# THE CONTRIBUTION OF WOMEN ENTREPRENEURS TO THE ECONOMIC GROWTH OF THE NORTH WEST PROVINCE, SOUTH AFRICA

0600010481

By

SENYE MONICA KEDIBONE

North-West University
Mafikeng Campus Library

i18407559

Submitted in partial fulfillment of the requirements for the degree

of

MASTERS OF BUSINESS ADMINISTRATION

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at the

UNIVERSITY OF NORTH WEST

SUPERVISOR: PROF. W.P.J. van RENSBURG

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## SUMMARY

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## DECLARATION

"I declare that: THE CONTRIBUTION OF WOMEN ENTREPRENEURS TO THE ECONOMIC GROWTH IN THE NORTH WEST PROVINCE is my own work, that all sources used or quoted have been indicated and acknowledged by means of complete references, and that this dissertation was not previously submitted by me or anybody for a degree at another institution"

MONICA KEDIBONE SENYE

# DEDICATION

I dedicate this work to the following:

My daughter Tidimalo

My son Motheo

My grandmother Letty Setshego Motingoe

My sister's son Leepile Sentle

My supervisor Prof W.P.J. van Rensburg

# ACKNOWLEDGEMENTS

I sincerely thank the following persons:

- My supervisor, Prof W.P.J. van Rensburg, for his support and guidance during the course of this study.
- My children Tidimalo and Motheo for being patient and understanding.
- My sister's son Leepile Sentle for being so supportive and carrying my responsibility in home.
- My grandmother Letty Sentle, for her unwavering faith in me, her support in my growing years and my primary and secondary study.
- My father, Moloantoa Tshukudu for taking care of my Motheo when I am not there for him.

Above all, I thank the Lord for wealth, wisdom, the opportunity and the ability to finish this research.

## ABSTRACT

This study investigated the contribution of women entrepreneurs to the economic growth of the North West Province. The aim of the study was to identify the contribution of women entrepreneurs in the economic growth, to determine forces driving women to become entrepreneurs. The study also aimed at examining future challenges for women entrepreneurs as well as strategies to advance women entrepreneurs.

The Quantitative research method was chosen for the study and the targeted population was women entrepreneurs and women interested in entrepreneurship in Potchefstroom and Klerksdorp in the North West Province. A total of 200 participants were selected for the study, 100 women entrepreneurs and 100 women interested in entrepreneurship. Stratified random sampling was used to randomly select a subset of 50 women entrepreneurs and 50 women interested in entrepreneurship. The primary instrument used to collect data from the selected respondents was the questionnaire. Data were collected, analysed and presented in tables and figures.

The findings of the study revealed that women entrepreneurs made positive contributions on the economic growth of the North West Province. They create employment, reduce poverty, initiate businesses, build self-employment and expand their businesses. The study confirmed that women entrepreneurs lack skills, knowledge and experience in business. They do not get support in infrastructure, finance and education to run their businesses. The researcher recommended that women entrepreneurs should get training and education with regard to running a business. There should also be infrastructure, accessibility of technology, funding and support for women entrepreneurs. Women entrepreneurs should get support from local governments and appropriate information should be made available to them.

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# CHAPTER ONE

## ORIENTATION

### 1.1 Background

Women Entrepreneurship has gained importance over the past years. Therefore this study focused on the roles of women entrepreneurs in the economic growth in the North West Province. The world of entrepreneurship was largely a male world, currently women everywhere are empowered to become entrepreneurs. In the greater number than ever before, women are stepping away from traditional economic roles and venturing out to start their own businesses. South Africa is ranked in the 19 the position in overall entrepreneurial activity with 6.54 % of the adult population involved in an entrepreneurial venture established since January 1999. Prior to 1994, it was not easy for many women to start and run formal businesses as result women were pushed into the informal sector. Women entrepreneurs were faced with many difficulties that forced them to become business partners with male family members in order to be engaged in entrepreneurial activities.

In all, women entrepreneurship faces difficulties and struggles of the day. In considering gender, entrepreneurial activity among men is much higher than women. Men are twice more likely to be new firm entrepreneurs than women and one and a half times more likely to be owner-managers of an established business. However female entrepreneurs currently employ on average 1.7 people while males employ 3.5. (Gem, 2004).

The significant changes in the world economy have greatly altered the status of women in the marketplace. Through the South African legislation of empowerment for women in 1994, women managed to determine and secure economic rights. Women's rights have been made possible through policies such as the affirmative action, National Policy on Equity legislation and the Empowerment Equity Act of 1998. According to the SADC survey on SMME's conducted by Business Map in 2003, presentation and participation of women in different sectors includes: agriculture 4%, construction 12%, communication 3%, manufacturing 36%, retail 9%, wholesale 7%, services 42%, transport 20% and others account for 11%. In line with the Black

Empowerment Employment Act, several transformation charters are in the pipeline or have already been promulgated to kick start the racial and gender transformation in business South Africa. Among these, it was recommended that knowledge is essential for women if Black Empowerment Employment is to become entrenched.

**1.2 Problem statement**

According to the White Paper on entrepreneurship, South Africa's resource base for economic growth is phenomenal and it is important that though Small Medium Micro Enterprises (SMME's) opportunities for women are exploited to enable the economy to grow to its full potential.

The profile of women entrepreneurs presently in South Africa has dramatically changed in terms of numbers and profile involvement as compared to before 1994. South Africa has experienced an increasing interest and involvement of women in managing and owning enterprises. The National Foundation for Women Business Owners reports that between 1987 and 1999, the number of businesses owned by women more than doubled, reaching slightly more than in 1999 ( gem, 2004). Women currently own manufacturing, agriculture, clothing and enterprises. Women advancement has led them to enter sectors previously dominated by males.

The development of small, micro, medium enterprises and women entrepreneurship is an emerging priority in virtually every Province in South Africa as the government pursues new avenues for economic growth and development (Steveson, 1997:97). The organization for Economic Co-operation and Development (OECD) states in its 1998 Employment Outlook report that the most significant action a country could take to stimulate economic growth in the future would be to ensure that members of its general population have the knowledge and skills to become self-employed and to start own businesses.

All indications are that, in line with the trend elsewhere in the world, the SMME sector for women entrepreneurs in South Africa is the country's only real hope for meaningful economic growth and job creation (Anon, 1998:87, Anon, 2002: 93 and Godongwana, 2001: 45). A changes become a reality and change always implies opportunities and threats for economic growth (Visage, 1997:129). The new Government's Reconstruction and Development Programme ( RDP), being a statement of intent, outlines definite principles in promoting Small, Micro, Medium Enterprises in South Africa and focuses on challenges facing women entrepreneurs in each Province. In the post-apartheid South African women are regarded as crucial in economic growth and development. This leads to the question: what are the contributions of women entrepreneurs in the economic growth of South Africa?

In the light of the above, discussion is a needed to explore the contribution of women entrepreneurs towards the economic growth of South Africa. The main research problem of this study is divided into the following sub-questions:

- What are the contributions of women entrepreneurs in economic growth?
- What are the forces driving women to becomes entrepreneurs?
- What are future challenges for women entrepreneurs?
- What are strategies to advance women entrepreneurs?

## 1.3 Objectives

The objectives of this research study were:

- To identify the contributions of women entrepreneurs
- To examine forces driving women to become entrepreneurs.
- To investigate the future challenges faced by women entrepreneurs.
- To explore strategies that advance women entrepreneurs.

The next section the study outlined the scope of the research study.

## 1.4 Scope of the study

### 1.4.1 Geographical

The study was limited to the research on the contributions of women entrepreneurs to the economy of North West Province. The empirical study was focused on responses obtained from start-up, particularly women entrepreneurs located in the townships of Potchefstroom and Klerksdorp in North West Province.

### 1.4.2 Field of study

The field of study originated from the theory of women entrepreneurs in general, but in particular on the contributions of women entrepreneurs in the growth of the economy, forces driving women to become entrepreneurs, future challenges for women entrepreneurs and strategies to advance women entrepreneurs.

## 1.5 Research methodology

### 1.5.1 Literature Review

The proceeding discussion focuses on a literature review on the contributions of women entrepreneurs in the growth economy was conducted. In order to have a conceptual framework required in the study of women entrepreneurs a review of literature was conducted. The review focused on the concepts and theories dealing with the contributions of women entrepreneurs, the future challenges faced by women entrepreneurs, forces driving women to become entrepreneurs and strategies to enhance women entrepreneurs.

The method adopted during literature study was firstly, a search for the most recent literature on the subjects was done from textbooks and journals in the libraries at the universities of the North West Province.

### 1.5.2 Empirical study

#### 1.5.2.1 Quantitative study

In order to investigate the contributions of women entrepreneurs in the growth economy, the quantitative research method was chosen. The purpose of the quantitative study was to investigate the contributions of women entrepreneurs on the growth economy.

#### 1.5.2.2 Data Collection

A questionnaire is an instrument with open or closed questions or statements to which respondents must react (De Vos, 1998:89). Questionnaire was used to gather data on the roles of women entrepreneurs to the growth economy. The sample was chosen from start-up and existing women entrepreneurs. The questionnaire was designed on the basis of results obtained from the literature study.

## 1.6 Limitation of the study

### 1.6.1 Literature study

The study incorporates four separate subjects, such as the contributions of women entrepreneurs in the growth economy, forces driving women to become entrepreneurs; future challenges facing women entrepreneurs and strategies to advance women entrepreneurs.

### 1.6.2 Limited geographical scope of study

The study focused only on women entrepreneurs in the townships of Potchefstroom and Klerksdorp in the North West Province. This is a limitation because the findings of the study cannot be taken as a general representation of women entrepreneurs for the rest of South Africa.

#### 1.6.2.2 Limited sample size of women entrepreneurs to generalize

The study only focused and based conclusions on 100 women entrepreneurs, 50 potential women entrepreneurs and 50 women entrepreneurs. This is a limitation in the sample size

because dealing with a bigger group of women entrepreneurs would have brought a different insight to the study.

## 1.7 Clarification of concepts

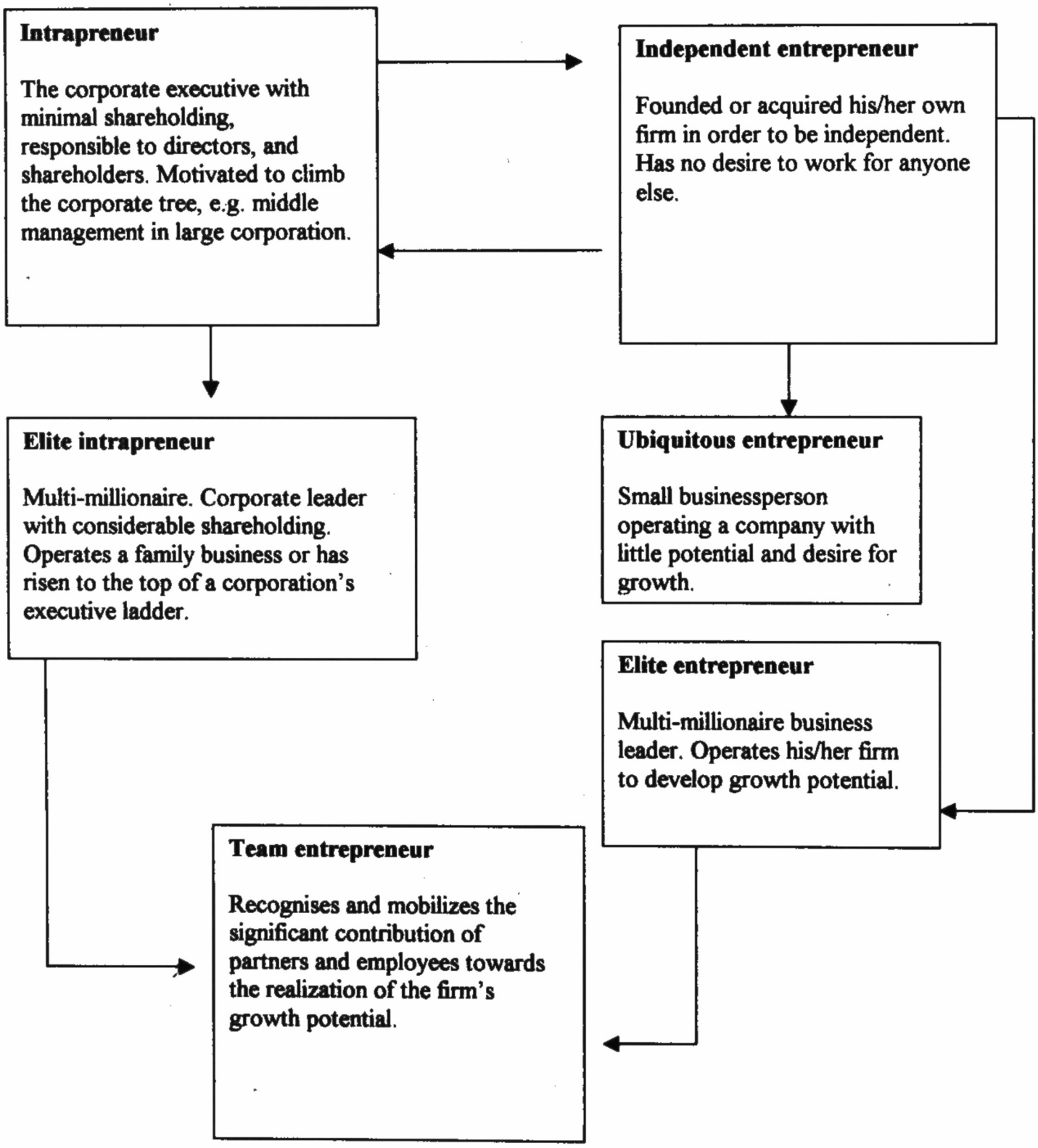
### 1.7.1 Entrepreneur

Entrepreneurs are individuals who recognise opportunities where others see chaos or confusion (Donald and Hogget's, 2004). They are defined as people whom as heroes of current marketplace. They start companies and create jobs at a breathtaking pace and turn the world to free enterprise as a model for economic growth. According to Donald and Hogetts (2004:34) entrepreneurs are persons who can turn ideas or prototypes into profitable realities. These people are behind a product or service and are further defined as innovators or developers who recognize and seize opportunities, convert these into workable / marketable ideas, add value through time, effort, money, or skills, assume the risks of the competitive marketplace to implement these ideas and realize the reward from these efforts.

Bagshawe (1995:1) defines an entrepreneur as a person who has the ability to explore the environment, identify opportunities for improvement, mobilize resources and implement action to maximise those opportunities. According to Bagshawe the term includes a variety of innovators who, on the business side, work in small, medium or large enterprises and on the non-business side, in voluntary or government institutions.

### 1.7.3 Classification of entrepreneurs

Morrison et al. (1999: 31) classified entrepreneurs as follow:



### 1.7.3.1 The intrapreneur

An entrepreneur envisions something new and then proceeds to make it work. Intrapreneurs do not start businesses but improve existing organisations. They formulate and sell a vision as well as maintain the momentum once the vision is bought. An example is middle management positions (Morris, 1999:28).

### 1.7.3.2 The independent entrepreneur

The independent entrepreneur has founded, or acquired his/her own business organisation. Independent entrepreneurs have no desire to work for anyone else, their business being an integral part of their identity, reflecting a desire to be alone. Achievement and growth is driven by energies and vision provides safety valve in society. This typology refers to a multitude of self-employed persons within the hospitality, tourism and leisure industries, for example women who own guest houses (Morrison et al. 1999: 30).

### 1.7.3.3 The ubiquitous entrepreneurs

The ubiquitous entrepreneur desires independence and achieves it though private enterprise. The organization starts out small and remains small, as such posing no threat to the established order. These entrepreneurs are generally moving away from a structured authoritarian situation and motivated by a desire not to be controlled (Morris, 1999:31). Examples of ubiquitous entrepreneurs are bed and breakfast operations, cafés, snack bars etc. They may not have the necessary vision, drive or expertise to take their own business further.

### 1.7.3.4 The elite entrepreneur

The elite entrepreneur represents the most successful category of independent entrepreneur. According to the rather critical views of Jennings et al. (1994:89) people who fall under this category were searching for an unstructured situation, which could be personally controlled. The researcher further stated that l these individuals later come to terms with authority, which tend to manipulate towards own interests through a form of Machiavellian

management. Elite entrepreneur may often see themselves in superior roles relative to other participants in society and economy. As elite entrepreneurs have demonstrably achieved huge success by own efforts, this is perhaps unsurprising. Certainly, whatever their motivations and management styles such entrepreneurs have been wonderfully creative (Morris et al. 1999: 34 and Jennings et al. 1994:90).

### 1.7.5 Elite intrapreneur

The elite entrepreneurs focus in operating a family business. These entrepreneurs like a corporate leadership and are eager to rise to the top of a corporation's executive ladder.

### 1.7.6 The team entrepreneur

If an entrepreneur's aspirations include growing a business large and profitable enough to realise a capital gain, then perhaps entrepreneurs need to think in terms of an entrepreneurial team. (Timmons, 1994: 45) states that a team grows a business, while a solo entrepreneur makes a living. The research also claims that of the high-profile elite individual entrepreneurs are actually very proficient at building and motivating a team of specialists around them.

### 1.7.2 Entrepreneurship

Entrepreneurship is the process of profitably creating innovation within an organizational setting. Entrepreneurship is also perceived as the process of organising, managing, and assuming the risks of a business (Donald and Hogetts, 2004). Bagshawe, (1995:1) perceives entrepreneurship as a term that involves the courage to endure uncertainty, to take risks and to break new ground. According to Donald and Hogetts, (2004) a theory of entrepreneurship is defined as a verifiable and logically coherent formulation of relationships, or underlying principles that either explain entrepreneurship, predict entrepreneur activity, or provide normative guidance. Finally, the author also perceive entrepreneurship as a process of innovation and new-venture creation through four major dimension such as individual, organizational or environmental, process-that is aided by collaborative networks in government, education and institutions.

### 1.7.3 Women Entrepreneurs

Donald and Hogetts (2004) perceive women entrepreneurs as women who own their own business. According to Coughlin and Thomas, (2002) women entrepreneurs are innovators and innovation stimulates general economic growth.

The defined concepts are followed by the plan of the study.

## 1.8 Layout of the study

This study is divided into seven chapters in the following manner:

Chapter 1 provides the background, problem of the statement, the objectives, the importance of the study, clarification of concepts and the chapter division.
Chapter 2 focuses on the relevant literature review and theoretical foundation on the roles of women entrepreneurs in the economic growth of South Africa.
Chapter 3 deals with defining the problem and research questions.
Chapter 4 deals with the research design
Chapter 5 Analysis of results
Chapter 6 Discussion and interpretation of results
Chapter 7 Conclusions and recommendations

# CHAPTER TWO: LITERATURE STUDY

## Introduction

The literature review covers a brief overview of the theory on the roles of women entrepreneurs in the growth of economy in Northwest Province. The literature review first focused on the roles of women entrepreneurs in terms of roles such as risk bearer, arbitrageur, innovator and coordinator of scares resources. In order to understand women entrepreneurs better, the nature of women entrepreneurs and the characteristics of women entrepreneurs are discussed.

Secondly, the literature review presents the forces driving women to become entrepreneurs such as job dissatisfaction, limited career in business and unemployment. An outlined and discussion of leadership and management of women entrepreneurs, the global opportunities of women entrepreneurs, the women entrepreneurs' future challenges, factors holding women entrepreneurs back and strategies to advance women entrepreneurs also form part of literature reviewed for this study.

The aims of literature review are identified as to examine the roles of women entrepreneurs to the growth of economy, to investigate the future challenges of women entrepreneurs, to determine forces driving women to become entrepreneurs and to explore strategies that advance women entrepreneurs.

## 2.1 The contribution of women entrepreneurs

Entrepreneurship is concerned with mainly with a process of change, emergence and creation, for individual as well as the new ventures (Schaper, 2004:35 and Parker, 2004: 157). The roles of entrepreneurs are identified as risk bearer, arbitrageur, innovator, and coordinator of scares resources.

### 2.1.1 Risk bearer

An entrepreneur is a person who pays a certain price for a product to resell it at uncertain price, thereby making decisions about obtaining and using resources while assuming the risk of enterprise (Schaper, 2004:34). Women entrepreneurs face risks such as financial risk, career risk, health risk and social risk. They usually invest large amounts of their own money to launch a new business venture. In starting their own enterprises, they borrow funds from bankers, venture capitalists or partners to set up a business that needs individuals' contribution and dividends (Chell, 2001:170).

### 2.1.2 Arbitrageur

In this aspect, women entrepreneurs are responsible for price discovery and good speculation in choosing prices for their products. Before they could decide in products women entrepreneurs speculate prices in purchasing goods from suppliers, price to sell the products and challenges of comparing prices in different supplier's institutions. Women entrepreneurs are also good in facing a challenge of being alert of the demand and supply in their business. In their enterprises, they need to have skills and knowledge with regard to collection of financial information and analyse financial data as well as keeping records of financial information of their businesses (Schaper, 2004: 320).

### 2.1.3 Innovator

An entrepreneur is an innovator, who is required to carry out new combinations, introduces new technology or product, discovers a new export market or creates a new type of institution such as the franchise or joint venture. As a result, women entrepreneurs and the government need to work together to develop structures that will guide the process of sustainable economic growth of the benefits of SMME's.

### 2.1.4 Coordinator of "scares" resources

In order for entrepreneurs to have money, labour, premises and technology, they need to have judgment, perseverance and knowledge of the world of business.

## 2.2 The nature of women entrepreneurs

Understanding the entrepreneurship potential of women means understanding the position of women on the labour market and where women start from when they take the decision to start a business. Many studies on women's entrepreneurship state that women start businesses mainly in activities and sectors in which they have previous experience.
In creating their own enterprises, women entrepreneurs do not start from a mathematical calculation of how much could be invested and how much could be earned in some businesses. They have started from a need that they felt was unmet.

## 2.3 The characteristics of women entrepreneurs

In the world's wealthiest countries, there is a great diversity of characteristics shared by women who are entrepreneurs or who aspire to create their own economic activity. Some women entrepreneurs are professionals or well-educated people with managerial experience (Coughin and Thomas, 2002:15). Other women entrepreneurs have gained experience through unpaid work of home management and motherhood. Women entrepreneurs have experience, skills, ideas, motivation to contribute to work, and enterprise culture. Allen and Truman, (1993:45) found out that women entrepreneurs have self-confidence, have determination, and a positive attitude of women entrepreneurs is an inspiration. The authors also identify characteristics such as creativeness, intuition, expertise, self-reliance, objective-oriented, hard work and drive.

Schaper, (2004:35) identifies the following as the most common characteristics of entrepreneurs shown as:

| | |
|---|---|
| Self-confidence | Tolerance of ambiguity |
| Risk-taking propensity | Responsiveness to suggestions |
| Flexibility | Dynamic leadership qualities |
| Independence of mind | Initiative |
| Energy and diligence | Resourcefulness |
| Hard-work ethics | Good communication |
| Creativity | Perseverance |
| The need for achievement | Profit-orientation |
| Internal locus of control | Perception with foresight |

## 2.4 Factors driving women to becoming entrepreneurs

### 2.4.1 Job dissatisfaction

Women initially have first-hand learned experience in which in their workplace they were dealing with bankers, drawing up business plans, hiring and firing personnel and making expansion decisions were all matters learned (Parker, 2004:117). In many cases most women have been influenced by frustration or dissatisfaction with their former occupation. Because of the stagnation in the economic growth and the subsequent decrease in wages, women are forced to look for paid jobs in order to compensate for the decrease in family income. These factors influence women to have a desire to change their personal circumstances and become entrepreneurs because they are reacting to unsatisfactory situations.

### 2.4.2 Barriers to job promotion

The frustrations of the "glass ceiling effect", has also motivated women to look towards business creation. Because women often reach invisible but unyielding promotional barriers

within the managerial hierarchy of larger organisations, self-employment is seen as a vehicle through which there personal needs can be satisfied (Allen and Truman, 1993:90).

### 2.4.3 Limited career in business

Women face unhappy situations because in their decision making process there is limited career, employment prospects, lack of suitable qualifications and the need to fit work hours around the home and family (Allen and Truman, 1993:66). Also the general awareness campaign run by the government to inculcate a sense of the enterprise culture reaches women as well as men and women are made more aware of enterprise as an option.

### 2.4.4 Unemployment

Among the 37 GEM countries; South Africa ranks ninth in necessity entrepreneurship and 32$^{nd}$ in GDP per capita. This places South Africa as the country with the fifth lowest GDP per capita of all the GEM countries. This evidence indicates that lower per capita income induces a significantly higher proportion of women to seek income through self-employment (gem, 2004).

## 2.5 Women entrepreneurs' leadership and management styles

### 2.5.1 Women entrepreneurs' leadership style

Leadership is the ability to create a vision, communicate it, assess, and evaluate the situation and change as well as to motivate and inspire people to achieve set goals (Robbins and Caulter, 1999:520). Entrepreneurial leadership is a critical element in the management of high growth ventures. According to Kuratko and Hodgetts, (2003:568) entrepreneurship leadership can be defined as the entrepreneurs' ability to anticipate, envision, maintain flexibility, think strategically, and work with others to initiate changes that will create a viable future for the organisation.

### 2.5.2 Democratic leadership styles

Women entrepreneurs have a unique management and leadership styles. Allen and Truman, (1993:47) perceive women entrepreneurship leadership style as democratic. The author argue that women's' democratic leadership styles are indicated by the word "we bring the whole self to work, together with enthusiasm, overall supportive non-hierarchical team of colleagues," whenever they talk about entrepreneurial activities.

### 2.5.3 Women entrepreneurs' open communication style

An enterprise that is open in its disclosure to shareholders and stakeholders will build trust (Chell, 2001:169). In their discussions, women entrepreneurs invite open communication and access, sharing of tasks with emphasis to keep in firm touch with the basic day-to-day functions of the business. Because of their unique leadership style, women–run enterprises generally provide a caring, cooperative work environment in which individual growth and development is fostered. They perceive their business ventures as cooperative networks of relationships rather than as merely profit-making entities (Kuratko and Hodgetts, 2003: 684). Women entrepreneur's ways of leading are proving themselves particularly effective in current turbulent economic world. Women in entrepreneurship have the talent of making people adaptable to change but they are mindful of others and concerned to maintain a balance among the clearly perceived forces and interests involved.

The growth in women entrepreneurs from economic motivation demonstrates the resilience and steadfastness of women in the economic growth of South Africa. Women entrepreneurs worldwide have demonstrated their ability to take control of their economic future, by choosing the risky and often difficult option of entrepreneurship.

### 2.5.4 Women entrepreneurs' strategic leadership style

Women entrepreneurs are perceived as strategic leaders in running their businesses. Kurakto and Hodgetts, (2003:569) identify strategic leaders as people who perform the following:

- Use strategic controls and financial controls, with emphasis on strategic control.
- Formulate and implement strategies for immediate impact and presentation of long-term goals to enhance organisational survival, growth and long-term viability.
- Oversee operating (day to day) and strategic (long- term) responsibilities.
- Use and interchange, tacit and explicit knowledge on individual and organisational levels.
- Use linear and non-linear thinking patterns.
- Emphasis on ethical behavior and value-based decisions.

### 2.5.5 Women entrepreneurs' management style

Management style is defined as a process of utilising individuals, groups and other resources to co-ordinate activities for the accomplishment of set goals (Robison and Coulter, 1999:525).

An important part of management style of women entrepreneurs is their pride and satisfaction not only in sharing the tasks and organisation equally with others, but in consciously developing skills in their female work force and achieving a high degree of success (Allen and Truman, 1993:53). The management practice by women entrepreneurs is outlined as:

- Team based with a strong "family" feel.
- Cooperative in nature.
- Developing potential in employees.
- Quickly reacting to variants internally and externally.
- Rooted in desire for high standards and competitive product or service.

## 2.6 The global opportunities of women entrepreneurs

Whether one's company is local, regional, multinational or global, globalisation demands that comprises benchmark against the world's best, that they look beyond their own regions for economic threat and potential competitors and that they utilise the power of international knowledge and brands. (Timmons, 1999:68) states that global thinking is important because current consumers can select products, ideas and services from many nations and cultures. Women entrepreneurs who expand into foreign markets must be global thinkers so as to design and acquire strategies for different countries. This is because women entrepreneurs who do business globally will rapidly have that business becoming a profitable and popular strategy for their entrepreneurial ventures.

The spread of education and the growth of the service sector have proved to be very important for everybody but particularly for women entrepreneurs. This is because whole education produces a group of women more aware of their potential; the service sector has provided new opportunities for them (Coughin, 2000:179). There are new opportunities for women and are taking advantage of them. Across the world the number of women-owned enterprises is growing faster than the economy at large in many countries.

## 2.7 The roles of women entrepreneurs in the economic growth

According to Timmons (1999:252) the development of new businesses plays a larger role in economic growth than the development of existing businesses. Supporting this statement, Radly (1996:37) states that entrepreneurial activity is a prerequisite for the success of economic growth, development, social well being and political stability. Women entrepreneurs appear to have a more than more positive impact on job creation, innovation and economic renewal of the South African economic growth.

Women entrepreneurs have an important and increasing contribution to make to the family budget and to the prosperity of the community. Without question, small and medium-sized

enterprises operated by women entrepreneurs are crucial sources of empowerment, innovation and economic development. Coughin and Thomas, (2002:57), state that the need to improve economic and social development performance current calls for looking more closely at the contributions and needs of women entrepreneurs for three main reasons:

- Economic: women entrepreneurs are creating employment for themselves and others. Kurakto and Hodgetts, (2003:684) state that women entrepreneurs will continue to dominate in some industries in terms of the number of firms owned, market share, growth and profitability. Their determination and increasing industrial diversification represent important steps toward economic and personal fulfillment as well as harbingers for economic growth and strength for South Africa as a nation.

- Social: In addition to helping women out of unemployment, women enterprise creation offers women flexibility to balance work and family responsibilities since they manage their own time, the ability to support the family. All these are better off and improve social cohesion.

- Personal: Running and owning an enterprise creates self-reliance, which enhances a women's self-image. Kurakto and Hodgetts ( 2003:690) state that the recognition of women's' primary motivation for starting businesses allows entrepreneurs' promoters to better understand the global competence and how to better improve their support programs towards women entrepreneurs.

2.9.1 Job creation

Unemployment is regarded as the major concern with regard to economic growth. Van Tonder ( 2003: 1 ) indicates that the economic growth of South Africa should be elevated to a towering 7.7% till the year 2014, in order to lower the extreme current unemployment rate of 29% to an acceptable 11%. GEM (2002) also indicates that with the official unemployment rate at 29, 4% and the expanded rate at 41.2%, job – creation is one of South Africa's main

priorities. As it is indicated that women entrepreneurs have the ability to initiate and start their own businesses through experience they got from their previous employment and employ people, women entrepreneurial firms play a vital role in overall job creation in South Africa. The more the number of women entrepreneurs increase, the more the rate of growth in revenue of women's enterprises double that of entrepreneurial sector as a whole (Coughlin and Thomas, 2002:6).

In the face of global competition, large manufacturers in the industrialised world are constantly downsising by the reorganising and lay off workers. In this unstable economic environment, women entrepreneurs are creator of jobs.

### 2.9.2 Women entrepreneurs as agents of local economies

Women have always actively participated in their local economies, in Africa, for example, women produce 80% of the food. With capital, labour, and goods moving much more rapidly across national boundaries, with the speed of technological change revolutionising production and information systems, women around the world are operating as economic actors in a distinctly changed environment (Coughin and Thomas, 2002:11). Women entrepreneurs have the encouraging signs that influence competitive change in enterprises. Because of the innovative pulse that they posses, this is impacting economic growth that enterprises are created and there is emerging innovative entrepreneurs in the country (Parker, 2004:198). What seems to be certain is that women entrepreneurs give new possibilities to economies coping with unemployment. In the issue of unemployment, they turn to strengthening one another through partnership formation.

### 2.9.3 Women entrepreneurs as agents of the business transformation

The process of women entrepreneurs working together and solving problems on a trial-and-error basis, of learning by doing and also of learning to identify allies and forging alliances when needed leads to business's competitive and high economic growth of South Africa.

## 2.10 The future challenges for women entrepreneurs

Globalisation of markets and competition, new technology and instantaneous communication bring women entrepreneurs' unprecedented change. Women entrepreneurs lack the same access as men to credit, training, technology and information that are necessary to take advantage of new economic opportunities arising from trade liberalisation (Hellmann and Kaufman, 2003:112). The following aspects are challenges faced by women entrepreneurs:

### 2.10.1 Modernisation

The global economy is, without doubt, creating profound and substantial changes for organisations and industries throughout the world. Markets and technology are constantly changing. Among the factors that have growing and far-reaching influence upon these challenges is the explosive growth in globalisation. As a result of increased global competition, women entrepreneurs are compelled to rethink how they are going to conduct and manage their businesses. Women entrepreneurs are also challenged by how they are going to create and manage a business environment where multiple innovations can occur on a sustained economic basis as they should build sustainable competitive advantage (Schaper, 2004:62).

Traditional market regulations, barriers to information and financing as well as old ways of doing business are challenged by modernisation. This is a major obstacle to the women entrepreneurs' contribution to the economic growth of South Africa. At the same time, many challenges still exist for women entrepreneurs including those related to work/home role conflict, the funding gap and the need to gain the necessary preparation for starting and operating one's own business (Kurakto and Hodgetts, 2003:680).

### 2.10.2 Work/home role Conflict

Women entrepreneurs are facing tension that is in the form of inter-role conflict. Their experience of pressure from the entrepreneurial role and the homemaker become

incompatible. The degree of family support for women in their venture may influence the tension level and thus either promote or dissipate the role conflict.
Work/home role is a challenge to women entrepreneurs because these women are faced with job, her marriage and her life (Coughin, 2000:89).

### 2.10.3 Closing the funding gap

The funding gap is the difference between the desired level of available capital for all women-owned businesses and the actual level available (Kurakto and Hodgetts, 2003:681). The funding gap will be closed as women entrepreneurs gain experience in the financial arena and become more proficient at making financial forecasts, structuring financial packages and negotiating financial terms.

### 2.10.4 Changing preparation

South Africa has just celebrated 12 years of democratic rule and consequently, effective policy implementation will require ongoing and adjustments. It is therefore inevitable that shifts in the government policy will continue to generate challenges that women entrepreneurs will have to address if they are to remain relevant and competitive. Traditionally, women entrepreneurs had formal training in which they were getting this training when they work for employers. Today more changes are appearing in the way women entrepreneurs are preparing themselves. Timmons (1999:76) states that women entrepreneurs in their preparation for business enterprises, they need to consider formal training, greater economic opportunities, and the changing social mores that are influencing the entrepreneurial environment.

### 2.10.5 Economic motivation of women entrepreneurs

The economic motivation for women to start businesses has grown out of financial conditions that have forced women to find alternative methods of generating income.

## 2.11 Factors holding women back from being owners of large enterprises

Women-owned SMME's in South Africa, making handcrafts and textiles and clothing are finding their jobs being destroyed by cheaper imports from Asia (Coughin, 2002: 36). For too long, women's participation in the labour market has been considered secondary to that of men. A woman entrepreneur's potential to contribute to the process of economic growth has been largely ignored. For instance, the tendering process has been not a simple offer to women. Points demanded by the tender boards from women were not possible. Most women have not been able to meet the demands of tender boards. The process for providing women with tenders takes a long time thus discourage women to participate in running of tenders. Women are faced with no growth in big enterprises. They are dominating in SMME's because most they own small businesses. The problem is that women are sometimes given the responsibility of taking charge of business when they do not have basic accounting skills. The following aspects are regarded as factors holding women back from becoming entrepreneurs:

### 2.11.1 Lack of education and training

The circumstance in our South Africa is that the women entrepreneurs are not equipped with entrepreneurial skills and knowledge. The majority of women entrepreneurs have not received enough education and training to run successful enterprises. This makes them not to have a strong base to launch business enterprises that could generate innovative products or services (Coughin, 2000:145).

Women are facing a greater disadvantage in terms of education in South Africa. Despite the removal of formal barriers to school enrolment in this country, illiteracy is still a major problem in the process of ensuring competitiveness in women entrepreneurs. The increased lack of education and skills forced women entrepreneurs into the risky informal economy such as street traders, street hawkers and men entrepreneurs' servants.

Although this is economically productive to society, it deprives women entrepreneurs the chance to be creators and creative thinkers of in initiating, starting and developing their own competitive enterprises (Coughin and Thomas, 2002: 25). Just as women's domestic work is undervalued, so too are women entrepreneurs' skills in the world of entrepreneurship.

In spite of recent improvements, women entrepreneurs have not received the attention they deserve from the world, national and local authorities, and educational institutions or from the world of business and finance.

2.11.2 The influence of career plateau on women entrepreneurs

Career is explained as a succession of related jobs arranged in a hierarchy of prestige through which people move in an ordered, predicted sequence, (Wickham, 2001:28). Women entrepreneurs faced unequal access to education. Since historically, women were influenced to choose careers such as nursing, teaching, policing and social working. Career such as marketing, financial management, production management, purchasing management and operations management were courses for men. Most of women entrepreneurs currently have ability to read an invoice, prepare an operating and a capital budget.

Most women entrepreneurs are unable to prepare and interpret financial statements of their enterprises such as cash flow statement, income statement and balance sheet (kuratko and Hodgetts, 2003: 270). Women entrepreneurs are facing difficulties of access to resources such as financial resources for example shares and other assets, capital and credit, domestic responsibilities and access to technical know-how.

2.10.3 Gender impact on women entrepreneurs' enterprises

A further constraint on women entrepreneurs' activity is gender-specific divisions in which more women are likely to be found in food production, nutrition, health and child care. Significantly little technological development has taken place in these tasks Wickham,

2001:104). Frankly, women entrepreneurs lack access to technical skills training as well as marketing or business training which also limits the range of their activities.

In many societies, women are unlikely to diversify their entrepreneurial activities due to the fact that they are unaware of the pattern of demand that prevails in the wider society. Parker (2004:145) state that women's' narrow market horizon is a function of their low educational level and their multiple responsibilities which restrain their spatial mobility.

2.11.4 Lack of ability recognition

Many companies invest in their women staff members over a long period but do not promote them to the highest levels of management.

2.11.5 The experience gap

While the study finds that men and women entrepreneurs are, on average, equally well educated, women have fewer financial and marketing management skills.

2.11.6 The attitude gap

Women entrepreneurs are more than influenced by the need to balance work and family, their contributions to their neighborhoods and local networks and the opinions of their significant others.

**2.12 Strategies to enhance women entrepreneurs**

Strategy is a creation and plan in alignment with objectives to provide what needs to be done and where in enhancing women entrepreneurs. In order to encourage entrepreneurship among women entrepreneurs, there is a need to help prepare and implement a general strategy to support small businesses while ensuring that such an action is conducted with a gender approach and supporting projects specifically intended for women (Timmons, 1999:105). Women entrepreneurs who lack broad experience would be well advised to seek partners, mentors and board of advisers who can complement their own background.

To enhance women entrepreneurs to become competitive in their enterprises, support services such as education, training, business skills empowerment and information technology should be used as tools (Schaper, 2004:62).

### 2.12.1 Education

Entrepreneurship is a business and scientific discipline that has to be learned.
The higher the level of education achieved, the greater the probability that women entrepreneurs will be exposed to entrepreneurs in their personal networks. This is supported by GEM (2002) by stating in their research study that, the higher the level of education of an individual, the greater the tendency to pursue entrepreneurial activities and the greater the probability of starting a new venture that progresses past the start-up phase.

### 2.12.2 Training

Although homemaking, of which many women have experience, relies on the performance of many managerial functions, such as planning, organising, directing, mediating as well as negotiating, training is required if the link between home and enterprise is to be made effectively. With regard to this, training should be used for developing women, their ideas and skills. The single most important resource of any small business is the owner-manager, and training of that person, what could be argued, is the greatest investment in the business (Parker, 2004:88). As the training of entrepreneurship in South Africa is still in a developmental phase, women have not so far received education aiming at motivating them for entrepreneurship. As a consequence, women choose technical training and hardly ever participate in training programmes for entrepreneurs. Therefore, incentives to motivate women entrepreneurs to take up technical education and training are highly required.

In order to encourage entrepreneurship among women entrepreneurs, there is a need to help prepare and implement a general strategy to support small businesses while ensuring that such an action conducted with a gender approach, supporting projects specifically intended

for women. Women entrepreneurs who lack broad experience are advised to seek partners, mentors and board of advisers who can complement their own background.

2.12.3 The entrepreneurship training model

| | | | |
|---|---|---|---|
| Establishment of business | Performance motivation | Risk propensity | General management skills |
| | | | |
| Completion of first transactions | | Creativity and innovation | Marketing skills |
| | | | |
| Growth in net value business | | Opportunity identification | Legal skills |
| | | | |
| Recruitment of employees | | Roles models | Operational skills |
| Increasing profitability | | | Communication skills |

(Parker, 2004:90).

2.12.3 Business skills empowerment

A key aspect empowerment is women entrepreneur's participation in formal political structures. The crucial element in transformational thinking is the need to transform women entrepreneur's position in such a way that their advances will be sustainable. Financial programmes should be designed for women entrepreneurs to utilize them in cases they faced in entrepreneurship. For instance, programs on marketing, financial management, legal cooperates and business to business relationships (Hellmann and Kaufmann, 2003:133).
Furthermore, the authors identified specific projects to improve women entrepreneurs mainstreaming approach such as:

- Ensuring that South African girl children are better educated and has better prospects of going through to tertiary education.

- Ensuring that women micro-entrepreneurs are supported
- Continue to break down gender stereotypes in employment.
- Continue to break down gender stereotypes in employment.

### 2.12.5 Information system and Information Technology

Use of new information and communication technologies such as the Internet is one of the most important ways to reach the global market (Parker, 2004:69). Women owners of enterprises should be taught how to use computers to exchange information on supply and demand, market prices and micro-credit and to market traditional handicrafts, textiles and agricultural products ( Schaper, 2004:78). In the developing world, the internet is proving its enormous potential for competing in local markets, and in the global market as well the internet is making the world change faster than before and these changes will benefit all the world's women entrepreneurs and assist to empower them. For women entrepreneurs, the internet opens new business opportunities with higher growth rates. For instance, teaching and encouraging women entrepreneurs to start to build their own website and have control over how their websites are set up. In application of the Internet, women entrepreneurs should be advised to use electronic commerce (e-commerce) as a tool of marketing, promoting, buying and selling of their goods electronically via Internet (Kurakto and Hodgetts, 2003:13).

## 2.13 Theoretical foundation

The theoretical framework for this study of the roles of women entrepreneurs in the economic growth of the North West Province is based on factors such as political and economic empowerment of women entrepreneurs, South African model of entrepreneurs and access to finance, women's development bank in South Africa, institutional mechanisms, skills development, business information technology empowerment and broader economic empowerment.

These factors are discussed as follow:

### 2.13.1 Political and economic empowerment of women entrepreneurs

Women empowerment that has been made possible through government initiatives especially policies such as affirmative action, the National Policy on Transformation, the procurement policy and the empowerment equity legislation. These policies allow women entrepreneurs to have vast opportunities and possibilities of taking the challenge of advancing their economic rights.

### 2.13.2 South African model of entrepreneurs

Historically, women faced and are still experiencing difficulties and this forced them to become business partners with male family members in order to be engaged in entrepreneurial activities. Resources used to establish their enterprises were and are still drawn from personal funds or borrowed from family members as bank loans for their businesses (Business Enterprise, 2003:27).

### 2.13.3 Access to Finance

The National Department of Finance and Economic Affairs have created a specific fund provided for in the SMME development strategy such the Millennium Development Fund. The fund with a seed capital of R12 million has as its primary aim the immediate creation of jobs and poverty alleviation in rural areas as well as the redressing of imbalances in the sectoral biases (Business Enterprise, 2003:37).

- Godisa's major sponsors are the departments of Science and Technology and Trade and Industry, with additional support from the EU. Godisa, which means "nurturing" in Setswana, aims to stimulate economic growth and development, and long-term employment through technological innovation, enhancement of productivity, and promoting the international competitiveness of SMMEs.The first pilot project took place at Vryburg in November 1998 within three weeks of the establishment of the Fund. The project involves the manufacturing of peanut butter, sweets and snacks.

The co-operative employees 39 individuals and an additional 61 members are currently training.

- Small Enterprise Development Agency (SEDA) focused in facilitating comprehensive financial and non-financial support for SMME's in which most women are entrepreneurs. SEDA provides women entrepreneur's access to finance and markets.
- Businesswomen Association (BWA) grants women entrepreneurs bursary to study more about business.
- Small Business Loans have been established to provide business loans to rural women entrepreneurs and to ensure growth of small business owned by women entrepreneurs.
- The Kagiso Trust, which is a non-governmental organisation, focused on financing and managing women entrepreneurs' grassroots projects and aimed at empowering women entrepreneurs.

### 2.13.4 Women's Development Bank in South Africa

GEM is collaborating with the Women's Development Bank in South Africa to provide financial literacy programs with the purpose of supporting and elevating the economic conditions of poor black women in rural South Africa. Women's Development Bank in South Africa provides access to finance through not-for-profit micro-credit to educate women about developing their own businesses, to enhance their household livelihoods and to improve the position of women in society overall (Gem, 2003:44).

### 2.13.5 Institutional mechanisms

As more women entrepreneurs in the North West Province are establishing enterprises, they identified the need to organize themselves business structures such as organizations called South African Women Entrepreneurs Network (SAWEN). An organisation like SAWEN is adopted to erode the historic legacy and introduce policy initiatives like Black Employment Empowerment. The most important aspect about these initiatives is their recognition of women as an integral part of BEE. According to Empowerment, South Africa, (2005: 17), communities cannot be empowered by giving women the opportunity

and support to invest in the economy. BEE (Black Economic Empowerment) and RED Door, where entrepreneurs could go for advice and mentoring offices within the Department of Economic Development and Tourism, have been established as a measure to ensure that empowerment is entrenched and grows in provinces (Enterprise, August 2002:32). These offices are sources of information and advice on all matters related to Black Economic Empowerment. Women entrepreneurs got opportunities to use these offices.

2.13.6 Skills Development

- Sector Education and Training Authorities (SETA) facilitates skills development through mentorship.
- Small Enterprise Development Agency (SEDA) provides business management training.
- Women Investment Program (WIP) empowers women entrepreneurs to take ownership of their lives and to realise their own potential in business.
- Ntsika Enterprise Promotion Agency (NEPA) expands and monitors women entrepreneurs' training, business information, technical support, advice and counseling (Special Report: Ntsika, 2003:21).
- Thusang Development and Training provides business skills training programmes to ensure that women entrepreneurs may begin working hard to generate income in their enterprises. This programme also provides ongoing social and business support services to ensure that women entrepreneurs' enterprises have a better chance of survival.
- Businesswomen's Association (BWA), which is based on promoting the status of women entrepreneurs and their professional environments.

2.13.7 Business Information Technology Empowerment

- Technology for Women in Business (TWIB) promotes women entrepreneurs' access to appropriate business technology.

- Online Women's Business Centre (OWBC) is adopted to promote the growth of women entrepreneurs. The Online Women's Business Centre has programs that address business training, technical assistance in business and business information given on the site.
- International Online Community for women in businesses-Digital Women created for women entrepreneurs around the globe looking for a place to gather resources, free business tips, free sales tips, free marketing tips, home business ideas and a place to network with other businesswomen and women owned businesses.

2.13.8 Broader economic empowerment

The policy initiatives have become an effective tool for women entrepreneurs to establish programmes. These policies are designed to ensure that women entrepreneurs participate as equal partners in various trade missions, win tenders and secure contracts, access technological support for growing their business and access funding.

## 2.13 CONCLUSION

Women entrepreneurs are reported to be growing at a faster rate than the economy as a whole in several countries, but removing a number of obstacles would allow their potential to tap. The women entrepreneurs' contributions need examination and the commensurate structural reforms applied. More encouragement of women entrepreneurs in the process of globalisation will result in economic high competitiveness and this can also result in the source of political, economic and social innovation. There are political as well as technical aspects to take into account in addressing inequalities.

## CHAPTER THREE

## PROBLEM DEFINITION AND RESEARCH QUESTIONS

### 3. Introduction

This chapter concentrates on problem definition; the research questions and outlines of primary and secondary problems as well as the rationale for this research are discussed.

The statement declaring that the profile of women entrepreneurs has dramatically changed in terms of numbers and profile involvement as compared to before 1994 motivates the research study. The increase of women entrepreneurs emanated from the political and economic empowerment that were made possible through the National government initiatives, mainly policies such as affirmative action, National Policy on Transformation, procurement policy and employment equity legislation.

### 3.1 Rationale to the problem

According to De Vos, (1998:102) literature review builds an argument demonstrating the significance of the proposed research study. The importance of the research study on the roles of women entrepreneurs in the economic growth of the North West Province is to investigate the roles of women entrepreneurs to the economic growth and to identify strategy that enhances women entrepreneurs' competitiveness towards the economic growth. Since there is limited literature in this area of study in South Africa, the research on the roles of women entrepreneurs in the economic growth of the North West would help with the following:

- The study was intended to encourage unemployed women in South Africa to participate as roles initiators, innovators, and risk takers, of their own businesses as entrepreneurs.

- The findings are critically in addressing the limitations and exclusions of issues affecting women entrepreneurs such as education, capitals, assets owing and discrimination in terms of fund allocation to start a business.
- The findings will encourage and advise women entrepreneurs on a professional and personal development basis with regard to business.
- The findings will encourage and advise women entrepreneurs on a professional and personal development in the management of business.

Furthermore, the rationale of this research is to take the challenge of advancing women entrepreneurs' economic rights by creating and accessing opportunities for themselves in the field of wealth and employment creation.

The beneficiary in this study is the women entrepreneurship learner, in respect of whom the following benefits are realised:

- New products, services or processes developed with higher levels of likely commercial success in the market place.
- A higher level of creativity and innovation achieved as outcomes.

The other beneficiary is the economic environment of South Africa, in respect of which the benefits achieved by:

- A contribution to new product development that will enhance economic growth and international competitiveness.

It hoped that by extensive publication of the findings of this research study, the level of awareness amongst all economically active women will be raised and that the important issues highlighted because of this study will contribute to all economically influential sectors of society. The research on this issue would also help scholars, researchers, or anyone who would like to gain knowledge about the role of women entrepreneurs in the economic growth of South Africa.

## 3.1 Definition of problems

- **Primary problem**

There is lack of the understanding the roles of women entrepreneurs in the economic growth of North West Province. Until women entrepreneurs' contributions to the economic growth outlined and exposed to the government, no adequate support will be given to their economic growth participation.

- Secondary problem

The secondary problem is lack of skills and knowledge encountered by women entrepreneurs in the North West Province. More women entrepreneurs run small enterprises without entrepreneurship skills and knowledge. Apart from this, women entrepreneurs are faced with infrastructure problems with regard to access to technology.

## 3.2 Research question: primary problem

3.3.1 Women entrepreneurs in the North West Province currently own small enterprises in sectors such as guesthouses, bed and breakfasts establishments, cleaning services, catering, hair salons, crafts, poultry enterprises, taverns, tenders, tuck shops and agriculture. The first question therefore is:

- Is women entrepreneurial activity associated with economic growth?
- To what extent does women entrepreneurs' activity contribute to the economic growth in the Northwest Province?
- Do women entrepreneurs need technology to run their businesses?

### 3.4 Research questions: secondary problem

3.4.1 Unemployment turns to be one of the major concerns with regard to economic growth in the North West Province. A high level of entrepreneurial activity has the propensity to make a direct and positive impact on the eradication of unemployment.

- To what extent will women entrepreneurs become agents of employment creation?
- To what extent will women entrepreneurs eradicate poverty?

Women entrepreneurs in the North West Province are faced with the biggest problem of lack of core skills amongst themselves such as financial literacy, record keeping and marketing. Therefore the question is posed as:

- To what extend can women entrepreneurs' skills be enhanced and advanced?

**Conclusion**

The rationale of the research study is to ensure that women entrepreneurs' contribution as primary problem have activities that add to the economic growth of North West Province. The research questions coated in the preceding discussion were verified in the questionnaire where women entrepreneurs administered to the participants and their views and opinions recorded.

The following discussion focuses on the demarcation of the research study.

# CHAPTER FOUR: RESEARCH DESIGN AND ANALYSIS

## 4. Introduction

This chapter reflects the roles of women entrepreneurs to the growth economy of North West Province and outlines of the sampling techniques in which sample design; sample selection and sample size are identified. The targeted population, the survey methods such as quantitative research method and descriptive study are outlined and discussed. The chapter also indicates the measuring instrument, questionnaire and data analysis with the purpose of obtaining reliable statistical analysis.

### 4.1 Sampling techniques

According to Coldwell and Herbst, (2004:74) sampling is the act, process or technique of selecting a representative part of a population for determining parameters or characteristics of the whole population. In view of the above, unbiased sampling is used to select respondents through sample design, sample selection, sample size and population.

#### 4.1.1 Sample design

A design is a way of arranging the environment in which a research study takes place (Fink, 1999:23). Welman and Kruger (2001:46) and Mouton, (2001:55) define the research design as the plan of how the research will be conducted. Fink, (1999: 67), states that designing sampling is a way of arranging the environment in which a research study takes place. In order to reveal the roles of women entrepreneurs to the growth economy of North West Province, the sample was taken from what is known as the sampling frame. According to Wisniewski, (1998:232) a sampling frame is where a researcher operation's a population by developing a specific list that closely approximates all the elements in the population.

### 4.1.2 Sample selection

Sample is a portion or subset of a large group called a population (Fink, 1996). Selection refers to how people were chosen for the research study (Fink, 1999). This ensures that the selected respondents are not chosen in a biasness manner.

#### 4.1.2.1 Probability sampling

Probability sampling was used in this study to give each woman entrepreneur and women interested in entrepreneurship in the population of the same known probability of being selected. The selection of these respondents from the population was focused on form of stratified random sampling.

##### 4.1.2.1.1 Stratified random sampling

Women entrepreneurs and women interested in entrepreneurs were selected from heterogeneous populations in Potchefstroom and Klerksdorp in the North West Province to ensure that the different groups of a population had enough representation in the sample. The survey of approximately 200 women entrepreneurs and women interested in entrepreneurship located in Potchefstroom and Klerksdorp will provided raw data for this study. The stratified random sampling of 200 women entrepreneurs and women interested in entrepreneurship consists of black women, colored women, white women and Indian women entrepreneurs.

#### 4.1.2.3 Sample size

The size of the sample refers to the number of units that needs to be surveyed to get precise and reliable findings (Fink, 1999). In this research study the units were women entrepreneurs and women interested in entrepreneurship. The population of participants is as follows:

- 100 women entrepreneurs
- 100 women interested in entrepreneurship

The subset of population is 50 women entrepreneurs, 50 women interested in entrepreneurship. The sample was selected on a stratified basis from all women entrepreneurs and women interested in entrepreneurship in Potchefstroom and Klerksdorp in the North West Province. Stratified sample is obtained by independently selecting a separate simple random sample from each population stratum (Cooper and Schindler, 2003:189). This research study was interested in eligible respondents being women entrepreneurs and women interested in entrepreneurship who were adults from the age group of 18 years to the age group of 50 years. In order to ensure sample is representative, respondents are stratified into five strata such as women entrepreneurs and non-women entrepreneurs with non-matriculates, matriculates, post-matriculates, graduates and post-graduates.

#### 4.1.2.4 Identification of the population

Population refers to the entire group of people, events, items or units of interest that the researcher wishes to investigate (Coldwell and Herbst, 2004: 73). The target population was from Potchefstroom and Klerksdorp in the North West Province. The most common types of enterprises are bed and breakfast establishments, guesthouses, self-catering establishments, sewing businesses as well as hair and beauty shops.

## 4.2 Survey methods

### 4.2.1 Quantitative research method

The quantitative research method was chosen as a tool to conduct a research study on the roles of women entrepreneurs to the growth economy of North West. According to Coldwell and Herbst, (2004:15) state that the quantitative research method involves the collection of primary data from large numbers of individual units, frequently with the intention of projecting the results to a wider population. In this research study, the quantitative approach was used to describe, infer, and highlight the roles of women entrepreneurs, forces driving

women to become entrepreneurs, future challenges for women entrepreneurs and strategies to advance women entrepreneurs in the North West Province.

### 4.2.2 Descriptive study

A descriptive study, which is described by Sekaran (2000:37) as a process of describing and defining the contribution of women entrepreneurs to the economic growth of the North West Province was used in this study, the purpose was to reveal the roles of women entrepreneurs, the forces driving women to become entrepreneurs, the future challenges for women entrepreneurs and strategies to advance women entrepreneurs.

## 4.3 Measuring instruments

### 4.3.1 Data collection

A questionnaire was used as a primary instrument to collect data for this study on the roles of women entrepreneurs to the growth economy of North West Province. Sekaran, (2000:233) states that a questionnaire are a pre-formulated written set of questions to which respondents record their answers, usually within rather closely defined alternatives. In this study, a questionnaire designed and forwarded to stratify selected women entrepreneurs and women interested in entrepreneurship to collect data. The following strategy was followed to collect data:

#### 4.3.1.1 Development and composition of the questionnaire

Neumann (1997:233) argues that a good questionnaire forms the basis of any empirical research. Based on the important issues gathered from the literature study, the questionnaire was meant to identify the roles of women entrepreneurs to the growth economy of the North West Province. The research study ensured that all questionnaires are avoiding confusion and keep the respondent's perspective in mind.

In developing the questionnaire, Neumann (1997:235) recommends the following:

- Avoid jargon, slang and abbreviations
- Avoid emotional language
- Avoid leading questions
- Avoid asking questions that are beyond the respondent's capabilities
- Avoid ambiguity, confusion and prestige bias.

It is therefore important that the questionnaires must be related to the aspects under investigation and the objectives of the study as a whole. For this study, the questionnaire was therefore developed by a process, which included the following steps:

4.3.1.1.1 Objectives

According to Kaufman and Rosseeuw, (1996:3) the objectives of a questionnaire should support the research and act as a tool for further research studies. Before designing of the questionnaire, it is important to identify and clarify the objectives of the research study and the questionnaires. The objectives of this study were to find out the roles of women entrepreneurs to the growth economy of the North West Province. The objectives of the questions were therefore used to collect data on the contribution of women entrepreneurs to the growth economy of the North West Province.

4.3.1.1.2 Structuring of the questionnaires

In order to explain the importance and goal of the study, an introductory letter was sent to all participants in the study accompanied by questionnaire. The questionnaires consisted of several questions, which divided into five sections indicated below:

- The roles of women entrepreneurs on the growth economy of the North West Province.
- The forces driving women to become entrepreneurs.
- The future challenges for women entrepreneurs.

- Strategies to advance women entrepreneurs.

De Vos (1999:189) states that ordinal scales are used to determine whether the respondents agree or disagree with the statements as showed in the questionnaire.

### 4.3.2 Ordinal scale

In this study ordinal scale was used to categorise the differences in the variables of women entrepreneurs and women interested in entrepreneurship. The rank ordering of the categories in a meaningful way (Coldwell and Herbst, 2004:178).

The ratings of women entrepreneurs and women interested in entrepreneurship views were drawn from questions that called for excellent, very good, good, fair, poor, very poor, and agreement such as strongly agree, agree, disagree and strongly disagree.

### 4.3.3 Distribution of the questionnaires

The final copies of the questionnaire were distributed by hand to the participants in Potchefstroom and Klerksdorp in the North West Province. The participants were requested to complete copies of the questionnaire at their own time and urged to return them before the due date. The copies were collected immediately after they were completed.

## 4.3 Literature study

A literature review is based on the assumption that knowledge accumulates and researchers learn from and build on what others have done. Scientific research is not an activity of isolated hermits who ignore other findings. Rather it is a collective effort of many researchers who share their results with one another and pursue knowledge as a community (Neumann, 1997:89). In this study an extensive literature study was conducted to familiarise the researcher with the concepts, present situations, issues and problems regarding the roles of women entrepreneurs to the growth economy of the North West Province. The insight obtained from the literature study was used to formulate questions for questionnaire.

## 4.5 Data analysis

De Vos (1999:203) states that analysing means categorizing, ordering, and summarizing numerical data and comparing the results obtained. The results of the survey were processed statistically and are subjected to statistical analysis in the form of descriptive statistics. Descriptive statistics involves the organizing and summarizing of the collected numerical data by means of graphs, frequency tables and the calculation of descriptive criteria indicating the roles of women entrepreneurs to the growth economy of the North West Province (Cooper and Schindler, 2003:387).

## 4.6 CONCLUSION

Chapter 4 reflects the contributions of women entrepreneurs to the growth economy of North West Province. In order to have effective and efficient results and findings, the quantitative was chosen for this study. The measuring instrument was a questionnaire with five categories adopted from the aims of the research study. In the next chapter, the results from questionnaire are presented in the form of graphs and tables with the purpose of presenting quality findings.

# CHAPTER 5

# PRESENTATION OF DATA

## 5. Introduction

The questionnaire was used as a tool to collect data from the participants in Klerksdorp and Potchefstroom in the North West Province. This was done with the use of two instruments to determine the objectives of the research study such as:

- To identify the contributions of women entrepreneurs in economic growth.
- To examine forces driving women to become entrepreneurs
- To investigate future challenges for women entrepreneurs
- To explore strategies to advance women entrepreneurs

This chapter gives an analysis of results by means of tables. The questions asked from the questionnaires are presented in a form of tables reflecting the responses from women the participants in percentages for each reason given.

Table 5.1.1: Employment

| | | Frequency | Percent |
|---|---|---|---|
| Valid | 1-5 employees | 24 | 24.0 |
| | 6-20 employees | 49 | 49.0 |
| | 21-50 employees | 22 | 22.0 |
| | 51-200 employees | 5 | 5.0 |
| | Total | 100 | 100.0 |

The data in table 5.1.1 reflect that 49% of the respondents had six to twenty employees, 24% employed one to five employees, 22% had twenty one to fifty employees and 5% had twenty-one to fifty and 5% had employed fifty one to two hundred employees.

Table 5.1.2: Job creation

| | | Frequency | Percent |
|---|---|---|---|
| Valid | Strongly disagree | 3 | 3.0 |
| | Disagree | 18 | 18.0 |
| | Agree | 34 | 34.0 |
| | Strongly agree | 45 | 45.0 |
| | Total | 100 | 100.0 |

Table 5.1.2 reflects that 45% of the respondents strongly agreed that they created jobs for people, 34% agreed, 18% disagreed and 3% strongly disagreed.

Table 5.1.3 Management experience

| | | Frequency | Percent |
|---|---|---|---|
| Valid | Strongly disagree | 5 | 5.0 |
| | Disagree | 6 | 6.0 |
| | Agree | 24 | 24.0 |
| | Strongly agree | 65 | 65.0 |
| | Total | 100 | 100.0 |

The information in table 5.1.3 shows 65% of the respondents strongly agreed that they have managerial experience to manage their businesses, 24% agreed, 6% disagreed and 5% strongly disagreed.

Table 5.1.4: Type of business

| | | Frequency | Percent |
|---|---|---|---|
| Valid | Guesthouse | 6 | 6.0 |
| | Projects/Tenders | 6 | 6.0 |
| | Construction | 7 | 7.0 |
| | Hair Salon | 29 | 29.0 |
| | Dress making | 12 | 12.0 |
| | Bed & breakfast | 13 | 13.0 |
| | Shebeen | 5 | 5.0 |
| | Transport, storage &communication | 6 | 6.0 |
| | Tuck-shop | 2 | 2.0 |
| | Community, social and personal service | 6 | 6.0 |
| | Manufacturing | 1 | 1.0 |
| | Commercial agents and all Allied services | 1 | 1.0 |
| | Other | 6 | 6.0 |
| | Total | 100 | 100.0 |

Table 5.1.4 shows that 29% of the respondents had hair salon, 13% bed and breakfast and 12% dressmaking.

Table 5.1.5: Management position

| | | Frequency | Percent |
|---|---|---|---|
| Valid | Marketing Manager | 14 | 14.0 |
| | General Manager | 20 | 20.0 |
| | Purchasing Manager | 25 | 25.0 |
| | Financial Manager | 18 | 18.0 |
| | Production Manager | 7 | 7.0 |
| | Human Resource Manager | 16 | 16.0 |
| | Total | 100 | 100.0 |

The information in table 5.1.5 indicated that 25% of the respondents purchasing manager, 20% general manager, 18% financial manager, 16% human resource manager, 14% marketing manager and 7% production manager.

Table 5.1.6: Managerial skills empowerment

| | | Frequency | Percent |
|---|---|---|---|
| Valid | Strongly disagree | 5 | 5.0 |
| | Disagree | 15 | 15.0 |
| | Agree | 29 | 29.0 |
| | Strongly agree | 51 | 51.0 |
| | Total | 100 | 100.0 |

The data in table 5.1.6 reflects that 51% of the respondents strongly agreed that they need managerial empowerment, 29% agreed, 15% disagreed and 5% strongly disagreed.

Table 5.1.7.1: Customer-oriented

| | | Frequency | Percent |
|---|---|---|---|
| Valid | Yes | 81 | 81.0 |
| | No | 19 | 19.0 |
| | Total | 100 | 100.0 |

The information in table 5.1.7.1 shows that 19% of respondents said no and 81% indicated yes.

Table 5.1.7.2: Employees capacity

| | | Frequency | Percent |
|---|---|---|---|
| Valid | Yes | 78 | 78.0 |
| | No | 22 | 22.0 |
| | Total | 100 | 100.0 |

Table 5.1.7.2 reflects that 22% of respondents said no and 78% said yes.

Table 5.1.7.3: shared resources

| | | Frequency | Percent |
|---|---|---|---|
| Valid | Yes | 70 | 70.0 |
| | No | 30 | 30.0 |
| | Total | 100 | 100.0 |

The data in table 5.1.7.3 indicates that 30% of respondents said no and 70% said yes.

Table 5.1.7.4: Joint-venturing

| | | Frequency | Percent |
|---|---|---|---|
| Valid | Yes | 66 | 66.0 |
| | No | 34 | 34.0 |
| | Total | 100 | 100.0 |

The information in table 5.1.7.4 shows that 34% of the respondents said no and 66% said yes.

Table 5.1.8: Managerial skills

| | | Frequency | Percent |
|---|---|---|---|
| Valid | Strongly disagree | 5 | 5.0 |
| | Disagree | 6 | 6.0 |
| | Agree | 24 | 24.0 |
| | Strongly agree | 65 | 65.0 |
| | Total | 100 | 100.0 |

The data in table 5.1.8 reflects that 65% of the respondents strongly agreed, 24% agreed, 6% disagreed and 5% strongly disagreed.

Table 5.1.9: Education and training

| | | Frequency | Percent |
|---|---|---|---|
| Valid | Strongly disagree | 19 | 19.0 |
| | Disagree | 26 | 26.0 |
| | Agree | 15 | 15.0 |
| | Strongly agree | 40 | 40.0 |
| | Total | 100 | 100.0 |

The information in table 5.1.9 shows 40% of respondents strongly agreed, 15% agreed, 26% disagreed and 19% strongly disagreed.

Table 5.1.10: Knowledge, skills and experience

| | | Frequency | Percent |
|---|---|---|---|
| Valid | Strongly disagree | 17 | 17.0 |
| | Disagree | 11 | 11.0 |
| | Agree | 36 | 36.0 |
| | Strongly agree | 36 | 36.0 |
| | Total | 100 | 100.0 |

The data in table 5.1.10 indicates that 36% of respondents strongly agreed, 36% disagreed, 11% agreed and 17% strongly disagreed.

Table 5.1.11: Formal training

| | | Frequency | Percent |
|---|---|---|---|
| Valid | Strongly disagree | 5 | 5.0 |
| | Disagree | 7 | 7.0 |
| | Agree | 43 | 43.0 |
| | Strongly agree | 45 | 45.0 |
| | Total | 100 | 100.0 |

The information in table 5.1.11 shows that 45% of respondents strongly agreed that they need formal training, 43% agreed, 7% disagreed and 5% strongly disagreed.

Table 5.1.12: Financial management skills

| | | Frequency | Percent |
|---|---|---|---|
| Valid | Strongly disagree | 45 | 45.0 |
| | Disagree | 39 | 39.0 |
| | Agree | 2 | 2.0 |
| | Strongly agree | 14 | 14.0 |
| | Total | 100 | 100.0 |

The data in table 5.1.12 reflects that 45% of respondents strongly disagreed, 39% disagreed, 2% agreed and 14% strongly agreed.

Table5.1.13: Accessibility of funds

| | | Frequency | Percent |
|---|---|---|---|
| Valid | Strongly disagree | 43 | 43.0 |
| | Disagree | 38 | 38.0 |
| | Agree | 14 | 14.0 |
| | Strongly agree | 5 | 5.0 |
| | Total | 100 | 100.0 |

The information in table 5.1.13 indicates that 43% of respondents strongly disagreed that there is accessibility of funds, 38% disagreed, 14% agreed and 5% strongly agreed.

Table 5.1.14: The importance of finance

| | | Frequency | Percentage |
|---|---|---|---|
| Valid | Strongly disagree | 2 | 2.0 |
| | Disagree | 14 | 14.0 |
| | Agree | 45 | 45.0 |
| | Strongly agree | 39 | 39.0 |
| | Total | 100 | 100.0 |

The data in table 5.1.14 shows that 45% of respondents agreed that finance is important in entrepreneurship, 39% strongly agreed, 14% disagreed and 2% agreed.

Table 5.1.15 Availability of finance

| | | Frequency | Percent |
|---|---|---|---|
| Valid | Strongly disagree | 43 | 43.0 |
| | Disagree | 41 | 41.0 |
| | Agree | 11 | 11.0 |
| | Strongly agree | 5 | 5.0 |
| | Total | 100 | 100.0 |

The information in table 5.1.15 reflects that 43% of respondents strongly disagreed that finance is available when it needed, 41% disagreed, 11% agreed, 5% strongly agreed.

Table 5.1.16: Future job growth potential

| | | Frequency | Percent |
|---|---|---|---|
| Valid | Strongly disagree | 43 | 43.0 |
| | Disagree | 27 | 27.0 |
| | Agree | 12 | 12.0 |
| | Strongly agree | 10 | 10.0 |
| | Total | 100 | 100 |

The data in table 5.1.16 shows that 43% of the respondents strongly disagreed on future job growth potential, 27% disagreed, 12% agreed, 10% strongly agreed.

Table 5.1.17: Program for venturing

| | | Frequency | Percent |
|---|---|---|---|
| Valid | Strongly disagree | 25 | 25.0 |
| | Disagree | 20 | 20.0 |
| | Agree | 35 | 35.0 |
| | Strongly agree | 20 | 20.0 |
| | Total | 100 | 100 |

The information in table 5.1.17 indicates that 35% of the respondents agreed in program for venturing, 20% strongly agreed, 20% disagreed and 25% strongly agreed.

Table 5.1.18 Culture in women entrepreneurship

| | | Frequency | Percent |
|---|---|---|---|
| Valid | Strongly disagree | 37 | 37.0 |
| | Disagree | 20 | 20.0 |
| | Agree | 21 | 21.0 |
| | Strongly agree | 22 | 22.0 |
| | Total | 100 | 100 |

The data in table 5.1.18 reflects that 37% of the respondents strongly disagreed on the issue of culture in women entrepreneurship, 20% disagreed, 21% agreed and 22% strongly agreed.

Table 5.1.19: Culture and social norms

| | | Frequency | Percent |
|---|---|---|---|
| Valid | Strongly disagree | 23 | 23.0 |
| | Disagree | 17 | 17.0 |
| | Agree | 28 | 28.0 |
| | Strongly agree | 32 | 32.0 |
| | Total | 100 | 100 |

The data in table 5.1.19 indicates that 32% of the respondents strongly agreed in culture and social norms, 28% agreed, 23% strongly disagreed and 17% disagreed.

Table 5.1.20: Building facilities

| | | Frequency | Percent |
|---|---|---|---|
| Valid | Strongly disagree | 8 | 8.0 |
| | Disagree | 10 | 10.0 |
| | Agree | 35 | 35.0 |
| | Strongly agree | 47 | 47.0 |
| | Total | 100 | 100 |

The information in table 5.1.20 reflects that 47% of the respondents strongly agreed on the need for building of facilities, 35% agreed, 10% disagreed and 8% strongly disagreed.

Table 5.1.21: Self-perception

| | | Frequency | Percent |
|---|---|---|---|
| Valid | Strongly disagree | 42 | 42.0 |
| | Disagree | 15 | 15.0 |
| | Agree | 33 | 33.0 |
| | Strongly agree | 10 | 10.0 |
| | Total | 100 | 100 |

The data in table 5.1.21 shows that 42% of the respondents strongly disagreed, 15% agreed, 33% agreed and 10% strongly agreed.

Table 5.1.23: Lack of support

| | | Frequency | Percent |
|---|---|---|---|
| Valid | Strongly disagree | 21 | 21.0 |
| | Disagree | 20 | 20.0 |
| | Agree | 23 | 23.0 |
| | Strongly agree | 36 | 36.0 |
| | Total | 100 | 100 |

The information in table 5.1.23 shows that 36% of respondents strongly agreed that there is lack of support, 23% agreed, 21% strongly disagreed and 20% disagreed.

Table 5.1.24: Lack of access to information

| | | Frequency | Percent |
|---|---|---|---|
| Valid | Strongly disagree | 23 | 23.0 |
| | Disagree | 15 | 15.0 |
| | Agree | 30 | 30.0 |
| | Strongly agree | 32 | 32.0 |
| | Total | 100 | 100 |

The data in table 5.1.24 reflects that 32% of respondents strongly agreed that women entrepreneurs lack access to information, 30% agreed, 23% strongly disagreed and 15% disagreed.

Table 5.1.25: Research

| | | Frequency | Percent |
|---|---|---|---|
| Valid | Strongly disagree | 20 | 20.0 |
| | Disagree | 18 | 18.0 |
| | Agree | 30 | 30.0 |
| | Strongly agree | 32 | 32.0 |
| | Total | 100 | 100 |

The information in table 5.1.25 shows that 32% of respondents strongly agreed that there is a need for research in the running of women entrepreneurship, 30% agreed, 20% strongly disagreed and 18% disagreed.

## 5.2. CONCLUSION

Women entrepreneurs make a vital contribution in the economic growth of North West Province as the economic welfare of a nation. The level of women entrepreneurial activity has an impact on economic growth and development in the North West Province. In general, women entrepreneurs make exceptional contributions as new jobs are provided, innovations are introduced, competition is stimulated, big business is aided and goals and services are produced efficiently.

Women entrepreneurs have four basic factors contributing to the success of their entrepreneurship such as hard work, drive, SMME owners who are committed to succeeding, and are willing to put in the time to make it happen.

The finding of this study reveals that:

- 100% agreed that managerial skills are very important to run an own business.
- Only 91% believed that they have these qualities.
- 94% of the respondents felt that hard work and long hours is a requirement to be an entrepreneur. Entrepreneurs do indeed to be willing to work long hours.
- Most of the respondents felt that adequate opportunity for training and education as well as appropriate institutional structures; objectives advice and support did not exist for entrepreneurs.

To run a successful woman entrepreneurship, aspects such as hard work, drive, commitment and willingness are very important. Some of these structures are in place but women entrepreneurs did not know how to access the relevant information. The finding of the study also revealed that capital was a very important factor when starting women business. Most for the respondents agreed to the question whether they had any problems in accessing financing. Not all of them stated that they did not know where to access women entrepreneurship financing in their area. It would appear that the easiest way to access fin ace was from the banks.

Managerial competence is important and a final key variable that determines success or failure is luck (Griffin & Ebert, 1993, pg 264). There are a number of reasons for business failure, among them unrealistic expectations, being obsessed with making money, and lack of business, financial and administration skills as well as leaving a manager to run the show.

In conclusion the single most important challenge confronting the South Africa is whether in terms of decasualizing the economy or related to the building and development of the country's is job creation. In this regard, the role of the Small Medium Micro Enterprise sector is crucial

## CHAPTER 6

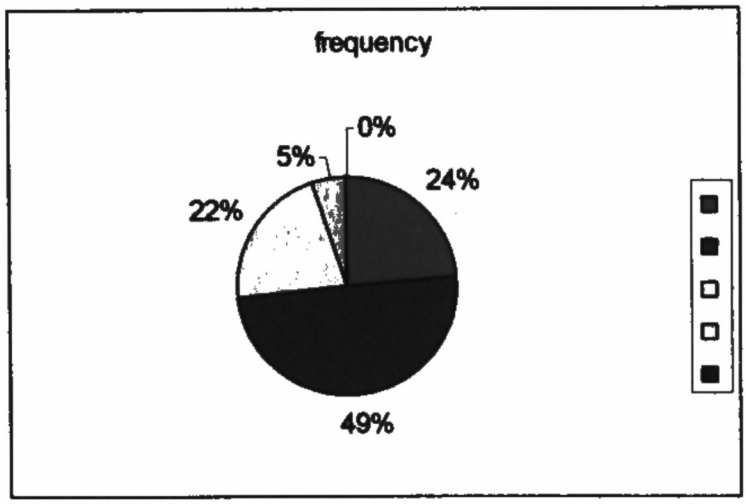
## DISCUSSION AND INTERPRETATION OF RESULTS

### 6. Introduction

This chapter flows from the graphical presentation of data in chapter 5. The results from the data collected are discussed and interpretations are made.

6.1 Interpretation of results

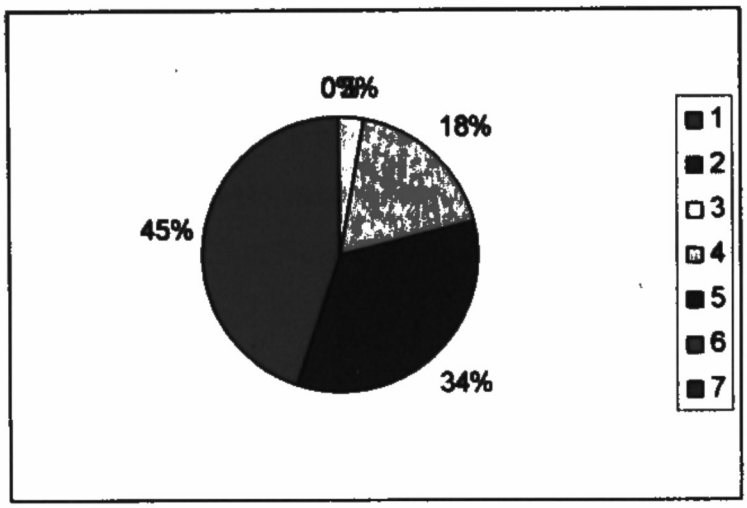
Figure 6.1.1: Employment




The respondents were asked to indicate how many people they had employed in their small businesses. The information in figure 6.1.1 49.0% showed that the participants in chapter two, 2.9.1 indicated that women entrepreneurs have the ability to create jobs and relieve poverty. The respondents indicated that women entrepreneurs made positive contributions towards the two greatest challenges for the North West Province such as job creation and poverty relieve. The information indicated that 49% of respondents is evident that women entrepreneurial enterprises play a vital role in overall job creating in South Africa.

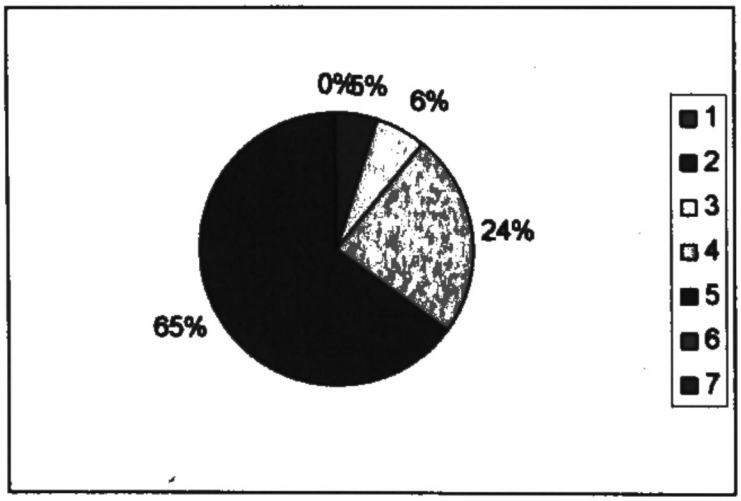
6.1.2 Women entrepreneurs are creating employment for themselves and others.

Figure 6.1.2: Job creation




The data in figure 6.1.2 showed the levels of employment those women entrepreneurs created for themselves and others. Women entrepreneurs had a high level of creating employment for themselves and others. As indicated in chapter two, 2.9.1 that the more women entrepreneurs have the ability to initiate and start their own business, the more the number of women entrepreneurs the more they create more jobs for themselves and others.

Figure 6.1.3 Management experience



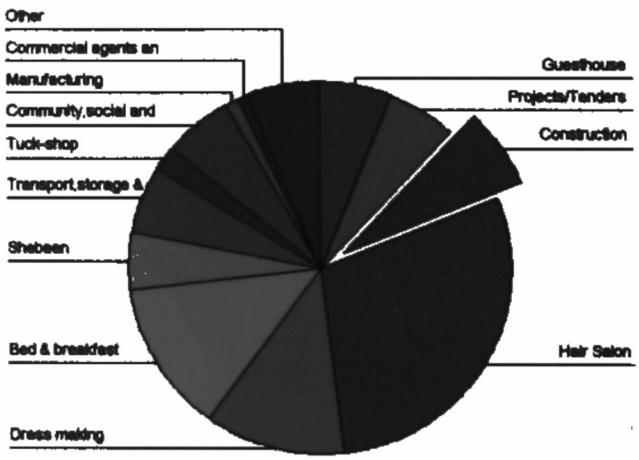

The data in figure 6.1.3 showed that 65% of women entrepreneurs did not have any written plans in place, no record of accounting and no financial statements analysis performed and

recorded. Lack of women entrepreneurs' management skills had been highlighted as one of the major obstacles to the promotion of entrepreneurship in the North West Province.

The respondents indicated that most of women entrepreneurs employed 6-20 employees in their small businesses. This has the following positive impact in the economic growth:

- Substantial reduction in unemployment
- Curtail crime levels
- Skills development
- Eradicate extreme poverty and hunger, that is women entrepreneurs' small enterprises reduce half the portion of people living on less than a dollar a day and also reduce half the proportion of people who suffer from hunger by providing them with employment. The research study also showed that women entrepreneurs' level of education does, however, have an influence on the economic growth. The respondents showed that the higher the level of education of individual women entrepreneur the greater the tendency to pursue entrepreneurial activities and the greater the competitiveness and productivity.

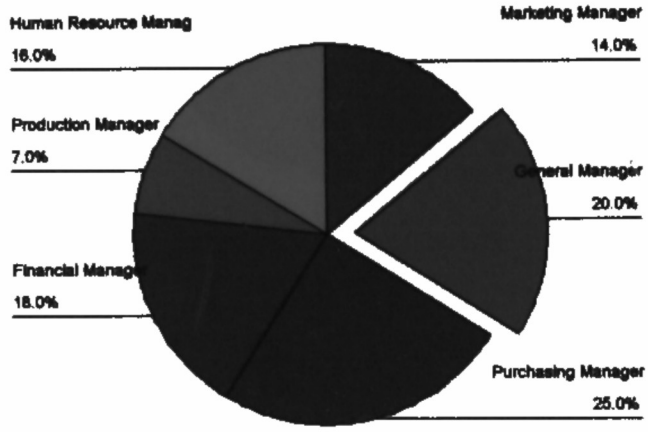
Figure 6.1.4: Types of business




The information in figure 6.1.4 29.0% indicated that of the respondents were hair salon owners. A further 13.0% were bed & breakfast owners. 12.0% had bed & breakfast. 6.0%

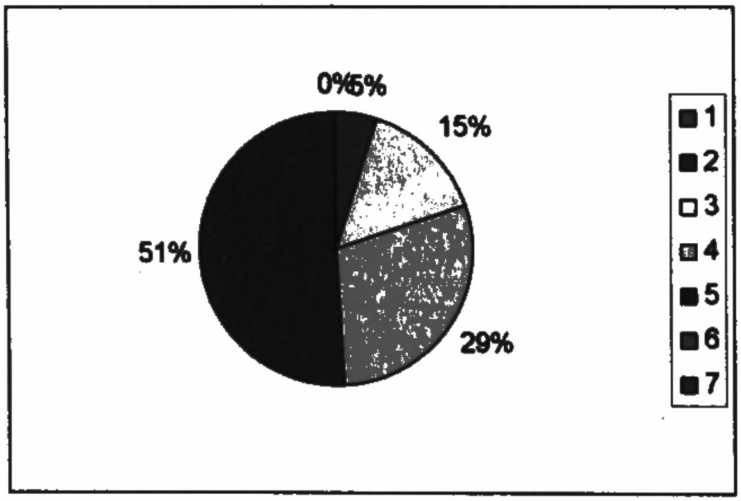
had enterprises such as guesthouse, tenders or projects, community, social and personal services. 5.0% had she been.

Figure 6.1.5: Management position



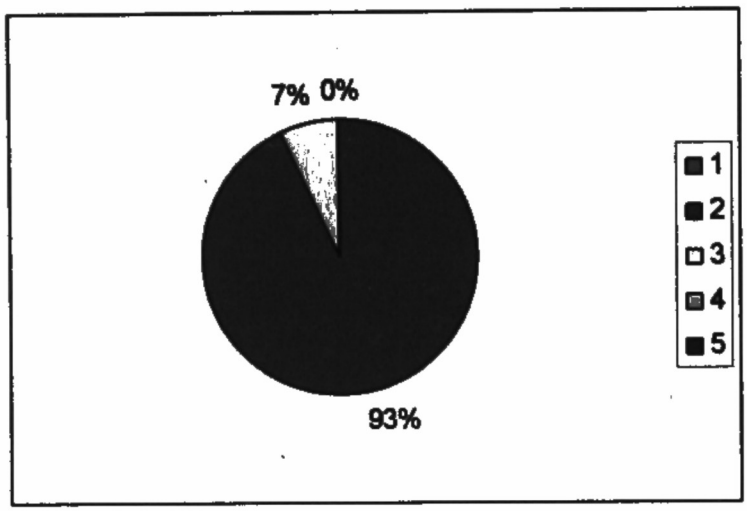

The data in figure 6.1.5 showed that 25% of women entrepreneurs are purchasing managers and 7% indicated that few women entrepreneurs are production managers in their businesses.

Figure 6.1.6: Managerial skills



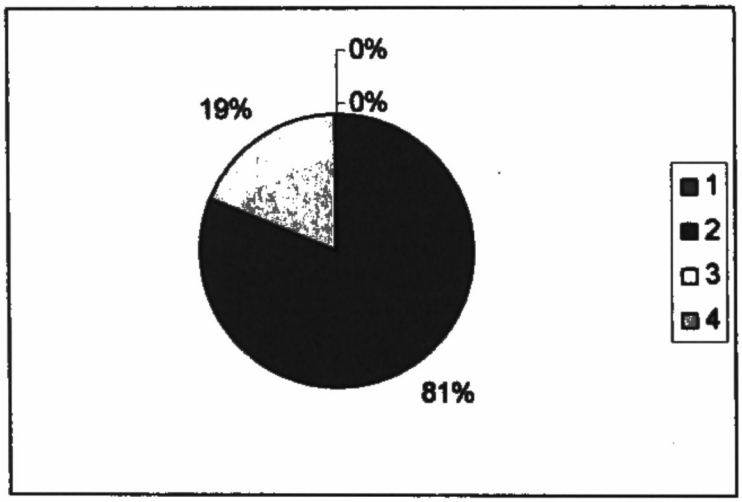

The data in figure 6.1.6 indicated that 51% of women entrepreneurs strongly believed there is a need managerial tasks skill to run their enterprises effectively and productively.

Figure 6.1.7: Leadership style



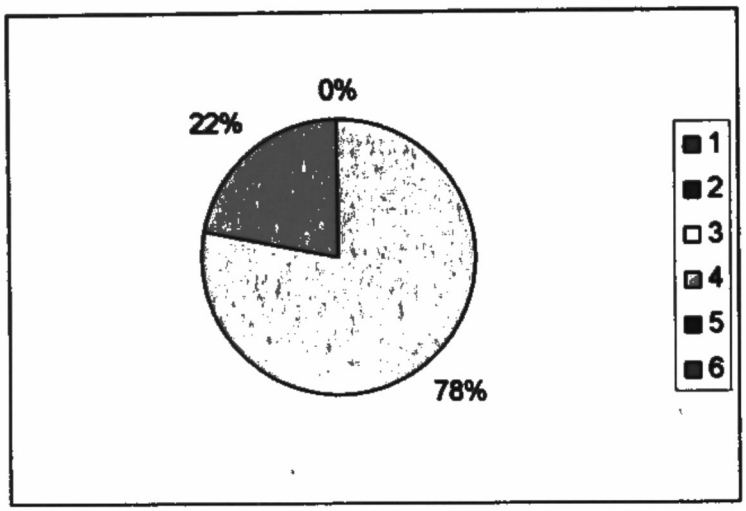

According to figure 6.1.7 93% of women entrepreneurs showed willingness to know more about how to lead their businesses effectively. Only 7% of women entrepreneurs indicated no need to learn ways of leading the business.

Figure 6.1.8.1: Customer-oriented




The information in figure 6.1.8.1 showed that 81% of respondents indicated that women entrepreneurs lack customer-employee-employer relationship. 19% of the respondents said there is customer relationship in their businesses.

Figure 6.1.8.2: Employees capacity




The data in figure 6.1.8.2 reflected that 78% of respondents indicated the need to train and workshop employees in their business. 22% respondents are not recommending the need for training and workshop of the employee.

Figure 6.1.8.3: Shared resources

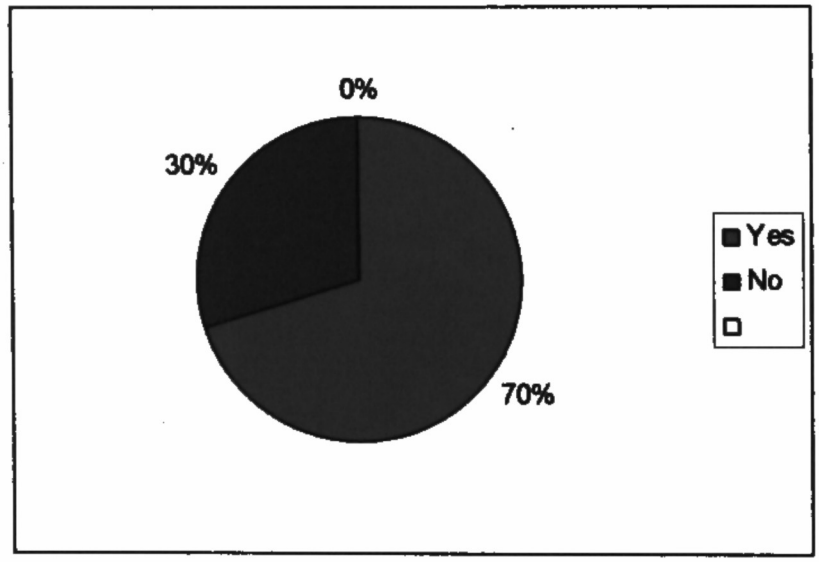



Figure 6.1.8.4 showed that 70% of the respondents share resources with their employees. With reference to 30% of the respondents women entrepreneurs do not share the resources with employees.

Figure 6.1.8.5: Joint venturing

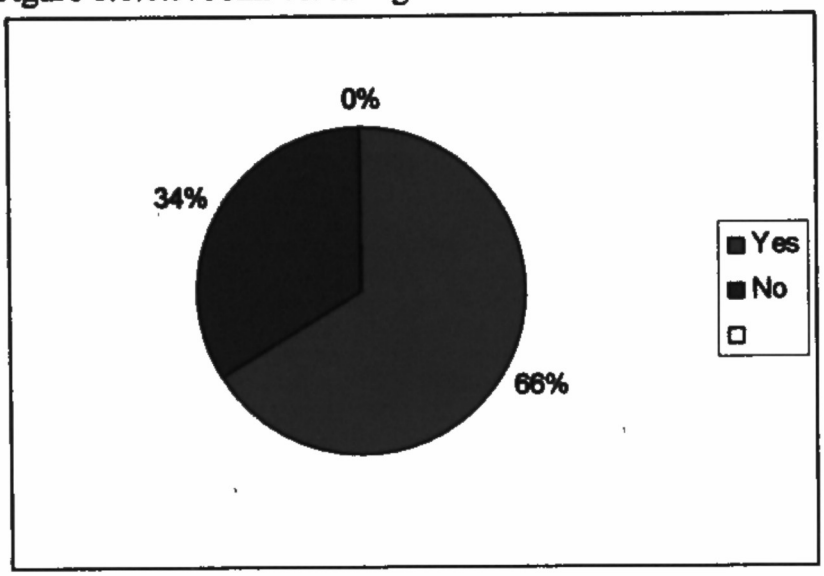



Figure 6.1.8.5 reflected that 66% of the respondents are working together with their employees and other business in terms of sharing success and failure of the business. About 34% of respondents showed no necessity for venturing with employees.

Figure 6.1.9: Managerial skills

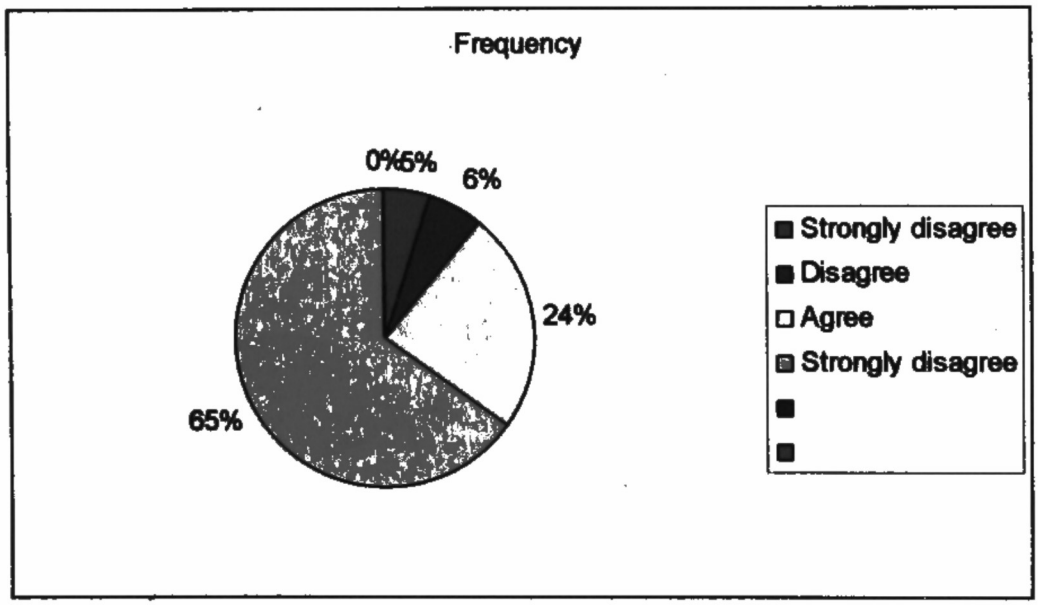
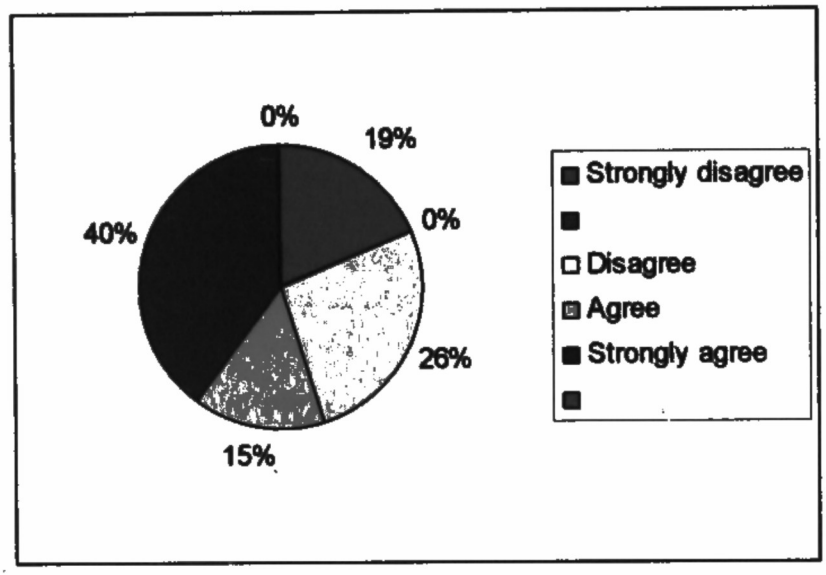



Figure 6.1.10 showed that 65 % of all respondents agree that shared vision is important for productivity and competitiveness. Only 5% perceive shared vision not being necessary for the good performance of women businesses.

Figure 6.1.10: Education and training




Figure, 6.1.11 showed that 40 % of respondents, said education and training are important to become women entrepreneurs. The higher the level of education and training achieved, the greater the probability that individuals will be exposed to entrepreneurs in their networks.

About 19 % of the respondents felt that education and training do not play important role in enabling women entrepreneurs to start a business and sustain it over the long term .The results strengthen the case for increasing access to education and training.

Figure 6.1.11: Knowledge, skills and experience

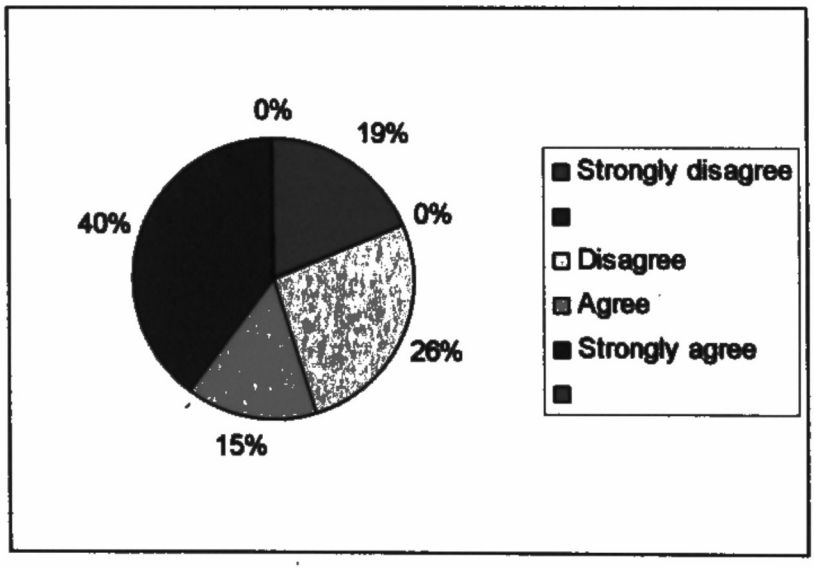
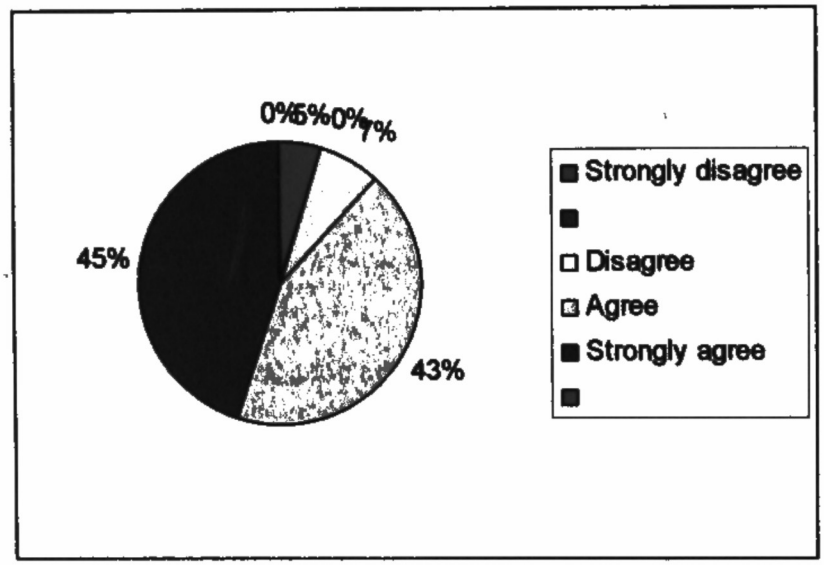


Figure 6.1.11 indicated that 36% of respondents strongly agreed that knowledge, skills and experience are necessary for competitive entrepreneurship. These respondents are people with more than 5 years of experience and knowledge of the industry. Although they did not have any formal training, they have the relevant experience.

Figure 6.1.13: Formal training




Data in figure 6.1.13 reflected that 45% of the respondents felt that women entrepreneurs and their employees made a productive and competitive business when they are provided with formal training. Only 5 % felt that they do not need formal training to improve their businesses.

Figure 6.1.14: Financial management skills

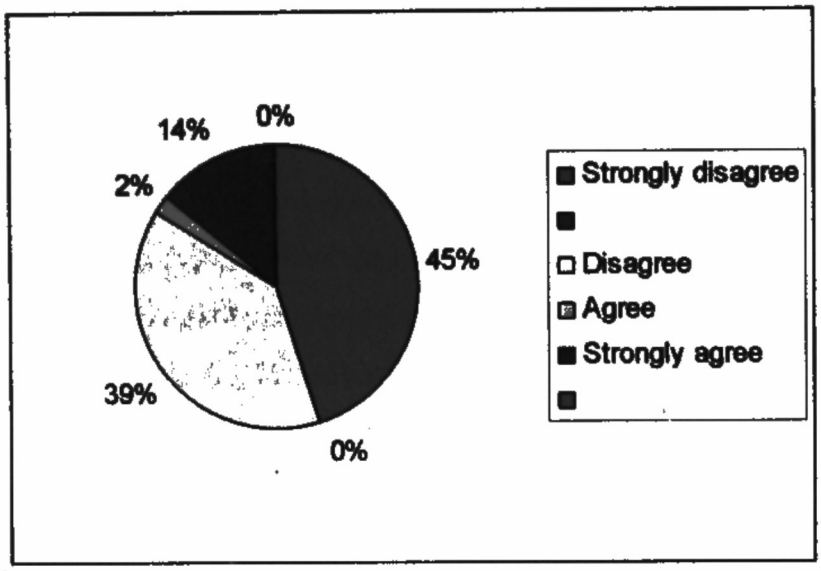
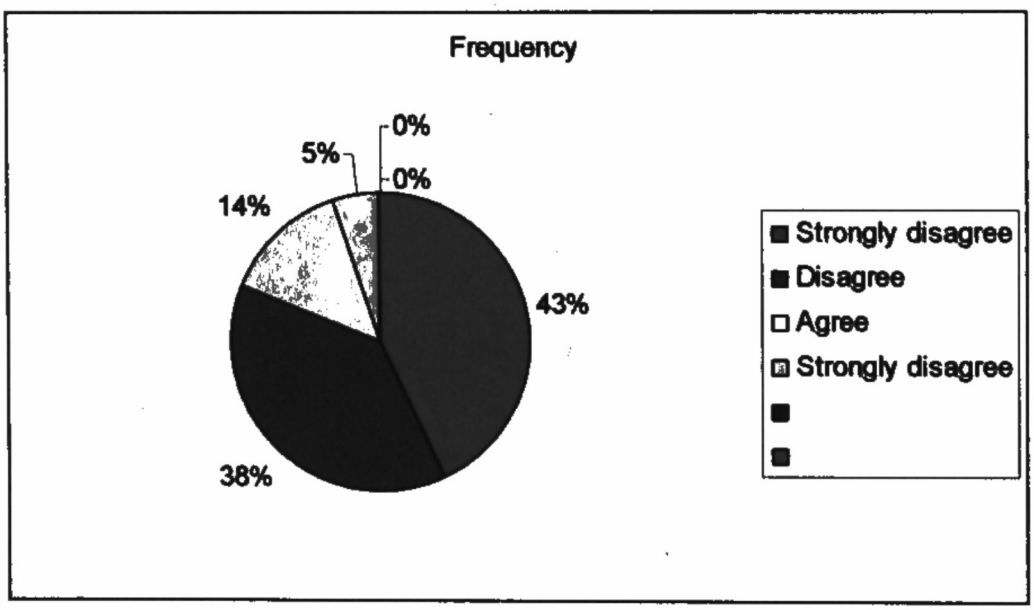



Figure 6.1.14 indicated that 45% of the respondents claimed that women entrepreneurs do not have financial management skills. About 2% of respondents agreed that women entrepreneurs have financial management skills.

Figure 6.1.15 Accessibility of funds



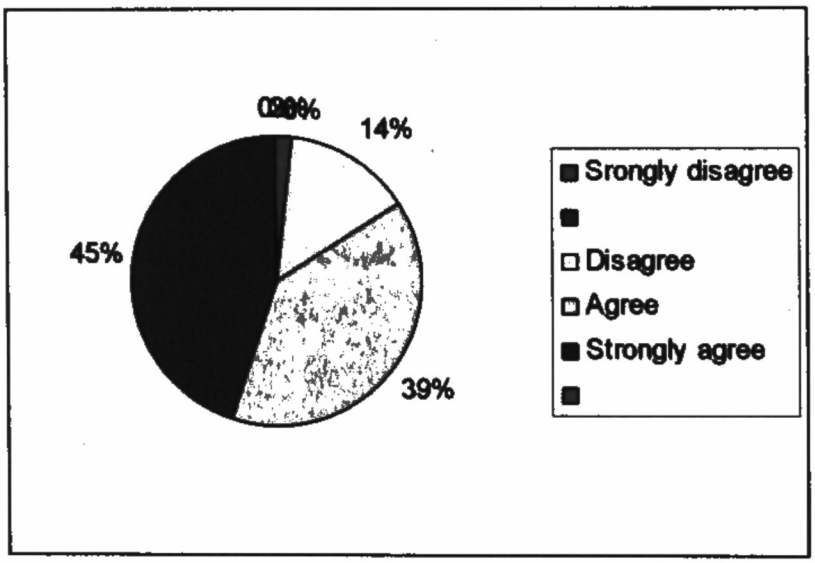

The information in figure 6.1.15 indicated that 43% of the respondents did not know how and where to get money to finance their businesses. The result suggested that lack of money for running costs or capital items is the most widespread problem facing women entrepreneurs. It is important to recognize, however that 5% in this sample did not report lack of finances as

being a problem. This is a significant finding given the general opinion that most women entrepreneurs lack finance.

A major problem limiting women entrepreneurs' development in the North West Province is to raise the necessary capital to start a new business. In order to do this, the following aspects were researched and analysed:

- Finance as an important factor
- Figure 6.1.15 indicated that 43% of the respondents do not know how and where to get money to finance their businesses. The information in figure 6.2.15 reflected that 5% of the respondents agreed to have funds accessibility for operating their businesses.
- Financing institutions
- Problems accessing finance

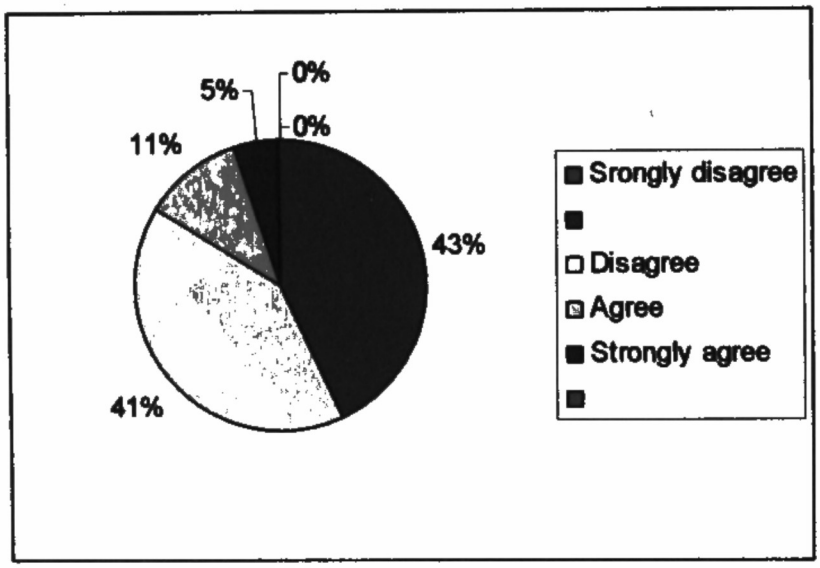
Figure 6.1.16: The importance of finance




The data in figure 6.1.16 indicated that 45% of the respondents said that finance was an important factor when starting your own business. Only 2 % said it was irrelevant because they had enough start-up capital. This is the reason for one of the mayor problems limiting women entrepreneurs' development in North West Province namely getting hold of the necessary capital to start a business. Although the literature view indicated excellent

examples of financing initiatives in South Africa, there are only small numbers of women entrepreneurs that have ideas on how to approach financing institutions. Finding for women entrepreneurs is also not sufficient and the reason could be that the finding mechanisms are not coordinated.

Figure 6.1.17 Availability of finance



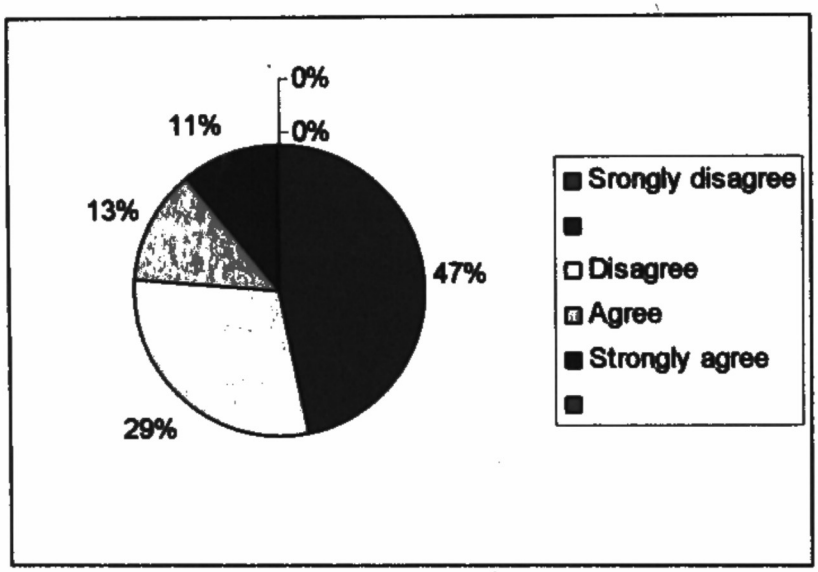

The information in figure 6.1.17 showed that 11% of respondents knew where to access women entrepreneurs finance in their area 43% did not know where to find women entrepreneurs finance. Although financing institutions exist, women entrepreneurs did not know how to get hold of them.

The government could consider the following policies and actions aimed at improving the access to financing as well as making investment funds more widely available to women entrepreneurs:

- Establishing a dedicated women entrepreneurs development find to provide funds for women entrepreneurs and activities not catered for by existing state financing agencies. Such fund should be managed in a transparent fashion and should be subject to regular auditing and scrutiny.
- Ensuring that state funding is accessible to the wider business community, emerging women entrepreneurs, micro-enterprises and the informal sector.

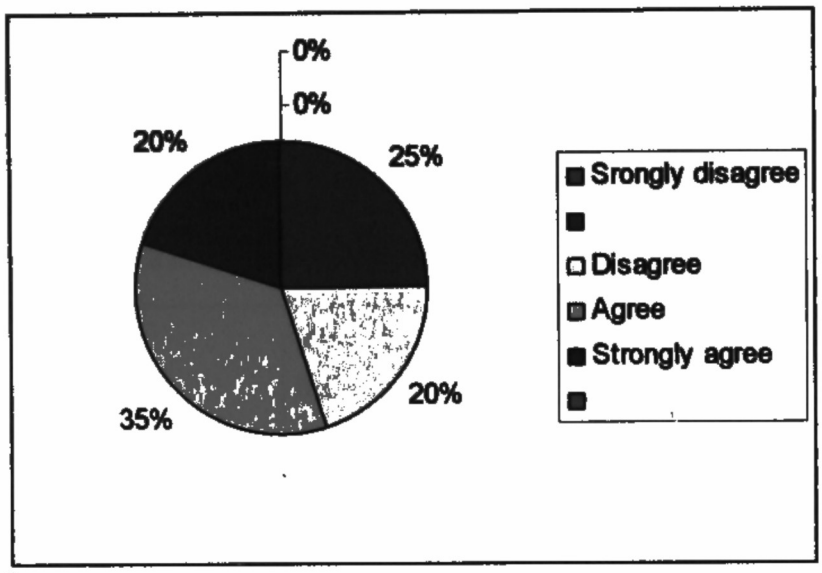
- Considering the creation of a subsidized financing facility to accommodate the entry of the previously neglected into entrepreneurship.
- Ensuring that technical assistance is provided to potential entrepreneurs, utilizing existing institutions as far as possible.
- Encouraging existing private enterprises to assist in guaranteeing loans of small entrepreneurs through, for example, the advance purchase of services.

Figure 6.1.18: Future job growth potential



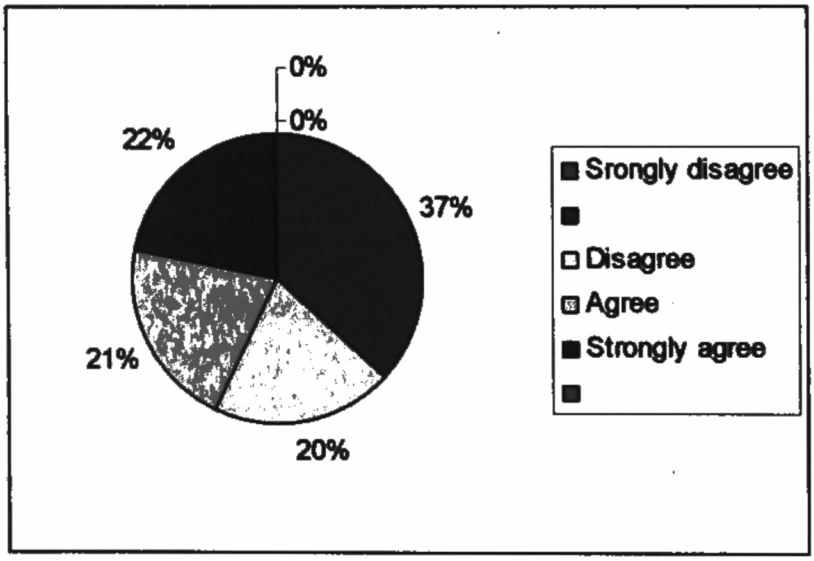

The respondents were requested respond on the estimated number of people expected to employ in their businesses in the next five years. The statement indicated 50-100 people to be employed by women entrepreneurs in the next five years. Figure 6.1.18 showed that 47% of the respondents did not have job growth potential in their businesses. About 11% of the women entrepreneurs as respondents believed to employ 50-100 people in the next five years. About 29% of the respondents indicated less possibility of future job growth created a challenge facing women entrepreneurs to work towards expanding their businesses.

Figure 6.1.19: Programs for venturing




The information in figure 6.1.19 showed that 35% of the respondents believed that there is a need for venturing in women entrepreneurship. On the issue of no need for introducing programs for venturing in women entrepreneurship, 20% of the respondents designated that women entrepreneurs did not require programs for venturing.

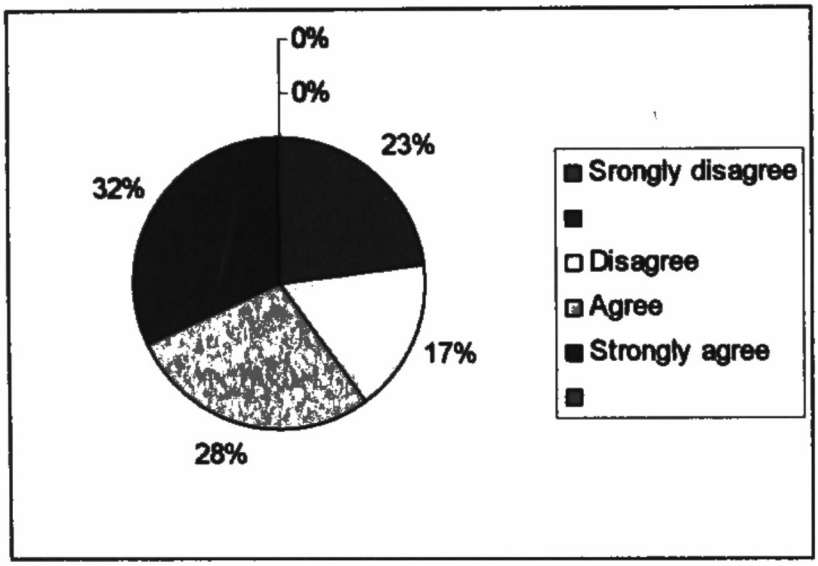
Figure 6.1.20: Culture in women entrepreneurs




A culture of women entrepreneurship has to be cultivated in North West Province, starting from primary school level right through to tertiary and even adult level.

Education plays a central role in building women entrepreneurship culture. The data in figure 6.1.20 indicated that 20 % of the respondents stated that the lack of an entrepreneurship culture is a serious threat for women entrepreneurship. 37 % of the respondents did not consider it to be any threat for women entrepreneurships.

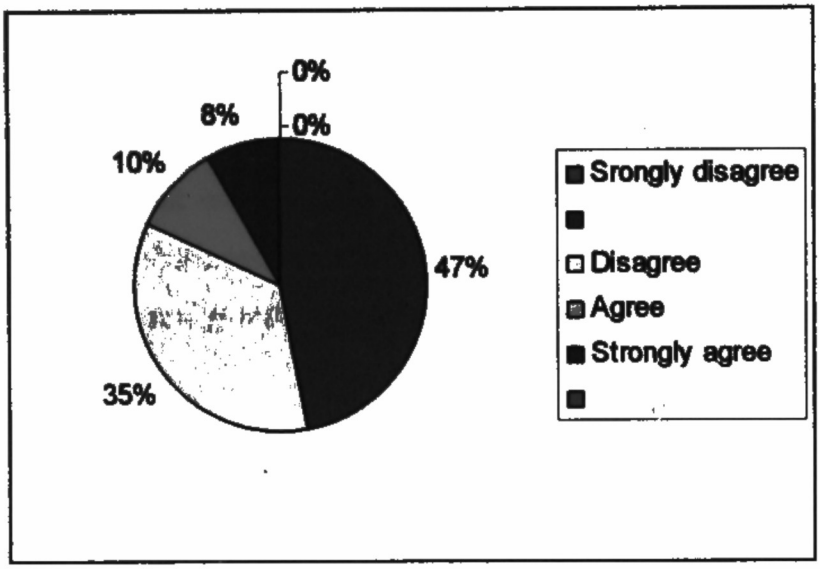
Figure 6.1.21: Culture and social norms




Cultural and social norms are more likely to play a role in women entrepreneur's businesses. The results from the study provided particular evidence of the impact of culture on women entrepreneurs. The data in figure 6.1.21 reflected that 23% of the respondents believed that North West women entrepreneurs are encouraged to become self-employed. Further more, 32% of them believed that women entrepreneurs have insufficient services available to enable them to continue to work after they start a family.

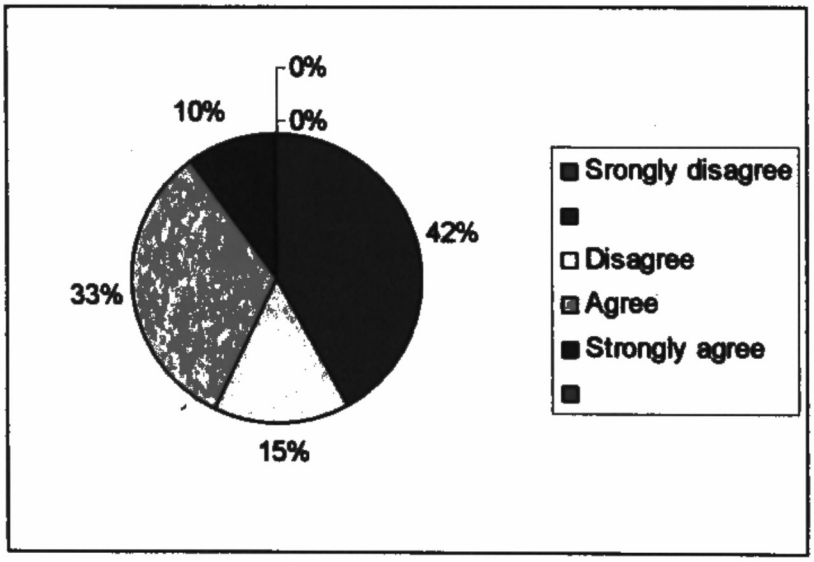
What is evident from these results is that more North West women entrepreneurs need to be encouraged to pursue entrepreneurial ventures and those particular obstacles to the involvement of women in self-employment activities need to be addressed. Cultural and social norms, discussed in chapter 2 also have a significant role to play in reinforcing stereotypical perceptions of women and their role in entrepreneurship and should be challenged in order to stimulate female participation in entrepreneurial activity.

Figure 6.1.22: Building facilities




Many SMME seem to have problems in obtaining suitable, modern and appropriate business premises and buildings. The origin of the problem arises from the growth risk and priority of the property development and investor. Figure 6.1.22 showed that 47% of respondents believed that building and facilities are very expensive to rent, 8% of the respondents felt that it was irrelevant as there are individuals who run businesses from home and therefore do not rent facilities.

Figure 6.1.23: Self-perception



The researcher gave the respondents opportunity to indicate their self-perception in terms the need for acquiring knowledge, skills and experience required to run their businesses. On the subject of self-perception with regard to self-perception in terms of knowledge, skills and experience, 10% of the respondents believed that they had the necessary skills while 42% indicated that women entrepreneurs require more knowledge, skills and experience to run their own business. Perhaps the greatest deficiency in the North West Province women entrepreneurship industry is the absence of adequate education, training and awareness of programs.

Figure 6.1.24: Lack of objectives advice

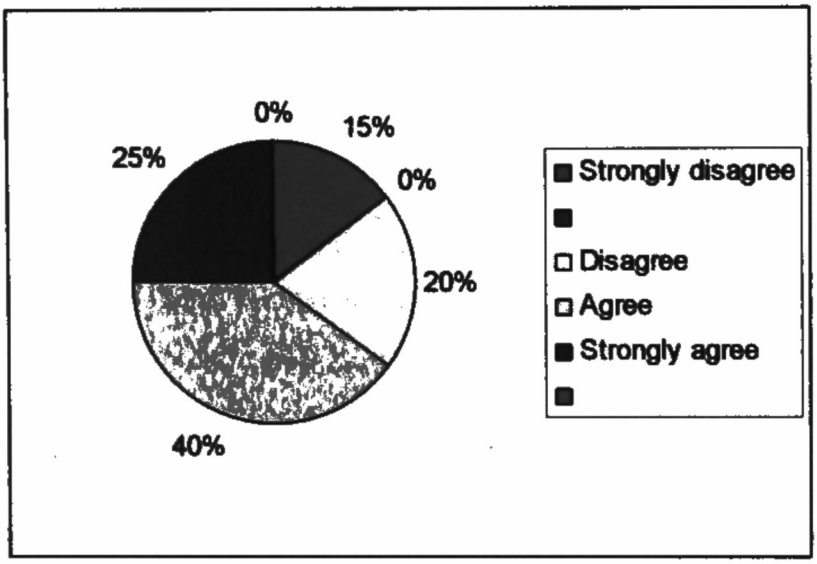
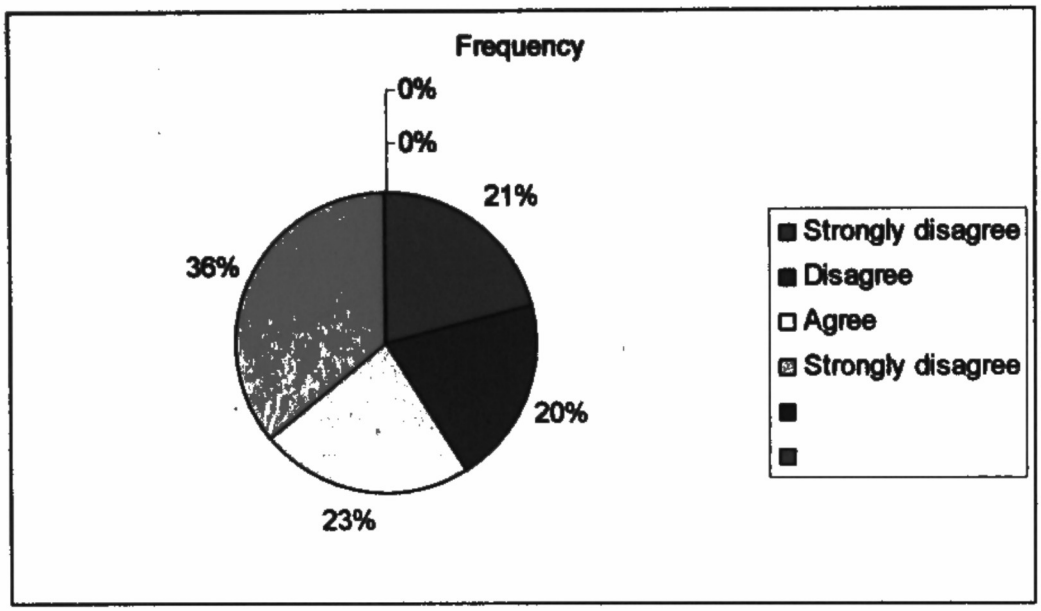



Figure 6.1.24 indicates that 40% of respondents felt that a lack of objective advice short entrepreneurs. About 15% of respondents stated that it was not true. About 20 % felt it to be irrelevant. Respondents feel that government must put structures in place where women entrepreneurs can access advice on how to manage a business. Although there are such structures in place, women entrepreneurs do not know how to access these places.

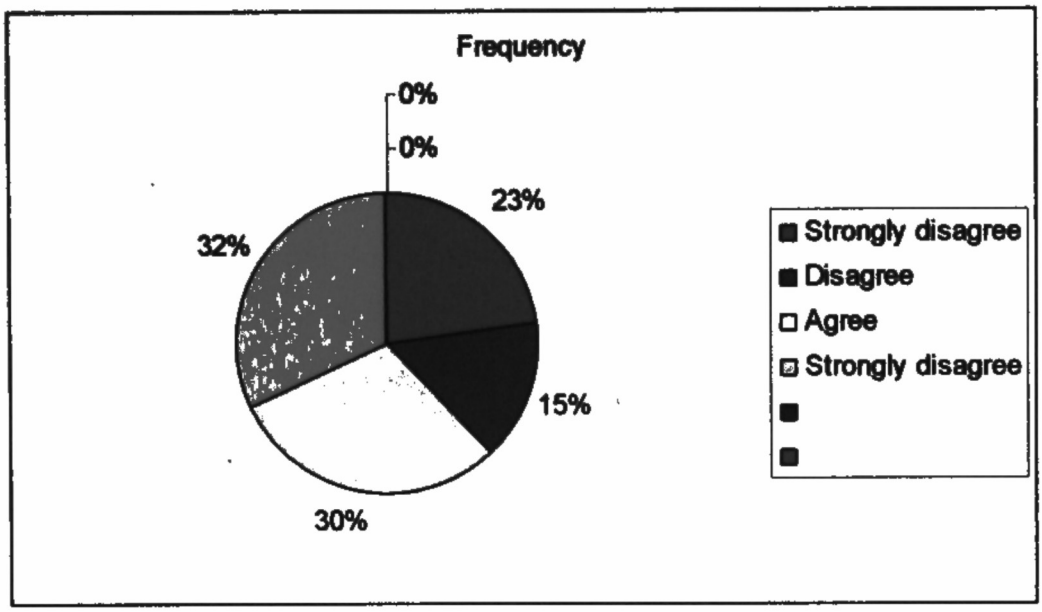
Figure 6.1.25 Lack of transport




This issue should be seen as aftercare. In other words, to expect of a person with limited funding, limited knowledge and limited skills to succeed without support simply creates circumstances where such a person can only fail (Saayman et al., 2001:187).

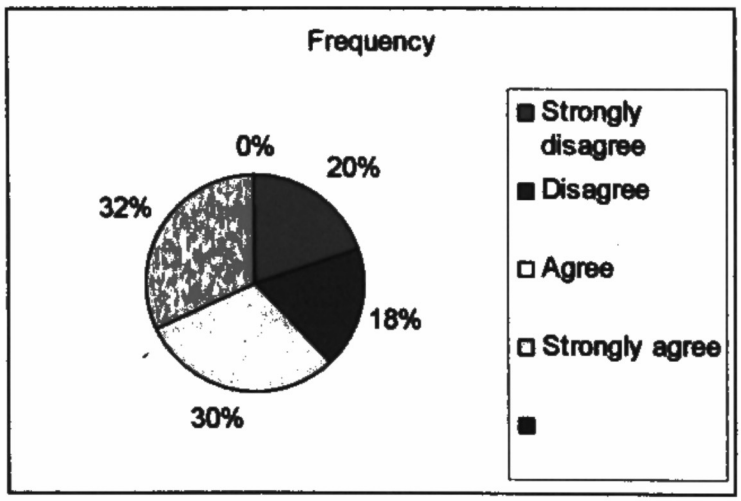
Figure 6.1.25 showed that 20 % of respondents said that they knew where to access support for entrepreneurs. 36% said a lack of support for entrepreneurs' exists. About 21 % felt it to be irrelevant. This 20% said that they ran the business from own knowledge and experience and did not need any support.

Figure 6.1.26 Lack of access to information




According to figure6.1.26 27 % of respondents stated that women entrepreneurs do not lack access to information, 32% felt that they do not get enough information. Most women entrepreneurs do not know how and where to find the correct information on how to start a business. Information should be more accessible for new women entrepreneurs to run a productive business.

Figure 6.1.27 Research



According to figure 6.1.28 18 % of respondents agreed of doing some research to determine target markets before starting an own business. Only 32% do not agree. Those that do not agreed are women entrepreneurs with existing knowledge, skills and experience to see a gap in the market and fill it without doing any market research.

# CHAPTER 7
# CONCLUSIONS AND RECOMMENDATIONS

## 7.1 INTRODUCTION

The challenge of building women entrepreneurship culture, one in which a larger number of women will choose to become entrepreneurs and be properly equipped to do, is great. An equivalent challenge is to equip women entrepreneurs' small business support network with the knowledge, skills, tools and resources, and "ways of thinking" to properly assist this process. Placing women entrepreneurs at the heart of economic development is a recent phenomenon and there is still a lot to learn about how to do it effectively. It represents a paradigm shift from traditional regional development and so hence, there is a need for women entrepreneurs' re- orientation, education and training of a number of economic development officials who are now providing women business support services.

Subsequent to conducting a literature study and survey on the contribution of women entrepreneurs in economic growth of North West Province, the aim of this chapter is to give a conclusion and make recommendations in order to improve women entrepreneurship in South Africa.

## 7.2 CONCLUSION

This study aimed at indicating the contribution of women entrepreneurs in the economic growth of North West Province. The objectives in order to achieve the above were as follows:

Chapter1: Orientation of research

Chapter2: Literature study

Chapter3: Problem definition and research questions

Chapter 4: Research design and analysis

Chapter 5: Research Results

Chapter 6 form a synthesis between the literature study and the survey results in order to draw conclusions and make recommendations.

## 7.3 CONCLUSION: LITERATURE STUDY

The following conclusions can be made regarding the literature study:

### 7.3.1 Qualities of women entrepreneurs

It can be concluded that, all through the evolution of women entrepreneurship different scholars have posited different characteristics they believe are common amongst most entrepreneurs. By combining these desperate theories, a generalized set of entrepreneurship qualities can be developed. In general, women entrepreneurs are risk-bearer, coordinators, organizers, gap-fillers, leaders and innovators or creative imitators. This comprehensive, but it can help to explain why women become entrepreneurs and others do not. By encouraging these qualities and abilities, the government can theoretically alter the country's supply of domestic entrepreneurship.

### 7.3.2 Elements of entrepreneurship

To become an entrepreneur, an individual women needs entrepreneurship elements, for example commitment to employees, creativity, alertness, vision and strategic orientation. It is vital to realize that each women entrepreneur will develop these characteristic influences that have shaped, and continue to shape the social development process of women entrepreneurs.

### 7.3.3 Needs of women entrepreneurs

A major share of South Africa's Gross Domestic Product (GDP) consists of the contribution of women entrepreneurs. The importance of women entrepreneurs as contributors to economic growth and success is reflected in the extent to which women small enterprises have featured in the successful economies of developed countries such as Japan and Sweden. The government's White Paper on the National Strategy for the Development and Promotion

of Small Business in South Africa emphasizes the need to create an enabling women entrepreneurs' environment within which their small enterprise culture can be developed.

### 7.3.4 Government Policies

The South African government sees the development of women entrepreneurs in South Africa as priority. The support for new and growing organizations is a high priority policy at National Government level. A number of actions have been taken on by government to promote women entrepreneurs in South Africa, for instance the Growth Employment and Redistribution Program (RDP), Khula credit guarantee scheme that is meant to provided security to mostly disadvantaged women entrepreneurs.

### 7.3.5 Advantages of women entrepreneurship

There are some advantages to being women entrepreneur, for example being an employer and a creator of job opportunities. Women entrepreneurs provide range employment opportunities to a large portion of the workplace. Employment and the creation of new job opportunities by woman's' small business sectors are not only advantageous to the socio-economic development of rural areas, but also to the maintenance of a healthy balance of economic growth in urban and rural areas. Small owners (women entrepreneurs) also have freedom and own initiatives to realize new opportunities.

## 7.4 Conclusion: survey

The following conclusions can be made regarding the survey:

### 7.4.1 Type of business

Most of respondents owned tuck shops, guesthouses, bed & breakfast, shebeens, hair saloons, dressmakings and knight clubs or pubs. The conclusion can be made that it is more popular to have and run guesthouses, tuck shops, hair saloon, bed & breakfast, knight club or pub than to focus on big businesses like franchises.

## 7.4 GENERAL CONCLUSIONS

This study in terms of primary problem, confirms the notion that women entrepreneurs have positive contribution on the economic growth, have activities associated with economic growth, play important part in venturing creation. In the secondary problem, the research study clearly indicated that women entrepreneurs' are faced with problems such as lack of skills, knowledge and experience, finance and resources, infrastructure in terms of access to technology. The research study also displayed that women entrepreneurs are agents of economic growth and that women entrepreneurship need enhancement and development. The above mentioned research study problems are comprehensively discussed below:

### 7.5.1 PRIMARY PROBLEM: The contributions of women entrepreneurs' in the economic growth of North West Province

#### 7.5.1.1 Employment

Women entrepreneurs employ additional people when their business does well. These highlight the important role that women entrepreneurs play in generating jobs other than self-employment.

#### 7.5.1.2 Activities associated with economic growth

Women entrepreneurs' activities of initiating business, starting business, self-employment, expanding of business and employment of people are one way of assisting survivalists in the economy. It must be noted that women entrepreneurs' business activities promote poverty alleviation and create wealth in most of the families.

#### 7.5.1.3 Women entrepreneurship venturing creation

Women entrepreneurs' small businesses such hair salon, bed and breakfast, tuck shops and taverns are responsible for all new job opportunities that are created by the small business sector as a whole.

Women entrepreneurs' small businesses benefit from the following:

- A stream of new ideas, products and services from understanding their customers
- The creation of new markets

### 7.5.2. SECONDARY PROBLEM: Lack of skills and resources

#### 7.5.2.1 Lack of skills and knowledge and experience

Experience has been identified as one of the key factors for successful women entrepreneurship through literature review. The study has confirmed that there is lack of experience in business management on the part of emerging women entrepreneurs, whereas, first world entrepreneurs do not experience this problem. The lack of experience could be a major reason for the high failure rate of women entrepreneurs' start-ups in North West Province. Not all women entrepreneurs keep records or calculate a monthly profit, which means that women entrepreneurs may not know these figures with accuracy.

#### 7.5.2.2 Lack of finance and resources

Lack of money for running costs or capital items is the most widespread problem facing women entrepreneurs. Although there are excellent examples of financing initiatives in the North West Province, including banks, there are only small numbers of women entrepreneurs that are assisted on small business loans.

#### 7.5.2.3 Infrastructure problem: Access to technology

From the literature review technology has been identified as the key drivers of women entrepreneurship in the new economy, but the study has shown that very few women entrepreneurs are utilizing technology to manage and operate their businesses. The problem once more could be due to the lack of financial resources and exposure to the latest technology on the side of women entrepreneurs. Even though technology has become cheaper and affordable a good number of women entrepreneurs still cannot afford a personal computer.

#### 7.5.2.4 Women entrepreneurs as agents of economic growth

The research study revealed that the level of creativity is high amongst women entrepreneurs who are running small businesses like tuck shop, tavern, tenders, guesthouses and bed and breakfast. In a knowledge economy, participative leadership and management styles also play a big role in the level of creativity displayed by women entrepreneurs.

#### 7.5.2.5 Skills development of women entrepreneurs

Women entrepreneurs need access to training, funding, mentoring and to be provided by resources to give them every opportunity to succeed through partnerships. In order for women entrepreneurs to grow more entrepreneurs, and contribute to the economic growth of South Africa, a concerted effort should be made and resources combined by all concerned. This is the only way if South Africa is at all about women entrepreneurs' development.

The contribution of women entrepreneurs in the economic growth of North West Province is recognized throughout South Africa as the fastest way of sustaining the economy of South Africa. It is no exaggeration to claim that the successful growth of women entrepreneurs in South Africa is probably the key to achieving the required percentage growth in Gross Domestic Product (GDP) and the consequent reduction in unemployment.

Now that the politicians have taken South Africa into a new and complete democracy, the contribution of women entrepreneurs in economic growth should anticipate that there are a number of other changes that will be taking place in the years ahead. What is important for the business community is the need for a revival in the economy.

Internationally, North West women entrepreneurs will be competing with the world, where some areas are still suffering from recession and others showing signs of new growth. All will be out to increase their shares of international trade against the background of reduced tariffs and increasing competition and that is the challenge facing women entrepreneurs in North West Province.

In order for women entrepreneurs to contribute in creation of employment and economic growth, women entrepreneurs require a climate of confidence, hope and steady economic progress. In this regard, women entrepreneurs have a vital contribution to play in the economic growth.

Waves of unpredictable, dramatic or transformational change in society may become a vehicle norm, but the uncertainty and lack of direction accompanying such change is problematic for women entrepreneurs. Strategic and visionary leadership are required during women entrepreneurs' times. This means women entrepreneurs' contribution in the economic growth should ensure that resources such as people, money, materials and technology to run a business are in alignment.

There are no easy solutions for South African women entrepreneurs to contribute to the economic growth precedents that we can call on with any certainty that demands imagination, courage, perseverance, and self-control. It demands women entrepreneurs to rethink every aspect of business and reinvent their business from top to bottom. The climate for women entrepreneurs' development is favorable in terms of one of the critical element for SMME namely the existence of a number of major development projects such as tenders, contracts etc.

## 7.6 RECOMMENDATIONS

The South African National strategy for the development and promotion of women entrepreneurs is embracive and focused in the right direction. The efforts of government to finance women in SMME's should encapsulate direct funding from related sources, not only in the funding of women business activities but also in financing in part or in totality the training and entrepreneurial development costs. It is the responsibility of the government to ensure that the right infrastructural facilities are in place for the operation of women small businesses. The government should also go further to use experts through research to identify viable and embark able projects for women entrepreneurs.

The justification for this government role derives from the responsibility of the government to ensure the economic well being of the citizens, especially the vulnerable ones. It is important that government should prioritise actions that need to be taken in developing women in SMME's in South Africa.

The following suggestions might assist in order to create an enabling environment for the development of women entrepreneurs in South Africa.

### 7.6.1 Training and educating women entrepreneurs

In order to succeed in creating an environment where women entrepreneurs can flourish, one needs to start at school level. The focus should be on how to earn an own income legally. That is why entrepreneurship should be implemented at school level with a proviso that entrepreneurial skills form part of the curriculum.

It is not sufficient to merely say that specific training is to be done. Focus should be given to the manner in which is should be done, the important issue of being that activities should be co-coordinated and a two-way approach followed. Firstly, as was said above women entrepreneurial development should be a school subject.

### 7.6.2 Infrastructure problem: Access to technology

For business to become more competitive, develop relationships with customers and suppliers and have easy access to new business opportunities, it is important that women entrepreneurs have access to communication and technology. In order to make technology more accessible to women entrepreneurs, community-based IT centers are needed within the townships. Providing access to computers, email and the internet will be effective only if women entrepreneurs have practical training in how to use the

### 7.6.3 Funding for women entrepreneurship

SMME's development in women entrepreneurs specifically should be funded with the following aims:

- To do research, co-ordinate possible opportunities and act as a one stop shop in order to disseminate information to potential women entrepreneurs.
- To establish different training programmes on how to read contracts, keep financial reports, talk to banks, market a product, communication skills, and business rights.
- To assist women entrepreneurs in the development of business plans and the acquisition of funds.
- To implement a programme of after-care and monitor women entrepreneurs' success and failure.

### 7.6.3 Capital

Capitalism is called capitalism with good reason. Women entrepreneurs need capital or financing in order to start a business.

In the United Kingdom it is estimated that women who are social entrepreneurs create ten times more jobs that women who are business entrepreneurs. Women social entrepreneur is some one who runs a non-governmental organization. It is therefore important that women

entrepreneurs should be trained and encouraged to become women social entrepreneurs in South Africa.

The prevailing taxation system in South Africa entails that the poor person has to pay extremely high interest rate. The richer the person, the lower the rates to be paid. This system does not allow for an increase in women entrepreneurs, the reason being that poor people are perceived to be a bad risk. Capital for women entrepreneurs can be raised through an organization such as Khula (meaning, "to grow" in Xhosa). Another important source is equity capital. This comes into effect when the entrepreneur does not want to be alone in carrying the risk and an important source is the Johannesburg Stock Exchange ( JSE). The JSE, as the London Stock Exchange, was initially started with the idea to raise capital for small businesses like women entrepreneurship. Small Stock Exchange should perhaps be considered to promote the growth of women entrepreneurs.

Another way is by means of the Internet. EDS Africa has launched a website called www.smme.co.za that can be helpful to women entrepreneurs. Another website that might be helpful is www.eez co.za (eez for emerging enterprise zone). Over and above these, there are also banks, the ICD (Industrial Development Corporation) and a number of provincial authorities. The problem is, however, that women entrepreneurs are unaware of these tools.

### 7.6.4 Safety

Women entrepreneurs need to feel safe. Women entrepreneurs will not prosper where crime is. In addition to this, they're also a need for women entrepreneurs to be free from bureaucratic red tape. This is a major problem in South Africa, for there are too many people that need to give input or approve documentation. Then one will also find a number of rules and regulations that hamper women entrepreneurs from expanding and entering the markets.

### 7.6.5 Appropriate taxes for women entrepreneurs

There is no sense in trying to increase the number of women entrepreneurs in South Africa when there is non-existence of tax incentives. Women entrepreneurs should therefore be exempted from tax up to a certain level being gradually lifted to the maximum rate.
Specific fund allocations should be made to enhance women entrepreneurs' development. Government should continuously work cooperatively with the private sector in creating an environment where women entrepreneurs can flourish.

### 7.6.6 After-care and support

Women entrepreneurs need support in order to be successful in SMME's. Only women entrepreneurs are motivated can one truly says that successful SMME's have been created. New women entrepreneurs especially need after-care and support.

### 7.6.7 Support and participation of local government

It is very important for women entrepreneurs to have support at local government level for entrepreneurship development. Local government can provide assistance with:

- Funding for women entrepreneurship development and promotion.
- Creation and maintenance of infrastructure necessary for women enterprises.
- Training and educational programs for women entrepreneurs.

### 7.6.8 Co-ordination and co-operation among women entrepreneurs

Co-operation among businesswomen is of key importance for a successful entrepreneurship and economic growth of South Africa. Women entrepreneurs and the government need to work together to develop structures that will guide the process of sustainable economic growth of the benefits of SMME's

## 8. FURTHER RESEARCH PROSPECTS

The following themes can be proposed as an area for further research:

- Small Medium and Micro Enterprise (SMME) development in women in rural areas.
- Information Communication Technology (ICT) integration in women entrepreneurship.
- The difference between women entrepreneurs and potential women in entrepreneurship.

**ANNEXURE A**

**QUESTIONNAIRES**

**Please answer by indicating X for the appropriate answer**

1. Indicate number of your employees

| | |
|---|---|
| 1-5 employees | |
| 6-20 employees | |
| 21-50 employees | |
| 51-200 employees | |

2. Indicate the number of branches that your business consist

| | |
|---|---|
| 1-2 branches | |
| 3-5 branches | |
| 6-8 branches | |

3. Indicate business management experience

| | |
|---|---|
| Less than a year | |
| 1-5 years | |
| 6-10 years | |
| 11-20 years | |
| >20 years | |

4. Indicate type of business

| | |
|---|---|
| Guesthouse | |
| Projects/Tenders | |
| Construction | |
| Hair Salon | |
| Dress making | |
| Bed & breakfast | |
| Shebeen | |
| Transport, storage & communication | |
| Tuck-shop | |
| Community, social and personal service | |
| Manufacturing | |
| Commercial agents and all Alliend services | |
| Other | |

5. Indicate your position in the business

| | |
|---|---|
| Marketing Manager | |
| General Manager | |
| Purchasing Manager | |
| Financial Manager | |
| Production Manager | |
| Human Resource Manager | |

6. In which way does your business benefit from synergy, resulting from?

| | Yes | No |
|---|---|---|
| Shared knowledge | | |
| Joint venturing ( working together ) | | |
| Bench-marking ( sharing & working together) | | |
| Sharing of resources | | |
| Sharing of knowledge | | |
| Customer – oriented | | |

7. There is formal training in the workplace

| | |
|---|---|
| Strongly disagree | |
| Disagree | |
| Agree | |
| Strongly agree | |

8. You know how to manage finance in your business

| | |
|---|---|
| Strongly disagree | |
| Disagree | |
| Agree | |
| Strongly agree | |

9. Accessibility of funds

| | |
|---|---|
| Strongly disagree | |
| Disagree | |
| Agree | |
| Strongly agree | |

10. Finance is important factor in business

| | |
|---|---|
| Strongly disagree | |
| Disagree | |
| Agree | |
| Strongly agree | |

11. Future job growth potential

| | |
|---|---|
| Strongly disagree | |
| Disagree | |
| Agree | |
| Strongly agree | |

12. Cultivation of culture in women entrepreneurship

| | |
|---|---|
| Strongly disagree | |
| Disagree | |
| Agree | |
| Strongly agree | |

13. Culture and social norms are important in entrepreneurship

| | |
|---|---|
| Strongly disagree | |
| Disagree | |
| Agree | |
| Strongly agree | |

14. The building facilities are easily accessible

| | |
|---|---|
| Strongly disagree | |
| Disagree | |
| Agree | |
| Strongly agree | |

15. Women entrepreneurs have sufficient knowledge, skills and experience

| | |
|---|---|
| Strongly disagree | |
| Disagree | |
| Agree | |
| Strongly agree | |

16. There lack of objective advice when business advice is needed

| | |
|---|---|
| Strongly disagree | |
| Disagree | |
| Agree | |
| Strongly agree | |

17. There is lack of support for women entrepreneurs

| | |
|---|---|
| Strongly disagree | |
| Disagree | |
| Agree | |
| Strongly agree | |

18. Women entrepreneurs get information easily

| | |
|---|---|
| Strongly disagree | |
| Disagree | |
| Agree | |
| Strongly agree | |

19. Women entrepreneurs seek more information to run their business

| | |
|---|---|
| Strongly disagree | |
| Disagree | |
| Agree | |
| Strongly agree | |

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