Chapter 10

Overcoming the Segregation/Stereotyping Dilemma: Computer Mediated Communication for Business Women and Professionals

Natalie Anne Sappleton
Manchester Metropolitan University, UK

INTRODUCTION

Since the 1970s, there has been a swift and sizeable uptake of business ownership amongst women in the United States (U.S. Census Bureau 2002; Lowrey 2005). Women now own around 40 percent of all non-agricultural businesses – amounting to an increase of more than 25-fold since records began in 1972 (Center for Women’s Business Research 2008). Moreover, the fastest recent growth in women-owned firms has been in traditionally male industries like telecommunications and construction. According to the National Women’s Business Council, the number of privately held women-owned firms in non-traditional industries grew by 17.5% between 1997 and 2002, outstripping the 10.4% growth in the number of women-owned firms in traditional industries 2004 (CWBR, 2008). Growth has been strongest in the construction industry; between 1997 and 2002, the number of women-owned firms grew by 35.5% (ibid).

All business owners must identify, access, and mobilize resources to put to use in their ventures, and the need for resources is highest in capital intensive, traditionally male industries such as high-technology and construction. Setting up such businesses is no easy task, and network members may be able to provide direct or indirect access to the required assistance, support, information and tangible resources (Kim and Aldrich 2005). This means that entrepreneurship cannot happen unless a business owner establishes the right connections to the right others (Witt 2004). Entrepreneurship should therefore be viewed as an inherently social activity; “embedded in

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a social context, channeled and facilitated or constrained and inhibited by people’s positions in social networks” (Aldrich and Zimmer 1986: 4). Little wonder, then, that having well-structured social networks is linked to entrepreneurial intentions (Ljunggren and Kolvereid 1996; Aldrich, Elam et al. 1997; Renzulli, Aldrich et al. 2000; Liñán and Santos 2007), start-up completion (Hansen 2000), odds of survival (Srinivasan, Woo et al. 1994; Uzzi 1996), opportunity recognition (Ozgen and Baron 2007), idea gathering (Birley 1985), ability to secure venture capital (Baum and Silverman 2004) and finance before floatation (Florin, Lubatkin et al. 2003), internationalization (Coviello and Munro 1995), and growth (Brown and Butler 1995; Hansen 1995; Liao and Welsch 2001; Roomi 2007).

There is evidence that women operating their firms in male-dominated industries encounter greater levels of gender stereotyping, sex discrimination and difficulty accessing established networks than women in sectors like retail and services (Weiler and Bernasek 2001; Coyle and Flannery 2005). These women are thus provided with a clearer motivation for forging homophilious networks – that is, networks comprised primarily of other women. The problem is that relying on same-sex networks for leads and information denies women access to the privileged resources held by men in the industry. The resources, information, knowledge and expertise held by men operating in these fields is likely to be of a better quality due to their longer establishment and better entrenched positions in network hierarchies. As argued twenty years ago “women must break into the ‘old boys’ network by deliberately invading male turf however possible. A ‘new girls’ network will create strong ties and promote social support but with… most of the major corporate and financial centers of power controlled by men, sex-segregated separate networks are a decided handicap for women (Aldrich 1989: 128).

It is important that women in male-dominated industries are able to network effectively with their male colleagues because the ability to secure resources is a necessary prerequisite for increasing the numbers of women-owned firms in nontraditional sectors. There is evidence that entrepreneurial segregation contributes to levels of gender inequality in similar ways to sex segregation in employment (Marlow et al, 2008). Women earn less than men in self-employment and business ownership, and segregation makes a significant contribution to earnings disparities (Hundley, 2001; Lowrey, 2005). The sectors of the economy in which women’s businesses are concentrated generate lower levels of turnover than typically male sectors such as manufacturing and high technology (Loscocco et al, 1991).

The proposition advanced in this chapter is that virtual networking via web pages, email, chat rooms and networking sites is one way that women in nontraditional industry locations might attempt to ‘invade male turf’. As well as providing women who may have domestic responsibilities with a more flexible means of networking (Blisson and Kaur Rana 2001), virtual communities may help women to reduce the social and spatial barriers preventing them from establishing connections with prestigious or powerful others, whilst simultaneously breaking down gender stereotypes (Nohria 1992). As Sproull and Kiseler (1991: 13) predicted almost twenty years ago, social computing allows individuals to “cross barriers of space, time and social category to share expertise, opinions and ideas”. Additionally, virtual communities can provide access to a very large number of diverse others and network maintenance is substantially easier than face-to-face interaction.

This chapter is organized as follows. The chapter begins with a discussion of the theoretical underpinnings of the work. The following section discusses the phenomenon of homophily in social networks, including entrepreneurial networks. Homophily – or the tendency to associate with