

A Service of



Leibniz-Informationszentrum Wirtschaft Leibniz Information Centre

Nicolás, Catalina; Rubio, Alicia

# Article

Social enterprise: Gender gap and economic development

European Journal of Management and Business Economics (EJM&BE)

# **Provided in Cooperation with:**

European Academy of Management and Business Economics (AEDEM), Vigo (Pontevedra)

Suggested Citation: Nicolás, Catalina; Rubio, Alicia (2016): Social enterprise: Gender gap and economic development, European Journal of Management and Business Economics (EJM&BE), ISSN 2444-8451, Elsevier, Amsterdam, Vol. 25, Iss. 2, pp. 56-62, https://doi.org/10.1016/j.redeen.2015.11.001

This Version is available at: https://hdl.handle.net/10419/190516

# Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

## Terms of use:

Documents in EconStor may be saved and copied for your personal and scholarly purposes.

You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.

If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.



https://creativecommons.org/licenses/by-nc-nd/4.0/





# European Journal of Management and Business Economics

EJMSBE European Journal of Management and Business Economics

www.elsevier.es/ejmbe

Article

# Social enterprise: Gender gap and economic development<sup>☆</sup>



Catalina Nicolás\*, Alicia Rubio

Departamento de Organización de Empresas y Finanzas, Facultad de Economía y Empresa, Universidad de Murcia, Campus de Espinardo, s/n, 30100 Murcia, Spain

#### ARTICLE INFO

Article history: Received 18 March 2015 Accepted 30 November 2015 Available online 23 April 2016

JEL classification: M13 – new firms startups

Keywords:
Entrepreneurship
Social entrepreneurship
Development of the country
Gender
Gap in rates of entrepreneurship

#### ABSTRACT

Companies created by women represent a substantial part of entrepreneurship. While men outnumber women in entrepreneurship rates, the gender gap decreases in the case of social enterprises. This may be explained by the fact that roles and stereotypes that influence women's behavior will lead to significantly identify with the values promulgated by social enterprises. This greater involvement in social activities leads women to become an essential player for promoting such needed initiatives given the impossibility for public institutions to address all social problems. Therefore in this paper, firstly, we study the gender gap in social and commercial entrepreneurship, distinguishing between enterprises with less than 42 months of activity and those consolidated in the market. Secondly, and aware of the variability of data between countries, a study is conducted using a sample of 48 countries grouped according to their level of development. The results confirm what is stated in the literature, the gender gap is reduced in the case of social entrepreneurship and it is also shown that female participation in social enterprises is influenced by the level of development of the country. These results lead us to highlight the importance of variables such as culture or social norms when explaining female behavior.

© 2016 AEDEM. Published by Elsevier España, S.L.U. This is an open access article under the CC BY-NC-ND license (http://creativecommons.org/licenses/by-nc-nd/4.0/).

# Introduction

The role of enterprises is considered essential in the economic sphere, as they mobilize resources, create jobs and generate wealth. Moreover, taking into account their contribution to economic growth, enterprises are considered essential in the development of a territory, as they contribute to the rejuvenation of the socioproductive fabric, re-launching regional areas and boosting the innovative process (Santos, 2012).

That is why in the economic, political and social fields a wide range of private and even public policies have been implemented aimed at entrepreneurship (Álvarez, Noguera, & Urbano, 2012). Examples include programs offered by institutions like the United Nations (UN). In particular, the UN has programs to promote entrepreneurship among which are those targeted at the female segment, which pursue greater equality between men and women, reducing gender violence, achieving peace between territories and in general, promoting social change worldwide (Luchsinger, 2015).

The emergence of measures to support female entrepreneurship is widespread, because the proportion of women who decide to start a business is lower than that of men (Minniti, 2010), being this inferiority more significant as the development level of the country increases (Coduras & Autio, 2013).

These differences have traditionally been attributed to the different motivations that guide men and women. In particular, men are closer to achieving and obtaining economic benefits, while women are closer to pursuing social value (Hechevarría, Ingram, Justo, & Terjesen, 2012; Urbano, Ferri, & Noguera, 2014; Wilson & Kickul, 2006).

Although the commercial enterprise generates social value, this is not in particular its objective, but an indirect consequence of its activity. In the social enterprise, however, the creation of social value is intrinsic to its mission (Dees, 2001; Holmen & Mizzi, 2014), a value which the employer does not want to take ownership for and intentionally creates for others (Santos, 2012).

This fact makes the social enterprise be considered suitable for women in order to align their interests with the roles that have been attributed to them culturally, closely linked to altruism, care and protection of disadvantaged groups (Dietz, Kalof, & Stern, 2002; Mckay, Phillimore, & Teasdale, 2010; Urbano et al., 2014).

Due to the importance for the rest of society, social enterprises are currently being studied by several institutions, such as the European Commission, whose analysis shows that this is a business phenomenon which is currently proliferating and it is increasingly

<sup>☆</sup> The authors thank the CajaMurcia Foundation for their support in this paper. This article is part of the Project: "Women and Entrepreneurship from a Competence Perspective" (CSO2013-43667-R), financed by the Ministry of Economy and Competitiveness.

<sup>\*</sup> Corresponding author.

E-mail address: catalina.nicolas@um.es (C. Nicolás).

easier to find examples of social enterprises worldwide (Holmen & Mizzi, 2014).

Although the number of social enterprises is growing and the implementation of female enterprises (Holmen & Mizzi, 2014; Luchsinger, 2015) is being promoted to a greater extent, the data in this regard, show that the importance of women in the rates of social entrepreneurship varies considerably from one country to another, even from one economic group to another (Bosma & Levie, 2010).

Our two research questions arise from these reflections: (1) Is the proportion of women who create businesses higher in the social case? (2) What influence does the level of economic development of the country have on the proportion of women versus men who set up social enterprises?

While the differences between men and women have been widely discussed in the literature on commercial entrepreneurship, there is little research analyzing them from the social enterprise point of view (Nicolás Martínez, 2014).

In order to respond to these two questions, firstly, an analysis is carried out on the influence that being male or female has on the decision to create a company, specifying in the case that the company created has a social objective. Next, how the level of development of the country where the new company is located mediates in this relationship is studied. The research hypotheses are derived from this relationship. Then these hypotheses are contrasted by the study of the gender separation gap. The sample used is made up of 14,931 entrepreneurs in 48 countries, grouped according to their level of development, of these entrepreneurs, 2693 are social entrepreneurs. The sample was obtained from the database of the Global Entrepreneurship Monitor (GEM) 2009. The paper ends with a discussion of the results and the analysis of the implications for research in this area and the applications it has for enterprises at a practical level.

In general, it should be noted that this work makes important contributions to literature. On the one hand, entrepreneurship according to the gender of the individual who sets up the enterprise is studied, verifying that proportionately women create more social than commercial enterprises in all the groups of countries. On the other hand, gender in social enterprises and the level of economic development is also analyzed, noting that as the level of development decreases, women create a larger number of enterprises, both social and commercial, so there is a negative relationship between the level of development of the country and setting up businesses.

## **Gender of social entrepreneurship**

The literature on gender and entrepreneurship is quite extensive, finding a broad consensus on the fact that men are the ones who start businesses to a greater extent (Eagly, 1987; Langowitz & Minniti, 2007; Mckay et al., 2010; Themudo, 2009).

This greater propensity of the male group is explained by the social role theory or its extended version the gender role theory, developed by Eagly (1987), in which it is stated that it is not the biological predisposition, but culture that defines socially acceptable behaviors for each gender. While the male role is associated with control or achievement, making them responsible for financial family support, traditionally women are often associated with work in the home, performing household chores and taking care of children and other dependent people. These are the roles and stereotypes that lead to the conclusion that the ideal gender to start and run businesses is the male one (Carter & Rosa, 1998).

Meanwhile, Connell (1990) also supports this argument with his theory of hegemonic masculinity, stating that in the business world there is a hierarchical order between men and women, by which

men are seen as the standard and women as the exception to the rule (Godwin, Stevens, & Brenner, 2006).

However, the fact that women have these roles preset and are conditioned by the principles of hegemonic masculinity can cause differences in the way in which they run their businesses, since the objectives that guide their decisions are different from those of men (Langowitz & Minniti, 2007). In particular, there are studies that show that women decide to become entrepreneurs guided primarily by social rather than economic (main motivation of men) objectives (Fernández-Serrano & Liñán, 2014; Urbano et al., 2014).

This fact may explain why women are not only the goal of many social actions, but also key players in social entrepreneurship (Hechevarría et al., 2012). The missions of these types of enterprises are directly related to altruism, care and protection to others, while commercial enterprises pursue to create an economic benefit for the person who started it. This leads to women that create a social enterprise to find a place more adapted to their roles and emotional goals than those starting a commercial enterprise (Dietz et al., 2002; Mckay et al., 2010; Urbano et al., 2014).

Furthermore, while the main objective of the commercial enterprise is the creation of economic benefit, the social enterprise moves away from that goal, focusing explicitly on creating sustainable solutions that create social value through its economic activity (Mair & Martí, 2006). Precisely, social enterprises realign more with the female role due to social objectives, as demonstrated by the work of Themudo (2009) and Hechevarría et al. (2012). Thus Hechevarría et al. (2012) suggest that women focus more on activities related to aid. They are the ones who are most likely to get involved in more volunteer activities, and even the participation of women in the third sector is higher than that of men in countries such as the United States.

In this regard, investigations are focused mainly on UK social enterprises that analyze if women start up social enterprises at a higher rate than commercial enterprises (Harding & Cowling, 2006). In particular, the authors base their study on the analysis of what they call 'gender separation gap'. This tool, also known as gap measures the difference between the percentage of men and women who are involved in the business activity. Its results show that the importance of women increases in the case of social enterprises, so that the gap that separates the entrepreneurship figures between men and women is lower in the social case.

As for Leahy and Villeneuve-Smith (2009), they reached the same conclusion in their research with a sample of individuals of legal age belonging to British social enterprises. Precisely, they claimed that 41.1% of all managers of social enterprises were women, well above the rate observed in the commercial case. Moreover, this fact was also noted when the percentage of owners was analyzed, observing that 26% were women in the social case, while in the commercial case that figure accounted for hardly 14%.

These arguments allow us to affirm that:

**Hypothesis 1.** The gender separation gap is lower in social enterprises than commercial enterprises.

# Gender in social enterprises and economic development

The environment is a key variable when an individual decides to create a company (Hofstede, 1980, 1991, 2003; Shinnar, Giacomin, & Janssen, 2012; Verheul, Stel, & Thurik, 2006). When the participation of men and women in entrepreneurship is studied by analyzing samples from different countries grouped according to their level of development, it can be stated that as the level of development decreases the gender gap also decreases (Kobeissi, 2010; Minniti & Naudé, 2010; Minniti, Allen, & Langowitz, 2006; Van der Zwan, Verheul, & Thurik, 2012).

This fact is motivated by two factors. Firstly, it is considered that the fragile economic systems of these countries with high unemployment figures, high job insecurity and low wages cause women to try to escape poverty, turning to self-employment out of need (Kobeissi, 2010; Minniti & Naudé, 2010; Van der Zwan et al., 2012). Secondly, it should be noted that low levels of efficiency reduce existing entry barriers, which promotes the creation of new companies (Baughn, Chua, & Neupert, 2006; Neupert & Baughn, 2013).

However, the fact is that there are factors that have a negative influence when an individual decides to create a company in less developed countries. In particular, it is noted that access to training is not good, it is difficult to have business relationships with other people or the fact that commercial infrastructures are usually deficient (Kobeissi, 2010).

Along these lines, research conducted by Minniti, Arenius, and Langowitz (2005) states that while it is true that as the level of development of the country decreases, the number of enterprises created by women increases, the relationship between the two variables is non-linear. Specifically, if the highest percentages of business women are in less developed countries and as development increases, female presence decreases, there is a turning point when the presence increases again in economies with higher stages of development (Acs, Arenius, Hay, & Minniti, 2005). Therefore, it is necessary to note that it is possible to find countries with smaller gaps between men and women, due to the fact that high levels of development and a greater number of opportunities favor female entrepreneurship (Baughn et al., 2006; Neupert & Baughn, 2013).

Most research examining the relationship between gender and social entrepreneurship has been conducted with samples from developing countries, showing a smaller gender gap in the social case than in the commercial case (Harding & Cowling, 2006; Leahy & Villeneuve-Smith, 2009). The fact that there is no research on the gap, the social enterprise and levels of development leads to the need to know whether the behavior of the gap depending on gender for the social enterprise is similar to that obtained by the commercial enterprise in the different groups of countries. Therefore, in this study it is stated that:

**Hypothesis 2.** There is a positive relationship between the gender separation gap in the social enterprise and the level of economic development of the country.

#### Methodology

Sample and data collection

In this work, the unit of analysis is the individual and for that purpose, data collected by the GEM project were used. The data were collected in 2009, by telephone or face-to-face interviews with a standardized questionnaire. A representative sample of adults (18–64) was used, resulting in a total of about 160,000 people surveyed in 48 countries (Table 1).

Since 1999, annually, researchers conducting the GEM project have contributed to knowledge on entrepreneurship, by studying the attitudes and aspirations of individuals and the types of activity and environmental characteristics that affect them when starting up enterprises in the 80 countries that make up the GEM project. Their findings help governments, enterprises and researchers when designing and implementing policies and programs aimed at stimulating business start-ups worldwide (Terjesen, Lepoutre, Justo, & Bosma, 2011).

#### Method

Formally, the hypotheses are tested by studying the gender separation gap or the gap. This method, used by Bosma and Levie

**Table 1**Characteristics of the sample.

Level of development	Countries	Sample size
Underdeveloped countries (stage 1)	Algeria, Guatemala, Lebanon, Jamaica, Morocco, Saudi Arabia, Syria, Uganda, Venezuela and the West Bank and Gaza Strip.	19,203
Developing countries (stage 2)	Argentina, Bosnia and Herzegovina, Brazil, Chile, China, Colombia, Croacia, Dominican Republic, Ecuador, Iran, Jordan, Letonia, Malaysia, Panama, Peru, Rumania, Russia, Serbia, South Africa and Uruguay.	48,405
Developed countries (stage 3)	Belgium, Finland, France, Germany, Greece, Iceland, Israel, Italy, Republic of Korea, Netherlands, Norway, Slovenia, Spain, Switzerland, United Kingdom, United Arab Emirates and United States.	89,747

Source: Compiled by the authors, based on Bosma and Levie (2010).

(2010), measures the difference between the proportion of men and women who have created or run a business in a given territory. To perform this analysis, a cross-tabulation of data through contingency tables between the rates of male and female enterprises according to the different types of enterprises and groups of countries was carried out. The  $\chi^2$  test was also applied, which has given us significant differences between the rates of male and female enterprises for each development level. To do this, the SPSS program was used. With the results of the contingency tables, the gender separation gap was calculated by variation between the rates of male and female enterprises, according to the types of enterprises and economic zones. Specifically, the formula for the variation rate used was as follows: Gap =  $\frac{\text{Female rate} - \text{Male rate}}{\text{Male rate}} \times 100$ 

#### Measurement of variables

In order to obtain a variable that classifies the enterprise according to whether it was social or not, the methodology used by Lepoutre, Justo, Terjesen, and Bosma (2013) was followed. In particular, to identify the individuals that were involved in the entrepreneurship process, the respondents were asked whether at present they were trying to start a new business, alone or with others, also including being self-employed, as well as the fact of selling any good or service to others. As a result, a dichotomous variable was established, which was classified into (1) for those individuals who responded positively and into (0) for those who answered negatively. To identify individuals in the process of social entrepreneurship, they were then asked if their activity, organization or initiative had social, environmental objectives or sought the benefit of the community. With the results of this question a new dichotomous variable was developed, which was classified with a (0) for the respondents who replied no and one (1) for the respondents who answered yes.

This information also enables to develop the indicator of entrepreneurial activity in a territory, namely the GEM defines it as the total early-stage entrepreneurial activity (TEA). This rate shows the percentage of people between 18 and 64 who started a business

in the last 42 months. In the case of the social enterprise, the indicator is defined as the rate of Social Entrepreneurial Activity (SEA), which shows the percentage of population between 18 and 64 who, in this case, created a social enterprise in the last 42 months.

In addition to these two rates, the GEM also provides two other rates with similar information. Specifically, what differentiates these rates from the ones defined in the previous paragraph is that, in this case, enterprises need to have at least 42 months of activity. As GEM distinguishes between initiatives of less than 42 months (TEA and SEA) and those organizations that were constituted over 42 months ago, it is possible to carry out a study differentiating between enterprises constituted less than 42 months ago and those constituted over 42 months ago. This enables to provide information in order to go beyond what has been analyzed so far in the literature

Furthermore, to classify the gender of the individuals, a dichotomous variable was used, where men were identified with a (0) and women with a (1).

Regarding the classification of countries according to their level of development, it was carried out following the methodology of the GEM project, through a categorical variable that divides the countries according to their level of development (Table 1). In that sense, the countries that see innovation as the main element that can improve productivity and competitiveness are in stage 3. They are therefore developed countries. In stage 2 are the countries that are in transition between the implementation of efficiency (which is the criterion immediately preceding innovation) and innovation to achieve this objective. Finally, the countries in stage 1 are those with a lower level of development and which still consider the production factors (especially human capital) as the elements that are able to improve productivity and competitiveness. Countries that are in a transition period between the later stage and the one that considers efficiency as the drive to improve productivity and competitiveness are also included in this group.

## Results

The results are presented in two tables and three graphic representations. The first table, number 2, shows the rates of entrepreneurship based on the level of development of the country and for the total of countries. The next two tables show a

**Table 2**Entrepreneurship rates according to the level of development of the country (%).

	Rate of entrepreneurial activity (TEA)	Rate of social entrepreneurial activity (SEA)
Developed countries Developing countries Underdeveloped countries	5.7*** 12.3*** 16.4***	1.6*** 2.1*** 1.5***
Total	9.0***	1.7***

Source: Compiled by the authors.

comparison of the gender separation gap both for commercial and social enterprises and again distinguishing between economic groupings and the total.

Table 2 gives an overview of entrepreneurship rates of commercial and social enterprises. Regarding commercial rates, it can be observed that they decrease as the economic development of the country increases. This can respond to that when development decreases, there is the need for the population to start a business because the lack of alternative work increases. Less developed countries have worse civil service structures and fewer large companies than developed countries and therefore have a higher proportion of people who choose to start a business as a career. On the other hand, Table 2 shows a high variability in the commercial entrepreneurship rates among the three economic groupings, variability which does not occur in the social case. Although the differences remain statistically significant, they are close to the average of the total countries (1.7). This stability suggests that social entrepreneurship is not affected by the existence of a greater need for the population to start a business in the absence of alternative work in developed countries.

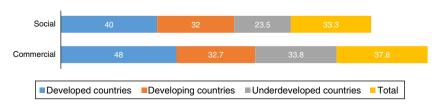
Table 3 and its graphic representation, Fig. 1, provide information on business rates by gender, as well as the gap in rates of male and female entrepreneurship for social and commercial enterprises of between 0 and 42 months of activity. The results support Hypothesis 1. The gender separation gap is lower in social enterprises than commercial enterprises. This is shown by the fact that in developed countries the gap is 40% for the social case and 48% for the commercial case, in developing countries these data decrease

Table 3
Comparison of the gender separation gap according to the type of enterprises and the level of economic development. Enterprise with 0–42 months of activity (%).

		Activity rate for the commercial enterprise (0-42 months)		e for the social 0–42 months)	Commercial gap	Social gap
	Male	Female	Male	Female		
Developed countries Developing countries Underdeveloped countries	7.5*** 14.7*** 19.8***	3.9*** 9.9*** 13.1***	2.0*** 2.5*** 1.7***	1.2*** 1.7*** 1.3***	48.00 32.70 33.80	40.00 32.00 23.50
Total	11.1	6.9	2.1	1.4	37.80	33.30

Source: Compiled by the authors.

 $G = [(FR - MR)/MR] \times 100.$ 



**Fig. 1.** Graphic representation of the gender separation gap according to the type of enterprise and the level of economic development. Enterprises with 0–42 months of activity (%).

Source: Compiled by the authors.

<sup>\*\*\*</sup> Statistically significant difference p < 0.01.

<sup>\*\*\*</sup> Statistically significant difference p < 0.01.

**Table 4**Comparison of the gender separation gap according to the type of enterprise and the level of economic development. Enterprise with more than 42 months of activity (%).

	Activity rate for the commercial enterprise (more than 42 months)		Activity rate for the social enterprise (more than 42 months)		Commercial gap	Social gap
	Male	Female	Male	Female		
Developed countries Developing countries Underdeveloped countries	8.5*** 10.8*** 13.9***	4.0*** 5.7*** 6.6***	1.3*** 0.8*** 0.8***	0.9*** 0.6*** 0.4***	52.94 47.22 52.52	30.77 25.00 50.00
Total	5.2	3.2	1.1	0.7	38.50	36.50

Source: Compiled by the authors.

\*\*\* Statistically significant difference p < 0.01.

 $G = [(FR - MR)/MR] \times 100.$ 

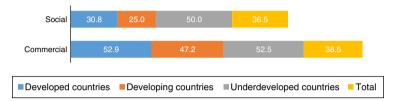


Fig. 2. Graphic representation of the gender separation gap according to the type of enterprise and the level of economic development. Enterprises with more than 42 months of activity (%).

Source: Compiled by the authors.

to 32% and 32.7% respectively, while in underdeveloped countries the gaps decrease to 23.5% for social enterprises and 33.8% for commercial enterprises. Hence, it is observed that in all the countries the gap for the social case is lower by about 5 percentage points (pp) than for commercial enterprises.

Table 4 and Fig. 2 offer similar information to that discussed in the previous paragraph, but in this case, for organizations with more than 42 months of activity. Firstly, it is observed that from developed to developing countries the involvement of women in social enterprises increases significantly. This is reflected in the gap between men and women which decreases from 52.94% (commercial enterprise) to 30.77% (social enterprise) in the case of developed countries and 47.2–25% respectively in the case of developing countries. As can be seen, the social gap is lower than the commercial one around 22 pp in both groups. In developing countries, although the social gap is less than the commercial one, the difference is only 2 pp. Therefore it should be noted that, despite the minor difference in this group of countries for companies with more than 42 months of activity, the data in Tables 3 and 4 allow to accept Hypothesis 1.

The information will be analyzed below to see if Hypothesis 2 can be accepted or rejected. In Table 3 for social enterprises of less than 42 months of activity, it is observed that as the level of development of the country increases, the value of the social gap also increases. In particular, the gap in developed countries is 40%, a figure which drops to 8 pp in developing countries (32%), reaching the figure of 23.5% in the group of underdeveloped countries. That is, in total, from developed countries to underdeveloped countries, the gap in the social case drops about 16 pp.

Meanwhile, it is necessary to analyze Table 4 more closely, that collects information on organizations with more than 42 months of activity. Firstly, it is verified that the gap decreases from developed to developing countries by almost 6 pp, from 30.77% to 25.00%, respectively. In contrast, in the group of underdeveloped countries, the gap exceeds almost 20 pp to that obtained in developed countries. In particular, the gap of social enterprises with more than 42 months of activity is 50%, the highest gap for social enterprises of the two tables analyzed.

This fall in the rate of enterprises with more than 42 months of activity also occurs in commercial organizations, where the gap is 52.52% in underdeveloped countries compared to 47.22% of developing countries. This would prove that although the female population starts up a higher proportion of enterprises in underdeveloped countries, the initiatives created by women in such countries have greater fragility. Or what is the same, these results show the greater weakness of female activity when it comes to securing their enterprises, one out of two women who started a social enterprise was not able to survive more than 42 months.

Therefore, the results in Table 3 corroborate the second hypothesis, while those in Table 4 can only do so partially. In general, it has been observed that there is a positive relationship between the gender separation gap and the level of development of the country in social enterprises. In other words, as the level of development decreases, the gap that separates both sexes also decreases with the exception found in Table 4 for underdeveloped countries, something that happens both in social and commercial enterprises.

This may be because in these countries, women, described as unstable in the labor markets of these countries, decide to overcome certain cultural and social barriers helped by government policies and programs to promote the empowerment of women in these territories (Bosma & Levie, 2010; Terjesen et al., 2011). But despite creating a greater number of enterprises, both social and commercial, in this group of countries, it is a fact that it is much harder to get their organization to survive over time. This may be due to the difficulty that women can have when it comes to interacting with other entrepreneurs, potential suppliers or clients, poor infrastructure or lower financing which prevents their company from growing and consolidating over time (Kobeissi, 2010).

Therefore, the data provided in Tables 3 and 4 and their graphic representations, Figs. 1 and 2, allow us to accept Hypothesis 1, but Hypothesis 2 only partially.

#### **Discussion and conclusions**

The important role of women in entrepreneurship has been highlighted by numerous investigations, as they are considered a key factor in promoting gender equality, reducing gender-based violence, promoting peace between territories and developing the country (Luchsinger, 2015).

This research was prompted by observing that despite the importance women had, they created fewer companies than men (Minniti, 2010). The literature found justification in the more altruistic nature of women and the roles attributed by a patriarchal society, separating them from the more economic nature that a business organization can have (Baughn et al., 2006; Carter & Rosa, 1998; Eagly, 1987; Eddleston & Powell, 2012; Gupta, Turban, Wasti, & Sikdar, 2009; Minniti & Nardone, 2007; Shinnar et al., 2012; Urbano et al., 2014; Wilson & Kickul, 2006).

Based on this idea, there was the need to further the knowledge on the gender of the individual who creates a social enterprise, as this type of organization is more consistent with the roles and characteristics attributed to women. However, some investigations have found that men are to a large extent, the ones that create social enterprises, so this hypothesis could not be accepted (Harding & Cowling, 2006; Leahy & Villeneuve-Smith, 2009).

Therefore, the issue was approached from the hypothesis that at present is being considered. Specifically, the gender separation gap is studied, which shows the differences between men and women who set up an enterprise in a particular territory (Harding & Cowling, 2006; Leahy & Villeneuve-Smith, 2009). Research on this subject showed that the gaps in the case of the social enterprise were smaller than in the commercial enterprise, but it has only been proven with a sample of English companies (Leahy & Villeneuve-Smith, 2009). It was also possible to find research that claimed that a lower level of development favored a smaller gender gap in entrepreneurship. However, the sample of these works was composed exclusively of commercial organizations (Minniti et al., 2005, 2006), so for the social case no studies have been found.

In order to gain more knowledge about social enterprises, in this research two questions were raised: Is the proportion of women who create enterprises higher in the social case? And what influence does the level of development of a country have on the proportion of women versus men, that set up social enterprises?

In this work, responding to the first question, it has been found that, as indicated by the literature on entrepreneurship, it is mainly men who create both social and commercial enterprises. However, what has been observed is that, despite this, the gender gap is smaller in the social case in all groups of the countries studied.

It was also proven that the level of development of the countries determines starting-up businesses by women. Specifically, a positive relationship was observed between lower levels of development and female entrepreneurship (Leahy & Villeneuve-Smith, 2009; Minniti et al., 2005, 2006). In other words, women create proportionally more enterprises in underdeveloped countries and that percentage decreases as the development of the territory in which they live increases. So, the second question posed in this study has also been resolved.

That is why this research contributes to the literature on both commercial and social entrepreneurship, as it has examined the gender of the people who start-up social and commercial enterprises, comparing both types and distinguishing between companies with less than and more than 42 months of activity; furthermore, this study has differentiated according to the level of development of the country in which the enterprise is created, which are all analyzes which so far have not been carried out.

While it is true that a large number of researches have studied the gender of the person who creates an enterprise, most of these have focused on justifying why the man is the one who creates the largest number of enterprises and the role played by economic development in all this (Minniti et al., 2005, 2006). However, it has been more difficult to find research on gender and social entrepreneurship and if we look at the level of development of the country, the fact is that nothing has been found. This work goes beyond what has been done so far, by trying to see if the gender gap decreases as the level of development of the country decreases

and if it is smaller in the social case. To do so, a sample of 160,000 individuals from 48 countries in different stages of development was analyzed. The sample was obtained thanks to the database of the GEM project in 2009.

On the one hand, it shows that the gap is smaller in the social case and that the level of development conditions women when setting up businesses (Baughn et al., 2006; Eddleston & Powell, 2012; Gupta et al., 2009; Minniti & Nardone, 2007; Shinnar et al., 2012; Urbano et al., 2014; Wilson & Kickul, 2006). On the other hand, the analysis of companies with more than 42 months of activity provides additional information. It was observed that the gap of these enterprises was smaller than the gap of enterprises with fewer months of activity, but only for developed and developing countries, indicating that there was greater gender equality in the case of enterprises with longer activity for those two groups of countries.

Therefore, on the hypotheses raised in this paper, the first one may be accepted and the second one only partially, due to the exception found in the female social enterprise with more than 42 months of activity in underdeveloped countries. These results can be explained with the arguments found in the literature, which pointed to the fragile economic systems of these countries, high unemployment, high job insecurity and low wages that encourage women to start-up enterprises (Kobeissi, 2010; Minniti & Naudé, 2010; Van der Zwan et al., 2012) but perhaps to survive over time is not so simple after starting-up the enterprise. Specifically, the discussion by Hofstede (1980, 1991, 2003) could show evidence for this fact, who is an author that says that the differences between countries can be explained not only with cognitive and behavioral variables, but it is also necessary to analyze cultural factors in certain territories, which can also clarify the high levels of variation between regions. So, following Hofstede, the rates of female social enterprises with more than 42 months of activity indicate that other variables condition even more than the level of development in some underdeveloped areas, such as culture or norms of the country in which they live. This fact coincides with results found in the literature, which stated that social and cultural norms of an existing country encouraged or discouraged the individual at the time of starting a business activity (Álvarez, Amorós, & Urbano, 2014; Bosma & Levie, 2010). This is also consistent with the study by Verheul et al. (2006). Specifically, these authors analyze entrepreneurship figures by geographical areas, showing that there are wide variations in the factors that facilitate or hinder men and women to decide to start-up a business depending on the territory.

For researchers there are a multitude of rich lines for future studies on the gender of the person who sets up social enterprises. For an in-depth analysis of this business figure, it would be interesting to analyze other individual variables such as level of education, age, perceived self-efficacy, fear of failure, perceived opportunities, levels of creativity, leadership or social relationships, among others. Furthermore, as the influence of the level of development on the gap is observed, it would also be necessary to analyze the institutional factors that influence social entrepreneurship in different territories, study the gender separation gap in the different countries that make up the sample, but individually according to Hofstede, or perform a cluster analysis that allows to observe another group of countries different to that proposed by the GEM project in terms of level of development.

Like any research, it is not without limitations. Mainly, it is noted that within the various groupings used, there is great variability among the rates of the countries that form them, which could distort the average having worked with. In addition, the study is cross-sectional, analyzing data from 2009, so investigating the evolution of the gap longitudinally has not been possible.

Finally, it should be noted that the findings of this study contribute not only to the literature on entrepreneurship, but also to the scarce literature on the social enterprise, through the gender

analysis of the individual who starts up the enterprise, through an empirical study with which it is possible to generalize the results. Therefore, this research is expected to promote the creation of knowledge about social enterprises both in the scientific field, stimulating work on the issues that condition them, as in the business world, where this kind of business can be seen as an extra job opportunity for any individual, including the female population that is less represented in the entrepreneurial phenomenon. Furthermore, these results have potentially important implications for public policies, because with appropriate measures, such as aids, training, funding, etc., social enterprises can be considered to a large extent the main means for women to participate more in entrepreneurship.

#### References

- Acs, Z., Arenius, P., Hay, M., & Minniti, M. (2005). Global Entrepreneurship Monitor. Executive report 2004. Babson Park, MA/London, UK: Babson College/London Business School.
- Álvarez, C., Amorós, J. E., & Urbano, D. (2014). Regulations and entrepreneurship: Evidence from developed and developing countries. *Innovar*, 24(Edición especial), 81–89.
- Álvarez, C., Noguera, M., & Urbano, D. (2012). Condicionantes del entorno y emprendimiento femenino: un estudio cuantitativo en España. Economía Industrial, (383), 43–52.
- Baughn, C. C., Chua, B. L., & Neupert, K. E. (2006). The normative context for women's participation in entrepreneurship: A multicountry study. *Entrepreneurship Theory and Practice*, 30(5), 687–708.
- Bosma, N. S., & Levie, J. (2010). *Global Entrepreneurship Monitor. 2009 executive report.* Carter, S., & Rosa, P. (1998). The financing of male- and female-owned businesses. *Entrepreneurship & Regional Development*, 10(3), 225–242.
- Coduras, A., & Autio, E. (2013). Comparing subjective and objective indicators to describe the national entrepreneurial context: The Global Entrepreneurship Monitor and the Global Competitiveness Index contributions. *Investigaciones Regionales*, (26), 47–74.
- Connell, R. W. (1990). An iron man: The body and some contradictions of hegemonic masculinity. In M. Messner, & D. Sabo (Eds.), *Sport, men and the gender order.* Champaign, IL: Human Kinetics Books.
- Dees, J. G. (2001). The meaning of social entrepreneurship.. Available at:. http://www.fuqua.duke.edu/centers/case/documents/dees\_SE.pdf
- Dietz, T., Kalof, L., & Stern, P. C. (2002). Gender, values, and environmentalism. Social Science Quarterly, 83(1), 353–364.
- Eagly, A. (1987). Sex differences in social behavior: A social-role interpretation. Hills-dale, NI: Erlbaum.
- Eddleston, K. A., & Powell, G. N. (2012). Nurturing entrepreneurs' work-family balance: A gendered perspective. *Entrepreneurship Theory and Practice*, 36(3), 513–541.
- Fernández-Serrano, J., & Liñán, F. (2014). Culture and entrepreneurship: The case of Latin America. *Innovar*, 24(Edición Especial), 169–180.
- Godwin, L. N., Stevens, C. E., & Brenner, N. L. (2006). Forced to play by the rules? Theorizing how mixed-sex founding teams benefit women entrepreneurs in male-dominated contexts. *Entrepreneurship Theory and Practice*, 30(5), 623–642.
- Gupta, V. K., Turban, D. B., Wasti, S. A., & Sikdar, A. (2009). The role of gender stereotypes in perceptions of entrepreneurs and intentions to become an entrepreneur. *Entrepreneurship Theory and Practice*, 33(2), 397–417.
- Harding, R., & Cowling, M. (2006). Social entrepreneurship monitor. London: Global Entrepreneurship Monitor.
- Hechevarría, D. M., Ingram, A., Justo, R., & Terjesen, S. (2012). Are women more likely to pursue social and environmental entrepreneurship. In Global Women's Entrepreneurship Research: Diverse Settings, Questions and Approaches. pp. 135–151.

- Hofstede, G. (1980). Motivation, leadership, and organization: Do American theories apply abroad? *Organizational Dynamics*, 9(1), 42–63.
- Hofstede, G. (1991). Cultures and organizations Software of the mind: Intercultural cooperation and its importance for survival. McGraw-Hill.
- Hofstede, G. (2003). What is culture? A reply to Baskerville. *Accounting, Organizations and Society*, 28(7), 811–813.
- Holmen, P., & Mizzi, J. C. (2014). La iniciativa de emprendimiento social de la Comisión Europea. *Mercado Interior y Servicios*, 1–8.
- Kobeissi, N. (2010). Gender factors and female entrepreneurship: International evidence and policy implications. *Journal of International Entrepreneurship*, 8(1), 1–35
- Langowitz, N., & Minniti, M. (2007). The entrepreneurial propensity of women. Entrepreneurship Theory and Practice, 31(3), 341–364.
- Leahy, G., & Villeneuve-Smith, F. (2009). State of social enterprise survey. London: Social Enterprise Coalition.
- Lepoutre, J., Justo, R., Terjesen, S., & Bosma, N. (2013). Designing a global standardized methodology for measuring social entrepreneurship activity: The Global Entrepreneurship Monitor social entrepreneurship study. *Small Business Economics*, 40(3), 693–714.
- Luchsinger, G. (2015). UN woman 2014-2015 annual report.
- Mair, J., & Martí, I. (2006). Social entrepreneurship research: A source of explanation, prediction, and delight. *Journal of World Business*, 41(1), 36–44.
- Mckay, S., Phillimore, J., & Teasdale, S. (2010). Exploring the 'gendered' nature of social entrepreneurship: Women's leadership, employment and participation in the third sector. In 60th Political Studies Association Annual Conference, Vol. 29.
- Minniti, M. (2010). Female entrepreneurship and economic activity. European Journal of Development Research, 22(3), 294–312.
- Minniti, M., & Nardone, C. (2007). Being in someone else's shoes: The role of gender in nascent entrepreneurship. *Small Business Economics*, 28(2–3), 223–238.
- Minniti, M., & Naudé, W. (2010). What do we know about the patterns and determinants of female entrepreneurship across countries? *European Journal of Development Research*, 22(3), 277–293.
- Minniti, M. A., Arenius, P., & Langowitz, N. S. (2005). Global Entrepreneurship Monitor: 2004 report on women and entrepreneurship. Center for Women's Leadership, Babson College.
- Minniti, M., Allen, E., & Langowitz, N. (2006). *The 2005 Global Entrepreneurship Monitor special topic report: Women in entrepreneurship*. Center for Women Leadership, Babson College.
- Neupert, K. E., & Baughn, C. C. (2013). Immigration, education and entrepreneurship in developed countries. *Journal of Enterprising Communities: People and Places in the Global Economy*, 7(3), 293–310.
- Nicolás Martínez, C. (2014). Emprendimiento social. pp. 1–421. Depósito Digital Institucional de la Universidad de Murcia (DIGITUM).
- Santos, F. M. (2012). A positive theory of social entrepreneurship. *Journal of Business Ethics*. 111(3), 335–351.
- Shinnar, R. S., Giacomin, O., & Janssen, F. (2012). Entrepreneurial perceptions and intentions: The role of gender and culture. Entrepreneurship Theory and Practice, 36(3), 465–493.
- Terjesen, S., Lepoutre, J., Justo, R., & Bosma, N. (2011). Report on social entrepreneurship. Executive summary, pp. 1–45. Global Entrepreneurship Monitor.
- Themudo, N. S. (2009). Gender and the nonprofit sector. Nonprofit and Voluntary Sector Quarterly, 38(4), 663–683.
- Urbano, D., Ferri, E., & Noguera, M. (2014). Female social entrepreneuship and sociocultural context: An international analysis. Revista de estudios empresariales. Segunda Época, (2), 26–40.
- Van der Zwan, P., Verheul, I., & Thurik, A. R. (2012). The entrepreneurial ladder, gender, and regional development. Small Business Economics, 39(3), 627–643.
- Verheul, I., Stel, A. V., & Thurik, R. (2006). Explaining female and male entrepreneurship at the country level. *Entrepreneurship and Regional Development*, 18(2), 151–183.
- Wilson, F., & Kickul, J. (2006). For what, for whom? Examining the diverse motives of future female and male entrepreneurs. In US Association for Small Business and Entrepreneurship 2006 Conference.