

# A Study on the Influence of Female Entrepreneurs on Entrepreneurial Performance

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**Abstract:** In the context of the rapid development of the Internet and digital economy, women are facing many opportunities to realize their self-worth and have become a force to be reckoned with in the tide of entrepreneurship, and "women + entrepreneurship" has become a trend and hot word that has attracted much attention in the field of entrepreneurship. Entrepreneurial performance is a key indicator to evaluate the success of entrepreneurship. In the field of business entrepreneurship, women's traits such as compassion and caring ethics can sometimes be seen as disadvantages, which can lead to higher risk of failure and lower entrepreneurial performance in the entrepreneurial process. An in-depth analysis of the factors influencing women's entrepreneurial performance and their influencing mechanisms is helpful to promote the improvement of women's entrepreneurial performance and the optimization of the entrepreneurial environment. This study analyzes the literature on women's entrepreneurship and entrepreneurial performance at home and abroad, in order to enrich the relevant theoretical research and provide reference for scholars in this field to choose future research directions.

## 1. Introduction

According to the GEM (Global Entrepreneurship Watch) report, more than 126 million women in 67 economies around the world have joined the entrepreneurial bandwagon, of which 98 million women are running their own businesses. According to relevant reports, from 2011 to 2020, more than 44 million new startups were added in China, of which the proportion of female entrepreneurs has reached 44.6%. According to the white paper "Equal Development and Sharing: The Development and Progress of Women's Undertakings in the 70 Years of New China" released by the Information Office of the State Council, the proportion of women entrepreneurs in the field of science and technology in China is as high as 55%, and they play a unique value and charm of women in the business process.

Entrepreneurship provides women with a way to ease employment pressures and provide financial support for families. Under the background of digital economy, its openness, diversity and equality provide more freedom for women to realize their self-worth. Gender difference is no longer an obstacle to women's career development, so women's entrepreneurial activities are increasing day by day. However, in the field of business entrepreneurship, traits such as empathy and caring ethics that women possess may sometimes be seen as disadvantages, which may lead to higher risk of failure and lower entrepreneurial performance in the entrepreneurial process. Entrepreneurial performance is a key indicator to evaluate entrepreneurial success. In-depth analysis of the factors affecting women's entrepreneurial performance and their influencing mechanisms will help to reveal the challenges that women may encounter in the process of entrepreneurship, and promote the improvement of women's entrepreneurial performance and the optimization of entrepreneurial environment.

This study reviews the definitions of female entrepreneurs and entrepreneurial performance by combing and analyzing the current literature on female entrepreneurship and entrepreneurial performance at home and abroad, summarizes the relevant factors affecting female entrepreneurial

performance, and discusses the influencing mechanism of female entrepreneurs on entrepreneurial performance, in order to enrich the relevant theories and provide reference for scholars in this field to choose future research directions.

## **2. Literature review**

### **2.1 Female entrepreneurs**

Since the 1970s, female entrepreneurship has become a widely discussed topic in academic circles. Earlier studies tended not to make a clear distinction between male and female entrepreneurs, but rather to use uniform criteria. However, as the female entrepreneur community grew and their status in society rose, scholars began to recognize significant differences in entrepreneurial thinking and behavior between men and women, prompting researchers to define female entrepreneurs more carefully.

Lavoie (1985) proposed that the definition of female entrepreneurs should be multi-dimensional, covering not only the creation and management of enterprises, but also social responsibilities<sup>[1]</sup>. The U.S. Department of Commerce (1986) further clarified the three main characteristics of female entrepreneurs: independent or participating in the establishment of a business, partial ownership of a business, and participation in the daily operation of a business and holding management roles. In the study by Butter and Moore (1987), female entrepreneurs were defined as business founders who hold at least 50% ownership of the company, are responsible for the daily management of the company, and have been operating for more than one year<sup>[2]</sup>. Huang Yiqun (2007) believes that female entrepreneurs refer to those women who actively participate in business operations, control the actual control of the company, and can promote the continuous development of the company. These definitions reflect an in-depth understanding and emphasis on the roles and contributions of female entrepreneurs<sup>[3]</sup>.

### **2.2 Overview of entrepreneurial performance**

#### **2.2.1 Definition of entrepreneurial performance**

Entrepreneurial performance is a multifaceted concept that is defined differently depending on the perspective of researchers and scholars. In general, entrepreneurial performance refers to the achievements and outcomes achieved by a business or entrepreneur in their entrepreneurial journey. These outcomes may cover different areas such as financial metrics (e.g., revenue and profit), market performance (e.g., market share and brand awareness), innovation ability, and social impact. As a multidimensional variable, entrepreneurial performance has not yet been uniformly defined in the academic community. Li Qianwen (2004) believes that entrepreneurial performance emphasizes the performance and effect of entrepreneurship, which is a key indicator to evaluate the growth and development level of enterprises<sup>[4]</sup>. Aldrich (2001) defines entrepreneurial performance as the level of profitability that entrepreneurs use to obtain valuable information through their extensive social networks. Bi Wenbin (2022) regards entrepreneurial performance as the results achieved by entrepreneurs to achieve specific goals by enhancing self-confidence, effectively integrating resources, and improving technical skills<sup>[5]</sup>. Together, these perspectives reflect an in-depth discussion and understanding of the connotation of entrepreneurial performance.

#### **2.2.2 Dimensions of entrepreneurial performance**

As a multidimensional concept, entrepreneurial performance has different dimensions with different definitions. Academic circles generally adopt two-dimensional, three-dimensional and four-dimensional classification methods. The evaluation indicators and methods of female entrepreneurship performance usually involve financial and non-financial indicators. Financial metrics cover key financial data such as revenue, profits, assets and shareholder equity, while non-financial metrics include broader performance measures such as market share, brand awareness, employee satisfaction, social responsibility and environmental protection.

As for the dimensionality of entrepreneurial performance, Chrisman and Bauerschmidt (1998) put

forward two basic dimensions: survival performance and growth performance. They emphasized that entrepreneurial enterprises need to establish a firm foothold in the market first, and then consider how to achieve growth and development in order to promote the expansion of entrepreneurial undertakings<sup>[6]</sup>. Yu Shaozhong (2013) further points out that scholars usually measure entrepreneurial performance from both process and outcome perspectives. Among them, the process indicators mainly focus on the evaluation standards related to the development and growth of the enterprise, while the outcome indicators focus on the financial results such as sales and net profit of the enterprise<sup>[7]</sup>. These viewpoints provide rich perspectives and in-depth analytical frameworks for understanding the multidimensional characteristics of entrepreneurial performance.

In the field of female entrepreneurial performance, scholars have gradually realized the unique influence of gender differences on the connotation, evaluation criteria and influencing factors of entrepreneurial performance. Powll and Eddleston (2013) refined the measurement of women's entrepreneurial performance into two dimensions: personal satisfaction and employee satisfaction to reflect women's entrepreneurial achievements more comprehensively. When Xie Jueping (2016) explored the relationship between social capital and female entrepreneurial performance, he adopted a combination of subjective and objective indicators to measure female entrepreneurial performance from four dimensions: survival, growth, innovation and career satisfaction, which provided a new perspective for understanding the multidimensional success of female entrepreneurship<sup>[8]</sup>. Wang Zhuandi (2021) pointed out that Chinese female entrepreneurs face higher expectations of work-family balance and changes in personal life status against the background of traditional gender concepts and cultural factors. Therefore, she evaluates women's entrepreneurial performance from two levels of organizational performance and individual performance, which emphasizes the complexity and multidimensionality of women's entrepreneurial performance<sup>[9]</sup>. Zhao Yue (2021) conducted a study on women's entrepreneurial performance in the context of the Internet. She measured it from two dimensions: enterprise performance and self-realization. This study not only focused on the economic benefits of enterprises, but also on the achievements and satisfaction of female entrepreneurs at the individual level<sup>[10]</sup>. These studies reflect the in-depth exploration of the multidimensional characteristics of female entrepreneurial performance and the importance of gender differences in the entrepreneurial process.

### **3. Factors Influencing Female Entrepreneurial Performance**

The formation of female entrepreneurial performance is a complex process, and its influencing factors and mechanism can be analyzed from three dimensions: individual, enterprise and environment. At the individual level, key factors include the motivation, experience, educational background and entrepreneurial ability of entrepreneurs; at the enterprise level, the nature of entrepreneurial projects, strategies adopted, organizational structure and management skills; and at the environmental level, policy support, market conditions, socio-cultural background and technological innovation environment. This study focuses on four core determinants: entrepreneurial motivation, entrepreneurial environment, work-family balance, and gender differences. These factors not only have a direct impact on the performance of female entrepreneurs, but also have interaction and influence mechanisms among them. Through a thorough discussion of these factors, we can understand the constituent elements of female entrepreneurial performance and their internal relations more comprehensively.

#### **3.1 Entrepreneurial environment**

As the foundation and incubator of entrepreneurial activities, the entrepreneurial environment is essential to the success of female entrepreneurs. There are differences in academic views on the relationship between entrepreneurial environment and entrepreneurial performance. Some scholars have proposed that there may be an “inverted U-shaped” relationship between certain dimensions of the entrepreneurial environment and entrepreneurial performance. For example, in a study by Chen Jingxin and Dai Ming (2018), they found that the degree of marketization and the development of the non-state-owned economy have an “inverted U-shaped” characteristic on entrepreneurial

performance. They believe that excessive dependence on market forces or government support may have an inhibitory effect on the improvement of entrepreneurial performance. However, the research of most scholars shows that the entrepreneurial environment has a significant positive impact on entrepreneurial performance<sup>[11]</sup>. In a study by Wang Qingjin et al. (2019), it was pointed out that cultural and social norms, education and training, research and technology development and other entrepreneurial environmental factors can significantly improve the performance of start-ups<sup>[12]</sup>. Ghouse et al. The (2017) study also emphasized the positive impact of factors such as financing environment, policy support, entrepreneurship training, geographical location, economic development level and entrepreneurial atmosphere on rural women's entrepreneurship<sup>[13]</sup>. These research results show that although there are differences in the understanding of the relationship between the entrepreneurial environment and entrepreneurial performance, it is generally agreed that a good entrepreneurial environment is a key factor in promoting the success of entrepreneurship.

### **3.2 Entrepreneurial motivation**

Entrepreneurial motivation is the core driving force to promote entrepreneurs to carry out entrepreneurial activities independently. This concept is particularly important in female entrepreneurship research because it not only motivates female entrepreneurs to take initial action, but also profoundly influences their subsequent entrepreneurial behavior. A large number of research results show that there is a significant positive correlation between the motivation intensity of female entrepreneurs and their entrepreneurial performance, that is, the stronger the motivation, the more significant their entrepreneurial achievements. In the study of female entrepreneurial motivation, scholars usually explore from two dimensions: attribution research, which focuses on analyzing the specific factors that lead to female entrepreneurial motivation; and comparative research, which aims to reveal whether there are significant differences in entrepreneurial motivation between men and women by comparing the motivation of male entrepreneurs. These two research methods provide valuable perspectives for us to understand the complexity and diversity of women's entrepreneurial motivations.

In the attribution research of entrepreneurial motivation, scholars generally divide it into two categories: survival type and opportunity type, in order to explore their different effects on entrepreneurial performance. Survival motivation is based on the "enabler" theory, which emphasizes that female entrepreneurs pursue flexible working hours to achieve a balance between family and career. Opportunistic motivation, on the other hand, is based on the theory of "pull factor", which believes that female entrepreneurs choose entrepreneurship to meet their intrinsic needs such as respect, independence, and self-fulfillment, as well as to gain social recognition and self-satisfaction. In Gui Haoxin's (2019) study, female entrepreneurs on China's online e-commerce platforms further subdivide entrepreneurial motivation into three dimensions: survival, development and self-realization. She believes that developmental and self-actualization motivation reflects the active innovation and entrepreneurship of female entrepreneurs, which helps them achieve excellent entrepreneurial performance. Comparatively speaking, entrepreneurs with survival motivation may choose to start their own businesses more out of life and economic pressure, which may lead to their underinvestment in innovation and entrepreneurship, which affects the improvement of entrepreneurial performance<sup>[14]</sup>. These results show that different types of entrepreneurial motivations have different impacts on the performance of female entrepreneurs, and it is of great significance to understand the psychological and social factors behind these motivations to optimize entrepreneurial support policies and improve the success rate of female entrepreneurs.

### **3.3 Gender difference**

Academic research reveals some differences in entrepreneurial activity among women compared to men. Specifically, female entrepreneurs are generally lower than men in terms of entrepreneurship rates and entrepreneurial performance. In terms of industry choice, women with higher education tend to enter non-service industries, while women with lower education prefer service industries. This trend is not obvious among male entrepreneurs. Scholars have proposed a variety of explanations for these gender differences, including but not limited to the following: differences in human capital,

social capital, risk appetite, family wealth and family responsibilities between men and women; significantly higher entrepreneurial tendencies and initiative among men than among women; lack of entrepreneurial experience and knowledge skills among women; underestimation of entrepreneurial talent and self-efficacy among women; And women are disadvantaged in terms of their ability to finance and sources of finance, which tend to be more dependent on home-owned funds.

At present, the academic community has extensively discussed female entrepreneurship and its impact on entrepreneurial performance. Social cognitive theory points out that differences in individual behavior are mainly influenced by both human and environmental factors. In the process of women pursuing entrepreneurial career, the obstacles of social and cultural environment are particularly prominent. These barriers may contribute to women's relatively lower performance in entrepreneurship rates and entrepreneurial performance compared to men. Gender stereotype is widely regarded as the main environmental factor affecting the failure of female entrepreneurship, especially in China, where the traditional patriarchal logic and the concept of "male outside, female inside" pose additional challenges to female entrepreneurship<sup>[15]</sup>.

Yao et al.(2014) analyzed the impact of gender differences on female entrepreneurial performance from two dimensions: constraint-driven and preference-driven. Women's choice of entrepreneurship is often closely related to family responsibilities, but when companies can provide flexible work arrangements and family support mechanisms, women's willingness to participate in entrepreneurship may decrease. In addition, women's willingness to seek capital is generally lower than that of men, and women generally have higher risk aversion<sup>[16]</sup>. Yang et al. (2019), based on the theory of role consistency, show that when female entrepreneurs are less capable than their co-founders based on seniority, female entrepreneurs' businesses are more likely to fail. However, under the same circumstances, male entrepreneurs can still successfully lead their businesses to success. The study revealed that gender stereotypes may have an impact on the disadvantage of female leaders, and this concept may ignore women's actual abilities in leadership<sup>[17]</sup>. These factors may combine to lead to relatively low entrepreneurial performance of women. These studies provide insights into the challenges and opportunities faced by women entrepreneurs and theoretical evidence for targeted entrepreneurship support strategies.

### **3.4 Work-family conflict**

In entrepreneurship research, family-level support is an important factor that can not be ignored. Family influence, especially the influence of parents, is the main place for individual growth. Different family environments make individuals have different understanding of social culture, values and concepts and views of entrepreneurship. Family tends to play a greater role in the entrepreneurial process and entrepreneurial achievements of female entrepreneurs than men. The conflict between family and work is usually manifested in three dimensions: time, role and behavior. In today's society, many women aspire to have a harmonious and happy family life while pursuing outstanding achievements in their careers. Entrepreneurial activity provides women with flexibility in time and location to some extent, but this flexibility and freedom are often limited by corporate performance objectives. As businesses pursue higher returns, female entrepreneurs may need to devote more time and energy to their work, which may affect their participation in family roles and thus upset the work-family balance<sup>[18]</sup>. Academic research indicates that female entrepreneurs often bear the primary responsibility for family responsibilities and child rearing. The complexity of family affairs may distract them from their attention and time in running a business, making it difficult for them to find a balance between work and family. Previous research has found that conflict between work and family roles can negatively impact women's happiness<sup>[19]</sup>. Although there is relatively little research on female entrepreneurs and family-work conflict, scholars have explored this issue through research. The study found that in order to maintain harmonious family relationships in the entrepreneurial process, female entrepreneurs often adopt role-sharing strategies to reduce conflicts between work and family roles. Scholar Yang Lei further proposed strategies to alleviate family-work conflict faced by female entrepreneurs from three aspects: role resource support, role demand adjustment and role behavior management, and discussed the relationship between these strategies and female

entrepreneurs 'work-life happiness'<sup>[20]</sup>.Liang Xueli (2023) pointed out that family-work conflict reduces career satisfaction of female entrepreneurs, negatively affects enterprise survival performance and hinders enterprise growth. Social support provides a comprehensive guarantee system for female entrepreneurs, effectively alleviates family-work conflict, and then improves female entrepreneurial performance<sup>[21]</sup>.

#### 4. Research Prospects

In academia, the multidimensional nature of women's entrepreneurship is receiving increasing attention. In the context of China's multi-ethnic background, women's entrepreneurship shows significant diversity and complexity. The influence of gender stereotypes on women's entrepreneurship varies from culture to culture, emphasizing the necessity of building a theoretical framework for women's entrepreneurial performance that conforms to China's specific social and cultural environment. In addition, taking into account the heterogeneity of the inherent personality characteristics and motivations of the group of female entrepreneurs, subdivided research on different groups, such as female college students, rural women, ethnic minority women and housewives, is essential to reveal their specific impact on entrepreneurial results.

In addition, the formation of female entrepreneurial performance is the result of a multi-factor interaction. Existing studies tend to focus on a single factor of external environment or entrepreneur's personal choice, ignoring the interaction between the two. Future research needs to explore the interaction mechanism between individuals and environmental factors in order to fully understand gender differences in entrepreneurial performance.

In the external environment where VUCA (volatility, uncertainty, complexity, ambiguity) characteristics are increasingly prominent, the resilience of entrepreneurs becomes particularly important. While traits such as female empathy and caring ethics may be perceived as flaws in business entrepreneurship, they may be key stereotypes in other entrepreneurial activities such as social entrepreneurship, making female entrepreneurs more resilient in the face of stress and challenges, helping them better adapt to change and learn from mistakes. Future research could therefore examine the differences in resilience between female and male entrepreneurs in social entrepreneurship, or explore whether female-led social entrepreneurs exhibit greater resilience and higher entrepreneurial success rates.

Finally, women's leadership in entrepreneurship is also a research area worthy of attention. Although women have achieved equal opportunities in education and career development, society's expectations of their potential are often limited by gender stereotypes. Academics should examine how women overcome these barriers to becoming leaders in entrepreneurship, especially in medium- and large-sized businesses, which not only helps break down gender stereotypes, but also helps reduce gender discrimination and promote gender equality. In addition, we can also explore the leadership style displayed by female entrepreneurs and how to promote the growth of entrepreneurial enterprises.

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