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Capital factors and rural women entrepreneurship development
A perspective of Manipur state, India
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Abstract
Purpose – The purpose of this paper is to investigate the roles of four specific capital factors, namely, human, social, institutional and financial capitals, in rural women entrepreneurship. The focus was on the handloom sector in Manipur, India.

Design/methodology/approach – This paper uses qualitative research methodology with a multiple case study approach. Data were collected using in-depth interviews to study seven cases of rural women entrepreneurs.

Findings – The study highlights that human, social, institutional and financial capitals play significant roles in encouraging rural women to engage in entrepreneurial activities and influence strategic decisions. Each capital factor being interrelated, achieving the integration among them will considerably enhance entrepreneurial success.

Research limitations/implications – The main limitation is the narrow scope, emphasizing on only four capital factors. There are implications for further work on other types of capital. The study being sector specific, limits generalization. It contributes insights into the need for multi-sector examinations in the literature.

Practical implications – Rural women entrepreneurship needs are in line with understanding the roles of capital factors and their interrelations. The role of capital factors varies between prior and no prior entrepreneurial experiences.

Originality/value – This study provides information on the role of capital factors on rural women entrepreneurship and contributes to better understanding of how each capital factor is accumulated and utilized in rural women entrepreneurship development using the perspective of handloom sector in Manipur, India.

Keywords Entrepreneurship, Social capital, Human capital, Financial capital, Institutional capital, Rural women

Paper type Research paper

Introduction
Entrepreneurship is regarded as a way to transform resources into valuable goods and services, leading to wealth creation. Owing to the significant role played by entrepreneurship in economic development, entrepreneurship research has extended its...
scope to cover various aspects, including entrepreneurship in rural areas (Verdaguer and Vallas, 2008). Furthermore, rural women entrepreneurship has become an issue that has raised the attention of scholars and researchers, both in developed and developing countries (Langowitz and Minniti, 2007). Despite the increase in the number of women entrepreneurs worldwide and their high potential to boost economic success, contribute to the ecosystems and the world economic development, particularly in low- and middle-income countries, they are still considered to be a largely untapped and undervalued resource (Allen et al., 2007). Rural women have increased their involvement in entrepreneurship because of lack of income and poverty conditions. Harnessing the entrepreneurial potential of women is likely to capacitate in creating jobs for half the world’s population (Healey, 2012).

Highlighting the importance of women entrepreneurship and its role in economic development, prior research tended to focus on the demographics and characteristics of women entrepreneurs, constraints and barriers they faced and their motivations and benefits (Jamali, 2009). Social capital can facilitate women’s entrepreneurial activity by identifying potential market opportunities and attracting customers, suppliers, investors and reducing transaction costs (Roomi, 2013). Moreover, the barriers to insufficient capital may be a compelling factor for women to engage in entrepreneurship. A study of women entrepreneurship in developing countries in Asia provided evidence that low levels of education, lack of training opportunities, lack of access to formal credit and other facilities affect the rate of women entrepreneurship (Tambunan, 2009). Therefore, capital factors can form parts of constraints and barriers, as well as provide motivations and benefits to rural women entrepreneurs. Nevertheless, research regarding rural women entrepreneurship and capital factors remains largely absent in the literature to date. This study seeks to expand the understanding of capital factors in the context of rural women entrepreneurship by identifying the influencing role of human, social, institutional and financial capital and the interrelationship of such types of capital on rural women entrepreneurship. This study focused on the handloom sector in Manipur, India, because this state is well-known for its weaving products, women’s active participation in entrepreneurial activities and their dominant role in the handloom sector. The resource-based view theory was used as the study framework and close attention was paid to investigating specific capital factors that facilitate rural women entrepreneurship, namely, human, social, financial and institutional capital. This study used a qualitative approach with a multiple case study technique to provide insight information and bring to light critical questions about capital factors and their interrelationship and rural woman entrepreneurship development.

In the next section we provide a brief literature review on rural women entrepreneurship in the handloom sector in Manipur, India. This is followed by the review of literature on the critical factors that influence rural women entrepreneurship and a description of the methodology used for this study. The last section contains a summary of key findings, discussion and implications, along with the study’s limitations and suggestions for future research.

**Literature review**

*Handloom sector in India and women entrepreneurship*

India has lower women labour-force participation rates, and there exist unequal treatment and limited autonomy for women in comparison to many countries. Rural
Indian women engage in a variety of domestic work, such as looking after their families, homes and farms. This routine work helps them accumulate basic indigenous skills, knowledge and resources that are helpful in establishing and managing enterprises (Sidhu and Kaur, 2006). If rural women obtain access to needed capital, along with the right family assistance and support from government and other organizations, they are likely to engage in entrepreneurship to increase their productivity and generate income (Sidhu and Kaur, 2006).

The handloom sector in India is the second largest employment provider, after the agricultural sector. Despite the fact that the Indian government has been trying to bring about development in the handloom weaving sector to improve rural women’s economic conditions, there are still obstacles and issues that could lead to a rapid shrinking of the industry. High competition from neighbouring countries and unstable markets are major challenges. In addition, there are obstacles such as an unskilled labour force and limitations of financial access. Although rural women have the know-how to produce handloom products, the majority rely on basic indigenous skills and have missed opportunities to join special trainings or acquire skills that could allow them to respond to market requirements. This study focused on the handloom sector in Manipur, a state of India located in the north-eastern region, because weaving is the most important and largest cottage sector of that state owing to social customs and economic reasons. This sector provides employment to a large number of people, particularly in rural areas.

Weaving in Manipur is a part of women’s domestic duties that cannot be separated from their daily life. In addition, a reservoir of handloom skills is concentrated in this state, and capability in weaving is an indicator of the primary qualification of a woman. However, there are limited employment opportunities for rural women and the need to acquire financial support for families compel them to produce more handloom products for sales, rather than for household consumption. Thus, the state of Manipur has seen a rise in the number of working women and women entrepreneurs in different informal sectors, particularly in the handloom sector.

*Capital factor and rural women entrepreneurship*

The literature reveals that several capital factors play significant roles in entrepreneurial development of women. Acquisition of capital is a challenge for women entrepreneurs and they face many barriers, including gender inequality, lack of confidence, lack of family and spousal support, weak business networking and negligence of women entrepreneurs in this cottage industry (Teoh and Chong, 2014). The resource-based view theory that first emerged in the study of Wernerfelt (1984) was reviewed and applied to the context of rural women entrepreneurship based on the reasoning that entrepreneurs who engage in entrepreneurial activity need to acquire human, social, institutional and financial capital. This theory indicates that resource factors are important conceptual domains explaining the nature, development and progress of entrepreneurial economic community (West and Bamford, 2005). The acquisition of resources is also essential for firms to develop their own distinct and inimitable capabilities to survive, compete and successfully gain competitive advantage over competitors in fast-changing business conditions (Wernerfelt, 1984).

This study considers human and social capital to be internal capital factors that are embedded within rural women entrepreneurship. Human capital is the individual-related resources (in the human nodes), while social capital is to be found in the links.
(relations) between individuals/actors (Westlund and Bolton, 2003, p. 78). These capital factors assist in ways that lead to better performance. Human and social capital has been recognized as playing an important role in entrepreneurial activity and acts as a vital instrument in providing access to additional resources required for new venture creation and success, such as material and social resources (Chandler and Hanks, 1998). Human capital refers to skills, knowledge and abilities of individuals that influence them to think and act in a novel way (Coleman, 1988). Human capital is a core factor that influences the entrepreneurial process, as it can increase the capability to perform entrepreneurial tasks, exploit potential opportunities, acquire other resources, such as financial and physical capital, and assist in the accumulation of knowledge and skills (Brush et al., 2001).

In the context of entrepreneurship, social capital refers to interpersonal relationships, as well as the resources embedded in such relationships (Burt, 1992). McFadyen and Cannella (2004) stated that social capital consists of strength and structural relations dimensions that are interrelated, as individuals with a direct relationship with partners are likely to gain opportunities to acquire resources, while the strength of the relationships assists in establishing jointly held resources. The strength of social capital indicates how well an individual knows their exchange partners and about shared experiences, norms, sanctions, obligations and expectations (McFadyen and Cannella, 2004), that derives from the intra-community relations or occurs among members of a family, an association, or an ethnic group of immigrants, whereas weak ties derive from weak inter-community relations. Both ties are necessary to guarantee the efficacy of social capital (Woolcock and Narayan, 2000). Another dimension of social capital is the structural dimension or the degree of direct and indirect ties individuals have among the members of a network (Nahapiet and Ghoshal, 1998). Social capital facilitates certain actions of individuals, in terms of the exchange of information, sharing of capital and reduction of risk, and leads to business contacts and advisors that are considered to be essential in performing entrepreneurial activity. Therefore, social capital acts as a critical source of support for rural women to pursue entrepreneurial activities.

We consider institutional and financial capital to be forces created by external organizations. Institutional theory addresses the degree to which groups and organizations conform to the rules and norms of the institutional environment to secure their position and legitimacy (Scott, 2007). Institutional capital consists of formal and informal norms, rules and values that govern change in society and the economy of a country (Gupta et al., 2012). Moreover, this capital contains three dimensions. A regulative dimension is related to rules and regulations resulting from governmental legislation and industrial agreements and standards. A normative dimension consists of values and norms related to proper actions and follows ground rules to which people conform. A cognitive dimension is about how societies accept specific actions, inculcate values and create a cultural milieu whereby such actions are accepted and encouraged (Li, 2009). The institutional context has significantly affected women entrepreneurship in terms of shaping situational opportunities, constraints and complex expressions in a particular society (Naguib and Jamali, 2015). Individuals with inadequate institutional capital are likely to face complications in new venture development (Baumol et al., 2009). Institutional capital also provides a platform for rural women to better acquire resources for entrepreneurship and influence the rate and nature of entrepreneurial activity (Chiles et al., 2007).
Prior studies have acknowledged the existence of financial capital and its association with entrepreneurial activity, capacity, commercialization of innovation, wealth creation and sustainability (Orser et al., 2006). Financial capital acts as the fuel that drives entrepreneurship, especially in the initial process of starting a business (Bygrave et al., 2002). However, it is perceived to be a primary barrier for many woman entrepreneurs and they are less likely to apply for debt capital because of perceived difficulty (Fielden et al., 2003). They are also less likely than men to use external sources of financing and prefer internal sources of financing, such as personal savings or financial support from family and friends (Bennet and Dann, 2000).

We postulated that with access to these types of capital, women can have a richer endowment of resources and would utilize them in both the formation and expansion of their businesses. We also expect that women who are able to obtain these types of capital have more resources to develop entrepreneurship.

Research methodology
This study was designed to be exploratory and used a qualitative method with the aim to explore the participant’s unique situation, interpretations of their own realities and life experiences. We used a multiple case study, which is a research strategy that focuses on understanding the dynamics present within single settings (Eisenhardt, 1989, p. 534). Such a strategy can provide a greater possibility to obtain robust outcomes than for a single case. We used the purposeful sampling method to select informative respondents and cases that allowed issues of central importance to the purpose of the inquiry to be better understood (Patton, 2002).

We focused on the handloom sector in Manipur, India, because it is the most important cottage sector in this state and is monopolized by women. This sector has been continually developed and encouraged by various government policies to stimulate the rate of woman employment, such as implementing handloom cluster development programmes focused on rural women and by setting up weaving service centres to provide training programmes and technical advice. Specific criterion for participant selection included women who lived in rural areas of Manipur, engaged in entrepreneurship in the handloom sector and owned micro and small enterprises or small and medium enterprises. Moreover, they could provide sufficient depth of data to allow the issues to be fully examined. Although there is no fixed number of cases in a qualitative study, the recommended numbers are usually between four to ten to obtain rigorous data to create a complex theory, but avoid too much data that make analysis difficult (Eisenhardt, 1989). Our sample size was limited to seven cases which were considered sufficient to provide in-depth data to allow meaningful analysis of rural woman entrepreneurship.

We collected primary data using semi-structured interviews at business premises and used local translators to ensure complete comprehension of local language. An interview guide was developed based on a review of relevant literature regarding capital factors. Questionnaire items covered the areas of interest and were directly related to the research topic, thus giving reliability to the research. To enhance the validity of study, we collected data from multiple sources, including direct observation, Internet websites, documentation made available by relevant organizations, field notes, observation transcripts and interview recordings. Examples of questions include: Do you think education is important for doing business? What are the roles of family in supporting...
Research findings

In this study, women entrepreneurs were the key participants and served as embedded units. Table I illustrates that all the participants were women in the age range of 38-50 years. The majority of participants were married with children, except two who were widowed and one who was single. Most of them belong to nuclear families, with the number of people in each household ranging from three to seven. Four women have been in business between 18 to 28 years and involved since a young age, while the rest have been in their businesses for two to nine years. All participants produce similar handloom products, and most of them indicated a moderate to high level of satisfaction in their business.

Participants in this study were all master weavers operating small and medium enterprises in the handloom sector in the rural areas of Manipur state. Master weavers normally work with five to seven looms and supply the yarn to their weavers, then collect the end products for domestic consumption or market the products either in the open market or in their own outlets exclusively for export (Diagnostic Study Imphal, 2006). Participants are categorized as women entrepreneurs who had a family entrepreneurial background in a handloom business or inheritance through their mothers or mother-in-laws, and those who established a new business, having no prior experience in a handloom business. The two categories of participants demonstrate both similarities and differences regarding acquiring and utilizing capital.

Human capital and rural women entrepreneurship

The results indicate that human capital was a critical factor in the business start-up phase. The human capital aspects were explored, including education, knowledge, experience and skills. Women entrepreneurs with prior exposure to entrepreneurial experience in a handloom business were likely to gain different forms of human capital from family members. In Manipur, weaving is a women’s duty, deeply ingrained in the culture. This inclines them towards engaging in such work since a young age and enables the accumulation of human capital. Shanta, Mem, Tombi and Pishak, who have family entrepreneurial backgrounds in the handloom business, stated that their mothers exposed them to the various aspects of weaving and other business activities since they were teenagers. This nurtured business sense and they gradually accumulated knowledge, skill and experiences associated with running a handloom business, such as weaving, product design, production processes and business management. By obtaining this human capital, they gained early exposure to ways in running a business, preparing them to engage in entrepreneurial activities and operating the ventures once they inherited the business. As reasoned by Pishak:
<table>
<thead>
<tr>
<th>Description</th>
<th>Shanta</th>
<th>Mema</th>
<th>Tombi</th>
<th>Pishak</th>
<th>Taruni</th>
<th>Tampa</th>
<th>Ashalata</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>42</td>
<td>47</td>
<td>42</td>
<td>50</td>
<td>38</td>
<td>42</td>
<td>43</td>
</tr>
<tr>
<td>Marital status</td>
<td>Widowed</td>
<td>Married</td>
<td>Married</td>
<td>Married</td>
<td>Single</td>
<td>Widowed</td>
<td>Married</td>
</tr>
<tr>
<td>Number of people in household</td>
<td>4</td>
<td>3</td>
<td>7</td>
<td>6</td>
<td>5</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Years of business involvement</td>
<td>20</td>
<td>25</td>
<td>18</td>
<td>28</td>
<td>2</td>
<td>2</td>
<td>9</td>
</tr>
<tr>
<td>Size of business</td>
<td>SME</td>
<td>SME</td>
<td>SME</td>
<td>SME</td>
<td>SME</td>
<td>SME</td>
<td>SME</td>
</tr>
<tr>
<td>Type of business</td>
<td>Family business</td>
<td>Family business</td>
<td>Family business</td>
<td>Family business</td>
<td>Newly established</td>
<td>Newly established</td>
<td>Newly established</td>
</tr>
<tr>
<td>Types of product</td>
<td>Saree and silk products</td>
<td>Silk and silk dresses</td>
<td>Silk and cotton cloths</td>
<td>Silk and cotton cloths</td>
<td>Cloths for ritual and bed sheets</td>
<td>Cloths for ritual</td>
<td>Home furnishing products</td>
</tr>
<tr>
<td>Level of business satisfaction</td>
<td>Moderate</td>
<td>High</td>
<td>High</td>
<td>High</td>
<td>Low</td>
<td>Low</td>
<td>Moderate</td>
</tr>
</tbody>
</table>

Table 1: Sample profile
As far as I remember, my mother always asked for my help in running her business. She taught me weaving so that I could give her an extra hand in weaving. I used to visit the market with her to deliver the finished products. I learnt weaving business from her.

Furthermore, they indicated that weaving was their way of life and they were committed to transferring their weaving resources to the next generation. It is clear that having an established family business prior to engaging in entrepreneurship enabled them to capitalize on their accumulated human capital and draw on its intrinsic values while initiating entrepreneurial activities. However, Taruni, Tampha and Ashalata, who had no family business background, were able to establish their small businesses. Taruni and Tampha started handloom businesses because they were unemployed and sought an income generation opportunity; Ashalata resigned from her teaching job attracted by the independence and freedom associated with entrepreneurship. These women joined support programmes for handloom businesses organized by governmental set-ups to compensate for their lack of human capital. Consequently, they were able to speed up acquiring and utilizing human capital in their entrepreneurial activity. Regarding formal education, Taruni, having a master’s degree, stressed the importance of education in establishing a business venture, while the other women with lesser educational qualification felt they had sufficient education to operate their current businesses. However, Taruni and Tampa have been in the businesses less than others and felt that their businesses could have performed more satisfactorily if they had business management knowledge to respond to the market.

Social capital and rural women entrepreneurship
We found there was strength in the relationships embedded in the support provided by women entrepreneurs’ family and the community. Without family support in household work, looking after the children, providing transportation to markets, etc., they might face difficulties in managing household duties and businesses. They also received support from their communities that enabled them to gain social capital advantages, such as community members lending a hand in weaving and providing financial assistance. Entrepreneurs with family-owned handloom businesses highlighted that they gained an advantage from their family business platforms, particularly business contacts and the network of handloom businesses. Women entrepreneurs who did not inherit a family-owned handloom business sought external assistance. During the start-up phase, they participated in many entrepreneurial development and other support programmes sponsored by the government. Through such programmes, they gained social capital and established access to markets, buyers, suppliers, designers and others. As Tampha cited:

Because I did not have experiences in handloom business, I joined the support program organized by the Weavers’ Service Centre. It does not only help me to learn about the handloom production, but also helped in finding people to design my products and access to customers.

Institutional capital and rural women entrepreneurship
The results indicated differences in institutional capital between participants with and without prior exposure to entrepreneurial experience in the handloom business. Shanta, Mema, Tombi and Pishak, involved in the family-owned handloom business, cited that their mothers were not exposed to government-based regulative institutional capital, such as
assistance and support for new businesses, and even if available, their mothers were not aware of such resources. After inheriting the family business, they did not access regulative institutional capital because they perceived there was difficulty in accessibility to such capital. Traditionally, weaving is a woman’s household duty undertaken mainly for household consumption, and those who produce high volume could sell the surplus and earn extra income for the family. Therefore, most of the mothers of women entrepreneurs under this study did not explore external assistance for business expansion. Tombi stated:

I helped my mother in running this business for many years before I inherited the business. As far as I recollect, we did not get any help from government. I think my mother did not even know that there could be support from government. Anyway, the business was good and could survive this long.

Taruni, Tampha and Ashalata were motivated by the government schemes in women entrepreneurship development in the handloom sector in Manipur in 2007. Under this scheme, the government provided necessary capital for operating a handloom business. These women cited the regulative institutional capital in the form of government resources and initiated their entrepreneurial ventures. They accessed the government scheme and received various supports that helped them to start and operate their businesses quickly.

The interviews also indicated that all women entrepreneurs had similar experiences in obtaining normative and cognitive institutional capital. Exploring insights on normative institutional capital, women entrepreneurs were asked about their perception towards career in entrepreneurship; all of them cited positive aspects of entrepreneurship and perceived it as the route that led them to earn higher income, gain respect, become independent and achieve success in life. In terms of cognitive institutional capital, all women entrepreneurs had similar perceptions about the risk in operating a business. They perceived handloom weaving as a culture and their way of life. Operating a handloom business was incorporated as an extension of their daily activities. Hence, they did not perceive other women engaging in the same line of business as competition or a business risk. Mema expressed:

There are many weavers and clusters but I don’t compete with anyone. Nowadays I get such orders from customers that I cannot produce enough to meet their demands. I would rather focus more on increasing the productivity than on competition and competitors.

Financial capital and rural women entrepreneurship
In general, rural women face considerably greater discrimination and disadvantages than men in accessing financial capital. All women entrepreneurs in this study highlighted that they faced financial difficulty in the start-up phase of their ventures. Despite the well acceptance of women entrepreneurship in the society, credibility about them in financial institutions still prevails. Although Shanta, Mema, Tombi and Pishak had family-owned businesses to support them, financial issues were the main barriers when they inherited, and while running, their business. Family circles, neighbours and friends provided quick accessibility to capital, but were not sufficient to address all their financial needs. Therefore, growing their businesses became a challenge because of constraints of limited sources of financial capital. Shanta highlighted the issue:

Working capital is a problem I have to deal with from time to time. When it runs out, I borrow money from friends, but I need to return the money whenever they need it.
These women pointed out that they did not tap external sources during the business establishment phase, and even if these sources were there, they did not have information about them. Taruni, Tampha and Ashalata, who started their businesses within the past ten years, had access to internal and external sources of financial capital during the start-up phase. The government handloom promotion schemes encouraged them to engage in entrepreneurial activities, as well as provided them financial assistance that facilitated establishing and operating their businesses within a short time. As stated by Taruni:

After graduation I was unemployed. Then one day I heard about the Handloom Development Program, became interested in it and joined. Though I did not have much savings then but with the working capital support provided I could start my business soon, and since then I have been operating this business.

Although Taruni and Tampa were able to establish and operate their businesses, they have had low business satisfaction and need more working capital to increase their productivity and meet the demands of the market.

Shanta, Memi, Tombi and Pishak started their ventures 20 years ago and relied on the traditional ways of doing business. They had access to external financial assistance in the later phases of their businesses. They cited that financial capital is the fuel for business expansion and the driver of business growth. With working capital support from the government, they could increase production and meet the demand of customers.

Discussion of findings
This study reveals the notion that in the context of rural women entrepreneurship, the influence of capital factors on entrepreneurship deserves more attention. Similarities and differences across the cases were presented in the context of acquisition and utilization of capital resources in entrepreneurship development. The impact of human capital is apparent in rural women entrepreneurship. Women entrepreneurs who inherited family’s handloom business acquired human capital through various activities. They normally involved themselves in the family handloom business since a young age, such as weaving, designing, selling, procuring materials and contacting customers and suppliers. Such practices enabled them to acquire knowledge, skills and experience highly related with business establishment and operation and laid the foundation for generating human capital in the later phases of operating their business. This finding is consistent with prior studies on entrepreneurship that state human capital has a significant impact on entrepreneurship regarding opportunity recognition, success, performance and growth (Alvareza and Busenitz, 2001). Moreover, these women entrepreneurs displayed the commitment to transfer all resources, including human capital, to the next generation of female members in the family.

The findings also indicate that rural women entrepreneurs without entrepreneurial experiences in a handloom business have similar perceptions about the importance of human capital. That is why assistance from the government-based institutions is necessary in providing them the opportunity to develop the critical level of human capital required for initiating entrepreneurial activities. Peterman and Kennedy (2003) reaffirmed that after participating in a training programme, participants with not much previous entrepreneurial experience increased their perceived feasibility and desirability to engage in entrepreneurship. Through external sources, they were able to harness human capital within a short period that resulted in a quick entrepreneurial process, especially in the establishment of handloom businesses. Nevertheless, formal
education is the factor that demonstrates less contribution to entrepreneurship development of rural women entrepreneurs. They still have low levels of education and literacy rates, mainly due to social customs that hinder them and lack of awareness that forbid them from getting education.

Existing literature addressed that having an entrepreneurial family background is an advantage for women entrepreneurs because of the propensity to rely on familial support and connections in starting and running a business (Loscocco and Smith-Hunter, 2004). Social capital is transferred from one generation to the next; thus, women are able to obtain direct contact with customers, suppliers or people in the field. However, women entrepreneurs with no family entrepreneurial background seek assistance from external sources to gain business contacts and connections. Their social capital comes from various government support programmes for women entrepreneurship development, such as business matching, seminars and trade shows.

Further, all women entrepreneurs possess similarities in normative and cognitive institutional capital on entrepreneurship development. Both dimensions are mainly derived from the acceptance by their societies for women’s roles as entrepreneurs. They gain confidence to establish a business based on the perception that families and communities recognize entrepreneurship as a well-accepted career. In addition to having an entrepreneurial background in a handloom business, they gained cognitive institutional capital, such as having confidence in managing marketing and customer relationships and risk management. They perceive operating a handloom business as their duty and do not consider other women in the same line as competitors. Women entrepreneurs with less than ten years in business gain regulative institutional capital since the initial phase of their businesses from the government support programmes. Such programmes enable them to gain relevant and timely information on matters related to customers, businesses and markets.

This study found that rural women entrepreneurs have access to both internal and external sources of finance. Family, relatives, friends and neighbours are internal sources that provide convenient access of finance with low-interest rates and risk, but are not sufficient to address all financial needs. Women entrepreneurs who started business almost 20 years ago did not have access to many available external sources of financial capital in the initial phase of their business venture. Orser et al. (2006) confirmed that women were more likely than men to use informal funding avenues, such as personal savings to start their businesses. In contrast, women entrepreneurs with less than ten years in business had access to financial capital from government schemes during the initial phase of business. The findings also indicate that financial capital remains an important capital even after the initial phase of business. The current high market demand enables business expansion that calls for more external financial support. However, they are hesitant to use external source because of their inherent perception that external source is difficult and risky, with many layers of processes.

Concluding remarks
This study has examined the role played by human, social, institutional and financial capital in rural women entrepreneurship and the interrelated effects among them from a developing country perspective. The acquisition of each type of capital during the business start-up phase varies, and family entrepreneurial backgrounds influence the
start-up phase significantly. Women entrepreneurs with backgrounds in a handloom business rely on internal resources for human and social capital acquisition and utilization for their businesses. They normally acquire financial capital from internal circles and do not access government resources during the business start-up phase. However, they receive exposure to financial and institutional capital from external sources at a later phase of the business process when the ventures require capital for business expansion. In contrast, women entrepreneurs with no business background seek government resources to leverage human, social and financial capital to initiate entrepreneurship and business growth.

Based on the findings, the sufficiency and interplay of all four types of capital is clearly essential in entrepreneurial initiation and business start-ups. For women entrepreneurs with family entrepreneurial backgrounds in handloom businesses, human capital is the first capital they acquire and utilize for a business start-up. It is interrelated to social capital in many ways. For instance, knowledge and experience in business assists them in acquiring business contacts and connections, while communication skill helps to maintain relationships with customers. Social capital enables obtaining institutional capital and acts as a platform to gain social acceptance and acquire other resources, particularly financial capital.

The interrelationship of capital factors is also obvious in rural women entrepreneurs with no family entrepreneurial background in handloom businesses. In the initial phase of establishing a business, they normally need human capital related to operating a handloom business. Townsend et al. (2010) found that individuals increased their propensity to pursue entrepreneurial activities if they perceive they have the knowledge, skills and experience to perform the task of business creation. As their internal circles cannot provide them the necessary human capital, they explore external sources, particularly government support. Therefore, institutional capital becomes the first capital for entrepreneurs to start with, and this necessitates them to participate in various entrepreneurship development and support programmes. Consequently, this enables the acquisition of other necessary capital, including, human capital, such as business and production knowledge and skills; social capital, such as, connections and market contacts; and financial capital, such as working capital and other forms of financing.

We propose the interrelationship of capital factors framework as illustrated in Figure 1. This framework suggests that institutional capital links directly with all three types of capital and is the most effective source for faster integration of all the capital.

![Figure 1. Proposed interrelations of capital factors](image-url)
needed to generate and realize the essential and critical momentum at the time of business start-up and expansion. Although women may gain support from their families and communities, government assistance acts as the prerequisite capital for well-timed strategic development of women entrepreneurship, especially in the context of rural and remote areas. This framework is also useful and applicable for designing effective entrepreneurship development programmes, considering that these types of capital should be developed, improved and shaped in an integrated manner to enhance the interrelated effects among them.

This study contributes to the existing body of knowledge regarding rural women entrepreneurship by providing fruitful insights into capital factors affecting rural women entrepreneurship development, and the framework brings to light the importance of the integrated effects of capital. All four types of capitals are interrelated and bring about synergy in the start-up stage and expansion of a business. Institutional capital directly relates to all the other three types of capital, tightens their interrelationship and provides faster access to obtaining such capital. Thus, we highlight the significant importance of government institutional capital as the first capital that can stimulate the acquisition of other types of capital for rural women entrepreneurs in the handloom sector. Although the government expends considerable effort into promoting women entrepreneurship in the handloom sector, the focus tends to be on the broad sector level. Rural women entrepreneurship development programmes must trickle down the capital factor to the individual entrepreneur in different stages of entrepreneurship and focus on the interplay among each type of capital to leverage a complete capital base and provide synergy. An isolated stock of capital for women entrepreneurs is insufficient to accelerate their entrepreneurial activities to compete in the current business environment. As a large number of rural women live in rural remote areas, are small players and fall outside the purview of a cluster, these women face constraints in accessing institutional capital. Therefore, in the case of rural women with no inherited business, basic entrepreneurship programmes for business establishment are still strongly recommended, such as business knowledge, production training, business matching to connect with the business world and access to financial support with a simple process and low interest rates. Entrepreneurship development programmes should also target rural women of inherited businesses and whose ventures are in the business expansion stage and provide information regarding access to needed capital, more advance business knowledge and opportunities of business matching. We recommend financial institutions consider reducing collateral and financial barriers and design easy and customer-friendly processes when providing financial capital to rural women entrepreneurs.

Although this study has paved a way for research in the area of rural women entrepreneurship, we have disregarded other factors that might influence rural women entrepreneurship, such as cultural capital, personality traits and aspects of micro and large enterprises. Moreover, entrepreneurs in different nations may also view the capital factors differently. Thus, future research should include these aspects of rural women entrepreneurship. In addition, the narrow scope of this study that emphasized only one sector of one state in India does not permit broad generalizations. Hence, quantitative studies are suggested for future research, from which generalizations can be derived.
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