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Social networking sites in the accumulation and management of social capital for Black woman entrepreneurs

By

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ABSTRACT

Purpose

This study explores Social Capital Theory. For the benefit of the business community it examines the role of social networking sites (SNS) in the accumulation and management of social capital for Black women entrepreneurs. This research project explores whether social media and technology have enabled a previously disadvantaged minority group to overcome their obstacles, particularly the lack of access networks that offer value. Significant research has been done on academic Social Capital Theory, but what remains understudied is the link between social capital and social networking sites, especially for minority and indigenous groups in Africa. The research is also applicable to other minority groups globally - adding value to Social Capital Theory in the context of a growing interest in knowledge economies, entrepreneurship and technology. The study makes a contribution to academic research and has implications for both policy and practice.

Methodology

The research is exploratory in nature and therefore applies a qualitative research methodology. It applies in-depth interviews with Black women entrepreneurs from different industries, and age groups to extract quality data that is analysed against theoretical propositions derived from the literature.

Findings

Bridging and bonding social capital are unique in how they empower entrepreneurs. Black women are a minority group because of cultural and historical consequences. As a result women are more disadvantaged than men, and minority women are more disadvantaged than white women. Negative stereotypes prejudice Black women from getting equal access to opportunities and resources. SNS, which is geared to accumulating bridging social capital, has the ability to empower Black women entrepreneurs to overcome these challenges. However, instead of using SNS for building bridging social capital - more essential for business growth - Black women entrepreneurs tend to use SNS to deepen bonding social capital which yields support and motivation. The potential value in SNS use should encourage Black women entrepreneurs to invest more resources in learning how to optimise SNS. Although SNS and government empowerment policies are contributing to equalizing access and use of social capital between different genders and races, men and the White business community still have an advantage. Future studies should consider exploring how generation theory and various social-economic issues affect accumulation and use of social capital through SNS use for minority groups.

Keywords

Bridging social capital; bonding social capital; Social Networking Sites (SNS); Black women entrepreneurs

DECLARATION

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination at any other University. I further declare that I have obtained the necessary authorization and consent to carry out this research.

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FT MBA 2014

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CONTENTS

CHAPTER 1: INTRODUCTION

The following section introduces the research project, explaining the purpose, aim and significance of the study. It is followed by a literature review on the various dimensions of the study in developing a set of propositions and research question.

1.1 Research problem and purpose

The purpose of this research is to explore how Black women entrepreneurs use social networking sites to access the resources and benefits embedded in social capital in the unique historical and cultural context. In terms of business and economic participation, the research explores whether technology is assisting to accelerate the speed with which minority entrepreneurs can access the benefits accrued from social capital.

The literature argues that women are typically good at and are known to have a preference for managing a few close family, friends and community relationships (Coleman, 1988; Smith-Hunter & Boyd, 2004). Yet, in contrast, the literature also suggests that businesses require a wide and expanded network of "weak ties" and relationships to grow and be successful (Gray & Ellison, 2013; Putnam, 2000; Granovetter, 1973). The literature suggest that, "[a]s a growing body of research continues to find that men have more access to bridging social capital, avenues should be explored to foster women's access to bridging social capital" (Hodgkin, 2009, p. 450). It is in this spirit that this research explores whether social networking sites provide Black women entrepreneurs with a platform to expand their bridging social capital - especially in an environment highly influenced by patriarchy and chauvinism - by accessing new and wider relationships against their natural inclination to prefer nurturing close relationships based on trust and familiarity.

1.2 Aim of the study

In their journal article entitled *Social capital and the networking practices of indigenous entrepreneurs*, Foley and O'Connor (2013) express the need for further research on how social capital and networking practices are influenced by different historical, cultural and business contexts. These authors also see the relevance of further research to explore how their findings apply to ethnic entrepreneurs in the context of different cultural norms. The

interest of their study is how these entrepreneurs develop and use social networks, accessing benefits borne from social capital in a particular setting and cultural context (Foley & O'Connor, 2013). Cultural, disadvantage and protected market theories are therefore explored in the context of social capital theory (Smith-Hunter & Boyd, 2004) and SNS use (Brandtzaeg, 2012). It is further proposed by Hodgkin (2009), who suggests the role of gender in social capital is largely ignored, that further research on women's access to bonding and bridging capital and the consequences thereof is motivated. Gender and racial dimensions in social capital theory therefore play a central role in this current study.

Social Networking Sites (SNS) is an academically recognised term defining web-based platforms for social interaction among people within an online system (Brandtzaeg, 2012; Steinfield, Ellison & Lampe, 2008). Brandtzaeg (2012) suggest that future studies on SNS use in other countries and cultural settings should be done. This research project will extend research on social capital theory and social networking with specific emphasis on exploring the use of SNS in the process of leveraging business and social connections.

Ellison, Steinfield and Lampe (2007) discovered that the use of Facebook has had a positive correlation to the development of social capital. In subsequent research, the authors highlight that SNS are a critical topic for scholars to understand when pursuing studies in online technologies and their social impact (Steinfield et al., 2008). This research project will therefore seek to fill this gap in research by exploring SNS and their social impact in relationship building and maintenance for minority entrepreneurs.

Steinfield et al. (2008) also conclude that more research needs to be done beyond the scope covered on SNS use by students. Further research is required to understand if social capital benefits extend to other types of users of online technologies, such as adults and entrepreneurs. There is also evidence that a critical success factor to entrepreneurial growth and innovation is how the entrepreneurs use networks. Partanen, Moller, Westerlund, Rajala R. and Rajala A. (2008), discuss that a positive relationship between social capital and business networking exists, but that it is insufficiently covered in the research. In light of this suggestion, this current study presents an opportunity to expand the understanding in the literature of how SNS networks add value to entrepreneurial performance.

Over the years, Social Capital Theory has been written about in a number seminal articles with valuable academic contributions by leading authors such as Coleman; Putnam; Lin; Portes; Granovetter; and more recently Ellison, Steinfield and Lampe (Brandtzaeg, 2012). Social capital is defined as the opportunities and resources that individuals can unlock

through their social networking to provide the principal with access to other critical resources (Gray & Ellison, 2013). With the growing popularity of this field, the debate by scholars and business on the impact of social capital and technology use by entrepreneurs is becoming more prevalent and more complex (Light & Dana, 2013). This research will contribute to this body of knowledge and the ongoing conversation.

This research will be focusing on Black women entrepreneurs who are an indigenous minority group with unique characteristics and relationships with other individuals and businesses (Foley & O'Connor, 2013). Reports on entrepreneurship have identified an increasing trend in women's appetite to become more economically active and independent (Herrington, Kew, Simrie & Turton, 2012). Women and their contribution as female entrepreneurs are changing the nature of the labour market and economy (Mordi, Simpson, Singh & Okafor, 2010). Mordi et al., (2010) also suggest that there is increasing interest in small businesses and entrepreneurship as greater contributors to economies - a global phenomenon.

Further, research in understanding female-owned businesses operating in atypical enterprises is very limited (Sappleton, 2009), which lends research in this field to being predominantly focused on exploring how different variables interact in Western-developed economies. There is thus less research on developing economies such as that in South Africa. The result is insufficient knowledge on how female entrepreneurs in developing countries deal with challenges in this context (Mordi et al., 2010). This research will seek to fill this gap in academic literature, an important contribution paralleled to increased interest in entrepreneurship and women in business.

1.3 Significance of the study

Developing economies and dynamic markets are showing the impact of unemployment and economic inactivity, particularly in the demographics of the previously and currently disadvantaged such as Black women and youth (Choudhry, Marelli & Signorelli, 2012). South Africa is defined as a dynamic market exposed to unique challenges, similar to those noted above, which creates a significant context for this research (White, 2012). In dealing with these challenges, all stakeholders interested in economic growth, entrepreneurship and women's empowerment should know how to leverage social networking sites and technology to empower indigenous minority business-owners to access social capital that can unlock resources and value. Poverty and marginalization are elements that influence

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how entrepreneurs manage relationships with potential partners in accessing resources for business growth (Foley & O'Connor, 2013). Finding ways to deal with them becomes a necessary process to improving overall economic performance. SNS could be a business performance accelerator for Black women entrepreneurs, which can be a very empowering for business owners and their communities.

The growth of woman entrepreneurs has been described as one of the most significant economic and social developments in the world because the result is not just redefining roles of women in economy but it is also reshaping the modern global economic landscape (Small Business Project [SBP], (2013)). Little empirical research has been done specifically on social capital formation among marginalized groups and minorities such as youth and Black people. Much of the research has been focused on developed nations or the informal sector in developing nations. It argued that the opportunistic, formal sector based woman entrepreneurs are the high impact agents for the greatest holistic impact on wealth creation, economic growth and innovation (SBP, 2013). This makes the study topical and relevant to growing interest.

There is a co-constructive relationship between racial identity, institutions and social capital. Racial profiles define how people identity themselves and how they interact and build relationships with others (Hampton & Duncan, 2011). It is for these reasons that this research is relevant and significant, especially in light of the South African government's emphasis on improving rate and quality of entrepreneurship and women's empowerment and participation in mainstream economy through policy and activities (SBP, 2013).

Research has found that there is a significant relationship between happiness and social capital. This includes social capital built between family and friends as well as a network of people and institutions (Leung, Kier, Fung, T., Fung, L. & Sproule 2010). Happiness is a state and emotion sought after by many people. Pursuance of life satisfaction and well-being is common (Leung et al, 2010). This relationship between happiness and social capital makes this research relevant because indirectly, it explores whether Black women can increase their level of social capital and happiness by accessing SNS.

Beneficiaries of this research include government, policy formulators, private sector, funding institutions, supporting agencies and the entrepreneurs themselves. The study provides insight on the value of SNS to Black women entrepreneurs (Anthias & Cederberg, 2009). We already know that social capital and SNS are positively related and also good for business (Gray & Ellison, 2013). This research will contextualise how this applies to Black

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women entrepreneurs in South Africa but be relevant to other minority entrepreneurs worldwide (McDonald & Day, 2010). Beneficiaries can therefore know how to leverage SNS to support the growth of Black women entrepreneurs, especially in other African countries. Family, friends and communities will also get insight on their role in the accumulation and maintenance of social capital for Black women entrepreneurs.

In the following sections, the relevant previous literature will be reviewed and a research question and propositions will be formulated regarding social networking sites to assess how Black women entrepreneurs use them to unlock the benefits of social capital. An appropriate research design will be highlighted and methodology and tools will be substantiated suitable for this research. Research limitations will then be identified. The study will describe the data from in-depth interviews and then analyse the results against the literature. The study will then formulate conclusions based on the propositions and research questions, and suggest a model on how to understand and unpack this phenomenon. The research project will close with a conclusion, summarising the main finding of this research.

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CHAPTER 2: LITERATURE REVIEW

This section focuses on discussing and critiquing previous literature that has been authored around the dimensions in the research question. The section systematically reviews literature to arrive at six propositions that explore the dimensions in the research question and the relationship between them.

2.1 Introduction

The theory that forms the backbone to this study is Social Capital Theory and its application to business, networking and information and communication technology (ICT). This literature review is a critique of literature across these fields in the context of South Africa. Putnam (2000), one of the leading authors in Social Capital Theory, identified bonding and bridging social capital as the two main forms of social capital, each form being different in how individuals develop relationships and what benefits are borne from them. The study is anchored by these concepts with a particular interest in how they affect Black women entrepreneurs.

Bridging social capital is synonymous with "weak ties", which are relationships or connections with a scattered and broad network of people from diverse backgrounds, whereas bonding social capital is strong, familiar and close bonds with family, friends, colleagues and close community members (Pirolo & Presutti, 2010). In the various other studies of social capital, it has been acknowledged that resources unlocked through social capital enhance entrepreneurial success (Partanen et al., 2008; Pirolo & Presutti, 2010; Light & Dana, 2013) which makes social capital a meaningful theory to understand in the context of entrepreneurship. This research will therefore explore both bridging and bonding social capital theory as the theoretical foundation of the study with SNS as a vehicle for developing and maintaining social and business relationships.

2.2 Social capital

Social Capital Theory is explores and explains the nature of relationships and networks that develop between different individuals and institutions, and the benefits that come from those interactions. Social capital is intangible but has visible impacts on individuals and businesses. This section explores this different literature and views on social capital.

2.2.1 The concept of social capital

There are various types of capital, namely, financial, physical, human, intellectual, cultural and social capital. Of the above-mentioned, social capital and cultural capital are the most difficult to measure yet they equally add real value (Ferri, Deakins & Whittman, 2009). Both Ferri et al., (2009) and Foley and O'Connor (2013) acknowledged the extent to which Social Capital Theory has been researched and developed over time by leading authors in social capital such as Bourdieu; Coleman and Putnam; Burt; Lin; and Portes. By definition, social capital is an "investment in social relations with expected return" (Lin, 1999, p. 30). This is particularly interesting because it recognises that relationships are able to improve the ability of a business to generate better returns, just like the other forms of capital.

Nahapiet and Ghoshal (1998) refer to social capital as resources that an entity or individual unlocks by being part of a network of relationships such as finance, people, knowledge and information. The networks enable the principal to be able to access other networks, leading to a knock-on effect of access of other networks and resources. There are implications of social capital on entrepreneurs, particularly on entrepreneurs in terms of opportunities, resources and governance (Pirolo & Presutti, 2010). These implications include emotional as well as material support for people embedded in the network which translates to improved business performance (Gray & Ellison, 2013).

In the seminal work entitled *Bowling alone*: *The collapse and revival of American community*, Putnam (2000) discusses bridging or bonding capital (for further details see discussion below). These forms of social capital are differentiated by the nature and strength of the relationship between individuals and benefits accruing from those relationships. Granovetter (1985), another leading author in this field, further identifies four main differentiators between "weak" (bridging) and "strong" (bonding) ties. These factors are frequency of contacts; the emotional intensity of the relationship; degree of intimacy; and reciprocal commitments between actors involved. These factors will be considered in the study in terms of understanding the different elements of social capital that contribute to better business performance. This theoretical foundation on social capital leads to the first proposition for this research as follows:

P1: To understand social capital and its value business.

Understanding the two different forms of social capital mentioned above by Putnam (2000) is essential. Although they both add value to entrepreneurs, they have different

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characteristics which define them and contribute in different ways. After exploring the general value of social capital to business, the study specifically explores the two forms of social capital in more detail which leads to the second and third propositions.

- *Bridging social capital*

Bridging social capital can be defined as individuals from diverse influences and backgrounds interconnecting through diverse social networks to build new relationships which yield benefits to enable an individual to get ahead (Hodgkin, 2009). It is known as "weak-ties" (Granovetter, 1985), which suggests that individuals are not strongly connected and that links between individuals are externally focused or outward-looking. Both bridging and bonding social capital involve trust and reciprocity in the relationships albeit to varying degrees (Light & Dana, 2013).

Weak ties are more likely to expose entrepreneurs and individuals to diverse perspectives, opportunities and information because of their externally focused nature (Gray & Ellison, 2013). They empower the individual with access to employment, knowledge and business opportunities (Granovetter, 1973). Weak ties enable a breadth of connections, facilitating access to new and diverse information which can be used to take advantage of opportunity and knowledge gaps that hinder business performance (Pirolo & Presutti, 2010). These relationships that are formed can directly or indirectly add value to an entrepreneur as with other forms of capital because information is an asset.

In a seminal article published in 1999, Lin describes social capital as a means by which individuals interact in a network to generate profit. Lin (1999) identifies three reasons that explain the how social capital produces value:

(a) Firstly, social capital allows for the flow of information in a system. This information can be useful in plugging knowledge and opportunity gaps where there is imperfect and asymmetrical information. It can also allow for increased efficiencies by decreasing transaction costs leading to more effective use of other forms of capital. Information is increasingly becoming a big asset to business. The size, speed, security, accuracy, and cost of information become a differentiator in business performance.

(b) Secondly, Lin (1999) argues that social capital carries with it power and influence. The power of the people in a network may influence decision making processes that result in favourable outcomes. One is able to leverage the influence of the people in a network to unlock key resources and opportunities outside of that network. This is

a critical element in the context of businesses that rely on referrals. The quality of a network can have an influence on how well the principal business is referred to others, which has an effect on pipeline and profitability.

(c) Thirdly, Lin (1999) suggests that social capital and networks allow individuals to belong and benefit from the reputation and social identity of the group. The key difference between this point and (b) mentioned above, is that the former is pro-active and instructional whereas this third benefit is passive and circumstantial. The association with a group as seen by others projects similarities and common interests among the group members which may lead to accessing resources and opportunities. The group, to which the incumbent belongs, influences how external parties perceive their value, capability and ability. This is particularly important for brand association. This literature then leads to the second proposition of this study:

P2: To understand the value of bridging social capital in the context of doing business.

Having identified the characteristics and benefits of bridging social capital, the study explores bonding social capital and its unique characteristics and benefits.

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- *Bonding social capital*

Bonding social capital are the interlocking networks and relationships that enable people to "get by" and survive daily demands of life (Hodgkin, 2009). Bonding social capital is characterised by inwardly focused strong ties with people where the parties have a deep connection based on similar background, trust, reciprocity and support (Foley & O'Connor, 2013). Strong ties are associated with similar kinds of people providing each other with meaningful social and emotional support, the aim being for individuals to accumulate social capital through nurturing and relationship management activities (Gray & Ellison, 2013).

In terms of business, reciprocity and trust; a business and its customers or partners are able to jointly solve problems (Gray & Ellison, 2013). This is particularly relevant to key accounts and customers. Bonding social capital also enables the development and use of communication channels with customers that reduce uncertainty and risk, both of which can have costly consequences for an entrepreneur (Pirolo & Presutti, 2010).

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The entrepreneur uses face-to-face communication to nurture relationships and build the level of trust with the customer, who yields benefits such as referred and repeat business (Ellison et al., 2007). The implication of nurturing these relationships for entrepreneurs is that family, friends, colleagues, customers and business partners provide support, resources and motivation that enable the business owners to perform better in their businesses (Gray & Ellison, 2013). The benefits accruing from bonding social capital are therefore different from those derived from bridging social capital. This category then leads to the third proposition:

P3: To understand the value of bonding social capital in the context of business.

The first three propositions, therefore, focus on understanding and exploring the characteristics and value of social capital broadly and bridging and bonding capital more specifically in the context of business and entrepreneurship. The following section focuses on social networking sites.

In addition to considering bridging and bonding social capital individually, the section above also explored how the two types of social capital compare with each other. This, therefore, leads to proposition four:

P4: To understand the value of maintaining bonding social capital in comparison to the development and maintenance of bridging social capital for the benefit of business.

2.3 Social Networking Sites (SNS)
Social Networking Sites (SNS) are another significant factor explored in this research in relation to Social Capital Theory. This section explores the concept of SNS and how it interacts with social capital and entrepreneurs. This section also discusses the advantages and disadvantages of SNS use.

- *The definition of SNS*

Ranieri, Manca and Fini (2012), state that: "The development of social networking sites (SNS) has been one of the most influential phenomena in digital technology in recent years" (p. 754). It is therefore important to understand the development of SNS research and growing interest in relation to Social Capital Theory. Social

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networking is the interaction that happens between people and is an extension of social capital (Foley & O'Connor, 2013).

Ellison (2007) defines SNS through three coexisting characteristic:
(1) construct a public or semi-public profile within a bounded system,
(2) articulate a list of other users with whom they share a connection, and
(3) view and traverse their list of connections and those made by others within the system.

Steinfield et al. (2008) define SNS as web-based platforms that facilitate the building of networks among people who share interests, activities, backgrounds, or real-life connections. Users create personal profiles of themselves that interact with other profiles. These profiles allow the user to make inputs where an individual can express and share views, as well as exchange information and media with other connected individuals. With some of the SNS, users can also view how everyone else in the network is connected to others within the system and request a connection with a new profile and individuals (Steinfield et al., 2008).

Importantly, in an article titled *Social Network Sites: Definition, History, and Scholarship,* Ellison (2007) make no mention of email as falling within the ambit and definition of SNS. *SixDegrees.com*, according to the three point definition of SNS mentioned above, was the first recognisable social network site which was launched in 1997, after the existence of email. For this reason, this study will treat not include email in the definition of SNS.

- *Use of SNS*
Research by World Wide Worx and Fuseware (2013) found that active usage of major, global social networking sites are growing worldwide with mobile connectivity being the key driver. This phenomenon is highly prevalent in the developing countries where connectivity, access and use of internet are increasing via mobile technology (White, 2012). Facebook is the most popular SNS, primarily used for social reasons, with 9.4 million people using it in South Africa. Facebook is also used to connect with new and long-lost family and friends. It is, therefore, useful for both bridging and bonding social capital. MXit and Twitter which are used for similar reasons are the second and third-most popular with 7.4 and 5.5 million active users respectively.

There is a growing trend where SNS are used for professional and business reasons because people see the value of amplified access to diverse networks (Bodell & Hook, 2011). This is reflected in the rise in use of SNS such as LinkedIn, YouTube and Twitter for professional reasons. LinkedIn is a professional social network with 2.7 million active users. It is popular amongst the older generation of users and is mostly suitable for building bridging social capital. The use of social networks by older users is increasing year-on-year which accrues to SNS being relevant for business and professional use (see http://memeburn.com/2013/09/social-media-in-south-africa-8-important-numbers-you-need-to-know/;http://www.jeffbullas.com/2013/09/20/12-awesome-social-media-facts-and-statistics-for-2013/).

- *SNS and social capital*

Williams (2006) made an important contribution to understanding the relationship between the internet and social capital, the internet being the main digital platform and hub that hosts a number of SNS. In the research, Williams (2006) explains how computer-mediated social networks can assist individuals to maintain both weak and strong ties. Ellison et al. (2007) and Steinfield et al. (2008) concurred. Therefore, SNS has an impact on how individuals and groups maintain exclusive, close-knit relationships as well as inclusive arm's-length connections. This current study will explore whether these views apply to Black women entrepreneurs, or if there is a preference to use SNS for one or the other form of social capital.

Following Williams' (2006) research, Ellison et al. (2007) examined the relationship between Facebook, a social network site, and its impact on social capital. Using undergraduate students as the sample and an online survey, it was concluded that SNS use has a positive relationship to social capital and more so with bridging social capital. This is an important point. Research informing the Ellison research had emphasised that the internet facilitates development of wider and more diverse network of new relationships among individuals (Ellison et al., 2007). The research recognised that SNS can be used for professional relationships on work-related matters (LinkedIn.com), connecting people with similar interests (MySpace.com) and maintained relationships across geographical long distances for emotional support (Facebook.com).

Following Ellison et al (2007), Steinfield et al., (2008) produced further research in the field of social capital and social networking. They conducted a longitudinal

analysis that focused on the impact of social networking sites on social capital and self-esteem. The main findings of this research suggested that using SNS allows for greater maintenance of social capital and relationships, again with bridging social capital being the form of social capital that thrives. Further, SNS play a critical role in maintaining relationships that would otherwise be lost due to migration where people move further away from contact-based relationships (Steinfield et al., 2008). Therefore SNS is a tool that mitigates challenges created by distance in a relationship. Prior research (Ellison et al. 2007); Steinfield et al., 2008; Subrahmanyam, Reich, Waechter & Espinoza, 2008; Valenzuela et al., 2009) has been conducted on students, with researchers suggesting further research on individuals in emerging adulthood stage and how adult relationships are created and managed in the light of new technology and SNS (Steinfield et al., 2008).

There is another view that bridging social capital transforms into bonding social capital through continuous interaction on SNS. Haythornthwaite (2005) explores the concept of "latent ties" which suggests that certain platforms such as SNS create opportunities for relationships to be formed and then transformed. Latent ties are ties which are possible but not yet activated. Being part of a network of people on SNS means the individual is exposed to a multitude of these possible relationships which can be converted. By activating the link through interaction, the possible tie becomes an active weak tie and is defined as bridging social capital. These weak ties can further become strong ties (bonding social capital) if individuals connect and further explore the relationship online and offline. Therefore, SNS are platforms that enable the building of relationships and benefits that flow from them along this continuum (Haythornthwaite, 2005).

In relation to the World Wide Web, social capital on SNS is about individuals expanding and accelerating their networking capability and activity which increases access to the benefits of social capital. This includes access to friends and family who, on the one hand, provide an entrepreneur with support and motivation and on the other hand, provide access to new acquaintances from a heterogeneous network that offers access to information, opportunities and resources (Ranieri et al., 2012).

Research over the years has argued that SNS such as Facebook, Whatsapp, LinkedIn, YouTube and Twitter have benefits such as reducing transactional costs and being the foundation to the formation of weak ties (Brandtzaeg, 2012). Research further suggests that maintaining a large and diverse social network enables

entrepreneurs to engage in relationships that allow for access and use of critical resources from the network (Edosomwan, Prakasan, Kouame, Watson & Seymour, 2011; Gray & Ellison, 2013).

Previous research has shown that SNS are particularly well-suited for the accumulation of bridging social capital (Ellison et al., 2007; Ellison et al., 2011; Vitak, 2012). In a recent review article, Brandtzaeg (2012) concurs with this view, adding that SNS are likely skewed to benefit the development of bridging social capital where an individual can share experiences with a larger network with less effort and cost. The other value proposition of SNS is that the communication is usually free and easy to use, not being limited by location and time (Brandtzaeg, 2012). Conversely, Boyd and Ellison (2007) suggest that SNS nurtures existing relationships instead of creating new ones, and the real contribution of SNS is the ability to extend real-life relationships on a digital platform which increases the reach, frequency and touch points for interaction. The study will explore these opposing views.

To join any SNS is voluntary. Therefore, as the individual opts to participate on the platform, the SNS can be compared to a voluntary organisation which provides opportunities for networking on the same basis (Ellison, 2007). They can, therefore, be understood as a context in which social capital is accumulated (Hampton & Duncan, 2011). The SNS also present an interesting dynamic when explored through the lens of context collapse. Context collapse is when the characteristics and interest amongst multiple users converge into a singular group. The different contexts from which different people come and varying characteristics flatten out and become homogenous, allowing for faster transfer of information and interaction across the networks of diverse people (Vitak, 2012).

There are some drawbacks that are attributable to context collapse. Firstly, the flattening out of context does make it difficult to separate the audience and focus the communication to the intended recipient. This can cause noise and confusion in the network (Vitak, 2012). Some users are on the SNS for socialising while others seek to further professional and business interests. Further, it leads to users presenting different versions of themselves which can – especially for business - dilute trust in SNS as a safe platform to meet people (Vitak, 2012).

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Selective self-presentation is a concept whereby people present certain parts of their profile and character, while concealing other traits. Depending on the audience, people accentuate certain characteristics which they believe will be most appealing (Vitak, 2012). As they conform to the group, the profiles become more homogenous and context collapse occurs (Vitak, 2012). As a result, some users may not be comfortable sharing business information on a platform where they believe they cannot build trust the platform because they doubt the truthfulness of user profile with whom they are interacting. Trust is an integral pillar of social capital (Sappleton, 2009) that binds networks together to enable co-operation (Hampton & Duncan, 2011). Concerns about selective self-presentation can lead to limited sharing of information and resources on SNS - the cornerstone of social capital.

Over and above issues arising from context collapse such as selective self-presentation, there are studies which have argued that social capital is diminished by SNS use. Ellison et al. (2007) presented such a view, concluding that the internet has a negative impact on face-to-face interaction and ultimately on social capital. The lack of face-to-face interaction leads to stunted social skills which affect the quality of relationships developed. In terms of bridging social capital, it is argued here that SNS has a negative impact on time spent with family, friends and social activities (Ellison et al., 2007). Users spend more time on SNS which takes away valuable time to nurture strong bonds. The study, however, suggests that overall, the research concludes that the benefits of SNS in building relationships outweigh the challenges it presents. Online interactions actually support and strengthen relationships, providing people with new connections and alternative ways to build and maintain relationships (Ellison et al., 2007; Steinfield et al., 2008).

- *SNS and business*

A further interest of this study is to discuss the relationship between SNS and business. Thus far, the discussion has focused on SNS and social capital. De Carolis, Litzky and Eddleston (2009) described the importance of networking and social capital to business, emphasising that networks enable interplay amongst professionals and the exchange of resources for new venture creation. De Carolis et al. (2009) also suggested that the number of contacts in the form of formal and informal ties allow professional business people to be more effective in responding to opportunities and unlocking resources.

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In a discussion in their journal article entitled 'The history of social media and its impact on business' Edosomwan et al. (2011) discovered that SNS has indeed transformed how individuals interact socially and professionally. Social networking is a function of everyday life and according to Edosomwan et al. (2011) it is "the fastest way to grow a business entity" (p.1). It has evolved over the years to provide users with a variety of media communication tools and applications to connect with individuals and interest groups (Edosomwan et al., 2011). In business, SNS has opened additional channels for communication, skills and knowledge transfer and collaboration. People are now able to stay up-to-date with the latest information and developments in industry and markets. This information directs the generation and sharing of ideas and, through collaboration and communication, results in increased team performance (Partanen et al., 2008). The ability to post images, videos and various other media content has empowered even the smallest companies to communicate their brands to a wider audience (Edosomwan et al., 2011) and this becomes a great asset to SMEs with limited marketing and advertising budgets (Edosomwan et al., 2011).

Vitak (2012) explained how SNS are important for SMEs in terms of low cost management - a critical success factor for running a business. The SNS such as Facebook, YouTube, Twitter and LinkedIn offer entrepreneurs low cost mechanisms for marketing and building networks. With SNS, entrepreneurs are able to share a wide network their products, services and how these can be accessed. They are easy to update and maintain and can be forwarded by the recipient to another network. The ability to link the various SNS means that a user can load information on one platform and share it on all the other SNS platforms where they have a profile. It saves time and money - two resources which are limited for businesses - particularly SMEs.

This section discussed SNS and how they present benefits and challenges to users as well as how they contribute to the accumulation and maintenance of social capital. It thus leads to proposition five:

P5: To explore the benefits and challenges of SNS as a tool for social networking to develop and maintain bridging and bonding social capital in business.

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2.4 Black women in business

The gender and race dimensions are important for this research. "Literature on women's business ownership suggests that, in terms of both entrepreneurial options (e.g. occupational choices) and entrepreneurial resources (e.g. sources of capital), women are more disadvantaged than men, and minority women are more disadvantaged than white women" (Smith-Hunter & Boyd, 2004, p. 19). This current study will explore both these dimension. In terms of this current study, Black women entrepreneurs are defined as minority because, in comparison to other races and gender, they have the least access to education, social development and employment opportunities (World Bank, 2013). Therefore in terms of ability and opportunity to be economic active, they are arguably the most marginalised. The manner in which minority entrepreneurs relate with others to achieve their business objectives is unique (McDonald & Day, 2010; Foley & O'Connor, 2013). Black women entrepreneurs are therefore good candidates to understand if SNS empowers this unique group to access social capital that allows them to overcome distinctive obstacle to equal economic participation and success.

In the South African context, it is critical to recognise how history impacts minority entrepreneurs and therefore their approach networking. Naphapiet and Ghoshal (1998) made a critical contribution by defining social capital in the context of indigenous and minority entrepreneurs who have experience oppression:

> "Social capital for indigenous entrepreneurs is the actual and potential resources embedded both within and available through their own socio-cultural networks that to a large degree are determined by their experience of colonization and the contemporary socio-cultural environment within the dominant society, as well as their ability to function outside of or within structures of cultural oppression often borne of negative stereotypes" (p. 243).

The South African historical context will therefore have a significant impact socio-cultural environment and how Black women entrepreneurs function in post-Apartheid economy (Naphapiet & Ghoshal, 1998).

- *Racial parity*

There are a number of theories which explain the relationship between minority and non-minority women entrepreneurs. Although there is research on difference between these

interest groups (Wech, Martin, Martin, & Dolowitz, 2009; Smith-Hunter & Boyd, 2004; DeCarlo & Lyons, 1979), few studies offer theoretical based explanations for the difference between minority and non-minority entrepreneurs (Smith-Hunter & Boyd, 2004). This study will use these theories to explore the gender and racial dimensions of the research question. In a seminal theme article, DeCarlo and Lyons (1979) found that minority women entrepreneurs were at a disadvantage in comparison to White woman counterparts (Smith,-Hunter & Boyd, 2004) which is the basis and relevance for using Black women entrepreneurs as proxy for minority entrepreneurs for this study. Racial profiles are critical to determine how people interact with each other (Hampton & Duncan, 2011) which is the backbone of relationships.

- ○ *Culture theory*

Max Weber's classical writing (1930) on cultural theory is based on the notion that a group will perform differently in business as a result of the cultural norms and values that inform how business and commerce is done (Smith-Hunter & Boyd, 2004; Foley and O'Connor 2013). A predisposition to certain levers that drive business will lead to unique behaviours of an entrepreneur and outcomes of a business. Culture therefore plays a significant role in how Black women entrepreneurs do business and the extent to which they are success. A business related "cultural deficiency" as a result of lack of exposure due to the historical context of in South Africa suggest that minority women will "adhere to norms and values that are inimical not only to entrepreneurship but to economic success in general" (Smith-Hunter & Boyd, 2004, p. 20). This study will therefore explore how this context has changed and how the change has impacted Black female entrepreneurs.

- ○ *Disadvantage Theory*

Another theory is the disadvantage theory also proposed by Weber (1930) which suggests that entrepreneurship becomes a platform for economic expression and activity to groups that are discriminated against (Smith-Hunter & Boyd, 2004). Discrimination leads to "survivalist entrepreneurs" and resource disadvantage. Women also go into entrepreneurship to exploit the flexibility and autonomy it provides, so enabling them to balance work and family life (Foley & O'Connor (2013). Running a business allows women to build a separate identity outside of the home and improve their self-esteem (Hodgkin, 2009). Black female entrepreneurs face obstacles in the labour market because of the "double disadvantage" of racism and sexism (Smith-Hunter & Boyd, 2004). The response to the discrimination is to use networks and relationships to mitigate against the resource disadvantage. Black

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women entrepreneurs therefore rely on friends, family and the community as resources to get ahead in business (Smith-Hunter & Boyd, 2004). By definition, this is bonding social capital (Putnam, 2000). A supportive family is important to successful women entrepreneurs (SBP, 2013). Bonding networks for Black female entrepreneurs are grounded in cultural and traditional heritage in how Black women build internal relationships held by trust and support (McDonald & Day, 2010). Applying the disadvantage theory, minority entrepreneurs are therefore arguable more survivalist entrepreneurs facing resource disadvantages and using bonding social capital. Their White peers do not face the same challenges, and if they do, it is to a much lesser extent (Smith-Hunter & Boyd, 2004).

In his seminal work on social capital theory, Coleman (1988) suggested that when women enter business, the nature and quality of their close relationships (bonding social capital) changes and diminishes due to less attention and investment in these relationships. Putnam (2000), another significant contributor to Social Capital Theory, refutes this proposition. Instead, he suggested that women are in general better all-round relationship builders and nurturers regardless of the setting. He suggested that although men may belong to more networking groups, women access and use them more frequently and effectively (Putnam, 2000). This research will seek to explore these different views on social capital. This study will also isolate the resource disadvantage variable by limiting the sample to opportunistic entrepreneurs and exploring whether Black women entrepreneurs use SNS to access bridging social capital.

   o *Protected market theory*
The protected market theory was proposed by Light (1972) and suggests that ethnic minority entrepreneurs will appeal and serve the interest and needs of co-ethnic groups or customers. This theory is particularly relevant in environments which have discriminatory history where legal framework forced certain groups to serve groups only similar to them- Apartheid in South Africa. It is also prevalent in services that require intimate contact between customer and service provider (Smith-Hunter & Boyd, 2004). The result of these protected markets is that it limits access to business growth from customer acquisition which represents potential revenues. It also prevents fair competition based on ability to deliver products and services (Smith-Hunter & Boyd, 2004). The obstacles created by protected markets are similarly the benefits for minority entrepreneurs. Black women entrepreneurs can benefit from having specific markets protected from "outside competition", securing income and

customers. They also build feeling of camaraderie and patronage which can lead to referred business. Although not in much detail and possibly indirectly this current study will explore how markets have changed and how the change affects approach to securing new networks, customers and partners through SNS.

- *Gender parity*

In terms of gender parity, particularly the theme of business survival, there have been opposing views on whether gender makes a significant difference. There are varying views on whether differences in traits, skills, or preferences are contributors to the different views on the survival of businesses of men versus women (Kalnins & Williams, 2013). Kalnins and Williams (2013) postulate that the expectations for men and women differ with respect to "work life balance, resource acquisition, and other factors" because of different industries and geographic settings (p. 2). This study will control for geographical areas by limiting the sample to one geographical area but across various industries. The research will therefore explore whether there are significant difference in accessing social capital and whether the gender based differences lead to Black women entrepreneurs experiencing using SNS differently for accumulating and managing social capital. These gender based expectations present women and men with different opportunities and obstacles to doing business. Kalnins and Williams (2013) also find that gender based expectations and challenges associated with these expectations, are more prevalent in urban areas than in rural areas. This study will be focused on urban based Black female entrepreneurs, therefore allowing the research to explore the gender dimension more effectively.

The Global Entrepreneurship Monitor (GEM) project (Herrington, Kew, Simrie & Turton, 2012) surveyed various stakeholders in the entrepreneurship discipline. An outcome of surveys conducted before 2010 have shown that men in South Africa are 1.5 – 1.6 times more likely to be involved in early-stage entrepreneurial activity than women. However, although this may be the case, female involvement in early-stage entrepreneurship increased by 43% between 2006 and 2011, which shows a significant movement of women into the economic sector. Nevertheless, these Black women-owned businesses still face challenges which can lead to business failure. The challenges include securing funding, education, skill levels in business management, managing staff and the impact of government policy (Herrington et al., 2012).

- *Black women and SNS use*

Brandtzaeg (2012) explored the impact of gender on SNS use and social capital, a characteristic of Black female entrepreneurs and a critical differentiator to other

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entrepreneurs and SNS users in previous research. He submitted a view that women are better at balancing online and offline relationships, especially with regard to developing bonding social capital online. Women are described as being more elaborate and emotional in their communication across SNS. In general, women use SNS to socialise more than their male counterparts (Brandtzaeg, 2012).

In essence, the literature has found that there is a difference between men and women as well as between minority and non-minority women. Various theories support the notions that women are more disadvantaged than men, and mainly that minority women are more disadvantaged than White women. "Minority women become entrepreneurs for achievement oriented reasons and attempt to overcome their educational and financial handicaps by drawing social capital from friendship and by accessing co-ethnic consumer markets" Smith-Hunter & Boyd, 2004, p. 26). This research will be exploring whether SNS can be used as a vehicle by Black women entrepreneurs (minority entrepreneurs) to access bridging social capital that is aligned to and critical for business performance. This leads to the last proposition:

> **P6: To explore how Black women entrepreneurs, a minority group in business, use SNS to access bonding and bridging social capital for business.**

2.5 Chapter conclusion

In concluding this chapter, the literature in Social Capital Theory, social networking and Black female entrepreneurs were reviewed. The literature suggested that social capital is an essential part of basic human interaction and further, of business performance and entrepreneurship. Bridging and bonding capital are different in respect of how people access them and the benefits which accrue to them. The research suggested that social networks are a derivative of social capital, increasing the number of touch points for development and maintenance of social capital.

The SNS are a tool for social networking which enable users to build and maintain relationships in addition to face-to-face interaction. The SNS increase social capital accumulation and are beneficial for entrepreneurs. In South Africa, Black women entrepreneurs are a minority interest group with unique challenges and opportunities due to historical and cultural contexts. The result is that women are more disadvantaged than men, and mainly that minority women are more disadvantaged than White women. In addition, the

access to social capital and other forms of capital is a challenge and therefore affect business performance which is represented in the number of failing women-owned businesses. However, the number of Black women entrepreneurs' actively entering business in pursuit of a better life is increasing, despite the challenges and circumstances. With more women being empowered to enter the formal economic sector, this research is important and topical and therefore needs to deliver a good in-depth understanding of how relationships exist between social capital, SNS and Black female entrepreneurs. The following sections discuss the research question, methodology, data analysis and results.

CHAPTER 3: RESEARCH QUESTION

The research question explores how minority entrepreneurs such as Black women entrepreneurs use social networking sites to access and use social capital in their businesses considering historical background of racial and gender discrimination in South Africa. This research question, as defined in the six propositions in the literature review above, is reproduced below:

P1: To understand social capital and its value to business.

P2: To understand the value of bridging social capital in the context of doing business.

P3: To understand the value of bonding social capital in the context of business.

P4: To understand the value of maintaining bonding social capital in comparison to the development and maintenance of bridging social capital for the benefit of business.

P5: To explore the roles of SNS as a tool for social networking to develop and maintain bridging and bonding social capital in business.

P6: To explore how Black women entrepreneurs, a minority interest group in business, are beneficiaries of SNS to access bonding and bridging social capital.

Based on the literature, it is postulated that SNS can accelerate the process of developing bridging relationships with broad business networks (Ellison et al., 2007). Black women entrepreneurs are expected to use SNS for building wide networks to compensate for their limited access to networks (Herrington et al., 2012; World Bank, 2013). In a growing digital age and knowledge economies, it is expected that Black women will use technology to gain access to critical resources which were previously difficult to enter due to demographic profiling (Smith-Hunter & Boyd, 2004). This research project suggests that SNS functions as a great equalizer to enable a minority group to bridge the social capital deficiency gap. The focus on building bridging social capital will have an impact how Black women entrepreneurs manage bonding social capital effectively - a factor also important for business growth and performance (Coleman, 1988; Putnam, 2000).

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CHAPTER 4: RESEARCH METHODOLOGY

4.1 Research design

This section is dedicated to outlining the rationale, process and method which was used in order to secure data for the study. The rationale and design is motivated by the nature of the research question and objectives of the study. This research study seeks to deeply understand social capital, SNS and Black women entrepreneurs and the relationships between them.

4.1.1 Design choice

This study design was chosen to be exploratory in nature. The research design was qualitative research methodology (Partanen et al., 2008), and utilised in-depth interviews with Black women entrepreneurs to gain first-hand information as to the relationship between social capital, SNS and their social-demographic profile.

For this reason, the research approach was deductive; theoretical propositions were tested developed from literature (Saunders & Lewis, 2012). A cross-sectional time horizon was taken to explore the research question at a particular point in time and not over a period of time. This approach enabled the research to be finished within the given time while adding value and setting a base for future research.

4.1.2 Reasons for choice

This research design was chosen because it lends itself to an in-depth analysis of an area of research. This researcher was interested in getting a deeper understanding of the relationship between SNS use and social capital accumulation for a specific interest group with unique challenges. An exploratory and deductive research strategy served well in exploring this relationship. In interviews, Black women entrepreneurs yielded a variety of data which were qualitative in nature. The inputs were detailed accounts and responses to questions.

There was no certainty as to the outcome of this research. In some instances, the literature had opposing views on the same propositions; some authors conflicted with them while others confirmed the views. Therefore the approach had to be open to different possible outcomes. The approach also had to provide each possible outcome with an equal opportunity of being explored. The propositions were derived from the literature and needed to be explored in light of real experiences of the interest group. Therefore the approach was sensitive to in-depth interviews. The depth of understanding

the topic and answering the research question was therefore embedded in a qualitative and exploratory research design to extract high quality data (Saunders & Lewis, 2012).

Although it was preferable to conduct a longitudinal study for this topic (Brandtzaeg, 2012), the limited research time and available resources made that impossible. The prevailing was still relevant and provided good insight for stakeholders. The study can also form the precursor for future longitudinal research on this same topic.

By conducting interviews, the researcher was able to examine how participants develop and manage relationships with network members using social network sites (Hampton & Duncan, 2012). The research was also able to ascertain how a participant accessed and used SNS to build social capital that added value to the business despite being from a minority interest group and prejudiced social background in terms of race, gender and business participation.

4.2 Scope

To secure data, the scope of the research had to be clearly defined. The participants had to meet specific criteria were an extension of the definitions in the literature review. This section explains the criteria and rationale behind this scope.

4.2.1 Scope and rationale

The scope of this research was limited to Black, female, South African entrepreneurs who have had experience with running successful small or medium businesses from various industries. Success and experience were defined by (a) the number of years in operation, (b) nature of entrepreneur (opportunity driven), (c) the number of employees and (d) the entrepreneur owning part of the business and holding an executive operational role. These criteria were applied to the sample for the study.

The experience of entrepreneurs provided the research with the depth and insight which the study needed for quality data to make more credible analysis and conclusions. The number of years in operation was important to differentiate between start-ups and businesses that have survived the difficult start-up phase of small businesses. The literature proposed two years as a minimum so to make sure different age groups would be represented in this study. A minimum of two years in operation was used as the proxy for post start-up SME (Herrington et al., 2012). This was linked to the type of entrepreneur interviewed and the number of employees. This research, therefore, focused on opportunity-driven entrepreneurs who were in business by choice and not

because they had to be because of circumstance. The entrepreneur had to be pulled into businesses rather than pushed (Herrington et al., 2012). The businesses had no less than two employees - excluding the business owner. This was a proxy for a stable business with capacity to grow. As owners of shares and executive members of the management team, participants had input on strategic direction of the business as well as being involved in the day-to-day operational activities. Therefore, they had depth of understanding of how the business was doing and how it interacts with the variables discussed in the research.

The reason for limiting the scope of this research to South Africa, and more specifically Gauteng, was informed by practicality and rationality. There were limited resources for the research which presented a challenge in securing data from Black women entrepreneurs outside of this geographical area in the form of in-depth face-to-face interviews. The research project needed to negotiate between limited scope and completing the project. However, the research outcomes can be extended to other geographies where minority entrepreneur's face challenges similar challenges as a consequence of history. The dimensions (SNS, social capital, minority entrepreneurs) in the research affect many other stakeholders and geographies in the world. Therefore the research and its conclusions are not just limited to South Africa.

The research looked at the different kinds of SNS. The SNS such as Facebook and Twitter are very popular, being rated as the most used SNS (Edosomwan, et al., 2011; SBP, 2013). They are used for a variety of reasons including socialising new people and personal relationship management of existing ties and business (Edosomwan, et al., 2011). Facebook is the tried and tested platform for these kinds of studies by numerous authors in Social Capital Theory (Ellison et al., 2007; Steinfield et al., 2008; Brandtzaeg, 2012). Other SNS were also considered such as LinkedIn, Whatsapp, YouTube and SKYPE because they have business applications where use has a professional and business relevance (Edosomwan et al., 2011; SBP, 2013). The combination of these types of SNS should cover usage of SNS for both bridging and bonding social capital.

4.3 Universe/Population

The universe consists of all the elements that qualify for inclusion in the research study. The precise definition of the universe for this particular study is, therefore, set by the research question, which specifies who or what is of interest. This section explains the universe for

this study as well as providing an explanation for the population choice (Saunders & Lewis, 2012).

4.3.1 Population choice

The relevant population for this study includes all Black women entrepreneurs who use SNS. This population was chosen because they have been categorised as a minority interest group in South African business (Herrington et al., 2012). Black women remain one of the most marginalised groupings in South Africa in terms of education, social development and employment opportunities (World Bank, 2013). Therefore, they are a good fit for minority and indigenous entrepreneurs for the study. For this research to make a valuable contribution, it had to cover recent, topical areas of development for a wide group of stakeholders. This population should be of interest to academia, policy makers, business people, professional organisations, communities and the public at large (SBP, 2013).

The criteria for sampling were based on the following characteristics:

- The entrepreneurs interviewed were Black women. The Black women had to own and manage part of a business. This was to ensure that the candidates were well versed with ownership, management and the operational aspects of the business that drive performance and profitability. It enabled them to make a valuable contribution from the experience gained.
- In addition, the business had to be operating beyond start-up phase, and therefore trading for at least two years and employing a minimum of two people, excluding the business owner (Pirolo & Presutti, 2010). As defined in the GEM Report, these SME were opportunistic in nature, wherein the entrepreneurs pro-actively entered into running their business in pursuit of growing profits and impact (Herrington et al., 2012).
- The size of this sample could have been determined by contacting the Companies and Intellectual Property Commission (CIPC) for a register of all Black women entrepreneurs, therefore ascertaining the population. But this was not necessary for a qualitative research approach which does not need a sampling frame.

4.4 Unit of analysis

An important consideration in this research study is the unit of analysis. The unit of analysis is the main entity that we analysed in the study. It explains 'who' is being studied. Units of analysis are essentially the things we examine in the study (Saunders & Lewis, 2012).

4.4.1 Unit and reasons

The unit of analysis for this study was an individual human being, in this case, a Black woman entrepreneur. This is important because the candidate was the source of information. No additional information was required beyond the interview. It also assisted in term of convenience of securing responses.

4.5 Sampling

In order to reasonably complete the research study, data is collected from a subset of individuals of the population. This is defined as a sample and the data collected from this is used to make inferences about the entire population. It is, therefore, imperative that the sample corresponds to the larger population on the characteristics mentioned above. The study is, therefore, able to make conclusions from the sample that are probably applicable to the entire population (Saunders & Lewis, 2012). This section explains the sampling method for this study.

4.5.1 Sampling technique

A non-probability sampling technique was used because to allow for an in-depth understanding of a specific topic rather than generalise from the sample to a population. The sampling technique was informed by the nature of the sample and the research approach and methodology. By definition, the number of indigenous minority entrepreneurs is usually relatively low and therefore an appropriate methodology must be used in identifying them and gaining participation in the research (Foley and O'Connor, 2013). A purposive/judgment sampling technique - the most frequently used technique for small samples when collecting qualitative data - was applied (Saunders & Lewis, 2012). Homogenous cases were used in purposive sampling where one particular subgroup with minimum variation was sampled but in greater depth to suit the research purpose (Saunders & Lewis, 2012).

4.5.2 Sample size

The data capturing comprised in-depth interviews for an exploratory study with a sample size of twelve (12) Black women entrepreneurs. A threshold of twelve (12) was used to

reach data saturation in the analysis, considered a reasonable benchmark for a qualitative study (Saunders & Lewis, 2012).

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4.6 Research instrument/Measurement

A research instrument or tool is designed to measure the variables, characteristics, or information of interest. It can be a survey, questionnaire, test, scale or rating depending on what the research is trying to find out. The instrument for this research was an interview schedule and guide designed by the researcher. This section explains the rationale behind the instrument that was chosen for this study.

4.6.1 Design

For qualitative, exploratory research, the approach was to do in-depth interviews with the twelve (12) Black women entrepreneurs. The interviews were semi-structured, one-on-one, and face-to-face (Foley and O'Connor, 2013). Interviews were held at a venue convenient and comfortable for the participant such as at the participant's office, at home or at a restaurant. These settings provided the correct environment for the sessions to be recorded and later transcribed.

The interviews were structured based on an interview guide with a range of questions focusing on different propositions derived from literature review. Initially the guide asked broad questions on the history and profile of the participant. This was to ease into the interview and make the candidate comfortable with the process and interviewer. The focus became progressively narrower addressing the propositions directly before the research question (Saunders & Lewis, 2012). The questions were open-ended to get in-depth responses. Owing to this factor, participants would answer parts of other questions and therefore the interviewer had to be dynamic and focused in order not to repeat or miss questions.

One participant was unable to be present in a face-to-face interview. Instead of cancelling the participant and disregarding input, the interview guide was converted into a questionnaire which was emailed to the participant. The participant completed the questionnaire. The instruction was that the participant must give detailed answers and complete the questionnaire in a set time in order to mirror as close as possible, the conditions in an interview. The questionnaire was added to transcribed responses secured from interviews.

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In another one of the cases, the face-to-face interview was completed but the recording device did not capture the interview. The interviewer had taken notes during the interview. Upon realising that the session did not record, the interviewer added to the notes the responses which they could remember on the same day the interview happened. Although not all responses were captured, the notes were detailed in parts and made a contribution to the research data and findings.

4.6.2 Data collection process

Narratives were secured through in-depth interviews. The interviews were tape-recorded and transcribed by a professional transcribing company. This approach was preferred because of its accuracy in converting data making sure the data could be stored and analysed electronically. The interviews were between 35 and 65 minutes per interview. Some candidates had time constraints while other candidates were enthusiastic about the questions and process, therefore talking longer. The dynamic nature of the interview meant that the questions were mostly the same, with others being changed or added to follow the line of questioning and to explore some issues deeper.

Stam and Elfring (2008) used a comprehensive process to communicate intentions to conduct interviews with their sample which were applied to this research project. The individuals to be interviewed received a letter via e-mail explaining the purpose and importance of the research. This was followed up with a telephone call to confirm receipt of the letter and confirm participation, including answering any questions. Where possible, each participant was required to confirm, in writing, their willingness to participate as well as set up a preliminary appointment with time, date and venue for the interview. The positive feedback and interested participants were scheduled for an interview which corresponded with the main research schedule and plan. Each participant was guaranteed confidentiality in interviews, and all interviews were audio recorded and transcribed with permission (Partanen et al., 2008).

4.6.2 Pre-testing

The interviews were pre-tested with two Black women entrepreneurs. The sample comprised GIBS MBA students who fitted the criteria of the research. The purpose of this process was to test the quality of the research instrument, data received and the sentiments of the participants about the process and data analysis using ATLAS.ti. Problems that arose from the test phase were intended to inform improvements for the

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actual research undertaken. There were no required changes in the interview guide after the pre-test. Therefore the data captured was used in the analysis and findings of the research. (Saunders & Lewis, 2012).

4.6.3 Data analysis

The research analysis was based on the directed content analysis approach (Hsieh & Shannon, 2005). A deductive qualitative approach was used which made direct content analysis appropriate. The goal was to extend this theoretical framework into a context that is unique yet relevant to other similar interest groups. The existing theory was intended to focus the research question and provide explanation on certain variables and the relationship between them. Therefore, directed content analysis was considered the most suitable approach to meet this goal (Hsieh & Shannon, 2005). With direct content analysis, the theory and prior research was used to identify key concepts or variables such as bridging capital, bonding capital and social networking sites to determine the initial coding scheme and links between codes. An open-ended questioning approach was therefore focused and channelled by targeted questions based on predetermined categories informed by the literature review (Hsieh & Shannon, 2005).

Initially, the data extrapolated were qualitative and non-text (audio). The non-text data were then transcribed to text. Computer-aided qualitative data analysis software (CAQDAS) was used to analyse the data with a programme called ATLAS.ti (Saunders & Lewis, 2012). The data were prepared first before analysis. This was to ensure that the correct format and conventions required. A deductive qualitative analysis was used where theoretical propositions derived from the literature review were tested to explain the relationship between SNS use and social capital theory for Black women entrepreneurs. In the analysis, patterns that explain these relationships were sought. As suggested by Hsieh and Shannon (2005), Saldaña (2012) and Saunders and Lewis (2012) the following was done to:

   (a) develop meaningful codes to describe the data based on theory and literature review;
   (b) conduct semi-structured interviews with open and targeted questions based on codes and categories;
   (c) decide on the units of data that is appropriate for the data analysis;
   (d) attach relevant codes to the data;
   (e) cluster codes by similarity or difference into linked categories;
   (f) cluster categories into themes and concepts; and

(g) analyse the coded data, categories and themes for pattern against the propositions and research question.

4.7 Research limitations

The strengths of the chosen research methodology were captured in the sections above and were based on the methodology serving the research purpose, question and propositions. However, there were certain challenges with the qualitative and exploratory approach using judgment sampling and semistructured interviews on participants. These were:

- Firstly, the possibility that the answer to the research question was that Black women entrepreneurs are not significantly different or unique to any other entrepreneur in terms of SNS and social capital. The fact that the research was uncertain of the outcome meant an inability to predict how useful the findings would be. A non-conclusive outcome also limited the scope for further research. To mitigate this, a strong literature review to build the concepts gave the researcher a good sense of what to predict and look out for.

- Secondly, twelve (12) research participants were secured to fit certain criteria. For various reasons, difficulties were predicted in getting Black women entrepreneurs, who fit these criteria, to participate about their concerns around convenience, availability, confidentiality or interest. Not being able to secure the twelve (12) participants, would have affected the depth of the data and saturation. Should the data not have adequate depth, it would have affected the analysis and reliability of the findings. As qualitative approach functions on fewer numbers, the approach was sensitive to sample size, and therefore, one less participant could have had a significant effect on the quality of the research. It was understood that business owners have volatile and busy schedules. Although they may have committed to participate in an interview at a given time and place ahead of time, there might have been unforeseen matters that required their immediate attention. They might, therefore, require the interview to be rescheduled. As the sample size was critical a reschedule could delay the research project and negatively affect the quality of the entire project. Therefore, the researcher had to balance these two issues. It was therefore important to contact and secure participants early, commit to a time and create a buffer for uncertainty. The schedule had to be flexible to accommodate changes without adding delays to the research project. It was also crucial to identify more than the 12 possible participants to fit the description and criteria in case of a cancellation.

- The study was limited to Johannesburg, South Africa because of limited resources and time. Therefore it was possible that results would be applicable and unique to

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Johannesburg based Black female entrepreneurs, making it difficult to apply the findings elsewhere. To mitigate this, the literature review was thorough in defining minority entrepreneurs and their characteristics. The literature made reference to the fact that minority entrepreneurs were not limited to a single geography. Further, the historical context of discrimination against women was not unique to Johannesburg. The definition of the variable (SNS, social capital and minority entrepreneurs) are universally applicable and relevant.

- Time and resources did not allow for triangulation. It would have been beneficial to the study to interview either Black male entrepreneurs or White female entrepreneurs, or both in order to get responses that could present unbiased results. This research therefore sets the base for future research to explore triangulation. The results and findings are still relevant.

- Lastly, the sample in a qualitative study cannot be used to generalise the population as in quantitative research. Therefore, the findings of this research might have been relevant in the business context but only to a limited extent. It also might have been difficult to extend the findings to other indigenous entrepreneurs in different historical and business contexts. Therefore, although the usefulness of the research might be limited in breadth, it has the depth that can add tremendous value for Black women entrepreneur owners and relevant stakeholders.

4.8 Reliability and validity

Qualitative research by its very nature requires subjective interpretation and therefore there must be measures in place to improve reliability and validity of the analysis (Hsieh & Shannon, 2005). This includes getting the process audited by supervisors and a peer briefing. The aim is to reach data saturation to ensure all new insights into the research question have been covered. For a homogenous sample, the suggested sample size is 10 which is another reason a sample size of at least 12 was used (Saunders & Lewis, 2012) to make the data reliable and valid.

There was a possibility for ambiguity about causal direction as to whether SNS used leads to social capital accumulation or vice versa, and which direction adds the most value. This can cause confusion for the participants and the researcher. To eliminate this, it was essential that interview questions were clear and that there was consistency in how the relationship was explained. Where there was confusion, it was noted in the analysis and flagged.

In terms of reliability, there was room for subject bias where the Black women entrepreneur owners answered the questions based on what they perceived the researcher wanted to hear or based on how they thought they would be perceived. As business owners who are constantly required to impress and perform at a high standard, they may want to sound astute in SNS use and social networking, which may overstate the real status quo. The GIBS and MBA brand may put participants under pressure to sound more sophisticated which may not be a true and accurate reflection of them. It was, therefore, important to explain the research process well, make them feel at ease and manage expectations, while being aware that there was a propensity for subject bias.

The researcher also might have been vulnerable to observation error. This was overcome by the interviewer and researcher being the same person and therefore there was no temptation to ask questions to get outcomes to suit the research proposition.

CHAPTER 5: DATA ANALYSIS

The entrepreneurs that were interviewed responded to a series of questions derived from the literature review and captured in the interview schedule. This chapter therefore represents the different responses presented by the sample of Black women entrepreneurs in this study.

5.1 Experience of entrepreneurs

This section is dedicated to introducing the Black women entrepreneur and an overview of their journeys in business. In particular, it covers their highlights and challenges of being an entrepreneur in South Africa.

5.1.1 The journey

A significant number of participants found the journey of being an entrepreneur to be difficult and tough. This response had the highest number of mentions in the interviews in terms of describing the journey of being an entrepreneur.

One participant described her experience as being difficult starting with nothing a opposed to buying into an existing business:

> *It was not a really easy journey. I would say that. Not because of the fact that it's run by a female but just in terms of starting business. It's not as easy as getting into a business that you bought in[to] as a going concern.*

The tough journey required support, as another participant suggested by saying:

> *It's a tough journey. I think you need to have also support to be an entrepreneur.*

Although it was described as a tough journey requiring much sacrifice, most of the entrepreneurs found it to be highly rewarding, with most of the participants sharing different reasons why it was worth the effort. This participant said that they pursued entrepreneurship to be selfless and to pave the way for future entrepreneurs and for the benefit of the country:

> *It's not about you being selfish but you become selfless because you*
> *want to do it for the benefit of the country to say if I were to just give*
> *up then it means generations after me would not benefit. So*
> *somebody has to take a sacrifice. So it has been a very exciting*
> *journey . . . a journey of growth, a journey of frustration, frustrating*
> *moments but a journey of rewards as well.*

The participants shared that they had entered business because they preferred it to working in a corporate environment. They got tired of working for companies and giving them the opportunities and revenue instead of giving it to themselves:

> *I think I was tired of the corporate world, and the road that I had*
> *travelled all my life, it was bringing in business for companies. So I*
> *got to a point where I wanted to bring in business for myself.*

The entrepreneurs also pursued business because they wanted to do something meaningful; a way of making a difference in other people's lives by creating employment and giving people dignity:

> *Our business is in recruitment as such. So ensuring that, at the end of*
> *the day, you are giving people dignity by finding jobs. For people and*
> *for me that is giving people dignity and [it has] the ripple effect of*
> *finding jobs for people.*

The issue of race was recognised upfront, with some participants sharing how their demographic profile as Black and female made them minority players the industry. This was critical insight in how they view themselves in relation to other players:

> *It was a feather in our cap, obviously, as a black women company to*
> *be able to work on a cricket project. It is very male as an industry, it is*
> *very White.*

It was not just White and male attitudes, behaviour and expectations that Black women entrepreneurs deal with. They also deal with expectations and attitudes of professionals in same race and gender category:

I find it very different when you have your Black female manager and in managing other Black females because they sort of expect you to sympathise and understand their point of view.

5.1.2 Challenges faced

The most striking result to emerge from the data was that the most significant challenge facing Black women entrepreneurs was the gender and racial stereotypes and prejudices that limit access to opportunities, especially in certain industries such a engineering. Two participants shared that:

(a) Being a young company, being a Black company, there is a great deal of scepticism. The race factor was another factor.

(b) Being a woman business in engineering made it even worse. Well, on top of that, Black, made it even more . . . especially in the private sector. But it's been tough. It still is.

One of the candidates also said that she had to hide her identity as the owner of the business to prevent customers doubting her business and what it offered:

I act as an employee when a customer comes in, because it's just a South African thing. Before I would tell them I own the business, whether they are Black . . . White . . . Indian. I would tell them that yes, this is my business. But I got to understand that people, once they know (most of all the White companies) then they start thinking – really this Black girl is going to make me a good wedding gown, and from where is she really doing it?

On the opposite side of the spectrum, an interesting outcome was a candidate who mentioned that being a Black woman entrepreneur is of benefit because of the empowerment policies implemented by government:

Now it is kind of like an asset being a Black women entrepreneur and that is partly because of the stringent BBBEE code in many respects.

A significant challenge has been finding good people to work with and retaining them. Dealing with people was also said to be a significant challenge for a number of participants:

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> *The biggest challenge is finding young people to work with. I just think*
> *young people believe in the instant gratification, the instant fame . . .*
> *it's all about fame and not what I do.*

Other issues included finance-related issues such as cash-flow management and dealing with the banks:

> *One big challenge, I suppose within SME, is obviously cash-flow*
> *management.*

Participants said that securing funding for the business, especially from banks, presented a significant challenge for the entrepreneurs. Development funding institutions were said to be better and more amenable to taking start-up risk. Banks only have an interest when you are already successful:

> *The challenges - to be honest with you - it's with the South African*
> *banks. We went to IDP, a development fund, to get funding . . . that's*
> *where the kick-start started and now, it's growing . . . now the banks*
> *now come visit me . . . Don't go to the bank anymore, now, they*
> *come to my office, just to say, 'How are you?' That very same bank -*
> *because now they can see the business coming in, but they never*
> *wanted to fund me. Those are the challenges for Black women*
> *businesses, which are small. For you to break through, if you need*
> *finance, it becomes very, very difficult.*

Where participants were able to secure funding, the challenge was building a pipeline of work to generate income:

> *So for us, it's mainly been that there have been times when we've had*
> *huge financial capacity, as in accessed funding, but no work.*

Some of the participants found it difficult to access networks and had to rely on proactively approaching mentors to expose them to networks:

> *We recognised early days that, you know, to some extent, we could*
> *only rely on ourselves and our network, to a point. We needed people*
> *to knock on doors, to introduce us. What we did was to identify*
> *different individuals who would act as our mentors in different fields.*

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Economic conditions also posed some challenges for doing business. There are occurrences, beyond the business and the entrepreneur, such as business and market cycles, that affect how the business performs. A business can grow well in one period and face challenges a few years later:

> *Round about 2007, 2008 the construction business industry in South Africa was booming. And we rode on that wave, did well, grew too fast, if you ask me, and then the depression hit and we were hit and we plunged down very fast. Face down for a couple of years and only about from a year ago, then we started picking up again. But it's still a roller-coaster. It's hard.*

Another significant challenge mentioned was being required to balance the two roles, namely, managing the home and being a businesswoman:

> *To balance the two worlds is very hard. It's very hard, but I think you know you have to find that balance and see what you need to be able to achieve success in both.*

An interesting observation was that none of the women saw the technical nature or technical requirements of their businesses or jobs as a challenge. They felt that they were competent and skilled enough to compete in the market.

5.1.3 Journey highlights

The majority of participants felt that a highlight of being an entrepreneur was the support from family and friends to pursue being an entrepreneur:

> *My friends were constantly on my back saying that, you know, you can start your own business.*

In addition, one of these participants spoke about support from friends and family as being critical. Family are able to assist with managing the home and looking after children. Friends support business activities when times are tough:

> *My family are very supportive of it. I have a very supportive mum, who is always babysitting my son when my nanny is not there, so I think*

> *my family offers me a lot of support. They understand when I can't come to events, like family functions and stuff. And then my friends are very supportive. They come to all my events. They're always my back-up crowd. If people don't pitch up, my friends are always there. I do invite them, always.*

Participants we also excited about exploring the opportunity to build a successful business which they could watch grow. There were various accounts on how the entrepreneurs had managed to build businesses into going concerns, highlighting revenue growth and securing large key accounts as milestones:

> *(a) For five years I haven't been receiving any income but I've been building all this now. That is now resulted [sic]. We are sitting on an order book of over about R120 million from R3 million.*

> *(b) So from a point of view of the highlights, I would say Mitsubishi Motors and the Cricket World Cup.*

Another highlight was the freedom and flexibility of being able to negotiate business and family life and time. Running their own business meant the can run the business and spend quality time with their children and travel:

> *With all this knowledge and skills, let me open a consulting firm, that would give me flexibility to even take my kids to aftercare, to sports and all that, and [leave out the] . . . overseas [travel], because every other month I was overseas . . . [this] would give . . . give me some flexibility.*

Independence and autonomy was raised as an important factor for these entrepreneurs. The women want to feel empowered to do things for themselves instead of relying on stakeholders such as government:

> *I think as women as well, we need to realise that nobody's going to come from outside to make it for us. We need to make it happen ourselves because there is a thing that we're expecting Government to do things for us and that. So it's all about us, and we need to drive it.*

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Some of the entrepreneurs are excited by the prospect of being able to express their talent and ambition by doing what they like to do:

> *The haute couture business for me is something that I've always been*
> *interested in. I've always designed my own clothing, my own furniture*
> *and my own home. I like doing that.*

Therefore entrepreneurship is a vehicle that enabled these women to have the freedom to express themselves and manage their time and resources between family and business. The support received from family to start the venture and when the venture was up and running was critical. Their businesses have enabled them to reach great milestones. Through their businesses, they can express their talents and do what interests them.

5.2 General networks in business

This section captures the participant's sentiments on the relevance of networks businesses. It also captures the accessibility of these networks and their convertibility to opportunities that generate cash for the candidate businesses.

5.2.1 Relevance to business

When the participants were asked about the importance and relevance of networks and relationships to their business, they all commented that these were crucial and central to the business because they are core to survival and repeat business. Business is about people and therefore relationships are crucial. People support the people behind the business:

> *(a) [Relationships building] It's crucial. I suppose it is, or it should be*
> *what makes or breaks your organisation. Relationships are what get*
> *you to do repeat business.*

> *(b) We don't have a business without relationships. Our business is*
> *about relationships, it's about people.*

> *(c) It's everything. It's purely about your relationships; people give*
> *work to you not really the company. It's everything.*

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All participants concluded that relationships are central to their business and valuable to survival and success. None were captured as saying relationships are not important or that the business can work well without them.

5.2.2 Accessibility to networks

This section was focused on the participants and whether they found it difficult or easy to access networks. Some of the women found it easy but with the limitations of time, especially because the participants are leaders in their businesses and also have responsibilities in their respective homes:

> *There aren't really major challenges except as managing director, as*
>
> *a woman and a wife there is only so much time in your day.*

In light of limited time, meeting and accessing networks needs to have a clear purpose and value proposition:

> *I don't meet with you unless I know what it's about. Is it something I'd*
> *be keen in? [sic] I don't want to waste your time and my time, like,*
> *upfront. My time is very limited, I have to manage it, so sitting in [a]*
> *crowd meeting with someone . . . we are not making money . . . it's*
> *killing my business.*

One of the most striking observations to emerge from the data is that only one participant said that it was difficult to access networks because of racial and generational profiling challenges presented by these differences. This is surprising because the literature suggests that Black women entrepreneurs have significant challenges accessing networks. It was also surprising because of the prominence of perceived negative racial and gender stereotyping which participants highlighted as challenges of being an entrepreneur in the section 5.1.2 above.

> *I think there are still people, the older people, who are running the*
> *business. So if you do have a connection or a way in, you're fine. I've*
> *been [to see] SA Breweries. It is very difficult and I have been trying to*
> *get into [the company] and it's like every business . . . it is who you*
> *know. I have internal friends who know what I do and [they] suggested*
> *me. I went to him [sic] and all I did was [do] what I do best and I*

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> *proved myself. They then came to me and said, 'Listen, can you work on the business?' That is the big challenge. It is always who you know. There are certain brands that are run by old white people who sit in an office and don't know what's Twitter or Facebook like a young urban-thinking person coming from outside the business. So there are those difficulties.*

None of the participants said it was very difficult or impossible to access networks.

5.2.3 The convertibility of networks to real business

This section was evaluating whether the participants felt that networks can be converted into cash generating opportunities, therefore making networking a meaningful and profitable exercise.

The majority of participants confirmed that they had some experience of networks being converted to cash-generating opportunities:

> *I suppose some of them [networks] you can and some relationships have resulted in the company acquiring new business or repeated business . . . [in the] short term.*

Interestingly, participants are able to convert opportunities from meeting people in public spaces such as airports and on travel. By exchanging details and explain the business to a stranger, it is possible to secure business and grow pipeline:

> *When I meet someone on the plane and then I share a seat, I won't get off that plane without knowing what this person sitting next to me does and what . . . I [can] gain out of what they do. I met a guy at Zurich airport and it has resulted in one of my big projects just by talking to people. The people then give you their business card and then the next time they meet someone who asks them about South Africa and medicine, they mention that they met me at Zurich airport. That's how I'm getting international business. So, I don't keep quiet, I'm very good at making relationships with people, that's how my networks have helped me.*

In some instances, the networks do not convert into such cash generation:

It hasn't translated into business for me.

Another participant added that networks can go from hot to cold, leading to no opportunities or revenue:

Some become dead networks. Sometimes you follow somebody and realise . . . . It's a dead end. But it happens. It's part of the journey.

For others, networking is merely about socialising. There is exchange of details with numerous people but nothing comes from it. Even professionals platforms such as business associations can be good for making friends but with not for generating opportunities:

You know there is [sic] a lot of networking sessions, and I used to find them in cocktail sessions. You go there; you get to give your business card with the hope that somebody will remember you. At the end of the night you've collected 20 cards. You don't really know what those people do, unless their card is very . . . you know, descriptive. And there's never an outcome on it, unless you're physically going to sit with your 20 cards and phone those people and say, 'Hi, I met you at this event, can we make. . . ?' To build on that network, because otherwise you're just attending functions, and I've stopped. I mean, I used to do businesswomen associations and a whole lot of other small business networks I used to attend, but out of those sessions all I made was friends.

There are cases when the value is not cash but other resources. Networking is seen as a positive experience because it yields other benefits. These include profile and brand enhancement and access to broader networks which add value to another part of the value chain the business:

(a) Networking? It hasn't directly but I guess I would say it enhances my profile as a business person. It enhances my profile as a publicist.

(b) It doesn't really translate directly into business [but] it's definitely good for the brand.

(c) I've used their networks to be able to get buyers or to be able to be introduced to designers out there, or to be able to get the fabrics that I

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> *need so cheap. Someone will say, 'Instead of going to buy there,*
> *actually, let me introduce you to someone who knows somebody who*
> *will get you the fabrics at cost'.*

There were varied experiences and responses with regard to networks and converting them into cash- generating opportunities. Generally, networking and networks yield some kind of value, both monetary and otherwise. There are cases when they do not.

5.3 Bridging and bonding social capital

This section describes the value and use of both bonding and bridging social capital to Black women entrepreneurs. It also describes how the participants access social capital and how much effort and resources are invested in either form of social capital for the benefit of the business.

5.3.1 Emphasis on building social capital

The participants were asked to ascertain how much effort is placed on building arms-length networks in comparison to nurturing existing relationships. The most prominent responses were that the business focused on building wide new networks with new people:

> *We focus on new business. You know the thing with [the] events and*
> *wedding business is that it's a start-stop business. So I meet a*
> *customer, I give him a certain service or product. They have their*
> *event, it's finished, and it's over. So there's not really a lot of retaining*
> *after that.*

The development of new networks and relationships is not limited to customers. It includes suppliers as well:

> *We constantly also interact with other suppliers. And supplier*
> *relationships are also quite. . . . You might find someone who can't*
> *deliver on a specific event. The suppliers will refer you. So, I mean, I*
> *don't struggle with building relationships with people.*

In pursuing new contacts, visibility and presence is important, which includes having online presence:

> *I think one of the most important things is to be seen and to be at events but also just to put yourself out there online.*

Of equal mention was the fact that, although much effort is placed on looking at connecting with new people, the entrepreneurs still invest time in nurturing existing relationships that bring additional business. By focusing on providing opinion leaders and key accounts with great products and service, the entrepreneur is able to access a wider network of potential customers through referrals:

> *There's one lady that I know in Nigeria, and she has a network of ladies. She is pulling literally the whole of Lagos. To me, that is a market that is amazing. If I could just sell one piece to one person, I'm done. I'll make so much money. And I've been following her for a few months. And I know if I can just get to her and get to that network of women . . .   she's got so many things on the go. If I can get to her and I get her network, that's business for me.*

And in terms of online behaviour and approach to networking, a similar trend is apparent where most energy is invested in building new networks:

> *I would say in terms of Facebook, it's 30% on current networks (people that I've known before) and 70% people I don't know.*

There are participants who focus on existing clients and make some provision for new relationships. Their focus is existing relationships because customers have a relationship with the business that has set expectations and built a rapport. New customers also require investment of time:

> *[A] 60% to 40% split. Sixty per cent would be with clients that already exist because they understand who the company is. They understand who the managers or leadership of the organisation are and the kind of work that we have delivered. I suppose with new clients or new relationships it takes sometimes a bit longer, unless if the person you are chatting to is desperate, [and] more especially if you are a small consulting firm.*

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It is also easier to manage a crisis with existing customers. The trust in the relationships gives room for mistakes to be rectified. This is done by facing the mistake head on. Mining an existing customer base can be profitable:

> *We have delivered quality service to our clients. We don't run away from problems because you will get problems, unfortunately, and we build relationships by saying to our client, 'Here we've really messed up but we will stick around and fix the problem,' and when you do that, you tend to build a trusting relationship with your clients and that's what we try to do because we realise that the business is where you can't be all the time . . . [by] going out there and looking for new business/new clients. The way to grow is by expanding your services or your products with the client that you've been servicing.*

Therefore new customers and networks are the major focus of most entrepreneurs in this sample. However, it is a mixed approach which makes provision for managing existing customers. There are entrepreneurs who prefer to mine existing customer base because of trust and relationship that has been built over time.

5.3.2 Platform for accessing and maintaining networks

These questions in the interview guide sought to understand how the entrepreneurs access their new networks and how they nurture existing ones.

In terms of new relationships, the participants overwhelmingly preferred being referred by another person. Referrals by colleagues can be a powerful tool to getting new business:

> *I have a forum called the PR Pow-wow where the . . . like, urban publicists . . . Black publicists get together, like, once a month, and we talk about stuff. We get together and we talk about these things and we address each [other about] that and we bring business to each other . . . like, if I can't take on the business for some reason I refer it to one of the other five people.*

Through trust, quality products and relationships built with clients, repeat business is possible. Further, clients will refer to new customers:

> *Making sure that the client trusts that you're going to deliver on what you're going to deliver . . . and the follow-up after the event. Hopefully they will refer you to someone else.*

The second most preferred platform for networking, based on the number of responses from participant, was professional forums:

> *I think there are a lot of people that have come up with a lot of innovative ways of getting women to interact. I mean, there's a forum like Women in Engineering . . . there's [sic] all sorts of institutions or organisations which try and bring women together.*

Randomly meeting people at events also exposes these entrepreneurs to new people:

> *Because the industry is so fickle you have to completely immerse yourself in this market, so my strategy is: I am always at events. I try and go to events, only if I'm actually working there, but there are events that you need to go to meet new people.*

Another way to meet new people is to invite and interact with them on social networking sites:

> *The other way [to meet new people] was to obviously invite various players in the industry especially middle to senior management who are decision-makers; to invite them on LinkedIn or Facebook and just keep tabs on where they are moving to; and [I] suppose once in a while, send them e-mails and try and meet with them.*

Face-to-face interaction was mentioned a significant number of times as the preferred approach to managing both new and existing relationships. SNS, although a powerful tool, it doesn't allow participant to really get to know the person. Face-to-face makes it easier to know people deeply, which could be a preference for those that prefer the traditionalist business approach:

> *I can put my best face forward here, and that is the thing about Facebook and Twitter. Often people have a certain persona and then a crisis hits and then you see who they really are, but if I have that kind of face-to-face relationship with you where I engage and interact*

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with you, I have much more background to who you are and a sense of what kind of person you are. It's, like, social media will never really replace a face-to-face engagement. I think it is a powerful, powerful tool, but you need . . . you need . . . you need that one-on-one too - for trying to be really assured. We are still very old school.

Although face-to-face was preferred, most of the participants favour a mixed approach that uses both face-to-face, telephone and SNS:

I try and combine the two. Once in a month [sic] I will try do a face-to-face with a client. When there's a crisis on site, instead of just picking up the phone and saying, 'Yes?' I pick up the phone and say, 'Okay Mr Client, we are looking at the problem'. But make sure that in that period, you're still [going to] . . . visit the site because then they can see your commitment, because anybody can pick up the phone and say, 'I'm promising you, as soon as I drop this phone, I'm going to do something about it.' But when you are present on site and not only . . . not only [do you] talk to clients, you also talk to the people that work for us because if there's an issue and we, as the leadership of the company, are also present there. . .

Another mixed approach includes the use of e-mail with the other methods of communication for convenience and customer relationship management:

We use both, but in fact I mix. Once in a while we will drop an e-mail, to say, 'Hey, how are you doing? How are things?' But if we['re] still doing the job, then I prefer face-to-face. So I would go and visit the client - you know, periodically, just to say how we are doing, 'How are the guys doing? Are you still happy?' So our existing clients prefer more face-to-face, . . but you don't always get the time to drive out. So you drop an e-mail, you drop a phone call. Just to check how things are.

5.3.3 Most value derived from bridging social capital

This section is focused on getting responses on what the participants believe is the most valuable thing they get from building new arms-length relationships, particularly accessing it via SNS.

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The single most striking observation to emerge from the responses is the importance of the business's reputation, a trustworthy brand and the credibility to capture attention of new networks:

> *We get business because people believe in us. We are in a contracting space . . . there's a lot [of] contracting companies out there and I believe that we get business because we've built a reputable business.*

Securing a big client improves credibility which assists in securing other clients:

> *All you need is to get that one and, for us that one was Mitsubishi Motors and Chrysler. Once we got that as a client - you know, Mitsubishi as a client . . . it just, kind of, added a credibility to our offering that would actually pilot into other projects.*

Frequently mentioned was the fact that SNS are a tool for building a good reputation and brand but if misused, SNS can also adversely affect reputation and brand. The room for error is small and the negative effect to the business is amplified:

> *One ill-timed tweet can throw my business. If something happens in the office and one of them decides to rant and rave on Facebook and mention my business, I'm in trouble. If someone decides to go to* HelloPeter *and say something about my business, I'm in trouble.*

Therefore, the value of bridging social capital is that it allows the entrepreneur to use their reputation and brand to get business, cautiously leveraging SNS to attract other new business.

Another benefit of bridging social capital is the ability to access information, mostly using SNS and new networks.

> *(a) I think I use it to keep myself informed. I use Twitter and I don't have people following me. I follow certain people, mostly because I'm interested in their viewpoints on certain aspects. So I would use that more for myself for information.*

> *(b) Technology! We've got so much [access to information]. . . you can get so much information from those things.*

Another advantage is that weak ties enable participants the ability to break barriers of entry into meeting other new people. Bridging social capital also empowers the entrepreneurs to circumvent gatekeepers who may prevent access to people or resources critical to the business. One participant explains:

> *I suppose there would be certain people that one would not necessarily have the opportunity to meet in any forum whatsoever and often you find that there would be various gate keepers at the office. If you try and call them directly and you speak to the personal assistant or somebody in their office, they would want to question you to try and find out where you [are] from, what you want to do with the CEO or the GM or HR. They would want to meet you first and almost, like, assess you first before they could refer you to the person that you would like to meet. Knowing someone who knows the CEO can get you direct access.*

These wide networks also provide access to people, partners and talent which some of the entrepreneurs use:

> *Everybody knows me and I know everybody. I call them and say that I want a production manager with this experience, do you know of any? 'Oh yes, there's this young girl, I think now she's gone to so and so pharmaceutical company, . . .' etc.*

5.3.4 Most value derived from bonding social capital

Similarly, this section was dedicated to ascertaining the value of bonding social capital to the entrepreneurs, with some reference to SNS as a platform.

In terms of the value of close relationships to the entrepreneurs, the most significant contribution is that they offer motivation and support:

> *I think I need their support, particularly from a nuclear family point of view. I need my husband's support. I need my mother's support and from the people that are close to me. Those are people . . . when I'm stressed or something has gone wrong . . . like, if I lost money. I may have sent money to Kenya to buy fabrics and guess what? I've got nothing out of it. They'll say, 'No, its fine, it's okay, you'll be okay,' . . .*

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> *maybe, 'Let me help you, I know somebody who can do this,' or*
> *whatever the case may be. So the support that they bring to the table*
> *is important.*

And generally, for the entrepreneur, finding people for support is important because business is tough:

> *It's a very tough environment and you need to be a tough cookie to*
> *some extent to be able to survive it. But yes, I think . . . the most*
> *important thing is identifying people that are supportive and when the*
> *going gets tough.*

There is an observation that some of the entrepreneurs believe that family matters in how well their business fares:

> *Family wellbeing is very important. Somehow, your wellness includes*
> *the wellness of your family. The wellness of your family does impact*
> *on your business.*

Some of the entrepreneurs have family that contribute to the actual business without being part of it directly:

> *When I think about it, when I think about my sisters alone for example*
> *(they travel quite a bit) and because they know what my business idea*
> *is about, they're always on the lookout for something for me. My*
> *brother-in-laws [sic] . . . everybody is on the lookout because they*
> *know my business. So, they bring stuff . . . [to] the table.*

In some of the interviews, the women entrepreneurs alluded to the fact that family is directly involved in the business and contribute to the growth of business. The quotes include this opinion:

> *Right now, my boss is my husband. He joined me end of 2010 and*
> *he's very highly commercial and he's got a legal background and so*
> *he brought [that to] the side [what] I'm not . . . so we're complimenting*
> *each other. So, he drives things, and I make sure that the standards*
> *and everything [are] met. You know what I mean? So, as such, this*
> *has now transpired into a family business because when the two*

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> *partners left, I was left alone then he joined me. Now it's owned by the*
> *family trust.*

We can therefore conclude that most of the participants focus on building new relationships, with resources also being invested to maintaining existing relationships. Referrals are the most popular method of meeting new people. This is through SNS as well as face-to-face. Professional forums, random events and SNS also play a significant role in getting access to new people. Most of the participants use a mixed approach instead of using one platform to meet new people and manage existing relationships. Face-to-face remains critical for building rapport and trust. The most value derived from bridging social capital is being able to build a brand and accessing information and people. Bonding social capital offers support, motivation and resources for the business from family and friends.

5.4 Social Networking Sites and Networks

A significant proportion of the interviews were dedicated to getting participants to share views on the usage of SNS. The participants were also asked questions with regard to the advantages and disadvantages of using SNS.

5.4.1 Usage

This section focused on how the entrepreneurs used SNS for both bridging and bonding social capital. It was interesting that some participants confessed to not being big users of SNS.

> *So I'm not very big on, like, Facebook.*

Although competent in other aspects of business, some participants have little enthusiasm about using SNS.

> *You know, yes, IT is enabling. My son is a computer engineer and he*
> *thinks I'm the most stupid IT person the world has ever met. He says,*
> *'My mom is very clever: she used to get distinctions in maths,*
> *chemistry and physics and everything but she knows absolutely*
> *nothing about computers. If her mouse is not working, she calls me.'*
> *So, Twitter and Facebook . . . don't ask me about them. I don't do*
> *those things.*

But there are other women entrepreneurs who are big users of SNS, being active on from the moment they wake. They use it to communicate to vast number of people balancing personal and business use:

> *Well, when I wake up, my two phones are next to me . . . so on the one, I check my Twitter. I reply to as many as I can because of 20 000 followers. We are going . . .* [through] *. . . like 50 messages in the morning - minimum - and then on the other, my iPhone, I will check my Instagram, and I've got company accounts on both and I've got . . . . on Instagram and on Twitter, and then after I check my personal . . . I then check my company.*

Some entrepreneurs use a number of different platforms to communicate with other and share ideas and information:

> *I use it regularly; I run four Twitter accounts, two Facebook pages, IG, LinkedIn, and our websites in general. While there are people to run the actual development and research, I like interacting with people and sharing ideas and thoughts and also having a personal touch on a lot of our communications.*

Very importantly, a significant number of participants said they use SNS it primarily for interacting with friends and family, particularly catching up with old friends:

> *(a) But also, just to get to meet up with old friends that you are able to get hold of - especially because you are able to see where they are working at that present moment.*

> *(b) Facebook I probably go on quite a lot, but it's more just to see where my . . ., it's more a platform for my old schoolmates who [sic] I have lost touch with them . . . and Facebook came, so we sort of got together.*

An interesting contribution was that SNS is an additional platform for engagement with familiar people.

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> *They (SNS) definitely enhance existing relationships because that is
> just another layer of interaction and engagement.*

Some participants said that they use e-mail as a bridge between SNS and face-to-face interaction because it keep a paper trail. Email is usually supplemented by telephone call:

> *We use a lot of e-mails. They are good to keep records because then
> you can say, 'But I did send you an e-mail.' I always say, send an e-
> mail and follow it up with a call because e-mails can be very detached
> at times. It's good when you pick up the phone and say, 'I've sent you
> an e-mail, please look at it.'*

Another very useful function for entrepreneurs is to mitigate the distance between family, friends and colleagues:

> *So I think that it is helping a great deal in bringing family together as
> well because the young people . . . that's how they want to connect.
> That's where they feel comfortable. I don't think that my kids will battle
> to connect with their cousins from the rural areas.*

Because SNS is digital and available all over the globe, users can stay connected to family and friends when they travel all over the world:

> *Facebook has been helpful in terms of maintaining connectedness.
> I've got relatives all over the world. My family travels a lot. We travel
> quite a bit and we're based all over the world in different countries,
> and that has helped. The digital platforms have helped us maintain
> contact.*

SNS is used by children as well. It therefore allows mothers to stay in touch with their children as an additional communication channel. This is particularly important if the children are avid users of SNS:

> *I am a helicopter mother because during the day I find time to
> communicate with my son. That's why I also like Whatsapp because I
> can check how he is doing . . . so social media is very, very,
> important. The funny thing, he doesn't check his SMS's but he checks*

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his Whatsapp. Also, a Whatsapp from my son is important; everything
can wait so I can respond to him. He is far away and he could need
me. I'm a Whatsapp mom: when my son Whatsapps I'm on my toes .
. . it's very, very important.

Therefore participants vary in terms of usage level. The common view is that it is a powerful tool for personal and professional communication. It allows participants to stay in touch with family and friends. It is also useful when distance is a challenge to communication. Most participants use it to manage close relationships and to fulfil motherly roles, especially when children are users of SNS. Email is seen as an important medium between face-to-face and SNS.

5.4.2 Benefits of usage

This section is an about the advantages of SNS and how it has contributed to interacting with family, friends, customers and stakeholders, yielding improved outcomes for the business.

SNS assists in sharing information, documentation and media. This is in light of both weak and strong tie relationships. A general sentiment is that information is readily available on SNS but it is not particularly well organised:

So I follow Facebook comments, but I just think that I just don't have
the time.   I probably need to make time to socialise more on social
media because I think with technology, we've got so much. You can
get so much information from those things, but it's being able to filter it
in such a way that you can take away all the clutter because, I think
these days, there's nothing that you can't find on Facebook or Twitter
. . .   you will find everything.

The timing of receiving the information ahead of others can also be beneficial:

I suppose it's, . . . we get to know of most things before they really
come out, before they [are] really official.

Other key contributions of SNS are the ability to engage clients and customers to ascertain satisfaction levels and get feedback. Some participants also pointed out that if not managed well, SNS can also work against them:

One of the biggest brands in the country has an agency that does their Tweets for them and they're not always on the ball. It's a normal agency . . . they do 09:00 to 17:00. So at 17:00, the lady switches off, logs off, leaves the office. Here comes a complaint at 19:00, saying your brand sucks . . . so it's not being addressed till the next morning 08:00 when she comes in. That's a big problem for a brand. So much damage can be done in that time. Seeing this risk . . . they've approached me to take on that business account.

SNS also decreases costs of travelling and allows entrepreneurs the ability to access spaces that are geographically difficult to access:

I'm able to reach spaces where I cannot be . . . physically. So the ability to cross borders virtually . . . that is the greatest thing that a digital platform gives to me and my business. I can reach anybody, anywhere, as long as I've got their contact details of the digital platform, whether e-mail or Facebook, whatever the case may be.

The most significant value proposition of SNS based on response rate from entrepreneurs is the fact that it enables one to access a wider pool of people who can be converted to business. One participant said:

We have met some great new clients online, or someone has referred someone to us. The trick is then to keep it clean because you don't know whose reading and following.

A significant quote from one of the participants to prove SNS provides access to people which one would normally not be able to access is:

I remember, like somebody was making an example of a young man, who during [the US] presidential race tweeted Barack Obama a question, and Barack Obama tweeted an answer back. That changed everything for his career.

The SNS can also be icebreakers in creating relationships. It is often the first step to building meaningful relationships with new people. It is a platform to assess peoples interests and compatibility.

Because of the kind of engagement we have had on social media, we know what we think, we know that we are in sync on certain things, and now I can say she is a friend. It can literally create relations from nothing.

The entrepreneurs believe that it also allows them to profile themselves or to check the profile of other people to find out more information about who they are and what they do. It is good for background checks.

But from a point of view [of] how it has helped in my business, what I realised is that with Facebook, LinkedIn and Twitter, all of my clients have probed my LinkedIn to do a background research of my company. They are no longer satisfied with checking your website. They will go into your Facebook profile and check who you are friends with, what it is you are saying, what you are talking about.

Most of the entrepreneurs believe that SNS has made a significant contribution to black women businesses to leapfrog over constraints in certain aspects of business.

I think it has really changed that landscape. It has really helped a great deal in terms of accessed information because, I mean, we even have mobile phones where you can start developing from anywhere. There are no criteria to accessing the platforms. Whether you are White or Black or blue you can get in. So I really think they've contributed a great deal.

An important comment, specific to women entrepreneurs, was about how SNS allows women to be active in business while going through pregnancy:

I was expecting a baby, but being able to keep a communication loop, using the social media helped. Imagine if it wasn't there, what would I do? They (customers, clients and stakeholders) won't understand that . . . but the constant communication keeps me relevant.

One of the frequently mentioned benefits of SNS is that ii is easy to use and allows for a bigger scale of communication:

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> *It makes it easy for communicating. If you want to communicate with people, like there, I don't have to go visit you . . . I can put something on our website and it can be read by millions and millions of people out there.*

The fact that SNS are free makes it a cheap platform for marketing and communicating the offering, or to get assistance and information on business:

> *Being on SNS is helping me, because I don't have to pay an expert.to say, 'Okay, can you tell me this?' and pay per hour. No. I'm using my friends, those that I know that will give me advice for free before I actually start to pay anybody, so those two are very important aspects of the business.*

For some entrepreneurs it brings better return on investment on marketing than some traditional media because it is easier to track activity on SNS:

> *So when we started for the first six to eight months we did traditional print media, which is very expensive. We spent between those six to eight months an average of about R80 000 on advertising, because on average a full page ad is like, R10 000. I soon realised that I don't think that you reach the people that you actually think that you're reaching. It looks lovely, yes, it is in a magazine, yes, it does build your brand, and it is necessary to a degree, but you get a better return on investment from social media.*

Businesses that don't have the capability or time are looking to outsource to meet trends and the demand for SNS's interaction:

> *What I'm trying to do now is I'm trying outsourcing that function and having somebody that manages the social media and that side of things. You have clients posting certain things and they need answers and on that day you are in meetings.*

There are many advantages to SNS. Most importantly, it is an information highway that allows for free access and sharing of information to a wide pool of people. It allows entrepreneurs to communicate over long distances speedily, and users are able to track

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information. Users are able to access people and information which they normally would not be able to.

5.4.3 Challenges of use

Although there are numerous advantages to SNS, the Black women entrepreneurs on this study raised some concern about SNS.

One of the issues raised was that getting access to people via SNS is not always easy because people are unavailable:

> *People are not always available. If people don't know you, they won't give you the airtime or they won't be quick to give you the attention that you need.*

There were significant responses that one cannot trust people to be honest about who they are and what they do. Participants therefore have reservations about connecting to new people when solicited:

> *Sometimes I get a lot of invites that I just ignore because I'm not sure. Shall (sic) I be accepting it, should I not? I don't know these people and some people have funny names. They have pictures I don't understand or I don't agree morally with, and they want to be a friend, and I'm asking myself, do I really want to open myself up to these things?*

SNS presents challenges in building rapport and getting to know your counterpart. Face-to-face is considered better for relationships, especially for business. Age is also mentioned as a possible reason for preference:

> *So I think I'm maybe old school in that I still believe in knowing a person before I network with. Because even if it's just business, I have to choose who I do business with. I'm not just going to take everyone and say I'm just going to do business with everyone. So it becomes very difficult especially because there isn't a requirement to say a picture that you put there must be a picture of yourself.*

Some of the entrepreneurs struggle with making time to be on SNS. They cannot keep up with the levels of activity:

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I tried to . . . I created a Facebook page and I was getting so many comments, I was, like: no! I can't keep up with this. You know, every two minutes … beep, beep and I'm like, thinking: No! These people!. . .

Some SNS become abused by users. They can also be full of useless and irrelevant information. There is too much noise for those like the following participant:

On Facebook, if you're following somebody, they tell you they slept drunk. Oh please! Come on, come on . . . And then. 'This celebrity changed her face, she's now White, oh please, please. If Facebook was telling me in the morning in Europe, in Tanzania, they have invented one, two, three interesting product[s] aligned to my business, I would subscribe to Facebook, but now I can't be following somebody [who] talks about yesterday they were going out, there was a party and this one was drunk and then this one was see[n] with so and so's girlfriend, oh please! That's why I don't read [The] Daily Sun.

There is also a huge risk of saying something that will hurt your relationships, reputation or brand on SNS, especially for women:

Women. . . We talk a lot, it's just our nature. We love saying things. When you have a business profile, or a person owning a business you have to be careful what you say. I can't rant and rave on Facebook about anything personal because tomorrow I'm going to be seen by a business partner or maybe someone sees me on Facebook and they see all these things . . . even if this is another part of my life. That could affect a relationship that could possibly be good, and now become sour. Whatever image you portray should balance with your business in mind. You and your business have become one. You are the face or brand of the business for as long as it's operational. So social media platforms, whether you use it for friends, family or business, you just need to be mindful of all those things.

Security of information is a big concern. A significant number of entrepreneurs mention that they do not know if their information was secure. One said that:

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Security would be one of them I suppose. Sometimes we have heard in newspapers or . . . people would say sometimes [that] you engage with someone and you are not actually engaging with the person that you think it is, [such as] hackers stealing people's profiles, and I suppose people guard themselves against that.

There is a view that productivity suffers because of SNS:

Productivity, I don't know. I've been to a couple of conferences where they said social media works for their business. But I've always had the view that it doesn't work for a business.

Lastly, and importantly, some of entrepreneurs felt they did not have the education or know-how to maximise SNS:

I mean for me, I think lack of education around how these things [work]. I don't know of any formal programme that you can go to where they will tell you how to fully exploit them. I think you are left to figure them out on your own, which needs time, and one of the things that I've also come to experience is that the minute you start interacting you cannot stop.

They therefore resort to outsourcing it to other people and service providers:

What I'm trying to do now is to outsource that function and have somebody that manages the social media that side of things, because you have clients posting certain things and they need answers and on that day you are in meetings.

The challenges of SNS include the fact that its scale becomes its weakness. It therefore difficult to find exactly what you are looking for and people can misrepresent themselves and their profiles. Security of information is a bug concern. Large amount of information can become noise and productivity suffers because of SNS. Users are sometimes not educated or trained on how to maximise SNS and therefore outsource the solution.

5.5 Gender parity in access and network usage

This section is focused on the potential differences experienced by the entrepreneurs in comparison to their male counterparts in terms of accessing and using networks.

5.5.1 Access to new and wider networks

Some of the entrepreneurs felt that access and use of networks was the same for men and women:

> *I think social media works for everyone, whether you are male, Black, White, Coloured, grey, gay, straight, bi-sexual. It puts us all on the same level . . . like, if you're talking sense and you have credibility it doesn't matter if you're Black or White. I mean right now the top people following in this country are Gareth Cliff, Fresh, Bonang. So there's a female there, there's a Black guy; there's a Black woman . . . so it's really about doing your thing out there and getting the reaction of the people. I really think it's given us a fair system, like everybody, anybody [can] tweet, anybody can get on social networks, which is what we're talking about.*

SNS has been the great equalizer to accessing networks. There is also an acknowledgment that women must empower young girls:

> *I think it's levelled in terms of everybody has got access [to networks] and nowadays . . . I mean, they are promoting women business especially Black woman. All I wish is that all Black women that are out there are not fronting, that they really know what they're doing. We should participate and we should encourage Black girls in terms of taking careers that are sort of male dominated.*

A slight majority, based on the number of responses, of women believe that men still have better access and use of wide networks and platforms because men have platforms such as golf and drinks sessions:

> *(a) I do definitely think men have an advantage . . . the guys play golf . . ., it's a business on the golf course. I need to start playing golf. I think with men there's [sic] different platforms; my husband does a lot*

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of business deals that he makes in restaurants, on the golf course, on a flight . . . like they're always on the run. So I think there are very few that are exclusive to men but I think they're definitely . . . different from ours. I am not saying that ours are only in the nightclub or like non-serious places, they're grand . . . I would love to take up other platforms, like golf; to make jokes.

(b) You know guys can sit over a few beers and it becomes a deal at the end of the night. It's done there and the other guys refer each other. They just make it happen. With females it's a longer thing. I mean, that's the reason why I chose not to have partners, because I've walked the journey of partners.

A reason for the difference in access to networks is that men and women have different priorities and opportunities to engage, especially because women have additional responsibility in the home:

We can't take away the fact that you're still a woman. I'm still an MD between 08:00 and 17:00 or whatever, and when you get home, you still have kids to take care of, you still have a hubby to take care of, and so forth . . . and that's why I was saying, we need to find our own way of socialising because clearly, if I still have to go home and cook, I can't be expected to be at a pub at the same time as men. So yes, as women we can make decisions. I can decide that I'm going to sacrifice my family life and focus on my career. Then there's nothing wrong with you going and having a pint with the guys at a pub. When you're still young, starting your career . . . it's easy to be one of the boys because they're still altogether. You get to an age where you get married, you've got kids . . . your priorities change, the way you allocate your time changes.

Few of the women entrepreneurs believed that women have better access to networks than men, attributing it to women being socialised as better communicators:

If anything, social media is almost nicer to women or more accessible or it is more useful to woman, because of the whole theory that women are more communicative. I don't think women are more

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communicative, I think women are socialised to be more open about how they feel and what they think. Men, I think, are socialised to be stoic . . . a bit more reserved about, you know, sharing their opinions. So in many respects social media, I think, is more a feminine tool and not that women are genetically engendered to be much more communicative. It is just that we are socialised to be. We are socialised to talk back and forth . . . so if you are a communicator, social media is an amazing tool for you and it's for me.

Another participant believes women are more serious users of SNS by using it to contribute to business:

I think men are slightly less serious about their use of social media in the sense that it's always more social or sports-related or commentary-based for them. Women use it far more aggressively, I think, to build entire brands of themselves, their businesses, their activities and interests.

Therefore, although there are a number of participants who believe that access to networks is equal for men and women, majority of the women believe that men still have the advantage. A minority believe that women have an advantage. The differences are explained mainly by the opportunities that men and women have to network which are influenced by roles in society.

5.6 Racial parity in access and use of networks

This section was to get participants views on whether race has an effect on access and use of networks.

5.6.1 Access to new and wider networks

Similar to the gender outcome, a number of participants said that all races have equal opportunity to build networks and that there is no longer a racial prejudice about building wide networks, especially in urban areas. One outlined this view as follows:

In Johannesburg people are at a point where race is not necessarily an issue but rather your competence, especially with LinkedIn. The

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more you show your competence or competencies, and where you have been, both Whites [sic] and Black people get attracted. How you write your profile is more important than the colour of your skin.

Networking has become a necessity for all racial groups and Black young people have realised that. There is an understanding of the consequence of not networking.

And I think young Black people have become wiser, because we realise that we need each other, and we are all over the place and digital or social media is the one thing that will keep us in contact with each other. We are becoming wiser [sic] to say if we don't network, it's to our own peril. But if we do, it's to my own advantage. So what have I got to lose? And I think that's the mentality of being an entrepreneur. You've got nothing to lose except your business, except your money, so if we get that thinking right then we can succeed.

On the other end, there was significant evidence from responses that being White affords one better access to networks. White people were perceived by participants to being better at using networks to unlock value for business because they build each other as opposed to Black people:

I said earlier to you, that I still believe White people run this business. There are lots of these of guys that tender work to each other and whatever. Black people, we're not even trying to pull up our brothers, we're keeping that money for ourselves. When I get a tender, I kind of might [sic] get my best friend involved but I don't. Our mentality is different.

White people have more established networks which are accessible to new entrants which is a great advantage:

When I look at White people in South Africa . . . (I'm speaking from a point of view, this is all from observation) . . . their networks are fairly more established than Black people's networks. So you see that if the young person wants to start a business . . . a White person wants to start . . . their father or their auntie knows how to get them to that person that they need to meet quicker than probably me, who has to go through five people to eventually get to the person I actually want

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> *to know. And I think it goes with the way that . . . or the number of years they've been doing business.*

According to the participant, Black people do not interact socially enough around business. Amongst other things, Black people prefer to discuss politics:

> *I think, if there's one thing that black people don't do . . . [it] is networking . . . White people, would have a braai at home and invite all their potential clients . . . they would have that. And yet I don't find a lot of Black people getting together to discuss business, I don't. Black people get together to discuss book[s] or politics and I don't know what else. So I do think that White people network better than us.*

Interestingly, geographical location and historical context were said to have an effect on networking opportunities:

> *In order to break it down: when you say, 'access to networks', I think about a young person in the township who is trying to start a business today . . . their ability to access networks is limited maybe based on their geographical location; maybe the people that they've known, because networks are generally borne out of people [sic] that you know; 'I know you, now you can introduce me to somebody else,' so the quality of my existing network determines how my larger network is and how it's going to develop.*

Socio-economic factors also differentiate peoples' ability to access and use networks..

> *Where I come from, in the Free State in Heilbron, the majority is Black and [the] minority is White. But the minority of White is just as poor as the Black youth, so they [are] disadvantaged in the same way. The only difference [is] that the Black kids are more in terms of ratio.*

Therefore access and use is balanced across races but not across class levels:

> *If I leave Heilbron and come to Gauteng, Johannesburg, Black kids or Black people here are almost on par. If you then break it down and think about Diepsloot and Zola Black kids in comparison to the urban*

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*areas or kids in the North, [the] kids in the suburbs have better access
than the Whites, so I don't think it's a race issue. I think it's a socio-
economic problem because there are White people who have nothing.
So it is easy and a better escape to say White people have more than
Blacks. The gap will never be the same. There will always be a gap in
terms of economic[s] between Black people and White people and the
gap is wide, it's very wide. But, when you come to technology, a lot of
people now have access to technology. Maybe their gadgets are
different and maybe because your gadgets are different, they may
have more access to whatever else. I personally feel it is not a race
issue, it's an economic issue.*

Only one entrepreneur said that Black people have better access networks than White people. This is attributed to the fact that certain markets are geared towards certain racial groups. Therefore businesses in those areas flourish if they share similar characteristic to the market, race being one of them.

*In the Pretoria area our market is Black people so we don't have to go
through racial barriers to make our business a success. It's [sic] our
people; you speak to them in the language that they understand; you
take them through the contract in their own language; translate the
contract; and then make . . . [them] understand what . . . [they] are
signing for. We've built that trust and it's just been easy from that
point of view.*

Therefore, in terms of racial and gender parity, there were significant responses that suggest that White people and men are still at an advantage. However, a number of participants felt that the gap in in both dimensions was not there and that other factors such as location and socio-economic factors affected access and use of networks. A minority in each case though that Black women had an advantage over their counterparts.

5.7 Chapter conclusion

In terms of this chapter, the participants provided the interviewer with loads of data. The responses were detailed and focused on the experience and perceptions of the participant.

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The chapter was detailed in its account of the experience and journey of an entrepreneur, capturing the highlights and challenges faced by entrepreneurs. Relationships were found to be central to business success. All participants therefore invested time in building and nurturing relationships because business is about people. The chapter also captured the participants' views on bridging and bonding social capital. Most of the entrepreneurs invested resources in building wide networks but not without some focus on existing relationships. Each form of social capital had its benefits which assisted the entrepreneurs in getting ahead. SNS was seen as a powerful tool for accessing and building new networks but most participants used it to interact with family and friends. Although SNS had many advantage, it also had challenges which were largely linked to its benefit- scale. In terms of access and use of networks by gender and race, White people and men had the perceived advantage, but significant ground has been covered to level the playing fields through the use of SNS. According to the participants, gender and race are no longer the most prominent differentiators. Other dynamics need to be considered when exploring use and access to networks such as location, income level, education, access to resources and other socio-economic factors need to be considered.

CHAPTER 6: FINDINGS

This chapter is dedicated to analysing the results of this study in more detail. The chapter will summarise the relevant literature and compare the literature to the results of this current study. By doing this analysis, this research is able to confirm, complement or contradict the literature, therefore making a contribution to academic work done on Social Capital Theory. This chapter is structured according to the different dimensions captured in the propositions and ultimately, the research question. This is aligned to the coding process which was derived from the interview schedule. The result of this process allows the research to draw conclusions which will be explained in Chapter 7.

6.1 The entrepreneur experience

The journey of being an entrepreneur has common as well as unique highlights and challenges. The historical context of South Africa also adds dimensions for Black women entrepreneurs. The following section analyses the literature and results of this study in terms of the entrepreneurial experience and journey.

6.1.1 The journey as an entrepreneur

This section is focused on explaining how participants felt about being entrepreneurs, in comparison to the literature. There is a focus on the highlights and challenges of being a Black female entrepreneur.

By definition, women entrepreneurs are the group who initiate, organise and operate a business enterprise (Sarman & Swamy, 2012). Further, the promotion and development of women into entrepreneurs is one of the critical success factors of successful national economic development strategies (Sarman & Swamy, 2012). There are necessity-based and opportunity based entrepreneurs who enter business for different reasons (Sarman & Swamy, 2012). Some women pursue business to apply a skill or talent and for uplifting their self-esteem and self-sufficiency (Herrington et al., 2012). Other reason include wanting to improve their social, educational and health status for themselves and their families (Sarman & Swamy, 2012). Through business, women can also satisfy their need for achievement, have autonomy in decision-making with an internal locus of and the ability to control their own future and destiny (Bann, 2007; Hodgkin, 2009).

Through interviewing Black women entrepreneurs, this study found that women entrepreneurs find the journey tough. They felt that it is an emotionally demanding and challenging experience that needs support from family and friends as well as some courage and tenacity. Although it is challenging running a business in uncertain environments, the participants found it to also be highly rewarding because the entrepreneur can build personal wealth, gain the admiration of peers and make a meaningful contribution to society. Entrepreneurs in this study leave the corporate world in search of new experiences and to apply the skills they have acquired for their benefit instead of for a corporate entity. It is a space for the participants to define themselves outside their roles as mothers and wives. Although there are challenges, participants believe that the benefits make it worth the effort. They also feel that they make a meaningful contribution by opening the path for younger women and making a worthwhile contribution to the country.

The responses from participants therefore confirm and complement the literature. Although the journey is gruelling, women in this study continue to become entrepreneurs knowing that there will be challenges and sacrifices. But the desire to be independent and succeed and the rewards of wealth and making a difference in society make the effort worthwhile. However, the support of family and friends is critical.

6.1.2 Challenges of being an entrepreneur

Putnam (2000), Hodgkin (2009) and Smith-Hunter & Body (2004) argued that women by cultural and social construct are expected to be nurturing and family oriented. There is also an increasing trend of more women entering business as opportunistic entrepreneurs (Herrington et al., 2012). Finding a balance between running a business and managing the home is a challenge (McDonald & Day, 2010). Black women-owned businesses face other challenges which informed by negative stereotypes borne from South Africa's oppressive past (Naphapiet & Ghoshal, 1998). Additional business challenges include securing funding, education, skill levels in business management, managing staff and the impact of government policy (Herrington et al., 2012). The implication of these findings is that the survival rate of women-owned businesses is lower in almost all countries and economic levels (SBP, 2013). The challenges of minority entrepreneurs are also unique to this group (Smith-Hunter & Body, 2004; DeCarlo & Lyons, 1979).

The results from participants in this study suggest that these entrepreneurs face a number of challenges. One of the most striking results to emerge from the responses is

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that these Black women entrepreneurs have to deal with negative and outdated gender and racial stereotypes and prejudices that limit access to opportunities. It is interesting to observation is that in 10 of the 12 cases of this study, the prejudices about being young, Black and a woman-owned business were believed to limit access to opportunities.

This study produced results which corroborate the views in the literature with significant emphasis on the impact of negative stereotypes that affect Black women-owned businesses. The fact that some these challenges are unique to minority entrepreneurs is interesting and prevalent in the responses from participants.

6.1.3 Highlights of being an entrepreneur

The literature suggests women go into entrepreneurship to exploit the flexibility and autonomy it provides, enabling them to balance work and family life (Foley & O'Connor (2013). Hodgkin (2009) found that women generally prefer part-time work in order to manage both business and family responsibilities. McDonald & Day, (2010) affirms that there is a constant battle to balance work, family, social and community activities. Working and running businesses allows women to build a separate identity and improve their self-esteem (Hodgkin, 2009).

The participant expressed that their highlights of being a Black woman entrepreneur are the freedom to express talents and the flexible time this provides between business and family. Entrepreneurs are also able to build something significant and watch it grow in the face of competition and dynamic conditions. In addition, participant found that they appreciated the independence and autonomy to shape their destiny while receiving support and appreciation from family and friends to succeed.

The participant's responses are consistent and complement those of Hodgkin (2009) and Foley & O'Connor (2013) who found that balance, flexibility, autonomy and self-actualisation are significant incentives and benefits to being an entrepreneur. These benefits are especially more important to women entrepreneurs because of the historical, social and cultural context which has led to limited exposure to business (Smith-Hunter & Body, 2004; Naphapiet & Ghoshal, 1998).

6.2 Networks and relationships in business

Networks and relationships are the backbone of this research project. This section compares the literature and the response from participants in terms of relevance, accessibility and convertibility of networks into revenue generating opportunities. It is an analysis of the value of networks to participants and their businesses.

6.2.1 Relevance of networks to business

In the literature De Carolis et al. (2009) describe the importance of relationships and networking for business, emphasising that networks enable interplay amongst professionals and the exchange of resources for new venture creation. De Carolis et al. (2009) also suggest that the number and quality of contacts in the form of formal and informal ties allows professional business people to be more effective in responding to opportunities and unlocking resources. Social networking is, therefore, seen as a function of everyday life and according to Edosomwan et al. (2011).

The participants suggested that relationships are central to the business and are extremely valuable. Certainly, none of the participants were captured as saying relationships are not important to the business or that the business can work and flourish without them.

The responses from participants complement and support De Carolis et al. (2009) and Edosomwan et al. (2011) that relationships are critical to business success. Both sources concur that people and relationships form the bedrock of an entrepreneur's ability to access opportunities and unlock value. Entrepreneurs, including these participants, therefore invest time developing and managing existing and new relationships for the benefit of the business.

6.2.2 Accessibility of networks

As mentioned in the literature review, racial profiles are critical to determining how people interact with each other (Hampton & Duncan, 2011). Arguably, as minority entrepreneurs, Black women do not have equal access to social capital that yields economic benefits and have challenges accessing this social capital (Hodgkin, 2009). Men and White women are better off in this regard (Smith-Hunter & Body, 2004).

Interestingly, the experience of participants was different to what the literature suggests. Contrary to literature, this study found that most of the women participants found it easy

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to access networks, the main limitation and challenge being time. Some of the entrepreneurs express the need to have a clear reason for interaction because time wasted is too valuable. This means that Black women are selective about which networks to explore and entertain. Interestingly, only one participant said that it was difficult to access networks because of racial and generational profiling, and the challenges presented by these differences. This is surprising because the literature suggests that Black women entrepreneurs, as minority entrepreneurs, should all face significant challenges in accessing networks (Foley & O'Connor, 2013; Smith-Hunter & Body, 2004). It is also surprising because the same participants saw negative stereotyping and prejudice based on gender and race as the most significant challenge of being an entrepreneur. The expectation was that the majority of participants should have found it difficult to access networks because of their demographic profile.

6.2.3 Convertibility of networks to business opportunities

The general position in the literature is that networks do provide businesses with benefits which are difficult to measure (Gray & Ellison, 2013). Naphapiet and Ghoshal (1998) refer to social capital as tangible and intangible resources that an entity or individual unlocks as part of a network of relationships such as finance, people, knowledge and information. By definition, social capital in embedded in networks can be convert into revenue and cash (Naphapiet & Ghoshal, 1998).

In terms of this current study, participant found that networks can be converted effectively into cash-generating opportunities and profits for the business. The majority of entrepreneurs in this study found that networks do convert into projects, money and other resources or benefits for the business. Participants suggested that networks are also critical in generating leads and referrals which are just as valuable to some businesses. Interestingly, some entrepreneurs experienced little or no value from the networks. Some entrepreneurs found networking to be good for socialising but not for doing business. Networks can also be useful not only for accessing new customers but for accessing other service providers in the value chain.

The researchers in the literature who suggest networks do provide businesses with tangible and intangible benefits are confirmed by the findings of this study. However, there are instances where this study found contradictory the views to the literature, where networks are seen not to add much value to business.

6.3 Social capital

There are various types of capital, namely, financial, physical, human, intellectual, cultural and social capital (Ferri, Deakins & Whittam, 2009). Social capital is an "investment in social relations with expected return" (Lin, 1999, p. 30). The benefits that can come out of social capital include emotional as well as material support from people embedded in the network (Gray & Ellison, 2013). Putnam (2000) discusses two different categories of social capital, bridging and bonding capital. These concepts are differentiated by the nature and strength of the relationship between individuals and benefits flowing from those relationships. Both bridging and bonding social capital involve trust and reciprocity in the relationships but at different levels (Light & Dana, 2013).

6.3.1 Emphasis on building social capital

The literature reports that the unique dynamic faced by Black women entrepreneurs is that although they have abundant supportive cultural capital as a function of bonding social capital, it does not necessarily translate to commercial and entrepreneurial support, which comes from extensive weak ties (Light & Dana, 2013). Coleman (1988) argues that women are naturally more inclined to build bonding social capital because of their nurturing and family-oriented approach to life. This is supported by McDonald & Day (2010) who claim that their strength lies in maintaining close-knit relationships rather than building new relationships.

Some research argues that when women switch to focus on bridging social capital, it diminishes the investment and returns on bonding social capital, making the two mutually exclusive (Coleman, 1988). By spending time and resources on building weak tie relationships, Coleman further suggests that those strong bonds with family and friends are neglected and therefore suffer. Others affirm that in business women will find it easier and more natural to build bonding social capital as opposed to bridging social capital which, in effect, limits the commercial value of their networks (McDonald & Day, 2010). On the contrary, Putnam, another significant contributor to social capital theory, refutes this view. Instead, Putnam (2000) suggests that women are, in general, better all-round relationship builders and nurturers; therefore, flexible and successful in building both types of social capital and equally in realising the benefits borne from them.

The responses from participant suggest that there is a balance between investment in new relationships and nurturing existing ones, with entrepreneurs being slightly skewed

more towards building bridging social capital. Each business unique in their approach depending on company strategy and industry but the common thread is that both are necessary with different emphases and for different reasons.

In a significant outcome, this current study therefore confirms Putnam (2000) and contradicts Coleman (1988), finding that women entrepreneurs are able to invest both in existing and new relationships simultaneously. Although they may have the ability to build strong bonding social capital, which they do, investing in bridging social capital is just as important to them.

6.3.2 Platform for accessing and maintaining social capital

There are various mediums for accessing networks, including face-to-face interaction, public meetings, referrals and via SNS. Facebook, LinkedIn, MXit, YouTube and Twitter are among the most popular SNS in the world and are primarily being used for professional and personal reasons (see http://memeburn.com/2013/09/social-media-in-south-africa-8-important-numbers-you-need-to-know/). By design, SNS platforms are highly geared to supporting users to access wide networks (Ellison, 2007). They are therefore ideal for accelerating access to bridging social capital (Ellison et al. 2007; Steinfield et al., 2008).

The participants in this study agreed that found that women indeed do use the SNS as predicted by the literature. However, SNS was not the preferred mode of accessing new networks. Interestingly, preceding SNS was being referred and meeting people in public spaces and at events. Face-to-face interaction was the main reason for this phenomenon because participant placed great value on build trust and rapport through face-to-face interaction. Another interesting outcome from interviews was that Black women entrepreneurs prefer using SNS for personal use in communicating with family and friends as opposed to meeting new people. Although the participants recognise the growing importance of SNS for relationship building, it was not considered a replacement for face-to-face interaction. As a result, participant use a mixed medium approach to managing relationships with SNS as one of the tools.

6.3.3 Most value derived from bridging social capital

The literature review has shown that SNS are particularly well-suited for the accrual of bridging social capital (Ellison et al., 2007, 2011; Vitak, 2012). In term of business, various other studies on social capital have found that resources unlocked through social capital enhance entrepreneurial success (Light & Dana, 2013; Pirolo & Presutti, 2010;

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Partanen et al., 2008). Being part of a wide network of relationships presents the opportunity to access people and information, exposing entrepreneurs to diverse perspectives and additional connections that are externally focused (Gray & Ellison, 2013).

The results from the current study found that the Black women entrepreneurs hold the issues of reputation and credibility in high regard and believe that both can be enhanced on wide networks and that such reputation can secure business. Participants suggested that they a critical benefit of bridging social capital is the ability to access vast amounts of information quickly and at no cost through the new networks. However, interestingly, participants we concerned about how quickly good reputation and brand can be destroyed in the same network are mismanaged. Wide networks were described by participants as a tool for breaking barriers of entry to meet new people who are not easily accessible, as well as to circumvent gatekeepers who may be an obstacle. These wide networks also provide access and refer entrepreneurs to people or talent which some of the entrepreneurs use to staff their business. This is particularly significant because finding, training and retaining talent is difficult for entrepreneurs.

6.3.4 Value derived from bonding social capital

According to the literature, bonding social capital are the interlocking networks and relationships that enable people use to "get by" and survive the daily demands of life (Hodgkin, 2009). Bonding social capital is characterised by inwardly focused strong ties with people where the parties have a deep connection based on similar background, trust and support (Foley & O'Connor, 2013). A supportive family is important to successful women entrepreneurs. Family, friends, colleagues, customers and business partners provide support, resources and motivation that enable the business owners to perform better in their businesses (SBP, 2013). The wellbeing of an entrepreneur and her business is intricately related to that of the business.

The participants found the most significant contribution of close relationships to be the motivation and emotional support. Firstly, the nuclear family and spouse play a key role in supporting the entrepreneur by allowing them the space to explore their talents and support the entrepreneur in managing the household. Secondly, extended family and friends play a similarly significant role, lending a hand when it becomes difficult to balance business and family. There is evidence from interviews that the majority of the entrepreneurs believe that the wellbeing of the family is critical for their business

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success. In some instances, family members and friends contribute directly or indirectly to the actual business.

The fact that some close ties provide direct support to the business in the form of financial capital, referrals, information and access to opportunities is interesting because these are characteristic inherent in bridging social capital (Gray & Ellison, 2013).

6.4 Social Networking Sites

The literature found that the use of technology, particularly SNS is increasing year on year and social networking is a function of everyday life as it is "the fastest way to grow a business entity" (Edosomwan et al., 2011, p.1). Ellison (2007) and Steinfield et al. (2008) define SNS as web-based platforms where individuals can create personal profiles of themselves that have become a critical meeting space and information highway operating in real-time. This is possible since SNS can vary from person-to-person and play different roles in developing and maintaining bridging and bonding social capital (Williams, 2006; Ellison et al., 2007; Steinfield et al., 2008).

6.4.1 Usage

There is a growing trend where SNS are used for personal and professional use since people see the value of amplified access to diverse networks (Bodell & Hook, 2011). However, the researchers argue that SNS is skewed to building bridging social capital which linked more to professional use (Ellison et al. 2007, 2011; Brandtzaeg, 2012).

Interestingly, the results of this study found that most participant use SNS but feel that they are not optimising its potential. They are fully aware of the potential, benefits and value and realise that they have not applied themselves to exploring SNS adequately. A number of other reasons are given for limited use include lack of trust in security of information; selective self-presentation; and lack of education and training about how these SNS work. Some participants admit to being overwhelmed by the pace, volume and quality of information flow on SNS which can lead to noise because it can't be filtered and focused.

To reiterated, one of the interesting and significant findings to contradict the argument in the literature that SNS are more inclined to facilitate bridging social capital is that the participant women entrepreneurs use it mostly to maintain bonding social capital. The

study found that participants primarily use SNS to reconnect with old friends, colleagues and school friends and some participants also use it mainly to connect with family. This finding has significant impact on the study because it suggests that Black women use SNS differently to what is expected, which is primarily to accumulate bridging social capital.

Another interesting outcome raised by participants was that, when the participants have young children who are active on SNS, the women are more inclined to use the same SNS as their children to stay close to them, which is an extension of building bonding social capital.

6.4.2 Benefits and highlights

Williams (2006) explains how computer-mediated social networks can assist individuals to maintain both weak and strong ties. Certainly, SNS use has a positive relationship to social capital and more so with bridging social capital (Brandtzaeg, 2012) as they facilitate the development of a wider and more diverse network of new relationships among individuals (Ellison et al., 2007). Brandtzaeg (2012) adds that SNS enable users to access an even larger network with less effort and cost. The larger and broader network allows for broader access critical resources from the network (Gray & Ellison, 2013). Therefore a major advantage of SNS is scale and reach.

Participant concurred with the literature in that SNS can be used for personal and professional relationships. The also agreed that it can assist to maintain relationships especially across geographies and long distances. Scale, reach and low cost of use play a critical role in these participant maintaining existing and developing new relationships that would otherwise be lost. The participants are able to access a wider pool of people, information and opportunities quickly and at no cost. SNS also has a better return on investment on marketing spend than some traditional media because it is easier to track activity on SNS.

6.4.3 Challenges

Social networking sites have shortcomings which affect user utility. Context collapse allows diverse users to converge into homogenous groups, defined by common interests (Vitak, 2012). However, the convergence of context does make it difficult to segment the audience and focus the communication. A consequence of context collapse is selective self-presentation where users present different versions of themselves which can dilute trust in SNS as a safe platform to meet people, especially for business (Vitak, 2012).

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Trust is an integral pillar of social capital (Sappleton, 2009) that binds networks together to enable cooperation (Hampton & Duncan, 2011).

As mentioned in section 6.4.1 above, challenges include lack of trust in security of information; selective self-presentation; and lack of education and training about how these SNS work. The pace, volume and quality of information flow on SNS can lead to noise because it can't be filtered and focused. Interestingly, the main benefit of SNS - scale - can present challenges for users.

6.5 Gender parity in access and use of social networks

Black women entrepreneurs can be defined as a minority entrepreneurs and a previously disadvantaged group in terms of economic participation and access to opportunities and resources (SBP, 2013; Smith-Hunter & Boyd, 2004). The previous historical, cultural and social context has limited their ability to enter into business and compete with their male and White counterparts (Smith-Hunter & Boyd, 2004; DeCarlo & Lyons, 1979). These contexts have led Black women to having limited scope in terms of contribution to society (Hodgkin, 2009). The literature states that while there is an increasing trend in terms of women's participation in the economy they have less success than their male and White counterparts (Herrington et al., 2012. Smith-Hunter and Boyd, (2004) suggested that women are at a disadvantage compared to men. Women are believed to go into entrepreneurship to exploit the flexibility and autonomy it provides, enabling them to balance work and family life (SBP, 2013).

The participant in the study had varying responses, some which complement and other which contradict the literature. Firstly, contradiction the literature, some of the entrepreneurs felt that access and use of networks was the same for men and women and that SNS has been the great equalizer to access to networks by putting everyone on an equal footing. A slight majority of participants, concurrent with the literature, believe that men still have better access and use of wide networks and platforms due to the fact that men have the time and opportunity to network. A minority of participants again contradicts the literature saying that women have better access to networks than men, attributing it to women being socialised as better natural communicators and that empowerment policies are promoting women businesses which puts them at an advantage.

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6.6 Racial parity in access and use of social networks

Similar to gender dimension, the literature argues that Black people face stereotypes and prejudices which affect access to social capital and economic opportunities (Foley and O'Connor, 2013). White people as non-minorities are still better off than minority entrepreneurs (Smith-Hunter & Boyd, 2004; DeCarlo & Lyons, 1979).

Similarly, the participants felt that White business communities are still better off with better access and use of networks. Some participants believed that the scales are balance and that race is not a differentiator in network access and use. A minority believe that empowerment policies and emphasis on Black business development puts Black people at an advantage.

An interesting finding is that some participants felt that geographic location and socio-economic circumstances affect networking opportunities more than gender and race. Post 1994 had done much to bridge the gender and racial gap in terms of access to opportunities. Participants believe that the class divide is a bigger differentiator of access and use of networks for business.

6.7 Chapter Conclusion

There were a number of interesting and significant findings that came out of this study. They were as a function of overwhelmingly similar responses by participants or responses that contradicted the literature. In essence, entrepreneurship is a tough journey that needs support. Although access to networks should have been difficult for participant, it was found not to be. Most participants use SNS to build bonding social capital instead of bridging social capital. The preferred mediums of building weak ties are based on face-to-face interaction because it builds trust and rapport. The challenges of SNS also contribute to the entrepreneurs' preferring alternative communication channels. Although significant ground has been covered to balance the scales, men and White business community are better off than these minority entrepreneurs.

CHAPTER 7: CONCLUSION

This chapter concludes this research study. It systematically answers the research question by drawing conclusions under each proposition based on the analysis on literature and interviews. The study has delivered interesting findings, some of which complement the literature whilst others are contradictory and shed new light on SNS, Social Capital Theory and minority entrepreneurs. The study proposes a theoretical model that explains the different variables explored and how the relate to each other in answering the research question. This chapter describes how stakeholders can apply the research and also makes recommendations on future studies.

As an extension of the structure of the literature review, interview schedule, coding approach, data capturing and data analysis, the sections below mirror those in the processes listed above. Under each section, an interesting result was. The result was significant either because the participants were in absolute majority in agreeing with the response or the participants response in the majority was in contradiction to the literature. It is herein that a contribution to academia knowledge in these elements is made.

7.1 Experience of being a Black female entrepreneur

In general, negative stereotypes and prejudices which are borne from the discriminatory historical and cultural context have a significant impact on these Black women entrepreneurs (Naphapiet & Ghoshal, 1998). These stereotypes limit minority entrepreneurs' access to social capital (Smith-Hunter & Boyd, 2004), particularly bridging social capital which is aligned to business performance (Gray & Ellison, 2013). Concurring significantly with the literature, Black women entrepreneurs in this study believed that they do not have equal access to opportunities which would allow their businesses to grow.

7.2 Networks in business

Although negative stereotypes and prejudices exist, the entrepreneurs in this study preserve against the odds. The investment in Black women empowerment has allowed for the status quo to shift in terms of access to networking opportunities. As a result, accessibility of networks was found to not be as difficult for the participant as literature suggested

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(Herrington et al., 2012; World Bank, 2013). The perceived changes in social and cultural expectation of Black women have allowed participants to enter business and access networking opportunities freely.

Another insight from this study is that not all networks and networking opportunities yield positive results and benefits. The literature suggests that networks are embedded with resources and opportunities which can yield benefits for members of that network Gray & Ellison, 2013; Putnam, 2000; Granovetter, 1973). Although this may be true, some participants found that there is no guarantee that value will be derived just by being part of wide networks. There are other variables that determine whether a member can derive value.

7.3 Social Capital

Coleman (1988) and Putnam (2000) had different view on whether investing in one form of social capital hindered the growth of the other. Based on the input from majority of participants, it was found that Putnam that was correct and that Black women entrepreneurs can build both bridging and bonding social capital simultaneously because of their strength as natural communicators. This contradicts Coleman's proposition that investment in one or the other form of social capital is mutually exclusive.

From the literature, it was suggested that bridging social capital is better aligned to accessing wide networks which had embedded in them information, people, opportunities and resources that can benefit commerce and businesses (Steinfield et al, 2008; Ellison et al., 2007). On the other hand, the literature suggested that bonding social capital has embedded in it, support and motivation which are more intangible assets to an entrepreneur (Foley & O'Connor, 2013; Gray & Ellison, 2013). Both forms contribute to business performance. This study found that bonding social capital can provide participants with access to people, information and opportunities, characteristics inherent in bridging social capital. Family and friends provided these entrepreneurs with more than just support and motivation.

7.4 Social Networking Sites

There is a growing trend in SNS being used to access wide networks. SNS use is growing at alarming speeds and it is becoming the medium of choice for communicating and sharing information with vast groups of people (Ranieri et al., 2012). However, this study found that referrals, public events, professional forums and emails are still the preferred mediums of accessing and communicating across new networks. Participants felt that SNS was a great tool but the value placed on face-to-face interaction in relationship being put other mediums of communication ahead of SNS.

One of the most significant and interesting findings of this study is that participant use SNS more for building and managing bonding social capital, which contradicts the suggestion in the literature that by design, SNS will most likely be used to build bridging social capital (Brandtzaeg, 2012), especially for minority entrepreneurs who need to leapfrog over obstacles to accessing social capital (Foley & O'Connor, 2013).

Participants expressed that in the same way that reputation and credibility can be built through SNS and its wide networks, it can be destroyed. Negative brand equity and exposure can cause harm to a business on wide networks and SNS. Scale and reach of SNS is its biggest advantage (Edosomwan et al., 2011; Gray & Ellison, 2013) but it presents risk and disadvantages. The speed, breadth, level of activity and complexity of connection in SNS can create anxiety, noise and vulnerability for user such as participants in this research.

Although SNS has many advantages, participants found other challenges which include security of information, self-selective presentation and lack of education and training on how to use SNS effectively. The challenges present significant obstacles to increased use of SNS by participants, which contributes to face-to-face interaction being the preferred medium of interaction. It mitigates against these challenges.

Interestingly, having children who use SNS has an influence of type of SNS use and level of activity for the Black women entrepreneurs. Because SNS is used as a tool for building bonding social capital for participants, patterns of use by family and friends influences use of SNS by the participants.

7.5 Gender and Racial Parity

Overall, concurring with the literature (Wech, Martin, Martin, & Dolowitz, 2009; Smith-Hunter & Boyd, 2004; DeCarlo & Lyons, 1979), women are still worse off in comparison to their male counterpart with regards to access and use of networks to get ahead. Similarly, Black people are worse off in comparison to White people with regards to access and use of networks to get ahead. However, much progress has been made to empower women and Black people to access resources and networks. This has resulted is a narrowing gap between these groupings. There are even instances where Black women feel at an advantage in comparison to their male and White female counterparts.

Although race and gender remain key differentiators in how well entrepreneurs are able to access and use networks to get ahead in business, other dimensions such as location (rural vs. urban) and socio-economic factors (education, income, access to resources and infrastructure) are becoming more important differentiators. This is linked to class levels determining access and use of network rather than race and gender.

7.6 Research question

The research question upon which this study is based on is:

To explore how minority entrepreneurs use social networking sites to access and use of social capital in a business environment that is affected by a discriminatory historical and cultural context.

Figure 1 below is a theoretical model that answers the research question of this study. A combination of the results of previous literature and input from participants gave rise to the model. The expectation of the research question was that the usage of SNS by Black female entrepreneurs for accessing social capital was different to other groups due to the impact of gender and racial discrimination on these minority entrepreneurs.

Figure 1: *Use of SNS by Black women entrepreneurs to access bridging social capital*
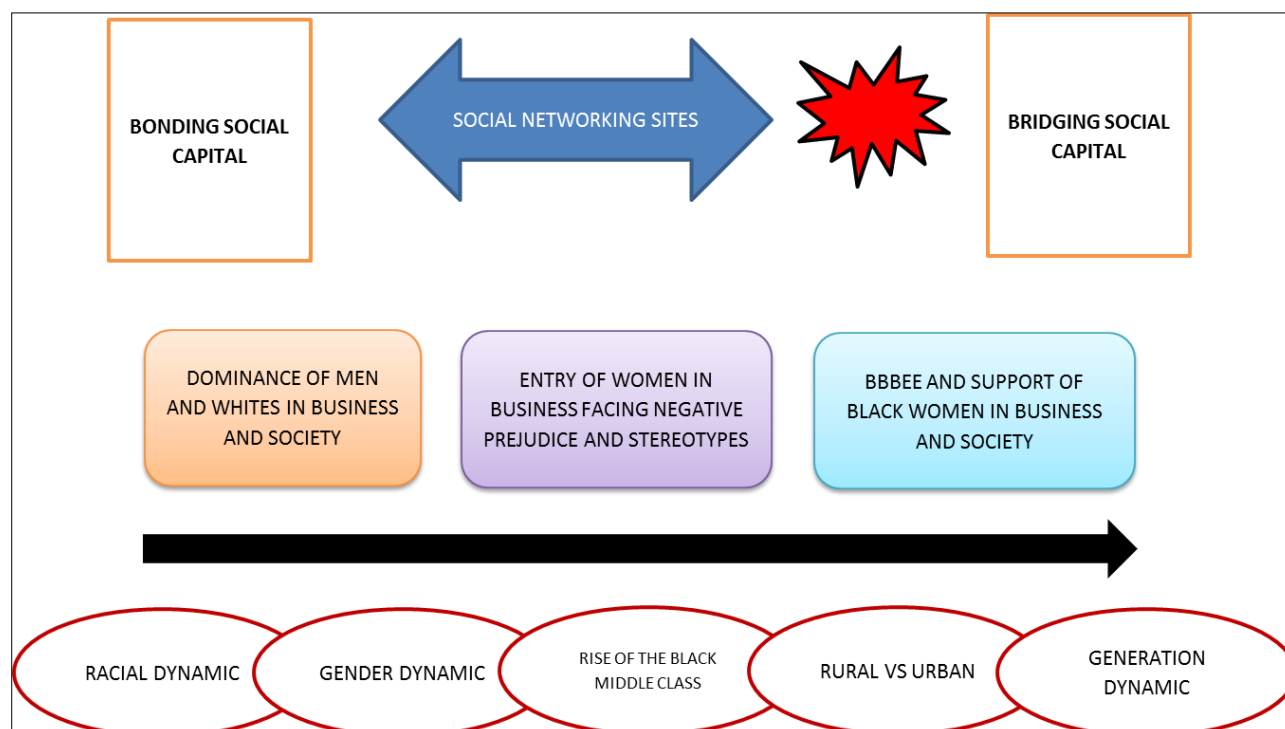

Figure 1 above illustrates the key dimensions explored in this research. They include social capital; social networking sites; phases in terms context; and new dimensions which require further studies.

To explain the model, on the left represented in clear orange border block is bonding social capital. Women in this study saw their roles in society and home as typically aligned to being nurturers and managers of the home (Hodgkin, 2009; Smith-Hunter & Boyd, 2004; Naphapiet & Ghoshal, 1998). Therefore they are inclined to be stronger at building and managing bonding social capital well (Coleman, 1988). In this study, participants tended to prefer small with few close knit ties because support, certainty and security are benefits of these relationships (Hodgkin, 2009).

On the right of SNS is bridging social capital is represented. These are many weak ties between diverse groups of people (Putnam, 2000). It requires less trust, reciprocity and certainty and geared towards building and growing a business (Gray & Ellison, 2013). Typically, benefits borne from bridging social capital are access to people, opportunities, resources and information which is why it is best for business (Gray & Ellison, 2013). The interesting question was to explore how Black women, as strong bonding social capital agent, were able to build bridging social capital necessary for growing their businesses.

The blue arrow represents SNS and how it functions as a bridge between accessing the two forms of social capital (De Carolis et al., 2009; Edosomwan et al., 2011). It allows user of

SNS to move between accessing and using the different forms of social capital for the benefit of their businesses. Amongst a number of benefits, SNS is mostly free to use and allows for quick transfer of information and resources. This happens across large networks which are interlinked. They also provide access to friends and family who are far away, providing the user with accessible and cheap platform for communication.

Although SNS has many benefits, the red explosion in Figure 1 represents the challenges and shortcomings of SNS as a vehicle to accessing social capital. These are security of information issues; noise as a function of the size and diversity of some SNS; and the misrepresentations and distortion of information. It therefore does impact on levels of trust, reciprocity and certainty which Black women entrepreneurs value. The participants also have limited time and education about using and optimising SNS.

The blocks filled in orange, purple and blue respectively show the transition that has happened in society, wherein the participant's access, support and opportunity to participate in first economy has improved over time. The prevalence of negative stereotypes and prejudices on the ability of Black female entrepreneurs is shifting while users of SNS move between bridging and bonding social capital in search for value for their business.

Lastly, the ovals in red borders represent the dimensions in this study that have participants felt had changed over time, leading to a new insight and contradictions to the literature, on how Black female entrepreneurs use SNS to access social capital. They also represent areas which need further research in future because of their significance in the results.

The conclusion to the research question is that although participants do believe that SNS is the great equalizer, it does not fully reach this reality. Although participants believed that SNS is an incredible tool with great potential both for personal and professional reasons and although business requires bridging social capital to grow – a function for which SNS is most geared, the participants used SNS as another platform to invest in bonding social capital, for both personal and business reasons. This was particularly where limited resources and distance are a challenge. The natural inclination of participants to desire for familiarity, trust, reciprocity and certainty is not changed by the need to build bridging social capital via SNS. To mitigate this shortfall in using SNS for the accumulation of wide networks, Black women entrepreneurs in this study preferred a combination of face-to-face interaction, e-mails and telephone calls. These mediums were considered more personal and allowed the participants to have better control of what was communicated, to whom and how. Further,

friends and family assist entrepreneurs directly in securing similar benefits inherent in bridging social capital.

The context is a critical contributor to the results of this finding. The historical, social and cultural realities of what a woman's role in society is have a significant perceived impact on access to social capital (Smith-Hunter & Boyd, 2004). Interestingly though, participants felt that the stereotypes and perceptions were changing and that they could use reputation, personal brand and experience to secure business. Although men and White have dominated business for many years (Foley & O'Connor, 2013), women have entered business and are growing successfully because of the country's progressive gender and race policies (Herrington et al., 2012; SBP, 2013).

7.8 Implications and recommendations for stakeholders

This research study has looked at previous studies as well as conducted in-depth interviews with Black female entrepreneurs on social capital, SNS and entrepreneurship. The insights from the study have made an academic contribution and can be useful to various stakeholders in society.

- *Black women entrepreneurs*

The implication of this study for Black women entrepreneurs is that will they need to work at deepening their understanding of SNS and how it can deliver better access to bridging social capital. As technology continues to evolve, SNS will become more sophisticated. It will increase the breadth of possible benefits as well as challenges. Entrepreneurs must therefore educate and train themselves and their teams on how to optmise SNS while limiting exposure to the negative effects of SNS. Most of the reservations from participants about SNS were because they have limited understanding of how to use the platforms effectively.

The challenge of balancing family and work will continue to persist for Black women entrepreneurs. From the research, women will find better ways to do the following:

    (a) Manage better by using technology like SNS as they are the platforms that assist women in accessing and communicating with families and friends.

    (b) Stay up-to-date with what is happening in the world using SNS. Technology can effectively empower women to stay closer to people and information without spending too much money and effort;

(c) Continue to be exposed to SNS as another essential consideration is that children will also become exposed to SNS in the future. Consequently, women who are mothers need to familiarise themselves with SNS to better interact with their children and also to monitor how children use SNS.

(d) Ensure that reputation and brand are enhanced for the present and the future. In addition, by ensuring that children use SNS effectively, mothers are able to see that children do not tarnish the future reputation of their own businesses in the future.

Failure to embrace the power, scope and development of SNS can lead to Black women entrepreneurs becoming disempowered to a certain extent, leading to ineffective use and redundancy. The markets and competition can also get ahead, leaving the incumbents behind. Black women entrepreneurs may even find themselves not benefiting from the cost-savings afforded by effective SNS use. Most importantly, not using SNS to leapfrog previous constraints to attaining bridging social capital will allow male and White counterparts to continue being ahead.

- *Government*

Government and state institutions ought to consider the results of this research closely. Government is at the forefront of promoting Black women in business. There is vast investment in assisting and supporting Black women entrepreneurs access opportunities and resources that allow them to enter the market and compete. By considering the power and scope of SNS, government can empower beneficiaries with education programmes about the use of SNS to fast-track development and growth. The greatest return on investment for government is to see these beneficiaries succeed. The SNS must be seen as a tool that, if used well, can heighten possibilities of growth without incurring additional costs.

Government also needs to support innovation in the ICT industry. They also ought to incentivise the development of locally relevant SNS. This will enable any revenue from local SNS to build the economy while ensuring that people have access to applications that are best suited to their businesses and customers.

Lastly, government should consider investing resources in exploring the future studies recommended above. This is particularly significant as the different nuances and dynamics around this topic are relevant and important to social cohesion and economic success. Technology, social capital, SNS, social dynamics and entrepreneurship are key variables that will be central to growth of developing nations. As one of the biggest

economies in Africa, being a leader in this research will make South Africans leaders in understanding some of the levers that drive national competitiveness.

- *Family and friends of entrepreneurs*

Family and friends of Black female entrepreneurs need to understand just how much their support means to Black women. In every interview, the candidate mentioned that family is somehow interlinked with business performance. By supporting, motivation and giving Black women space to realise their professional aspirations, they empower them with the energy to take risks and invest time and resources into making the venture a success. This is particularly important for spouses and children. They should also use SNS as a tool to help keep the family in touch and updated with life. Children, however, ought to take care not to use SNS incorrectly, as their reputation can be impacted which further impacts the parents.

7.9 Recommendations for future research

The nuances which came out of this study need further research. It was apparent that technological and contextual changes over time have led to interesting outcomes. It is expected that certain variables will continue to change in time; therefore, they will alter how participants contribute to future outcomes. Further, there are limitations which the research could not explore due to limited time and resources can be explored in future research.

- *Gender*

Future studies should consider exploring how both Black and White men use SNS to build and manage social capital. Men also have been affected differently by the former historical, social and cultural context. They also have different roles in society and are often obliged to play three roles at once: father, husband and professional. Therefore they are exposed to both forms of social capital as they have been in business longer and they have built more experience about how to access and use social capital for business. Further, it would be interesting to explore the thoughts of men on the emergence of women in business, especially in light of the fact that some women believe that they are better off because of the pro-women initiatives in supporting women business.

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- *Race*

Similarly, research needs to be done on how other race groups experience social capital and SNS in what can be defined as a changed context. Each race has different access to social capital as a function of the historical, social and cultural context and may therefore have different priorities and experiences of social capital and SNS. Similar to gender dynamics, the pro-Black policies must affect other racial groupings. Further studies could explore how these policies and change in context affect them along with social capital, SNS and business.

- *Socio-economic conditions*

An interesting outcome from this study was that class levels and access to resources had an impact on access and use to social capital through SNS. With the economic conditions changing and with an emerging Black middle class, Black families have increased access to resources, better education and opportunities. In fact, some Black families have become extremely wealthy although a large number of Black people remain in poor living conditions and in poverty. Another interesting study could be to see how different socio-economic conditions such as access to education, household income levels and access to resources affect access and use of social capital through SNS. Some participants in this study argued that it is no longer about race or gender but about class levels and access to resources.

- *Geographical coverage*

The research was limited to Johannesburg in South Africa because of available time and resources. Further research needs to be done to see if the study applies in other countries, particularly developing nations with similar historical, social and cultural dynamics. Another nuance that came out of this study was the fact that people who reside in rural and urban areas will have different experiences of social capital and SNS. Further studies ought to be done to explore how geographical positioning affects the results of this study in future.

- *Generation*

To get a diverse sample, the participants in this current study varied across age groups. However, some participants made a number of comments suggesting that age had something to do with the preferences for accessing social capital via SNS. The suggestion was that older entrepreneurs, with less technology know-how prefer traditional approaches to building and managing social capital and doing business. They

suggested that the younger generation, who are more aggressive users of SNS, might not see the same challenges in using SNS as they did. Also, it is often postulated that younger people are more well-informed about how to optimise the SNS platforms, therefore making its use more prolific and effective in achieving their end goal. This is significant because the challenges faced by the current sample had a big impact on how they used SNS. Therefore, different challenges might translate to different usage in future.

- *Quantitative*

  Future studies need to include a quantitative study. A quantitative study may be more definite and conclusive in the results and findings.

The main pillars of this research study, namely social capital, SNS, minority interest groups and entrepreneurship will continue to change over time. The above mentioned themes will also change over time in relation to the pillars. Therefore future studies can be explored at different points in time. It is postulated that these studies will yield different results and contributions because of the dynamism of the pillars and themes.

The results and insight of this study can be applied to other countries outside of South Africa where there is a minority interest group that has been unable to gain access to equal opportunities because of social framework. Black youth and women are generally seen as minority interest groups who fit this description. In terms of key indicators such as employment, education and social development, the World Bank identifies women and youth as the most marginalized (see http://data.worldbank.org/indicator, 2013). This study can be extended to apply to countries where these issues are prevalent in order to explore whether technology can improve access to better opportunities that improve people's lives.

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APPENDIX A: INTERVIEW GUIDE

Research Question: Exploring how Black women entrepreneurs use social networking sites to access social capital resources and benefits in the context of developing country.

- Complete administrative information for analysis and filing.

Participant Name:

Elias for confidentiality:

Name of Business:

Industry:

Number of employees:

Years in business:

Date:

Time:

Estimated Duration: 60-90 min

Venue:

Process:
- Thank person for availing themselves and attending interview.
- Explain purpose of research and interview, emphasizing that it is participants own opinion that is important.
- Ask if willing to be interviewed and stress this in their decision.
- If willing, ask them to sign consent form; if not, thank them for their time and close interview.
- If consent form signed, ask if the session can be recorded for transcription and analysis. If approved, check battery power, confirm details of interview and begin.
- If not, thank them for their time and close interview.

Interview:

P1: Understanding the value of social capital to Black women entrepreneurs in the context of entrepreneurship in a developing country.

1. To what extent do relationships and networks contribute to your business?
    a. Probe: In what ways? (Ask for examples)
    b. What benefits come from these relationships?

2. What challenges do you face in getting access to networks and managing relationships using SNS?

    a. How have these affected your business?

    b. How do you overcome the challenges?

    c. Is it worth the effort in terms of return on investment?

3. What is the most significant value you have derived from being part of a network?

    a. Would you recommend that your colleagues invest in networks? Why?

P2: Understanding the value of bridging social capital with new diverse contacts and networks for Black women entrepreneurs in the context of entrepreneurship in a developing country.

1. How do you use social media to interact with new people?

    a. How often do you explore creating new networks via SNS?

    b. Which social media do you use for professional engagements?

2. When was the last time you derived value from being part of an online network?

    a. How did this opportunity come about?

    b. Does it happen often that you derive value from unfamiliar networks?

P3: Understanding the value of bonding social capital with family, friends, colleagues and business partners for Black women entrepreneurs in the context of entrepreneurship in a developing country.

1. How do you use social media with regards to interacting with people close to you?

2. How do these relationships contribute to your businesses?

    a. Probe: Why is this important to you?

P4: Understanding the value of maintaining bonding social capital in comparison to developing and maintaining bridging social capital for the benefit of business.

1. What is most important to you and your business, managing relationships with people close to you or building vast base of new relationships? Why?

2. Do you think businesses like yours should follow your approach to relationships?

    a. Why?

P5: Exploring the roles of SNS as a tool for social networking by Black women entrepreneurs in developing and maintaining bridging and bonding social capital in developing country.

1. How do SNS enable you to achieve your goals in light of the answer above?

2. When you are using SNS, what do you spend most of your time doing online?

3. Which SNS do you frequent the most and why?
4. Do you think SNS a better for managing close or arm's length relationships?
5. How will you use SNS in future for your business?

Closure

- Ask participant if they have any questions for the interviewer about the process.
- Describe the way forward with regards to the research.
- Thank the participant for their time.
- Stop recording, check if recorded successful.
- Close interview

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APPENDIX B: INTERVIEW GUIDE CONVERTED TO EMAILED QUESTIONNAIRE

Research Question:

Exploring how BWO SME use social networking sites to access social capital resources and benefits in the context of developing country.

Consent:

I am doing research on how Black Women Owned Small and Medium Enterprises use social networking sites and technology to access social capital resources and benefits in the context of developing country. In essence, it is to identify how these specific entrepreneurs use social networking sites to maintain close relationships on the one hand, and to build new relationships and networks on the other for the benefit of the business. To that end, you are asked to participate in this interview.

Your participation is voluntary and you can withdraw at any time without penalty. Of course, all data will be kept confidential. By completing the interview, you indicate that you voluntarily participated in this research. If you have any concerns, please contact me or my supervisor. Our details are provided below:

Researcher:	Supervisor:
Tebogo Moalusi	Dr. Kerrin Myers
083 290 9044	083 263 4175
tebogo@btgh.co.za	resonate@icon.co.za

Please complete administrative information for analysis and filing.

Participant Name:

Name of Business:

Industry:

Number of employees:

Years in business:

Date:

Time:

Please note, SNS in text means Social Networking Sites such as Facebook, Twitter, BBM, Whatsapp, email, LinkedIn, Pininterest, etc.

Section 1

1. Please tell me a bit about your journey as an entrepreneur?
2. What have been the highlights and lowlights of this business?
3. What main challenges does the business face?
4. In brief, how do you generally use social networking sites?

Section 2

1. What is the value of relationships and networks to your business?
2. Do relationships contribute to increase turnover and business? Please provide an example?
3. What challenges do you face in getting access to networks?
4. How have these challenges affected your business?

Section 3

1. How do you use social media to interact with new people?
2. What is the most significant value you have derived from being part of a social network?
3. What are concerns you have about meeting new people on social networking sites?

Section 4

1. How do you use social media with regards to interacting with people close to you (family, friends, and community)?
2. How do these relationships contribute to your businesses?
3. Do you let employees use SNS during office hours? Why or Why not?

Section 5

1. What is most important to you and your business, managing relationships with people close to you or building vast base of new relationships? Why?

Section 6

1. When you are using SNS, what do you spend most of your time doing online?
2. Which SNS do you frequent the most and why?
3. Do you think SNS are better for managing close or new diverse relationships?
4. How important is SNS to your business and its future?

Section 7

1. Do you think men have different access and used of social networks?

2. Do you think male entrepreneurs use SNS differently to women entrepreneurs?
3. Does your answer above make a difference in how male-run businesses benefit from SNS?

Section 8

1. Do you think White people have different access and used of social networks?
2. Do you think White entrepreneurs use SNS differently to Black entrepreneurs?
3. Does your answer above make a difference in how White owned businesses benefit from SNS?

APPENDIX C: SAMPLE LIST

List of interview participants for Research				
#	Name	Industry	Contact number	Email Address
1	Boitumelo Setshwaelo	Consulting	0834450600	tumi@btgh.co.za
2	Cynthia Marishane	Hospitality and Property	0827298172	c.chuene@rawson.co.za
3	Chipo Mushwana	Designer clothing	0727484090	chipomushwana@gmail.com
4	Tlaleng Moabi	Engineering	0823323296	Tlaleng@enzani.co.za
5	Landiwe Nene	Construction	0829230870	landiwe@enzani.co.za
6	Marang Setshwaelo	Public Relations and Events	0825591802	marang@dreammultimedia.co.za
7	Connie Tloubatla	Pharmaceuticals	011 496 3255	connie@pzc.co.za
8	Tumi Deane	Retail and Events	0833277389	
9	Melanie Ramjee	Public Relations and Events	0846823457	melanie.ramjee@gmail.com
10	Lele Molobi	Executive search	0828752744	ratsheko@gmail.com
11	Ndileka Shuenyane	Retail	0832126338	drnmbete@samedical.co.za
12	Lynette Ntuli (email questionairre)	Property	0833117643	lynette@innatesolutions.co.za