.134 ($p=0.209$)
	1-3 times per year			57.1	
Accountants	More than 3 times per year	68.8	67.6	71.4	2.648 ($p=0.266$)
Advocates	Never	51.1	45.5	64.3	2.193 ($p=0.334$)
Bankers	Never	40.4	45.5		1.846 ($p=0.397$)
	1-3 times per year			42.9	
Professional consultants	Never	63.8	72.7		5.016 ($p=0.081$)
	1-3 times per year			50.0	
Representatives of government agencies and bodies	Never	85.4	85.3	85.7	0.059 ($p=0.971$)
Clients	More than 3 times per year	54.2	52.9	57.1	1.508 ($p=0.470$)

More than a half of the Serbian and Austrian female entrepreneurs most frequently consult their family members, colleagues, accountants and clients (Table 4). Additionally, the largest number of Serbian female entrepreneurs seeks for business advice from their friends more than 3 times per year. Considered together with the results about the number of different network members, it can be stated that the closest business and private environment are really the most important sources of business advice for female entrepreneurs. Not only that the business discussion networks have the most colleagues, clients, family members and friends, but these members are also the most frequently consulted as well. Although not being first ranked, results show that friends and family are important members of the female

entrepreneurs' business discussion networks (both measured by their number and by frequency of contacts), thus confirming the first hypothesis. These results are in line with those presented by Babović (2012), claiming that family, friends and business associates are the most important members of female entrepreneurs' social networks regarding various aspects of business support.

As it was mentioned before, relations with family and friends are referred to as strong ties. The fact that female entrepreneurs frequently discuss business matters with a number of family members and friends may not be that supportive of their business performance. Namely, networks with strong ties are more likely to be sources of superfluous information (Watson, 2010). In that respect, the main weakness of the strong ties is in their limited potential to provide new information, insights into new knowledge and experience beyond those that are already known (Renzulli et al., 2000; Carter et al., 2003). This limited potential of the strong ties exists because they presuppose a greater overlap and similarities between individuals (Granovetter, 1973). Also, it is possible that the so-called "over-unity" or loyalty to the network members exists in the strong ties networks which can discourage economic advancement and entering into relations with members of other networks (Tsuchiya, 2010: 159). In that way, the entrepreneur's networks dominated by strong ties may adversely affect their business performance and prospects. In dense networks, there are a number of redundant connections because most of the members interact. In these networks there is less new information, since there is a strong interconnection between members, so each knows what the other members of the network know (Burt, 1992).

An important dimension that determines the information potential of a social network are the so-called structural holes (Burt, 1992). Namely, in the social networks theory, contacts with individuals who are related to each other with strong ties are considered to be superfluous contacts, for example: contacts between father and son, husband and wife, and between close friends. In that kind of relations, one connection easily leads to another. Also, due to the closeness of contacts, these networks usually provide similar types of information. On the other hand, a structural hole exists between two non-redundant contacts or between individuals who are not tied directly (they do not have direct contact with each other), or indirectly (in their network they have contact that excludes the other side) (Burt, 1992). Entrepreneur who has more structural holes in his/her social network (few members of his/her network are interconnected), will have timely access to diversified information (Watson, 2010). Since knowledge from different social groups is crucial for good ideas, individuals who have access to structural holes have more potential to generate good ideas (Sokolovska, 2011). Depending on the strength of the ties and the presence of the structural holes, networks can be formal and informal. Formal networks are those with more weak ties and

structural holes, which is why they are more important for business performance (Watson, 2010). Ties with family and friends are important social support, but they are of minor importance for business success (Loscocco et al., 2009). Due to the greater participation of kinship ties, women may have greater emotional support, but less instrumental support which is more important for the economic success of their businesses (Renzulli et al., 2000). The results of certain studies show that increased emotional support of relatives and friends do not compensate for information that are lost in the networks of strong ties (Renzulli et al., 2000).

The largest proportion of both Serbian and Austrian female entrepreneurs state that they never consult advocates and representatives of government agencies and bodies. Differences between Serbian and Austrian female entrepreneurs are found regarding the frequency of contacts with members of professional association, bankers and professional consultants. While the most part of the Serbian female entrepreneurs never contact these groups for professional advice, Austrian female entrepreneurs have moderate contacts with them. Nevertheless, there were no statistically significant relationships between the origin of the female entrepreneur and the frequency of contacts with the analyzed network members.

Table 5: Number of female network members

	Mean (Standard Deviation)		
	Total	Serbian sample	Austrian sample
All members	0.66 (0.52)	0.66 (0.52)	0.96 (0.55)
Family members	1.00 (1.03)	0.72 (0.81)	1.64 (1.22)*
Friends	1.37 (1.25)	1.19 (1.14)	1.79 (1.42)
Colleagues	1.63 (1.60)	1.44 (1.52)	2.07 (1.73)
Members of professional associations	0.51 (0.97)	0.42 (1.06)	0.71 (0.73)*
Accountants	0.91 (0.72)	0.88 (0.75)	1.00 (0.68)
Advocates	0.30 (0.47)	0.31 (0.47)	0.29 (0.47)
Bankers	0.39 (0.80)	0.44 (0.91)	0.29 (0.47)
Professional consultants	0.17 (0.38)	0.03 (0.18)	0.50 (0.52)
Representatives of government agencies and bodies	0.13 (0.50)	0.10 (0.54)	0.21 (0.43)**
Clients	1.37(1.83)	1.5 (2.00)	1.07 (1.38)

* p<.05 ** p<.001 (for the differences between the Serbian and Austrian sample)

Similarly to the results that refer to the all network members (irrespective of their gender), there are most female colleagues, clients, friends and family members in the business discussion networks of the Serbian and Austrian female entrepreneurs generally (Table 5). Observed by groups, the situation is the same in the Austrian sample, while instead of the female family members, there are more female accountants in the Serbian sample. There are more female members in the networks of the Austrian female entrepreneurs in all of the analyzed categories, with the female advocates,

bankers and clients being the exceptions. Nevertheless, statistically significant are only the results indicating that there are more female family members ($U=329.00$, $p=0.008$), members of professional associations ($U=289.00$, $p=0.033$) and representatives of government agencies and bodies ($U=329.000$, $p=0.0001$) in the networks of Austrian entrepreneurs.

In none of the analyzed categories the gender homophily index is equal to 0 or 1, which means that both male and female members are represented in each of the observed networks (Table 6). This applies for both of the groups of Serbian and Austrian entrepreneurs, and for the whole sample as well. Women's participation in the business networks is higher for the Austrian sample for all of the categories, except in the case of female advocates, bankers and clients, relative to the Serbian sample of entrepreneurs.

Table 6: Gender homophily index

	Mean (Standard Deviation)		
	Total	Serbian sample	Austrian sample
All members	0.58 (0.30)	0.53 (0.25)	0.69 (0.37)
Family members	0.42 (0.33)	0.33 (0.31)	0.59 (0.30)*
Friends	0.66 (0.35)	0.64 (0.33)	0.69 (0.37)
Colleagues	0.65 (0.33)	0.61 (0.34)	0.73 (0.33)
Members of professional associations	0.51 (0.43)	0.46 (0.46)	0.56 (0.42)
Accountants	0.84 (0.52)	0.78 (0.37)	0.94 (0.74)
Advocates	0.57 (0.50)	0.57 (0.49)	0.57 (0.53)
Bankers	0.44 (0.49)	0.47 (0.48)	0.40 (0.52)
Professional consultants	0.53 (0.52)	0.17 (0.41)	0.78 (0.44)*
Representatives of government agencies and bodies	0.44 (0.45)	0.30 (0.42)	0.50 (0.50)
Clients	0.56 (0.42)	0.59 (0.42)	0.51 (0.45)

* $p < .05$ (for the differences between the Serbian and Austrian sample)

Generally speaking, in most cases the business discussion networks of the female entrepreneurs are women dominated. There are relatively more female members in the seven out of ten different types of networks, and in the business discussion network in general (the gender homophily index is higher than 0.5). These results confirm the second hypothesis. As it was the case with the strong ties in the networks, it is argued that high level of similarities between network members can limit the effects of the network to the business performance. Although the similarity between individuals increases the likelihood of their interaction, the level of diversification of the network increases the probability that the network will be a source of a larger volume of different information (Loscocco et al., 2009). It is pointed out that higher gender homophily of the female entrepreneurs' social networks adversely affect the performance of their enterprises. Namely, on the one hand, there are not many men in networks of women while, on the other hand, men

dominate in the areas that are important for the success of the entrepreneurial ventures (Buttner, 1993; Greene, Brush, Hart, & Saporito, 2001).

For the Austrian female entrepreneurs, the gender homophily index is higher than 0.5 in all categories with the exception of the bankers and representatives of government agencies and bodies. That means that most of the business discussion networks of the Austrian female entrepreneurs are women dominated. On the other hand, within the Serbian sample, apart from the business discussion network in general, women dominated networks are those referring to friends, colleagues, accountants, advocates and clients, while there are relatively more men in the remaining networks (family members, members of professional associations, bankers, professional consultants and representatives of government agencies and bodies). Statistically significant are the differences between the categories of family members and professional consultants both being women-dominated in the Austrian sample and men-dominated in the Serbian sample of entrepreneurs. The fact that the networks of professional consultants and government representatives of the Austrian female entrepreneurs have relatively more women may indicate that women are more represented in these fields in the analyzed Austrian region, compared to the state in Serbian regions. Additional illustration of this is the fact that women represent only 30 percent of all of the legislators, administration officials and managers in the Republic of Serbia (Statistical Office of the Republic of Serbia, 2015: 35). As for the family members, generally it is stated that support from their husband is one of the key aspects of the support that most women need to start own business. Women consider this kind of support as vital for starting up own business (Buttner, 1993; Kirkwood, 2009). According to the results found by Kirkwood (2009), no woman has established a company without the support of her husband. It seems that the role of the husband, and wider, the role of the family members of the family is bigger in the case of Serbian female entrepreneurs.

5. Conclusion

Generally speaking, business discussion networks of Serbian and Austrian female entrepreneurs are small but heterogeneous. Being composed of various members from different social spheres, social networks of analysed female entrepreneurs have a potential to be a valuable source of diversified information. Nevertheless, it is important to point out that the two least represented categories in the business discussion networks of female entrepreneurs are the representatives of government agencies and bodies and those referring to professional consultants. These may be a signal of the inadequately defined support programs, not tailored for specific needs of female entrepreneurs, or/and of the fact that female entrepreneurs from the

analyzed Serbian and Austrian regions are not aware of the existence of such programs. The most important environments for business consulting for Serbian and Austrian female entrepreneurs are their private and closest business environment. Not only that colleagues, clients, family members and friends are the most numerous network members, but they are also the most frequently consulted by the largest proportion of female entrepreneurs. These results not only confirm the first hypothesis stating that family and friends are important members of business discussion networks of female entrepreneurs, but they also reveal the immediate business environment (colleagues and clients) as an important source of business information and advice. By using business environment as one of their dominant source of business advice, female entrepreneurs can compensate the shortcomings of high relative share of family and friends in their business discussion networks. Namely, although important, especially in terms of the emotional support, contacts with family and friends are more often a source of redundant information and they provide less instrumental support.

There are both females and males in each category of members of the business discussion networks of Serbian and Austrian female entrepreneurs. However, in seven out of ten categories there are relatively more women members. These results confirm the expectations outlined in the second hypothesis. The dominance of women in business discussion networks of female entrepreneurs can potentially endanger their business performance as men are more often decision makers in the fields that are important for business. The structure of business discussion networks of Serbian and Austrian female entrepreneurs are for the most part comparable. Statistically significant is the difference regarding the fact there is even less representatives of government agencies, professional consultants and members of professional associations in the networks of Serbian female entrepreneurs. Moreover, the relative presence of men is more pronounced within the group of family members and professional consultants that female entrepreneurs from the analyzed Serbian regions contact with.

The results presented in this paper suggest that there is a need for development and strengthening the support of professional consulting of female entrepreneurs. As professionals in their fields, these consultants can be a valuable source of information and advice, but they are among the least represented members in the business discussion networks of female entrepreneurs, both in the selected Serbian and Austrian regions. Besides that, there is an evident need for gender diversification of business discussion networks of female entrepreneurs as they are women dominated. There are relatively more women in these networks, as suggested by the gender homophily index, while the most business important spheres are men dominated with them making the most of the decisions.

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The fact that the research is conducted on selected regions endangers the generalizability of the results. Nevertheless, this research can be a good starting point, defining the subjects and the social capital aspects that should be investigated on larger samples with broader national coverage.

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