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Financial Management Strategies of Women-Owned Micro, Small and Medium-Sized Enterprises (MSMEs)



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ABSTRACT

The intention of this article attempts to take in consideration the financial and administrative strategies and calculations carried out by the women-owned MSMEs in a Region Altos Sur of Jalisco, Mexico. The document intends to go deeper into the financial management strategies and women organization in the culture of savings, investments and credits, as well as correlation established financial resources of the company and those which are linked to their home. The methods used to gather the qualitative research and information were made through by depth interviews with five female-entrepreneurs and observations by the researcher, data was collected and analyzed according to set codes and categories in the Qualitative Data Analysis Software MAXQDA program. In general, women entrepreneurs are unique owners and their businesses are mostly in the third

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sector, although they have participation in the primary and secondary sector. Only one woman owns having partnership with the rest of her family: parents, sisters and brothers who own several companies belonging to the two sectors. The results of this study showed the peculiarity and the similarity between women-owned MSMEs interviewed and the findings of international researches according to company sizes and ownerships.

KEY WORDS: *financial management strategies, micro, small and medium enterprises (MSMEs), women-owned business*

Introduction

Women studies could be directed toward an interdisciplinary field of study, like theory and methods. In this article it is analyzed the topic since the approach of the business administration, economic anthropology and finance. Girón (2012) mentioned that the most interest from various researchers in the field of woman-owned businesses is the high rates of growth in the number of such enterprises and their increasing participation.

This paper is a contribution to gender studies concerning the participation of woman in business activities, in the area of access to financing. This is one of the factors that can determine and explain the success or failure of a business, as well as its prospects for expansion. The object of the research is to analyze the lack of financial products for small and medium size companies which can be an obstacle to growth and expansion of woman-owned businesses.

To achieve the overall objective of this study first of all, a review will be made of the main ideas raised in the literature about the woman entrepreneur and woman-owned Small and Medium-sized Enterprises (MSMEs): the profiles, the finances, the culture of money management (credit, savings, investment, loans and income, and financial formality and informality in businesses), the strategy and financial management, the planning and the decision making, and the financial links of business and household. Later it appears the design research, rescuing a methodology based on qualitative method where depth interviews and field notes of five owners of MSMEs were used.

The data analysis was performed using the software MAXQDA (Qualitative Data Analysis Software) and the main findings were presented. The results show that semantic networks were obtained by analyzing the codes that were established and their repetitions, as well as some tables that

identify the profiles of entrepreneurs, enterprises, planning, decision making, savings and debts. The intention of the networks is to create a collective meaning of a concept with the experiences of the case studies; the five cases of the women owners of MSMEs are presented. At the end of the investigation a summary is made as a way of conclusion.

Profiles of the Businesswomen

Nowadays the increasing numbers of women have entered the labor force, some of them have elected to start and operate their own businesses. For over 30 years the interest in women entrepreneurs as research subjects has been developed. The research of Hisrich & Brush (1984) showed that studies for male entrepreneurs have the same questions for female and the risk perhaps even greater for a woman entrepreneur, who has all the usual business problems as well as the problems associated with being a woman in a male dominated field.

The article reported three studies about female entrepreneurs in general throughout the United States. One study mentioned of Hisrich & Brush (1984) was about the new female frontier of Schwartz who in 1979, where twenty female entrepreneurs found that their major motivations for starting a business were: the need to achieve, the desire to be independent, the need for job satisfaction, and economic necessity. The main point was that they tended to have an autocratic style of management, and their major problem during start-up was credit discrimination and underestimating operating and/or marketing costs were a subsequent problem. Another study cited by Hisrich & Brush (1984) was carried out by De Carlo & Lyons in 1979, it was about 122 black, white, Hispanic and American Indian women entrepreneurs. They found differences between minority and non-minority women entrepreneurs, with minority entrepreneurs reporting that they started their businesses at a later age than the non-minority woman.

The last study that was reported by of Hisrich & Brush (1984) was researched for Hisrich & O'Brien in 1981, it was about twenty-one women indicating that they had particular problems with their collateral; obtaining credit and overcoming society's belief that women are not as serious as men about business. The characteristics of women entrepreneurs varied according to the type of business. Female entrepreneurs in non-traditional business areas (finance, insurance, manufacturing, and construction) also differed from their counterparts in more traditionally "female" business

areas (retail and wholesale trade). They were older and more educated than the general society and had very supportive parents and husbands. They had particular difficulty in gaining access to external financial sources.

The result of the investigation of Hisrisch & Brush (1984) included the sample of 468 women entrepreneurs. The woman surveyed indicated that:

- a) The biggest problems during start-up were lack of business and financial training, obtaining credit, and the presentation of collateral issues; these problems are also related to lack of specific business education and work experience.
- b) The “typical” woman entrepreneur is the first-born child of middle class parents, after obtaining an arts degree she marries a college educated man who works as a professional or has a skill. She has children, and works as a teacher, administrator, or secretary. She does not start her own business until the age of forty or later.
- c) Her biggest business start-up problems are with finance, credit, and lack of business training.
- d) Once the business is in operation, lack of financial planning experience is her greatest difficulty.
- e) Most of their businesses are small and young with accompanying low revenues.
- f) Some women entrepreneurs may prefer to maintain small, easy-to-manage businesses.
- g) They are aware of changes in women own attitudes and goals, including a willingness to learn finance.
- h) Women need to have access to seminars about specific topics: finance, cash flow management, preparation of business plans, loan applications and general business organization.
- i) They should avail themselves to all of the information services now available and should seek assistance from experts in the field, from colleagues and from friends in order to establish both formal and non-formal networks. Experienced mentors could be drawn from these networks to act as advisors, particularly on financial matters.

The women entrepreneurship research of Jennings & Brush (2013) showed the entrepreneurs often pursue goals beyond economic gain. Female entrepreneurs do not view their businesses as separate economic entities but rather as endeavors entwined with other aspects of their lives (particularly their family relationship and responsibilities) in the hopes of attaining a

better balance between work and family (Parada, 2013; Macías, 2013) (Yong, 2013). The conditions about household level, as well as family-oriented initiatives with policies at state level, will impact the likelihood that woman will pursue self-employment. In some cases, the reason was an early widowhood that required some woman bring home income urgently. Having a self-employed business was perceived as more successful by the flexibility offered (Serna, 2003).

The case of Mexico, OECD (2012) reported that 30 percent of all female-run businesses operate from home, compared with only 11 percent of male-operated businesses. Mexican women are under-represented (OECD, 2015), women hold 31% of senior management positions in Mexico (32% in the OECD); just 7% of the members of the boards of Mexican firms are women (10% in the OECD), and only 2% of Mexican working women are entrepreneurs (compared with 6% of men). The proportion of sole-proprietor enterprises which are owned by women is comprised between 20 and 40%. The average size is significantly lower for women enterprises in all countries with the exception of Sweden. The proportion of women enterprises is relatively higher in wholesale and retail trade, transportation and accommodation, while it is relatively lower in manufacturing.

The research of Zabludovsky (2015) shows the Mexican reality, the participation of the women-owned and directives of their own companies has grown significantly from 25% to 36% in the period 1991 to 2013³. She considered the addition of amount of this kind of occupation and she realizes the specific kind of woman's work self-employed and employers was characterized mostly of cases is related to self-employment or lowercase units in subsistence sectors occupations. The specific amount about women employers has grown from 19% to 21%, during the years 1991 to 2013⁴. Women employers are the women who employ at least one worker and themselves.

Confined to a ghetto (Berbel, 2013) where they state most of the business woman, reinforcing the idea of borders, the term *glass ceiling* (Llibres, 2013; Zabludovsky, 2015) appears. In the case of women's businesses in Mexico, Zabludovsky (2015) states that the vast majority of

³ Zabludovsky (2015) estimated the growing quantities about the data of Census reported "Encuesta de Ocupación y Empleo (ENOE, 2013)" reported by Instituto Nacional de Estadística y Geografía (INEGI, 2013)

⁴ *Ibidem.*

these businesses are small in size, the larger the company is the lower participation of women. Therefore, government recent trends have a tendency to support the development of women microenterprises, where we have more women and intended to encourage the economic development of societies through these subsidies.

The characteristics of these microbusinesses are precarious and informal. They have formed even form new social enterprises and generate public policy, being the case, the new Law on Social Economy in Mexico. The analysis that the author Zabludovsky made based on the results of the National Survey of Employment ENOE by INEGI in 2013 on areas where women businesses are concentrated shows 30% in the service sector, 28% in trade, 20% in industry and manufacture, 2% in the primary sector and 1% in construction sector respectively (Zabludovsky, 2015).

Most women-owned businesses in Mexico have a family character. These women are the motor of the family through business life and therefore the support as a responsibility for the future of their children. The family business is chosen by women because of their condition, they have a flexible schedule, the possibility of conciliation of family and domestic responsibilities are inserted in male sectors. Also in this type of family businesses some cultural barriers are exacerbated, these family ties in their companies are detrimental, for example, in the case of some societies to which they belong they have to keep a low profile, occupy subordinate positions and / or less than their male relatives ranges. However, their responsibilities are important -and male relatives does not perform their duties as such- likewise highlights Zabludovsky (2015), much of the work developed in this type of family businesses remain invisible. The results obtained from Girón (2012) about Mexican entrepreneurs women in Texas reported that women have higher educational levels than men and the age range of the businesswomen are about 10 years less than for the businessmen, between 35 and 45 years of age.

The Finances of Woman-owned MSMEs

Women-owned MSMEs make significant contributions to the economies in which they work. The resource point of the World Bank Group (WBG) issued by the International Finance Corporation, IFC (2014) reported that **lack of finance is a major constraint to the growth of female-owned enterprises and there are legal constraints in family law**

and inheritance can determine a woman's ability to own a property and the possibility to access to financing. In this case was important to analyze the credit gap and IFC's portfolio gender baseline to provide women with opportunities to finance their businesses.

The International Finance Corporation IFC (2014) related that one of the biggest barriers for increased access to finance women owned enterprises is the lack of reliable data disaggregated by gender: this further hinders the opportunity to make the business case to financial institutions on supporting woman-owned enterprise. It is necessary that commercial banks have a better understanding of the existing market potential as well as constraints facing woman-owned MSMEs –at urban and rural level-, in order to design strategies and offerings that will allow them to improve. The research was based on the findings from the *IFC's Enterprise Finance Gap Assessment Database*.

The investigation in women entrepreneurship is essential for economic growth. The gender equality is a strategic priority for the society. The business opportunity of the women entrepreneurship market was considered for the WBG, because they realized the importance of establishing a baseline of data for access to funding. The report of the International Finance Corporation IFC (2014) offers recommendations to support the strategic women focus across the WBG demonstrates that increasing women-owned MSMEs access to finance is not only good for women, but a growing and profitable opportunity for financial institutions.

The investigations that they found at national and international level have conducted the issue of the relationship of finance and banking culture of women-owned MSMEs. Saporito, Elam & Brush (2012) presented a study which examines how the gender of the business owner and of the bank manager influences perceptions about the banking relationship. The United States experience allowed them to realize they can have different types of relationships according to size, sector and age companies. They found that the female–female pairs had the lowest levels of trust, satisfaction with access to credit, feelings that the bank had the low levels of knowledge about their firm, and the most likelihood of switching to an alternative bank.

Using a large sample of European MSMEs, Moro & Piotr (2014) investigated the relationship between gender and credit constraints. No evidence is found about the bank financing, those financial institutions are based against female managers, and since the loan turndown rates are remaining steady rest, statistically indistinguishable across gender. Female-

run firms are however less likely to file a loan application, as they anticipate being rejected. As a consequence, firms managed by women obtain less bank financing. In the case of certain population groups such as immigrants or women, researchers have noted the difficulties to access financial services; Girón (2012) showed that the degree of bank penetration of Latin American immigrants in the United States is very low.

The types of financing received by the women are supplier credit and loans from relatives. Women are dependent on informal sources of financing and most of the women established their companies based on their savings in the United States. A contradictory case mentioned the findings where 100% of women used banks while only 89% of men did so. The non-formal institutions such as micro-finance institutions, savings and loan associations, and pawnshops were not used by this group of businesspeople.

A different approach characterized by the level of attention to smaller businesses is linked to microfinance (Bazán & Saraví, 2012; Conde, 2009; Girón, 20015; Mayaoux, 2011; Robles C, Alviter L & Littlewood H, 2015; Sampayo, 2008; Villareal & Angulo; 2012; Zabludovsky, 2015).

The microfinances contribute to the formation of an enterprising culture among the persons who use them (Sampayo, 2008). Since the nineties for the case of Mexico there are huge requests of financial services from millions of economically disadvantaged people. Conde (2009) and others (Alpízar, Svarch & González-Vega, 2006; Bazán & Saraví, 2012; Girón, 2015; Macías, 2013; Morduch & Rutherford, 2003); Rutherford, 1999; Villareal & Angulo, 2012) mention that microfinance is linked to the provision of all kinds of financial services for low-income segments.

Distinguishing the popular personal finance, administration and finance are carried individually and the segment of low-income population that characterize them. On the other hand, social finance has solidarity principles. Supporting the development of social projects establishes a relation between microeconomics and microfinance, classifies traditional banking, such as commercial banks and social development and banking, as linked to the popular sector and the development of micro, self-employment and support for MSMEs medium low.

In the analysis of investigations that have been conducted cutting microfinance and grouped Villareal & Angulo (2012), have demonstrated that economic strategies include ways and lifestyles (status, identity, values), their relationships and social networks. They are often an important part of economic transactions, resources and capabilities of business and

different types of markets in which they are not always visible. The realities analyzed reveal the assignment and appreciation of the value of the finished product by producing and selling handicrafts, where social status interferes in their sales. Women owner micro-business have success and struggle to compete without appearing to be very prosperous for social effects (jealousy) which this can lead them.

The business owners use various techniques and strategies to achieve their sales; they attract clients to the business establishment and according to their income allow them to make an ongoing investment in local business. Savings preferences are linked to their accessibility, to cover emergencies and to have liquidity. The similarities in Mexican micro financial practices led by women show similarities in the culture of savings and credit, in its financing, the possibility of investing in remittance income and in homogeneities in the work of women in certain areas.

Jude (2006) mentions that microfinance is market oriented without starting prioritizes social justice for women. Financial inclusion details Villareal (2014) mentioning the idea of Ferguson and Yunus on access of people to a piece of capitalism, to democratize finance and Bazan & Saraví (2012) of monetize. Research that integrates Villareal (2014) rescued the essence of the ideal of microfinance to associate mainly to the promotion of entrepreneurship in order to help people purchase productive assets and working material to start their business, but it is not always the case.

Microfinance is considered a micro level as well as the financial amount for the content, linked to formal or semi-formal institutions, some more social and altruistic disclaim microfinance and in the case of informal are considered to be fostered among families, friends, credit unions, remittance or micro banks. The average amount was set at twenty thousand pesos (about twelve hundred dollars), and as mentioned previously directed to sectors that do not have access to formal banking sector (Villareal & Angulo, 2012).

Bazán and Saraví (2012) define the key triggers of ascending and / or descending on household welfare processes. That could equally apply to women-owned businesses. On the one hand people have a portfolio of assets as economic, human, social and cultural capital, and on the other hand people will have different levels of opportunity structure, e.g. utilities, type of community, labor market, local economy, formal financial institutions, security levels and community integration. The interaction of financial services could be presented according to either one or several parts of the

business women, to their portfolio of assets or opportunities structure and this would result in opportunities or constraints on firm performance women. According to chains or relations established by women and their positive and multiplier effects that the author mentions quoting Rutherford (1999), relating to the initiation or expansion of the business.

Culture of Money Management and Financial Formality and Informality in Businesses Owners (Credits, Savings, Investments, Loans and Incomes)

The financial experts say that it is good to have a debt. They explain that credit feeds economic growth, stimulates the production and creates jobs (Villareal, 2004). For some credit it is linking to an undesirable situation. The authors Morvant-roux & Guerin (2012) rescue the importance of the concept of economic anthropology where according to this view people borrowed and paid rebates based on their own hierarchies and their calculation scenarios. Customers, over- indebted debtors, among others: equally in the different characterizations credit frameworks as they arise.

The women entrepreneurship when planning a business could be found in some barriers when making the decision to conduct a business, as regard to financial capital there are: lack of financial capital and fear of banks.

Some studies have found that companies manage a fear of the risk of investment in capital for financing, women used prior savings as the primary source of funding rather than soliciting credits, for example, which could coincide with the idea that: women have greater risk aversion (Girón, 2012; Rodriguez & Rodriguez, 2013). These authors state claim that is vital for them to have no fear in seeking external financing, either through investors or by a commercial loan if they want to see their businesses grow in size. Women who did not use their own personal financial capital or that from their partners, and therefore used external financing are those with the larger firms in number of employees. Using internal capital – own savings or partner's savings- at the start-up of business does affect by the size of the firm.

To women a man is considered more reliable for money management in general they are good managers. According to the study (Macias, 2013) on financial practices of woman who earn income from employment or self-employment, it was found that woman is inclined to the non-formal sector,

to stay this way for lack of funding, and they represent their markets credit to be semi-formal and non-formal mostly be used as in urban areas.

The terms and relationships that are involved in financial processes of debt of Villareal (2004) could be utilized for financial administration of the women-owned MSMEs, (See table 1). It is important to mention the definitions of these terms used in everyday language and in the business context.

Table 1: Terms and relationships that are involved in financial processes of debt

Terms and relationships that are involved in financial processes of debt	
Debt	It can be referred to a formal bank financing or a lender, as well as non-formal borrowing from friends and relatives. Its use is generally willingness to pay within a short period without involving too much effort. A loan is a favor. People feel grateful to borrow in times of difficulty.
Loan	It can be described as an established balance in cash or in kind (such as a favor to be paid). There is more involved in the term commitment. A debt should not be forgotten. The term is also used commitment this way: a debt that involves a degree of pressure. But having a debt is not stronger. You feel the weight of debt and struggle to liquidate.
Credit	It is commonly used for more formal relationships with banks or other institutions. Often a notion of rights is assumed. They have the right to receive certain funds and the obligation to pay an interest rate is recognized. Credit can also refer to the potential of acquiring a debt. Having a store credit or bank means that you can get a loan if required.
Aid	It can be referred to credit from a bank, but is often used in reference to government institutions or support. It comes with the purpose of helping specific and may or may not use.
<i>Deal (Fiado)</i>	It is a deferred payment, it is used with reference to goods that are not settled immediately, particularly at local stores or street vendors, but also in regional shops that sell fertilizers and other agricultural inputs, and for example, where the customer is known and reliable. The debt must be liquidated at short notice. It is interesting to note that the term " <i>fiado</i> " is used for small negotiations. Despite being a recurrent mechanism in most business relationships, in large establishments or at other times and spaces chains agro products marketing, it speaks rather deferred payment or credit.

Source: Own elaboration based on Villareal (2004)

In the anthropological literature there is a popular financial strategy called *ROSCA* (Rotating Saving a Credit Associations) circular ambivalent one embodiment, a portion may be a loan and other savings. In which each member contributes a usually weekly, biweekly or monthly - amount, and coming in turn, receives the sum of the contributions of the participants. Considering a credit when the shift is the first to be circumvented and savings when is the last number (Villareal, 2004).

In popular terms these informal savings and credit mechanisms appear in different forms; they are placed under the name of runs, raffles, pool or cow, *cundinas*⁵ and *guardadito*⁶ (Villareal, 2004; Bazán & Saraví, 2012). The use of non-formal financial services is used for emergency situations, because they tend to be more flexible and less demanding negotiable governed by social relationships, while formal are more compromising, dangerous and strict conditions, governed by purely economic relations (Bazán and Saraví 2012).

Challenges of women in management are shown by Villaseñor in 2004, about the control of debt and the saving. The research over the women group (Cooperative CAMPO in Jalisco) has participated in the management and investment account in setting interest rates for savers. One limitation here is the little freedom to organize their time and activities, which directly influences the decision making. The participation of women is more intense in the management and control resources than the access to them.

Jennings & Brush (2013) claim that in general businesses headed by women tend to be financed at a lower level and by different means than those headed by men:

- 1) Women tend to start their business with lower levels of: initial financing and, to operate with lower of debt and equity beyond the start-up stage.
- 2) Female entrepreneurs are less likely than male entrepreneurs to use formal, external sources of financing during start-up and less likely to utilize debt financing.

Research experiences by the authors mentioned are: cases where the bank loan officers tended to rate women significantly lower than men. The greater dissatisfaction was expressed by female entrepreneurs with respect

⁵ Circular form of savings and loan in anthropological literature is known like *ROSCA* (Rotating Saving an Credit Associations) (Villareal, 2004)

⁶ Informal savings generally performed in the household. The microfinance market has used its popularity and integrated it as a name for the products they offer.

to banking experiences, their lower propensity to apply for various forms of financing and they tend to charge higher interest rates for female than male.

Strategy and Financial Management of Women-Owned MSMEs

The use of internal financial capital at the start-up of the business has significant difference in the size of the Company. Sometimes financial funds are obtained to initiate savings or support from parents of the owner or some families (Rodriguez & Rodriguez, 2013).

The female entrepreneurs have preference to start creating companies with their own personal or family loans using savings (Guzmán & Rodríguez, 2008). In the research of Coleman (2000, 2007) was shown that the ability to secure financial capital had a positive impact in the growth rate of men-owned firms, but did not appear to affect the growth rate of women-owned-firms. The programs at promoting entrepreneurship and small business ownership among women should be designed to address human and financial capital needs.

Similarly, the study on the profitability and financial strategies of women- owned small businesses of Emrich (2015) showed the importance of small business which is vital for countries and likewise the strategies they use in their financial management is vital for countries and likewise the strategies they use.

The fastest growing segment of business development in the United States comes from small business start-ups, with 42% of these businesses being women owned. Women-owned businesses are annually 25% less profitable when compared to the average small business in the United States. The data from the results indicated, within this one particular context, women small business owners and their employees used financial resources for networking, motivation, and innovation. Focusing on these practices could result in increased profits for other women-owned small businesses.

The research of Jennings & Brush (2013) shows that over the past three and a half decades, there are notable differences with respect to the strategies of female and male-led firms; few organizational and managerial differences have been documented. Some features about women-owned businesses run by women tend:

- 1) To be over-represented in the retail and personal service sectors and under-represented in the manufacturing, extraction and business services sectors.
- 2) To be more likely than those headed by men to pursue social as well as economic missions.
- 3) To be home-based and less likely to be engaged in exporting.
- 4) To be as likely to run their firms with a mix of feminine and masculine approaches.
- 5) They are as likely as men entrepreneurs to run their businesses with a mixture of male and female approaches.

The ambitious women entrepreneur consists of having a high-growth and a wider range of financing sources, compared to lower-growth entrepreneurs, according to research of Gundry & Welsch (2001). In the article of Romo & Rangel (2010) is mentioned that to have a business strategy in terms of changes in the organization and labor relations in a minor of terms of technological innovations.

The research of Girón (2012) about Mexican women entrepreneurs & gender asymmetries in Houston, Texas shows a sample of 25 entrepreneurs, 28% (7) were women and 72% (18) were men. She confirms that women in the region of Latin America often turn to the non-formal sectors and personal endeavors to becoming entrepreneurs. The women who run companies posted a growth rate that were significantly higher than those of the rest of the businesses; that is including men and women. The women use collateralized loans and mortgage loans in similar proportions.

The financial experience of companies in Jalisco is mentioned by Arechavala (2014) because he works in a consulting business. He demonstrates that the use of financial information is as follows: approximate expenses and cash flows are known, but historical budgets are not funded from the provider's support, it injects capital when there is no liquidity and financial statements are used to make statements to the government, not considered in decision making by making it clear that these tools must be handled.

Another research on financing strategies of MSMEs as the study of Alvarez & Abreu (2008) out of ten MSMEs established in Monterrey, Mexico state that companies use 95% of financing suppliers to represent them at a much lower cost and in this case only two of them have a bank financing.

The utility profits administered in various ways, Suárez (2011) mentioned that most of the women entrepreneurs try to generate future pension income derived from savings in fixed assets. In relative terms Girón (2012) claimed that women invest slightly more in property or real estate in the United States; they are more cautious and prefer to see their business grow more slowly, unlike man. The latter could be linked to the fact that businesswomen request fewer loans from “formal” sources and prefer to resort to the use of their "own resources" if they require financing. The type of financial services used by women after checking accounts is the personal health insurance. Among the five financial services most used by women are investment accounts, which are not included among the five most commonly investments used by men.

In order to analyze the impact of gender relations on issues of financing that establish women and men in the figure of businessmen and bankers, Madill & Riding (2012) conducted a study where the research shows that the gender of the SME ownership team does not affect either loan to turndown rates or rates of loan application. The research does show a significant gender difference in the length of lender-borrower relationships. Even when controlling for age of the firm, the study showed that male SME owners have significantly longer relationships with lenders—suggesting that male entrepreneurs may benefit more from relationships with their lenders than female do with entrepreneurs.

A financial practice relates to the economies of the people and transforms their lives. People perform calculations: time, money, costs, benefits and decisions to assess what would have greater profits according to possibilities, restrictions and significance. These decisions are not always rational (Santana, 2012). Such strategies at the micro level are linked to monetary behavior which participates in batches and credit unions (Rodríguez & Villareal, 2012).

The strategies that women business owners are worth in order to overcome economic difficulties and seize opportunities includes on the one hand the use of family labor, recurrent deferred payment systems and installment sales (Villareal & Angulo, 2012) (Chaganti, 1986). Another important fact is the effort to stretch their budget, reducing spending, engaging in productive activities and using different types of loans and face problems that have to cleave funds for productive projects (Villareal, 2004).

The financial experience to grant financial benefits to women who mention Armendáriz & Morduch (2011) shows a benefit, because it fits well

with the dual goals of obtaining high repayment rates and meeting social objectives. In principle, providing women with more capital can strengthen their growth. Bank managers may supervise at lower cost, they are less mobile and are more conservative in their choice of investment projects and they provide greater reliability and security for payment of the debt. Although it is found that young men and women entrepreneurs tend to be more aggressive in generating employments, in the case of differences for business men and women have different forms of credit, no involvement was found to generate gross sales revenue.

Planning, Organization, Accounting and Decision Making

The detail of the financial management functions for business women is characteristic of other companies, which varies according to size and sector where they belong. The planning, organization, accounting records and making financial decisions of companies are actions involved in financial management. To Zutter (2012) finances are defined as the art and science of managing money. On a personal level finance affects individual decisions on how much money to spend in revenues, how much to save and how to invest in savings; while in the business environment, finance involve the same type of decisions: how to increase investors' money, how to invest the money to make a profit, and what is the best option of reinvesting in company profits or distributing the investors.

To make the best financial decisions the process is very similar for both businesses and individuals. To know and apply the techniques of good financial analysis will help to understand the financial implications of major business decisions and equally as a consumer.

The financial terms of the business depend on the size and importance of the company. In small companies the accounting department usually makes the finance function. If the company is higher the finance function normally becomes an independent office and as valued directors is assigned. However, the staff in all areas of responsibility should have a basic understanding of financial management functions, so that it can quantify the consequences of their actions. An activity of hiring employees, advertising budgets, an acquisition of technology and machinery involves understanding financial. Every one of the actions that certainly contributes to obtain the resources needed to succeed aspects.

Linking finance and accounting Zutter (2012) notes detailing a reality where the counter frequently performed the finance function, and in large

enterprises, financial analysts often help gather accounting information. The two basic differences between finance and accounting reside in cash flows and decision-making. Counters gather documentations and prepare financial statements. Financial managers evaluate the financial statements.

The Financial Links and Resources of Business and Household

Linking MSMEs businesses owned by women and home concerns gender relations. The stage of the work of women, loaded with the roles of their responsibilities that have been socially assigned, and that in the field of paid and unpaid work has provided greater visibility. Today remains that domestic linking woman at any stage to be located. Therefore, the issues of reconciliation to be performed to carry out parallel appear in parallel. Some evidence of research on women-owned businesses and the characteristics of their owners in domestic reconciliations will be addressed from various circumstances.

On the other hand, the document on women and business statistics in Mexico *Centro de investigación de la mujer en la alta dirección* (Research Center of Woman in Top Management) recovers the data of the *Asociación Mexicana de Mujeres Empresarias, AMMJE* (Mexican Association of Women Entrepreneurs), which makes clear that women spend more than 70% of their profit to the community and his family. Unlike men for this purpose it represents between 30 and 40% (Instituto Panamericano de Alta Dirección de Empresa, IPADE Business School 2013)

The representation of the increased income in families is another tangible circumstance that is reconciled. The access of women to income has given them a personal and financial autonomy that was previously unknown as such. This incorporation was as entrepreneurs or employees. The join obtaining financial resources influenced generate new dynamics in families. Meanwhile in other incomes households allows members to have higher incomes or revenues to continue or increase their participation in consumption and debt cycles (Galvez & Torres, 2010) were reported. These issues of labor, family and personal reconciliation of women have occurred in contexts of crisis.

Moreover, issues and requirements of home care are circumstances linking temporary arrangements to be solved on a daily basis by women and according to different cultures these are administered to continue fulfilling its corporate responsibilities and partner to home. The research of Nugroho (2015) expressed: nevertheless, there are limitations in mobility for women

entrepreneurs to take care of their family and the values or customs, especially in Muslim countries. The technology solutions can reduce these limitations. Women entrepreneurs contributed to the household economy.

Research Design

The contribution of the gender studies and women studies to research methodology has been from different angles. Woodward & Woodward (2015) affirm that qualitative methods have continued from the feminist tradition of highlighting the importance of lived experience through to gender studies. The possibilities of the describing of lived experience and of excluded voices, as well as understanding of dominant structures are the means through which exclusions and inequalities are perpetuated.

In this line and according to Woodward & Woodward (2015) intend to use qualitative research in this study based on in-depth interviews, field notes and their analysis using software MAXQDA allowed to file a purer reality and less biased. Considering the benefits of woman's studies and gender about academic-based studies it was considered important to assess the innovation in methods as well as having established a tradition of mixed methods in response to social change.

In the case of women-owned MSMEs in Mexico there is no statistical information available. There is no government database on women and men entrepreneurs. There are some associations or chambers that some are grouped. The *Instituto Nacional de Estadística y Geografía* (INEGI) has some list of business entrepreneurs in the region Altos Sur, Mexico, but in the National Statistics Directory of Economic Units, DENUE does not have specific information by women or men owned.

It is necessary to note that, although due to the sample size the results cannot be generalized for the total population of women-owned MSMEs. This investigation seeks to serve as a reference framework for identifying the characteristics and gender differences of these businesspeople, uncovers lines of discussion, and generates broader studies whose samples are more representative of the universe of women-owned MSMEs.

This study will seek to account for financial and administrative strategies and calculations carried out by the women-owned showing evidence of an approach made with owners of five businesses that are in the state of Jalisco, Mexico. And the results will be compared with the major

issues raised concerning the differences in the characteristics of women-owned MSMEs.

The transcript of the interviews was done and was analyzed according to certain predetermined codes. The information was compiled and verified pertaining to each case and presented widely in a semantic network that brings together the collective vision of the concepts related to the financial management of the owners of MSMEs.

Results

Semantic networks are presented on a pair with the characterization of the five case studies, on the financial management of the owners of MSMEs. The networks are derived from: the profiles, the finances, the culture of money management (credit, savings, investment, loans and income; and financial formality and informality in businesses), the strategy and financial management, the planning, the decision making and the financial links of business and household.

Profile

The results on the demographics and profile of each business owner are discussed in the following tables.

Table 2: Profiles of women-owned MSMEs

Profiles of women-owned MSMEs									
Professional activity	Origin	Level of education	Age	Sons	Marital status	Role in the ownership of the company	Role in the company	Linking or family support	
								Brothers, sisters or parents	Couple
Poultry woman	Altos de Jalisco	University (not finished)	30 - 40	4	Widow	Owner	Manager	Yes	No
Merchant	Altos de Jalisco	High school	40- 50	3	Married	Owner and partner with her sister	Co-administrator	Yes	No
Hair stylist	Altos de Jalisco	High school	30- 40	3	Married	Owner	Manager	Yes	No

Profiles of women-owned MSMEs									
Shareholder	Altos de Jalisco	Bachelor's Degree	40-50	2	Separated	Partner with her father and brothers	Shareholder, manager and Co-administrator	Yes	No
Veterinary	Estado de México	Masters student	40-50	1	Separated	Owner	Manager	No	No

Source: Own elaboration.

Table 3: Family environment and personal career in business

Professional activity	Family business	Work experience
Poultry woman	Father and brothers	18 months responsible owner and administrator
Merchant	Brothers and sisters	11 years employed and 18 years owner and manager responsible.
Hair stylist	No	2 years employed and 14 years owner and manager responsible.
Shareholder	Father, sisters and brothers	19 years owns and operates business herself and 10 years in the family business.
Veterinary	No	15 years of owning and manager responsible.

Source: Own elaboration

Company Features

Table 4: The company features of the studios cases are different

Sector	Economic activity	Location	Company features			
			Number of employees	Size	Company Overview	Relatives working
Primary	Poultry-woman and livestock	Altos Sur de Jalisco	18	Small	Three farms in total (two are rented)	Two brothers willingly help
Thirdly	Footwear trade and leather goods	Altos Sur de Jalisco	2	Micro-enterprise	Two boutiques	Her sister is her partner
Thirdly	Beauty shop. Aesthetics	Altos Sur de Jalisco	3	Micro-enterprise	Beauty shop	Her nieces
Secondary & Thirdly	Meat processing, purchase and sale of meat (butchery) and leasing	Altos Sur de Jalisco	126 and 8	Small – micro-enterprise	Meat processing, purchase and sale of meat and leasing a ballroom	Her brother is the director of the processor company, sometimes she replaces her brother and she is always responsible of

						commerce. ⁷
Thirdly	Veterinary services	Altos Sur de Jalisco	1	Micro-enterprise	Veterinary clinic and pet stylist	No one

Source: Own elaboration

The Strategy and Financial Management of Women-owned

The semantic networks show key concepts constituting the frequency of repetitions of the interview on financial strategies of women-owned MSMEs⁸.

Figure 1: Networking. Financial management strategies of women-owned MSMEs

Networking. Financial management strategies of women-owned SMEs



Source: Own elaboration

⁷ The interviewed mentioned that the percentage of participation of actions of the members of the family is different for family tradition to men than to women. If the partner is a son (man) the percentage has a significant difference much larger in relation to which it corresponds to the daughter being a woman. Preference is given to man to be the director of the company by the fact of being so. Officially he is the director.

⁸ In the figures that contain semantic networks of financial strategies, savings and credit, appear in parallel of each key concept quantities between parentheses. These amounts represent the total number of times that these concepts were mentioned in the comments made by the five women interviewed.

Information of respondents about financial strategies used in business detailed below naming them in the case studies according to their professional activity as entrepreneurs.

1er. Case: Poultry woman

She manages all her company's financial and brothers willingly support her, one in construction, personal management and planning and other issues in veterinary medicine. She checks several times a week every chicken shed, monitors from the light, food, water, leaks, she can notice when workers do not do things, etc. She sends the egg freight orders to various cities. She modified her farms and moved the same staff. She always brings business money to cover expenses that are offered out of the business bank account. She used to listen to her husband that if the business goes wrong she had to invest not much but only the necessary. She takes control in office (write down her sales in a notebook, she has on files her records), makes calls to the sales office in Guadalajara city -to which she will monitor once a week and in the evening she revises invoices and checks as well as her calls. She uses the internet bank, and makes notes in her notebook. She uses email and WhatsApp. She says it is a wonder to communicate with her customers and suppliers.

A salary is not assigned for her. She values the flow enough to buy or invest in pastures for example. She has several relatives with different professions who advise her in the areas needed. She listens and makes her decisions. She says her workers are her team, she motivates them. Almost all of her employees live in houses which were built in her farm. If the team workers do not work, she goes to work as a secretary with her father, but the question is what they will do in the future without job? As being so close to always knowing the reality of her company, so she knows what she has, where it is and how she cares. She started with two hen booths, now she has six.

2nd. Case Veterinary

She first takes her debt costs, syringes, light services, income and salaries that she must pay, representing the base, to realize that more money should go. At first she did not know how much to charge, earnings were noted only she worked to remove costs, her mini-salary was only given to survive, not to live. She writes in her notebooks utility rates she receives. Records per day are made and compared -as realized the best times-, and she makes promotions reviewing laboratory offers. Everything is handled in

cash. She put aside part of her money to buy a computer. When she sees his brother, he lends her some money, and not with a bank deposit, because it charges taxes. There are providers that let her team up and they allow her to make a deferred payment one month later, this is a supportive financial service for her.

At veterinary supplier exhibitions she only pays the half of the equipment she is buying at that moment and the other half is financed. Every year she does the same and sometimes she has higher costs and sometimes these can be paid in cash, this transaction is important because the more services are given, more opportunity to make a profit. For example, the x-ray service was done through an intermediary, not now because she bought this machine. With duplicate equipment she intends to open a new branch and renew the current business. Her salary was not assigned before. Sometimes she lends money to the business, and sometimes it is no longer charged.

Everything is performed at an empirical level since she has knowledge of administration, however she thinks to be important to get a master on business administration, therefore she is studying this now. When she needs money to grow she asks her brother. Prices are in dollars, such as chemotherapy, where the price moves in the exchange rate and she sees that charge so it is not as expensive service. She has not been able to raise prices because of marketing competition but she offers more services to make money. She performs the medical work helped by her assistant, and both also do the pet stylist service. In the notebook she does the expenses and profits calculation using a calculator.

3rd Case: Shareholder

The shareholder woman said she is bad for finance. The operating part of a company is what she likes most: “what is missing, what is needed, customer services, quality of products, supervise and look for errors. You cannot leave things; you have to be well tuned that everything is just right.” She is always checking the competition, trying to have little lower prices. Her sister makes all payment processes. She waits until the month is over to generate new strategies; with vendors she pays attention how they are selling and how to be supportive in order to have better sales. She worries about to prepare the breakeven to know how to keep it.

All the company life, where she is a shareholder, has had a bank credit; this has used it from the beginning by her father. He says: “It is important to

have an open line in banks because you cannot have a bad image with the providers, because the company earns more if it pays cash to the suppliers and it is the opportunity for best prices.” Sometimes the government has supported her company. She is seeing all the time on the computer the amount that the company owes and the money it has. She is checking the inventory. Sometimes they have received government support. Since the company was formed in companies and she is a member, each member receives a fixed amount at a certain time.

In the previous business (a shoe store), she was the only owner, she went to bankruptcy, because she had no shoes and she had no money to pay suppliers. In the new group of company, the personal meets when it is needed, usually every Friday and someday if it is necessary. She does not have need to work, but prefers to do so. She proposes strategies to her brother director and the manager, they are a team. If the company needs to borrow money, her father has always told them that they should only get 10 % the value of the company; it would be as much to ask. She believes that businesses are not made with relatives and friends because feelings are involved.

4th. Case: Hair stylist

She administers by herself, in her notebook records the services makeup, hairdresser, etc. and calculates a percentage of what was spent on materials and labor, and thus she calculates the profit; so she learned to get profit in the job where she worked before. From Monday to Wednesday she pays material suppliers or basic services, she puts in a small can or container the money that she makes in the week and the profit after paying expenses. If she has surplus money after making payments, she takes it to invest or takes it for what she wants. On Saturdays she pays salaries and hers too. She gives to her accountant the receipts of the expenses.

About the profit of the beauty salon, she sets aside money for saving in a *tanda* (*ROSCA*), and each year or six months she buys with this money, which she collected in a *tanda*, some materials for the beauty salon like a chair, among others. She estimates her inventory of materials and when she has 10 percent of them, she asks for more products to providers. She does not have inventoried her necessary things to work; since these materials are tangible she can calculate when she will need more. She began to sell beauty materials, but her customers no longer visited her by not paying their debts about materials and beauty equipment.

When there are not many customers, she agreed with her employees to have that day off and later they will reintegrate it. Her providers give her a month to pay. With the profit of her job, the family and she go on vacation. Her clients are from different cities in Jalisco either she visits them or they go to her beauty salon.

5th. Case: Merchant

The merchant interviewed and her sister works together in their business. The respondent commented that she has more profile for sales and purchase of goods; she is more administrative, she makes payments, accounts records, etc. Her sister likes to treat customers and sell. They separated their boutiques one for each one. She had an electronic inventory system but can no longer handle it, because it is not updated. Some products sold are imported and the exchange rate affects the cost about shoes. Last three years she has lived a very difficult situation, because she does not have much profit, she said that her money depends on the debt of her clients.

The profits that were obtained each month are removed at the end of the year. She participates in exhibitions every six months; she takes pictures of products and orders records. In her notebook she writes down the orders. She purchases a minimum of shoes from suppliers because if she does not buy constantly the providers will no longer sell her. She makes calculations about how much she has to ask to the bank in order to pay her suppliers. She posts pictures of her new products and asks for promotions to her suppliers. Out of season she makes a sale of the last remaining items. She feels limited in her store, because she has a small warehouse for her products, but she also says that she does not need more if there are not many sales.

Planning

Table 5: Planning

Planning

Poultry woman

My philosophy is if I win ten pesos I will reinvest the money, I will save it and money will accumulate. When business is not giving me to reinvest or to hold the same, I have to put money of my savings -my *guardadito*-. The vaccination and blood schedule helps me to know that the hens are fine.

Merchant

She performs a planning. There is an exhibition every six months, in which she goes and asks for all the products for season. She takes pictures to the products

and she asks her suppliers all orders, she makes a record of her order, what products (shoes) she will receive and what is needed, she said "to check whether I asked more or less products." She performs strategies to sell off products which are already off-season.

Hair stylist

She manages her inventories and orders the products according to the season either high or low. She purchases machinery and accessories in the beauty exhibition. Then she plans to withdraw profits for personal expenses, but it depends of the money recollected according to the services that she requested.

Shareholder

She is aware of the plans of the company in the long term (projections), she takes into account the record of the historic numbers and she knows what will be needed for new investments. She believes the company is well structured for everyone's support. She has a budget currently to start another business and now she tries to find the best long-term option. She makes planning strategies at the end of the month based on analysis of statements and behavior values for sales promotions.

Veterinary

She makes promotions in times when there is little work flow, like a hook to pull customers. Her clinic has grown to avoid relying on externals, for example now she has her own x-ray equipment. She is accessible to her customers and when a consult is expensive, she asks for the money by parts, first the application of vaccines and after the consultation. She brings planning and managing fixed prices, where the haircut charges the same for many years.

Source: Own elaboration

Accounting and Decision Making

Table 6: Accounting and decision making

Accounting and decision making

Poultry woman

She is responsible for the financial (money), her brothers support her in making decisions. She registers in logs data of the week, taking into account the sales of egg and payments. She has a record in a calendar of blood samples and vaccines for everything are well. She has binders with sale invoices and bank statements.

She reconciles the bank statement to allow her to know her earnings. Her brother brings the variability of costs, they have historical records; she does not have this knowledge but she does mental calculation and she understands them. She has an accountant who handles tax paperwork, payroll and social security.

Merchant

She delivers her accountant registration policy stapled with the check and the bill, she records the report of inputs and outputs. All sales are invoiced. She manages banks and checks the outputs by invoices. She is supported with funding from her suppliers. She used an electronic system for accounting, but she did not upgrade it, because it came

with flaws. Each year, she performs conciliations with her banks, suppliers and customers, and verifies her inventory, to know her profit. She manages product lines to calculate cash sales.

Hairstylist

She keeps track of orders to suppliers, writes everything down in a notebook. She participates in savings with her friends and family: *tandas* (ROSCA) to purchase products on credit and to purchase raw materials from suppliers. In the exhibitions she buys in cash with the money from her savings –*guardadito*-. The accountant is only responsible fiscally and registers her expenses. Financial statements are required only in special situations, such as when she would arrange a visa or when her husband and she asked for credit. She manages her daily notes and income.

Shareholder

In the butchery business she is in charge of giving results, she is in charge of sales. One person performs the income statement and she analyses the register monthly. She pays attention on the profit or loss that has each month (must have a good margin by each product because it is difficult to make a profit because the costs are very high) and she performs comparisons for periods of time. Suppliers of other products take them to the butchery for free consignment sale. In the meat processing company, she is responsible for directing the sales agents, their spending and selling. Her receptionist records the movements and she values the proceeds to take action and implement strategies. She authorizes and checks payments. Time ago when she was the total responsible of the company of meat processing (when her brother was not the director); she decided on the purchase of equipment, on the acquisition of domestic machinery or imported. She and her manager always researching all information about the equipment, because in the beginning she knew nothing.

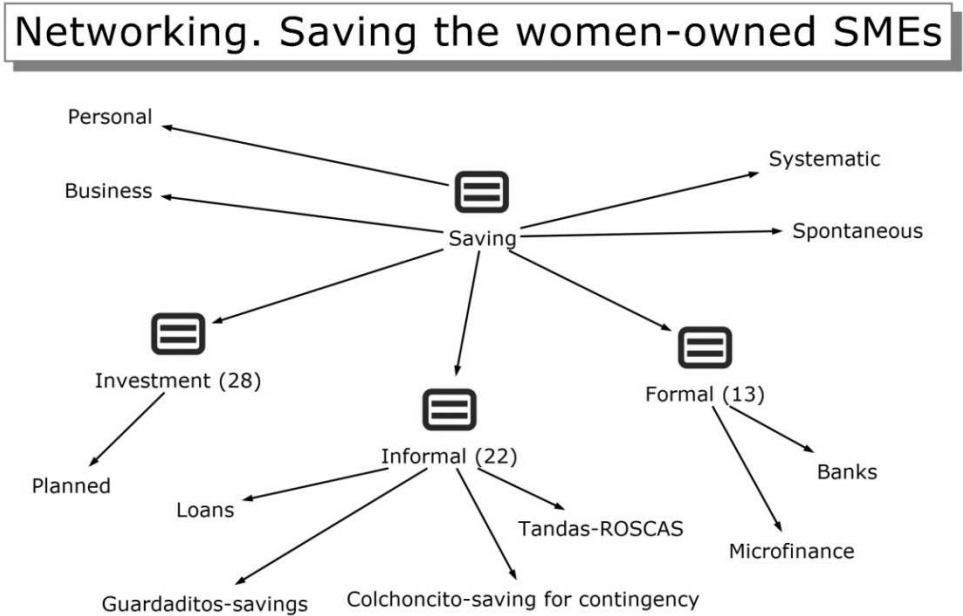
Veterinary

She separates fixed and medicine costs and the sale of accessories. She has medical fees for services. She keeps a daily control of customers and is organized by month to perform comparative. Her suppliers provide the products and then they charge her. She logs all movements in a notepad (inputs and outputs), which are only kept for two years. She has an empirical knowledge about. She estimates the cost of certain equipment and substances in American dollars and informs her clients to avoid money exchange loss. She has identified the seasons where there is greater workflow. She makes savings by periods to buy fixed assets. She uses the self-financing with her suppliers. She tries to avoid relying on external factors, to reach accurate diagnoses and maximize profits.

Source: Own elaboration

Savings

Figure 2: Savings



Source: Own elaboration

Table 7: Savings

Savings		
<i>Formal savings</i>	<i>Informal savings</i>	<i>Saving to invest</i>
Poultry woman		
She says: “I have very good advisers in the bank”. She bought a debt to the bank, but she did not like it. She tells that she did not have a profit or a loss, after that experience she thinks it is better to have a traditional saving.	She does not like.	She would make a bank withdrawal when there is fixed term and only if she has the sufficient amount which allows her to buy land.
Merchant		
She has never managed bank savings.	She collects earnings monthly and at the end of the year she decides what to	It is just the savings because it is not reinvested; someday “I

do, she uses only one batch. would like to invest.”
Her savings in dollars no Business does not give
longer exist because She no enough profit.
longer has foreigner
customers.

Hairstylist

She had a savings account, but not anymore.	She takes part of her salary for savings – <i>tanda</i> – (ROSCA). In a bowl she keeps her daily earnings.	The savings of <i>tanda</i> (ROSCA) is an investment in 6 months, used to buy something for the beauty salon, when she needs something during the year she takes a credit to pay it one month later.
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Share holder

She likes to save. For several years she has saved in dollars for a scholarship for her children.	She does not like The savings named: <i>tandas</i> (ROSCA). She always likes to have a saving, she calls it <i>colchoncito</i> ⁹ “a little mattress” (a colloquial word to name a <i>small saving at home</i>). She has educated her children teaching them the importance of saving.	There is an authorized budget; I am looking to buy a farm.
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Veterinary

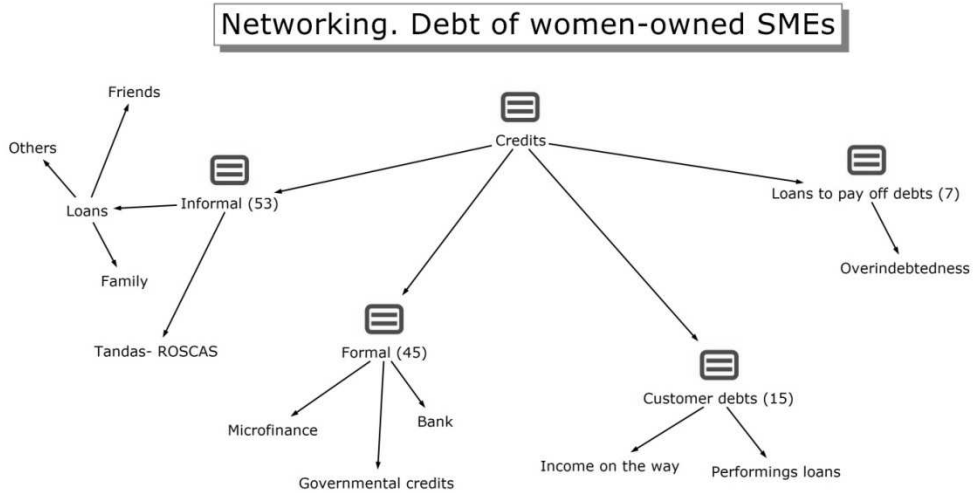
She says: “At the beginning I used to save in the bank, later I noticed that the bank does not give absolutely anything, and besides it gives you deadlines. I have a part of my money on a fixed term, and I did it with the intention of not spending it”.	I am keeping bills in a bag.	She saved money to pay and to reinvest. She attends a congress every September where she buys equipment by giving a half of the total amount. With her savings she bought a land.
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Source: Own elaboration

⁹ Prevention for difficult situations, especially in the economic aspect (saving money for contingency)

Debt

Figure 3: Networking. Debt of women-owned MSMEs



Source: Own elaboration

Table 8: Debt

<i>Debt</i>
<p><i>Poultry woman</i> She said: “I do not like the savings of friends or family –<i>tandas-</i> (ROSCA) because once I did it and I did not do well”. My dad taught me: “daughter if you have money, spend responsibly but have a small saving, never spend what you do not have, never buy in installments, if you have money buy if you do not have money do not buy”, then I am not friendly with credit cards. If something might happen someday I would ask my dad to lend me and then I would pay with my investment. My plan is to have that money saved that is my savings, my <i>colchoncito</i> “<i>little mattress</i>” (<i>small saving</i>). I hate being in debt or to pay interest, I do not need it; I am not friendly with paying money.</p>

Merchant

An occasion she used the personal credit of her husband to pay a debt, but her husband says that it is better to have her own credit, then she got a credit card, she has her payment schedule. She sends even small amounts of debt payment to each supplier so they continue considering her as a good client; she tries to be fulfilled in their credit payments. She says each person can earn a credit and decide whether to continue this, or not. "I can afford it when I want and have it when I need it, I have a credit limit and I will only stop at the bank, and I will make a withdrawal."

Hairstylist

She says: “If I will buy something on credit, I will just buy one thing, I do not purchase several, I buy only what I can pay for that month.” She has debts but only the receipts that she has to pay to her suppliers. Her sisters sometimes lend her money, but not a business loan, a personal loan. “Once I owed money to a friend, it was very difficult. On another occasion I wanted to ask to the government for money, to change the beauty salon, furniture, dryers, but I did not because it was too hard and finally I did not get the money.”

Shareholder

She says: “as a person I have no credit or I do not like going into a debt or to have to pay credit cards or anything. My dad gave me the money when I needed. My dad advised me not to go into debt. My father always used in his life bank loans, but always prevides the amount of the debt ratio. The credits are a must; you always have to have open lines of credit in the bank. Her dad said that "money in the hand has other price and it is better to pay everything in cash."

Veterinary

She says: “I have a list of customers who their payments are due, I consider them a loss. Sometimes my brother lends me money but I always pay him, the loan from him is what has helped me to grow. Although it is slow but a steady pace and not indebted. There are companies that finance me several months to be good to pay, they leave me the equipment for several months and support me and I will pay them”. She sees a bank loan for big purposes that could be to buy a car, a house or something bigger, she used it to buy a car, and in the case of cooperatives she could use it for something small.

The Decision Making and the Financial Links of Business and Household

Table 9: Business connection between home and personal issues

Business connection between home and personal issues

Poultry woman

She receives money from several companies to cover their expenses. She spends money from the sales for home expenses and gas, she has to get invoices. “School tuition is paid from fiscal bank account, so this also goes to expense account farm.”

Merchant

She says: “I have no salary for my personal use. I do not take money from the business. The salary could be spent on the phone that I pay. If my daughter needs money from the business, she knows she cannot withdraw more than a hundred pesos (about more than five American Dollars). The profit gives me for personal expenses and to bring some money in my bag, it does not give me enough to eat.”

Hairstylist

"I take my salary of my business because I have my expenses from my saving – *tanda*- I take my salary on Saturday. I involve the money from my home and from my personal expenses, sometimes my husband asks me to help him with the beauty salon money. I also support my home and my family, and there might be a profit."

Shareholder

She has salary as a partner. Her daughter and son are students but they work days off and holidays and receive payment from the company. In the former job she spent all the profit in the business, she had to support home, she sold shoes, clothes , etc.

Veterinary

When she started the business, she began to finance it with her own money. Then she realized it was a mistake. She already has his salary and sometimes lends to the business and does not charge it. Her profits are obtained from the surgeries, her business support her. Her business is next to her home, so both have the same expenses of electricity, water and telephone.

Source: Own elaboration

Summary and Conclusion

In conclusion, based on the results from the sample obtained being studied, it can be reported that the women-owned MSMEs are between 40 and 50 years old. Most of them studied high school.

They are the only owners of the business or share a partnership with her parents, brothers and sisters. Only two women entrepreneurs live with a partner at home but the couple is not linked to the business of the entrepreneur and their family supports their businesses. Three of five women entrepreneurs have family entrepreneurs, most of these women have more than fifteen years of work experience. Some women began their professional career as employees in companies and now they are owner of businesses, categorized according to size: micro, small and medium. Most are in trade and services and the rest in agricultural and industrial issues.

In MSMEs owned by women relatives work in one of the business without compensation, only for supporting her sister. In the other businesses most consultants are relatives who have a payment as consultants. Strategies for financial management, calculations, association with money, savings, credit, financial behavior and perceptions of investment of interviewed women entrepreneurs have similar features.

In other studies, about women business owner, as manifested they have an aversion to risk, some of them continue using banks daily. It is a situation that has already been submitted for several years. Most are alerted to the recommendations of external, like family, to overcome their knowledge in the area of administration. They stay in tune to perform hard work, however it is required to perform monitoring efforts and be aware of what is required at all times, without fixed schedules or hours that they cannot consult. Some of them have to do their calculations in dollars for raw materials and equipment, trying not to have a loss in the exchange rate without affecting their customers. All women are managers responsible that everything is in order, and they have valuable knowledge to promote or implement marketing strategies as required.

Although several years have passed from the first studies, about thirty years, features and profiles of entrepreneurs remain the same. For some entrepreneur women going to the bank represent an undesirable situation, to request money. They set their records in time to reach comparisons between seasons and dates and zooming to a reality. Decision-making is made by entrepreneurs who understand financial statements and in some other cases there are businesswomen who do not understand them. They value their registers in books or computer, or on file folders and can know at the moment registers and inventory accounts. For four businesswomen their accountants only organize the documents and financial statements and make tax payments. Shareholder entrepreneur can analyze and propose action strategies based on the analysis of product lines and their ups and downs.

The culture of formal savings from investments and managements of banking account development occurs only in proprietary business more affluent. For most women who have microenterprises to save in a bank represents at no time an option to deal with a financial crisis or even to have a profit, bank account is not an opportunity. On the contrary ambivalence occurs, entrepreneur women attending informal savings mechanisms as batches, the stash, the bags etc., save gradually. And whenever possible monthly savings contract commitments to purchase fixed assets or equipment they need to improve their business or services they offer.

In the case of credit, it is re-submit the same trend. The entrepreneurs of medium and small level have the opportunity to acquire credits, but they show a familiar culture in which they learned that the loan is presented individually and not a viable alternative because they have been taught that if you do not have enough money to buy goods on all intangibles, it is not

considered purchase by credits, no money to pay for interest in using this money, because the cash always has another price. Except in the case of very heavy investment as a new business, they could be considered as necessary supported by bank loans and a family loan.

The micro entrepreneurs present another picture, a different opinion, two of them mention not to use government support for all the tedious paper work and embarrassing for those who function as collateral requirements. So credit facility used as batches and ultimately the financial support of credit with its suppliers. Suppliers of raw materials and resources that require daily and pay on time and where the provider supports them or expects them to do some more. The support of her family remains a valuable contribution that allows them to grow. For the case of a small business owner she accepted that is already very familiar with bank loans to MSMEs.

Linking business with household and personal incomes remains at all times. The owners of MSMEs do not hesitate to make a mental separation and some records as well as strategies to separate them. But by the nature of the tuition accounting, when ample gain can pay some issues of food or daily, or sometimes vice versa, micro level entrepreneurs sometimes invest in their business with other revenues, but their frame *calculations* no longer consider that there is a mental separation of the two records. The methodology allowed knowing in depth the details of finance and administration of financial resources to perform the business owners, the commitment they have to create jobs, taking care of their self-employment, their businesses, their good credit history with suppliers, family and banks.

And the opportunities that they generate for growing strategies, promotions in their businesses and to keep the support of other resources such as family loans and their perseverance and responsibility in their role as owners, managers and supervisors of their business. Similarly, the financial and business culture which encourages developed by their family who support them with their work, guidance and resources loans. Interestingly the participation of women in business remains outside of the two companies that have a proprietary husband. As mentioned above the relationship reaches the moral and financial support recommendations in credit history among others.

This research allowed to address a thorough review of related literature, that has conducted over the past thirty years, from the entrepreneur businesswomen, since sociological, anthropological and economic approach

and it tried to have a first pilot approach to verify the current situation in a territory of the state of Jalisco, Mexico, corroborating that they have similar characteristics among themselves and with entrepreneur women from different nations.

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