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ADVANCES IN GLOBAL SERVICES AND RETAIL MANAGEMENT

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To Be or Not to Be a Female Entrepreneur in the Mexicali Valley

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Abstract

At present, the need arises for women to prepare themselves every day to face the challenges that the local and regional market holds for them since they constitute a fundamental component for the economy of all countries, through the development and economic growth of urban areas and rural in the face of unemployment and poverty. Likewise, women should have a priority place on the scene of public policies in favor of them due to their ability to contribute to local dynamics by creating more job opportunities with new companies. This article aims to analyze the characteristics that govern decision-making in microenterprises led by women in the Mexicali valley by means of the multivariate analysis technique, particularly the discriminant and factor analysis. As well as the relationship that exists between gender and its ability to generate or undertake and innovate in a business.

Keywords: entrepreneurship, woman, gender, financing, urban-rural zone, micro-enterprise

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Introduction

When speaking of Mexico and its border states with the United States (USA), its capitals or the main cities with the greatest development and economic growth for analysis and research, little is known about the peripheral urban and rural areas of the main cities, in this sense, this research addresses the issue of the Mexicali Valley in the State of Baja California, Mexico and the role played by women in microenterprises for the local development of the southern part of its capital. According to the National Institute of Statistics, Geography, and Informatics (INEGI), today the inhabitants of Baja California number 3 million 769 thousand 020 of which 50.4 % are men and 49.6 % are women and these percentages are expected to change for the year 2030. At the national level, the State of Baja California contributes 3%, with an expected growth rate of 1.55%.

In this sense, the Municipality of Mexicali has a growth rate of 1.2% and occupies 27.9% (1,049,792) of the total population of the State in this year, of which 50.4% (529,375) are men and 49.6 % (520,417) are women. Women are increasingly venturing into the business world and represent a significant proportion among micro and small entrepreneurs and their participation is growing (Daeren, 2000). For this reason, it is necessary to create the necessary conditions to facilitate the incorporation of women into the workforce. This implies designing policies that tend to facilitate the reconciliation between work and family life and promote measures that provide services to support childcare (for example, childcare), promote the participation of both parents,

disseminate the rights of women workers and face poverty through the elaboration of your work or business project; as well as his life project and achieve that both aspects complement each other.

The increase in the participation of women in the Mexicali valley as workers or as microentrepreneurs allows them positive effects in terms of their empowerment, understanding this as the strengthening of the feminine identity, the development of their capacities, their professional and personal development but above all, social recognition and self-recognition and autonomy (Aranda, 2006). The participation of women in the labor and business environment attracted modifications in reproductive behavior, in the formation of families, in the forms of communal and social organization, and in the constitution of social actors, in exclusive aspects of economic activity. This is marked by modernity, which are not visualized with traditional approaches, and which nevertheless today are the reflection of our reality (Rico, 1993). The incorporation of women into the economic sphere has not been carried out in the best conditions, due to the economic and financial crises.

Added to this is the high global competition that has led to the closure of many companies that have not been able to face competition and their own difficulties. One of the areas in which the incorporation of women can be observed has been independent work, which responds to a diversity of factors, which can be related to their life history, personal characteristics, and the socio-economic situation in the one that is the woman and her family. In the Mexicali valley there are more than 707 localities of which 15 can be considered as urban areas (greater than 2,500 inhabitants) and approximately 692 as rural areas. Within urban areas, it stands out that 75% of businesses are run by women who seek a way to bring an extra income to their families and are the ones who are most concerned about seeking support and assistance for their businesses, unlike men, (CEDEM-UABC, 2013).

It is important to note that the lack of education of the businesswomen does not limit their aspirations to see their business grow and they see in it a new way to obtain a better income than working in the field. Likewise, it has been found that they face a great challenge in the medium and long term due to different factors; first the family situation, which does not intend to continue with its business, second it sees customer service as a strategy to compete; and finally, they lack adequate planning from the beginning of the business (Aguilar, et al. 2006; Burgueño et al. 2013).

The growth that the participation of women has had in the business sphere has been due to their commitment to starting a business and because it reflects a positive attitude in the face of adversity, and they see in their microenterprise the best way to raise their children. On the other hand, it has been possible to verify a change in consumption preferences in the valley with respect to the old businesses, for other more modern ones or with another variety of products for young people, which impacts the income in the already existing ones and generates great potential to start a business or transform existing ones to be more competitive and diversified through access to financial resources, training, technical assistance, access to services such as quality controls, marketing centers, etc. which are key to the proper development of their economic activities.

Likewise, women have increased their participation in paid work thanks to the development of towns such as Guadalupe Victoria (43), Alberto Oviedo Mota (Reacomodo), Delta Station, Michoacán de Ocampo, Ejido Nuevo León, Ejido Puebla, Benito Juárez (Tocolotes, Ejido Campeche), Vicente Guerrero (Algodones), Ciudad Morelos (Cuervos), Estación Coahuila (Km

57) and San Felipe. However, their inclusion in employment presents inequality and gender discrimination at work, which are expressed in salary differences. Within the objectives of this research, it is considered to determine what are the characteristics of the microenterprises that are directed by the women of the Mexicali valley.

Literature Review

Studies related to gender since the seventies have been various from income in rural and urban areas, poverty, business and the development of human resources among others. Gender equality with productive transformation in search of personal fulfilment, individual autonomy and the development of women's potential, generates a relationship in social, economic and political relations and invites understanding and theoretical-practical reconceptualization, understanding that work is not only carried out in the commercial space and links with the market are not always accepted since it is considered different for men and women, with consequences on their preferences, choices and behaviour (Espino, 2010).

In this way, when it is stated that in a market all production is for sale, the market relations of the population that are engaged in unpaid forms of production that are indirectly related to the market such as the activities that women carry out are not considered. activities such as agricultural tasks for self-consumption, or as unpaid workers in micro and small family businesses, in domestic work and volunteer work in the community (Valenzuela, 2004). This has made the generation of income by women increasingly important for the survival of households. However, companies started by women are normally found in the service sector, commerce, hotels and restaurants, mainly in urban areas, which shows an extension of the activities they carry out in their homes such as food preparation, cleaning, care of children and the elderly and educational, it can be observed that in the field of paid work they are still linked to their gender role.

It is also important to mention that in recent years formal employment has been declining throughout the world, only in Mexico according to INEGI (2020) from January to July 2020 as a result of the pandemic, a total of 738,900 jobs were lost. work (excluding farm workers); a contraction equivalent to twice the number of jobs generated in all of 2019. Mitchell (2011), mentions that new companies are key to job creation and leadership in new industries and considers that almost half of the workforce and more than half of today's university students are women and that it would help to improve the relationship between schooling, salary and business activity where in various empirical studies they reaffirm the positive relationship between schooling and salary (Mora and Ulloa, 2011 and Trucco, 2014) in view of the lower number of jobs in the countries.

Higher education provides access to more and better sources of employment that require higher levels of qualification (Aguayo and Lamelas, 2011). Likewise, its benefits extend to other areas, since it also serves as an employment protection tool due to the adaptability involved in developing academic skills applicable to the professional field (Urciaga and Almendarez, 2008).

According to Chant (2006), women seem to have less and less choice but to shoulder the burden of coping with poverty, and that their increasing responsibilities have not been accompanied by a notable increase in the power to negotiate contributions from men.

In relation to the business issue Viadana, et al., (2016) consider that women still start with a business proposal, they must face different obstacles such as: a) the low educational levels that the female population has on average causes this to be a barrier when they decide to run their own company, b) the low self-confidence such as aversion to risk and c) the social and cultural due to the fact that they are related to housework, and they do not consider doing business with them to be a good option.

However, women are capable of starting companies with high growth, and it may well be a good strategy to give them the necessary tools so that they can undertake the businesses necessary to generate more and better jobs. Entrepreneurship as an economic issue is not a gender equity issue. When new businesses and industries prosper, everyone benefits, and the benefits will increase as more women contribute to the process by bringing their ideas to the market and business creation the greater the growth around them. The increase in the participation of women in the Mexicali Valley prior to the pandemic as workers or as microentrepreneurs allowed them to have positive effects in terms of their empowerment, understanding this as the strengthening of female identity, the development of their capacities, their professional and personal development but above all, social recognition and self-recognition and autonomy (Aranda, 2006).

Likewise, two important aspects are needed in relation to gender; The first is an additional effort to assign a monetary value to work to the activities carried out by women, not only because much of the work of women is dedicated to investing in future generations or to women for household activities, which translates into excess work, the value of which is neither socially nor economically recognized and the second requires more information on the economic performance of women and men's work and respect for income-generating activities, therefore that it is necessary to go beyond statistics on gender differences in earnings in the formal labor market, and remuneration for work in the informal sector (Folbre, 1994; Budlender, 2004).

Methods

The information for this research consists of 920 cases in the different semi-urban and rural areas of the Mexicali valley in the commerce, services and manufacturing sectors attended through the "Social Base" program at CEDEM-UABC (Business Development Center) since 2009-1 as of 2013-1, 5 of which are localities with more than 2,500 inhabitants and 30 with less than 2,500. Of which 73.89% belong to the commerce sector, 25.65% to the services sector and 0.45% to the manufacturing sector. On the other hand, 671 correspond to women and 249 to men. Where women in the commerce, services and manufacturing sector contribute 76.8%, 60.62% and 100%, respectively. The technique used is multivariate analysis through discriminant analysis and factor analysis in its explanatory form, to try to determine the contribution of each discriminant variable to the correct classification of each of the individuals and which tries to locate dependencies preferably in non-metric data. In this sense, the main objective is the discrimination of groups and the prediction of elements in one of several previously defined groups.

Empirical Model

Following Uriel (1995), the discriminant analysis consists of obtaining linear combinations of the form:

$$D = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \dots + \beta_k X_k \quad (1)$$

Where:

- D , is the discriminant classification,
- X_i is the independent or discriminant variable i , y β_i is its associated coefficient.
- The estimation of the discriminant coefficients β , suppose there are groups, $i = 1, 2, 3, \dots, G$
- and that each one contains n_i observations in k independent variables, X_1, X_2, \dots, X_k , so that
- $N = \sum_{i=1}^G n_i$, is the sample size.

Findings

According to the multivariate analysis technique, the following results can be seen, whose statistical support is summarized in Table 1.

Test 1. A relationship was found between gender and economic dependents, and it can be observed that women have a high concentration between 1 and 2 economic dependents and in men there is a concentration of 3 to 4 dependents. (correlation between 1 and 2)

Test 2. The results show a relationship between the weekly salary in national currency of the microentrepreneur and it can be seen that the average salary of a woman is lower than that of men, (of \$ 557.76 against \$ 705.71 mexican pesos).

Test 3 and 4. The estimates show a relationship between gender and whether the company can change its product and / or service and it can be inferred that a large part of women considers it not. For their part, when it comes to diversifying, both women and men agree that their businesses can diversify within their businesses.

Test 5. A relationship was found between work experience before becoming a microentrepreneur and where they acquired business skills and it was observed that in the case of women it was focused on the experience of a previous business or of household activities. In the case of men, it focused on the experience of previous work and the relationship in the knowledge acquired through their studies. For their part, the majority of men and women acquired their skills through self-study and others through relatives and friends.

Test 6. The results show a relationship between the number of living children, which is concentrated between 3 and 4 children for women and men.

Test 7. The estimates suggest a relationship between the business sector and sex, preferably with the retail sector for most women and men.

Test 8. The results show the relationship between the average monthly value of sales in which the concentration in women is lower in this item which was \$ 6,317.3 and with respect to men of \$ 9,430.1 mexican pesos.

Test 9. From the estimates, it is clear from the employer's expectations that women and men seek to diversify their business and increase their income.

Table 1: Summary of Tests Carried Out and Their Main Statistics

No. test	% of valid cases	Dependent variable	Accepted independent variables	Independent variables rejected	Significance of the test	Canonical correlation	Wilks Lambda	Categories of dependent variables
1	87.3	Gender	Number of financial dependents		0.015	0.086	0.993	1. Female 2. Male
2	79.0	Gender	Salary of the microentrepreneur (weekly pesos)		0.003	0.104	0.989	1. Female 2. Male
3	89.6	Gender	Can the company change the product and / or service?	Market potential? Does the company can diversify its product and / or service?	0.012	0.087	0.992	1. Female 2. Male
4	90.2	Gender	Do you use advertising?		0.004	0.099	0.990	1. Female 2. Male
5.	92.7	Gender	Work experience before being? microentrepreneur? Where did he acquire the skill of the business?	Education of the Microentrepreneur?	0.000	0.388	0.849	1. Female 2. Male
6	85.8	Gender	Number of living children?	Main reason to start the business? Where did you get the skill about your business?	0.002	0.110	0.988	1. Female 2. Male
7	95.8	Gender	Company sector?		0.000	0.164	0.973	1. Female 2. Male
8	81.5	Gender	Average monthly value of sales?		0.001	0.119	0.986	1. Female 2. Male
9	92.1	Gender	Expectations of the microentrepreneur about the microenterprise? Entrepreneur's main motivation today?		0.004	0.098	0.990	1. Female 2. Male

Conclusions

Faced with the COVID-19 pandemic and the international context, it is important to strengthen the leadership and entrepreneurial capacity of women seeking an equitable and fair performance that contributes to their empowerment, as well as to the economic and political development of a country. The pandemic brought online work with it, also promoting entrepreneurship and creativity, but it highlights the pending challenges by making the profession or business activity from home compatible.

But, on the other hand, the rise of women in the business structure is imminent, the data on the population at the national level indicate it to us where there are already more women than men in

our country and where a decrease in rates has been observed. birth rate to 1.7 children per family and where women increasingly have a higher level of education.

The foregoing in the management of human talent represents a challenge to avoid discrimination and salary differences that do not allow women to have equal income to men for the same activity, but it is also worth recognizing the importance that women achieve the development of leadership based on the characteristics of themselves and avoiding masculine behavior that often does not help strengthen their leadership.

In this sense, the results indicate the need to intensify support for women in the Mexicali valley and at the state and national level due to the growing increase in the female population and because of their ability to face the problems when setting up a business, but it would be necessary to guide them to that they achieve the desired success, and above all that they are companies with adequate strategic planning and with a vision not only in the short term, but in the medium and long term where the children also feel committed and identified that this business can transcend. In addition to guiding them in the development of desired abilities and capacities, as well as strengthening attitudes and values that favor their potential.

That is to say, the human aspect is equally important, as the technical aspects and executive functions. On the other hand, established businesses will have to go through a reorganization of their structures and products applying advertising techniques and looking for strategies to sell more. Likewise, it is necessary to encourage companies in the manufacturing industry since their participation is very low and according to the data obtained by CEDEM-UABC, most are businesses established by women, which is important because they could be the key to success. development of the Mexicali Valley if they are properly oriented and trained. It is also important to note that there is a difference in terms of salary allocation between men and women, highlighting that the latter have a lower salary than men, which does not indicate that women are more moderate in terms of their income compared to men. because also its monthly sales in gross terms are low.

Lastly, it is important to further disseminate the federal and state funding and support programs for women in urban and rural locations in remote locations from large cities where they can start or expand their business with adequate advice on its benefits and how they can manage their businesses.

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