

**An Investigation into Challenges of women entrepreneurship development
in Soweto, South Africa**



060047597

North-West University
Mafikeng Campus Library

**A Mini-dissertation submitted in partial fulfilment of the Degree of Master
of Business Administration at the Mafikeng Campus of the North- West
University**

By

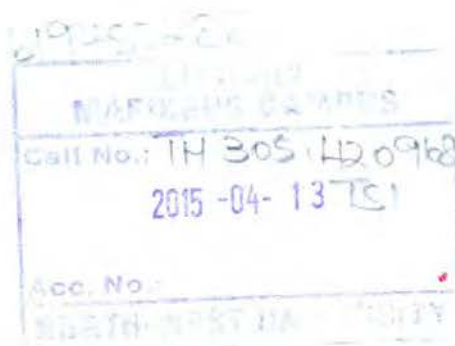
Joalane Tsiu

MBA (NWU)

Student Number: 21446199

Supervisor

Dr T.M. Mpooa



DECLARATION

I, Joalane Tšiu, declare that this report is my own work and that it has not been presented and will not be presented to any University for a similar Degree award.

Signature.......... Date.....13-10-2011.....

DEDICATION

I dedicate this Mini dissertation to my son Teboho and daughter Dineo.

ACKNOWLEDGEMENTS

I would like to thank Dr. T.M. Mpooa for her guidance and encouragements and her effort for grooming me in research activities throughout the study. Through her I acquired many things.

A special thanks to The Graduate School Department of Administration and Commerce at the University of North West, Mafikeng for the support it provided. To you my boss, Honourable Khotso Matla in the Ministry of Trade and Industry, Cooperatives and Marketing, thank you very much nate for your encouragement, cooperation and understanding, even on tight schedules. Colleagues and friends, thank you for your support.

I would also like to thank the women entrepreneurs from Orlando East, Kliptown and Pimville Soweto for participating in this survey. Special gratitude to Daisy (the business lady) and The Business Place in Marshall town who introduced me and set appointments for me to conduct interviews with women entrepreneurs in Soweto.

I would like to have a special gratitude to my husband, Samuel Mokoena for his support in all aspects especially with emotional support and friendship, my son Teboho and daughter Dineo who would always like to see their mother graduating.

Of all, I can't forget to thank my family especially my mother and sisters, who always gave me courage while I was in despaire. Special compliments to my father (the late), the man whose words and support I will never forget.

ABSTRACT

The study was conducted in Soweto, South Africa. The objective of the study was to determine the development and challenges of women entrepreneurs in Soweto, South Africa and to identify possible opportunities and improvement of women's businesses. In this study, the variables that were looked at were the motivational factors that influence women entrepreneurs to establish their own ventures, the contribution of women in the economic force of the country, the challenges that women entrepreneurs are facing in businesses, the support and developmental needs; and the possible opportunities for improvement. The key findings indicate that women were motivated by pull and push factors to start up a business. The need for flexible schedules appeared to be the factors to start up a business, followed by need for independence.

The other factor is that these women had a desire for wealth. Annual turnover was also a factor, whilst difficult to ascertain with accuracy, provided a useful alternative indicator of business size and sophistication, and possibly of potential for growth. The challenges facing women in South Africa have been identified in this research as limited access to obtain funding; high corruption in procurement offices; high interest rates from banks, insufficient education and training, and difficulty to access market as well as cash flow problem.

The above-mentioned challenges have priority over the women's businesses. The developmental needs and support for women entrepreneurs were found to be clear policies, organizations established in assisting women in businesses and the training needs that are supporting women entrepreneurship. Early payments by customers including Government should be facilitated and proper plans for enhancing entrepreneurial women together with education and training should be continuous.

ACRONYMS AND ABBREVIATIONS

ACORN:	a company (Pty) Ltd which produces the Pharmaceutical products and a leading Gauteng South African Women Network member.
BBBEE:	Broad-Based Black Empowerment
BRAIN:	Business Referral and Information Network (BRAIN Program)
BLP:	Better Life Program (BLP)
CPPP:	Community Public-Private Partnership Program (CPPP)
DTI:	Department of Trade and Industry.
FAO:	Food Agricultural Organisation
FSP:	Family Support Program FSP)
GEM:	The Global Entrepreneurship Monitor
ILO:	International Labour Organisation
JDA:	Johannesburg Development Agency
LED:	Local Economic Development
NDE:	National Directorate of Employment (NDE)
NIBIA:	NATIONAL Incubation Association
SAMAF:	South African Micro Finance Apex Fund (SAMAF)
SAWEN:	South African Women Entrepreneurs Network.
SMME:	Small, Micro, Medium Enterprise
SEDA:	Small Enterprise Development Agency
TEA:	Total Entrepreneurial Activities
UNIDO:	United Nations Industrial Development Organisation
WED:	Women Entrepreneurship Development

LIST OF TABLES

	Page
Table 2.1 Type and role of support agencies	33
Table 2.2 Policies and inputs established by South African Government (DTI)	36
Table 4.1 Personal information of participating women entrepreneurs	46
Table 4.2 Business information of women entrepreneurs	48
Table 4.3 Motivational factors to start business	52
Table 4.4 Challenges facing women entrepreneurs in Soweto	55

LIST OF FIGURES

	Page
Figure 2.1 The model of female entrepreneurship motivation	18
Figure 4.1 The academic qualifications of women entrepreneurs	47
Figure 4.2 Permanent employees of women's businesses	50
Figure 4.3 Composition by business turnover of women entrepreneurs	51
Figure 4.4 Women who establish their own businesses due to flexible schedule	53
Figure 4.5 businesses opened due to need for independence	54
Figure 4.6 Businesses opened due to desire for wealth	55
Figure 4.7 Women indicating their development needs	57
Figure 4.8 Organizations established specifically for women	58
Figure 4.9 Names of the organizations that assist women with business trainings	59
Figure 4.10 Training activities that are offered by the above organizations	60

TABLE OF CONTENTS

	Page
CHAPTER ONE	
1.0 OVERVIEW OF THE STUDY	1
1.1 Background Information	1
1.1.1 The regulator environment	3
1.1.2 Education opportunities and education systems	3
1.1.2 Cultural factors and societies views and societal perception	4
1.1.4 Management training and job opportunities	4
1.1.5 Family responsibilities	5
1.2 The development of entrepreneurs	8
1.2.1 Gender in Entrepreneurship	9
1.3 Problem Statement	10
1.4 The purpose of the study	11
1.5 The aim and objectives of the study	12
1.6 Research questions	13
1.7 The significant of the study	13
1.8 The scope and delimitation of the study	13
1.9 The definition of terms	14
1.10 Conclusion	15

CHAPTER TWO

2.0 LITERATURE REVIEW	16
2.1 INTRODUCTION	16
2.1.1 Empirical Review	16
2.2 Factors motivate women to start business	16
2.3 The contribution of women entrepreneurs have in the economic force	20
2.3.1 Women entrepreneurship contribution to the economy of the other countries	22
2.4 Challenges facing women entrepreneurs	24
2.4.1 Lack of visibility as strategic leaders	26
2.4.2 Differential information and Assistance needs	26
2.4.3 Family influence on women entrepreneurs	27
2.5 Developmental needs and support for women entrepreneurs	27
2.5.1 Training	28
2.5.2 Credit support for women entrepreneurs	28
2.5.3 Counseling	29
2.5.4 Mentoring	29
2.5.5 Information sharing or network formation	30
2.5.6 Incubators	31
2.5.7 Marketing Assistance	32
2.5.8 Advocacy	32
2.6 South African policy supporting women	35
2.6.1 South Government programmes for network	36

2.6.2 Khula Enterprise Finance	38
2.6.3 Business Partners Umsobovu Franchise Fund	38
2.6.4 Local Economic Development	39
2.6.5 Small Enterprise Development Agency	39
2.6.6 Community Public –Private Partnership Programm	39
2.6.7 Thuso mentorship Programm	40
2.7 Conclusion	40

CHAPTER THREE

3.0 METHODOLOGY 42

3.1 Area of the study	42
3.2 Data Collection techniques	42
3.2.1 Primary data sources	42
3.2.2 Secondary data	43
3.2.3 Questions	43
3.3 Sampling method	43
3.4 Sampling techniques and size	43
3.5 Data Analysis	44
3.6 Conclusion	44

CHAPTER FOUR

4.0 DATA ANALYSIS AND INTERPRETATIONS 45

4.1 Personal Information	45
4.2 Business Information	47
4.3 Motivational factors influence women to start business	52
4.4 Challenges facing women entrepreneurs in Soweto	55
4.5 Developmental needs and support for women entrepreneurs	56
4.6 Identification of opportunity for improvement	61
4.7 General comments	62

CHAPTER FIVE

5.0 CONCLUSION AND RECOMMENDATIONS 63

5.1 Factors motivate women to start businesses	63
5.2 The contribution that women entrepreneurs have in economy force	64
5.3 The challenges facing women entrepreneurs	64
5.4 The developmental needs and support for women entrepreneurs	64
5.4.1 Network as a source of business	65
5.4.2. Legislation and policies enforcement	66
5.5. Identification of opportunities for improvement	66

5.2 PRACTICAL RECOMMENDATIONS 68

5.2.1 Development of knowledge base and supporting advocacy on women	68
5.2.2 Development of a variety of support services	69

5.2.3 Developing internal and external partnership	69
5.2.4 Female awareness campaign and sensitization workshop	69
5.2.5 Improvement in policy/legal framework	69
5.2.6 Encouraging women education in science and technology	70
5.2.7 Encouraging women scientists networking	70
5.3 LIMITATIONS AND SUGGESTION FOR FUTURE	70
BIBLIOGRAPHY	71

CHAPTER ONE

OVERVIEW OF THE STUDY

1.1 Introduction and Background

This chapter represents the background on women entrepreneurship development and challenges, problem statement and its significance, the motivation or purpose and the scope and delimitation of the study. The small businesses entrepreneurs play an important role in stimulating economic activities, creating jobs, alleviating poverty and uplifting standards. This is recognized in Africa as well as internationally (Van Vuuren and Groenewald, 2007:269).

Women experience problems as far as entrepreneurship is concerned. Social pressure such as rearing children for instance, or maintaining the family unit, cause women to concentrate more on part-time entrepreneurship. A male-dominated business world also views female entrepreneurs skeptically. Women entrepreneurs find that the biggest single obstacle they have to deal with is obtaining capital with which to start a new business (Kroon, 1998).

In Lesotho two-thirds of small businesses were owned and run by women. However women were minors in the eyes of the law. This deprives women of the legal capacity required to act as independent economic agents. Among other things, a woman could not, without the consent of her husband (or male guardian), enter into contracts, sue or be sued, register immovable property in her name, act as a company director or bind herself as surety (Lesotho White Paper, 2002). This legal discrimination is one of the factors that tends to trap women entrepreneurs in the informal micro sector. The reform of the law relating to women has hitherto been seen as a social issue although, in fact, it also has profound economic consequences and should be dealt with from that perspective.

The Lesotho Companies Amendment Act (2008) through Millennium Challenge strengthens and guarantees gender equality in business establishment, management and operations in Lesotho. It empowers women who are involved in business sector. Amongst others, the act gives women the right to access credit, and to be the company directors. The bill gives women an opportunity to act as incorporators of company without the spouse's consent (Lesotho companies Amendment Act, 2008).

In Soweto South Africa, women have historically been disempowered by unjust laws under apartheid and unequal access to economic opportunities and social services. Democracy has significantly advanced women's rights. However, many challenges remain in building a non-sexist society and a better life for women (South African Government Information Gauteng on line, 2008).

This legal discrimination is one of the factors that tends to trap women entrepreneurs in the informal micro sector. The reform of the law relating to women has hitherto been seen as a social issue although, in fact, it also has economic consequences and should be dealt with from that perspective (Lesotho White Paper by the Ministry of Trade and Industry, Cooperatives and Marketing, 2002).

Discrimination in the labour market traditionally limited career options for women. In the United State female entrepreneurs start as twice as many new businesses as their male counterparts. It was expected that fifty percent (50%) of all businesses in the USA will be owned by women in 2000 (Kroon, 1998).

As the South African government continues to address women issues in the broader economy, there is need to understand the environment in which women entrepreneurs operate, including the challenges they face. Amongst many other challenges, five are most relevant to the situation of women. These include:

1.1.1 The regulatory environment

The regulatory environment includes government legislation that can have a constraining effect on women's enterprises. In many developing countries like India, legislation existed that limited women's contractual rights and their economic participation. Women were also excluded from the ownership of property, which limits their access to collateral for loan finance. In addition to these constraining factors, complex administrative burden in establishing and sustaining a business has a negative impact on women-owned businesses and sometimes pushes women into the informal sector (Hendricks, 2003).

1.1.2 Education opportunities and education systems

Secondly, Hendricks (2003) indicates that education opportunities and education systems can constrain women-owned enterprises, as women tend to be the ones who have limited access to education opportunities. Education systems, heavily influenced by societal values and principles, also play a role in this constraint. Women's career choices from an early age are still directed towards the softer sciences and not those in business, science and technology. These career choices can later affect women's confidence in entering the business world and in starting an enterprise in what is perceived to be a male domain. Gender blindness in the mathematics and science curriculum at secondary school and tertiary level has consistently discouraged women from entering these fields. The result is a shortage of skilled women in the technology-intensive industries that are key to the success of an economy.

A report by the secretariat of the United Nations Countries Trade and Development (UNCTAD, 2010) shows that entrepreneurship is a lifelong learning process. This starts as early as elementary school and continues all at level of education, including adult education. They said education should build positive attitudes towards business and develop entrepreneurial competencies to successfully plan, start and manage business.

The report (UNCTAD, 2010:4) further states that curricula should be tailor-made to include appropriate gender, youth, informal enterprises and enterprises that are based in rural areas. Curricula could also be engaged to students since students have a growing interest in entrepreneurship education. Entrepreneurship programmes should be developed not just in business schools or economic departments. Entrepreneurship can be in any discipline or sector; it can be from medicine to the arts and to public service.

1.1.3 Cultural factors, societal views and societal perceptions

Thirdly, cultural and societal values and perceptions continue to oppress women. Cultural attitudes also discourage women from taking risks in business and accessing information as well as preventing them from getting equal access to procurement opportunities. Certain negative cultural aspects in patriarchal societies make women more vulnerable to being victims of crime and gender-based violence. The social environment also discourages women from pursuing career paths in the fields of science, engineering and technology sectors. This happens in the technology-intensive industries, applied technology and in other knowledge industries (Hendricks, 2003:3).

1.1.4 Management training and job opportunities

Hendricks (2003) expresses that the limited access of women to management training and relevant job opportunities has a negative impact on women entrepreneurs. Often women in the workplace are concentrated in the least skilled or lowest paid jobs; this limits their access to management technical training and denies them the on-the-job management experience that would enable them to successfully manage an enterprise. Such knowledge is difficult to teach, for example in government-supported training programs, as it is often acquired through experience in the workplace.

1.1.5 Family responsibilities

According to Hendricks (2003), women's family responsibilities can result in additional financial burdens as well as increased household responsibilities. For example, a lack of affordable childcare facilities for young children creates an additional burden for the mother who would like to start her own business.

These five constraining factors result in a number of difficulties for women entrepreneurs, such as getting adequate finance, acquiring adequate skills to start and manage a business, the risks of crime and violence, lack of access to information, and poor use and understanding of technology. It is therefore necessary to respond to these different constraints through appropriate support measures.

Reyholds *et al.*, (2001), Acs *et al.*, (2005) cited by Brush, Cater, Gatewood, Green and Hart, (2006) express that the international buzz about entrepreneurship has become more pronounced with the explosion of new technology, rise in the availability and use of equity capital and breaking down of the economy and trade. The Global Entrepreneurship Monitor (GEM) studies (e.g. High-Expectations Entrepreneurship, 2005) find that entrepreneurship is a central source for employment creation.

Southern Africa is a region with high unemployment rates, low levels of formal and high education, the migration of individuals from rural areas to cities, corporate restructuring and government policies including regulations that enforce the restructuring of larger organizations. The region thus has a need for entrepreneurs in the small, micro and medium enterprises (SMMEs) who can act as a tool to combat unemployment and crime to stimulate the economy as a whole (Maas & Herrington 2006:59).

According to Maas and Herrington (2006:59) there is growth in female entrepreneurs are more than in male entrepreneurs. This led to a renewed focus on gender entrepreneurship interventions for gender specific groups internationally. In Chile the estimation is that there are 513 000 women entrepreneurs, which is 33% of all

entrepreneurs. This has increased from 20% three years ago. The estimate is that by 2010 female entrepreneurs in Chile will be equal to male entrepreneurs and create more than 50% of the jobs in new enterprises.

According to International Trade Centre (2004) cited in Maas and Herrington (2006:30) Canada has encountered 200% growth in the number of women entrepreneurs over the last twenty years. In Africa, Cameroon managed 57% of women entrepreneurs of small and micro businesses while in Uganda women entrepreneurs form the majority of the country's business people in the area of farming and small to medium sized enterprises.

Typical women entrepreneurs have been around for centuries because women in Southern Africa had more potential in food production (Agriculture) while men were working in the mines. Boserup (1970) described Black Africa as the region of female farming par excellence. Food Agricultural Organisation (FAO, 1982) estimated that rural women contribute two-third of all the time that is put into traditional agriculture in Africa.

Despite women's extensive and varied participation in agriculture, they continue to have less access to credit and modern agriculture inputs. Consequently, their farm works are labor-intensive, yields meager economic returns (Buvinie and Mehra, 1990) and operate mostly at subsistence level. International Labour Organization (ILO, 2003) cited in Akpera and Sunday (2008) reports that Nigerian and African women entrepreneurs in general are in the micro enterprise sector and almost invisible in the small and medium enterprise categories.

Women in general are naturally endowed with some exceptional abilities, which if properly harnessed for entrepreneurship purpose could result in positive and enviable results. Women by nature have creative abilities, are blessed with the ability to persist and pursue their desires, good and patient nurtures of children, and this tenacity is

usually transferred into business. Good innovators, have the ability to develop passion for what they believe in.

According to Feroze (2010:22), women are more collaborative, consultative and have focus, as well as being pragmatic.

Watson (undated) cited in Okara (2005) identifies the basic requirements of an entrepreneur to include: hard work, teamwork, commitment, appreciation, listening, high expectations, setting achievable goals. Women, by nature and exposure to family relationships, possess most of these qualities that are essential and can be enhanced for entrepreneurial success.

Entrepreneurship and the role of entrepreneurs in small-business development have been popular topics with politicians. Policy makers use this to address issues such as finding solutions to unemployment and economic development problems. It remains to be seen, however, whether the words of politicians would manifest into actions. This applies to both the current and the previous governments as South Africa still does not dispose of an extensive entrepreneurial culture. Business ownership is much less common among women than men, and the need for entrepreneurial development is consequently much greater among women (Government programs, 2008).

In South Africa there are different types of women entrepreneurs like women who are in Training and Consulting, Office and equipment suppliers (brokers), computer operators, Catering people, tailors, women in construction, women in Agriculture, food industry, women in taxi and trucks (transport and distribution) and women who owns wholesales and supermarkets. The development and challenges that women entrepreneurs face in South Africa have not been adequately studied addressed and developed.

This study is important because the previous studies have concentrated more on motivating factors that encourage women to start up their own businesses. However

the aim of this study is to determine the possible opportunities to improve the women businesses.

1.2 The development of entrepreneurship

One of the key factors in determining the success of development is the status and position of women in the society. This means that the neglect of women in the development process of any country constitutes a human resource waste. The task before any government, therefore, should be that of moving steadily and firmly in the direction of economic development by involving women.

Faleye (1999) cited by Makinde, and Adetayo (2004:5) stresses that women's development is not about reducing poverty by increasing productivity but also about women's liberation and empowerment. True development means the development in the three categories of a woman. These are individual, social, and economic development (Rodney, 1972 cited by Makinde and Adetayo 2004: 30). Individual development means increased skills and capability, greater freedom, creativity, self-discipline, responsibility and material well being. Increasing capacity connotes social development, while economic development is determined by the increased capacity of the members of a society in dealing with their environment. This emphasis means that development at the individual stage subsumes both the social and economic categories of development.

According to Makinde and Adetayo (2004:19), development is dynamic and therefore assumes a continuous transformation process and a movement towards better and improved conditions, globally. In Africa, women constitute about 50 percent of the population and account for about 60 to 80 percent of the agricultural production. Therefore, for a meaningful development to take place, women development must not be overlooked.

Makinde and Adetayo further stated that women in Nigeria actively played a meaningful role in the industrialisation process of the country. The role of women in social and economic development specifically in the small and micro enterprises was found to be primal in the economic development of their communities. Their potentials have spurred the government in devising policies to stimulate the industrial sector specifically in the development of indigenous technology. Accordingly, the government has developed trade and industrial policies that will foster industrial development and increase production of manufactured goods in the country. The majority of these policies were created for the informal sector. For instance, the government of Nigeria has formulated policies to improve the conditions of the rural women and the Family Support Program (FSP) to improve the fortune of the family and the condition of women in general.

1.2.1 Gender in entrepreneurship

The issue of women empowerment from the perspective of the process of overcoming gender inequality through the 5 levels (ladders) of equality shows that the lowest level of women empowerment is attained when the equality gap between man and woman is bridged at the level of welfare. Access, the next level, implies access to land, loan facilities, labour services, opportunities, and to use own labour. In this case, there is no doubt that empowerment will improve or better still, guarantee better and steady income.

At the participation level, women equally with men are actively involved in the development process when there is increased control over the factors of production and when there is a balance of power between women and men. Neither has position of dominance. This level of empowerment enables women to actualise themselves. Self-actualization produces such satisfaction as power, prestige, status, and self-confidence. It is at this level at which women feel fulfilled.

1.3 PROBLEM STATEMENT

Women's entrepreneurship is increasingly recognised as an important factor for economic growth and development in Southern Africa (SA). Entrepreneurship creates new jobs for men and women, and is essential in a region with a young population and high unemployment. Research internationally has shown that increases in women's income lead to higher spending on family welfare. In the Southern Africa region, where female labour force participation rates are the lowest in the world, Lynne (2003:61) expresses that in contrast, female labour force participation rate (i.e. percentage of women who are officially classified to be in labour force) is much lower and also more variable than men. Therefore, entrepreneurship can offer new opportunities for women to generate their own income, and help others as they do it.

Available information generally aggregates and studies all business together without highlighting the sex of the founder or the business sector (Gatewood *et al*, 2003). Consequently, while entrepreneurship is viewed as a solution to economic development, people have little understanding of the gendered influences on the experience and subsequent contributions.

Despite increasing economic activity, however, there is a marked lack of quantitative information on the number and growth of women-owned enterprises with which to inform policy making. There is also a growing need for survey-based attitudinal information capturing the self-expressed viewpoints, concerns, challenges and developmental needs of women business owners (Brush *et al*, 2006:4).

Brush *et al* (2006:4) state that economic development supporting new venture creation is an attractive public policy in most countries, but as new firms are created in increasing numbers, policy, emphasis turns to fostering growth of existing businesses. Regardless of location or country context, the increased attention to economic contributions of entrepreneurship and in particular, growing businesses, is reflected in the accelerated pace and variety of public and private sector policy initiatives at all

levels. Minniti *et al* (2005) cited by Brush *et al* (2006:4) state that recently statistics show that women are important drivers of growth in many of the world's economies. However, while statistics show recorded small firm and entrepreneurship activity are available for many countries, there is far less documentation about the contributions women make to the process particularly in Africa.

Furthermore, research on women entrepreneurship has been conducted in Southern Africa (e.g. strategy on promoting women's entrepreneurs development, WED by ILO in 2008 and O'Neill & Vijoen, 2001: Support by female entrepreneurs in South Africa and research done by Van der Merwe & Lebakeng, 2010 with an Empirical Investigation of women entrepreneurship in Lesotho). There's almost no information available as a global phenomenon, specifically the unique challenges, how to overcome them and the possible opportunities to improve the women entrepreneurs' businesses.

The aim of this study is to address these issues and challenges faced by women and their businesses in South Africa, who are compelled to comply with the laid down legislation. Secondly, the study will make recommendations based on the analyses of the questionnaire completed by women business owners. These recommendations will aim to ease the entrepreneurship development and the challenges women face in running their own businesses.

The main thrust behind this study is therefore to find out the contribution in economic impact, by women challenges, how to overcome the challenges, the possible opportunity in improving the South African women entrepreneurs.

1.4 The purpose of the study

There is a need for distribution of income and opportunities to SMME's and women entrepreneurs, especially the historically disadvantaged individuals. This study should

provide insight into the economic force, attitudes, challenges and job creation in development those women Entrepreneurs and SMME's have in Soweto, South Africa. These group of women was chosen to participate in this study because the research would permanently reside in Johannesburg therefore would like to have the insight of women in business in Soweto, their challenges and development. The research is necessary for both South Africa and SMME's and entrepreneurs to measure their economic force in business and development in Soweto, South Africa.

1.5 The aim and Objectives of the study

i) General objective:

To determine the development and challenges of women entrepreneurs in Soweto, South Africa and to identify possible opportunities and improvement of women's businesses.

ii) Specific objectives are:

- i) To determine what motivates women in Soweto to start their own businesses.
- ii) To examine the contribution that the women entrepreneurs have in the economic force in Soweto.
- iii) To determine the challenges and developmental needs of women entrepreneurs.
- iv) To identify the opportunities for improvement of the women entrepreneurs.

1.6 Research Questions

Focus area of the survey included:

- i. What motivated women in Soweto to start their own businesses?
- ii. What is the contribution that the women entrepreneurs have in the economic force in Soweto, South Africa?
- iii. What are the development needs for women entrepreneurs?

- iv. What are the challenges towards women entrepreneurship and the opportunities to improve women in business?

1.7 The significance of the study

The study intended to provide government, policy makers, financial institutions and entrepreneurial support organizations with key characteristics of women owned business enterprises in South Africa as well as Southern African countries as well as the preliminary recommendations for government and private sector action to expand women's entrepreneurship in the region.

The findings of the study may help women entrepreneurs to put on the strategies which address where my business is, where I want my business to be, and how does it get there?

1.8 Scope and delimitation of the study

The scope of the study was Soweto within Gauteng focusing in women entrepreneurship developments and challenges in the region. The study focused on specifically three major areas in Soweto which are Kliptown, Pimville and Orlando East. Soweto was chosen for this study not the whole Gauteng because Soweto is the largest township in Gauteng with the population of 1,300 million. Secondly the economic policies and legislation prior to 1994 in South Africa did not prevent all South Africans from participating in the economy and economic activities that resulted in some imbalances between different groups in South Africa. This resulted in the current Government laying down new legislation in 2003 as an effort to open up the economy and include all South Africans in the economic activities of the country. Thus the enactment of a single most important initiative, the Broad-Based Black Empowerment Act (BBBEE) of 2003 (Act 53/2003). Most women in Soweto especially in Kliptown, Pimville and Orlando took an advantage of this, and started to open their own businesses in associations and individually. Thirdly, due to time factor and the budget

which could not allow the researcher to cover the whole area of Soweto, only the mentioned locations were studied.

1.9 Definition of Terms

- **Entrepreneurship**

The practice of starting new organizations, particularly new businesses. Entrepreneurship can also be shortly defined as the willingness to take the risks involved in starting and managing a business.

- **Employment**

The function of investment output and income or profit got from sale of product/services.

- **Development**

The act of improving by expanding or enlarging.

- **Challenges**

The call to engage in contest or controversy of any kind e.g. a skill or strength.

- **Economy**

The operations of money supply, industries and trade.

- **Enterprise**

The small business or organization for income generation.

1.10 Conclusion

The study provides a robust and reliable in-depth picture of business activity done by women, together with the characteristics of enterprises and business owners and employment rate, in a range of sampled areas representing a cross-section of Soweto. The next chapter is Literature Review where the arguments are built on the objectives of the study.

CHAPTER TWO

LITERATURE REVIEW

2.1 INTRODUCTION

This chapter represents a review of literature on women entrepreneurship development. It is composed of the empirical review and the conceptual frame work. The research is intended to investigate the factors that motivate women to start up their own businesses, retribution of women entrepreneurs in the economic force, challenges to women entrepreneurs and the support for women entrepreneurs.

Women entrepreneurs in this study are defined as female own-managers of small to medium-sized businesses (South African National Small Business Act, 1996: National Small Business Amendment Act, 2004:2).

2.1.2 Empirical Review

Women entrepreneurs play a very critical and important role in the economy of any country with regards to income and employment creation. South Africa recognises the invaluable potential and contribution that women can make to the economic sector. A lot has been written about these outstanding women who are entrepreneurs, spouses, housewives, mothers and care-givers and about the difficulties they encounter as they struggle to achieve business success alone or as co-entrepreneurs (Downing, 2006).

2.2 Factors that motivate women to start up their own businesses

It is important to determine the factors that motivate women to start their own businesses. This information can help the stakeholders being the government, policy makers and the other women entrepreneurs to address challenges in entrepreneurship.

The Push and Pull factors are discussed as the main factors to influence women to enter into businesses.

Brush (1990:), Buttner and Moore (1997) cited by Orhan and Scott (2001:68) indicate that when it comes to women entrepreneurs, only a small part of entrepreneurial motivations are acknowledged as gender-based. Instead, Orhan *et al* (2001) further state that 'pull and push' factors are now a common way of explaining different motivations to start up a business.

Shastri and Sinha (2010:30) suggest that women enter into business mainly for two types of factors pull and push factor. Pull factor refers to the process in which women are encouraged to start an occupation or venture with an urge of doing something independently. Push factors refers to the process in which women are compelled to take up their own business in order to tackle-up their economic difficulties as well as responsibilities. For an example, in India most of the women are now showing preferences towards the entrepreneurship rather than going into the fields of professional as well as various services. Women are choosing both the traditional (toy making, pickle making, candle making, etc.) as well as the non-traditional (garment shop, beauty-parlour, computer-training, school management, etc.) activities and are performing well thus a pull factor (Shastri and Sinha, 2010:30).

Push factors are elements of necessity such as insufficient family income, dissatisfaction with salaried job, difficulty in finding work, and a need for a flexible schedule because of family responsibilities. Ducheneaut (1997) cited in Orhan *et al* (2001:5) expressed that push factors relate to independence, self fulfillment, entrepreneurial drive and a desire for wealth, social status and power.

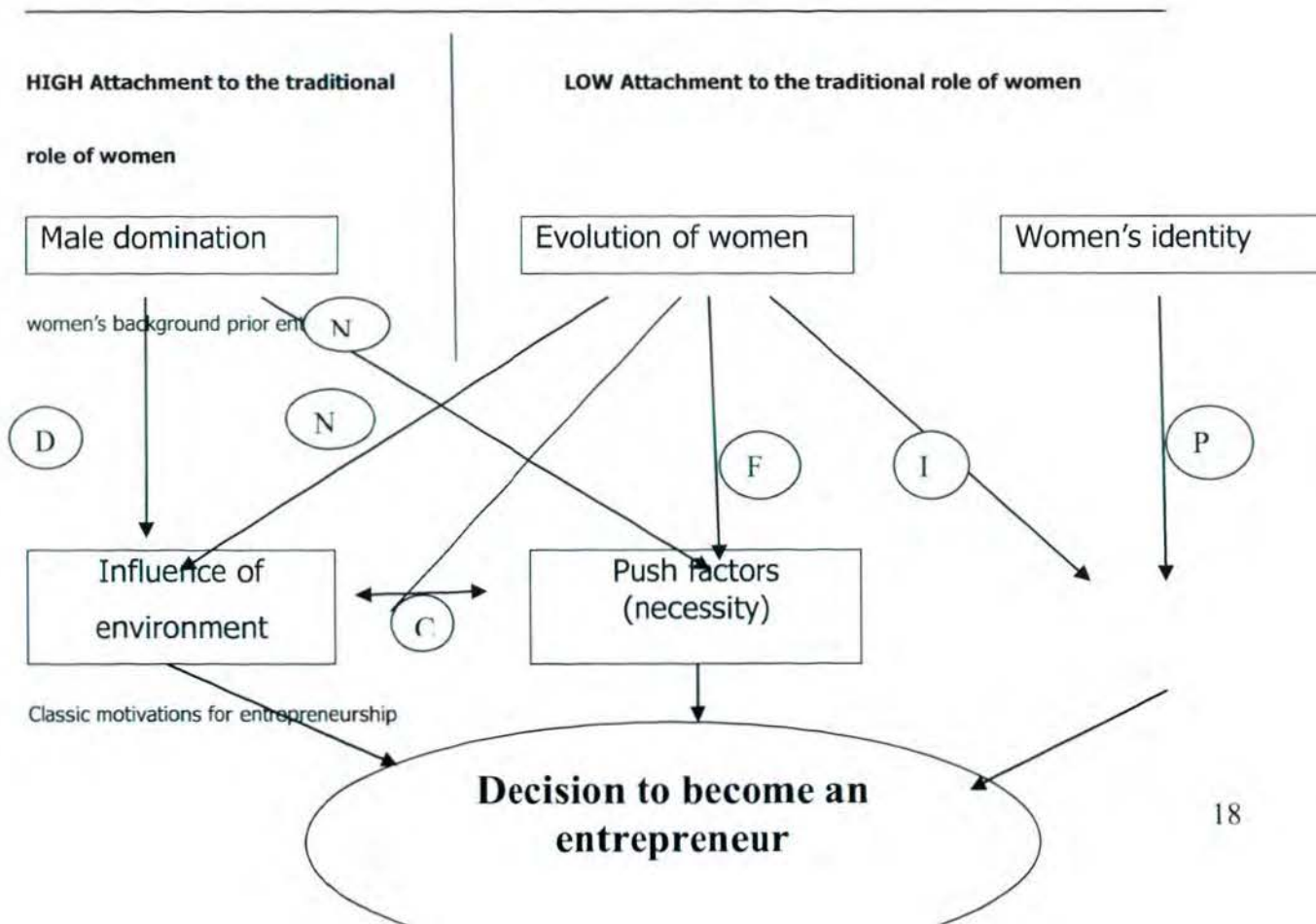
Previous empirical studies such as those by Buttner & Moore (1997) and Brush (1999) cited in Gadar and Yunus (2009:149-162) found that dissatisfaction with employment and redundancy are significant in motivating women to start up business operations.

A push/pull model reflects most entrepreneurial motivations, and one female specific feature is the push factors of flexible schedule, reflection of the family caring role that is still expected from women because of their mothering role, and that the experience truncated or stopped careers more often than men (Orhan *et al*, 2001: 78).

Hisrich and Brush (1985) cited in Orphan *et al*, (2001:6) have also focused on the concept of development of women entrepreneurship was predominantly due to push factors such as frustration and boredom.

Another push factor expressed by Still and Timms (2000:3) cited in Orhan *et al* (2001:233) is that women also start their businesses with the objective of "making a difference". According to these authors, women are more client focused than men, ethical in operations and making a social contribution while also pursuing economic motives.

Figure 2.1 Model of female entrepreneurship motivation



D: Dynastic compliance. **N:** No other choice, **Na:** Natural succession; **C:** Entrepreneur by chance, **F:** Forced entrepreneur; **I:** Informed entrepreneur; **P:** Pure entrepreneur.

Source: *Goffee and Scase (1985:241)*

The typology of identified motivations for women to become entrepreneurs indicates that there are reasons that form a complex system of interacting motivations. The model also reflects that there is reinforcement of some effects as a result of influence of a number of motivating factors such as push or pull.

According to Pines, Lerner and Schwartz (2010:9), studies show that one of the push factors that cause women to become entrepreneurs a feeling of being excluded from male dominated corporate organisations. Rosener (1989) cited by Pines *et al* (2010:191) reported that seventy percent of her women respondents had worked in a corporation prior to becoming entrepreneurs. Of these women entrepreneurs, eighty percent reported that in their prior positions, they had to work harder than men to advance.

Moore and Buttner (1997:107) in their study of women entrepreneurs also found evidence of discrimination against women in decisions concerning hiring, salary, promotions, and assignments of responsibility, performance evaluation and access to training opportunities. The discrimination and barriers drove one in every five women out of the corporate world into entrepreneurship.

The decision to become self-employed may stem from the push effect of (the threat of) unemployment, but also from pull effects induced by a thriving economy producing entrepreneurial opportunities. Opportunity-based entrepreneurship involves those who choose to start their own businesses by taking advantage of an entrepreneurial opportunity. Necessity-based entrepreneurship involves people who start a business because other employment options are either absent or unsatisfactory (Mulira, Dawa and Nawatovu, 2010:56). Generally, the opportunities for entrepreneurs are prevalent

in high-income countries, while necessity entrepreneurs are more common in the low-income countries (Mulira *et al.*, 2010:57).

The existing opportunities within the environment push women into entrepreneurial venture. Such factors include value of wealth, indirect benefits, and timing of opportunities in the career prospect and the impact of market conditions (Alstete, 2002) cited by Mulira *et al.* (2010:6). The study by Langowitz and Minnitti (2007) cited in Mulira *et al.* (2010:6) found that women's propensity to start new businesses is positively related to both their alertness to existing opportunities and self-assessment of having adequate skills and knowledge.

According to studies done by Schwartz (1976), Scott (1986) and Hisrich (1986) cited in Mulira *et al.*, (2010:6) the pull factors that are major motivations for women to start a business were the need to achieve, the desire to control and be independent, the need for job satisfaction and economic necessity.

The evidence provided by the above empirical studies imposes that under the influence of these factors the women entrepreneurs choose a profession as a challenge and as an urge to do something new. Such situations are described as pull factors. In push factors women engaged in business activities due to family compulsion and the responsibility is thrust upon them. The discussions that follow focus on the contribution of women entrepreneurs in the economy.

2.3 The contribution women entrepreneurs have in the economic force

It is essential to highlight the performance of women in businesses taking into consideration contribution women entrepreneurs can make to the South African economy.

Small business growth has been linked to economic growth, the creation of employment, and the alleviation of poverty. Furthermore, the Global Entrepreneurship Monitor (GEM) report has conclusively shown that the level of early-stage entrepreneurial activity is directly related to per capita income (Final GEW_White Paper 18 March presented by FNB).

Women who perform domestic and caring work are an example of a marginalized group that is excluded from the labour market. Labour market exclusion increases the risk of social exclusion (Giddens, 2006) cited in Pines, Lerner and Schartz (2010:191) that includes both distributional and relational aspects. As a result of all these forms of exclusion, in the times of global economic crisis, women's entrepreneurship is likely to be hurt more than men's entrepreneurship. This is especially true for women's "opportunity" or "pull" type of entrepreneurship, which characterizes women in high income countries. As noted by Pines and Lerner (2010), it suggests that exclusion of women in the labour market pushes some women to become entrepreneurs. Srinivasan *et al* (1994) cited by Pines, Lerner and Schwartz (2010) states that research indicate that ventures owned by women tend to under-perform in financial or growth terms, compared to male owned firms.

The assumption is that men entrepreneurs can focus on their businesses more than women entrepreneurs who tend to have multiple commitments to balance in their lives. In addition, some of the reasons mentioned in the study for the gap between men and women in entrepreneurship are women's propensities to: want to spend more time with their families' want to avoid the stress of employing or a high number of people, have less education, and experience more difficulty accessing capital due to marriage contract formulations. It was noted that if South Africa could bring its women to men entrepreneurship ratio to 1:1, the national Total Entrepreneurial Activities (TEA) would significantly improve (Final GEW_White Paper FNB, 2009). The research reflects that women entrepreneurship contribution is significant despite the discriminations they encounter.

2.3.1 Women entrepreneurship contribution to the economy in Australia, Canada and United States of America

Brush, Carter, Gatewood, Greene and Hart (2006:11), indicate that in Australia the majority of women business owners prefer to operate as sole traders or a micro business, and employ more than four people. This is in spite of the efforts made by the Australian government and others to encourage women grow their businesses. The two reasons for the small size of women's own businesses are lifestyle (combining work and family) and wanting to make a difference by providing quality products or services, being part of community, looking after clients, and other more socially oriented objectives. This contrasts with the pure economic objectives of growth and wealth creation that men prefer. Brush *et al* (2006:31) point out that those women businesses are not homogenous enterprises or that women small businesses operators are a homogenous group.

Brush *et al* (2006:31) further says that in contrast to both these socially-oriented and traditional sector arguments, the younger women entrepreneurs are the so called second generation are more likely to be growth-oriented in their businesses and are less risk-averse than their earlier counterparts. They even seek out venture capital and business operators and their businesses are likely in future.

Women entrepreneurial activity in Canada occurs within the context of a strong national culture of entrepreneurship and small business ownership. In 2002 Global Entrepreneurship monitor (GEM) study of nascent entrepreneurship rates, Canada ranked eighth out of 37 countries surveyed, up from its thirteenth place ranking only one year earlier. Canada also has a vibrant small business sector (Brush *et al* 2006: 53).

According to Brush *et al*. (2006:36), approximately 2.4 million Canadians were self employed in 2003, representing 14 percent of Canadian labour force. These individuals

own approximately 2.2 million business establishments of which 1 million have employees and 1.1 million did not. These authors reflect that women entrepreneurs and their business ventures were becoming much more prevalent within Canada and thus increasingly important contribution to the Canadian economy. However, in comparison with their male counterparts' women businesses in Canada also tend to generate significantly less revenue than male owned businesses. In the year 2000, the majority of women owned firms generated average annual sales of \$334542 less than the \$705793 average for male owned firms. In this investigation, the average annual sales level reported by women headed firms was closer to one third the amount reported by male-headed firms. Fischer study revealed that the women businesses tended to generate significantly lower sales per employee (Brush *et al.* 2006:59).

Brush *et al.* (2006:59) pointed out that some research also suggests that businesses headed by women in Canada tend to grow more slowly than those headed by men. One recent nationwide study for example, found that 58 percent of the 505 women entrepreneurs surveyed, but only 49% of the 510 male entrepreneurs surveyed reported that their firms were in slow growth stage of businesses development in contrast, only 9 percent of the women, but 14 percent of the men reported that their firms were in fast growth stage.

Women businesses owners are an important and growing force in the United States economy, both in terms of the number of participants and the gross revenue and employment they represent, unlike women headed businesses in Canada. The number of women owned businesses continues to grow at twice the rate of all US firms and one woman in the US is a business owner (Brush *et al.* 2006:185).

According to Brush *et al.* (2006:187), the number of women owned businesses with \$1 m or more in revenue grew by 32 percent from 1997 to 2000, exceeding the growth in number of all women owned firms (14 percent) or of all firms (19 percent) with revenues exceeding \$1 million. It is more than a million dollars in sales. The growth rate for the largest category of women owned firms was even more impressive. The

number of women with sales exceeding \$10 million grew by 37 percent, exceeding the growth in the number of all women owned firms (14 percent) or all firms with greater than \$10 million in sales (13 percent). It was estimated that in 2002, there were almost 8500 women owned firms with more than 100 employees with average revenue of \$66 million. The number of women owned firms employing more than 500 employees grew by a staggering 124 percent, nine times the firms in this employment category. The discussions in this section reflect that women entrepreneurship contribution to economy varies in countries.

2.4 Challenges facing Women entrepreneurs

All business owners face certain challenges, but women, because of their gender, often have additional challenges and obstacles that their male peers are less likely to encounter. Working women who have children experience even more demands on time, energy and resources. It is essential to determine the factors that hinder entrepreneurial activities among women. Factors like discrimination, balancing family life and managing the business venture, and socio-cultural constraints are regarded as some of the challenges.

Challenges to women entrepreneurs cover a wide range of spectra, including level of education; inter role conflicts emanating from greater parenting responsibilities, a dearth of financial assistance and socio-cultural constraints. Although men and women both experience personal problems, women recorded more difficulties. This is especially true with regard to a lack of self confidence and not being taken seriously by providers of funds when applying for funds (Bridge, O 'Neill Cromie, 2003:255). It is widely acknowledge that African women have access to fewer resources than men. For example relative to men, they tend to have lower access to land, credit facilities, and education and training facilities.

Richardson, Howart and Finnegan (2004:14) comment that women entrepreneurs suffer from significant material constraints through unhelpful attitudes arising from society's negative attitudes towards women in business. Women entrepreneurs often feel that they are victims of discrimination. This statement is also emphasized by Orhan (1999:2) who found that one of the most interesting issues with regard to women entrepreneurship is the different ways women are discriminated against in concealed ways.

According to Pines, Lerner and Schwartz (2010:29), many studies have focused on the barriers women face as business owners, such as difficulty in balancing family life with the management of their ventures and difficulty in gaining access to capital and lack of information and assistance.

Women engaged in the small and micro scale of the industrial sector are still striving to grow and are still bombarded with problems. These problems include high rates of business failures, low productivity and no access to capital, credit, and labor among others. It was also noted that the policies introducing economic enhancement programs were gender-blind. It was also observed that women were not explicitly included in the programs. Although it was evident that women were found to have been engaged in small scale businesses, a lot of constraints have hindered their economic participation (Makinde and Adetayo, 2004:4).

Another large constraint to women entrepreneurs is the commitment of married women (O'Neill and Viljoen, 2001: 39). Winn (2004:147) states that married women especially those with children live in two worlds: one at work and the other one at home. Winn (2004:147) further expresses that child rearing responsibilities can interfere with the best intentions. While it is often permissible to miss a day at the office to tend to family problems, small businesses have less slack time than large companies and small business owners have less independence than their employees. These small business

owners find that they have more constraints and less flexibility than they anticipated in the planning stages of their businesses.

One of the obstacles faced by women entrepreneurs has been that they are not taken seriously. Even though women have achieved credibility as competent entrepreneurs in areas such as retail, personal services and business services, perceptions that women-owned businesses are less successful, credit worthy and innovative continue to be a barrier.

Several other challenges being faced by women entrepreneur are discussed below.

2.4.1 Lack of Visibility as Strategic Leaders

Changing the perceptions about the likely success of women-owned businesses depends on increasing women's visibility in leadership positions within the greater business community. In an assessment of women's presence as CEOs (Chief Executive Officers) or Directors of large business enterprises, it has been anticipated that the exodus of women to entrepreneurial growth of firms might be because women believe that they have greater representation in strategic leadership positions in privately-held or family-owned firms as they provide better opportunities for leadership than available to women in publicly-traded companies (Singh, 2008:9).

2.4.2 Differential Information and Assistance Needs

Another need for many women business owners is obtaining the appropriate assistance and information needed to take the business to the next level of growth. In a study conducted to gather information needs of women entrepreneurs, those who were just starting their ventures requested assistance and training in implementing the business idea, identifying initial sources of financing, and advertising/promotion. The entrepreneurs, who were already established, had a somewhat different set of needs including financing for expansion and increasing sales. Singh (2008) again indicates that in another study identified conducted study had identified ten most desired needs of

fast growth for entrepreneurs: (a) using cash flow to make operational decisions (b) financing growth (c) increasing the value of the business (d) compensation for self and associates (e) hiring, training and motivating for growth (f) succeeding in a rapidly changing world (g) successful selling (h) sales force management (i) management success (j) problems and pitfalls of growth. Unfortunately, these differences in information and assistance needs can be found across cultures as well (Singh, 2008:9). The next challenge is family influence.

2.4.3 Family Influences on Women Entrepreneurs

Singh (2008:9) suggests that the overlapping of the family and the firm is not significant for women business owners. Unfortunately, little research has been conducted on the dynamics of family-owned firms headed by women. As the boundaries between the firm and the family tend to be indistinct, women operating family businesses face a unique set of issues related to personal identity, role conflict, loyalties, family relationships, and attitudes towards authority. Singh (2008:9) further mentions that family businesses owned by women are at a disadvantage financially and are forced to rely on internal resources of funding rather than outside sources. The critical role of family in business also emerges in cross-cultural studies which show women relying heavily on the family for start-up capital (Singh, 2008:9). The support of women entrepreneurs seems essential for their success.

2.5 Developmental needs for women entrepreneurship

Constraints faced by women entrepreneurs are complex and calls for a parallel range of services to address them. Broadly there are different kinds of services which are effective in supporting women entrepreneurs in addressing the various barriers they face them. The section below lists the types of programmes that are in existence for providing support to the women entrepreneurs.



2.5.1 Training

Training is one of the most common business development services provided. Training initiatives include both the provision of general business skills as well as skills more particular to an industry. General business training includes basic business skills such as costing, marketing, accounting and negotiation, and is usually a central element of an integrated service package. However, training in skills is often not enough for women, and successful training programmes for women entrepreneurs therefore also include confidence building, entrepreneurship development training, fostering the attitudes important to starting and managing one's own business. Some programmes do not confine themselves to training existing or potential women entrepreneurs but also make efforts to reach girls in order to encourage them to become entrepreneurs (Kantor, 2001:23).

Brohman, (1996) expresses that women entrepreneurs are ill-equipped educationally and financially. Training requires preparation of targets, budgets and knowledge of business performance. Communications technologies still contribute towards negative or degrading portrayal of women. Women have different training needs in terms of course content, scheduling, length and delivery. Programme designers must be aware of women's multiple roles. Programmes should be scheduled when women are likely to be free. Participatory techniques and incremental learning using female instructors are considered good teaching models for reaching women entrepreneurs.

2.5.2 Credit support for Women entrepreneurs

According to Kantor (2001:24), credit is a constraint faced by many women entrepreneurs the world over. The author went on to state that in addition, women need to be able to access mainstream banking and finance, and need support in this area. Different methods of providing access to financing, such as loan guarantees or partnerships with formal financial institutions have not been successful, particularly with women entrepreneurs. Increased access to credit is a key to the development of women entrepreneurs in SMEs. Experience from around the world shows that women

need flexible finance that meets the developmental needs of the enterprise. The system of loan guarantees has emerged as a successful means of increasing access to credit. This could reduce the perceived risks to formal lenders associated with lending to women. However, it is essential that the delivery should be kept simple and transparent.

Black women entrepreneurs are denied access to affordable financial services (Brohman, 1996: the dti, 2004: World bank 1990). Besides credit support, women need counseling.

2.5.3 Counseling

Kantor (2001:24) indicates that individually-based services where clients receive help on problems specific to their businesses have proven to be most effective. However, counseling programmes tend to be expensive. One way of cutting costs is by using volunteers and using group-based services for more general issues. Attention must be paid to hiring female consultants, avoiding a male environment and providing services sensitive to women's needs. In addition, gender training of consultants should be done.

2.5.4 Mentoring

Many women want post-start-up support be made, accessible after trying out the skills learned in earlier training. Mentoring is one method of providing this support which can be very effective as it addresses the specific problems faced by the individual entrepreneur. This kind of support includes individual or group-based assistance directed at specific problems where mentors serve as role models. Based on a longer-term relationship with the mentor, this is essentially a form of knowledge transfer. It can be tailored to client needs and therefore can have high effectiveness and impact. However, it can also be costly in terms of mentors' time (Kantor, 2001:24).

Mentoring can be offered to individuals or groups. Individual mentoring is often more effective and have a greater impact as it addresses problems specific to the women's

businesses. Group-based mentoring offers other benefits, such as group solidarity and the opportunity to learn from others' experiences. The Women's Enterprise Society in British Columbia (WES-BC) in Canada offers both types of mentoring services. Group mentoring involves about 20 clients and a female volunteer mentor. The group meets every two weeks and clients pay a small fee for the service. The volunteer mentors are experienced businesswomen. WES-BC's individual programme places responsibility for organizing mentoring sessions on clients (Kantor, 2001:24).

However, as mentioned earlier, mentoring can be an expensive service to provide. Many support agencies have cut costs by using volunteer mentors but mentor quality has to be monitored if this route is taken. Supply of female mentors, volunteers or not, is sometimes a problem. Coupling mentoring with a sectoral focus has emerged as a good strategy to help women to enter new industries. Use of female mentors and having women-only group mentoring programmes increases the likelihood that women will use the services, (Kantor, 2001:24).

2.5.5 Information sharing/network formation

Information is a key resource for women entrepreneurs. Information can relate to markets, suppliers, costs and technology, and networks have emerged as key strategy for offering support to women entrepreneurs. Networking is important to the success of a business, and it is identified as one of the key ways to strengthen women's enterprises as it can provide access to information, new customers and suppliers. Networks are relations with others in the business community; they are one way to access information (Kantor, 2001:24).

Sometimes training courses provide early networking opportunities, giving "practice time" to women before they go out to network in the wider business environment. Training courses also allow women to meet others starting businesses. Networks can also contribute to the knowledge and development of support agencies. The Employment NOW Initiative, women's employment and training initiative of the

European Commission, has recognized this source of learning and requires its funded agencies to have transnational partners. Often these partners share training materials and programme elements, or jointly develop them, and such collaborations can serve to disseminate best practices and promote innovation in service delivery (Kantor, 2001:25).

Information exchange in the networks is provided through many means including one-stop shops, trade fairs and the Internet. Information technology has proven to be an important asset for accessing information and expanding networks. Often the network makes services and information available to people by toll free telephone, fax, in person and through the Internet. In fact the use of ICTs has greatly helped to widen the geographic areas of networks, both between entrepreneurs and between support agencies. Internet allows clients to access it at times that suit their schedules. This helps women have greater access as they often have to juggle multiple demands on their time. Online networks and community business centers offer networking opportunities. Decentralized service provision also insures that the information provided to local women is relevant to the local context (Kantor, 2001:25).

2.5.6 Incubators

Kantor (2001:26) states that incubators provide entrepreneurs with affordable space, and on site available technical assistance and management support. They provide shared premises to help businesses in the start-up phase and shared business services during incubation period. The initiative may support a mix of clients or clients from a particular industry by providing shared capital, reducing start-up risk and costs. They offer management and technical assistance tailored to business's need. Incubators can support women's move into new, non-traditional sectors. Sharing space with others starting businesses often reduces isolation and provides networking opportunities.

Incubators offer an intensive, individualized mix of services at start-up and beyond. This style of service delivery has proven to be a key means to supporting women's

entrepreneurship in new sectors. The effectiveness and impact of services provided are high due to the intensity of services offered. However, outreach and scale is low (Kantor, 2001:26).

An incubator may serve a specific objective such as technology development or neighbourhood revitalization. According to a 1998 study by the National Business Incubation Association (NBIA), there were 587 incubators in North America helping thousands of fledgling businesses take off every year. Incubators, however, are costly to operate due to capital, equipment and consultancy requirements. The networking and mentoring opportunities are greater when the incubator has a sector focus. Since women often have less time to network outside of work hours, this could be a key element for them (Kantor, 2001:26).

2.5.7 Marketing assistance

Agencies provide marketing assistance help entrepreneurs' access current and new markets. The markets can be for inputs or final goods, local or global. It can also help in identifying new products and new business opportunities. New technologies and product development are also one aspect of this service, which helps in accessing new or higher value markets. Support agencies providing marketing assistance often work to create more effective markets through improving transparency, access and equity, thus allowing benefits to be leveraged for a large number of clients. As markets in some cultures are "male spaces", improving market access and transparency can make women more comfortable in the economic sphere. Standardising market operations and reducing corruption have also helped in increasing women's willingness to participate in the marketplace (Kantor, 2001).

2.5.8 Advocacy

Kantor (2001) indicates that several agencies are focusing on advocacy work toward improving the opportunities available to women entrepreneurs. Their key role is

influencing policy. The ILO works in this arena to support women entrepreneurs and its tripartite membership structure suits an advocacy role. Several other international organizations, such as UNIDO, OECD, UNIFEM and ESCAP, as well as governments and NGOs also play this role. Many advocacy organizations focus on supporting female entrepreneurs. They work to raise the visibility of women's economic contribution and to change policy to support women's role in the sector. It is important that advocacy groups are aware of the heterogeneity of their client groups. Without this awareness, policy changes risk being unintentionally biased against certain groups, often women.

Many different types of organisations provide either direct or indirect support to women entrepreneurs. The different organisations working with women entrepreneurs include: NGOs, credit providers, training and technical assistance centres, research institutes and universities, professional organizations, government agencies and private sector organizations. The table below shows the agencies and the role they play in women entrepreneurs.

Table 2.2: Type and role of support agencies

Agency	Role
Government	• Facilitate provision of SME support services • Means of facilitation include: legal and fiscal framework, local infrastructure, education & skills training, policy environment including gender sensitive policy

NGO	• Direct service provider • Close to clients, flexible, greater potential for gender awareness • Advocacy • Decentralize provision with national/international planning and oversight (role for the large and international NGOs)
Universities and Research Centers	• Expand and disseminate knowledge about SME sector: its economic contribution, the role of women entrepreneurs • Develop technologies to expand SME production capabilities and reduce women's domestic work burden
Membership (general and women specific) organizations	• Direct service provider • Advocacy: membership should have common needs for this to work best • Networking opportunities
Private Sector	• Can provide services, such as credit and training • Provide new contacts with suppliers and customers • May be a good source of experienced

	volunteers
--	------------

Source: *(Geneva, ILO), 2001.*

Providing a common hub of education, training, research and advocacy information and support services could prove invaluable as it pulls together all the diverse entrepreneurship associations, efforts, projects and activities. Such an effort, partnered with universities, education ministries and policymakers could ensure that information and support services for women's entrepreneurship is mainstreamed throughout the system to all stakeholders, (including teachers, parents, guidance counsellors, administrators, school boards, government officials) Specifically, official bodies, non-governmental organizations and diverse stakeholders working together, thinking globally and acting locally via education school programs, annual entrepreneurship conferences, projects, workshops and mentoring programs should be included.

2.6 South African Government policy supporting women entrepreneurs

The 1995 publication of the White Paper on the Development of Small Business indicated that the government in South Africa realised the importance of developing entrepreneurship and small businesses (O'Neill & Viljoen, 2001:37).

Mass and Herrington (2006:39) indicate that the Department of Trade and Industry is also considering developing a set of incentives for women entrepreneurs such as business incubation, training and the creation of a networking organisation for women entrepreneurs and business people. The Department of Trade and Industry also has an initiative called Technology for women in Business that focuses on women entrepreneurs at all levels of business to fast track their skills development.

South African Government policy and the availability of inputs determine the success of women's business enterprises.

Table 2.3: Policies and Inputs established by Government (DTI)

Policy	Input
Trade	Access to raw materials
Monetary and fiscal	Access to finance
Education and Training labour	Availability of skilled human resource
Finance	Access to capital equipment
Infrastructure	Access to power, utility, communication and transport

Source: dti: South African Women Entrepreneurs, Report 2005

The Government through the department of Trade and Industry indicated that the Support institutions that facilitate women's entrepreneurial ventures and make its operations efficient and effective are important in enterprise development. (Those support and network institutions are as follows):

2.6.1 South Africa Government Programs for women entrepreneurship and network

According to Downing (2006) in an Ntsika (1999) review of SMMEs, the Department of Trade and Industry should intervene by setting up a structure that would enable women to overcome the policy and business environment constraints that impact on the

growth of their enterprises. The concept of the South African Women Entrepreneurs' Network (SAWEN) was presented at a national women entrepreneur consultative forum in July 2001 and the concept was fully endorsed by the national forum present.

SAWEN has been established as a national network organization that facilitates and monitors the socio-economic advancement of women entrepreneurs and their positive impact on the country's economy. The main objective is the empowerment of women so that they can obtain economic independence, take control of their lives and fully participate in the society in which they live. By creating a platform for women from different sectors and levels of the economy, SAWEN assists women to lobby for increased and better access to resources and to review the impact of policy interventions on their enterprises so that they may move for possible improvements. It is aimed at enabling South African women entrepreneurs to speak in a unified voice (Downing, 2006:46).

According to Downing (2006:48) SAWEN seeks to affiliate all women enterprise groups, co-operatives, organizations and initiatives into a national umbrella body that will represent and articulate the aspirations of all women entrepreneurs (potential and existing) that operate within the South African SMME sector. This could lobby for their needs. SAWEN will link organized groups of women entrepreneurs to private and public sector business and development opportunities. The SAWEN catch line, "Your Link to Business Opportunities", is based on this concept. The network will reach both aspiring and existing women entrepreneurs.

The SAWEN concept will provide women entrepreneurs with solutions to their challenges by addressing the constraining factors through policy advocacy, capacity-building and facilitating linkages. SAWEN supports the success and growth of women-owned and managed enterprises by ensuring their access to the following key areas:

- Business information and advice;
- Business opportunities;
- Appropriate skills and technology;
- Mentorship and counselling;
- Financial advice; and
- Decision and policy-making

According to Downing (2006:48), there are eight factors that make SAWEN a unique organisation:

- The ability to effectively network and reach all women entrepreneurs as well as link them to business resources;
- The capacity to mobilize global and local resources and expertise plus co-ordinate service delivery;
- The credibility and information management capacity to act as the barometer of woman entrepreneurs' contribution to the economy;
- The ability to measure the socio-economic impact of existing programs on women enterprises;
- The ability to design, benchmark and model best practice in woman entrepreneur development programs;
- Enabling access to business information and opportunities by appropriate packaging and using a communication strategy that targets women entrepreneurs;
- The provision of a women entrepreneurship lobbying and advocacy forum; and
- The pioneering of a gender-balanced approach to socio-economic development.

Only with initiatives such as SAWEN will women entrepreneurs in South Africa take their rightful place in the mainstream of the South African economy (Downing, 2006).

2.6.2 Khula Enterprise Finance

Khula facilitates access to credit for small, medium and micro-enterprises (SMMEs) through commercial banks, retail financial intermediaries and micro-credit outlets. It provides mentorship to guide and counsel entrepreneurs in various aspects of managing a business. Entrepreneurs do not get financial assistance directly from Khula (Government programs, 2008).

2.6.3 Business Partners Umsobomvu Franchise Fund

The program helps to fund youth business projects and youth development projects. The Business Partners Umsobomvu Franchise Fund is a finance company that finances existing or new viable businesses. It requires capital from R60 000 to a million. It also has a voucher programme that helps entrepreneurs gain access to business development services support, like accounting and business plan development (Government programs, 2008).

2.6.4 Local Economic Development (LED)

These are municipality-led projects to create employment and growth in the area with the aim of alleviating poverty. They also improve linkages with other household, social and economic infrastructure programs of government (Government programs, 2008. www.dti.gov.za).

2.6.5 Small Enterprise Development Agency (SEDA)

SEDA incorporates the Ntsika Enterprise Promotion Agency (Ntsika), the National Manufacturing Advice Centre Trust (NAMAC), the Community Public Private Partnership Program (CPPP) and the Small Enterprise Human Development Program. Its mandate includes the support and promotion of Co-operative enterprises to reach a variety of enterprises, particularly those located in rural areas. This support of alternative forms of



enterprises will be an important way to facilitate the integration of second economy into the first economy (Government programs, 2008).

2.6.6 Community Public-Private Partnership Program (CPPP)

The role of the CPPP is to promote economic activity in rural areas. This is achieved by linking resource-rich communities with relevant state and private investors who are interested in sustainable utilization of natural resources. The CPPP is committed to unlocking the economic value of state or community-owned land, so as to revitalize rural economies, reduce poverty, increase community empowerment and promote sustainable resource use in the country's poorest regions (Government programs, 2008).

2.6.7 Thuso Mentorship Program

The Program aims to ensure the transfer of skills on a one-to-one basis. It offers pre-loan and post-loan services. During the pre-loan service, clients are assisted with advice, counseling and development of viable business plans (Government programs, 2008).

2.7 Conclusion

Entrepreneurship is not yet recognised for the impact, growth, and possibilities it can offer the South African economy, or for the impact it can have on unemployment and other social tensions in the country. There has been an influx of people from other African countries into South Africa, many of whom have become vibrant entrepreneurs.

Many stakeholders from different elements of society are attempting to foster greater entrepreneurship in South Africa. Partnerships like the FNB-Endeavor partnership offer support, government bodies like the Department of Trade & Industry and the Small

Enterprise Development Agency (SEDA) as well as private participants like the Rupert family and others offer funding, academic institutions like University of Cape Town, Gordon Institute of Business Science and the University of Witwatersrand offer skills. They all contribute towards this critical cause. However, these fragmented approaches do not appear to be producing acceptable results and greater effort should be put into trying to combine the various support structures.

The arguments built in this literature review would be matched on the findings of this study and assist on the conclusion of challenges on women entrepreneurship development. The methodology of the research is going to be discussed on the following chapter.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

The study is on Women Entrepreneurship development and challenges in Soweto. It was carried out in Soweto, South Africa in three major areas being Kliptown, Orlando East and Pimville. In this chapter discusses the methods, techniques used in data collection and analysis of the findings. It covers data collection techniques, types of data, sampling procedure, size and data analysis techniques. The details of the methodology are outlined in this section:

3.1 Area of the study/ Delimitations of the study

The study area, Southern Johannesburg, falls under the jurisdiction of region 6 and 10 of the Johannesburg metropolitan area, which is located within the Gauteng Province and is adjacent to Tshwane and Ekurhuleni Metropolitan areas. Region 6 and Region 10 are two of the eleven administrative regions of the City of Johannesburg, located approximately 15km south west of the Johannesburg Central Business District and approximately 10 km south of the Roodepoort Business District. Region 6 and Region 10 together form the Greater Soweto area.

3.2 Data Collection Techniques (Information sources)

The study used both primary and secondary sources of data. Transcriptions of interviews with the aid of predetermined set of questions (questionnaires) were used to collect the pertinent primary information.

3.2.1 Primary data sources

The target group was women entrepreneurs and associations. The respondents of the questionnaire interviews were specifically women in groups and individual entrepreneurs. The Department of Trade and Industry Officers and South African and

the Business Place and some as well as NGO's, which are intensively working with entrepreneurs, were interviewed as key informants using prepared interview guidelines.

3.2.2 Secondary data sources

Both published and un-published sources of secondary data were adopted, thus magazines, text books, policy documents (white papers), journals and websites/internet were as well selected as appropriate secondary sources of data.

3.2.3 Questionnaire

The questionnaire used for the interviews contains 54 questions (pre-coded and open) divided into five (5) sections. A copy of the questionnaire is attached in Appendix I. The questionnaire was used as a basic tool. In many cases, additional questions were asked in order to obtain a more complete picture. A pre-tested questionnaire was used to ensure that respondents will understandable questions.

3.3 Sampling Method

The subjects of the study were selected from each area using the random sampling method. The selected women entrepreneurs were both individuals and groups or organisations. Fifty women respondents that participated in the programs were identified in the three areas with the assistance of officials from the Business Information and Women Affairs in the state that were stationed in The Business Place in Marshall Town, and Kliptown Johannesburg as project officers.

3.4 Sample Techniques and Size

For the study, fifty women entrepreneurs in Pimville, Kliptown and Orlando. Most women were approached individually, including five women's groups were also contacted. A judgmental sampling method was used. In three groups, the women produced and sold their goods collectively, and therefore one representative per group was interviewed. In the other two groups, women had businesses independent from the organisation. In those cases a few members of each group were interviewed. The

ownership structure of the sample is as follows: in 36 cases (72%) the business was owned solely by a woman, women in a partnership or a women's group. The ownership of 14 businesses (28%) was mixed, mainly partnerships of husband and wife, but also partnerships of brother and sister. In cases of mixed ownership, the female partner of the business was interviewed. The businesses were identified with the help of several organizations that provide services to micro and small businesses.

3.5 Data Analysis

Data collected was compiled and statistically analysed. Both quantitative and qualitative data analyses were adopted by using the SSPS 2007 Statistical Package. Data from the questionnaire was coded, analysed and presented in outputs such as frequency tables. Percentages and ratios have been used for data analysis purpose. The frequency tables percentages, ratios and graphs were used to draw conclusions and to make recommendations regarding the development of women entrepreneurs and their challenges in Soweto, South Africa.

3.6 Conclusion

Data was collected mostly by administering a questionnaire on a one-to-one interview basis. Fifty women were interviewed, those who own businesses individually and even those who are in associations with the help of several organizations that provide services to these women entrepreneurs. In case of association (mixed ownership), one female partner of the business was interviewed. Data collected was compiled and statistically analysed. Both quantitative and qualitative data analyses were adopted by using The SSPS 2007 Statistical Package. The next chapter of this study would be the data analysis and interpretations (findings).

CHAPTER FOUR

DATA ANALYSIS AND INTERPRETATION

4.0 INTRODUCTION

This chapter presents the key findings of the study, based on a quantitative survey of fifty (50) women in businesses, supplemented by information and observations derived from the smaller qualitative survey and interviews with key informants.

This chapter provides the information from respondents sampled from Pimville, Orlando East and Kliptown. The chapter is divided into four sections namely analysis of the research findings, analysis of the research questions, observations and relationship of the study to literature review. The study was aimed at collecting sufficient information that would assist to explain the challenges of women entrepreneurs' development and opportunities for improvement.

4.1 PERSONAL INFORMATION

Table 4.1: Personal (biographical) information of participating women entrepreneurs

Variable	Frequency	Percentage
Age group category		
20 - 29 years of age	2	4.0%
30 - 39 years of age	17	34.0%
40 - 49 years of age	20	40.0%
40 - 59 years of age	11	22.0%
Marital status		
single	18	36%
married	23	46%
divorced	8	16%
widowed	1	2.1%
Number of children		
None	7	14.0%
one child	14	28.0%
two children	18	36.0%
three children	10	20.0%

four children	1.0	2.0%
Five children	0	0%
Past experience before self employed		
unemployed	6	12.0%
own business	9	18.0%
worker	1	2.0%
supervisor	9	18.0%
middle management	13	26%
top executive	1	2.0%
other	11	22.0%
Number of years as self employed		
less than one year	7	14.0%
1 – 3 years	9	18%
4 – 5 years	15	30.0%
5 – 10	11	22.0%
more than 10 years	8	16.0%

The results indicate that women who own businesses are more than 30 years old and above. Forty six percent (23) of women in business are married. The results indicates that (26%) of 13 women were holding the middle management positions from their previous jobs before being self employed and (30%) of 15 women had more than four years in business. The majority of women (36%) or 18 women then followed by (28%) or 14 are women who have one child.

O'Neill and Viljoen (2001: 39) in the literature review indicated that the constraint to women entrepreneurs is the commitment of married women while Winn (2004:147) stated that married women especially those with children, live in two worlds: one at work and the other one at home.

Bridge, O 'Neill Cromie (2003:255)in the literature review added that women entrepreneurs cover a wide range spectrum of problems, including level of education; inter role conflicts emanating from greater parenting responsibilities, a dearth of financial assistance and socio-cultural constraints.

This gives an impression those women entrepreneurs by the age of thirties become independent of their family responsibilities and are left with no work. Therefore, this is the time in which they can think of some innovative ideas or to give certain direction to their lives. They try to spend their time into some productive work, which was to start some business.

Figure 4.1: The academic qualifications of women entrepreneurs



Educational background of the women entrepreneurs also seems to be quite impressive; as most of them have completed their studies up to the graduate were sixty percent (60%) of the women entrepreneurs have the highest academic qualification being university degree while post graduate and diploma are make up 28% of women who hold those qualifications. Brohma, (1996) in the literature review expressed that women entrepreneurs are ill-equipped educationally and training requires preparation of targets, budgets and knowledge of business performance.

4.2 BUSINESS INFORMATION

Business information of participating women is gathered and presented in the following table 4.2.

Table 4.2: BUSINESS INFORMATION OF WOMEN ENTREPRENEURS

Variable	Frequency	Percentage
Form of business		
sole trader	16	32.0%
partnership	5	10.0%
close corporation	27	54.0%
private company	2	4.0%
creation of business		
founder	44	88%
purchased business	2	4.0%
inherited family business	3	6.0%
other	1	2.0%
Type of funding		
personal savings	15	30.0%
borrowed money from relative/friend	3	6.0%
loan from household/spouse	7	14.0%
bank loan	15	30.0%
sold previous business	2	4.0%
other	8	16.0%
Relatives owing business		
Parents	2	4.0%
Relative/cousin	6	12.0%
Brother/sister	3	6.0%
N/A	1	2.0%
Other	34	68%
Permanent employees		
Myself	2	4.0%
2 -3	16	32.0%
6 – 10	15	30.0%
11 – 25	12	24.0%
26 - 50	4	8.0%
101 – 200	1	2.0%

Most of the women who participated in this study operate their businesses as close corporation (54%) or 27 women. The majority of women owned businesses are the

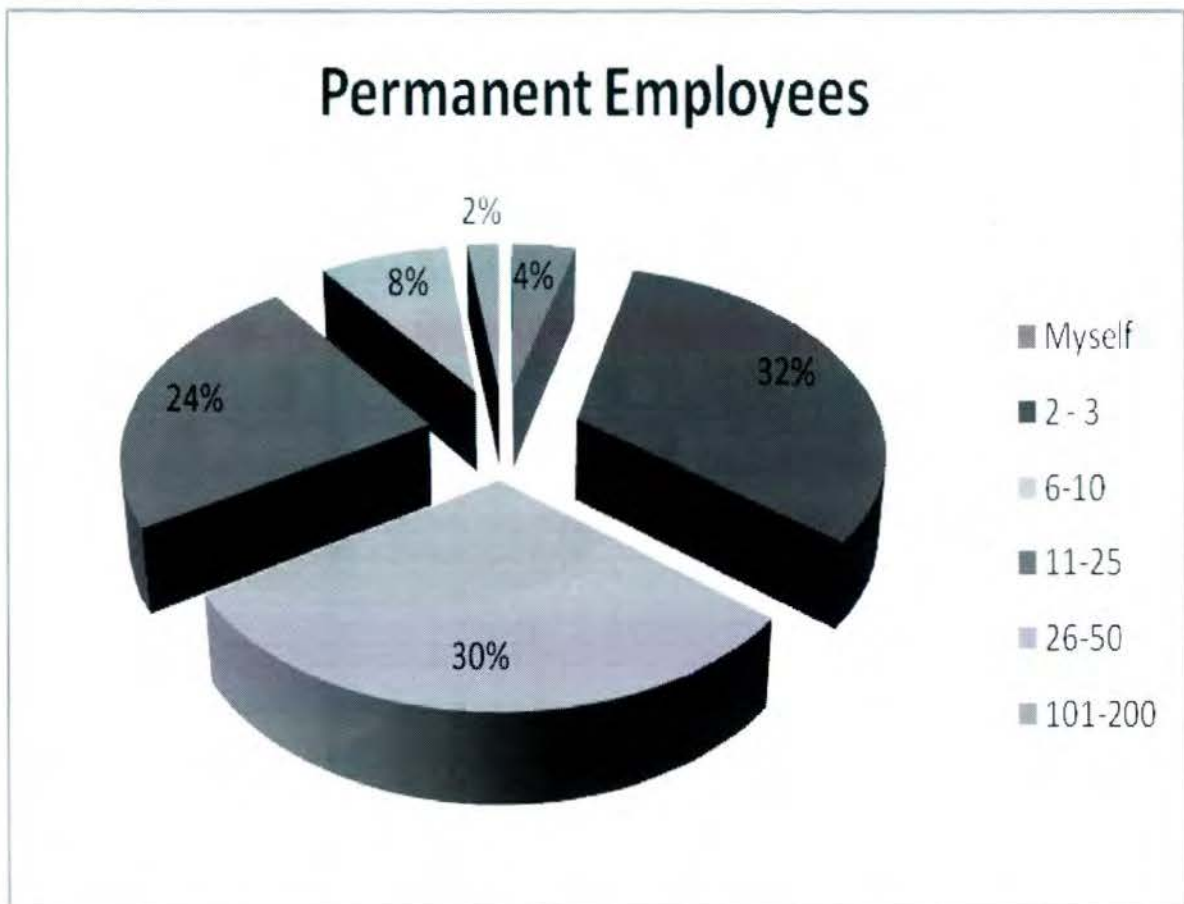
founders of their current businesses, Brush *et al.* (2006:11) in the literature review indicated that in Australia the majority of women business owners prefer to operate as sole traders or a micro business, and employ more than four people.

Just over half of the surveyed businesses (30%) of 15 participants claimed not to have accessed external finance for their business – relying on personal savings to finance their start up and running costs. But (30%) of 15 women seems to be getting loan from the bank.

Pines, Lerner and Schwartz (2010:29) in the literature review expressed that women face barriers as business owners, such as difficulty in gaining access to capital and lack of information and assistance.

The majority (56%) stated that consulting services provided to female entrepreneurs have increased since 1995 and key informants emphasised however, that this increase applied to all businesses.

Figure 4.2: PERMANENT EMPLOYEES OF WOMEN'S BUSINESSES



The majority of women have 2 – 3 permanent employees in their businesses (32%) followed by (30%) of women who hired 6 – 10 employees (30%). The percentage of women who have employees ranging from 11 to 25 is (24%) of 12 women and (2%) of 1 is for women who hired employees ranging between 101 to 200 employees permanently.

Figure 4.3: COMPOSITION BY BUSINESS TURNOVER OF WOMEN ENTREPRENEURS



The figure indicates that (38%) or 19 women who participated in this study have the business turnover ranging from 500 000 to 1 million Rands per annum (38) and followed by (22%) of women who manage to have a turnover of 1million to 5million per annum. The respondents said that their business turnover had increased in the period.

It should however be noted that for businesses that women entrepreneurs in Soweto keep financial records or keep very basic records, an increase in turnover may reflect an increase in real annual sales. This study indicates that these businesses are doing well and they have a potential growth economically.

4.3 Motivational factors that influenced women to start up their own businesses

The purpose of this section is to determine the main motivational factors for women entering into their own business ventures. In this exercise women had to mark X to indicate that they agree or disagree with the statements: 1=strongly agree, 2=disagree, 3 = slightly disagree, 4= neutral view, 5 slightly agree, 6 = agree and 7 = strongly agree

Table 4.3: MOTIVATIONAL FACTORS TO START BUSINESS

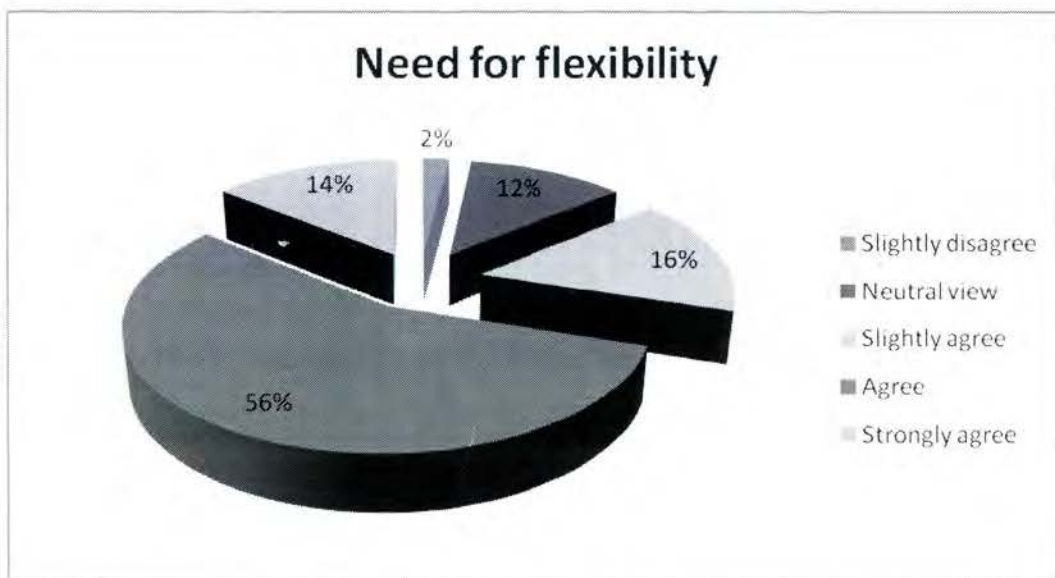
Variable	Frequency	Percentage
The need for independence	21	42%
Need for flexible schedule	28	56%
Need for challenges	22	44%
Self-fulfilment	23	46%
To develop my career	12	24%
Influence from friends or family	16	32%
Retrenchment/loss of job	26	52%
Difficult finding job	17	34%
Dissatisfaction with job (salaries)	25	50%
Compatibility with family duties	18	36%
Insufficient family income	26	52%
Desire for wealth	27	54%
Ensure high job security	21	42%
Inherited the family business	20	40%
Confidence in the product/service offered	27	54%
Other (please specify)		

Table 4.3 indicates that most of the women at (56%) or 28 participants open their own business ventures because they need a flexible schedule and (54%) of 27 women had a desire for wealth while the other (54%) of 27 were confident with the product or service that they offer. Retrenchment or loss of job also followed with (52%) of 26 women entrepreneurs.

These are all factors which were expressed by Ducheneaut, (1997) cited in (Orhan *et al.*, 2001:5) in the literature review that women establish their own ventures with the

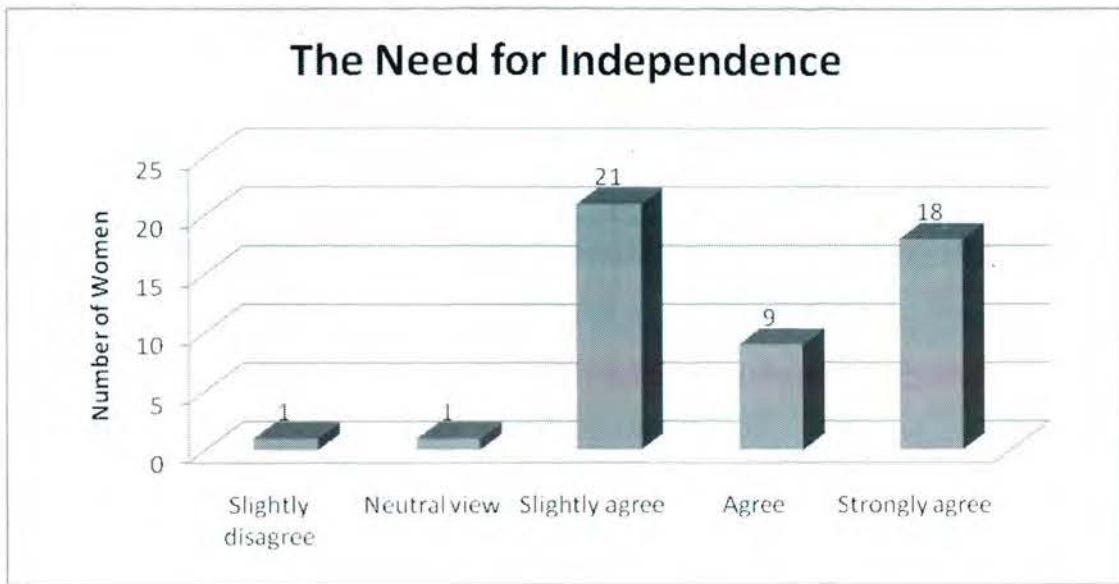
elements of necessity such as insufficient family income, dissatisfaction with salaried job, difficult in finding work, and a need for a flexible schedule because of family responsibilities but the factors such as; need independence, self fulfillment, and desire for wealth, which were prioritized by the participants of this study, are pull factors which motivated women to establish their own businesses. Pull factors are done out of attractiveness according to the model of female entrepreneurship motivation by Goffee and Scase (1985) cited in Orphan *et al.* (2001).

Figure 4.4: WOMEN WHO ESTABLISH THEIR OWN BUSINESSES DUE TO FLEXIBLE SCHEDULE



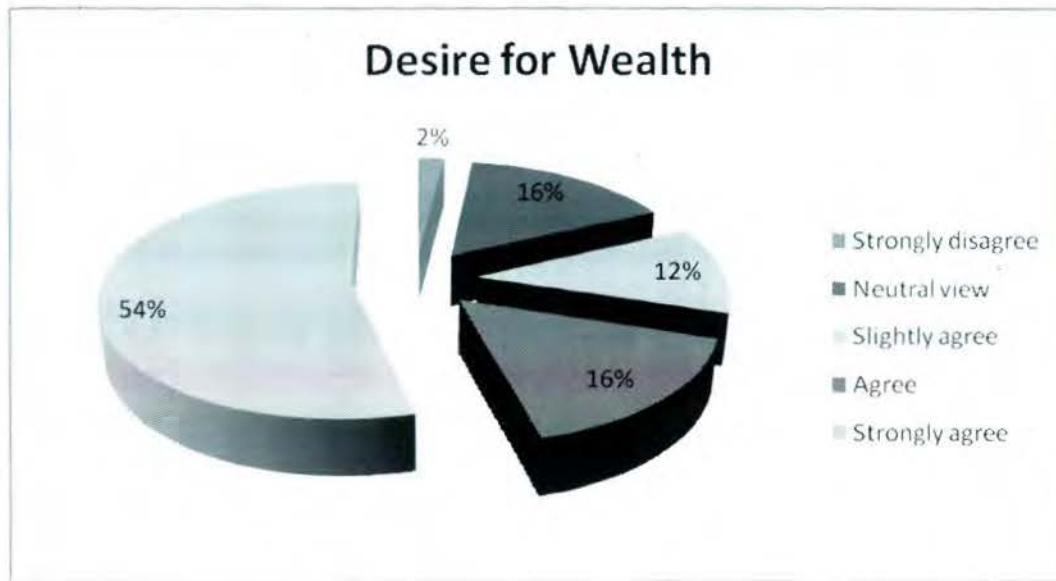
Fifty six percent of 28 women in bussiness strongly agree that they establish their own business ventures because they need a flexible schedule. Of course this is a pull factor that was expressed by Orphan *et al*, (2001) in the literature review.

Figure 4.5: BUSINESSES OPENED DUE TO NEED FOR INDEPENDENCE



The majority of participants (42%) or 21 women indicated that they open their own businesses because they need their own independence which is still a pull factor according to Orphan *et al.* (2001) in the literature review (2.2).

Figure 4.6: BUSINESSES OPENED DUE TO DESIRE FOR WEALTH



Fifty four percent or 27 women strongly agree that they establish their own businesses because they have a desire for wealth while (2%) of women strongly disagree of the wealth.

4.4 Challenges facing women entrepreneurship

Women entrepreneurs were requested to score the challenges or problems they come across while running their own businesses (They were still using 1= strongly disagree, 2= disagree, 3= slightly disagree, 4= neutral view, 5= agree, 6= slightly agree and 7= strongly agree).

Table 4.4: the challenges facing women entrepreneurs in Soweto

Variable	Frequency	Percentage
Very limited access to obtain funding	28	56
High corruption in procurement offices for government officials	25	50
High interest rates from bank loans	25	50
Late payment from government	24	48
Insufficient education and training	24	48
How to manage cash flow	23	46
Family pressure	22	44
Competition is stiff amongst entrepreneurs	21	42

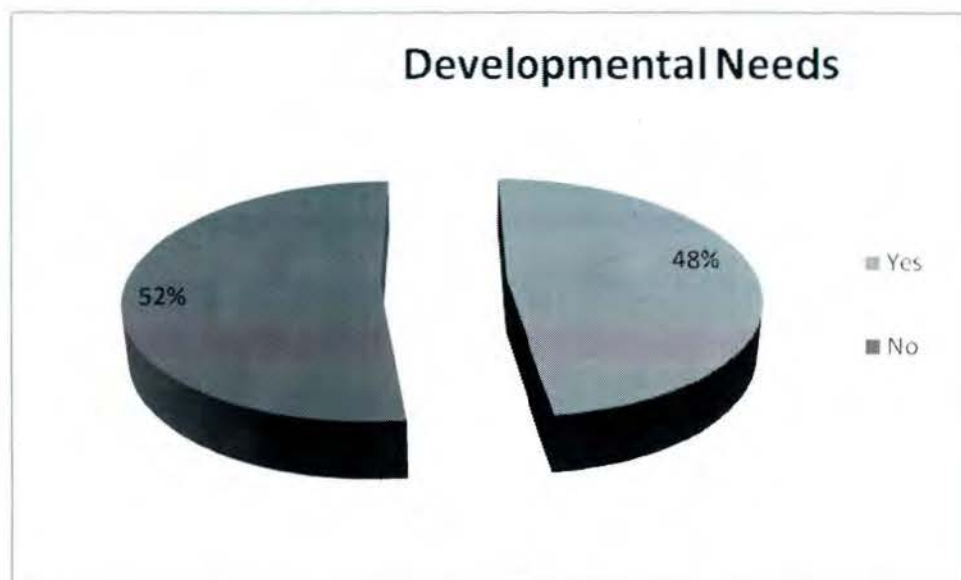
Access to finance support	21	42
The market is very tight	19	38
Work or home conflicts	19	38
Unclear policies supporting women entrepreneurs	18	36
Lack of business management	14	28
Other		

Table 4.4 indicates that (56%) or 28 respondents had a problem of very limited access to obtain funding and (50%) of women entrepreneurs indicated that high corruption in procurement offices (Supply Chain). The majority of women (48%) interviewed and Qualitative interviews with small businesses across a range of economic sub-sectors highlighted the cash flow constraints created by late payment for work performed for the government. Business owners in the retail, tourism and manufacturing sectors all told a similar story: A government contract is awarded, the business has to pay its suppliers in cash or by cheque to secure all the necessary inputs, the job is completed, and the business owner then waits, sometimes for six months or more, to receive payment from government. The business is very unlikely to have credit facilities or access to an overdraft, and is severely constrained from taking another order until payment is received and cash flow is re-established.

4.5 Developmental needs and support for women entrepreneurs

It is important for the government and other agencies (private sector) to develop or support women's needs in entrepreneurship. They have to support women entrepreneurs with clear policies, organizations established in assisting women in businesses and the training needs that are supporting women entrepreneurship. Respondents were asked to specify "the developmental needs or support they need" from government in order to improve the environment for small businesses.

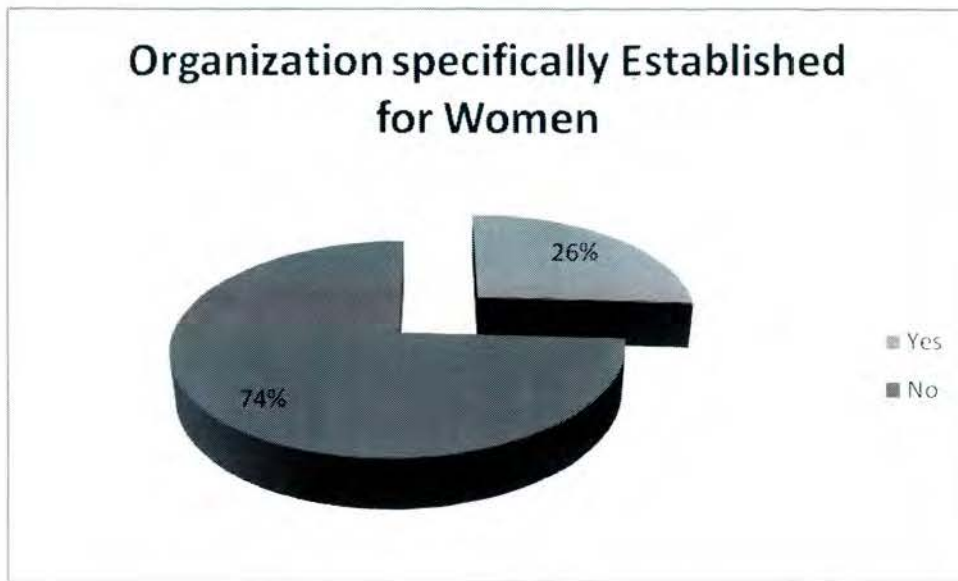
Figure 4.7: WOMEN INDICATE THEIR DEVELOPMENT NEEDS



Improved access to reliable infrastructure was identified as one of the developmental needs and other areas of support mentioned by respondents included improved access to technology or equipment for the business, and greater access to, and transparency in the issuing of, government tenders.

When asked to identify the main things that the government could do to assist in order to improve the environment for women entrepreneurship, seventy percent (70%) of 35 survey respondents called for greater transparency in the awarding of government tenders and/or eradication of corruption in the awarding of tenders.

Figure 4.8: ORGANISATIONS ESTABLISHED SPECIFICALLY FOR WOMEN ENTREPRENEURS



The results show that of 37 women entrepreneurs (74%) do not know about an organization established for women entrepreneurs and of 13 women (26%) seemed to know SAWEN, Umsobumvu, SEDA and other organization.

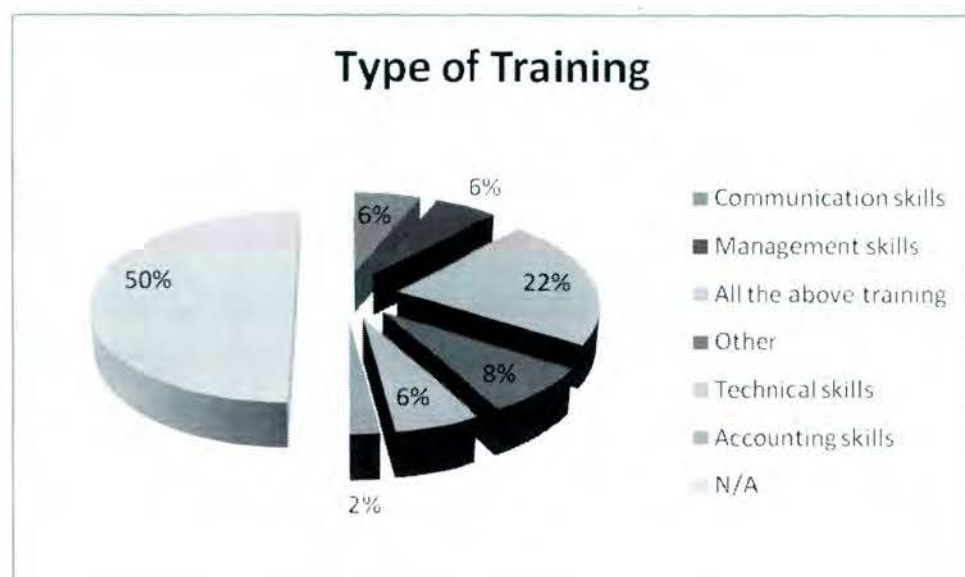
According to the literature review (2.4), the policies introducing economic enhancement programs were gender-blind. It was also observed that women were not explicitly included in the programs. Although it was evident that women were found to have been engaged in small scale business, a lot of constraints have hindered their economic participation.

Figure 4.9: NAMES OF THE ORGANISATIONS THAT ASSIST WOMEN WITH BUSINESS TRAININGS



The respondents (44%) seemed to know other organizations like Umsobumvu and (41%) of mentioned SEDA and SAWEN is known by only (3%) of the respondents and (4%) of the women respondents know more than two organizations mentioned above.

Figure 4.10: TRAINING ACTIVITIES THAT ARE OFFERED BY THE ABOVE ORGANISATIONS



Respondents were asked to mention the training that government agencies or private sector offers in order to improve skills for women businesses. Larger and/or more women entrepreneurs (50%) mentioned communication skills, managerial skills was (6%), technical skills (6%). Six percent (6%) of women were offered accounting skills and (22%) of the respondents mentioned that they were offered all the above mentioned types of training.

Downing (2006) in the literature review (2.6.1) indicated that The SAWEN concept will provide women entrepreneurs with solutions to their challenges by addressing the constraining factors through policy advocacy, capacity-building and facilitating linkages. SAWEN supports the success and growth of women-owned and managed enterprises by ensuring their access to the following key areas: business information and advice, business opportunities, appropriate skills and technology, mentorship and counseling, financial advice; and decision and policy-making. There are some six more programmes

which were established to assist women entrepreneurs by Government through the Department of Trade and Industry but seemingly the women in this study had no idea about these programmes.

4.6 Identification of opportunities for improvement

The research object aimed to determine the opportunities for the improvement of the position of female entrepreneurs in Soweto. The respondents were asked to mention the opportunities that could be used by all stakeholders of women entrepreneurs being government, policy makers, Non Governmental Organisations (NGO's), for the improvement of women entrepreneurs.

Financial assistance – The majority of respondents (70%) indicated that financial assistance to female entrepreneurs has improved but only in terms of micro-loans. Many barriers still existed with regard to female entrepreneurship. According to Kantor (2001) in the literature 2.5.2, increased access to credit is a key to the development of women entrepreneurs and experience from around the world shows that women need flexible finance that meets the developmental needs of the enterprise

Consulting services – the respondents (58%) stated that the provision of consulting services has increased slightly but coordination and funding were needed to utilize resources optimally.

The majority of the respondents (64%) stated that early payments by customers or government should have facilitated and (54%) of the respondents mentioned that the government should have proper plans for enhancing entrepreneurial women.

Training and education – 26 of (52%) respondents indicated that education and training should be continuous. Kantor (2001) in the literature review stated that training in skills is often not enough for women, and successful training programmes for women

entrepreneurs therefore also include confidence building, entrepreneurship development training, fostering the attitudes important to starting and managing one's own business. A total of 25 (50%) women entrepreneurs indicated procurement procedures should be followed and the policies should be clarified.

4.7 General Comments

The majority of the women respondents and the qualitative respondents (officers) from DTI believe that the position of women entrepreneurs had improved since 1995. They based this believe on the following:

- Women are now more accepted as equal;
- Government policies favoured women even though there should be some enforcement or review;
- Women enter the market at the faster rate than before; and
- Awareness has grown of the need for women entrepreneurs.

CHAPTER FIVE

CONCLUSIONS AND RECOMMENDATIONS

5.0 CONCLUSION

This study analysed data on fifty (50) respondents. Specifically the research aimed at finding the possible opportunities for the improvement of women entrepreneurship in Soweto, South Africa. The following statements are based on the consensus among the respondents in this study. The majority of women, who entered in business ventures are married, have more than one child, they have five years experience in their own businesses and the highest educational qualification they have is degree and followed by post graduate. The results of the study give an indication that the women entrepreneurs in Soweto are better educated had managerial experience even prior business experience.

5.1 Factors that motivate women to start up their own businesses

Women entrepreneurs in Soweto, South Africa are motivated by pull and push factors to start up a business. The need for flexible schedule appeared to be the factor that influenced women to open their own venture of businesses, followed by need for independence. The third factor is that these women had a desire for wealth.

The results of this study show that women entrepreneurs in Soweto are influenced by Push and Pull factors and this is what Shastri and Sinha (2010) and Pine *et al* (2010) and Mulira (2010) expressed in the literature review. The results are the same as the previous findings from the following researcher by Van der Merwe & Lebakeng, (2010). *Push* and *Pull* as motivational factors for women to start up their businesses are also replicated in Irish entrepreneurs " freedom, job dissatisfaction, wanting to be one's boss (meaning being independent) and generating more income (Goodbody, 2002).

5.2 The contribution that women entrepreneurs have in the economic force

Annual turnover, whilst difficult to ascertain with accuracy, provided a useful alternative indicator of business size and sophistication, and possibly of potential for growth. The annual turnover as well as employee numbers indicated that the businesses of women in Soweto are viable, have potential to operate, expansion thus a good contribution to economic force of the country because they employ more than ten (10) people in an area, means poverty reduction.

5.3 The challenges facing women

The challenges facing women in South Africa have been identified in this research as very limited access to obtain funding; high corruption in procurement offices; high interest rates from banks; insufficient education and training, difficult to access market and cash flow problem. The above-mentioned challenges, have taken priority over the women's businesses, such as, information dissemination and skills transfer among others. These challenges for such other services have been overemphasised in previous reports/studies and often come out in almost all the discussion on entrepreneurship development strategies.

This research has identified that as it has been recorded in the literature, there are range of challenges facing women entrepreneurs; training and education, difficult to access market. Most of the challenges are not different from the challenges expressed in the literature review (2.5.1, 2.5.2, 2.5.3) by Kantor (2010) and Makinde and Adetayo (2004).

5.4 Developmental needs and support for women entrepreneurship

The government through the Department of Trade and Industry is engaged in a number of programmes designed to improve access to finance for small businesses. Programmes like Thuso Mentorship Program, Business Partners Umsobomvu Franchise

Fund and Khula Enterprise Finance have been started to support women entrepreneurs. The commercial banks are also reviewing their product offerings in this regard.

5.4 .1 Network as a source of business capital

Neilson (2006:5-6) defines networking as "...the bringing together of likeminded individuals who, through relationship building, become walking, talking advertisements for one another."

Networking is one of the most important skills individuals can develop to help their business succeed. Business networking should be reciprocal, that is, expect to give something if you want to get something. Through the art of networking one can exchange resources, contacts, ideas, information, job and sales leads, strategies – all things that can lead to revenue.

This is related to what Kantor (2001) expressed on the literature review that networking is very important to the success of a business, and it is identified as one of the key ways to strengthen women's enterprises as it can provide access to information, new customers and suppliers.

Women business owners should strive to make contacts across gender lines but it is important for women to network with other women. Since women own the majority of businesses in the service, hospitality and health industries, women are most likely to successfully network among women peer business owners.

Social networks are important in accessing business capital, mentoring and advice. For many businesses, it is through these networks that business information is shared and contacts are secured. Nonetheless, as in many other countries, women in Soweto have tended to find few networking opportunities. When women were asked if they know any organisation established for women entrepreneurs, 74% of women did not know about the organisation. The activities done by the organisation established by women entrepreneurs indicated that 78% of women neither knew nor heard about the

organisation. This means the Department of Trade and Industry and other Agencies or NGO's have to enforce the network and promote SAWEN, Khula, Thuso, Umsobomve and others.

5.4.2 Legislation and Policies enforcement

A conducive enabling environment for small businesses or women entrepreneurs to thrive will be crucial for nurturing and encouraging women entrepreneurs in South Africa. However, inadequate enforcement of positive legislation and policies and a lack of resources have meant that (finance) in practice many women continue to face obstacles in their day to day business management. A greater focus on enforcing model policies and supportive legislation that are in place in South Africa as well as increasing women's awareness of their existence would go a long way and result in positive economic outcomes for all South African.

The findings reflect that enabling environment for women entrepreneurs in South Africa.

In addressing the economic potential and independence of women, Governments and other actors should promote an active and visible policy of mainstreaming a gender perspective in all policies and programmes so that before decisions are taken, an analysis is made of the effects on women and men, respectively.

5.5 Identification of opportunities for improvement in women entrepreneurship

Most of the findings in this objective reflect the overlapping of challenges and developmental needs in research objective (three and four) of which women entrepreneurs hope they can turn to be the opportunities for the improvement in their businesses if they can be addressed positively. With regard to training and education women entrepreneurs stated that they would advise that education and training should be continuous as far as women entrepreneurship is concerned.

The respondents commented that the provision of training has increased slightly but again coordination is needed to avoid duplication and to improve the quality and efficiency of the available services.

Suggestion in improving the training of women entrepreneurs include:

- Specially developed entrepreneurship development programmes;
- Training the trainers;
- Subsidizing training;
- Financial institutions including the cost of training in financial;
- Linking training to services such as mentoring and aftercare;
- Training being skilled based;
- Training being sector focused;
- Training being similar for males and females but open minded as adaptations could be needed; and
- Training in life skills (planning and budgeting skills) for the less educated.

According to Kantor (2001) Training for women entrepreneurs is considered crucial for business success.

On the issue of finance, the respondents felt that getting funding is not easy, neither flexible nor accessible when applying for financial support. This is the international problem as stated in the literature by Kantor (2001)

5.2 PRACTICAL RECOMMENDATIONS

The recommendations are basically on addressing the last objective of the study, the identification of opportunities for the improvement in women entrepreneurship.

5.2.1 The development of a knowledge base and supporting advocacy on women entrepreneurs;

Establishing and nurturing women business associations so that they can organise workshops, provide support and mentoring programmes, facilitate access to credit and to markets, undertake advocacy and provide best practice exchanges.

5.2.2 The development of a variety of support services for women entrepreneurs and their service providers;

Government should facilitate the emergence of support mechanisms, not actually provide them itself. The latter is the task of the private sector. Government should create and maintain an appropriate regulatory environment, including competition, and the promotion of management training.

5.2.3 Developing internal and external partnership

Governments should work with international organizations/donors and local financial institutions to establish a loan guarantee program for growth firms owned by women entrepreneurs. As has been mentioned, women entrepreneurship development, is a task much larger than one or two institutions, no matter how well staffed, and equipped, hence the need to mobilise as many institutions as possible to assist in the task.

The findings of this research indicated that consulting services done by women entrepreneurs has increased since 1995 therefore there should be coordination between service provider. The capable institutions should be sufficiently empowered by government as consulting services are deemed an important element in the strategy interventionist in South Africa.

5.2.4 Female Awareness Campaign and Sensitization Workshops/Seminars:

The study clearly indicate that women entrepreneurs in Soweto lack knowledge about organisations specifically established for women entrepreneurs, this is however an international problem. Therefore the recommendation:

There is an urgent need for awareness and sensitization workshops to be organized by women organizations, associations, government gender agencies and units, Non-governmental agencies, and allied organizations to educate the Women Scientists' entrepreneurs of the new opportunities/developments at hand that could enable them to overcome constraints and enhance the starting business/enterprise.

5.2.5 Improvement in the Policy/legal frame-work

There is an urgent need to improve on the existing policies and legal framework in a manner that would practically reach a satisfactory level so as to encourage the female entrepreneurs. For instance, The UNIDO (2001) teams have observed that although most governments have been introducing new gender-specific laws of a general nature, gender issues were not considered in all the other laws of relevance to women's entrepreneurship development. It has also been observed that many support institutions were not aware of the gender-specific constraints of women entrepreneurs and therefore unable to address them adequately when providing the necessary services.

Periodically evaluate the impact of any women entrepreneurship policies on the success of women –owned businesses and the extent to which such businesses take

advantage of the. The objective should be identify ways to improve the effectiveness of those that should be disseminated and shared internationally.

5.2.6 Encouraging Female Education in Science and Technology

More females should be encouraged to study Science and Technology in schools and colleges. With this, they could gain access to know-how, technologies, appropriate and adequate skills, training to upgrade their technical capabilities, and their entrepreneurial and business skills whether in artisan production or in high-tech industries.

5.2.7 Encouraging Women Scientists' Networking

Women Scientists have to be encouraged to be appropriately connected. Networking is vital to women's ability to access information, technology, markets, and raw materials relevant to the development, sustainability, or expansion of their business. As such, women networking nationally and internationally should be adequately facilitated.

Successful Women Scientists' entrepreneurs should be encouraged to share their experiences, counsel on problems, and encouraged on prospects with up-coming women scientists.

5.3 LIMITATIONS AND SUGGESTIONS FOR FUTURE RESEARCH

The study was conducted in three locations only due to time factor and financial constraints. The findings stem from three locations in Soweto, not the whole of Gauteng. This combined with the small sample (50 participants) may imply that the results cannot be readily generalized although they are likely to have relevance and applicability particularly in Southern African countries. Maybe in future, a large sample can be used to conduct the research so that it will give the insight of how to overcome the challenges of women entrepreneurship development in Soweto.

BIBLIOGRAPHY

Akpera, D.M. and Sunday M., 2008. Strategies for development of entrepreneurs in Nigeria. A paper presented at International workshop on "Promoting Entrepreneurship Education Among Nigeria women: *"Issues and Approaches"* Abuja 12 p.

Anonymous, 2010. Nigerian Women Agro Entrepreneurship Development issues and Challenges. (www.inforlinks.com). Accessed on 9 October 2010.

Anonymous, 2010. UNCTAD Report (Secretariat). United Nations Countries Trade and Development.

Berger, A.N & Udell, G.F., 1998. The economics of Small Business Finance: The role of private, equality & debt markets in the financial growth cycle. (*Journal of Banking and Finance*, 22 (6-8):613-673.

Boserup, E., 1970. Women's role in Economic Development. St. Martino Press New York, George Allen and Unwin Ltd.

Bridge, O'Neill Cromie, 2003. Understanding Enterprise, Entrepreneurship and Small Business 2nd Ed. London UK. Creative Print and Design.

Brohman 1996: The Department of Trade and Industry. (www.dti.gov.za) Accessed on 21 October 2010.

Brush, G.C., Carter M.N., Gatewood J. E., Greene G.P. and Hart, M.M., 2006. Growth-oriented Women Entrepreneurs and their businesses. A global research perspective.

Buvinie, M. and Mehra, R., 1990. Women in Agriculture: *What Development can do*. ICRM (International Centre for Research on Women) Pp 3-5.

Downing, G., 2006. MD of Acorn Products (Pty) Ltd. A leading Gauteng SAWEN member, Women Entrepreneur. (www.dti.gov.za). Accessed on 20 October 2010.

Ferose O, 2010. Women in auto mobile industry: Challenging the convention.

Food Agricultural Organisation, 1982. Role of women in Agricultural Production. FAO, Rome pg 5.

Gadar, K. and Yunus, N.K.Y, 2009. The influence of personality and Socio-Economic Factors on Female Entrepereneuship Motivations in Malaysia. *International Review of Business Research Papers Vol. 5 No. 1 January 2009 Pp 149 – 162.*

Gatewood, G.D, 2003. Advancing a framework for corehent research on women's entrepreneurship.Entrepreneurship:Theory and Practice
Entrepreneurshipa:PracticeBaylor UniversityAcademic Trade magazine/JournalBusiness.
www.entrepreneur.com/tradeJournals/article/164595263 Access on 30 November 2010

Goodbody Economic Consultants, 2002, *Entrepreneurship in Ireland*, report to Forfas Dublin.

Government Programmes, South Africa 2008. (www.dti.gov.za) Accessed on 21 October 2010.

Government Information, South Africa 2008. Gauteng online, (www.gov.za) Accessed on 21 October 2010.

Hendricks, L., 2003. Deputy Minister's speech, (www.dti.gov.za) Accessed on 21 October 2010.

ILO), 2001: Promoting Women's Entrepreneurship Development based on Good Practice Programmes: Some Experiences from the North to the South, SEED *Working Paper No. 9* Geneva.

Johannesburg Development Agency, 2005. Report on Economic Development Framework, Greater Kliptown Development Area.

Kantor, P., 2001. Promoting women entrepreneurship Development based on Good Practice Programmes: Some experiences from the North to the South, SEED Working Paper N0.9 (Geneva, ILO).

- Kroon, J., 1998. Entrepreneurship: Start your own business, Kagiso Education.
- Lesotho Companies Amendment Act, 2008.
- Lynne, J., 2003. "Women in Entrepreneurship".
- Makinde, J.T. and Adetayo, J.O., 2004. Evaluation of Policy Implementation in Women Entrepreneurship Development. Department of Management and Accounting, Obafemi Awolowo University, Nigeria (www.emeraldinsight.com/journals.htm)
- Mass, G. and Herrington, M., 2006. Global Entrepreneurship Monitor (GEM) South Africa Report, Cape Town: University of Cape Town.
- Mulira, F., Dawa S. and Namatovu R., 2010. Uganda Women Entrepreneurs' attributes: A comparison of their motivation to women entrepreneurs in Select Developing Economies. (www.aibuma.org/proceedings/downloads/Mulira,%Kenya.doc). Accessed on 24 December 2010.
- Moore, D.P. and Buttner, E.H., 1997. Women Organisational exodus to entrepreneurship: Self reported motivations and Correlates with success. *Journal of Small Business management*, 35:34-46, January.
- Neilson Lauren, 2006. Network
- O'Neill, R.C and Vijoel L. 2001. Support for female entrepreneurs in South Africa: Improvement or Decline? *Journal of family Ecology Consumer Sciences*, 29:37-44
- Okara, 2005. Agro-Nigeria Women Entrepreneurship: Issues and Challenges. (www.slyoz.net/agro-nigeria-women-entrepreneurship). Accessed on 12 January 2011.
- Orhan, M. and Scott, D., 2001. "Why women enter into entrepreneurship: An explanatory model. *Women in Management Review*, Vol.16 pp 232 – 43.
- Pines A.M., Lerner M. and Schwatz D, 2010. Gender difference in Entrepreneurship; *Equality, diversity and inclusion in times of Global crisis*. Emerald Group Publishing Limited.

Prokopenko, J. and Pavlin, I.,1991. Entrepreneurship Development in Public Enterprises.

Richardson, P. Howarth, R. and Finnegan, G. 2004. The challenges of growing small businesses: Insight from women entrepreneurs in Africa. *SEED Working Paper No.47*.

Shastri, R.K. and Sinha, A., 2010. The Socio-Cultural and Economic Effect on the development of Women Entrepreneurs(with special reference to India). *Asian Journal of Business Management* 2(2):30. ISSN: 2041-8752 Maxwell Scientific Org.

Singh S.P, 2008. An insight into the emergence of women owned Businesses as an Economic Force in India. Rai Business School, New Delhi. (www.SPsinghwomen) Entrepreneurs. Accessed on 11 November 2010.

South African Small Business Act, 1996.

UNCTAD, 2010 (United Nations Countries Trade and Development).Enterprise development policies and capacity building in Science and Technology and Innovation. 19-21 January 2011, Geneva.

Van der Merwe, S.P. and Lebakeng, M., 2010. An empirical investigation of women entrepreneurship in Lesotho. Potchefstroom Business School. University of North-West.

Van Vuuren, J.J. & Groenewald, D., 2007. A critical Analysis of the influence of the start-up factors in small businesses and entrepreneurial ventures in South Africa. *Acta Commercii*, 7:269- 280.

Welter, F, 2004. The environment for female entrepreneurship in Germany. *Journal of Small Business and Enterprise Development*, 11(2):212-221.

White Paper by the Ministry of Trade and Industry, Cooperatives and Marketing, Lesotho 2002. Promotion and Development of Small Businesses.

Women in Business, 2008. www.dti.gov.za. Accessed on 24 November 2010

Winn, J., 2004. Entrepreneurship: not easy path to top management for women. *Women Management Review*, 19(3):143 – 153.

APPENDIX 1

QUESTIONNAIRE: CHALLENGES OF WOMEN ENTREPRENEURSHIP DEVELOPMENT IN SOWETO, SOUTH AFRICA.

All information will be treated as strictly confidential will be only be used for academic purposes.

Instructions for completion

The questionnaire is developed by Joalane Tsiu. The researcher is an MBA student studying with the University of North West, in Mafikeng.

You are requested to complete this questionnaire and the information you provide will be treated confidentially and used for academic purposes. The instructions for completion of questionnaire are given above each question.

THANK YOU FOR YOUR COOPERATION: WE HOPE THE
QUESTIONNAIRE IS INTERESTING AND STIMULATING

QUESTIONNAIRE DEVELOPED BY MS JOALANE TSIU

CELL: +27 73 4695 715/ +266 58870171/62870171

joalanetsiu@yahoo.com

SECTION A: PERSONAL INFORMATION

Mark the applicable block with a cross (X)

A1	In which age group do you fall?	≤ 19	20-29	30-39	40-49	50-59	60+
		1	2	3	4	5	6

A2	What is your marital status?	Single	Married	Divorced	Widowed
		1	2	3	4

Indicate your academic qualification		
A3	Under matric	1
	Matric	2
	Certificate	3
	Diploma	4
	University degree	5
	Postgraduate	6
Indicate the number of children you have		
A4	None	1
	(1) One child	2
	(2) two children	3
	(3) three children	4
	(4) four children	5
	(5) five children	6

A5	Indicate past experience before self-employment	
	Unemployed	1
	Self employed (own business)	2
	Worker (administrator, clerk, secretary, cashier)	3

Supervisor (First line management)	4
Middle Management	5
Top (Executive) management	6

A6	Indicate the number of years you are self-employed	
	Less than one year	1
	1 - 3 years	2
	4 - 5 years	3
	6 - 10 years	4
	More than 10 years	5
	Please specify	6

SECTION B: BUSINESS INFORMATION

Mark the applicable block with a cross (X)

B1	In which industry does your business operate?	
	Retail trade	1
	Wholesale trade	2
	Manufacturing	3
	Construction	4
	Transport/distribution	5
	Accommodation/restaurant (guest house, hotel)	6
	Food Industry	7
	Agriculture/Forestry/Fishing	8
	Service (please specify the type of service)	9
	Other (please specify)	10

B2	Indicate the form of your business venture?	
	Sole trader	1
	Partnership	2
	Close corporation	3

Company (private)	4
Company (Public)	5
Business Trust	6
Not Registered	7
Other: (please specify)	8

B3	How did you sport an opportunity by starting up your venture?	
	Started the business (Founder)	1
	Purchase the business	2
	Join the family business	3
	Inherited the business (from the family)	4
	Other (specify)	5

B4	Indicate your start-up plan (Funding)	
	Personal savings	1
	Borrowed money from relative/friend	2
	Donations	3
	Loan from household /spouse	4
	Bank Loan	5
	Sold the previous business	6
	Other (please specify)	7

B5	Were your parents, relatives or close friends entrepreneurial?	Yes	No
	If Yes, who owned the business? Please specify:		
	Loan from household /spouse	1	
	Parents (mother or father)	2	
	Brother, sister or friend	3	
	Other (please specify)	4	

B7	How many permanent employees are in your business?							
myself	2-3	6-10	11-25	26-50	51-100	101-200	200+	

1	2	3	4	5	6	7	8	
---	---	---	---	---	---	---	---	--

B8	How is your business turnover (sales annually)?	
	Less than R30 000	1
	R30 000 - R50 000	2
	R50 000 - R100 000	3
	R100 000 - R500 000	4
	R500 000 - R1000 000	5
	R1 Million - R5 Million	6
	R5 million +	7

SECTION C : MOTIVATIONAL FACTORS

This section will help to determine which factors drove entrepreneurs to enter into their own business ventures.

Indicate to what extents do you agree or disagree with the statements. Mark the applicable block with a cross (X)

Motivation for entering self-employed or to start own business								
C1	The need for independence	1	2	3	4	5	6	7
C2	Need for flexible schedule	1	2	3	4	5	6	7
C3	Need for challenges	1	2	3	4	5	6	7
C4	Self-fulfilment	1	2	3	4	5	6	7
C5	To develop my career	1	2	3	4	5	6	7
C6	Influence from friends or family	1	2	3	4	5	6	7
C7	Retrenchment/loss of job	1	2	3	4	5	6	7
C8	Difficult finding a job	1	2	3	4	5	6	7
C9	Dissatisfaction with job (salaries)	1	2	3	4	5	6	7
C10	Compatibility with family duties	1	2	3	4	5	6	7
C11	Insufficient family income	1	2	3	4	5	6	7
C12	Desire for wealth	1	2	3	4	5	6	7
C13	Ensure high job security	1	2	3	4	5	6	7
C14	inherited the family business	1	2	3	4	5	6	7

C15	Confidence in the product/service offered	1	2	3	4	5	6	7
C16	Other (Please specify)							

DEMOGRAPHIC ASPECT

C16	the government supports number of entrepreneurial opportunities	1	2	3	4	5	6	7
C17	The government has proper plan for enhancing women entrepreneur in the region	1	2	3	4	5	6	7
C18	The infrastructure meet the needs of my business	1	2	3	4	5	6	7
C19	The municipality provides excellent base for export opportunities	1	2	3	4	5	6	7
C20	Other government aspects that motivated you to open a business	1	2	3	4	5	6	7

SECTION D: CHALLENGES TOWARDS WOMEN ENTREPRENEURSHIP

Indicate to what extents you agree or disagree with the statements. Mark the applicable block with a cross (X)

Factors (challenges) that inhibit the female entrepreneurship to develop or to achieve the objectives her own business								
D1	Work or home conflicts	1	2	3	4	5	6	7
D2	Family pressure	1	2	3	4	5	6	7
D3	Access to finance support	1	2	3	4	5	6	7
D4	Unclear policies supporting women entrepreneurs	1	2	3	4	5	6	7
D5	Lack of business management	1	2	3	4	5	6	7
D6	Very limited access to obtain	1	2	3	4	5	6	7

	funding							
D7	Late payments from government	1	2	3	4	5	6	7
D8	Insufficient education and training	1	2	3	4	5	6	7
D9	High interests rates from bank loans	1	2	3	4	5	6	7
D10	Competition is stiff amongst entrepreneurs	1	2	3	4	5	6	7
D11	The market is very tight	1	2	3	4	5	6	7
D12	High corruption in procurement offices of government officials	1	2	3	4	5	6	7
D13	How to manage cash flow	1	2	3	4	5	6	7
D14	Other (please specify)							

The opportunities for improvement

C15	the government supports number of entrepreneurial opportunities	1	2	3	4	5	6	7
D16	The government should have a proper plan for enhancing women entrepreneur in the region (entrepreneurship)	1	2	3	4	5	6	7
D17	The education and trainings should be continuous	1	2	3	4	5	6	7
D18	The procurement procedure should be followed by everybody and clarity on policies	1	2	3	4	5	6	7
D19	Early payments by the government	1	2	3	4	5	6	7

SECTION E: DEVELOPMENTAL NEEDS OF ENTREPRENEURSHIP

Mark the applicable block with a cross (X) Complete the applicable information

E1	Do you get training from any government agencies or the private sector?	Yes	No
	If Yes, the name of the institution:		
	Indicate the type of training you received.		
	Technical skills		
	Communication skills		
	Accounting skills		
Management skills			

Technological skills (computers)
Other (please specify)

E2	Do you know any organisation which is specifically established for women entrepreneurs?	Yes	No
	If Yes, the name of the organisation:		
	What are the activities of this organisation in helping to develop women entrepreneurs (choose one or more)		
	Provide education and training		
	Provides Financial assistance		
	Support networking with other women entrepreneurs		
	Provides business information		
	Training on customer care		
Other (please specify)			