AN EXPLORATORY CASE STUDY OF HIGH-PROFILE FEMALE ENTREPRENEURS IN THE CHINESE ECONOMIC REFORM

Wenxian Zhang¹, Ilan Alon²

Women entrepreneurs have been playing an increasingly significant role in the Chinese economic reform of the past thirty years. Through historical review and case studies, this paper examines the development of female entrepreneurship in the People's Republic of China. Faced with both challenges and opportunities, aspiring Chinese women must have a clear vision, sheer determination and perseverance to move forward, and they must also possess a sense of aggressiveness and decision-making competence in order to achieve desirable business objectives. In addition, successful female entrepreneurs in China appear to be well educated, mostly married and politically shrewd, they seem to enjoy strong family support and benefit greatly from extensive personal networks.

Keywords: Female entrepreneurs; entrepreneurship; Chinese economic reform; women and gender; characteristics; personal profile.

Received 16 September 2009. Revised 8 March 2010. Accepted 3 April 2010.

Women can hold up half the sky. – Mao Zedong

1. Introduction

Ever since the founding of the People's Republic of China, women's participation in employment has been a large-scale phenomenon. During those early years of PRC, based on the misunderstood notion of equal opportunities, Mao's slogan “women can hold up half the sky” was widely promoted. Dubbed as “iron girls”, women were encouraged to perform all kinds of works that were traditionally reserved to men. Consequently, the country has had a far higher women's employment rate than the world average, with women representing 47

¹ Olin Library. Rollins College (United States), wzhang@rollins.edu
² The China Center at Rollins College (United States), ilon@rollins.edu

Correspondence to: Ilan Alon, or Wenxian Zhang. Rollins College, 1000 Holt Ave. Winter Park, Florida 32789 (United States)
percent of its total workforce (*China Statistics Yearbook*). China has the largest population in the world, with more than half a billion women, over 50 percent of whom are in full-time employment, and female workforce contributed to 38 percent of the country’s GDP in the year 2000 (Liu, 2001). The country as a whole is seen to have a higher level of gender equality than Japan, the UK and the USA, with permanent full-time work being the norm for all adults irrespective of sex, and a high degree of egalitarianism in family roles (Stockman, et al., 1995). Clearly, women have been playing an increasingly significant role in China’s economy.

However, this remarkable achievement has been criticized by some as a hollow victory. According to Cooke (2004), the state’s role during the past decades has been limited to protecting women’s labor rights and increasing their share in employment, with little provision aimed to ensure and improve the quality of women’s employment prospects, as a lower proportion of women are professional or managers, and a much higher proportion are in clerical and lower-level manual work. Among the 60 million workers who worked in private and individual businesses, over 50 percent were female, such sectors are often associated with lower wages and pensions, less job security, lower employment welfare, reduced training opportunity and fewer promotions (Jiang, 2000).

Entrepreneurship is the best way to empower women. Entrepreneurs are defined as individuals who are opportunistic, proactive, action oriented, value-driven, risk-accepting, whose creative ideas take the form of organizational birth, growth, and transformation (Tan, 1996). A female entrepreneur can be described as a “woman who has initiated a business, is actively involved in management, owns 50% of the firm, and has been in operation for one year or longer” (Moore and Butler, 1997: 13). For the purpose of this study, a few top female executives are also included, as they are the representatives of millions of women working in various industries today. Through the recent ownership reform in China, many of them have become large shareholders as their enterprises went public.

Since 1995, the number of women involved in private economy has risen by 60%, reaching nearly 10 million, and women entrepreneurs make up 20% of the total Chinese entrepreneurial population (Tan, 2008). The growth of female entrepreneurs in the private sector is driven by women who are unwilling to compromise themselves in an employment that is not conductive to career progression. The profile of women entrepreneurs in the future will continue to match their changing situation, and move closer to their male counterparts. However, women entrepreneurs may not be able to completely eliminate discriminations around them as they are still surrounded by a male-dominant society.
Although more women are becoming entrepreneurs in the non-state sectors at an increasing speed, their numbers are still lagging behind men. According to the second national sample survey of women's social position in China (2001), 6.1 percent of women, compared with 8 percent of men, in urban employment were in managerial positions. Another survey by the All-China Women's Federation (2000) indicated that the majority of entrepreneurs surveyed were younger women, had higher levels of education than the national average for women, most worked in private-owned enterprises. A large majority of them were married, and felt that their husbands were a great source of support in their career and many of the couples operated the business together. They felt they were inferior to men in their physical strength, readiness to challenge, strategic decision-making, analytical ability and innovativeness. According to them, the quality deficiency of women themselves and social bias were the major causes for the lack of women entrepreneurs in China.

Despite the advancement in female entrepreneurship, current research offered inconsistent predictions and empirical evidence is far from being conclusive. Because of the complex nature of the subject and competing conclusions in the existing literature, a framework is needed that should include both internal factors such as personal characteristics and external factors such as values, regulations, and family and support systems. Furthermore, according to one research, 64 percent of articles were based in the US, and 83 percent of studies on women in entrepreneurship came from the Anglo-Saxon sphere (Ahl, 2003). Those findings are useful but limited, and such observations should not be over-generalized and stereotypical. In order to gain a comprehensive understanding on this important subject, the following section of the paper will present the brief profiles of nine women entrepreneurs (Zhang and Alon, 2009). Through those case studies, this research seeks to examine the development of female entrepreneurship in the People's Republic of China, the challenges and opportunities faced by aspiring women, and various social, economic and cultural factors that influence the growth of women entrepreneurship in China.

2. Brief Profiles of Female Entrepreneurs in China

Ranked the second richest woman worth US$2.6 billion by *Hurun Report* (2008), Chen Lihua (Chan, Laiwa 陈丽华 1941-) is one of the wealthiest business people in China. Growing up in a poor family living in Beijing appears to have been a source of great encouragement to her. After finishing high school Chen began a furniture repairing business in 1976. Having interest in international trade and with an entrepreneurial spirit, she sought opportunities in Hong Kong, and in 1988 founded the Fuhua (Fu Wah) International Group in Beijing, which conducts real estate, hospitality, international trade, and tourism business among others.
She has since worked as president and chairwoman of the multi-billion dollar corporation, and was able to benefit from the growing real estate market in Beijing through connections with leaders within the Communist Party. By targeting the high-end consumers, Fuhua has become one of the most successful real estate companies in China. In 1995, Chen founded the Changan Club, a luxurious first-class club for top business people who have self-made their fortunes. With 800 members, the project provided much strength, success and popularity for the company. In recent years, she also donated millions towards disaster relief and contributed to education and poverty relief efforts. Closely associated with her business, Chen is politically active, and is recognized as a loyal member of the State Unification Commission, the National Committee of Chinese People’s Consultative Conference (CPPCC) and the China Association of Industry and Commerce.

Dong Mingzhu (董明珠 1954-) is vice chairperson and general manager of Zhuhai Gree Electric Appliance, who has built Gree from a small local company into a leading air conditioner manufacturer in the world, and is widely recognized as one of the most respected and successful businesswomen in China today. In 1990, 36 years old Dong joined Gree, and rose steadily from marketing and sales manager to director of operation and general manager. In 1995 when China’s young air conditioning industry experienced a crisis, Dong successfully convinced top management not to jump into the price war, believing that the slip in sales was more related to the unseasonably rainy and cool weather. By leaving prices untouched, Glee was able to maintain a healthy profit margin. A year later when another price war broke out, Dong’s stubborn refusal to slash prices helped Gree to gain ground against major competitors, a strategic move that eventually led to Gree’s dominance in the market. In 2001, Dong again found out that she had to stand up and say no, this time to China’s powerful home appliances retailers, who preferred to squeeze the profit margin of suppliers in order to provide the lowest possible price to consumers. Instead Dong started to build her own distribution network. Dubbed “the Gree Model”, she has kept retail partners satisfied through a win-win rebate system, which is one of China’s most successful and innovative business practices in recent years. As a result, Gree achieved enviable revenue of RMB13.8 billion that year, an increase of nearly 38% over previous sales. For her vision, innovation and entrepreneurship, Dong was twice named among the World’s 50 Most Powerful Women in Business by Fortune, the Top Ten Chinese Business Figures of the Year by CCTV in 2006, and ranked number 93 of the World’s 100 Most Powerful Women by Forbes in 2007. Dong is also the deputy director of Chinese Household Appliances Association, vice chair of Women Entrepreneur Association of Guangdong Province, and chairperson of Women Entrepreneur Association of Zhuhai.
An Exploratory Case Study of High-Profile Female Entrepreneurs...

Shi Xiaoyan (史晓燕 1962-) is the CEO of the Beijing-based Illinois Investment Limited, a furniture company targeting on middle-class, white-collar workers. Along the course of Chinese economic reform, Shi has made a huge leap forward in her life: from a nurse in a Beijing hospital to a student studying abroad, from a housewife to a millionaire and the boss of a famous furniture company, and from owning a small shop to running a large auto theme park. After graduated from a nursing school, Shi first worked as a nurse at the Beijing Union Medical College Hospital. However she not only was frustrated by the tedious and boring nature of her assignment, but also could not bear her low monthly salary of RMB70 yuan while struggling to make a living in the Chinese capital. Being a woman who could not be content with a stable life, Shi job-hopped to a foreign company in 1984, although at that time changing careers were quite unimaginable in China. Working for the new company, she did not even know how to use a typewriter. But as a smart, capable, and quick minded individual, she still won the appreciation of her employer. After marriage, she still was not satisfied to be a housewife. A trip abroad inspired her to enter into the furniture industry. In 1989, her husband moved to Singapore to work for an IT company. There she realized that personal values are usually embodied in one’s lifestyles, and noticed the delicate design of furniture and other household appliances in developed countries. Hence she decided to major in interior design at the University of Chicago, while keeping eyes on both the international fashion trends and China’s economic development. Shi returned to China in the mid-1990s, and after losing US$3 million and few other setbacks, she, together with her husband, established a small furniture factory and imitated the design and style of foreign brands. Because of the low price and novel style, her Illinois brand was gradually accepted by customers in Beijing. Yet this strategy did not last long, and Shi started to think about setting her own furniture design shop. Since 2000, after researching the international furniture market, she defined and developed Illinois’ unique style - new classic, postmodernism. This soon became a real hit, which attracted not only Chinese customers, but also from abroad. Her insight into the market and sense of aesthetics enables her company to stay at the cutting edge of furniture design. Shi never stops expanding her business. Apart from running a furniture company, Shi has also established China’s first auto theme park located near Beijing Capital International Airport.

Wang Jiafen (王佳芬 1951-) is the president and CEO of the Shanghai-based Bright Dairy Co. Ltd., who has been instrumental in turning the company from a local brand into one of the leading national dairy producers. A native of Shanghai, during the Cultural Revolution Wang joined millions of urban youths and left for a farming community to be “reeducated” through physical labor. In 1974, due to her outstanding performance, she was named deputy party secretary of the farm in charge of over 20,000 people. When the Cultural Revolution concluded, Wang...
trekked back to the city and in 1992, she chose to leave behind the security of a government office job and took over the leadership of Shanghai Dairy Company. Wang visited dairy manufacturers in a number of countries and was determined to carry out reforms in order to make the company competitive. In 1996, the company formed a joint venture with a company from Hong Kong and changed its name to Bright Dairy Co., and Wang introduced a new slogan for the firm: ‘let brightness (bright dairy) shines all over China’. Since 1996, Bright Dairy had been ranked number one in the sales of dairy products such as fresh milk and yogurt, comprehensive market share and profits. While Fortune named Bright Dairy as “China’s most admirable joint venture”, Wang was nicknamed the “Queen of Dairy Products”. In 2002, Bright Dairy became a listed company. However in 2005, Wang experienced a low point in her career when a branch milk manufacturer was exposed of reprocessing overstocked milk for sale as fresh milk in the market. The subsequent wide coverage of the devastating news and the discovery of other Bright Dairy products failing to meet the desired quality put Wang and the company on defense. With her usual toughness and determination, she made repeated claims and promises about the company’s full attention to the quality of dairy products. The incident cast a dark shadow over Wang’s otherwise brilliant career at Bright Dairy. In 2007, the company went through reorganization. During the subsequent personnel changes, Wang resigned from the position of general manager although she remained to be the CEO of the company.

Chairwoman of Shanghai Baosteel Group, Xie Qihua (谢企华 1943-) has made a tremendous contribution to the development of China’s largest steel manufacturer. Known as China’s “Woman of Steel” or “Iron lady”, Xie is one of the handful female CEOs in Chinese state-owned enterprises, and a dominant force in an industry ruled mostly by men. Her influence has been in step with China’s insatiable need for iron and steel over the past thirty years. While China is the world’s largest producer and consumer of steel, Xie is the industry’s public face. After graduation from Tsinghua University in 1968, she first worked as a technician at the Shaanxi Steel Plant. A decade later, Xie joined Baosteel when it was still under construction, heading up the technical division, and gradually rising through ranks to become company president in 1994 and board chairperson in 2000. As a role model for many Chinese women, Xie dedicated herself to the development of Baosteel, implemented the acquisition and merger as corporate strategy for expansion, and successfully transformed the Baosteel Group to the largest iron and steel conglomerate in China. In 2004, the Baosteel under Xie signed a cooperation agreement with France’s Arcelor and Brazil’s Companhia Vale do Rio Doce to jointly build a steel plant in Brazil. This was regarded as China’s largest direct investment in overseas project at the time and became the entry point of Baosteel into the international market. Under her leadership Baosteel also became the first Chinese manufacturer to enter the ranking of the
world’s top 500 companies. In 2005 Xie was ranked second of the 50 most powerful women outside the US by *Fortune*, among the top ten of 50 Businesswomen in the World by *Forbes*, and listed by the *Wall Street Journal* in its Top 50 Businesswomen to Watch rankings. Since by the Chinese regulation the mandatory retirement age for senior executives in state-owned enterprises is 60, Xie stepped from the chairmanship of Baosteel Group Corp in 2007, making a full exit from China’s biggest mill at age 64. Still regarded among the most powerful women in the nation’s corporate world as well as steel industry, Xie boasts a string of other titles that include alternate member of the 16th Central Committee of Chinese Communist Party, president of China Iron and Steel Association, and board member of China Business Council for Sustainable Development. At end of her tenure, Xie oversaw 100,000 workers, who roll out 21 million tons of steel each year, ranked the world’s sixth-largest steel company in terms of capacity, and profits rose to $22 billion.

Cofounder and director of Sun Television Cyber Networks Holdings Limited, Yang Lan (杨澜 1968-) enjoys a high reputation as a TV personality and studio manager in China. She is also regarded as one of China’s 50 most successful entrepreneurs and ranks among China’s wealthiest self-made woman. After graduated from the Beijing Foreign Language University where her father taught English literature, Yang was selected in 1990 from over 1,000 candidates as the host of a new entertainment program on CCTV. Yang’s style, talent and personality made her stand out among Chinese presenters, and within a year, her primetime, Saturday celebrity quiz and talk show was China’s top-rated TV program with an audience of 220 million, and Yang became a household name. In 1994, Yang was honored with a Golden Microphone award at the first National Hosts Competition. However, setting her sights even higher, in late 1994 Yang gave up her position at CCTV to go to the USA and study international media. Two years later, she received her Master’s degree from the Columbia University. In 1997, Yang became a studio producer and host for Hong Kong’s Phoenix Satellite Television Company, an experience greatly benefited her professionally. The relaxed production environment allowed her to create a series of important programs, which also made her well known in Hong Kong and Taiwan. Then in 1999, with her career in full flourish, Yang left Phoenix in search of greater production freedom. Yang’s TV skills are matched by a keen mind for business. With her husband, Bruno Wu, she started her own media company, Sun Television Cyber Networks, which she hoped to help promote both China’s splendid cultures and the world’s great historic achievements. Went on air internationally in 2000, Sun TV’s programs about figures, science and civilization and unsolved mysteries have since attracted large audiences. Traded on the Hong Kong Stock Exchange since April 2002, Sun TV was valued at US$179 million by November 2002, in which Yang owns 35 percent, worth $63 million. The couple’s
accumulated fortune was later estimated to be $400 million, ranked among China’s top 100 richest people by Forbes. In 1999, Yang was named by Asia Week as one of the top 20 most influential leaders of the great Asia region, and in 2001 she was appointed as an image ambassador for the 2008 Beijing Olympic Games, joining three other Chinese women to be so honored.

An outstanding female executive, Yu Shumin (于淑珉 1951-) is the president of the Qingdao-based Hisense Group. Prior to this post, Yu also served as vice president, general manager, deputy secretary and secretary of the party committee of Hisense Group. With her strong determination, Yu is famous for her leadership and management skills; at the same time, her unique feminine gentleness and carefulness also helps her a great deal in a field dominated by male executives. In recent years Yu has been making special efforts to achieve sustainable growth for her large corporation. As a remarkable businesswoman, Yu was recognized several times as a National Model Worker, and in 2007 she was elected as one of the Ten Outstanding Women in China, which is the country’s top honor for women in the professional world. Yu believes that the only way to keep the leading position on market share is to have independent technological innovation with newly launched products. Under her leadership, Hisense founded the first chips R&D group in 2000, and in 2005, China’s first video processing chips with proprietary intellectual property was developed by Hisense, which has set a good example as China’s top white-products maker. During Yu’s eight-year tenure as the executive president of Hisense Group, the company expanded at a rate of over 40 percent every year, profits went up 35 percent annually, and income from sales raised from RMB 10.6 billion to 43.5 billion yuan. Hisense TV has already occupied the largest share in the domestic market, and its panel TV has also been ranked the first in the nation three years in a row. After successful merge with Kelon in 2006, Hisense has become the only enterprise in China that owns three famous brands, Hisense, Kelon, and Rong Sheng, and was listed in three places: Shanghai, Shenzhen and Hong Kong.

Yu Yu (俞渝 1965-) is the co-founder and co-president of Dangdang.com along with her husband Li Guoqing. Founded in 1999, Dangdang is China’s largest online retailer and the world’s leading online seller of Chinese language books, movies and music. Yu returned to China in 1998 after eleven years in the U.S. to start Dangdang.com, a successful online bookstore dubbed as the Amazon.com of China. Yu received her bachelor degree in English literature from Beijing Foreign Studies University in 1986. She first worked as an interpreter and secretary for a joint venture in Beijing, and then went to U.S. to pursue graduate studies. After receiving her MBA from NYU in 1992, she began to work for a Wall Street consulting firm specializing in mergers and acquisitions and providing an advisory service to corporate clients. Fascinated by the monumental success of online bookstore Amazon.com, she conceptualized the idea of a similar e-commerce
Chairperson of Nine Dragons Paper, Zhang Yin (Cheung Yan 张茵 1958-) is regarded by some sources to be China’s wealthiest person, and the wealthiest self-made woman in the world, surpassing Oprah Winfrey of the United States and J.K. Rowling of the United Kingdom. Her fortune was estimated to be $10 billion in 2007. Meanwhile, Nine Dragons is currently on pace to be China’s number one producer of packaged paper. Zhang is considered a pioneer among female leaders, breaking gender barriers in China and leading a very successful business from the start-up to immense growth. Zhang was born the oldest of eight siblings in Guangdong Province. Her father was a military officer who later became general manager of a local metallurgy company. His contacts and connections with the Communist Party would help along her business career. Upon reaching adulthood, Zhang relocated to Shenzhen in the 1980s, accepted a job as a finance associate with a paper-products company, and developed a keen interest in the industry. After realizing the enormous market potential, she decided to enter the recycling sector. Based in Hong Kong with only $4,000 in savings, she launched Nine Dragons, a company that buys scrap paper from the United States and reproduced the commodity for use in China. Upon growing Nine Dragons as a major Chinese corporation, her goal was to develop the firm and its brand equity globally. In building the company Zhang endured through numerous financial difficulties, unethical practices from unstable business partners, and intimidating acts by local organized mafia organizations. She
persevered through the challenges by moving to the United States to build her empire and establish herself as a tycoon in the paper recycling industry. To date, she has retained nearly 75% of an equity stake in the company that she founded. Her husband, Liu Mingchung, currently helps run the company as a senior executive. The success of the company has springboarded Zhang to the top of Hurun Report of the richest people in China, as the shares of Nine Dragons’ have nearly tripled since they were initially introduced on the Hong Kong Stock Exchange. What is perhaps most noteworthy is the fact that Zhang has succeeded as an entrepreneur in an economic and political system that is heavily skewed toward male dominance.

3. Analysis of Female Entrepreneurship in China

Research on modern entrepreneurship has studied the behavioral characteristics such as personalities and traits, gender, education, and individual background, and how these attributes have been associated with entrepreneurial decisions and outcome. The existing literature has confirmed certain common characters for all entrepreneurs regardless gender, which include the need for achievement, risk taking propensity, innovativeness, independence and inner locus of control (Tan, 2008). Entrepreneurs must to have a vision, understand proactivity and seize the moment and take initiative. Some of the common traits among women entrepreneurs: they are more frequently married, have children, are well educated, and somewhat older that their female counterparts. They are highly capable and productive, possess a greater amount of autonomy, power and extended financial parameters, and illustrate their business in family terms and envision business relations as a network. Those women are usually multi-tasked individuals, having the ability to balance chores and priorities, being flexible and adaptable. In the following section of this paper, those key factors that have significant impacts on the development female entrepreneurship in China are further examined.

3.1. Vision and Motivation

Among all factors that contribute to the success of women entrepreneurs in China, a clear vision and personal motivation are probably the most important ones. Existing research indicates that men are more likely than women to pursue opportunity entrepreneurship, while women are more likely to pursue necessity entrepreneurship (Reynolds, et al., 2002). According to Tan (2008), men and women share many entrepreneurial orientations such as futurity, proactiveness, aggressiveness, and innovativeness, but women were more prepared to take risks than men, and women entrepreneurs were more willing to accept higher risks for higher return, and pursued greater opportunities despite high uncertainty.
As previously noted, Zhang Yin decided to enter the recycling sector after realizing the enormous market potential, Chen Lihua seized the opportunity and was able to benefit from the growing real estate market, Shi Xiaoyan, Wang Jiafen and Yang Lan gave up secure employment to seek new risky adventures, and Yu Yu rode the wave of Internet revolution to build Dangdang, all of them have demonstrated a forward-looking vision, seized the moment and taken initiatives to ensure business success. As with their male counterparts, they possessed a sense of aggressiveness and showed decision-making competence. Furthermore, they have also displayed great personal perseverance in reaching desirable outcome, such as Dong Mingzhu’s stubborn refusal to engage in price wars, Yu Yu’s struggles with consumers’ defiance of online shopping, inhibiting credit card regulations and an ineffectual delivery system, and Zhang Yin’s endurance through numerous financial difficulties, unethical practices from unstable business partners, and intimidating acts by local organized mafia organizations.

Despite the recent progress, the growing number of female entrepreneurs still make up a small proportion of all entrepreneurs in China. According to national surveys on private businesses done by the China Women Entrepreneurs Association (2002), women entrepreneurs only made up 8 to 13 percent of the sample. Another study indicated women entrepreneurs counted about 20 percent of the total Chinese entrepreneurial population (Tan, 2008). Many women entrepreneurs in self-employment chose to enter business because of the lack of good quality employment opportunities available to them rather than because of their flair for entrepreneurship. Women often were motivated to start their own venture when they felt were “displaced”, they may also be “pulled” into an entrepreneurial venture to leverage resources, pursue an opportunity to develop an idea, to receive high income, to fulfill oneself, and to be their own boss and not having to take order from others. This study confirms that many of them are increasingly driven by the “pull” elements such as being the decision maker, self-actualization, financial benefits, the desire to achieve a more comfortable balance between family and work responsibilities, and capitalizing on network resources and opportunities.

3.2. Family Support System

One common characteristic among the successful women entrepreneurs is that most of them are married to a supportive husband who is equally well connected to extensive social network, as in the cases of Yang Lan, Shi Xiaoyang, Yu Yu and Zhang Yin mentioned above. In traditional Chinese setting, family offered a reliable supportive system that significantly improves the women entrepreneurs’ capability to endure hardship and uncertainty. They provide added network resources to secure funding, technical assistance, and business
connections (Tan, 2008). As Chinese believe that family is the basic fabric of society and the benefit extends beyond family boundary, such support system has led to much improved chance of success for women entrepreneurs. It should be noted that family support is also extended from parents, as illustrated by Zhang Yin and others. Women, more so than men, tend to enter their business careers by a route dependent on personal and family network. According to an early study, 90 percent of those women entrepreneurs surveyed felt that the support and understanding of family members, especially their spouses, played an important role in their success (Hisrich and Zhang, 1991).

Notwithstanding the benefit of family support, Chinese women entrepreneurs still face the challenge of balancing the need for business advancement and family obligations. For historical reasons, management jobs in the West have been specifically designed for married men who were able to cope with the long hours and dedication that careers demand because they had the support of their full-time home-making wives. Similarly in a typical Chinese family, couple often decide that the man’s career takes precedence (Korabik, 1993). As a result, China’s growing ranks of career women are facing increasing difficulties in attracting the country’s eligible men, whose idea of the perfect wife still is a homemaker, not a breadwinner (Cooke, 2004). In recent years, technological advances in the workplace and the home, the one-child policy, and the marketization of housework and domestic care mean that women’s working and domestic lives are becoming less physically demanding and time-consuming. Despite the progress, successful businesswomen with supporting husbands are still exceptions rather than a general rule in China. For those aspiring women, a primary frustration has been the competing needs between running business and taking care of family, which often means that they will have to make some personal sacrifices in order to move forward.

3.3. Guanxi Network

Probably more so than their male counterparts, guanxi (关系) network is another key contributing factor for the business success of female entrepreneurs in China. Guanxi, the informal social relationship, provides the lubricant for the Chinese to get through life. The cultural emphasis on personal relationships means that Chinese business connections and deals are built on guanxi ties. Strongly influenced by Confucian teachings, Chinese view other individuals in terms of particularistic relationships. Guanxi is “an informal, unofficial relationship utilized to get things done, from simple tasks to major life choices” (Ruan, 1993). Simply put, guanxi is an interpersonal network that Chinese use as a crucial social resource to pursue their personal interests (Brown, 2002). Guanxi is not just something mechanical, or simply a Western version of networking. It is
about “affectual relations” among people. Guanxi is an emotional bond, and requires cultivation over time (Gold, 2001). In business world, guanxi practice has evolved into a powerful and flexible tool that allows people to create trustworthy, expansive business networks in the absence of adequate legal guarantees (Hsu, 2005).

In review of the cases of Chinese female entrepreneurs, it is clear that the concept of guanxi has a very profound influence on the growth of their businesses, whether it Chen Lihua’s relationship with party officials and her Changan Club, or the vast business connections possessed by Yang Lan and Zhang Yin. Along the course of their business development, those women have also demonstrated keen sense of political intelligence. Many of them have served as delegates to the National People’s Congress or members of Chinese People’s Consultative Conference, and held leadership positions in the China Association of Industry and Commerce or other semi-official organizations, which not only enhanced personal profiles, but also greatly extended their business connections and influences.

The importance of a harmonious interpersonal relationship also reflects the core value of Confucianism, which emphasizes the order among relationships, having a sense of shame, saving face and respect for traditions (Gerrard, et al, 2003). This virtue, combined with other features of Confucianism such as persistence, thrift and self-respect, has become an important part of Chinese women’s value system (Deng, et al), and is found to be correlated with broad measures of economic growth (Hofstede and Bond, 1988).

3.3. Challenges and Discriminations

As Tan (2008) summarized, for centuries Chinese women have been separated from social and economic life by a “bamboo curtain,” and found themselves under a “glass ceiling” like women elsewhere in the world. Although the country’s economic transformation over the last three decades has generated new opportunities for women, equality still remains an elusive ideal in China, and women still face considerable challenges in a period of radical social, economic and institutional changes.

This study only highlights nine high-profile cases of businesswomen running large enterprises, behind them there are at least another 1.5 million female entrepreneurs working in small and medium-size businesses in China (Wang, 2004), and on daily basis they are facing enormous hurdles moving forward. Despite the recent progress, deep down China is still a society with the Confucian tradition of male dominance that kept women in subservient roles for more than two thousand years. The success of few women entrepreneurs should not hide the fact of gender discrimination existing in China today, which begins in the
cradle where baby boys are prized more than girls in many areas of the country. Under heavy social and cultural influences, images of women entrepreneurs are usually stereotyped in China. According to a survey of university students, a far higher proportion of men than women surveyed believed that women leaders were emotional, trivial, incompetent, lacked innovativeness, and were respectable but cold, un-feminine and not lovable (Jin, 2002).

In practice, many female entrepreneurs are at disadvantages comparing with their counterparts, as they usually face discrimination when it comes to financing. In addition, since much of the business discussion are conducted over dinner tables and in entertainment facilities, many women found quite offensive when men started to talk dirty jokes and engaged in other entertainment activities. Furthermore, since there are few women in senior positions to act as role models, an aspiring female may have to look for a man as a mentor to establish her network relationship in a system dominated by men. Given the level of intimacy that the relationship naturally engenders, women may find themselves embraced by rumors, which can be highly damaging to their career because of the relatively low tolerance of the Chinese society of close relationships between men and women outside marriage (Vinnicombe and Colwill, 1995).

Despite all the challenges and discriminative measures, education and economic progress still offer the best hope for Chinese women, and entrepreneurship is the best way to empower them. Given the numerous hurdles they have to jump, it is really remarkable for those high-profile female entrepreneurs to achieve the success as described above. They have effectively served as role models for millions of Chinese women to follow in the new age of economic development.

4. Conclusion

Women entrepreneurs have been playing an increasingly significant role in the Chinese economic reform of the past thirty years. Behind their accomplishment are several trends as observed by Cooke (2005), among them: the level of female participation in employment has been steady and relatively high; educational levels of employed women have been getting closer to that of men; and a sectorial shift from the manufacturing and other secondary industries towards the service industries, an area of the new focus in China’s economic development for which women may be in an advantageous position as compared with men. More significantly, the repaid expansion of private companies and the growth of self-employed businesses have brought new opportunities for women to develop their entrepreneurship and managerial careers.
Based on the case studies of nine high-profile female entrepreneurs, the common factors that contributed to their success include a forward-looking vision, sheer determination and perseverance. To achieve desirable business objectives, they must possess a sense of aggressiveness and decision-making competence. Furthermore, they have to become multitask individuals and balance the career commitment and family responsibilities. In review of the brief profiles described above, notwithstanding that these factors should be further tested through empirical studies, successful female entrepreneurs in China appear to be well educated, mostly married and politically shrewd, they seem to enjoy strong family support and benefit greatly from extensive personal networks.

In the current business environment, aspiring businesswomen still face numerous challenges, notable among them are some discriminative measures in education, recruitment and promotion policies and many questionable business practices in China today. To overcome the prevailing stereotypes, women entrepreneurs need to not only demonstrate vision and leadership, but also portray themselves as professionally competent, physically elegant, and feminine in disposition; they need to both show their toughness and persistence and display their feminine gentleness and empathy at same time; and they need to be flexible, multitasked individuals and relationship builders while still balance their work with family responsibilities. In other words, as Cooke (2005) appropriately noted, they need to be both an angel and superwoman.

5. Bibliography


Jin YH. 2002. Media’s influence on women’s participation in politics as seen from the public perception, Collection of Women’s Studies 2: 15-22.


An Exploratory Case Study of High-Profile Female Entrepreneurs...


