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Growth process of medium-sized manufacturing: A study of women-owned firms in Bangladesh

Abstract

This paper reports on the preliminary stages of a case-study based investigation on the growth experiences of women-owned medium-sized businesses in order to understand women entrepreneurship in Bangladesh. Adopting the epistemological stance of pragmatism, the study sees ‘belief’, ‘habit’ and ‘doubt’ as critical for researching this gender related entrepreneurship project. Following the proposed conceptual framework, this study explains the growth aspects of women-owned medium-sized manufacturing firms of Bangladesh. The research aims to contribute to and enhance the existing body of literature on firm growth by identifying the influential factors behind firm growth and exploring their growth process mechanism in the context of developing countries.

1. Introduction

Business growth is a major topic in the fields of entrepreneurship, small business economics and industrial organisation. Though firm growth has been a central issue in entrepreneurial study, the growth of women-owned firms has received little attention. The number of ventures created by women is increasing worldwide and growth in entrepreneurship plays a significant part in economic development. A reasonable amount of literature is available on women entrepreneurship with special focus on influential start-up factors. However inquiries about the growth of Small and Medium Enterprises (SMEs) are few, especially relating to developing countries. More specifically there are no studies on growth aspects of women-owned firms in the context of Bangladesh, a developing country with much potential for robust economic development.

In Bangladesh, SME is a sector that has potential for women. While women entrepreneurship still remains at a preliminary stage and does not play a dominant role in mainstream economic activities of the country, a special emphasis has been given by the Government of Bangladesh to the growth of women-owned firms. Therefore there is an increasing need for better insights into the growth aspects of women-owned businesses especially in the context of a developing country like Bangladesh.

This paper outlines an investigation on the growth experiences of women-owned SMEs in order to understand women entrepreneurship in Bangladesh. It reports on one aspect of a larger study that adapts a multiple-case design which covers sixteen SMEs, four from each context of small and medium manufacturing enterprises, as well as small and medium service enterprises. SMEs are studied as the basis for firm growth from initial venture creation, while the sector concentration on manufacturing and services reflects the urban nature of the study in examining firms that exist in the capital city of Dhaka. Analysis of the data is guided by the proposed conceptual framework. The focus of this paper is medium-sized manufacturing enterprises. Data from in-depth interviews and supporting documents are used for case-studies and integrated with the theoretical framework. Themes are categorised and compared against the framework proposed. Each of the four cases of medium-sized manufacturing firms consists of identifying the factors assisting growth and the growth process of the firm. Patterns are identified and matched with the proposed framework for recognising the influential growth factors and growth processes undertaken by them.

2. Understanding the growth of women-owned firms

Although firm growth has been a central issue in entrepreneurial study, the growth of women-owned firms has received very little attention. In the academic field, inquiries made on female entrepreneurship are still insignificant (Gatewood, Carter, Brush Greene and Hart, 2003; de Bruin, Brush and Welter, 2006; Holmquist and Carter, 2009). Growth aspects of female-owned enterprises are yet to be conceptualised and explained due to a lack of theoretical grounding which is confirmed by Brush, Carter, Gatewood, Greene and Hart, (2006) who found that, ‘understanding of factors affecting growth’ is absent (p. 4). Ahl (2006) argues for major change in current practices of entrepreneurship studies where women are considered as secondary to men and their businesses less important. Ahl (2006, p.613) states “the growth ideal is therefore another gendered attribute that merits a closer look and more research.”

2.1 Growth of women-owned firms in developed countries

Most of the research carried out deals with the motivation aspects of women and their effects on firm growth (Lerner, Brush and Hisrich, 1997; Buttner and Moore, 1997), how business performance is affected by its location e.g. urban or rural (Merrett and Gruidl, 2000) and how business development is affected by its size and sector (Cliff, 1998; Du Reitz and Henrekson, 2000). Several researchers (Hisrich and Brush, 1984; Birley, 1989; Cliff, 1998; Boden and Nucci, 2000; Merrett and Gruidl, 2000; Westhead, 2003; Brush et al., 2006) have studied the gender differences of male and female entrepreneurs. Rosa, Carter and Hamilton (1996) carry out extensive research and identify the features of female-owned firms which include low profitability, small number of employees, focus on small segment of market, not very ambitious for growth and more pessimistic than men concerning future success. These findings are challenged by Fielden and Davidson (2010). They discover, the way women entrepreneurs perceive their chance of success in business is often different from men. Maintaining the same, Cliff (1998) argues, women entrepreneurs tend to be more cautious, less adventurous and aim for controllable growth.

Apart from these findings, the Diana Project was the first endeavour by a group of women researchers from US to establish a common platform for studying growth oriented women entrepreneurship in 1999. They thoroughly investigated the reasons behind these typical gender differences. Using the Brush et al., (2006) model as a framework, a number of studies were conducted in this Diana Project that analysed business growth from both demand and supply side perspectives, drawing participants from Europe, Australia and North America. According to the Canadian study by Jennings and Cash (2006), women-owned firms remain small in size and slow in growth speed due to the conscious choices by their owners. Foss and Ljunggren (2006) present education as positively related to the growth ambitions of Norwegian female entrepreneurs rather than experiences; and Welter (2006) confirms similar findings for German women entrepreneurs.

Many studies emphasise the importance of financial capabilities for growing women-owned businesses. For example, Carter and Allen (1997) ascertain that financial capabilities are more important than growth intention of the owner. Different from the studies mentioned earlier, they argue that, women may not be able to expand their business for lack of financial support even if they wish to. These findings are supported by Gundry and Welsch (2001) who emphasise the need for appropriate capitalisation, necessary financial resources, well-designed structure, control on quality and prior planning for continuously growing the female-owned enterprises. A similar study, Barrett (2006) identifies, Australian women entrepreneurs

face the obstacles of financial capital access, networks and strategic choice in growing their ventures.

Watson (2003, p.5) takes a critical look at Australian studies on women and SME and concludes:

... the Australian evidence suggests that differences in the relative performance of male and female controlled enterprises reported by previous international studies may have been due to methodological issues, such as small samples, limited data which is often financial in nature, or restricted geographical locations, rather than an inability of female SME operators to put resources to effective use.

Supporting the statement above, Wood (2010) concludes that despite the hurdles, if appropriate measures are taken for appraising women entrepreneur's performance which may differ depending on specific industry character, size and age of the firm, they would be equal to men. This opens the door for more critical women related studies to identify the role of women in SME growth in particular.

The rate of entry for Canadian female entrepreneurs in the small business sector is double that of males, which makes them play a vital role in stimulating the increase in SME ownership (Hughes, 2010). Brush et al., (2006) state women-owned U.S. firms are still small in size compared to men-owned firms. They face several institutional and cultural challenges in growing their firms. Using the resource-based view Runyan, Huddleston and Swinney (2006) look at the entrepreneurial differences between men and women. Analysing a sample of 467 Caucasian small business owners they do not find any significant difference between the abilities of men and women for improving firm performance.

Despite the increased participation in entrepreneurial activities and contribution towards economy, women are repeatedly reported understudied. Growth of firm studies on women entrepreneurs are even more rare and yet to explain growth from a theoretical perspective. In this context, the Diana International Project was among the first set of studies extensively done on women entrepreneurs. However, all these studies are based in developed economies.

2.2 Growth of women-owned small firms in developing countries

Although the number of women-owned businesses are increasing in developing countries (OECD, 1998), the majority of them have yet to grasp growth opportunity appropriately (Woldie and Adersua, 2004). However, there are a number of studies examining growth of women-owned firms, for example, Chea (2008) confirming that SMEs appear to be the largest segment of enterprises in Ghana of which women own the most. As with male-owned SMEs, finance is a major obstacle to firm growth, Arhin (2000) finds that women face problems in acquiring finance for their business. Most recently this problem is supported by Halkias, Nwajiuba, Harkiolakis and Caracatsanis (2011) who find that adequate financial support helps to boost growth potential of Nigerian business women. Critically, government policies do not address this adverse condition with women business performance. Abzug (2002) finds that, Ghanaian women do not get any assistance from any financial institution, which is the main reason for them not growing their businesses. In a similar study, Chea (2008) finds that, nearly 80% female entrepreneurs have intention to grow their firm but fail because of no access to money from banks and no resources for improving their capabilities. However, other factors play a significant role as obstacles to women-owned firm growth. Kevane and Wydick (2001) study results reveal that, the excessive time given by women to household work is the

major impediment to their business growth. Davidsson, Fielden and Omar (2010) stretch their study one step further by measuring the effects of both gender and ethnicity on business performance. Based on qualitative data from in-depth interviews, they recognise the need for redesigning business support systems to provide better assistance. Different from previous studies, Robinson, Blockson and Robinson (2007) draw attention towards the influence of culture and social structure on African women's business experiences. Importance of personal history, social networks and personal values are prioritised over economic measures for defining success. From observation data, they develop a framework that specifies entrepreneurial success to be contextual rather than only economic.

Noting the contextual element, according to Woldie and Adersua (2004), in their study of Nigerian female entrepreneurs, they see business potential tends to be low in comparison to male entrepreneurs. Poverty, violence, bias towards men and sexual harassment were found to be among major factors acting against growing their firms. Unlike other studies Chirwa (2008) reports rapid growth of women-owned Malawi firms in terms of employment growth compared to their male counterparts. From regression results of survey data, education is identified as one of the most important success factors for Malawian women entrepreneurs. Further, the Halkias et al. (2011) study shows that family support assists Nigerian women-owned enterprises growing.

Mitra (2002) confirms that in India, although a significant increase in number has been noted, female-owned businesses are not expanding compared to their male counterparts. Same is reported by Bushell (2008) for Nepal. The Bushell (2008) study emphasises the significance of management training and business networking for the growth of women-owned firms. Das cited in Tambunan (2009) identifies three types of women entrepreneurs in Asian developing countries as chance, created and forced entrepreneurs. Chance and created entrepreneurs are guided by the 'pull factors'. Forced entrepreneurs are compelled by 'displacement' circumstances, whose primary motivation is mostly financial. Thus financial needs create push factors that include loss of employment and husband's unemployment. Das (2000) finds push factors to be more influential for Asian women entrepreneurs than 'pull' and 'chance' factors. In a similar study, Tambunan (2009) also finds most of the Asian women entrepreneurs from the category of 'forced entrepreneurs'. This places in context the precarious motivation and limited growth orientation of such women-owned entrepreneurs.

In Islamic countries like Pakistan, religious-social-cultural constructs put many restrictions on women. Roomi (2009) designed a multivariate model to test the effects of women's individual resources and social capital on their business growth. He confirms that family support, informal networking and freedom to meet people can play a vital role in enterprise development. With similar religious and social constraints, another study by Mathew (2010) suggests using information and communication technology (ICT) tools to ensure business growth for Oman and UAE women entrepreneurs. Like the studies mentioned above, Welter and Smallbone (2008) report the contextual importance for successful women entrepreneurship while government regulations and institutional bottlenecks hinder growth opportunities. Similar to other Muslim countries, Indonesian women SME owners are poor in human and technological resources and face business restrictions along with social-cultural barriers (Tambunan, 2007).

It is evident from the literature that, gender plays a role in business performance as it influences entrepreneurs' abilities to realise business growth, especially in the context of

developing economies. Women-owned businesses start with low capital and face difficulties in accessing bank loans. Financial and emotional support provided by family also influences the performance of women-owned businesses. There are differences among groups of women in terms of their backgrounds and how they grow their businesses. By not recognising these contextual differences, the complexities of the growth process cannot be understood properly.

2.3 Women-owned SMEs in Bangladesh

In Bangladesh there are about 6 million SMEs which represent 90% of the total enterprises of Bangladesh (Daniels, 2003). SMEs are labour intensive which provide more than 80% (31 million) of total employment (Daniels, 2003). During 2001 to 2005 the growth rate of manufacturing SMEs was about 7%-8%. It then shows a steady trend of 9.21% in 2005-06, 10.28% in 2006-07, 10.77% in 2007-08 and 11.19% in 2008-09 (Bangladesh Economic Review 2010). The expected growth rate of manufacturing SMEs from 2011 to 2015 is 15%. In order to achieve this goal, the Government has disbursed Taka 10410 million (AUS \$1= Taka 83 approximately) among banks and financial institutions in 2010, through 'Enterprises Growth and Bank Modernization Project' (Bangladesh Bureau of Statistics, 2010). Statistics on women-owned SMEs are difficult to get in a developing country like Bangladesh. However, the National Private Sector Survey of Enterprises in Bangladesh conducted in 2003 shows that 6% of micro¹, small and medium enterprises (MSMEs) are owned by women. Although women entrepreneurs constitute a small portion of the total business entrepreneurs in Bangladesh, their contribution towards economic sustainability and economic development should not be ignored. Women-owned SMEs operate mostly in ready-made garments, textiles, handicrafts, restaurants, printing and publishing, transport, media, interior design and export-oriented enterprises (Huq and Moyeen, 2011; Huq, 2000). Also Begum (2002) observes that female entrepreneurs in the service sector outperform their counterparts in the manufacturing sector. However, growth of women-owned SMEs in urban environments of Bangladesh has remained seriously under-researched.

Women entrepreneurship has become important in various levels of society both in urban and rural areas (Shamim, 2008), yet there are significant differences between urban and rural areas. Women in rural areas are forced into entrepreneurship to earn for their survival (Chowdhury, 2001). On the other hand, educated urban women entrepreneurs take it as a challenge and take pride in doing independent business (Chowdhury, 2001). Studies also confirm the difference between the success factors of rural and urban SMEs. Newaz (2009)'s study of rural SMEs of Bangladesh divides the critical success factors for women SMEs under three broad areas of regulative, normative and cognitive factors. Regulative factors include government rules and regulations that facilitate women entrepreneurship in rural Bangladesh. Normative and cognitive factors include norms and values of the society. Newaz (2009) concludes that although the Bangladeshi Government has adopted certain policies to promote women entrepreneurship they only benefit educated urban based women rather than women in rural areas. In similar studies Chowdhury (2009) and Karim (2004) maintain the same. The impact of religious norms and values also carry substantial importance on determining women's roles in rural areas of Bangladesh (Rozario and Samuel, 2010). However, the Hossain, Naser, Zaman and Nuseibeh (2009) similar study conducted in urban areas reveals that religion has no negative impact on entrepreneurship development, whereas networking ability, access to capital, knowledge and skills, responsibility towards children are the influential barriers. Despite these barriers, a new women entrepreneurial class has risen and

¹ An enterprise would be treated as micro if the value of resources other than land and factory buildings is between Taka 10 thousand to 0.05 million and or number of workers is less than 10.

accepted the challenge of working in a male-dominated and competitive business environment (Chowdhury, 2001). However, no study has been conducted addressing the growth issues of women-owned SMEs. Therefore, there is a need for a comprehensive study on women entrepreneurs of Bangladesh with special focus on their growth aspects.

3. Conceptual Framework

This study develops a framework from Brush, de Bruin, Gatewood and Henry (2010) to evaluate women-owned enterprises, but focusing on factors influencing the successful growth of a specific group of Bangladeshi women-owned businesses. [1], [3], [4] and [5] of the following framework have been adapted from Brush et al. (2010). It has been modified with a few elements [2] from Penrose's *The Theory of Growth of the Firm* (1959) to incorporate the effects of managerial and entrepreneurial abilities in growth and identify how firms achieve growth.

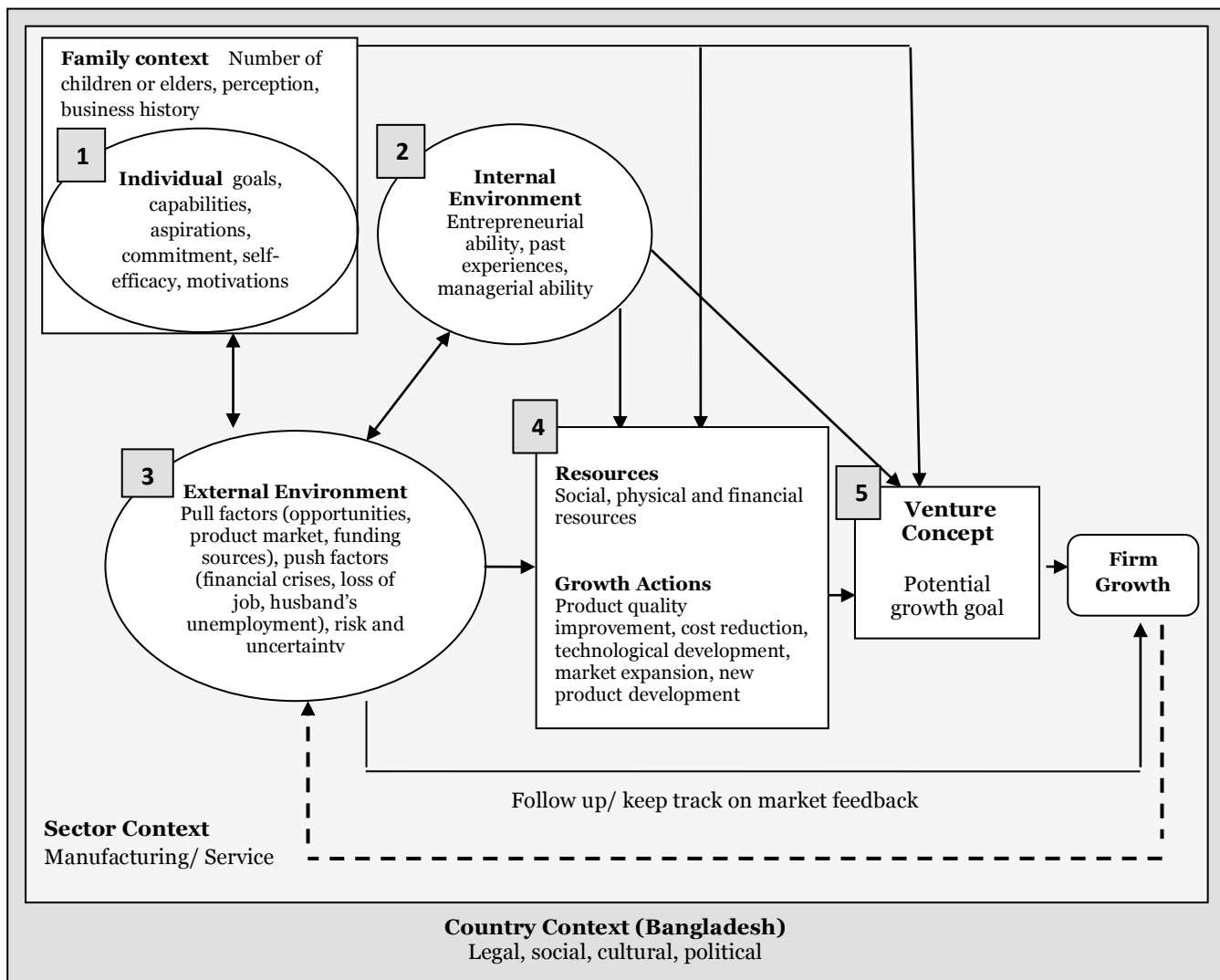


Figure 1: Conceptual framework of women-owned SME growth in Bangladesh

Examination of each of the five main elements is presented below:

Individual factors and family context [1]: Individual capabilities are part of a firm's internal environment factors. The combination of owner's goals, capabilities, aspirations, commitment, self-efficacy and motivation forms the base for new venture creation and growth. Women tend to differ from men in their entrepreneurial aspirations (Sirec, Tominc and Rebernik, 2010) and motivation for success (Treanor and Henry, 2010). An owner's level of education, knowledge, skills and training has a positive relation with the firm's success (Langowitz and Minniti, 2007). However, every entrepreneur as an individual is embedded within the family context which has a 'greater impact on women than men in the entrepreneurial process' (Brush et al., 2010, p.4). Family context may include number of children or elders to be taken care of, perception towards women entrepreneurship and family history in business.

Internal environment [2]: Another part of the internal environment is made up of entrepreneurial and managerial capabilities with past experiences. Entrepreneurial capabilities are a function of imagination (Penrose, 1959) and essential for firm growth. Managerial capabilities are needed for transforming ideas into realities and have more practical implications on growing the firm (Penrose, 1959). Growth depends on owner's ability to decide the resources to be used and activities to be carried out. Previous work experiences in a similar field helps the entrepreneur to accumulate the necessary business and management skills which are important for achieving firm growth.

External environment [3]: These factors are specific to the activities that an entrepreneur is planning for the development of the firm. Examination of external environments includes both pull and push factors. Pull factors include evaluating opportunities, product markets and funding sources. The ability of the firm to grow depends mostly on the external opportunities available to it. The larger the opportunity set, the larger the growth potential (McKelvie and Wiklund, 2010). A firm's competence to cater to a large market facilitates its growth potential. The access to external funding sources, including financial institutions or equity providers, is important for firm growth and may differ for men and women owned business. Women are pushed to start and run their own business due to financial crises, loss of job or husband's unemployment. In these cases entrepreneurs may not seek growth for a long period of time. Appropriate assessment of risk and uncertainty reduces the chances of failure. Women tend to be more cautious decision makers as they tend to avoid uncertainty and predict risk better than men.

Growth resources and actions [4]: Firm resources transform ideas into products and services and make them available to customers. The set of resources required to grow include social, organisational, physical and financial resources. Social resources evolve from norms, relationships and social structures which include owner's contact network, reputation and ability to acquire necessary resources. Organisational resources include structures, relationships and information of the venture. Physical resources include materials, equipments, technology and other physical assets of the business. Financial resources include money assets of the business often made up of owner's personal savings. Selecting actions for growth depends on the mode of growth which might be organic or acquisitive. The proposed research concentrates only on growth within the firm which excludes acquisition, merger, licensing and franchising. Decisions for growth within the firm includes improvement of product or service quality, reduction of costs, technological advancement, market expansion and introducing new products in the market.

Venture concept [5]: The concept consists of the products or services that the firm provides. Breakthrough ideas, unique solution to a vital problem, invention of a product which has only a few substitutes increases the firm's potential growth goals. This is the outcome of all the other four elements.

Potential growth of the firm is influenced by sector context (manufacturing, service) and country context in which it operates. Extremely competitive and congested sectors limit firm's ability to grow. Country context explains how the role of women is socially constructed. In Bangladesh, like many countries, the arena of entrepreneurship is male dominated and gender stereotyping affects the performance of women owned business (Aslanbeigui, Oakes and Uddin, 2010). These are the hurdles for the growth of women owned firms which need to be addressed.

4. Focus of Investigation

The Figure 1 conceptual framework forms the basis for methodological approach, collection and analysis of data for the purpose of investigating a specific sector of women-owned firm growth in Bangladesh. From the epistemological stance of pragmatism, this study follows the ontological assumption of 'accepting the external reality and selecting the explanations that best produce desired outcomes' (Tashakkori and Teddlie, 1998, p.23) as the researcher believes that, the external world operates independent of our minds and knowledge claims cannot be totally abstracted from contingent beliefs and interests. In terms of this study, women entrepreneurship is socially embedded and for holistically studying this issue, pragmatism is important as it encompasses 'belief', 'habit' and 'doubt'. The framework by Brush et al. (2010), and embellished with Penrose (1959), considers individual women-owners to be embedded within family context of women entrepreneurs which has a larger impact on women than men in the entrepreneurial process. As a result, pragmatism allows the researcher to explain the growth experiences of successful women entrepreneurs rather than critiquing the social and economic barriers faced by them. Moreover, it recognises the significance of case study as providing a holistic and in-depth perspective of the research problem of the growth process.

The study aims to understand why and how women-owned SMEs grow in Bangladesh. It aims to identify the influential factors behind firm growth and explore their growth processes using the five elements in the conceptual framework. The focus of this paper is medium sized manufacturing enterprises. This paper reports the growth aspects of four women-owned medium-sized manufacturing firms of Bangladesh.

The definitions of medium-sized firms vary enormously from country to country. The Government of Bangladesh revised the definition of medium-sized manufacturing firm in the circular for Bank of Bangladesh (circular of 26 May 2008) to: 'An enterprise would be treated as medium if the value of resources other than land and factory buildings is between 15 million and 200 million (BDT) and or number of workers is not more than 150.'

This paper on medium-sized women-owned manufacturing firms specifies the preliminary results of a much larger study on the growth aspects of women entrepreneurs in sixteen SMEs for both manufacturing and services in Bangladesh.

5. Methods

Growth oriented firms have been selected through purposive sampling, with not less than 10% increase in sales and employees over a period of three years (2008-10). The owners are interviewed on the basis of their being very successful women entrepreneurs who have been rewarded with an award from recognised authorities of Bangladesh. The recipients of 'National SME Women Entrepreneurship Award', 'BWCCI-EBL Progressive Award' and 'Outstanding Women of the Year in Business' of 2008-10 are identified and then classified according to their size (small or medium) and sector (manufacturing or service). Interview data is supported by organisational documents such as annual financial reports, internal management reports, existing secondary data analysis, organisation website and published news from media.

Analysis of the data is guided by the conceptual framework as set out in Figure 1. For the purpose of maintaining confidentiality of the research participants and their firms, no real names of the participants or their firms have been disclosed. For easy understanding, same size firms from the same industry are identified with identical letters (for example, medium-sized manufacturing firms are prefaced by the letters *MM*) and then numbered subsequently (1,2,3 and 4) in an order in which they were researched. The interviewees who were the owners of the respected firms have been prefaced by the letter *R* and then numbered subsequently (1,2,3 and 4) in an order in which they were interviewed. Data from in-depth interviews and supporting documents are used for case-studies and integrated with the theoretical framework. Themes are categorised and compared against the framework proposed. Each of the four cases of medium-sized manufacturing firms consists of identifying the factors assisting growth and the growth process of the firm. Patterns are identified and matched with the proposed framework for recognising the influential growth factors and growth processes undertaken by them.

6. Four Firm Studies

Case 1

MM1 is a printing press company, established in 1982 and experienced growth from 1986. The firm have gone through two growth phase. The early growth phase was from 1986 to 1993. RMM1, the owner established a strong position in local market before approaching the international market. Business relationships with bigger clients were strengthened and a good market position was established with a strong customer base. The second phase of growth occurred between 1998 and 2010 with exports to Italy and the UK. RMM1's creative and artistic approach ensured the second growth phase. In 2011 MM1 functioned with 8 printing machines, 80 permanent employees, 20 part-time workers, 6 technicians, 4 electricians and engineers.

Case 2

MM2 was formed during early eighties, an export oriented garments manufacturing firm. Initially the export volume was very small. Due to low skilled workers, the production quality was very basic. The owner, RMM2 arranged comprehensive overseas training for the workers and managers for skill development. Reliance on imported materials and their costs were reduced with local sourcing of raw materials. The roles of commission agents were made redundant and direct sales relationships were established with foreign buyers which increased the growth of MM2. It currently employs 147 workers and is considered as one of the most successful women-owned medium-sized manufacturing firms of the country.

Case 3

In 2003, MM3 emerged as one of the very few leather products manufacturing venture created and owned by a women leather technologist. It currently employs 110 workers with a production capacity of 500 jackets, 6,000 wallets or bags and 600 footwear a month. With the innovation combination of materials RMM3, the owner was successful in differentiating MM3's product from rest of the market which provided the first phase of MM3's growth. Growth was also achieved through the annual product promotion of MM3 at the International Trade Fairs.

Case 4

MM4 is a decorative and architectural art glass manufacturing company based on owner RMM4's ambitions and creative skills in this form of art. It was setup as a small enterprise in 1998 with two workers in a small 400 square feet studio. Initially it started producing easy forms of architectural glasses. To widen the product range from simple to sophisticated designing, in 2000, MM4 moved into a 2,200 square feet studio with a retail sales showroom. Massive demand in the local market led MM4 to open a second showroom. With two grand showrooms in the country's two largest cities, MM4 is now considered Bangladesh's leading crafted art glass designer, producer, and supplier and holds nearly 40 per cent share of the total market.

7. Discussion on Common Patterns

In briefly discussing the common patterns among these cases, it is important to notice that, each of these four women-owned firms has been able to achieve substantial sales growth either domestically or internationally and three of them (MM1, 3 and 4) were the first-movers of their industry. The common patterns of MM1, 2,3 and 4 are summarised in Table 1 below.

For the business growth of these women-owned medium-sized manufacturing firms, the importance of owner's individual *capabilities* and *growth aspirations* appears to be similar. Apart from strong educational background, all four owners were highly motivated to develop their businesses. RMM3 and RMM4 were also trained in specific production process and had artistic skills in leather and glass respectively. Three of the owners had strong *family support* in the form of husbands' and in-laws' cooperation excluding RMM3, the owner of MM3, who was not supported by her family and had to leave her parents' house while starting the business.

Prosperous growth operations of these firms were the results of their owners' *entrepreneurial abilities*. All of them were successful in identifying opportunities in the market. RMM4 was the only owner with *managerial abilities* which she gathered from working in a handicraft organisation as a manager. *Technical abilities* are common among three of the owners (MM1, 3 and 4), either learnt from family business or from professional training. This also showed that they all came from the upper-class of Bangladesh society, which although providing strong financial and cultural backing to firm growth also was a challenge for these women to enter successful male domains of power.

All of these businesses were pulled into *market* by the *opportunities* created from the existing product demand. The policy level support provided by the government facilitated the growth of MM2, however none of the remaining firms (MM1, 3 and 4) received any industry-specific support from the government.

Table 1: Framework elements into firms' growth

Cases	MM1	MM2	MM3	MM4
Framework element				
<i>Individual Factors</i>				
Capabilities	****	****	*****	*****
Growth aspirations	*****	*****	*****	*****
Family support	*****	*****	*	*****
<i>Internal Environment</i>				
Entrepreneurial ability	*****	*****	*****	*****
Managerial ability	*	*	*	*****
Technical ability	*****	*	*****	*****
<i>External Environment</i>				
Product market	*****	*****	*****	*****
Opportunities	*****	*****	*****	*****
Government support	**	*****	**	**
<i>Growth Resources</i>				
Financial	****	*****	***	*****
Social	***	*****	***	*****
Human	***	***	*****	***
<i>Growth Actions</i>				
Product quality improvement	*****	*****	*****	*****
Cost reduction	*****	*****	*****	*****
Technological development	*****	****	*****	*****

KEY: * denotes *very low*, ** *low*, *** *moderate*, **** *high* and ***** *very high* level of input into the growth processes.

Owners' personal savings and family resources were important source of *financial resources* for the growth of these four cases. Although MM3 was initiated by RMM3's small amount of savings, bank loan was not applied for. Influential positions of the owners' families also played a significant role in establishing *social* network and achieving business growth. Both RMM2 and RMM4 had this advantage over the other two. *Human resources* in the form of well trained, experienced and low cost workers and managers also created a positive influence towards the growth of all these firms. However, overseas training occurred at extra cost for MM1, 2 and 4.

Growth actions of these businesses seem to differ depending on their industry context. However, all of them were able to achieve similar results. Overseas training for the workers and managers was important for *improving product quality*. The owners of MM1, 2 and 4 arranged regular overseas training, whereas MM3 arranged local training for skill development. *Cost reduction* by local sourcing of raw materials significantly influenced the growth of MM2,3 and 4; whereas RMM1 used a low-cost machine instead of expensive machine for MM1.

Importance of *technological advancement* was also significant for the growth of three of the firms (MM1, 3 and 4). A creative team of artists was formed by RMM1, a unique

combination of materials provided a different form of product for MM3, while MM4 went under an international franchise agreement for achieving a higher technology level of production.

8. Conclusion

The research aim in this study has been to identify the influential factors behind firm growth and exploring the growth process mechanism in the context of developing countries. The emerging patterns on the basis of the preliminary evidence in this paper support the five elements that underpin the conceptual framework developed especially for this study. The firms under study were not typical firms; but successful outliers that can inform the framework with specific decisions and actions (Taleb, 2007, p.51-61). These firms are among the most successful firms in their respective industries and they have been developed and grown by women in a male dominated society. The owners' individual capabilities and their growth aspiration have been strong elements for firm growth. Well thought out growth actions were linked with these growth aspirations to drive firm success. Therefore, the positive influence of strong growth aspirations as the individual factor, together with the three growth action factors are evident in all four successful firms. The larger study aims to confirm the patterns that have emerged in this four-firm preliminary study. At this stage the conceptual framework and the identified strengths of some of the factors in this framework provide confidence in the transferability of these theoretical elements to further case studies both in Bangladesh and in other developing countries.

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