

Factor Analysis of Capital, Family Support, Entrepreneur's Skill and Networking that Shapes the Success of Women Entrepreneurs in Manado City

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Abstract— This study was conducted to confirm the factors of capital, family support, entrepreneur's skills and networking as factors that shape the success of female entrepreneurs in Manado City. This study uses a quantitative research methodology with a population of female entrepreneurs in Manado City in the period February-March 2021. The sampling method used is Non-probability Sampling: Purposive Sampling, namely the selected sample has criteria that have a business that has been operating for at least 42 months, with the scale of micro, small and medium enterprises and have social media. The number of respondents based on filling out the questionnaire was 325. However, the data of 23 respondents was categorized as invalid because the duration of the business was less than 3.5 years, so that only 302 respondents data which were declared valid were used in this study. The results of the survey as a primary source were then processed using the SPSS version 25 software. The results in this study indicate that the factors of capital, family support, entrepreneur's skills and networking are factors that shape the success of female entrepreneurs.

Keywords— *capital, family support, entrepreneur's skill, networking, government support, female entrepreneur.*

1. Introduction

According to the Global Entrepreneurship Monitor (GEM), which specifically conducts research on entrepreneurship, in the Women Entrepreneurial Report for the 2018/2019 period, data on Total Entrepreneurial Activity (TEA) for women globally is 10.2% and 13.9% for men. Meanwhile, the percentage of Indonesian TEA for Indonesian women is 14.1% or 0.1% greater than that of men, which is 14% (see Figure 1.1). The TEA is the percentage of the working-age adult population, ages 18–64, who are in the process of starting a new business but have not paid wages for more than three months (newly formed entrepreneurship), or businesses that are more than 3 months old but less than 42 months old (Elam et al., 2019; Kelley et al., 2017). From the TEA value, it can be seen that Indonesian female entrepreneurs have made progress in narrowing the gender gap in entering the business world. However, in the same report, for the Women Established Business Ownership (WEBO) category, the value decreased from 15.3% in the 2016/2017 report to 11% in 2018/2019. GEM categorizes WEBO or stable business ownership if the business has been operating for more than 42 months (Elam et al., 2019; Kelley et al., 2017).

Judging from the Manado City BPS data, the number of female entrepreneurs has increased from 2018 to 2019 by 28.95%, while the increase in male entrepreneurs from 2018 to 2019 is 73.22%. The data shows an increase in the number of female entrepreneurs, but not as many as male entrepreneurs. This shows that there should be equality of opportunity between men and women, but what is happening in the field is that the increase in women's entrepreneurs is not as significant as the increase in men or it can be said that the increase is not comparable. This causes researchers to be more interested in conducting research on the female gender.

Based on the results of the pre-survey in Manado City and the phenomenon of the decreasing number of Indonesian female entrepreneurs who are able to run their business for more than 42 months, as well as research on female entrepreneurs who are still few and not as successful as male entrepreneurs, the factors that shape the success of female entrepreneurs in the city Manado is considered necessary to be researched. The four factors, namely capital, networking, family support and entrepreneur's skills, were chosen as the most dominant factors from the pre-survey mentioned above.

2. Literature e Review

2.1. Previous Research

The first journal is a study by Gupta and Mirchandani (2018) with the title "Investigating entrepreneurial success factors of women-owned SMEs in the UAE". The purpose of this study was to investigate the key success factors of female entrepreneurs who own and manage Small and Medium Enterprises (SMEs) in the UAE. The results of this study indicate that personal factors in the form of formal training, work experience and educational qualifications are the main factors that have the most influence in addition to other personal factors, namely the ability/skills factor and socio-cultural freedom.

The second journal is research from Dhaliwal and Sahay (2020) with the title "Factors influencing the success of women entrepreneurs in Emerging Markets: A Study of Indian women entrepreneurs". The purpose of this study is to examine the factors that influence the success of women entrepreneurs in India. The results of this study identify the three most important factors that influence the success of women entrepreneurs in developing countries, namely 1) support systems from individuals (mentoring), communities and/or the government as a support system for women entrepreneurs towards their growth and success. 2) personal orientation such as personal ambition for achievement and independence in balancing personal and professional life and 3) business knowledge or entrepreneurial skills that are the basis for making marketing strategies and influencing the success of entrepreneurs.

The sixth journal is research from Lambey et al. (2018) with the title "Analysis of Factors Affecting the Performance of MSME Women Entrepreneurs in Manado City". The purpose of this study was to analyze the effect of access to financial institutions, MSME access to market information, work motivation, and entrepreneurial ability to increase the profits of female entrepreneurs MSMEs. The results of this study indicate that access to information on the market has a positive effect and the ability to run a business has a positive effect on increasing profits, while the factors of access to financial institutions and work motivation have a negative effect on profit growth.

2.2. Theoretical basis

2.2.1. *Entrepreneur*

Entrepreneurs must use their judgment or analysis whether to act or not (Hisrich et al., 2017). According to the United Nations (2018), the involvement of women in the business world, both in developed and developing countries, is more due to "push factors" namely factors that encourage, for example due to divorce, unemployment and or because of limitations in getting a job. According to Dea (2019), in her research on female entrepreneurs in Indonesia, she noted that the three main motives for women to start a business are being independent or autonomous, generating income, and creating jobs for themselves or their families.

2.2.2. *Women Entrepreneurs in Manado City*

Lengkong et al. (2016), conducted interviews with 10 female entrepreneur informants in the city of Manado and found the fact that most of their motivations to become entrepreneurs were the freedom to manage their working time so they have more time for their family, can do work according to their passion, can make their own rules and because of the unpleasant experience of working as an employee. According to Lambey et al. (2018), although entrepreneurs have a strong desire to run their businesses, their role as housewives requires them to prioritize their families, especially their children.

2.2.2. *Capital*

Capital or capital according to the Big Indonesian Dictionary is money that is used as the principal (parent) for trading, releasing money, and so on; property (money, goods, etc.) that can be used to produce something that increases wealth. Capital is an important element in any size company. Even large businesses with large sales figures need continuous capital to maintain their business (Harvard Business Review, 2018). According to Prijadi et al. (2020), in his research using micro-enterprises from Jakarta and its surroundings, MSEs in Indonesia still lack financial support, so it is not surprising that most of these businesses are still small-scale, even though they have been operating successfully for many years. Rafiki and Nasution (2019) revealed that the main sources of funding

for Muslim women entrepreneurs in Indonesia are personal finances (own, family or friends), partnerships, the private sector (commercial loans), funding from government institutions, and funding from non-governmental organizations. -government.

2.2.3. Family Support

According to Constantinidis et al. (2019), the role of family in the success of women entrepreneurs is different and specific for each profile category. Depending on the existing gender and social class dynamics, support from families and partners can be: financial (providing start-up capital, loan guarantees or funding for growth); professional (participate in decision making, provide advice or contact with key stakeholders); family (picking up children from school, walking them around or helping with their homework); morals (present, listen, encourage in difficult times).

2.2.4. Entrepreneur's Skills

In Hisrich et al. (2017), knowledge can be built over time through experience. Knowledge is important to generate a pool of resources that will lead to the creation of new, sustainable businesses. Entrepreneurs can bring innovation based on the unique experience and knowledge within themselves and their teams. According to Hisrich et al. (2017), work experience can also play a role in the growth and success of an entrepreneur's business, especially in the areas of financing, product or service development, manufacturing, and distribution channel development.

2.2.4. Networking

Insead (2011, as cited in Turner & Endres, 2017) identifies networking as an interpersonal bond and the ability to create new connections as an important characteristic of the sustainability of a business. O'Donnell (2014, as cited in Turner & Endres, 2017) notes that networks are essential for knowledge exchange, and increased knowledge of small business owners leads to higher levels of sustainability in their business operations. The use of social media can help female entrepreneurs to expand their networking and have a positive influence in their business (Francesca et al., 2017). Dhaliwal and Sahay (2020) state that being a member of other women's associations and networks is also an important factor because women entrepreneurs can gain knowledge from other entrepreneurs and can create new opportunities.

3. Research Methods

3.1. Analysis

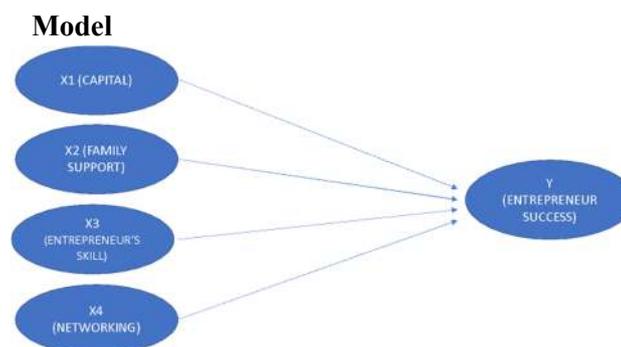


Figure 3.1. Analysis Model

Based on the theoretical basis and previous research as written on the relationship between variables, the research hypothesis is as follows:

1. Capital is a factor that shapes the success of women entrepreneurs.
2. Family Support is a factor that shapes the success of women entrepreneurs.
3. Networking is what shapes the success of women entrepreneurs.
4. Entrepreneur's Skill is what shapes the success of women entrepreneurs.

3.2. Research Approaches

This study uses a quantitative research method that uses a questionnaire to collect data and measure the variables to be studied with statistical analysis. The population in this study were female entrepreneurs in the city of Manado. However, according to the Manado Cooperatives and SMEs Service, there is no definite data that states the total number of female entrepreneurs. So in this study the number of population is not known. The sampling method used is Non-probability Sampling: Purposive Sampling, namely the selected sample has certain criteria that are considered important for research. The sample criteria in this study are:

- 1) the business has been operating for at least 42 months
- 2) the business is on the UMK scale
- 3) have social media (Facebook, Instagram etc.)

This study uses confirmatory factor analysis techniques. Confirmatory factor analysis is a statistical technique that can be used to identify the factor structure of the observed variables and to test the hypothesis that there is a relationship between the observed variables and if there is a strong theoretical basis so that the relationship between the variables is known and can be determined in the modeling process (Hahs-Vaughn, 2016). Factor analysis in this study is used to answer the formulation of the problem, namely to analyze the factors of capital, family support, entrepreneur's skills and networking are forming the success of women entrepreneurs in the city of Manado.

4. Results and Discussion

4.1. Characteristics of Respondents

55.3 % completed education up to D3 and or S1 level, then those who received education up to high school level were 42.7%, and 1.3% completed education up to S2 level and only 0.2% only finished elementary/junior high school, while 0.3% others did not mention their level of education. When viewed from the age, most of the female entrepreneurs are in the age range of 35-44 by 49.34%, and there are no respondents under the age of 25 years. The second and third ranks are the age range of 25-34 and 45-44, namely 24.50% and 23.51%, respectively. 0.99% of respondents did not mention their age. Based on marital status. 89.74% stated that they were married, while only 6.62% were widowed or divorced, and 3.64% were unmarried. When viewed from the place of business, 59.27% of respondents run their business from home, and 40.73% who run their business in shops, shop houses, kiosks, and other places of business outside the home.

Most of the respondents employed only female employees, namely 42.05%, while 39.74% employed both male and female employees, and 18.21% were solo entrepreneurs or had no employees. The business sector in which the largest respondents are engaged is 44.04% which is engaged in the F&B business; 28.81% in the retail sector; and 24.83% are engaged in services, while only 2.32% are in other business fields. The size of the micro-enterprises dominates the business scale of the respondents, namely 60.60%; 37.75% are small-scale and there is no medium-scale business, while 1.66% of respondents did not answer the size of their business, as presented in the table below. Most of the respondents, namely 65.94% have 2-3 children; and 22.52% have 1 child; 4.30% have no children, and 2.98% have more than 3 children, while 0.66% of respondents did not mention the number of children they have.

4.2. Test result

4.2.1. Communalistic Test

The indicator is considered capable of explaining these dimensions if the extraction value is greater than 0.50. The greater the value of communalities means the closer the relationship with the indicator with its dimensions.

Table 4 . 1 *Communalities Results*

	Initial	Extraction
CA1	1,000	.685
CA2	1,000	.615
CA3	1,000	.742
CA4	1,000	.621
CA5	1,000	.699

CA6	1.000	.654
CA7	1.000	.733
CA8	1.000	.653
FS1	1.000	.642
FS2	1.000	.625
FS3	1.000	.646
FS4	1.000	.602
ES1	1.000	.633
ES2	1.000	.624
ES3	1.000	.711
ES4	1.000	.620
ES5	1,000	.440
NT1	1,000	.691
NT2	1,000	.656
NT3	1,000	.384

Source : Processed data (2021)

In the table above, the highest Communalities value is 0.742, namely CA3. While the ES5 indicator Communalities value is 0.440 and NT3 the Communalities value is 0.384. Because the value of communalities is lower than 0.5, it shows that the ES5 and NT3 indicators are not sufficient to explain these variables, so the ES5 and NT3 indicators cannot be used to explain these variables. While other indicators have Communalities value greater than 0.5 so that it is sufficient to explain these variables so that they can be used in further analysis. However, Denis (2019) suggests, if the communal value is <0.5, it is better to analyze other outputs by paying attention to the loading factor value, then these two items will be included in the next analysis.

4.2.2. Eigenvalues

Table 4.2 Total Variance Explained

Component	Initial Eigenvalues			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.418	22.092	22.092	2.515	12.573	12.573
2	2.257	11.285	33.378	2.494	12.468	25.042
3	1.878	9.391	42.769	2.169	10.847	35.889
4	1.627	8.136	50.905	2.107	10.537	46.425
5	1.364	6.821	57.726	1.704	8.518	54.943
6	1.130	5.652	63.377	1.687	8.434	63.377
7	.887	4.435	67.812			
8	.804	4.022	71.834			
9	.748	3.740	75.574			
10	.601	3.007	78.581			
11	.577	2.885	81.466			
12	.547	2.734	84.201			
13	.502	2.512	86.713			
14	.479	2.394	89.107			
15	.445	2.227	91.333			
16	.392	1.960	93.293			
17	.382	1.909	95.202			
18	.347	1,736	96,938			
19	.331	1,656	98,595			
20	.281	1,405	100,000			

Source : Data processed, 2021

Based on the Eigenvalues, in the Total column, there are 6 factors indicating that the Eigenvalues value is more than 1. By extracting the initial indicators into 6 factors, a large cumulative total variance has been generated, namely 63.377%, meaning that from the 6 factors formed it can be represents that variable. Thus the extraction of

the 6 factors obtained has been stopped and has met the second criterion. From the combination of these two criteria, it can be concluded that the most appropriate factor extraction is 6 factors.

4.2.3. Factor Rotation

Table 4.3 Rotated Component Matrix

	Component					
	1	2	3	4	5	6
CA8	.736	.242	.104	.078	.159	-.101
ES3	.712	.119	-.162	.139	.379	-.017
ES4	.709	.061	.057	.167	-.073	.279
ES2	.674	.179	.185	.232	-.215	.056
FS2	.067	.766	.100	.074	.049	.126
FS3	.151	.738	-.089	.193	.165	.077
FS4	.192	.735	.144	.022	-.042	.036
FS1	.149	.575	-.002	-.040	-.088	.529
CA4	.094	-.027	.763	.090	.033	.141
CA5	.172	.236	.745	-.005	.096	-.222
CA7	-.462	-.084	.667	.209	.055	.145
CA2	.144	.048	.542	-.251	.162	.458
NT1	.270	-.008	.098	.777	-.012	.070
NT2	.132	.150	.064	.758	.109	.160
ES1	-.072	.231	.185	.482	-.476	.284
NT3	.087	.370	-.166	.434	.107	-.113
CA3	-.006	.113	.090	-.029	.830	.174
CA6	.088	.079	.276	.325	.668	-.112
CA1	-.085	.281	.134	.121	-.046	.751
ES5	.177	-.070	-.045	.350	.129	.513

Source : Data processed, 2021

In the tested variables, the results of the communities test and the explained variance test showed that there were six factors formed, the results of the rotated component matrix test showed that those included in:

- a. Dimension 1 is: CA8, ES3, ES4, and ES2
- b. Dimensions 2 are: FS2, FS3, FS4, and FS1
- c. Dimensions 3 are: CA4, CA5, CA7, and CA2
- d. Dimensions 4 are: NT1, NT2, ES1, and NT3
- e. Dimension 5 is: CA3 and CA6
- f. Dimensions 6 are: CA1 and ES5

4.2.4. Loading Factor

Table 4.4 Value of Loading Factor, Cronbach's Alpha, and Subrogate Variable

Variable	Indicator	Loading Factor	Cronbach Alpha	Subrogate Variable
Entrepreneur's skills			0.751	
CA8	Credit card as business capital	0.778		
ES3	Business training from the government	0.773		
ES4	Work experience	0.745		
ES2	Educational background	0.745		
Family Support			0.750	
FS2	Business discussion	0.803		□
FS3	Help with household chores	0.768		
FS4	Motivation/moral support	0.768		
FS1	Capital assistance from family	0.712		
Capital			0.678	

CA4	Bank loan with collateral	0.794	<input type="checkbox"/>
CA5	Partnership	0.713	
CA7	Funding from non-governmental organizations	0.686	
CA2	Relationship/friend loan	0.654	
Capital - Government Support		0.606	
CA6	Funding from government agencies	0.851	
CA3	KUR Pinjaman Loans	0.851	<input type="checkbox"/>
Networking		0.769	
NT2	Gatherings	0.839	<input type="checkbox"/>
NT1	Information exchange community	0.829	

Source : Data processed, 2021

Factor loading shows the correlation between variables and factors. In determining the level of significance for the interpretation of factor loading according to Hair et al (2014), it must be based on the number of sample sizes used, so that with a total of 302 valid respondents, the loading factor value that is the reference is 0.35. So that the variables that meet the requirements with a loading factor > 0.35 can be seen in table 4.4.

4.2.5. Reliability Test

In conducting the reliability test on the six dimensions, it was found that two items in the 4th dimension, namely ES1 and NT3, were not reliable, then the value of Cronbach's alpha for the 6th dimension was 0.307; which means that the dimension is not reliable because it has a Cronbach's alpha value lower than 0.6 so that the number of remaining dimensions becomes five (see table 5.4), with the highest Cronbach's Alpha value on the Entrepreneur's Skill factor, and the lowest on the Capital - Government Support variable.

4.2.5. Surrogate Variables

The next step is to determine the surrogate variable, which is a variable that can best represent a factor that is determined based on the largest factor loading. Based on table 4.3 for the Entrepreneur's Skill factor, ES3 (business training from the government) with a loading factor of 0.773 is determined to be a surrogate variable, although CA8 (credit card use) has a higher loading factor (0.778), the loading factor value of the two items is considered almost so that based on theory, ES3 (business training from the government) is determined as a surrogate variable. Furthermore, for the Family Support factor, the surrogate variable is FS2 (business discussion) with a loading factor value of 0.803: for Capital it is CA4 (bank loans with collateral) with a loading factor of 0.794; the surrogate variable for Networking is INT2 (gathering/arisan) is a bank loan with a loading factor of 0.839: while for the Government Support factor, although both variables have the same loading factor of 0.851, the CA3 variable is determined as a surrogate variable based on a strong theory.

5. Conclusions and Practical Implication

5.1. Conclusions

Based on the results of the data analysis, it can be concluded that capital is a determining factor for the success of women entrepreneurs, both from bank loans using collateral, partnerships, funding from non-governmental institutions, as well as loans from relatives or friends. Family support is a determining factor in the success of women entrepreneurs, because as entrepreneurs who have multiple roles in the family, support in the form of business discussions and capital assistance has really helped them to achieve their success; while for her role in the family, providing motivation and helping with household chores is a form of support for her role as a mother who has to share responsibilities with her work. Entrepreneurs' skills are the factors that shape the success of women entrepreneurs. These skills include the courage to take risks, and skills gained through business training facilitated by the government, work experience, and educational background that help entrepreneurs run their businesses. Networking is a determining factor in the success of women entrepreneurs in Manado, which can help them introduce and market their products, either through social gathering or through a larger community.

5.2. Practical Implication

Table 5.1 Practical Implication

Research variable	Suggestion
Capital Government Support	– Even though lending is collateralised, it is hoped that the banks will monitor the distribution of credit, so that their use is more targeted. KUR loans are expected to be more targeted by paying more attention to the needs of female entrepreneurs who have special characteristics.
Family Support	The understanding given to families about the importance of their support for entrepreneurs in the business they are in is very important, so that assistance in the form of business discussions and support in the form of helping with household chores, especially for those who have more than two children, will help their role as entrepreneurs.
Entrepreneur's Skills	To improve the ability of entrepreneurs, it is better if the training held has been carefully planned, for example, not in a hurry because of reasons to spend the budget. The training should be tailored to the needs of female entrepreneurs whose characteristics are different from male entrepreneurs so that they will be more targeted and useful.
Networking	Arisan turns out to be more considered as a forum that plays a big role in helping entrepreneurs in introducing and marketing their products. It is advisable for entrepreneurs to be involved in several gatherings that will be connected with other environments so that their business can develop more

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