# Chapter 29 Women´s Leadership in Mexican SMEs

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### ABSTRACT

This chapter presents the female leadership model present in the women who lead the small and medium enterprises (SMEs) in Mexico. It was found that women entrepreneurs have balanced leadership between the pursuit of economic results and the development of quality relationships with employees. This means they are good communicators and consider their employees in the integral development of their companies, but the women entrepreneurs are also interested in the achievement of the organizational objectives. This style of leadership develops in a context in which family support is key to success, where the main challenge they face is the economic one and where, under the perception of themselves, they have been able to break with the traditional scheme of work and female leadership.

#### INTRODUCTION

From 1990, researchers have been concerned analyzing the phenomenon of gender and the female presence in the leadership, trying to determine if there are differences between the styles of leadership due to it.

Throughout history, leadership has been seen from different perspectives: as a group process, a reflection of personality, the exercise of influences, a behavior, a way of persuading, a power relationship, a tool for the achievement of objectives, an effect or a role that people assume.

These different ways of looking at leadership allow us to analyze the phenomenon from different angles, such as: identifying a way to practice leadership, avoiding certain values orientations or some practices, and providing a basic system for their development.

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It is because of this that it is important to highlight the key role that leadership plays according to their gender in their own development within the organizations. For many women entering the labor market represents a breakthrough in their personal growth. Also having effective leadership is an important point in opening up opportunities for professional growth.

Despite the advances in gender equality that have been achieved to this day, women have a lower human development index (HDI) than men (only for Mexico the difference is 5%), and they represent 60% of the poorest at a world-wide level, two-thirds of the illiterate and also subject to violence (Programa de las Naciones Unidas para el Desarrollo, 2015).

Another important feature is the low rate of female participation in the labor market. While the participation rate of men from 2005 to 2015 was greater than 80%. For women, it did not exceed 50%. Nevertheless, the labor participation of the women grew modestly in this same time period. In 2013, it achieved its maximum registered of 47.2%, and, in 2015, it was of 45.7% [Instituto Nacional de Estadística y Geografía (INEGI), 2015].

According to the International Bank for Reconstruction and Development (2016), only 34.3% of MSMEs worldwide have women's participation in real state. Several investigations have shown that the number of women entrepreneurs is always less than the men who run an organization, and although sometimes the difference is less, no research has so far shown that the Percentage of women is greater than that of men (Elizundia, 2015). Another statistic that allows reinforcing this phenomenon worldwide is the fact that only 1% of the 500 largest companies in the world are headed by women (Contreras, Pedraza & Mejía, 2015).

In Mexico, a large number of women are economically active (38.06% of them), which means that a significant percentage of them are developing in different areas simultaneously as housewives, students, daughters of the family and also Workers [Secretaría del Trabajo y Previsión Social (STPS), 2017].

Despite this, there is an important wage gap between men and women. While in 2017, the average monthly income is \$5,823 pesos, men earn \$6,365 pesos while women only obtain \$4,941 pesos a month; This represents a 29% monthly gap in wages due to gender (STPS, 2017).

In our country, there seems to be a growing trend in the number of companies that are in charge of a woman, while in 1994 there was 24.40%, in 1998 went to 40.60% and in 2001 it managed to reach 52% of companies. This makes it possible to say that despite the fact that the percentage of women in the organizations has not grown exponentially, women have been able to insert themselves in top management positions in a larger number of companies.

Despite all these phenomena, we can see the existence of women who are examples of life and agents of change that show resistance, strength, and courage.

Likewise, SMEs are defined as small and medium-sized enterprises, legally constituted, based on the stratification established by the Secretary of Economy, in agreement with the Ministry of Finance and Public Credit and published in the newspaper Diario Oficial de la Federación [Diario Oficial de la Federación (DOF), 2017].

At national level there are 4 million of MSMES which generate 72% of the employment and 52% of the gross domestic product (GDP) of the country [Instituto Nacional de Estadística, Geografía y Estadística (INEGI), 2016], this is a very important percentage for the economic activity, for this reason the SME's were chosen to be part of the sample of this research.

According to the results of the National Survey on Productivity and competitiveness of Micro, Small and Medium Enterprises (ENAPROCE) (Secretaría de Economía, 2015), of the total number of companies in the country during 2014, 97.6% are micro and they concentrate on 75.4% of total busy staff,

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