

**An assessment of the determinants of women entrepreneurship in
selected areas in South Africa**

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ABSTRACT

Women entrepreneurship is increasing rapidly, women are starting their own business to take control over their personal and professional lives and the role that these women entrepreneurs play to eradicate poverty and unemployment in South Africa cannot be under estimated. Hence there is a need for extensive research on the contribution and development of women entrepreneurs at all levels of the South African economy.

In terms of the adult population in South Africa, women outnumber males, while a relatively low percentage of women actively take part in economic activities and own businesses. Women make up less than 50% of the entrepreneurial population in South Africa. This has led to a renewed focus on gender entrepreneurship and the development of appropriate interventions for gender-specific groups across South Africa.

Women face unique challenges in starting and growing a business and women frequently face gender bias in the socio-economic environment in which they operate. They face additional or at least different social, cultural, educational and technological challenges than men when it comes to establishing and developing their own businesses. These unique challenges and barriers should be fully explored and understood before effective support systems can be implemented.

This study presents the research that was conducted in the Dr Kenneth Kaunda district municipality, situated on the southern part of the North-West province, bordering the Free State province in the south and Gauteng province to the west. This district is relatively prosperous with a lot of potential for growth.

The primary objective of this study was to assess women entrepreneurship in the Dr Kenneth Kaunda (Southern) District and to make practical recommendations to mitigate the barriers to and to enhance women entrepreneurship development in this region and in general. A survey that included 38 women entrepreneurs was conducted and a profile

of a typical woman entrepreneur in the Dr Kenneth Kaunda district municipality was compiled with the aid of the empirical research.

The majority of the women entrepreneurs in the Dr Kenneth Kaunda district municipality that participated in this study are between 30 to 59 years of age, she can be single or married with an average of two children, mainly older than eighteen years. This woman entrepreneur is fairly educated with an education level of not lower than matric.

This study included the investigation of the current existing structure of the women-owned business, women entrepreneur's path to ownership, factors motivating women entrepreneurship, women entrepreneurial development support in the district, barriers to women entrepreneurship at start-up and during operation, as well as the business needs of women entrepreneurs in the Dr Kenneth Kaunda district.

The compatibility with family duties, insufficient family income and entering the family business are the main motivators for these women entrepreneurs to be self-employed. The lack of education and training, the lack of timely business information, family pressures, isolation from business network, lack of focused women entrepreneurship policies from regional municipalities or government, the cultural environment, lack of female role models, high risk aversion and a lack of awareness or access to business support are considered as huge obstacles faced by these women entrepreneurs.

Women entrepreneurs in the Dr Kenneth Kaunda district highlighted that they can mostly benefit from skills training, financial support, growth support, marketing support, business advice, information, counseling, mentoring, tools, equipment, machinery, networking with other business owners and women entrepreneurship specific based policies for the area. It is thus recommended that these needs are addressed through the establishment of structures at the municipality level to formulate and implement policies that will address women entrepreneurial issues by focusing on the suggested services such as promotion, strategy and support.

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TABLE OF CONTENTS

ABSTRACT	i
TABLE OF CONTENTS	iv
LIST OF FIGURES	viii
LIST OF TABLES	ix
 CHAPTER 1: NATURE AND SCOPE OF THE STUDY	
1.1 INTRODUCTION	1
1.2 PROBLEM STATEMENT	2
1.3 RESEARCH OBJECTIVES	4
1.3.1 Primary Objectives	4
1.3.2 Secondary Objectives	4
1.4 SCOPE OF THE STUDY	5
1.4.1 Field of the study	5
1.4.2 Geographical demarcation	5
1.4.2.1 The North-West Province	5
1.4.2.2 Dr Kenneth Kaunda (Southern) district	7
1.5 RESEARCH METHODOLOGY	8
1.5.1 Literature Study	8
1.5.2 Empirical Study	9
1.5.2.1 Selection of questionnaire	9
1.5.2.2 Study population and sampling method	10

1.5.2.3	Data collection	11
1.5.2.4	Data analysis	11
1.6	LIMITATIONS OF THE STUDY	11
1.7	LAYOUT OF THE STUDY	12

CHAPTER 2: LITERATURE REVIEW ON WOMEN ENTREPRENEURSHIP

2.1	INTRODUCTION	14
2.2	ENTREPRENEURSHIP IN GENERAL	16
2.3	WOMEN ENTREPRENEURSHIP	21
2.3.1	Characteristics of women entrepreneurs	24
2.3.2	Factors that motivate women entrepreneurship	27
2.3.3	Factors inhibiting women entrepreneurship	31
2.3.4	Economic impact	33
2.3.5	Venture capital financing	35
2.3.6	Human capital impact	37
2.3.7	Organisational and managerial methods	39
2.3.8	Socialisation and network affiliation	41
2.3.9	Family constraints	42
2.3.10	Support and development	43
2.4	SUMMARY	45

CHAPTER 3: RESULTS AND DISCUSSION OF THE EMPIRICAL STUDY

3.1	INTRODUCTION	48
3.2	GATHERING OF DATA	48
3.2.1	Development and construction of the questionnaire	48
3.2.2	Data collection	50

3.3	BIOGRAPHICAL INFORMATION OF THE RESPONDENTS	51
3.3.1	Age group clarification of respondents	51
3.3.2	Marital status of respondents	52
3.3.3	Highest academic qualification of respondents	53
3.3.4	Number of children	54
3.3.5	Age group description of children	55
3.4	STRUCTURE OF PARTICIPATING WOMEN-OWNED BUSINESSES	56
3.4.1	Number of permanent employees	56
3.4.2	Turnover of the business	58
3.4.3	Industry of operation	59
3.4.4	Legal status of business	60
3.4.5	Business premises	61
3.4.6	Age of business	62
3.5	PATH TO OWNERSHIP	63
3.5.1	Path to business ownership	63
3.5.2	Previous employment experience	64
3.5.3	Years self-employed	65
3.5.4	Source of start-up funding	66
3.5.5	Role models	67
3.5.6	First ownership	68
3.6	MOTIVATIONAL FACTORS	69
3.6.1	Women entrepreneurship motivational factors	69
3.6.2	Dr Kenneth Kaunda (Southern) district support	71
3.6.3	Obstacles to business start-up	73
3.6.4	Obstacles currently faced in business	75
3.7	WOMEN ENTREPRENEURSHIP DEVELOPMENT IN THE DISTRICT	77
3.7.1	Training by government agencies or the private sector	77
3.7.2	Training received	78
3.7.3	Organisations established for women development	79
3.7.4	Specific assistance offered by women organisations	80

3.7.5	Support needs of respondents	81
3.8	SUMMARY	82

CHAPTER 4: CONCLUSIONS AND RECOMMENDATIONS

4.1	INTRODUCTION	84
4.2	CONCLUSIONS ON THE EMPIRICAL STUDY	84
4.2.1	Biographical information results	84
4.2.2	Structure of participating women-owned businesses results	85
4.2.3	Path to ownership results	85
4.2.4	Motivational factors to self employment results	85
4.2.5	Support services offered by Dr Kenneth Kaunda district	85
4.2.6	Obstacles to business start-up results	86
4.2.7	Obstacles experienced in current business operations results	86
4.2.8	Women entrepreneurial support	86
4.3	RECOMMENDATIONS	87
4.4	CRITICAL EVALUATION OF THE STUDY	91
4.4.1	Primary Objectives re-visited	91
4.4.2	Secondary Objectives re-visited	91
4.5	SUGGESTION FOR FUTURE RESEARCH	93
4.6	SUMMARY	94

BIBLIOGRAPHY	95
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APPENDIX A – WOMEN ENTRPRENEURSHIP QUESTIONNAIRE	102
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LIST OF FIGURES

Figure 1.1: Map of the North-West Province	5
Figure 1.2: Map of Dr Kenneth Kaunda district (Southern Region) of the North-West Province	7
Figure 1.3: Research process flow chart	12

LIST OF TABLES

Table 2.1: Entrepreneur's definitions	17
Table 2.2: Comparison between men and women entrepreneur's characteristics	25
Table 3.1: Age group clarification of respondents	52
Table 3.2 Marital status of respondents	53
Table 3.3: Highest academic qualification of respondents	54
Table 3.4: Number of children of respondents	55
Table 3.5: Age group description of children	56
Table 3.6: Number of permanent employees	57
Table 3.7: Annual turnover of the business	58
Table 3.8: Industry of operation	59
Table 3.9: Legal status of business	60
Table 3.10: Business premises	61
Table 3.11: Age of business	62
Table 3.12: Path to business ownership	63
Table 3.13: Previous employment experience	64
Table 3.14: Years self-employed	65
Table 3.15: Source of start-up funding	66
Table 3.16: Role models	67
Table 3.17: First ownership	68
Table 3.18: Women entrepreneurship motivational factors	70
Table 3.19: Women entrepreneur's feelings towards Dr Kenneth Kaunda (Southern) district and the support this district is providing.	72
Table 3.20: Obstacles to business start-up	74
Table 3.21: Obstacles currently faced in business	76
Table 3.22: Training by government agencies or the private sector	77
Table 3.23: Type of training received by participating women entrepreneurs	78

Table 3.24: Knowledge of organisations for women entrepreneurial development	79
Table 3.25: Specific of assistance offered by women organisations	80
Table 3.26: Support needs of respondents	81

CHAPTER 1

NATURE AND SCOPE OF THE STUDY

1.1 INTRODUCTION

Entrepreneurship plays a very important role in the economic development and it has proven to be one of the best and effective solutions for combating unemployment in countries such as South Africa. More and more men and women in South Africa turn to self-employment, hence recently women entrepreneurship has been increasing so rapidly, women are starting their own business to take control over their personal and professional lives.

The 2006 South African Global Entrepreneurship Monitor (GEM) report highlighted the important role women play in new venture creation and economic growth in South Africa (Maas & Herrington, 2007: 28).

However the 2006 South African GEM report further highlighted that, although the global average for female entrepreneurship is 7.72% of the population, South African women are performing at just 4.83%, it is thus 2.89% lower than the global average (Maas & Herrington, 2007: 32).

The 2008 South African GEM report highlighted that the profile of South African entrepreneurs remains largely unchanged. Men are still more likely than are women to engage in entrepreneurial activity (1.6 times more likely). Although this is slightly better than the GEM average, the discrepancy is still cause for concern – particularly when South Africa is compared to developing countries in Latin America. In many of these countries female Total Entrepreneurial Activity (TEA) rates are just below male TEA rates. Labour Force Surveys conducted on a quarterly basis by Statistics South Africa (Stats SA) indicate that, irrespective of population group, unemployment rates among women are higher than among their male counterparts. African women are the group primarily affected by unemployment. Finding ways to improve female levels of self-employment is thus imperative in the South African context (Herrington, Kew & Kew, 2009: 4).

Women entrepreneurs can contribute significantly to economic development in South Africa, but this contribution has not been adequately studied and developed. Although women represent more than 50% of the South African adult population, they own only about 33% of existing businesses (O'Neil & Viljoen, 2001: 38).

The 2008 South African GEM study has also highlighted that entrepreneurs in South Africa have poor business and management skills, and an inadequate enabling environment (Herrington *et al.*, 2009: 16). These challenges are faced by both men and women entrepreneurs but women face further unique challenges and barriers to start and grow a business. These unique challenges and barriers should be fully explored and understood before effective support systems can be implemented. This study field still requires a lot of exploration to understand the needs of women entrepreneurs in order to support the contribution of these women to the South African economy.

With regard to the indicators listed above indicating that there are unique challenges and barriers faced by women in conducting entrepreneurial activities across South Africa. The focus of this study will be on small and medium sized women-owned businesses. It will identify the unique challenges and barriers, their relevant impact on women entrepreneurial activities and uncover the factors that motivate Women to start their own businesses. For the purpose of this study, small and medium sized businesses are defined as businesses that employ less than 200 full time equivalents of paid employees.

1.2 PROBLEM STATEMENT

In terms of the adult population in South Africa, women outnumber males, while a relatively low percentage of women actively take part in economic activities and own businesses, hence women make up less than 50% of the entrepreneurial population in South Africa. This has led to a renewed focus on gender entrepreneurship and the development of appropriate interventions for gender-specific groups across South Africa. "There is therefore considerable scope to improve the number of women entrepreneurs in the economy and the level at which they operate. Currently, the majority of South African women entrepreneurs are working in the "lower order"

sector: crafts, hawking and personal services, which are low tech and without significant potential to create jobs” (Mass & Herrington, 2007: 28).

The 2006 South African GEM report further highlights that the research on women entrepreneurship remains limited in the South African context and this has a direct influence on the formulation and implementation of policies and support programmes (Maas & Herrington, 2007: 28).

Women entrepreneurs wanting to start a business will find themselves in a relative unknown environment, with unpredictable difficulties (O’Neil & Viljoen, 2001: 39). It is therefore important to determine the factors that might hamper entrepreneurial activity among women, because women entrepreneurs can make a significant contribution to the South African economy.

If information regarding needs, challenges and barriers to business start-up and growth is available, effective programs can be developed and implemented to support women entrepreneurship in South Africa (Maas & Herrington, 2007: 39).

These statements stated above clearly indicate the greater need for research in the field of women entrepreneurship development in South Africa. Research will determine the factors that motivate women to start their own businesses and to enable a greater understanding of various factors that hamper development among women entrepreneurs. This will in turn assist policy makers in drafting and implementing effective policies and strategies to enhance Women entrepreneurship.

The geographical area called Dr Kenneth Kaunda district is a densely populated industrial and rural area with a high potential for entrepreneurship. This study will aim to gather information that can be applied in the development of women entrepreneurship in this area.

1.3 RESEARCH OBJECTIVES

The research objectives of the study are divided into primary and secondary objectives.

1.3.1 Primary Objectives

The primary objective of this study is to assess women entrepreneurship in the Dr Kenneth Kaunda (Southern) district.

To address the primary objective, the secondary objectives were formulated.

1.3.2 Secondary Objectives

- To gain insight into women entrepreneurship by means of a literature study.
- To study the profile of women entrepreneurship in the Dr Kenneth Kaunda (Southern) district.
- To determine what motivate women to start their own business.
- To determine the obstacles along with socio-cultural constraints that are affecting women entrepreneurial activities in the Dr Kenneth Kaunda (Southern) district.
- To study the unique elements that the Dr Kenneth Kaunda (Southern) district offers the women entrepreneur.
- To determine the unique challenges women face in starting and growing a business.
- To examine development and support programs with regard to women entrepreneurs in Dr Kenneth Kaunda (Southern) district.
- To determine the needs of women entrepreneurs in Dr Kenneth Kaunda (Southern) district.
- To suggest practical recommendation to develop women entrepreneurship in the Dr Kenneth Kaunda (Southern) district.

1.4 SCOPE OF THE STUDY

1.4.1 Field of the study

This study will focus on women entrepreneurship, a section of the major study field of entrepreneurship.

1.4.2 Geographical demarcation

The research will be conducted in the Dr Kenneth Kaunda (Southern) district, the smallest of the four districts in the North-West Province. This is where two of the so-called “big six” municipalities [Tlokwe (Potchefstroom) and Matlosana (Klerksdorp)] are located and this district has the largest population density in the province.

1.4.2.1 The North-West Province

Figure 1.1 below depicts the map of the North-West Province.

Figure 1.1: Map of the North-West Province



Source: <http://www.sa-venues.com/maps/north-west-regional.htm>

The North-West Province is located in the north of South Africa on the Botswana border, fringed by the Kalahari Desert in the west, Gauteng province to the east, and the Free State province to the south. It is known as the Platinum Province for the wealth of the metal it possesses.

The North-West province is split up into four districts. These are:

- Bojanala platinum district
- Ngaka Modiri-Molema (central) district
- Ruth Mompoti (bophirima) district
- Dr Kenneth Kaunda (Southern) district

They are in turn subdivided into 21 local municipalities and among these are the so-called “big six” municipalities which serve the province’s largest and most developed business centres. These are:

- Tlokwe (Potchefstroom)
- Matlosana (Klerksdorp)
- Mafikeng
- Rustenburg
- Madibeng (Brits)
- Vryburg

The average population density of the province is 28 people per km². The population density is largest in the Dr. Kenneth Kaunda district with 63 people per km², and lowest in the Dr. Ruth Segomotsi Mompoti district with 11 people per km². The density in the remaining two districts is 28 people per km² in the Ngaka Modiri Molema district and 47 people per km² in the Bojanala platinum district.

1.4.2.2 Dr Kenneth Kaunda (Southern) district

Figure 1.2 below depicts the map of the Southern Region of the North-West Province shaded in blue.

Figure 1.2: Map of Dr Kenneth Kaunda district (Southern Region) of the North-West Province



Source: <http://www.tourismnorthwest.co.za/maps/Southern.html>

In terms of the municipal demarcation Act (27 of 1998), the Dr Kenneth Kaunda (Southern) district municipality has been established as a category C municipality. The Dr Kenneth Kaunda (Southern) district lies bordering the Free State province in the south, the Gauteng province to the west and the Vaal River flanking its Southern border. It comprises the local municipalities of Ventersdorp, Tlokwe (Potchefstroom), Matlosana (Klerksdorp) and Maquassi Hills (Wolmaransstad). The area encompasses a total of 15 712 km² with a projected population of 604 939 in 2001.

Mining is the dominant economic activity in the district. Additional sectors of importance in terms of entrepreneurship are social services, trade, agriculture, agro-processing, pharmaceuticals, environmentally-friendly technologies, tourism, composite materials manufacturing, chemicals and fertilizers, property development, information and communications technology, education and training services and health services.

The economic base for Matlosana (Klerksdorp) is gold mining and manufacturing industries. Potchefstroom is home to several tertiary institutions and training centres. Maquassi Hills (Wolmaransstad) is home to agriculture and several diamond mining activities while the economic base for Ventersdorp is agriculture.

The Dr Kenneth Kaunda (Southern) district is a relatively prosperous and dynamic region of South Africa. Its quality of life is amongst the best that South Africa has to offer, reflected in its high average incomes, extensive access to basic infrastructure, world-class medical and educational facilities, and relatively low rate of serious crimes. Its excellent location, healthy climate and access to the largest markets in Africa make this area an ideal location for business.

1.5 RESEARCH METHODOLOGY

The study consists of two phases, namely a literature study and an empirical study.

1.5.1 Literature study

The literature study will define entrepreneurship in general. The literature study will then investigate women entrepreneurship, as well as the characteristics of women in business, factors that motivate women to start a business and unique challenges that women entrepreneurs face. It will also look into growth of women-owned businesses and support needed by women entrepreneurs to start and grow businesses. Sources that will be consulted to give a complete review of the topic are:

- Website articles
- Scientific journals

- Text books
- Reports on previous research done

1.5.2 Empirical study

To conduct empirical research, three activities are required:

- Measurement: The aim of the measurement activities is to obtain scores on measurement that correspond to the concepts studied.
- Research design: Research design establishes procedures on how to obtain participants and determines how scores are obtained on measures.
- Analyses: Analyses are performed to describe scores on single measures and specifically to identify relationships that may exist between scores across different measures (Schwab, 1999: 3).

1.5.2.1 Selection of questionnaire

A standardised questionnaire developed by the Potchefstroom Business School (Lebakeng, 2008; Kock, 2008) will be used in this study. The questionnaire consists out of five sections. Refer to appendix one (1) for a detailed layout of the questionnaire.

Section A will be gathering data from respondents regarding their profiles and characteristics. Seven questions on age group, marital status, highest academic qualification, number of children, age of children, experience before self-employment and number of years in self-employment are included in this section. Respondents have to indicate the applicable option with a cross (x).

Section B will be measuring the characteristics of women-owned businesses. The characteristics include: the industry in which the business operates, the legal status of the business, the age of the business, the respondent's path to business ownership, the source of start-up funding, the business premises, the amount of permanent employees, turnover generated annually, exposure to business in childhood and whether it is the first business that is owned by the respondent.

Respondents will be asked to indicate the characteristics of their businesses with a cross (x).

Section C will be measuring factors that may motivate women entrepreneurs to start their own business. This section includes sixteen questions on personal motivating factors and six questions on demographic factors. Respondents will be asked to indicate the most applicable motivating factors with a cross (x).

Section D will be measuring factors that might inhibit women entrepreneurship. Fourteen questions are asked with regard to difficulties experienced during start-up of the business, while twelve questions refer to difficulties experienced while running the business. Respondents will be asked to indicate the most applicable obstacles with a cross (x).

Section E will determine the needs of the participating women entrepreneurs. Questions on the following were asked: training done by a government agency or the private sector, established organizations for women entrepreneurs and specific needs. Respondents will be requested to indicate the most applicable options with a cross (x).

1.5.2.2 Study population and sampling method

The target population of this study will be small and medium-sized women-owned businesses in the Dr Kenneth Kaunda (Southern) district. A convenience sample will be used, by means of a snowball sampling technique, to identify women-owned businesses to participate in this study. To generate a preliminary list of women-owned businesses, well known women-owned businesses in the Dr Kenneth Kaunda (Southern) district will be contacted. These businesses will act as informants and identify other potential women-owned ventures for inclusion in the sample. The women-owned businesses will be visited to gauge their willingness to participate in the study. A list of 50 women-owned businesses willing to participate in the study will be compiled.

1.5.2.3 Data collection

The techniques to be used to distribute and complete the questionnaires will include distribution via e-mail and personal delivery to participants. Questionnaires distribution will be followed up by personal visits to each participant. Each questionnaire will be distributed with a cover letter, which will guarantee the confidentiality of the responses.

1.5.2.4 Data analysis

Data collected will be statistically analysed using Statistica (Statsoft, 2008) and SPSS (SPSS, 2008) soft-wares. Data from the questionnaires will be coded and the data will be investigated and transformed to useful outputs such as frequency tables. The frequency tables will be used to draw conclusions and make recommendations regarding the development of women entrepreneurs in Dr Kenneth Kaunda (Southern) district.

1.6 LIMITATIONS OF THE STUDY

The limitations of the study are the following:

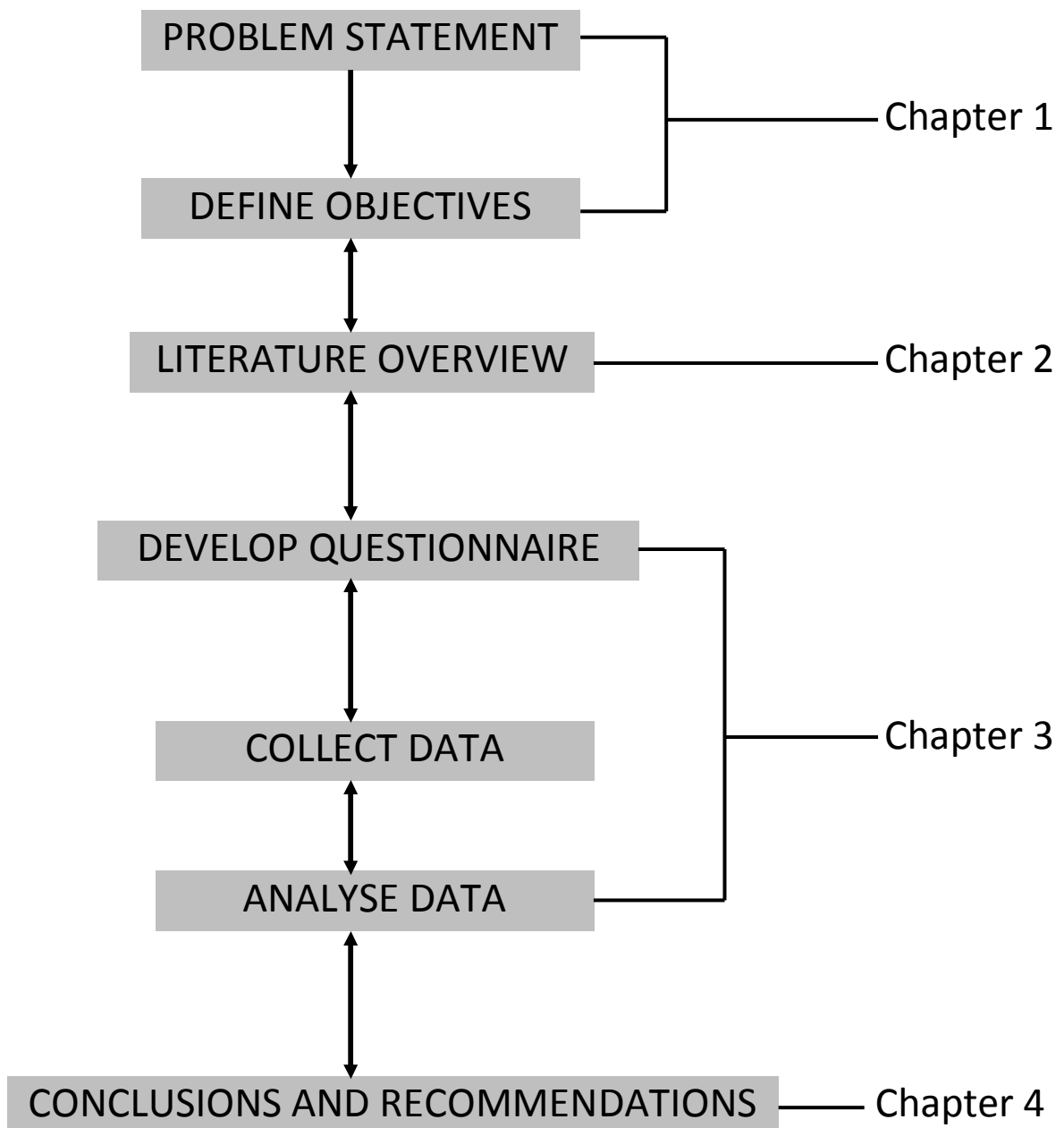
- Some respondents might treat this as a mere survey by not completing the survey honestly; therefore the effectiveness of this research will be negatively impacted upon.
- Some women might not be literate enough to understand some of the questions.
- The small sample size might not be representative of the situation in the entire district.
- Respondents will know that research is being done, and the true situation in some of the businesses might not be reflected.
- Limited or negative response might be experienced.
- The limited time to conduct the study might exclude some women entrepreneurs from the study.

- Limited information is available on women entrepreneurship in Dr Kenneth Kaunda (Southern) district.
- No previous empirical research on women entrepreneurship has been conducted in Dr Kenneth Kaunda (Southern) district, resulting in literature from other regions in South Africa and other countries being used.

1.7 LAYOUT OF THE STUDY

Figure 1.3 below describes the flow of the research process.

Figure 1.3: Research process flow chart



The research study will be presented in the following chapters:

Chapter 2: Literature review

Chapter 2 will contain the literature study. The aim of this chapter is to provide background information to the study regarding entrepreneurship as a field of study. It also reviews women entrepreneurship with focus on factors such as characteristics of women entrepreneurs, motivation to start a business, challenges to start a business, factors influencing business growth and support and training programs that may encourage women entrepreneurship, as well as advantages that women entrepreneurs might possess in the business environment.

Chapter 3: Results and discussion of empirical study

Chapter 3 will offer the overall results and discussion of the empirical study. The chapter will contain the following: data collection, measuring instruments used, identification of the study population, the method of data collection and analysis of the data. The results of the empirical study will also be presented and discussed.

Chapter 4: Conclusions and recommendations

The body of information in this chapter will portray the following topics: the conclusions, recommendations, achievement of the objectives and suggestions for further research.

CHAPTER 2

LITERATURE REVIEW ON WOMEN ENTREPRENEURSHIP

2.1 INTRODUCTION

The debate over entrepreneurship is universal. It is spoken of, written about and discussed frequently – both in academia and in the public press. Regardless of where the debate occurs, entrepreneurship has been identified as being vitally important to the wellbeing of any economy, and its potential to contribute to the creation of employment and the alleviation of poverty has been well documented (Herrington , Kew & Kew, 2010: 11).

The important role that small businesses and entrepreneurship play in stimulating economic activity, creating jobs, alleviating poverty and uplifting living standards, has been recognized internationally as well as in South Africa (Van Vuuren & Groenewald, 2007: 269).

The GEM 2009 report argues that despite a wide acknowledgement that entrepreneurship is an important force in shaping the changes that take place in the economic environment, a full understanding of the relationship between entrepreneurship and development is still far from complete. Traditional analysis of economic growth and competitiveness has tended to neglect the role played by new and small firms in the economy (Herrington *et al.*, 2010: 14).

The GEM research has also shown that South Africa lags behind other developing countries in promoting early-stage entrepreneurial activity. In 2008, South Africa's early-stage entrepreneurial rate was 7.8% (Herrington *et al.*, 2009: 4) – significantly behind the average of 13% for other middle to low income countries. It is important to ask why South Africa's early stage entrepreneurial rate is so low. What factors have led to the low level of early-stage entrepreneurial activity and what can be done to improve it (Herrington *et al.*, 2010: 15)?

Increasingly female entrepreneurs are considered important for economic development. Not only do they contribute to employment creation and economic growth through their increasing numbers, they also make a contribution to the diversity of entrepreneurship in the economic process (Verheul, Van Stel & Thurik, 2004: 3). Female entrepreneurs are not only important because of their numbers, but also because of their contribution to the diversity of entrepreneurship in economies (Verheul *et al.*, 2004: 4).

For a female business owner, the process of starting and operating a new enterprise can be difficult because often they lack the skills, education and support systems that can expedite their business pursuits. Women's motivations for starting a business are related to their need to be independent, achieve job satisfaction, attain personal accomplishment and fulfilment, be creative and economically self-sufficient (Jalbert, 2000: 16).

Women face particular problems and challenges in developing their businesses. In addition to those problems faced by all small-scale entrepreneurs, it is commonly asserted that women frequently face gender bias in the socio-economic environment in which they operate. They face additional or at least different social, cultural, educational and technological challenges than men when it comes to establishing and developing their own enterprises and accessing economic resources. Furthermore, it is recognised that women in most societies carry the added burden of family and domestic responsibilities and this has a detrimental or limiting impact upon their ability to generate income outside of the home (Richardson, Howarth & Finnegan, 2004: 1).

The aim of this chapter is to provide insight into women entrepreneurship, with the focus on the characteristics of the women entrepreneur, driving forces for starting a business, barriers to business start-up, growth of businesses, support and training programs and advantages of women entrepreneurs in the business world.

2.2 ENTREPRENEURSHIP IN GENERAL

“Entrepreneur” is a French word with its origin dating back to the 1700s, and since then has evolved to mean someone who “undertakes a venture”. Jean-Baptiste Say, a French economist of the 1800s, stated that: an entrepreneur shifts economic resources out of an area of low productivity into an area of higher productivity and greater yield (Herrington *et al.*, 2010: 11).

Jalbert (2000: 9) explained that entrepreneurship emerges from an individual's creative spirit into long-term business ownership, job creation and economic security. This is a relatively new concept in developing economics. Cultural and social traditions also play a large role in determining who becomes an entrepreneur within a society. Entrepreneurship is primarily a survival instinct. Harsh economic conditions, high unemployment and political or social changes can force entrepreneurial activities. These circumstances can prompt individual entrepreneurs to change their personal living conditions.

Ahl (2006: 601) highlighted that entrepreneurship is characterised by words such as innovation, change, risk taking, opportunity recognition, driving force and economic growth.

O'Neill and Viljoen (2001: 37) argued that the common image of an entrepreneur is someone who owns a small business. There is a widespread acceptance of the notion that entrepreneurship is a variable phenomenon and that it has underlying dimensions. The most frequently cited dimensions are innovativeness, risk taking and proactive behaviour.

Herrington *et al.* (2010: 11) further stated that in a more modern context, the Oxford Dictionary describes an entrepreneur as: “one who organises, manages and assumes the risk of a business enterprise.” However, the Oxford Dictionary definition remains somewhat limited as individuals with an entrepreneurial mindset are associated not only with business ventures, but are also found within welfare, social, adventure and sporting ventures. Entrepreneurs are also found in government, universities and other similar institutions. There are numerous contemporary

definitions, many of which evolved during the latter half of the 20th century and were well summarised as shown on table 2.1 below:

Table 2.1: Entrepreneur's definitions

Author	Definition
Schumpeter (1934)	Entrepreneurship is seen as new combinations, including the doing of new things that are already being done in a new way. New combinations include: 1. Introduction of new goods 2. New method of production 3. Opening of new markets 4. New source of supply 5. New organisations
Kirzner (1973)	Entrepreneurship is the ability to perceive new opportunities. This recognition and seizing of the opportunity will tend to "correct" the market and bring it back to equilibrium.
Drucker (1985)	Entrepreneurship is the act of innovation that involves endowing existing resources with new wealth capacity.
Stevenson, Roberts & Grousbeck (1985)	Entrepreneurship is the pursuit of an opportunity without concern for current resources or capabilities.
Rumelt (1987)	Entrepreneurship is the creation of new business: new business meaning that they do not exactly duplicate existing business but have some element of novelty.
Low & MacMillan (1988)	Entrepreneurship is the creation of new enterprise.
Gartner (1988)	Entrepreneurship is the creation of organisations: the process by which new organisations come into existence.
Timmons (1997)	Entrepreneurship is a way of thinking, reasoning and acting that is opportunity obsessed, holistic in approach, and leadership balanced.
Venkataraman (1997)	Entrepreneurship research seeks to understand how opportunities to bring into existence future goods and services are discovered, created, and exploited, by whom and with what consequences.
Morris (1998)	Entrepreneurship is the process through which individuals and teams create value by bringing together unique packages of resource inputs to exploit opportunities in the environment. It can occur in any organisational context and can result in a variety of possible outcomes, including new ventures, products, services, processes, markets, and technologies.
Sharma & Chrisman (1999)	Entrepreneurship encompasses acts of organisational creation, renew renewal, or innovation that occurs within or outside an existing organisation.

Source: GEM Report 2009 (Herrington *et al.*, 2010: 11).

Bjerke (2007: 85) also argued that perhaps it would be better in an explanatory context to place less emphasis on entrepreneurial qualities and speak, like Gibb (1998), of entrepreneurial skills. These may be seen as:

- Synonymous with basic interpersonal skills, core skills or transferable skills such as communication, planning and presentation.
- Those skills associated with personal 'enterprising' behaviours which may be exhibited in a range of contexts, not purely business.
- Strongly associated with setting up and running an independent owner-managed business.
- Associated with managing dynamic growing businesses, businesses with a high risk of failure or those businesses exhibiting high risk of innovation.
- Associated at least in part with business skills development in the broad management sense of being qualified for example in marketing, financial management, production management and human resources management.
- Synonymous with attaining greater insight into the business world or with an appreciation of industry. In this interpretation, developed entrepreneurial skills are about the same as work experience and business appreciation. This is a perception that may particularly hold in the higher and vocational education sector.

Lebakeng (2008: 20) emphasised that the driving force in the modern economy for the past ten years, and the foreseeable future, is entrepreneurship. Entrepreneurs are meeting our economic needs through the creation of thousands of business each year. While larger corporations has instituted extensive "downsizing" or "rightsizing" programs, job creation and economic growth has become the domain of new ventures and the entrepreneur who create them (Mazzarol, Volery & Doss, 1999: 48). Entrepreneurship is seen as the engine driving the economy and this has resulted in growing interest in the development and education programs that encourage entrepreneurship.

Bosma and Levie (2010: 11) summarised entrepreneurship as follows:

- Entrepreneurship is a key mechanism for economic development in every phase.
- The impact of entrepreneurship on development is likely to differ in each phase in terms of time lag and size.
- The relative emphasis of policy makers on basic requirements, efficiency enhancers, innovation and entrepreneurship is key to development in each phase:
 - a) For factor-driven economies, getting the basic requirements right is key to the generation of sustainable businesses that can contribute not just to local economic activity but to health and education of the next generation.
 - b) For efficiency-driven countries, the nurturing of economies of scale attracts more growth and technology-oriented entrepreneurs, creating more employment opportunities.
 - c) For innovation-driven countries the focus lies more on dynamics, and stimulating new combinations of products and markets.

According to Baker, Aldrich and Liou (1997: 235), new businesses enhance economic vitality and expand the variety of workplaces available. For entrepreneurial activity to occur in a country, both opportunities for entrepreneurship and entrepreneurial capabilities need to be present (Bosma & Levie, 2010: 15). Botha (2006: 149) also stated that any government that is interested in improving economic prosperity should be interested in promoting the entrepreneurial dynamics of its country. In South Africa, entrepreneurship and small business development are a necessity to create employment and improve the standard of living.

The 2002 South African GEM report acknowledged a growing consensus within South Africa about the importance of entrepreneurship as a factor impacting on economic development. In 2002, South Africa was still ranked as one of the lowest of all developing countries involved in GEM. For example, South Africa was ranked as 15th out of 37 in start-up activity and 29th in new firm activity, with only 2% of the adult population being involved in new firms. South Africa ranked in the lowest

quartile of all GEM countries in two key measures, namely opportunity entrepreneurship and new firm activity. Total early-stage entrepreneurial activity (TEA) rates in South African were particularly low – approximately half of what the TEA rates were in other developing countries (Herrington *et al.*, 2010: 33).

South Africa's TEA rate remained unchanged in 2005, and was still the lowest of all the developing countries participating in the GEM survey. Not only was the rate of necessity entrepreneurship (2.05%) extremely low but, more importantly, the opportunity rate (2.95%) remained the lowest of all the developing countries. In 2006, despite improved macro-economic conditions in the country and the fact that its TEA indices had remained relatively constant over time, South Africa's position in the GEM rankings was shown to have deteriorated (Herrington *et al.*, 2010: 33).

South Africa, however, still has a below average entrepreneurial activity. According to the South African Global Entrepreneurship Monitor (GEM) research has shown that South Africa lags behind other developing countries in promoting early-stage entrepreneurial activity. In 2008, South Africa's early-stage entrepreneurial rate was 7.8% significantly behind the average of 13% for other middle to low income countries. The TEA index measures the percentage of individuals between the ages of 18 and 64 who are involved in starting a new business (Herrington *et al.*, 2010: 15).

The TEA rates for most countries have remained fairly stable over this period (2002 - 2008). South Africa's TEA (ranging from 4.3% – 9.4%) remained consistently below the average of the efficiency-driven countries (8.3% – 14.9%) and well below the average of factor-driven economies (10.3% – 31.6%). This is of obvious concern, given the extremely high levels of unemployment in South Africa (Bosma & Levie, 2010: 11).

It is widely acknowledged that entrepreneurship is an important force in shaping the changes that take place in the economic environment. However, a full understanding of the relationship between entrepreneurship and development is still far from complete. (Herrington *et al.*, 2010: 14).

2.3 WOMEN ENTREPRENEURSHIP

Botha (2006: 114) quoted Buttner and Moore (1997: 19) who maintained that until the beginning of the 1980s almost nothing was known about women entrepreneurs and that entrepreneurship studies concerned themselves almost entirely with men. It was therefore during the 1980s that scientific discourse on women entrepreneurs and women-run organisations began to gain ground. Mattis (2004: 155) also agrees that until recently much of what has been known about the characteristics of entrepreneurs, their motivations, backgrounds, families, occupational experience, their successes and failures, has been based on male entrepreneurs. In addition little attention has been given in entrepreneurship studies to under-represented minority business-owners.

Verheul *et al.* (2004: 3) highlighted that men and women entrepreneurs differ with respect to their personal and business profiles. Their businesses are run in different products, they pursue different goals and their business structures are different.

Women bring commitment and integrity to business because they care about economic empowerment, development and innovation. Furthermore, they build and maintain long-term relationships and networks and are sensitive to cultural differences (Jalbert, 2000: 9).

Elam (2008: 57) quoted that research on gender differences in network characteristic show that women share more similarities than differences with their male counterparts. Nonetheless women entrepreneurs still tend to have networks that are smaller and less diverse compared to men. Elam (2008: 89) also acknowledged that women start businesses that are very different from those that men start. Women are more likely to start smaller businesses that remain small. They are less likely to incorporate, more likely to see modest revenue streams and less likely to employ others than their male counterparts. Around the world women are more likely to start businesses out of necessity and less likely to start them in order to pursue opportunities than men.

Minniti and Arenius (2003: 5) observed that on average 50% more men participate in entrepreneurial activities than women. The significant gender gap remains, despite the rapid growth of women in professional and managerial jobs. The possibility exists that managerial jobs may be more attractive for highly successful women than entrepreneurial opportunities, and work in industry is proffered to opportunity entrepreneurship because women are more risk averse.

Bosma and Levie (2010: 24) highlighted in the 2009 Global GEM report that the ratio of female to male participation varies considerably in each phase, reflecting different culture and customs regarding female participation in economic activity. In some factor-driven economies, for example Venezuela and Uganda female TEA rates are just below male TEA rates. In Tonga and Guatemala, women are actually more likely to be involved in early-stage activity as compared to men. The situation is very different for most countries in the Middle East, reflecting different culture and customs.

Bosma and Levie (2010: 24) also highlighted that in efficiency-driven economies, the gender gap in TEA rates is quite low particularly in many Latin American countries. In many, but not all, eastern European countries male TEA rates are substantially higher than female TEA rates. In innovation-driven countries, the general rule of thumb is that men are twice as more likely to be involved in early-stage entrepreneurial activity than women. However, this gap is lower in Germany, Switzerland and Finland.

Verheul *et al.* (2004: 4) also observed that women entrepreneurship rates are high in some countries such as Japan, Belgium and Russia, and is closely related to general conditions for entrepreneurship in a specific country. On average, higher household or personal income among women lowers entrepreneurial activity (Tominc & Rebernik, 2003: 799).

Looking at South Africa, women make up 52% of the adult population. Of this percentage, only 41% is part of the active working population, while only 14.7% are appointed in executive managerial positions. South Africa women entrepreneurs

mainly operate within the crafts, hawking, personal services and retail sectors (Maas & Herrington, 2007: 38).

Herrington *et al.* (2010: 41) quoted a study commissioned by the Department of Trade and Industry in 2005 which highlighted that “although women in South Africa make up half of the business force, their contribution has not been adequately nurtured”. It indicated that the majority of South African women entrepreneurs operate within the crafts, hawking, personal services and retail sectors.

The average Tea Index for women entrepreneurs in all countries was calculated as 7.72% for 2006. South Africa’s TEA index for women entrepreneurs for the same year was 4.83%, which is below the global average. The low index regarding women entrepreneurs in South Africa could be related to the lack of skills and low educational levels of women entrepreneurs (Maas & Herrington, 2007: 44).

Female involvement in entrepreneurship in South Africa has remained constant over time, despite a number of initiatives undertaken by government (DTI, 2005) e.g. SAWEN (South African Women Entrepreneurs Network), SAWIMA (South African Women in Mining) and TWIB (Technology for Women in Business). In the light of South Africa’s constitutional commitment to gender equality, it is imperative to determine why female participation rates in entrepreneurial activity continue to lag behind male participation rates (Herrington *et al.*, 2010: 41).

Herrington *et al.* (2010: 70) observed that the analysis of Enterprise Survey data in Africa, found that once they are (women) already operating businesses, there are no significant differences in terms of performance and productivity of the business between male and female entrepreneurs. This suggests that Africa has, in their words, considerable hidden growth potential in its women, and that tapping into that potential can make a substantial difference for Africa’s growth and poverty reduction. Innovation, which is an integral part of entrepreneurship, requires new and unique ideas that flourish in a diverse environment. Interventions aimed at increasing female participation in the SMME sector are thus an important strategy for economic development in South Africa (Herrington *et al.*, 2010: 70).

2.3.1 Characteristics of women entrepreneurs

Bennett and Dann (2000: 45) stated that a review of the literature reveals three main personality characteristics of an entrepreneur: internal locus of control, achievement and risk-taking. The internal locus of control is deemed necessary for the entrepreneur to take the risk of establishing a new venture. Individuals who do not have a high belief in their own ability to control a situation are unlikely to expose themselves to the risks associated with a start-up. The need for achievement is linked to the internal locus of control characteristic. Individuals who believe their actions will result in personal achievement have a strong internal belief. Risk-taking as the third psychological characteristic, whether it be financial, social or psychological it is an integral part of the entrepreneurial process, indeed it is the balance between the potential profit of the venture and the cost process.

There is some debate in the literature as to whether psychological characteristics are defining qualities of an entrepreneur. An entrepreneur is not necessarily created at birth, however their individual traits are critical to how such a person reacts to a given situation. For example, the trait of risk-taking will influence whether a person takes up an opportunity to start their own business depending on the perceived risk. Therefore psychological characteristics as well as situational variables have an explanatory role for an entrepreneur's behaviour (Bennett & Dann, 2000: 45).

Lebakeng (2008: 30) quoted that according to Coulter (2003: 18), some of the more popular demographic factors include: family birth order, gender, work experience, education and an entrepreneurial family. However, other demographic traits that have been studied by entrepreneurship researchers include; marital status, education level of parents and social economic status. While characteristics of both male and female entrepreneurs are generally very similar, in some respect female entrepreneurs possess very different motivation, business skill levels and occupational suitable backgrounds than their male counterparts as demonstrated in table 2.2 (Hisrich & Peters, 1995: 62).

Table 2.2: Comparison between men and women entrepreneur's characteristics

Characteristic	Male entrepreneurs	Female entrepreneurs
Motivation	Achievement – strive to make things happen. Person independence-self – Image as it relates to status through their role in the corporation is unimportant. Job Satisfaction arising from the desire to be in control	Achievement – Accomplishment of a goal independence – to do it alone Job satisfaction arising from previous job frustration
Departure	Dissatisfaction with present job Sidelined in college Sidelined to present job Outgrowth of present job Discharge or layoff Opportunity for acquisition	Job frustration Interest in and recognition of opportunity in the area Change in personal circumstances
Source of funds	Personal assets and savings Bank financing Investors Loans from friends or family	Personal assets and savings Personal loans
Occupational ground back-	Experience in line of work Recognized specialist or one who has gained a high level of achievement in the field	Experience in area of business, middle- management or administrative level Experienced in the field.
Personality characteristics	Competent in variety of business functions Opinionated and persuasive Goal-oriented Innovative and idealistic High level of self confidence Enthusiastic and energetic Must be own boss	Service-related occupation background Flexible and goal-oriented Creative and realistic Medium level of self-confidence Enthusiastic and energetic Ability to deal with the social and economic environment
Background	Age when starting venture 25-35 Father was self-employed College educated-degree in business or technical area (usually engineering) Firstborn child	Age when starting venture 35-45 Father was self-employed College educated-degree in liberal arts Firstborn child
Support group	Friends Professional acquaintances (lawyers, accountants) Business associates & Spouse	Close friend
Type of business started	Manufacturing or construction Average net income \$7,100/Year	With spouse Family woman's profess. groups Trade associations Service-related-educational service Consulting; Public relations Average net income \$2,200/year

Source: Hisrich and Peters (1995: 63)

Bennett and Dann (2000: 45) further stated that it has been proposed that age has a significant impact on the entrepreneurial process. They classified women entrepreneurs into two groups according to age. The first group, classified as “traditional”, are aged under 35, they have a home and family orientation, have businesses in the services and retail sector and have started a business without a great deal of planning. The second group, classified as “modern”, are aged over 35, have a career focus, well-educated, have experience in technical industries and have taken a structured approach to their business. A study conducted in the 1970s performed research that found differences between the two groups of women in terms of buying behaviours, attitudes and patterns of media exposure. If the hypothesis that age has an impact on the characteristic of entrepreneurs is true, then the implication for entrepreneurial theory is that definitions and characteristics of entrepreneurs change over time.

According to research done by Hisrich and Peters (1995: 62), women entrepreneurs mainly fall in the age group of 35 to 45 and were married with children. These authors also found that most of the women entrepreneurs were the first born in their families. They as well as their parents had high levels of education. This type of background provided the women entrepreneurs with good role models and a supportive financially sound environment in which to start a new venture.

Lerner, Brush & Hisrich (1997: 325) and Verheul *et al.* (2004: 495) indicate that the majority of women-owned businesses are concentrated in retail and service sectors, which are perceived traditional areas of female employment. Similarly, Watson (2003: 262) highlights that female business ownership is concentrated primarily in the retail and service industries where businesses are relatively smaller in terms of employment and revenue as opposed to high technology, construction and manufacturing. This argument is supported by Hisrich and Peters (1995: 8) that most women usually have administrative experience which is limited to middle management level, often in more service related areas such as education, secretarial work or retail sales. Industry choice influences business size hence the relative smallness of female-owned business. Furthermore Birley, Moss and Saunders (1987: 29) added that the largest portion of the businesses started as sole proprietors, employing only one or two people.

Jalbert (2000: 31) as quoted by Meyer (2009: 17) observed that women entrepreneurs possess certain characteristics that promote their creativity and generate new ideas and ways of doing things. They are highly motivated and self directed and they also have a high internal locus of control and achievement. Women entrepreneurs furthermore regard their ability to focus intensely as the key to their success.

2.3.2 Factors that motivate women entrepreneurship

Bruni, Gherardi and Poggio (2004: 261) stated that if the best-known classifications are combined, it is possible to identify the following “ideal-typical” profiles of women entrepreneurs:

- The “aimless” young women who set up a business essentially as an alternative to unemployment.
- The “success-oriented” young women for whom entrepreneurship is not a more or less random or obligatory choice but a long-term career strategy.
- The “strongly success-oriented” women, usually without children, who view entrepreneurial activity as an opportunity for greater professional fulfilment or as a means to overcome the obstacles against career advancement encountered in the organisations for which they previously worked.
- The “dualists”, often with substantial work experience, who must reconcile work and family responsibilities and are therefore looking for a solution which gives them flexibility.
- The “return workers”, or women (usually low-skilled) who have quit their previous jobs to look after their families and are motivated by mainly economic considerations or by a desire to create space for self-fulfilment outside the family sphere.
- The “traditionalists”, or women with family backgrounds in which the owning and running of a business is a longstanding tradition.
- The “radicals”, or women motivated by a culture antagonist to conventional entrepreneurial values who set up initiatives intended to promote the interests of women in society.

The reasons why women have left the mainstream labour market to enter the field of entrepreneurship have been explored by a number of researchers. Several studies on women entrepreneurs have attempted to identify the reasons for starting a business and have come up with similar findings. About one-fifth of women have been found to be drawn to entrepreneurship by pull factors, while the rest are drawn by push factors (Ghosh & Cheruvalath, 2007: 149).

Pull factors for instance, include the need for a challenge, the challenge to try something on their own and to be independent (Birley *et al.*, 1987: 28) and to show others that they are capable of doing well in business (Ghosh & Cheruvalath, 2007: 149). This argument is supported by Bruni *et al.* (2004: 260); Birley *et al.* (1987: 28); Bach (1997: 10); McKay (2001: 149) and McClelland, Swail, Bell and Ibbotson (2005: 85) that cited pull factors such as the need for independence, self fulfilment and the desire for wealth, social status and power. Many women operate their business on a part-time basis as this affords them flexibility often needed to meet their family responsibilities. Buttner and Moore (1997: 34) noted that female entrepreneurs measure success in terms of self-fulfilment and goal achievement.

Push factors such as insufficient family income, dissatisfaction with salaried jobs, difficulty in finding a job, balancing family responsibilities (McKay, 2001: 149; DeMartino & Barbato, 2002: 816) and the need for a flexible work schedule are also highlighted by scholars (Ghosh & Cheruvalath, 2007: 149). In addition, other studies show that the major reasons for women starting new ventures are frustration and boredom in their previous jobs, followed by an interest in business and autonomy. Women used the autonomy of entrepreneurship to integrate the goals of family and personal interest of the goals of their work (DeMartino & Barbato, 2002: 820). Bradley and Boles (2003: 6) and McKay (2001: 152) confirm that women were more dissatisfied with their previous work experiences and saw self-employment as a means of catering for conflicting personal and work demands.

Maas and Herrington (2007: 39) listed the following factors in the 2006 GEM report as the most important factors that positively influence women to become entrepreneurs:

- Government policies are favouring previously disadvantaged groups such as women.
- There are more role models for women entrepreneurs.
- Women compete against male entrepreneurs and that motivates them to prove themselves.
- Networking with other women entrepreneurs helps them to become better entrepreneurs. There are enough opportunities for networking but they are not fully utilised.
- Women want to become financially independent and do things on their own, particularly because they have not previously had the opportunity to do so.
- Women entrepreneurs experience a flexibility in their businesses that allows them to organise their business around their personal requirements such as taking care of the family.
- Women who cannot make it in the corporate environment normally start their own businesses.
- Women have a passion to work with people.
- The support of family helps women to go into business.
- Women entrepreneurs can offer and deliver the same services as corporate companies at less cost to clients.
- Women start their own businesses to get away from corporate politics because women are not natural corporate political players.
- Women want to take care of their children and extended family.
- Business presents an opportunity for gaining experience and self-development and realizing self-potential.
- Women can make a name for themselves in businesses that require a women's understanding, such as house cleaning.

Herrington *et al.* (2010: 41) quoted a study commissioned by the Department of Trade and Industry in 2005 which highlighted that women business owners cite a

number of reasons for becoming entrepreneurs. An analysis of the main reasons suggests the following trends:

- Challenges/attractions of entrepreneurship.
- Self-determination/autonomy.
- Family concerns – balancing career and family.
- Lack of career advancement/discrimination.
- Organisational dynamics-power/politics.

Herrington *et al.* (2010: 41) further quoted that the desire to make a social contribution is also a strong motivating factor for women entrepreneurs. Helping others has been found to be a key factor in women choosing to become business owners. It is this caring attitude that manifests in women's leadership styles and goals other than economic growth that guide women's businesses.

Meyer (2009: 18) quoted Orhan (1999: 2) who found that independence and self-accomplishment are usually ranked first and second with regard to reasons why women start their-own businesses. Buttner and Moore (1997: 42) noted that women entrepreneurs left their organisations because they pursued a challenge, measured success primarily in terms of self-fulfilment, and secondary in terms of profit.

Furthermore, Mallon and Cohen (2001: 223) found that many women have few opportunities for professional development in terms of promotion, learning and growth within their organisations. For these women, work has lost its challenge, and feelings such as stagnation and “being stuck” might act as triggers for change. Self-employment then offers “room to grow” and make some mistakes, “air to breath” and “opportunity to flourish”.

According to Mallon and Cohen (2001: 225), another reason for women choosing self-employment is unwillingness to tolerate the lack of resignation. By being self-employed, women regained a sense of themselves and their personal integrity, which was stripped from them in their organisations.

According to Heilman and Chen (2003: 360), a factor that is very appealing and which might pull women into entrepreneurship is the fact that an individual's career success will be dependent on her own merit while running her own business, and not on the preconceptions and prejudices of others in the work place.

Kock (2008: 102) concluded that women entrepreneurs are mostly drawn to self-employment by pull factors rather than push factors. According to this author, the main motivators for women entrepreneurs to start a business are the need for a challenge, self-fulfilment and confidence in the product or service offered.

2.3.3 Factors inhibiting women entrepreneurship

Maas and Herrington (2007: 39) listed in the GEM report 2006 the following factors as the most important factors preventing women from becoming entrepreneurs:

- Women give up very quickly because processes (e.g. franchising) are too complicated.
- They are not willing to make sacrifices. Their goals are not for the long term and they want quick and easy jobs.
- They are not exposed to different fields of business and do not know where to research information if they enter an unknown field of business.
- When a woman is the head of a family, running a business is a large risk. What will happen if she loses their last money?
- Women do not have assets which can be used as security to obtain loans. They sometimes live in shacks and are listed on credit bureaus.
- There is no training for support providers on how to support women.
- They do not have financial management knowledge which prevents them from expanding.
- They do not know the terminologies used by banks and are therefore hesitant to approach them.
- Training is not in their mother tongue and therefore they do not understand it.
- If women entrepreneurs fail, the environment is less sympathetic towards them.

- Women think that if they start their own business they will be required to work longer hours which will be too exhausting.
- Lack of confidence as women are told by family and other people that they cannot make it in the business place.
- Some women cannot find an appropriate location from which they can operate their business as they may need to be close to home so that they can meet their family duties.
- Oppression from husbands, who fear that the woman will become independent.
- Lack of motivation, so for example some women are content with receiving government grants and handouts.

Herrington *et al.* (2010: 41) quoted a study commissioned by the Department of Trade and Industry in 2005 which highlighted that women generally lack the necessary resources for starting and developing their own businesses. Resources critical for success are the assets that women bring with them to the entrepreneurial process in the form of human capital (formal and occupational experiences) and the entrepreneur's ability to access resources in the environment (e.g. capital, suppliers and customers). Human capital is derived through investment in education and training.

Research supported the theory that women have been impeded from acquiring adequate levels of human capital because of social and cultural forces. Socio-cultural constraints have limited women's access to a meaningful business experience, and led to careers interrupted by family obligations. They have less human capital for the management and development of their businesses. Demands on human capital, in terms of education and experience, are specific to the nature of the entrepreneurial venture and hence vary between industries. Additionally, barriers have been seen to impede women's access to financial resources (Herrington *et al.*, 2010: 41).

Thus the main obstacles that women face in business are educational and work background, psychological characteristics, motivation, perception and career efficacy, training and skills development, comparative earnings levels, management

practices, external networking, desire to succeed and other obstacles (Herrington *et al.*, 2010: 41).

Ghosh and Cheruvalath (2007: 150) concurred that challenges to women entrepreneurs cover a wide spectrum, including level of education, inter-role conflicts emanating from greater parenting responsibilities, a dearth of financial assistance and social-cultural constraints. Men and women both experience personal problems but women recorded more difficulties. This is especially true in respect of lack of self confidence and not to be taken seriously when applied by providers of funds. In Africa, women as producers and entrepreneurs, 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 education and training facilities.

Research on role models and family background of entrepreneurs suggest a strong connection between the presence of role models and emergence of entrepreneurs (Matthews & Moser, 1995: 366). According to Mattis (2004: 154), women entrepreneurs have fewer role models available to them than man. There is a need for successful female entrepreneurs to become more visible so as to serve as role models for other women. Similarly, many entrepreneurs do not have familiar alternative role models that would support more ambitious growth objectives of the company as well as the reshaping of their personal situation. The lack of alternative role models, result in expectations of low growth for their company (Lee-Gosselin & Grisé, 1990: 431). Limited use of mentors by women was found to be a significant inhibitor to successful business development (Lerner *et al.*, 1997: 324).

2.3.4 Economic impact

Minniti and Arenius (2003: 12) highlighted that the patterns of female self-employment and dependent work in low income countries diverge significantly from each other, with self-employment often being the path into the labour force and out of poverty. These authors further state that more women entrepreneurship is found in low-income countries with higher birth rates. For women in these countries, involvement in entrepreneurship may mean that self-employment is a way to

circumvent institutional and cultural constraints and to provide necessary family income. Thus, greater economic security such as welfare payments or stable employment is associated with less opportunity and necessity entrepreneurship in these countries (Minniti & Arenius, 2003: 11).

Verheul *et al.* (2004: 9) noted that the size of the informal sector might positively impact women entrepreneurship. Informal sector activity might appeal to women since it is relatively easy to operate in and is often close to home. Informal activity might be a way for women to realize greater flexibility to combine work and household activities. Verheul *et al.* (2004: 7) also found that an increase in wealth within the economy tends to be accompanied by technological development and an increase in the service sector, which might create opportunities for women entrepreneurs.

Ahl (2006: 602) suggests that women's entrepreneurship is mainly important as an instrument for economic growth. Researchers write that their businesses have, or should have (depending on country and prevalence of women entrepreneurs), an important impact on the economy in terms of jobs, sales, innovation and economic growth and renewal.

Jalbert (2000: 30) explained that the combination of two jobs, one at work and one at home, is difficult for women in any country, but it becomes a double burden in a developing economy where poverty and lack of infrastructure such as lack of water, electricity, roads, communication and business sites, can make the most basic tasks harder and more time-consuming.

Minniti and Arenius (2003: 21) also observed that in high income countries, the percentage of women in public and private managerial positions is positively correlated to opportunity entrepreneurship. On the other hand, the percentage of women in public and private managerial positions in low income countries is negatively correlated to opportunity entrepreneurship, although the correlation is not statistically significant. While this finding is ambiguous, it suggests the possibility that managerial jobs in low income countries may be more attractive for highly skilled women than entrepreneurial opportunities.

2.3.5 Venture capital financing

Brindley (2006: 151) acknowledged that a more traditional view of capital as financial capital is included as a risk construct in a number of studies. Women were perceived by bank workers as less entrepreneurial than men and were evaluated lower on risk-taking propensity. Female entrepreneurs scored significantly lower than male entrepreneurs on their risk-taking scale but were still higher than the risk-taking level recorded within the general public. Also acknowledged that female entrepreneurs are less willing to get involved in situations with uncertain outcomes where financial gain is involved.

In terms of the type of business ownership, Hisrich and Peters (1995: 8) and Lee-Gosselin and Grisé (1990: 424) indicate that Small and Medium Enterprises (SMEs) owned by females are likely to be sole proprietors and therefore this appears to support the results of earlier studies that female-owned firms have greater difficulty accessing debt finance.

Verheul *et al.* (2004: 14) argued that financial institutions are reluctant to lend money to early-stage and seed businesses because of the high risks involved and the lack of a track record. Women have even more problems obtaining finance through the regular channels, because the business profile of women is usually less favourable for investors than that of men. Women start smaller businesses in the service sector and often work part-time in the business. However, Bruni *et al.* (2004: 260) believe that the difficulty encountered by women to obtain credit forces them to choose low capital intensive ventures, such as those in the service sector.

Meyer (2009: 27) quoted Wasilczuk and Zieba (2008: 160) stating that they believe that financial barriers are one of the most important obstacles women have to face when setting up and developing a business. Jalbert (2000: 19) remarked that a key stumbling block for women entrepreneurs is to obtain credit to start a business. Women tend to seek small personal loans because they tend to start small firms. Banks show little interest in small loans or micro credits, because of relatively high handling costs. Bankers also have a pessimistic view of women's creditworthiness, which fosters a reluctance to grant credits.

Orhan (1999: 6), as quoted by Meyer (2009: 27), pointed out that from a traditional male perspective, women poses a higher risk in their ability to run a business, because women show lower rates of self-confidence and hardly ever experienced a leadership position in their previous jobs. Due to their lack of financial competencies, women have difficulty in presenting a medium-term accounts plan for their business. Banks are reluctant to give small loans involving higher risks and lower income generation.

Minniti and Arenius (2003: 16) also found that female entrepreneurs might show a lack of confidence in their own entrepreneurial capabilities, and will thus start-up a business with a smaller amount of capital. On average, women have a smaller amount of start-up capital, smaller proportion of equity and a higher proportion of bank loans. The smaller portion of equity might be attributed to less personal resources to finance the business.

Bruni *et al.* (2004: 262) highlighted that whether women entrepreneurs apply to an institutional financier (a bank, a finance agency), a friend, a relative or even her spouse, they are likely to come up against the assumption that “women can’t handle money”.

Coleman (2007: 304) found that women reported continued difficulty in securing sources of capital. Although commercial banks are typically a major source of financing for small firms, only 32 percent of women-owned firms used them in 1993 (Women in Business 1998). In contrast, more than 35 percent used credit cards as a source of financing.

Ntshabele (2008: 27) acknowledged that black women are a huge potential market for financial institutions. Only 38% of black women are formally banked against 44% of black men and 94% and 91% of white men and women respectively. A total of 42% of black women are financially excluded – they have no financial products. The remaining 20% of black women use informal products such as “stokvels”, savings, clubs, burial societies and informal sources of credit.

Ntshabele (2008: 28) quoted that the accelerated and shared Growth Initiative for South Africa (ASGISA) is focusing its attention on SMME'S and co-operatives, since the two are crucial to economic growth. The absence of funding is a major impediment to economic growth since it not only prevents women from starting their own business, but prevents further growth of existing women-owned business. The entrepreneurial spirit of women is thus dampened by a lack of funding. The launch of the women's fund by business partners limited, and other role players, was a major triumph for the investment of women in business. Dedicating a fund that assist women entrepreneurs to own and grow their small and medium businesses, will unlock economic growth and empower women.

O'Neill and Viljoen (2001: 40) indicate that in South Africa, Khula Enterprises Finance limited was established specifically to promote delivery of micro credit to rural women and the poor. Various science councils and organisations are partners in the initiative, offering training and mentorship programmers.

2.3.6 Human capital impact

Prior research suggests that both human capital and financial capital are necessary components for small business success and survival. Human capital refers to education, employment or industry experience, and other types of experiences that help to prepare the entrepreneur for the challenges of business ownership (Coleman 2007: 304).

Coleman (2007: 305) concur that in terms of educational level, entrepreneurs who had a college education were dramatically less likely to fail than those who did not. College-educated entrepreneurs also had greater access to loans from commercial banks. She also acknowledged that education had a significant effect on both firm survival and growth. Simultaneously, prior research suggested that women were less well prepared for business ownership than men in the areas of human and financial capital. Typically, women were less likely to be educated in the business disciplines and had fewer years of management experience (Coleman 2007: 315).

According to Kuratko and Welsch (1994: 333), most women entrepreneurs have not been in business before and may have little management experience, although they generally have a higher level of education than their male counterparts.

McClelland *et al.* (2005: 4) argued that lack of managerial experience is one of the large barriers women have to overcome in the entrepreneurial world. These researchers remarked that women are predominant in the “traditional sectors” (service, retail, teaching, office administration and secretarial areas), rather than in executive managerial, scientific or technical areas. Many women entrepreneurs therefore gain their first managerial experience in her own-businesses.

Coleman (2007: 316) highlighted that for women-owned firms, growth is driven by factors such as economic conditions, geographic locations, type of business or the personal preferences of the business owner. For men, in contrast, determinants of growth are the ability and willingness to secure external sources of capital. Thus human capital rather than financial capital plays a role in determining profitability of women-owned businesses.

Winn (2004: 150) argued that few women have the educational or experiential foundation for starting their own business, despite training in specialized fields. According to Jalbert (2000: 28), improvement of technical skills is fundamental for entrepreneurial growth. When women did have a clear business idea and had experience in management, they outperformed or equalled men.

Maas and Herrington (2007: 42) concluded that in South Africa, more women are involved in starting a business, than in the early stage business activities, and it seems that most women are also not graduating to higher levels of entrepreneurial activity. A reason for this might be that 71.2% of the women involved in the research have a Grade 12 or lower educational qualification. Due to the complexity of “higher order” entrepreneurial activities, these activities demand higher levels of education.

Maas and Herrington (2007: 39) argued that education and training are very important in promoting women entrepreneurship, because lack of this will prevent women from becoming more active in the labour market. According to Maas and

Herrington (2006: 39), the South African Department of Trade and Industry (DTI) consider developing a set of incentives for women entrepreneurs, for example, incubation, training and creation of networking organisations. The DTI also has an initiative called Technology for Women in Business. This initiative focuses on women entrepreneurs at all levels of business, tracking their skill development and helping them to familiarise with relevant technologies.

2.3.7 Organisational and managerial methods

Carter, Anderson and Shaw (2001: 31) acknowledged that echoing the gender and leadership debates within the field of management science in the 1980s, researchers have attempted to investigate whether female entrepreneurs manage their firms in a qualitatively different way than do men. The assumption that women are better at relationship oriented skills while men excel at task-oriented skills has been refuted by some researchers, although the stereotypical view persists.

The management styles of female entrepreneurs were best described using relational dimensions such as mutual empowering, collaboration, sharing of information, empathy and nurturing. Importantly, these dimensions, which have also been associated with women in different professional occupations, were deemed to be associated with firm performance, particularly with regard to employee retention and esprit-de-corps (Carter *et al.*, 2001: 31).

Bruni *et al.* (2004: 264) argued that men are mainly characterised by a traditional leadership style while women display distinct abilities in transformational leadership: a management style which seeks to foster positive interaction among subordinates. Women entrepreneurs may be more comfortable tackling smaller, technical problems than with the big picture of the total business. One of the most robust findings of the gender differences in literature is that women use leadership styles that are democratic and participative compared to men's more autocratic and directive styles.

Gundry and Welsch (2001: 465) found that high-growth-orientated women entrepreneurs pursue market expansion, technological change and search for financing, operations planning and organisational development. These women are

also willing to incur greater opportunity costs and will set aside some personal and family goals to pursue venture growth. Their businesses are also more structured and they are able to respond rapidly to changes in the external environment.

According to Shelton (2006: 286), high-growth women entrepreneurs also choose to manage their businesses in ways that require less involvement of the entrepreneur. In this way family emergencies can be handled without disrupting business operations.

Zabludovsky (1999: 174) found that most women business owners share their business decision making; the decisions most often shared are related to production (54%), followed by administrative activity (51%). Although most women share the decision-making process in personnel and commercial management, they did find a significant number of cases where the women business owners make decisions based solely on their own criteria. With respect to management styles, they also found that most women partially delegate the functions of the company (54%) and they had 11% where they did not delegate or request advice or assistance. Many women business owners (45%) consider that they have a participatory leadership style. Only 14% of them indicate that their style is hierarchical and that decisions are made vertically.

In relation to their communications style, they found that 11 cases specified informal communications and nine indicated structured communications (October 1998 questionnaire). It is also important to be pleasant in dealing with others, to have teamwork, the ability to delegate responsibilities and concern for the well-being of employees. Other important causes, mentioned slightly less often, are administrative and savings abilities, to be able "to anticipate problems" and have a support network in the business community (Zabludovsky, 1999: 174).

Lee-Gosselin and Grisé (1990: 432) stated that some women choose to keep their business small to preserve their quality of life, to keep close contact with their employees and clients, and to stay close to the operations.

2.3.8 Socialisation and network affiliation

Women tend to forge long-term relationships based on effective ties, while men form short term relationships based on mutual interest (Minniti & Arenius, 2003: 20).

McClelland *et al.* (2005: 12) stated that some women entrepreneurs utilise their own networks as means of business development and a support mechanism to gain knowledge and advice from fellow business owners.

Lebakeng (2008: 44) quoted that the personal network of the entrepreneur is the most important resource of the firm. Strong ties in social networks facilitate the start-up (Lerner *et al.*, 1997: 324). Similarly, Manolova, Carter, Manev and Gyoshev (2007: 411) indicate that overall, social networks are a critical source of resources and support which alleviates the liabilities of newness and smallness and allows entrepreneurs to engage in the pursuit of growth opportunities. Affiliation with a single network was highly related to profitability, whereas involvement in multiple networks was detrimental to both revenues and number of employees (Lerner *et al.*, 1997: 316).

Orhan (1999: 2) argued that women tend to be less oriented towards profitability and revenue growth than men and their motivation seems to be more socially oriented. They regard their economic role within the environment as providing jobs and participating in local development, and that this is more important than prestige attributes such as social status and revenue. Women regard their business as a cooperative network of relationships rather than primarily as a separate profit-making entity. They consider themselves to be successful when harmony prevails within their relationships with others, with business survival as permanent “background”. This view was also expressed by Winn (2004: 150), who found that women start their own business to make a social contribution in addition to pursuing economic motives.

Research found that women have more socially oriented motives for starting a business. Women start businesses to “make a difference”, which make them more client focused than men (McClelland *et al.*, 2005: 13).

In South Africa women desire to create a better environment for their families and communities and are highly conscious of the social contribution their businesses can make to help others. Women believe that it is possible to create something both socially conscience and economically viable, and blend their business relationships with other relationships in their lives including their families and ties to the community (McClelland *et al.*, 2005: 9).

Herrington *et al.* (2010: 41) highlighted that organisations such as the South African Women Entrepreneurs' Network (SAWEN), South African Women in Mining (SAWIMA) and Technology for Women in Business (TWIB) have been initiated. These organisations were established due to the fact that women entrepreneurs in South Africa continuously face a wide array of obstacles in starting, growing and sustaining their own businesses. They facilitate and monitor the socio-economic advancement of women entrepreneurs and their positive impact on the country's economy. These organisations also provide a national vehicle that brings women together and addresses the challenges faced by the women entrepreneurs.

Welter (2004: 213) found that support from strong tie networks, especially family support is a decisive factor for business support.

2.3.9 Family constraints

Shelton (2006: 286) pointed out that mitigation of work-family conflict and work-family management strategies are important for growth in entrepreneurial ventures. Role sharing strategies are preferred by most women, because this enables them to enjoy the enhancement of both work and family roles.

A tension exists in the form of inter-role conflict, in which the pressures from the entrepreneurial role and the home maker role become incompatible (Ahl, 2006: 605). Winn (2004: 148) indicates that work-home conflict is evident even for women who do not have children.

O'Neill and Viljoen (2001: 39), as quoted by Meyer (2009: 28), stated that another large constraint to women entrepreneurs is family commitments of married women.

Winn (2004: 147) stated that married women, especially those with children, live in two worlds: one at work and one at home. Child-rearing responsibilities can interfere with the best of intentions. While it is often permissible to miss a day at the office to tend to family problems, small businesses have less slack than large organisations, 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 business. For women, this is particularly troublesome.

Winn (2004: 148) also found that the demands of their businesses affected the women's ability to relax at home. This caused marital unhappiness and work-home conflict. Even the women who were encouraged by their husbands experienced that the time and stress of the business strained their marriages. If husbands do not provide encouragement and understanding when the business demands long hours and stress in exchange for minimal returns, the women are unlikely to continue their businesses.

Chell and Baines (1998: 132) argued that women business owners in general carry the double burden of responsibility for domestic and child care activities. Consequently significantly less time is put into the business. Bradley and Boles (2003: 22) determined that some women wait until their children are older before pursuing their ventures.

Shelton (2006: 294) advised that in order to improve the survival and performance of women-owned ventures, programs should be implemented to assist women in selecting appropriate work-family management strategies. If work-family conflict is addressed, a potential stumbling block for women business owners will be removed and the effectiveness of other programs will be enhanced.

2.3.10 Support and development

Government can provide female entrepreneurs with special loans, subsidies, funds, enterprise centres, entrepreneurship awards, counselling, training, advisory support, information products and web portals (Verheul *et al.*, 2004: 14).

Winn (2004: 151) argued that we need to understand and address the factors that are critical for women to succeed in independent businesses and to present a more realistic picture of what starting a new business entails.

According to Minniti and Arenius (2003: 24) and Kock (2008: 116), governments should address factors such as education, training and family-work reconciliation. Policies should thus create and guarantee the existence of underlying conditions favourable to an entrepreneurial environment rather than be active promoters of start-up activities.

Kock (2008: 110) argued that many women want post-start-up support that is 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 entrepreneurs. The support can include individual as or group-based assistance directed at specific problems where mentors serve as role models.

Langowitz and Minniti (2007: 341) found that women tend to perceive themselves and the entrepreneurial environment in a less favourable light than men. Programs aiming to improve perceptions of aspiring women entrepreneurs may lead to higher rates of business start-up.

According to Orhan (1999: 9), women entrepreneurs lack financial culture and competencies. Lebakeng (2008: 89) believes that training and development could help women entrepreneurs to obtain management skills, including skills in preparing business plans and financial statements. This could bridge the gap in the inequality of granting credit by banks.

Maas and Herington (2007: 28) highlighted that the Department of Trade and Industry (DTI) special report (2005) advises that support should focus on:

- Education from dependency and entitlement to self-sufficiency and economic growth.

- Development of information technologies to bridge the gap between new and established businesses.
- Establishment of networking links, international partnerships, community participation and access to national and global markets.
- Development of partnerships between stakeholders (government, private sector, trading partners).
- Provision of business skills training, facilitation of business incubation and monitoring and support services.
- Establishment and appropriate changes to trade, investment and tax policies to promote and sustain women entrepreneurship.
- Review or change of regulatory frameworks that discourage women entrepreneurship and hinder economic growth.

2.4 SUMMARY

From the theory stated in this chapter by various researchers, it is clear that any government and entrepreneurial stakeholders needs to embark on creating and maintaining measures that can stimulate and develop women entrepreneurship as a vehicle to economic growth and development, because women entrepreneurship has been identified by a number of researchers to be a realistically great opportunity to accelerate economic growth and development.

These theories also reflected that there are factors that motivate women entrepreneurs to start businesses, but at the same time there are unique challenges that might be responsible for hindering and preventing successful women entrepreneurship growth and development when compared to their male counterparts.

Various important issues were highlighted in this chapter, they are as follows:

- The TEA index for women entrepreneurs is lower than the averages of some countries who participated in the GEM 2006 studies.
- The TEA rates for women remained constant over years.
- Individual skills are currently a critical problem for women entrepreneurs.

- Women do not believe that they are entrepreneurial.
- Women entrepreneurs are not really concerned about growth.
- Women would rather try to balance their family and business obligations.
- Women are influenced by various issues such as tradition which determines that women need to look after the family.

Maas and Herington (2007: 4) also sums it up by saying when women entrepreneurs were analysed it was evident that skills and mind set are the two most important determinants influencing the accelerated entrance into the formal labour market. An additional determinant identified which influences women entrepreneurs negatively is culture/tradition. Women want to or are expected to look after their families and therefore opt for businesses that are either flexible enough to allow them time to care for their families, or are easy enough to operate. Again, the levels of education proved to be too low to allow for the exploitation of modern opportunities.

It is also evident from various GEM report studies that South Africa performs below average on women entrepreneurship activity when compared with other countries. The question is whether South Africa can experience the same growth as other countries as far as women entrepreneurship is concerned without neglecting the needs for growth and development of the entire entrepreneurial community. It will therefore be necessary to find measures that will support both male and female entrepreneurship in order to stimulate economic growth. However the important question of what can be done to improve the ratio of women entrepreneurs in the economy remains.

Various researchers tend to be in agreement with Maas and Herington (2007: 41) in terms of the various areas that need to be addressed in order to support and promote women entrepreneurship. These areas are as follows: access to finance; government policies; government programmes; education and training; transfer of research and development; commercial, legal and financial infrastructure; openness of the domestic market; access to physical infrastructure; and extent to which social and cultural norms support the choice of starting a business as a career option.

Richardson *et al.* (2004: 82) pointed out that despite all the constraints, many women in Africa run successful businesses that employ others. The business success gives women entrepreneurs a great sense of pride, worth and personal satisfaction. Furthermore, they are living role models for other women in their specific communities and social settings.

CHAPTER 3

RESULTS AND DISCUSSION OF THE EMPIRICAL STUDY

3.1 INTRODUCTION

This chapter presents the empirical observations as set out in the context of the research objectives and design as well as in relation to the broader problem statement. It is based on a group of women entrepreneurs in the Southern district municipality of the North-West province. This empirical research was done by means of surveying using a structured questionnaire as the main research instrument. Hence in the discussion the findings are interpreted in correlation with the research questions. The various methodological issues and considerations involved in the gathering of the data are also discussed.

3.2 GATHERING OF DATA

In this section a description of various methodologies and considerations involved in obtaining and handling the data used in the study is presented. This section has been divided into two parts, each of which concerns a different component of the data collection process. Information regarding the development and construction of the questionnaire is contained on the first part and information regarding the data collection is contained on the second part.

3.2.1 Development and construction of the questionnaire

The survey instrument utilised in this study was a standardised questionnaire developed by the Potchefstroom Business School (Lebakeng, 2008; Kock, 2008). Information was entered by the respondents themselves.

This questionnaire was developed by these researchers with questions and items developed from their initial research problems respectively and the literature study they conducted. Questions or items of the same kind or that seek the same sort of

information was grouped together. They fell into a range of categories where some consisted of a small number of related questions where the intention was to elicit information of a particular type (Kock, 2008: 67).

These analytical categories contained in the questionnaire are relevant to the research problem and the literature review, as listed below:

- **Section A: Personal information**
 - » Age
 - » Marital status
 - » Educational level
 - » Number and age of children
 - » Employment history
- **Section B: Business information**
 - » Industry
 - » Legal status of business
 - » Age of business
 - » Path to business ownership
 - » Source of start-up funding
 - » Business premises
 - » Number of employees
 - » Annual turnover
 - » Previous exposure to business
- **Section C: Motivational factors and demographic aspects**
- **Section D: Obstacles towards women entrepreneurship**
 - » During start-up phase of business
 - » During current operations
- **Section E: Development needs of female entrepreneurs**
 - » Previous development by private or government agency
 - » Women entrepreneurship association awareness

» Needs classification

In section A, B and E the questionnaire was designed so that the respondent could indicate the applicable answer by marking a designated block with a cross. More than one block could be marked where applicable.

In section C and D a seven point Likert scale method was applied to measure responses that range from one to seven where one denoted “strongly disagree” and seven denoted “strongly agree”. The Likert scale gives a reliable measure of the actual position on the range, instead of indicating only whether the respondent agree or disagree on a particular issue.

3.2.2 Data collection

The questionnaire in the form of printed copies was distributed to 50 women entrepreneurs in the Dr Kenneth Kaunda (Southern) district municipality as a result of the sampling method applied. The study made use of both a convenience sampling method and secondly made use of a snowball sampling method. Snowball sampling relies on referrals from initial subjects to generate additional subjects. Therefore the base selection of a primary informant took place. The base selected for this study was Annelize Swarts at the Dr Kenneth Kaunda (Southern) district municipality’s small business development office, who acted as an informant of women-owned businesses. These referrals were contacted to confirm if they adhere to the definition of small and medium-sized women-owned businesses. More referrals were subsequently collected by these women-owned businesses expanding the database. A list of 50 women-owned businesses was compiled as a result of these efforts. Techniques for distributing questionnaires included: e-mail, personal delivery and structured interviews.

This review aimed to distribute questionnaires to a wide variety of business sectors, demographic locations and races as to obtain a representative view of women entrepreneurs. Business sectors included were, i.e. retail trade, manufacturing, construction, transport, accommodation and restaurant, food industry, agriculture and services.

Demographic areas included various towns within the boundaries of Dr Kenneth Kaunda (Southern) district municipality, i.e. Ventersdorp, Tlokwe (Potchefstroom), Matlosana (Klerksdorp) and Maquassi Hills (Wolmaransstad).

A period of four weeks for responding to the questionnaire was allowed where the questionnaires were collected personally by the researcher. A total of 38 usable questionnaires were returned from the sample. This constitutes a 76% response rate. Various reasons cited by the intended respondents for non returns faced during the process included the limited time available to the respondents to complete the questionnaires due to busy work schedules, the availability of certain owners at the time and some suspected that this might be a research by the Government on their businesses other than just an academic research.

3.3 BIOGRAPHICAL INFORMATION OF THE RESPONDENTS

3.3.1 Age group clarification of respondents

- **Purpose of the question**

The purpose of question A1, in Section A of the questionnaire (refer to Appendix A) was to determine the age group classification of the participating women entrepreneurs.

- **Results obtained**

The age groups of all women entrepreneurs that responded to the survey are presented in Table 3.1 below.

Table 3.1: Age group clarification of respondents

Age group	Number of women	Cumulative number of women	Percentage	Cumulative percentage
30 years – 39 years	15	15	39.47%	39.47%
40 years – 49 years	10	25	26.32%	65.79%
50 years – 59 years	7	32	18.42%	84.21%
20 years – 29 years	4	36	10.53%	94.74%
≤19 years	1	37	2.63%	97.37%
60 years +	1	38	2.63%	100.00%
Total	38		100.00%	

- **Analysis of the results**

The majority of respondents in this review are between the age of 30 to 39 year old (refer to table 3.1) where 39.47% of the women who responded fall in this group. A total of 26.32% of the respondents represent the 40 to 49 year age group. The remainder of the group constitutes less than 35% of the respondents where 18.42% represents the 50 to 59 age group, 10.53% the 20 to 29 age group, 2.63% less than 19 years old group and, 2.63% the 60+ age group respectively. All respondents answered this question.

3.3.2 Marital status of respondents

- **Purpose of the question**

The purpose of question A2, Section A (refer to Appendix A) of the questionnaire was to determine the marital status of respondents. The results will be used to determine if there is any link between the marital status of the women and their path to self employment.

- **Results obtained**

The marital status of all women entrepreneurs that responded to the survey are presented in Table 3.2 below.

Table 3.2 Marital status of respondents

Marital status	Number of women	Cumulative number of women	Percentage	Cumulative percentage
Single	17	17	44.74%	44.74%
Married	14	31	36.84%	81.58%
Divorce	5	36	13.16%	94.74%
Widowed	2	38	5.26%	100.00%
Total	38		100.00%	

- **Analysis of the results**

Table 3.2 indicates that 44.74% of the respondents are single. A total of 36.84% of respondents are married, 13.16% are divorced and 5.26% are widowed. All respondents answered this question.

3.3.3 Highest academic qualification of respondents

- **Purpose of the question**

The purpose of question A3, Section A (refer to Appendix A) of the questionnaire was to determine the highest academic qualification of the participants. The results will be utilised in determining the influence of education on the specific development needs of women entrepreneurs.

- **Results obtained**

The highest academic qualification of all women entrepreneurs that responded to the survey are presented in Table 3.3 below.

Table 3.3: Highest academic qualification of respondents

Qualification	Number of women	Cumulative number of women	Percentage	Cumulative percentage
Matric	16	16	42.11%	42.11%
Diploma	9	25	23.68%	65.79%
Certificate	4	29	10.53%	76.32%
Degree	4	33	10.53%	86.84%
Post grad	4	37	10.53%	97.37%
Lower than matric	1	38	2.63%	100.00%
Total	38		100.00%	

- **Analysis of the results**

Table 3.3 indicates that the majority (42.11%) of the respondents have grade 12 as their highest academic qualification followed by 23.68% of the respondents with a diploma as their highest academic qualification. Among the remaining respondents 10.53% had a degree as well as another 10.53% had a post graduate degree and only 2.63% had an educational level lower than grade 12 respectively. All respondents answered the question.

3.3.4 Number of children

- **Purpose of the question**

The purpose of question A4, Section A (refer to Appendix A) of the questionnaire was to determine the number of children of the participants.

- **Results obtained**

The number of children of all women entrepreneurs that responded to the survey is presented in Table 3.4 below.

Table 3.4: Number of children of respondents

Number of Children	Number of women	Cumulative number of women	Percentage	Cumulative percentage
Two	13	13	34.21%	34.21%
None	8	21	21.05%	55.26%
Three	7	28	18.42%	73.68%
One	5	33	13.16%	86.84%
Five	3	36	7.89%	94.74%
Four	2	38	5.26%	100.00%
Total	38		100.00%	

- **Analysis of the results**

The majority of the respondents (34.21%) have only two children. A total of 21.05% of the respondents have no children, 18.42% with three children, 13.16% has one child, 7.89% has five children and 5.26% has four children respectively. All respondents answered the question.

3.3.5 Age group description of children

- **Purpose of the question**

The purpose of question A5, Section A (refer to Appendix A) of the questionnaire was to determine the age of children of the participants. The results will be utilised in determining if the age of children might have an influence on the path to business ownership and act as an obstacle due to family responsibility to women entrepreneurs.

- **Results obtained**

The age of children of all women entrepreneurs that responded to the survey is presented in Table 3.5 below.

Table 3.5: Age group description of children

Age group	Number of women	Cumulative number of women	Percentage	Cumulative percentage
18+	13	13	34.21%	34.21%
6 to 10	10	23	26.32%	60.53%
No Children	8	31	21.05%	81.58%
11 to 18	5	36	13.16%	94.74%
1 to 5	2	38	5.26%	100.00%
Total	38		100.00%	

- **Analysis of the results**

Table 3.5 indicates that the majority (34.21%) of the respondent's children are older than 18 years. A total of 26.32% of the respondent's children are between six and 10 years, 21.05% of the respondents have no children, 13.16% of the respondents have children between 11 and 18 years and 5.26% have children between one to five years old respectively. The age group used in this review was that of the first born child. All respondents answered the question.

3.4 STRUCTURE OF PARTICIPATING WOMEN-OWNED BUSINESSES

3.4.1 Number of permanent employees

- **Purpose of the question**

The purpose of question B7, Section B (refer to Appendix A) of the questionnaire was to determine the number of permanent employees of the participating women-owned

businesses and to determine whether the business can be classified as a micro, very small, small or a medium-sized enterprise.

- **Results obtained**

Table 3.6: Number of permanent employees

Employees	Number of women	Cumulative number of women	Percentage	Cumulative percentage
2 to 4	18	18	47.37%	47.37%
Myself	11	29	28.95%	76.32%
5 to 10	6	35	15.79%	92.11%
26 to 50	2	37	5.26%	97.37%
51 to 100	1	38	2.63%	100.00%
Total	38		100.00%	

- **Analysis of the results**

A combined 76.32% of the women-owned businesses can be classified as micro-enterprise from which 47.37% of the businesses have two to four employees and 28.95% of the businesses are only operated by the entrepreneur herself. A total of 15.79% of the businesses can be classified as very small enterprises consisting of five to ten employees. Small-enterprises are represented by 5.26% of the businesses with 26 to 50 employees. Only 2.63% of the businesses surveyed can be classified as medium-enterprise. All respondents answered the question.

Figure 3.6 indicates that the majority of the businesses surveyed falls into the micro-enterprise category.

3.4.2 Turnover of the business

- **Purpose of the question**

The purpose of question B8 in Section B (refer to Appendix A) of the questionnaire was to obtain information on the financial success and the size of the participating women-owned businesses.

- **Results obtained**

The annual turnover of the women-owned businesses in this study is presented in table 3.7.

Table 3.7: Annual turnover of the business

Turnover	Number of women	Cumulative number of women	Percentage	Cumulative percentage
R100 000 - R500 000	10	10	26.32%	26.32%
R30 000 - R50 000	7	17	18.42%	44.74%
<R30 000	7	24	18.42%	63.16%
R50 000 - R100 000	6	30	15.79%	78.95%
R1m - R5m	3	33	7.89%	86.84%
R500 000 - R1m	3	36	7.89%	94.74%
R5m+	2	38	5.26%	100.00%
Total	38		100.00%	

- **Analysis of the results**

A total of 26.32% of the participating women-owned businesses' annual turnover was between the R100 000 to R500 000 range, followed by 18.42% of the businesses that had a turnover between R30 000 to R50 000 and 18.42% of the businesses that had a turnover less than R30 000. A total of 15.79% is in the R50 000 to R100 000 range, 7.89% in the R500 000 to R1 million range as well the as R1 million to R5 million

range, and 5.26% in the more than R5 million range. All participants answered the question.

3.4.3 Industry of operation

▪ Purpose of the question

The purpose of question B1 in Section B (refer to Appendix A) of the questionnaire was to obtain information on the industry that the women-owned businesses operates in. The sector or industry may have an influence on specific needs for the women-owned businesses as well as policy implications.

▪ Results obtained

The industry of operation of the women-owned businesses in this study is presented in table 3.8.

Table 3.8: Industry of operation

Industry	Number of women	Cumulative number of women	Percentage	Cumulative percentage
Construction	13	13	34.21%	34.21%
Services	8	21	21.05%	55.26%
Food	6	27	15.79%	71.05%
Retail trade	4	31	10.53%	81.58%
Transport	2	33	5.26%	86.84%
Accommodation	1	34	2.63%	89.47%
Manufacturing	1	35	2.63%	92.11%
Agriculture	1	36	2.63%	94.74%
Missing	2	38	5.26%	100.00%
Total	38		100.00%	

- **Analysis of the results**

The construction industry is represented by 34.21% of the participating businesses followed by 21.05% in the services industry. The service industry include the following businesses i.e. garden services, cleaning services, dry cleaning, dress maker, hair salons, catering services and beauty salons. The food sector is represented by 15.79%, 10.53% are in the retail trade and 5.26% in the transport industry. The accommodation, manufacturing and agriculture industries are each represented by 2.63% of the respondents respectively. A total of 5.26% did not answer the question.

3.4.4 Legal status of business

- **Purpose of the question**

The purpose of question B2 in Section B (refer to Appendix A) of the questionnaire was to obtain information on the legal status of the women-owned businesses that participated in this study. The legal status of the women-owned businesses may have an impact on the specific needs of the women entrepreneur.

- **Results obtained**

The legal status of the women-owned businesses in this study is presented in table 3.9.

Table 3.9: Legal status of business

Legal status	Number of women	Cumulative number of women	Percentage	Cumulative percentage
Close corporation	26	26	68.42%	68.42%
Sole proprietor	6	32	15.79%	84.21%
Private company	3	35	7.89%	92.11%
Not registered	2	37	5.26%	97.37%
Partnership	1	38	2.63%	100.00%
Total	38		100.00%	

- **Analysis of the results**

A total of 68.42% of the participating women-owned businesses in this study are registered as close corporations, 15.79% are registered as sole proprietors, 7.89% as private companies and 2.63% indicated a partnership. A total of 5.26% of the businesses in this study is however not registered. None of the business indicated a business trust or public company. All respondents answered the question.

3.4.5 Business premises

- **Purpose of the question**

The purpose of question B6 in Section B (refer to Appendix A) of the questionnaire was to obtain information on the location of business premises of the women-owned businesses that participated in this study. The location of business premises of the women-owned businesses may have an impact on the specific needs of the women entrepreneur.

- **Results obtained**

The premises from where the women-owned businesses in this study are operating from are presented in table 3.10.

Table 3.10: Business premises

Business premises	Number of women	Cumulative number of women	Percentage	Cumulative percentage
Home-based	23	23	60.53%	60.53%
CBD	10	33	26.32%	86.84%
Outlying business area	2	35	5.26%	92.11%
Industrial area	2	37	5.26%	97.37%
Missing	1	38	2.63%	100.00%
Total	38		100.00%	

- **Analysis of the results**

More than half (60.53%) of the respondents operate their business from home as indicated in table 3.10. A total of 26.32% of the businesses in this review are situated in the central business district with 5.26% situated in the outlying business area as well as the same number situated in the industrial area. A total of 2.63% did not answer the question.

3.4.6 Age of business

- **Purpose of the question**

The purpose of question B3, Section B (refer to Appendix A) of the questionnaire was to determine the age of the women-owned businesses that participated in this review.

- **Results obtained**

The age groups of the women-owned businesses that responded to the survey are presented in Table 3.11 below.

Table 3.11: Age of business

Age of business	Number of women	Cumulative number of women	Percentage	Cumulative percentage
4 to 5 years	13	13	34.21%	34.21%
1 to 3 years	12	25	31.58%	65.79%
6 to 10 years	5	30	13.16%	78.95%
10 years plus	5	35	13.16%	92.11%
Less than 1 year	3	38	7.89%	100.00%
Total	38		100.00%	

- **Analysis of the results**

A total of 34.21% of the participating businesses are relatively young and fall under the four to five year old category. A total of 31.58% of the participating businesses are between one and three years old. The six to 10 years old category is represented by 13.16% and the 10 years and older businesses are also represented by 13.16%. Less than one year old businesses are represented by 7.89%. All respondents answered the question.

3.5 PATH TO OWNERSHIP

3.5.1 Path to business ownership

- **Purpose of the question**

The purpose of question B4, Section B (refer to Appendix A) of the questionnaire was to determine the path to business ownership of respondents.

- **Results obtained**

The path to business ownership of all women entrepreneurs that responded to the survey are presented in Table 3.12 below.

Table 3.12: Path to business ownership

Path to ownership	Number of women	Cumulative number of women	Percentage	Cumulative percentage
Founded	33	33	86.84%	86.84%
Inherited business	3	36	7.89%	94.74%
Join family business	1	37	2.63%	97.37%
Other	1	38	2.63%	100.00%
Total	38		100.00%	

- **Analysis of the results**

Table 3.12 reflects that 33 (86.84%) of the businesses studied in this review were founded by the entrepreneur. A total of three (7.89%) respondents inherited their businesses from their families and 2.63% of the respondents actually joined the family business. None of the businesses were purchased.

3.5.2 Previous employment experience

- **Purpose of the question**

The purpose of question A6, Section A (refer to Appendix A) of the questionnaire was to determine the previous employment experience of the participants. The results will be utilised in determining the influence of previous experience on the specific development needs of women entrepreneurs. The respondents had the option to choose between six experience levels categories.

- **Results obtained**

The previous employment experience of all women entrepreneurs that responded to the survey are presented in Table 3.13 below.

Table 3.13: Previous employment experience

Past Experience	Number of women	Cumulative number of women	Percentage	Cumulative percentage
Unemployed	11	11	28.95%	28.95%
Worker	11	22	28.95%	57.89%
Supervisor	6	28	15.79%	73.68%
Middle management	5	33	13.16%	86.84%
Self-employed	4	37	10.53%	97.37%
Executive	1	38	2.63%	100.00%
Total	38		100.00%	

- **Analysis of the results**

A total of 28.95% of the respondents were unemployed prior to starting their businesses. A total of 28.95% of the respondents were previously employed as non-management workers whereas only 15.79% of the respondents were supervisors and 13.16% were at middle management positions. A total of 10.53% of the respondents were self employed prior to starting this particular business. One of the respondents (2.63%) was in a top management position. All respondents answered the question.

3.5.3 Years self-employed

- **Purpose of the question**

The purpose of question A7, Section A (refer to Appendix A) of the questionnaire was to determine the number of years self-employed of the participants.

- **Results obtained**

The number of years self-employed of all women entrepreneurs that responded to the survey are presented in Table 3.14 below.

Table 3.14: Years self-employed

Years self-employed	Number of women	Cumulative number of women	Percentage	Cumulative percentage
4 to 5 years	12	12	31.58%	31.58%
1 to 3 years	11	23	28.95%	60.53%
10 years plus	6	29	15.79%	76.32%
6 to 10 years	4	33	10.53%	86.84%
Less than 1	4	37	10.53%	97.37%
Missing	1	38	2.63%	100.00%
Total	38		100.00%	

- **Analysis of the results**

A total of 31.58% of the respondents indicated a four to five year period of self-employment and 28.95% indicating a one to three year period of self-employment. The remainder of the age groups are represented by less than 40% of the respondents, where 15.79% fall in the 10 years plus category, 10.53% fall within the relatively young less than one year category as well as the same number falling in the six to ten years category. Only one (2.63%) respondent did not answer the question.

3.5.4 Source of start-up funding

- **Purpose of the question**

The purpose of question B5, Section B (refer to Appendix A) of the questionnaire was to determine the source of start-up funding of the participants.

- **Results obtained**

The source of start-up funding of all women entrepreneurs that responded to the survey is presented in Table 3.15 below.

Table 3.15: Source of start-up funding

Source of start-up funding	Number of women	Cumulative number of women	Percentage	Cumulative percentage
Personal savings	22	22	57.89%	57.89%
Friend / family	5	27	13.16%	71.05%
Bank loan	3	30	7.89%	78.95%
Other	2	32	5.26%	84.21%
Household/spouse	1	33	2.63%	86.84%
Missing	5	38	13.16%	100.00%
Total	38		100.00%	

- **Analysis of the results**

Personal savings constitutes the largest sources for start-up funding with 57.89% of the respondents having used this option to fund their businesses. A total of 13.16% respondents collected start-up funds from relatives, 7.89% utilised bank loans, 5.26% indicated that they used proceeds from previous employment's packages and 2.63% from a household or spouse. None of the respondents sold their previous business to obtain funds. Respondents not answering the question accounted for 13.16% of the sample.

3.5.5 Role models

- **Purpose of the question**

The purpose of question B9, Section B (refer to Appendix A) of the questionnaire was to determine if the respondents were inspired by someone during their youth to become an entrepreneur. The results will be used to determine if there is any link between this previous influence and the women entrepreneur's decision to enter into self employment.

- **Results obtained**

The influence of role models on all women entrepreneurs that responded to the survey is presented in Table 3.16 below.

Table 3.16: Role models

Role models (exposure)	Number of women	Cumulative number of women	Percentage	Cumulative percentage
No	23	23	60.53%	60.53%
Yes	15	38	39.47%	100.00%
Total	38		100.00%	

- **Analysis of the results**

The majority (60.53%) of respondents indicated that they had no one inspiring them to become entrepreneurs where 39.47% of the respondents claimed that they had some influence. Nine respondents indicated that their parents owned businesses where six indicated that close friends of the family motivated them from childhood to enter self-employment. All respondents answered this question.

3.5.6 First ownership

- **Purpose of the question**

The purpose of question B10, Section B (refer to Appendix A) of the questionnaire was to determine if the current business is the women entrepreneur's first self owned business.

- **Results obtained**

An indication of first ownership of all women entrepreneurs that responded to the survey is presented in Table 3.17 below.

Table 3.17: First ownership

First ownership	Number of women	Cumulative number of women	Percentage	Cumulative percentage
Yes	29	29	76.32%	76.32%
No	9	38	23.68%	100.00%
Total	38		100.00%	

- **Analysis of the results**

A total of 76.32% of the respondents indicated that their current business is their first business owned. Only a small number (23.68%) of the respondents indicated previously owned business or no to the answer. The respondents that indicated a no answer to the question, four indicated that they went out of business, three indicated that the other business is still operating and two sold off their businesses. All respondents answered this question.

3.6 MOTIVATIONAL FACTORS

3.6.1 Women entrepreneurship motivational factors

- **Purpose of the question**

The purpose of question C1-15, Section C (refer to Appendix A) of the questionnaire was to determine the main motivational factors for women entrepreneurs entering own business ventures. The results will be utilised in determining the influence of these motivational factors on the specific development needs of women entrepreneurs.

- **Results obtained**

The average response or mean ($\bar{x}$) and the standard deviation (s) (variation around the mean) of each of the 15 items indicating motivational factors for entering own employment are indicated in Table 3.18 presented in a descending order of the mean ($\bar{x}$).

Table 3.18: Women entrepreneurship motivational factors

Motivation	<i>n</i>	$\bar{X}$	<i>s</i>
Compatibility with family duties	36	6.111	1.489
Entered the family business	38	5.947	1.089
Insufficient family income	38	5.816	1.557
Confidence in the product / service offered	37	5.649	1.513
Need for challenge	38	5.632	1.807
Self-fulfilment	38	5.526	1.409
Difficulty finding a job	35	5.429	1.703
Desire for wealth	38	5.158	1.980
To develop a hobby	38	5.053	1.888
Dissatisfaction with salaried jobs (job / career frustration)	38	5.026	1.763
The need for independence	35	4.771	1.896
Ensure high job security	36	4.694	1.997
Need for flexible work schedule	37	3.703	2.414
Redundancy (lost your job, retrenchment)	37	3.486	2.219
Role models and other people's influences	38	2.579	1.825
Average		4.972	1.770

▪ Analysis of the results

The standard deviations of all 15 statements averages are fairly high, ranging from 1.089 to 2.414.

Likert scale type questionnaire (e.g. where 1 = strongly disagree; 7 = strongly agree) was used in this section, a low number representing disagreement with the statement and a relatively high number representing agreement with the statement. Thus, a higher number representing agreement with the statement suggests that the statement is perceived to be true by the respondents. A low number representing disagreement with the statement suggests that the statement is perceived to be false.

The motivational statement indicating the highest agreement was **compatibility with family duties** that obtained a very high average mean of $\bar{x} = 6.111$. Other statements that also obtained a high level of agreement was **entered the family business** ($\bar{x} = 5.947$) and **Insufficient family income** ($\bar{x} = 5.816$).

Other statements that indicated average means higher than five are: **Need for challenge** ($\bar{x} = 5.632$), **self-fulfilment** ($\bar{x} = 5.526$), **confidence in the product / service offered** ($\bar{x} = 5.649$), **dissatisfaction with salaried jobs (job / career frustration)** ($\bar{x} = 5.026$), **desire for wealth** ($\bar{x} = 5.158$), to **develop a hobby** ($\bar{x} = 5.053$) and the **difficulty finding a job** ($\bar{x} = 5.063$).

Two items indicated average means higher than four. The **need for independence** had an average mean of $\bar{x} = 4.771$ and to **ensure high job security** indicated an average mean of $\bar{x} = 4.694$.

Need for flexible work schedule only indicated an average mean of $\bar{x} = 3.703$ and **redundancy (lost their job, retrenchment)** an average mean of $\bar{x} = 3.486$.

Role models and other people's influences (friends & family members) was the statement with the lowest agreement, realising an average mean of $\bar{x} = 2.579$.

3.6.2 Dr Kenneth Kaunda (Southern) district support

- **Purpose of the question**

The purpose of question C17-21, Section C (refer to Appendix A) of the questionnaire was to determine the women entrepreneur's feelings towards Dr Kenneth Kaunda (Southern) district and the support this district is providing to their business operations. The participating women entrepreneurs had to indicate their response on five statements. The responses were set out on a Likert scale type questionnaire (e.g. where 1 = strongly disagree; 7 = strongly agree), low numbers represent disagreement with the statement and relatively high numbers represent agreement with the statement.

- **Results obtained**

Women entrepreneur's feelings towards Dr Kenneth Kaunda (Southern) district and the support this district is providing to their business operations are reflected in Table 3.19 below, presented in a descending order of the mean ($\bar{x}$).

Table 3.19: Women entrepreneur's feelings towards Dr Kenneth Kaunda (Southern) district and the support this district is providing.

Demographic aspects	<i>n</i>	$\bar{x}$	<i>s</i>
The Dr Kenneth Kaunda (Southern) District region provides ambient network opportunities with other businesses	38	5.553	1.519
Dr Kenneth Kaunda (Southern) District is a source of ambient number of entrepreneurial opportunities	38	4.684	1.596
Dr Kenneth Kaunda (Southern) District infrastructure (electricity, water, road network) adequately meet the needs of my business	38	4.053	1.541
Dr Kenneth Kaunda (Southern) District provides excellent base for export opportunities	38	3.789	1.818
Dr Kenneth Kaunda (Southern) District has proper policies in place for enhancing women entrepreneurship in the region	38	3.289	2.104
Average		4.274	1.716

- **Analysis of the results**

The statement **Dr Kenneth Kaunda (Southern) district region provides ambient network opportunities with other businesses** obtained an average mean of $\bar{x} = 5.553$ which indicate a fairly high agreement with the statement. An average mean of $\bar{x} = 4.684$ was calculated for the statement **Dr Kenneth Kaunda (Southern) district is a source of ambient number of entrepreneurial opportunities**. This result indicates that the participants have a relative high agreement with the statement that is just above neutral. The statement **Dr Kenneth Kaunda (Southern) district infrastructure (electricity, water, road network) adequately meet the needs of my business** ($\bar{x} = 4.053$) indicates that the agreement with the statement is slightly high, a low agreement was calculated for **Dr Kenneth Kaunda (Southern) district provides excellent base for export opportunities** ($\bar{x} = 3.789$), and the statement

Dr Kenneth Kaunda (Southern) district has proper policies in place for enhancing women entrepreneurship in the region however indicated a very low level of agreement with an average mean of only $\bar{x} = 3.289$.

3.6.3 Obstacles to business start-up

- **Purpose of the question**

The purpose of question D 1-13, Section D of the questionnaire (refer to Appendix A) was to accumulate a body of knowledge of barriers that were faced by current female entrepreneurs in entering their own business ventures. The respondents had to indicate their response on thirteen statements. The responses were set out on a Likert scale type questionnaire (e.g. where 1 = strongly disagree; 7 = strongly agree), low numbers represent disagreement with the statement and relatively high numbers represent agreement with the statement.

- **Results obtained**

Agreement to obstacles that the respondents experienced during the start-up phase of their businesses are presented in Table 3.20 below, presented in a descending order of the mean ($\bar{x}$).

Table 3.20: Obstacles to business start-up

Start-up obstacles	<i>n</i>	$\bar{x}$	<i>s</i>
Lack of education and training (in general)	38	5.895	1.226
Lack of timely business information	37	5.595	1.322
Risk averse (great fear of failure)	38	5.421	1.287
Socio-cultural environment (lack of respect from male community and stereotype)	38	5.368	1.715
Awareness / Access to business support	37	5.351	1.513
Family pressures (gender-role expectations)	38	5.263	1.766
Isolation from business network	38	5.158	1.636
Legislative (lack of focused women entrepreneurship policies from regional municipalities or government)	37	5.081	1.949
Lack of female role models	37	5.081	1.570
Lack of self-confidence	38	4.684	1.694
Inequality of access to credit (difficult to obtain financing as a female)	38	4.658	2.083
Inter role conflict (work / home conflict)	37	4.486	1.909
Lack of business management skills	37	4.243	1.754
Average		5.099	1.648

▪ Analysis of the results

All thirteen statements as reflected in table 3.20 indicated relatively high levels of agreement. The statement **lack of education and training (in general)** was indicated as the highest level of agreement with an average mean of $\bar{x} = 5.895$. A total of eight other statements that indicated relatively high agreements were: **lack of timely business information** ($\bar{x} = 5.595$), **risk averse (great fear of failure)** ($\bar{x} = 5.421$), **awareness / access to business support** ($\bar{x} = 5.351$), **family pressures (gender-role expectations)** ($\bar{x} = 5.263$), **isolation from business network** ($\bar{x} = 5.158$), **legislative (lack of focused women entrepreneurship policies from regional municipalities or government)** ($\bar{x} = 5.081$), **socio-cultural environment (lack of respect from male community and stereotype)** ($\bar{x} = 5.368$), and **lack of female role models** ($\bar{x} = 5.081$).

The statement with the least level of agreement was **lack of business management skills**. The average mean for this statement was calculated as $\bar{x} = 4.243$ which is also slightly higher than neutral. Other statements that were also slightly higher than neutral in agreement were **inter role conflict (work / home conflict)** ($\bar{x} = 4.486$), **lack of self-confidence** ($\bar{x} = 4.684$) and **inequality of access to credit (difficult to obtain financing as a female)** ($\bar{x} = 4.658$).

3.6.4 Obstacles currently faced in business

- **Purpose of the question**

The purpose of question D 15 - 25, Section D of the questionnaire (refer to Appendix A) was to accumulate a body of knowledge of barriers that were faced by female entrepreneurs currently operating their own business ventures. The respondents had to indicate their response on 11 statements. The responses were set out on a Likert scale type questionnaire (e.g. where 1 = strongly disagree; 7 = strongly agree), low numbers represent disagreement with the statement and relatively high numbers represent agreement with the statement.

- **Results obtained**

Obstacles that the respondents are experiencing in their current business operations are reflected in Table 3.21, presented in a descending order of the mean ($\bar{x}$).

Table 3.21: Obstacles currently faced in business

Current obstacles	<i>n</i>	$\bar{x}$	<i>s</i>
Lack of female role models	38	4.789	1.679
Lack of timely business information	37	4.703	1.898
Lack of business management skills	38	4.632	1.777
Inter role conflict (work / home conflict)	36	4.583	1.713
Isolation from business network	38	4.526	1.942
No time for training / upgrading of skills	37	4.405	2.279
Socio-cultural environment (lack of respect from male community and stereotype)	38	4.316	1.933
Family pressures (gender-role expectations)	37	4.216	1.797
Awareness / access to business support	38	4.000	2.080
Liquidity and other financial problems	38	3.684	1.726
Gaining acceptance / respect of people (internally and externally)	38	3.605	2.060
Average		4.315	1.899

▪ Analysis of the results

The statement with the highest level of agreement was **lack of female role models**. The average mean for this statement was slightly high at $\bar{x} = 4.789$. A total of eight other statements also indicated relatively high agreements were **inter role conflict (work / home conflict)** indicating a standard mean of $\bar{x} = 4.583$, **lack of business management skills** ($\bar{x} = 4.632$), **family pressures (gender-role expectations)** ($\bar{x} = 4.216$), **lack of timely business information** ($\bar{x} = 4.703$), **awareness / access to business support** ($\bar{x} = 4.000$), **no time for training / upgrading of skills** ($\bar{x} = 4.405$), **isolation from business network** ($\bar{x} = 4.526$), and **socio-cultural environment (lack of respect from male community and stereotype)** indicating an average mean of $\bar{x} = 4.316$.

The statement with the lowest level of agreement was **gaining acceptance / respect of people (internally and externally)**. The average mean for this statement was calculated as $\bar{x} = 3.605$. The statement **liquidity and other financial problems** also had a low level of agreement with an average mean of $\bar{x} = 3.685$

3.7 WOMEN ENTREPRENEURSHIP DEVELOPMENT IN THE DISTRICT

3.7.1 Training by government agencies or the private sector

▪ Purpose of the question

The purpose of question E1, Section E of the questionnaire (refer to Appendix A) is to determine the current situation, women entrepreneurs were asked to indicate whether they have been trained by either government agencies or the private sector.

▪ Results obtained

An indication of whether training was received by women entrepreneurs that responded to the survey is presented in table 3.22 below.

Table 3.22: Training by government agencies or the private sector

Training received	Number of women	Cumulative number of women	Percentage	Cumulative percentage
Yes	15	15	39.47%	39.47%
No	23	38	60.53%	100.00%
Total	38		100.00%	

▪ Analysis of the results

Table 3.22 indicate that only 39.47% of the participating women entrepreneurs indicated that they had been trained by either government agencies or the private

sector. A total of (60.53%) indicated that they had never been trained by government agencies or the private sector. All respondents answered this question.

3.7.2 Training received

▪ Purpose of the question

The other purpose of question E1, Section E of the questionnaire (refer to Appendix A) was to further determine the current situation, where women entrepreneurs were asked to indicate the type of training received from the government agencies or the private sector if the answer was yes to having received training.

▪ Results obtained

Type of training received by all women entrepreneurs that responded to the survey is presented in table 3.23 below.

Table 3.23: Type of training received by participating women entrepreneurs

Type of training received	Number of women	Percentage
Management skills	12	80.00%
Communication skills	9	60.00%
Accounting skills	7	46.67%
Technological skills	5	33.33%
Technical skills	4	26.67%

▪ Analysis of the results

Table 3.23 presents that out of 15 women entrepreneurs, who have been trained by government agencies or the private sector, 80.00% received training in management skills, while 60.00% received training in communication skills. A total of 46.67% women entrepreneurs received training in accounting skills. Furthermore, 33.33% received technological skills training while 26.67% received technical skills training.

3.7.3 Organisations established for women development

- **Purpose of the question**

The purpose of question E2, Section E of the questionnaire (refer to Appendix A) is to determine the knowledge by the respondents of organisations established specifically to support the women entrepreneurs.

- **Results obtained**

An indication about the knowledge of women organisations by the respondents that participated in the survey is presented in table 3.24 below.

Table 3.24: Knowledge of organisations for women entrepreneurial development

Knowledge of women organisations	Number of women	Cumulative number of women	Percentage	Cumulative percentage
Yes	18	18	47.37%	47.37%
No	20	38	52.63%	100.00%
Total	38		100.00%	

- **Analysis of the results**

Table 3.24 indicate that out of 38 women entrepreneurs only eighteen had the knowledge of organisations established specifically for women entrepreneurs, representing (47.37%), while a total of 52.63% did not have knowledge about those organisations. All respondents answered this question. The organisation that is commonly known to most of these women entrepreneurs is the South African women entrepreneurs' network (SAWEN).

3.7.4 Specific assistance offered by women organisations

- **Purpose of the question**

The other purpose of question E2, Section E of the questionnaire (refer to Appendix A) is to further determine the type of support that women organisations offered to women entrepreneurs.

- **Results obtained**

Type of support offered by women organisations as indicated by all women entrepreneurs that responded to the survey is presented in table 3.25 below.

Table 3.25: Specific of assistance offered by women organisations

Assistance offered	Number of women	Percentage
Supports / enables networking with other women entrepreneurs	17	94.44%
Provides access / exposure to role models	14	77.78%
Provides business information	10	55.56%
Provides education and training	9	50.00%
Provides financial assistance	6	33.33%

- **Analysis of the results**

Table 3.25 reflects that out of 18 women entrepreneurs, who has knowledge about organisations for women entrepreneurs development, 94.44% indicated that these organisations support and enables networking with other women entrepreneurs while 77.78% indicated that they provide access and exposure to role models. A total of 55.56% women entrepreneurs indicated that these organisations provide business information. In addition, 50.00% indicated that they offer support in the form of education and training. Furthermore, 33.33% women entrepreneurs indicated that they offer financial assistance.

3.7.5 Support needs of respondents

▪ Purpose of the question

The purpose of question E3, Section E of the questionnaire (refer to Appendix A) of the questionnaire was to determine the development needs of respondents.

▪ Results obtained

Development needs indicated by all women entrepreneurs that responded to the survey are presented in Table 3.26 below.

Table 3.26: Support needs of respondents

Specific Needs	Number of women	Percentage
Training / knowledge / skills	30	78.95%
Financial support	27	71.05%
Growth support	25	65.79%
Marketing support	22	57.89%
Business advice, information, counselling, mentoring	22	57.89%
Tools, equipment and machinery	22	57.89%
Networking with other business owners	21	55.26%
Women entrepreneurship specific based policies for the area	20	52.63%
Legal support	13	34.21%
Psychological support	9	23.68%
Technical support	8	21.05%
Suitable business premises	8	21.05%
Infrastructure (roads, telephone, electricity)	5	13.16%

▪ Analysis of the results

A total of 78.95% of the respondents indicated that their greatest need is **training, knowledge and skills**, with 71.05% indicating **financial support** as a great need in the operation of their businesses. A number of categories received high scoring with

65.79% respondents indicating **growth support** and 57.89% indicating **business advice, information, counselling and mentoring**, 57.89% indicating **tools, equipment and machinery**, 57.89% indicating **marketing support**, 55.26% indicating **networking with other business owners**, 52.63% indicating **women entrepreneurship specific based policies for the area** as support greatly needed.

A number of respondents also indicated that the following support will benefit their businesses. A total of 34.21% of the participating women entrepreneurs indicated that **legal support** will benefit them, 23.68% indicated **psychological support**, 21.05% indicated **technical support** and 21.05% indicated **suitable business premises. Infrastructure (roads, telephone, electricity)** was only indicated by 13.16% of the participating women entrepreneurs.

3.8 SUMMARY

This chapter started with the various methodological issues and considerations involved in the gathering of the data from where results were presented in the form of tables on what has been empirically observed. The results were analysed as set in the context of the research objectives and design as well as in relation to the broader problem area.

The data explored during this study included biographical information of all participating women entrepreneurs. This includes age group classification, marital status, number of children, highest academic qualification and their children's age group classification.

This empirical research also undertook the task to gather information with regard to the structure of the participating women entrepreneur's businesses. This information included number of permanent employees, annual turnover of the business, economic sector of operation, legal status of the business, the business premises and age of the business.

Path to ownership information was also recorded by this study that includes the following: path to business ownership, previous employment experience, number of

years self-employed, source of start-up funding, influence of role models and first ownership.

Factors of importance also gathered by this review includes motivational factors to enter self employment, women entrepreneur's feelings towards Dr Kenneth Kaunda (Southern) district and the support this district is providing to their businesses, obstacles to business start-up, obstacles currently faced within business operations and support needs of respondents.

The information gathered by the empirical research was utilised in the drafting of the Dr Kenneth Kaunda (Southern) district women entrepreneurship profile discussed in chapter four. This profile was utilised as bases for a greater understanding of the issues affecting the development of women entrepreneurs in this region and to further facilitate bases for recommendations to enhance and develop women entrepreneurship in the Dr Kenneth Kaunda (Southern) district.

CHAPTER 4

CONCLUSIONS AND RECOMMENDATIONS

4.1 INTRODUCTION

Meyer (2009: 71) argued that women entrepreneurship development in specific municipal areas remain relatively unexplored, hence one of the objectives of this study is to explore and provide a structured understanding of the determinants of women entrepreneurship with a particular focus at the Dr Kenneth Kaunda (Southern) district.

The purpose of this chapter is to conclude the empirical study by drafting a profile of the typical woman entrepreneur in the Dr Kenneth Kaunda district. This chapter will further suggest practical recommendations to facilitate women entrepreneurship development in this region, followed by a critical evaluation of the study.

4.2 CONCLUSIONS ON THE EMPIRICAL STUDY

The following depicts a typical woman entrepreneur at Dr Kenneth Kaunda district as concluded in the empirical study conducted.

4.2.1 Biographical information results

The majority of the women entrepreneurs in the Dr Kenneth Kaunda district municipality that participated in this study are between 30 to 59 years of age, she can be single or married with an average of two children, mainly older than eighteen years. This woman entrepreneur is fairly educated with an education level of not lower than grade 12. Marital status is not distinctly conclusive because of a small difference between the single and married women entrepreneurs that participated in this research.

4.2.2 Structure of participating women-owned businesses results

The average women-owned business in the Dr Kenneth Kaunda district is between one to five years old with an annual turnover in the R30 000 to R500 000 range. Operations are mainly within the construction, service or food sector within the micro-enterprise environment. Most of these businesses are very small and are home based or can be found in the central business district. The legal status of the participating businesses is mainly close corporations (cc).

4.2.3 Path to ownership results

The Dr Kenneth Kaunda district women-owned business is mainly founded by the female entrepreneur who is on average one to five years self-employed and mostly a first-time owner. Personal funding provided start-up capital. Most woman entrepreneurs were not motivated by childhood role models.

4.2.4 Motivational factors to self employment results

The compatibility with family duties, insufficient family income and entering the family business are the main motivators for these women entrepreneurs. Factors such as the need for flexible work schedule and role models and other people's influences (friends & family members) are least motivational, indicating that the average Dr Kenneth Kaunda district female entrepreneurs are drawn to self-employment by push factors rather than pull factors (Botha, 2006: 122).

4.2.5 Support services offered by Dr Kenneth Kaunda district

An average woman entrepreneur in Dr Kenneth Kaunda district believes that this district is a source of an ambient number of entrepreneurial opportunities. The Dr Kenneth Kaunda district infrastructure meets the needs of their businesses and the region provides good network opportunities with other businesses. The woman entrepreneurs feel that the Dr Kenneth Kaunda district Municipality does not have proper policies in place for enhancing women entrepreneurship in this district and does not provide excellent base for export opportunities.

4.2.6 Obstacles to business start-up results

The lack of education and training (in general), the lack of timely business information, family pressures (gender-role expectations), isolation from business network, legislative (lack of focused women entrepreneurship policies from regional municipalities or government), cultural environment (lack of respect from male community and stereotype), lack of female role models, high risk aversion by women entrepreneurs and a lack of awareness or access to business support are all considered as huge obstacles faced by women entrepreneurs during the start-up phase of their respective business.

Factors such as lack of business management skills, inter role conflict (work / home conflict), lack of self-confidence and an inequality of access to credit (difficult to obtain financing as a female) are not considered as major obstacles to business start-ups.

4.2.7 Obstacles experienced in current business operations results

The main current obstacles experienced by the average female entrepreneur are lack of female role models, lack of timely business information, inter role conflict (work / home conflict), lack of business management skills, isolation from business network, no time for training / upgrading of skills, socio-cultural environment (lack of respect from male community and stereotype) and awareness / access to business support. Aspects such as gaining acceptance / respect of people (internally and externally) and the liquidity and other financial problems were recognised as the least considered obstacles in current business operations.

4.2.8 Women entrepreneurial support

The average female entrepreneur feels that they can mostly benefit from the following forms of support; skills training, financial support, growth support, marketing support, business advice, information, counselling, mentoring, tools, equipment, machinery, networking with other business owners and women entrepreneurship specific based policies for the area. Whereas psychological, legal, technical and

infrastructure support are rated low on urgency. These findings further manifest the findings of prior researches on women entrepreneurship development support needs (Kock, 2008: 104).

4.3 RECOMMENDATIONS

The empirical research conducted in this regard highlighted a variety of barriers inhibiting the development of women entrepreneurship in and around this district ranging from socio-cultural norms to lack of entrepreneurial support programmes.

Basically there are three kinds of services as suggested by Kock (2008: 104) which will be effective in supporting these entrepreneurs and as a result address the various barriers faced by them, i.e. promotion, strategy and support.

This district municipality (Dr Kenneth Kaunda) already has a small business development office that aims to support entrepreneurship in general and to aid the development of small businesses in the district. However there is still a need to set-up a department at the district level that will focus particularly on enhancing and developing women entrepreneurship in this district with a specific focus on the three aspects listed above (promotion, strategy and support), this facilitates the main recommendation as deduced from the research.

- **Promotion**

The main role that this department should undertake is to highlight the advantages of women entrepreneurship's economic contribution in the district and to formulate policies that encourage women participation in business within the district. It is of utmost importance that the leadership in this department understands and are convinced of the advantages that women entrepreneurship bring to the economy of this district in particular. This leadership should be conversant of various issues inhibiting women entrepreneurs in this region from entering into business because without this awareness, policy changes risk being unintentionally biased against a group such as women entrepreneurs.

These policies must also address the awareness of women-based institutions from both directions since many women entrepreneurs are not aware of these institutions and the services they offer. On the other hand many institutions are not aware of the gender-specific constraints of women entrepreneurs and are therefore unable to address them adequately when providing the necessary services.

Kock (2008: 107) highlighted that associations in charge of the enhancement of the status of women, NGOs, women's organisations and technical programmes could play an important role in emphasising gender issues in the creation of a more enabling policy and legal environment. In this connection, the importance of the systematic collection and analysis of gender specific data and information for gender-sensitive industrial policy formulation and implementation cannot be over emphasised. This is necessary in order to identify the constraints and needs of women entrepreneurs prior to the formulation of any development programme targeting women.

The policy aspects of this department should also focus on encouraging the adoption of an entrepreneurial culture among potential women entrepreneurs and among youth in general, as they are the future entrepreneurs. This could be achieved if local support institutions, professional associations, media and women's associations put emphasis on creating awareness about entrepreneurship. Media and school campaigns, exposure to role models and targeted training could also be used for this purpose.

- **Strategy**

It is recommended that this department should have clear and effective strategies aimed at addressing the specific women entrepreneurship developmental issues. Therefore specific policies in this regard should be drafted and implemented within the Dr Kenneth Kaunda district and emphasis placed on continued research into the development of the women entrepreneurs in the district. The process of policy formulation has to incorporate gender mainstreaming strategies.

At a national level government has been introducing new gender-specific laws but gender issues of relevance to women's entrepreneurship development at the municipal level are still a concern. Therefore strategies formulated by this department should have a clear focus on women entrepreneurship development at the municipal level. This objective can be achieved by undertaking an extensive research on all the issues that impacts the development and enhancement of women entrepreneurs particularly within Dr Kenneth Kaunda district.

Women entrepreneurs themselves should participate in women development initiatives and further reach out to other women entrepreneurs. Women entrepreneurs thus need a paradigm shift and concentrate on establishing bigger businesses with greater prospects to become significant role players in the economy in general.

- **Support**

This research highlighted training as one of the most needed developmental support required by women entrepreneurs in this district. Therefore there is a need to formulate policies that will set bases for the structured training initiatives focusing particularly on women entrepreneurs in the district. These training initiatives should include both the provision of general business skills as well as skills more particular to an industry. General business training should include basic business skills such as costing, marketing, accounting and negotiation. Training in skills is often not sufficient for women therefore successful training programmes for women entrepreneurs should also include confidence building, entrepreneurship development training, fostering the attitudes important to starting and managing a business. These training programmes should not only confine themselves to training existing or potential women entrepreneurs but should also make efforts to reach girls in order to encourage them to become entrepreneurs.

Limited access to credit is a constraint faced by many women entrepreneurs. Therefore there is also a need to formulate policies that are guided by proper research to enhance accesses for women entrepreneurs to credit from where specific plans must be drafted to ensure better access to financing for these women

entrepreneurs. Women need to be able to access mainstream banking and finance support in this district.

Effective feasible post start-up support methods within the confines of Dr Kenneth Kaunda district should be researched because many women in this district indicated the need for post-start-up support. 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.

There is a need in this district to develop a specific women entrepreneur association that will advance the intentions of national organisations such as the South African women entrepreneurs' network (SAWEN) within the Dr Kenneth Kaunda district to cater for the main purpose of networking and information sharing.

Information is a key resource for women entrepreneurs. Information can relate to markets, suppliers, technology and networks. 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.

SAWEN should improve their visibility to women entrepreneurs country-wide because many women entrepreneurs are not aware of their existence. The existing women organisations should broaden their scope of operations and not only concentrate on networking, motivational speakers and business information. Proper marketing of women organisations is thus important.

Institutions of higher learning such as the further education and training (FET) institutions (Vuselela), universities (Potchefstroom University) and research institutions should also contribute to the development of women entrepreneurs within the Dr Kenneth Kaunda district through the provision of trainers and consultants and

also through direct research on entrepreneurship with particular focus on women. These institutions should also set up programmes aimed at highlighting women entrepreneurship's contribution to the local, regional and national economy as well as suggesting various methods to mitigate barriers to women entrepreneurship particularly at the district level.

4.4 CRITICAL EVALUATION OF THE STUDY

The success of this study is based upon realising the primary and secondary objectives, as indicated in section 1.3 of this study.

4.4.1 Primary Objectives re-visited

The primary objective of this study was to assess the determinants of women entrepreneurship in the Dr Kenneth Kaunda (Southern) district. To address the primary objective, the secondary objectives were formulated.

4.4.2 Secondary Objectives re-visited

- To gain insight into women entrepreneurship by means of a literature study.
- To study the profile of women entrepreneurship in the Dr Kenneth Kaunda (Southern) district.
- To determine what motivate women to start their own business.
- To determine the obstacles along with socio-cultural constraints that are affecting women entrepreneurial activities in the Dr Kenneth Kaunda (Southern) district.
- To study the unique elements that Dr Kenneth Kaunda (Southern) district offers the women entrepreneur.
- To determine the unique challenges women face in starting and growing a business.
- To examine development and support programs with regard to women entrepreneurs in Dr Kenneth Kaunda (Southern) district.
- To determine the needs of women entrepreneurs in Dr Kenneth Kaunda (Southern) district.

- To suggest practical recommendations to develop women entrepreneurship in the Dr Kenneth Kaunda (Southern) district.

The first secondary objective namely, to gain insight into women entrepreneurship by means of a literature study was achieved through a comprehensive literature study in chapter two. This chapter act as a motivation to this question by supplying a structured understanding on the role that women entrepreneurs plays in the South African economy.

The second secondary objective, to study the profile of women entrepreneurship in the Dr Kenneth Kaunda (Southern) district was realised through the empirical research discussed in chapter three and concluded in chapter four.

The third secondary objective, to determine what motivate women to start their own business was achieved by both the literature review in chapter two and the detailed empirical research discussed in chapter three and concluded in chapter four.

The fourth secondary objective, to determine the obstacles along with socio-cultural constraints that are affecting women entrepreneurial activities in the Dr Kenneth Kaunda (Southern) district was realised through the empirical research discussed in chapter three and concluded in chapter four.

The fifth secondary objective, to study the unique elements that the Dr Kenneth Kaunda (Southern) district offers the women entrepreneur was realised through the empirical research discussed in chapter three and concluded in chapter four.

The sixth secondary objective, to determine the unique challenges women face in starting and growing a business was realised by means of a literature review in chapter two.

The seventh secondary objective, to examine development and support programmes with regard to women entrepreneurs in Dr Kenneth Kaunda (Southern) district was realised through the empirical research discussed in chapter three and concluded in chapter four.

The eighth secondary objective, to determine the needs of women entrepreneurs in Dr Kenneth Kaunda (Southern) district was realised through the empirical research discussed in chapter three and concluded in chapter four.

The last secondary objective, to suggest practical recommendation to develop women entrepreneurship in the Dr Kenneth Kaunda (Southern) district was achieved through the results obtained during the empirical research discussed in chapter three and concluded in chapter four. The results of this empirical research led to the development of practical recommendations as presented in this chapter.

Through the achieving of all secondary objectives it can therefore be concluded that the primary objective namely, to assess the determinants of women entrepreneurship in the Dr Kenneth Kaunda (Southern) district, was also achieved.

4.5 SUGGESTION FOR FUTURE RESEARCH

There was no evidence found of prior research in the Dr Kenneth Kaunda district that focuses specifically on women entrepreneurship determinants and barriers therefore it is recommend that further research in this district be conducted to aid a structured understanding of the broader issues on this subject at a grass root level. The following topics concerning women entrepreneurship in the Dr Kenneth Kaunda district provide an opportunity for further research:

- How different motivators for women entrepreneurs affect business performance?
- Women culture and entrepreneurship.
- Financing of women-owned businesses.
- Strategies for growth in women-owned enterprises.
- Effect of government policies on women entrepreneurial activities.
- Business strategies and choice.
- Effect of education level on the performance of women entrepreneurs.
- The study of successful and unsuccessful women entrepreneurs.

4.6 SUMMARY

The purpose of this chapter was to conclude on the empirical study by compiling a profile of the women entrepreneur in the Dr Kenneth Kaunda district. A detailed description of the female entrepreneur in the Dr Kenneth Kaunda district was given that included the following aspects: The biographical information of the female entrepreneur was discussed followed by the structure of female owned businesses within the Dr Kenneth Kaunda district. The path to ownership was explored as well as the views of the entrepreneurs in regards to the support offered by the Dr Kenneth Kaunda district, the motivational factors to enter self-employment, obstacles faced during the start-up phase, obstacles that are currently experienced in daily operations and the support needs of the female entrepreneur.

The empirical research resulted in the formulation of recommendations to women entrepreneurship development in the Dr Kenneth Kaunda district. That was followed by a critical evaluation of the study in regards to the achievement of the research objectives. Suggestions for future studies were also recommended.

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APPENDIX A: WOMEN ENTREPRENEURSHIP QUESTIONNAIRE



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Code number:

QUESTIONNAIRE: AN ASSESSMENT OF WOMEN ENTREPRENEURSHIP IN THE DR KENNETH KAUNDA (SOUTHERN) DISTRICT

CONTACT DETAILS:

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AN ASSESSMENT OF WOMEN ENTREPRENEURSHIP QUESTIONNAIRE

PLEASE NOTE:

This questionnaire must only be completed by women entrepreneurs in the Dr Kenneth Kaunda (Southern) District.

All information will be treated as **STRICTLY CONFIDENTIAL** and will only be used for academic purposes.

Instructions for completion:

1. Please answer the questions as objectively and honestly as possible.
2. Place a cross (x) in the space provided at each question which reflects your answer the most accurately. Use the following key: **1** = Strongly disagree; **2** = Disagree; **3** = Slightly disagree; **4** = Neutral view; **5** = Slightly agree; **6** = Agree; **7** = Strongly agree.

		Strongly disagree	Disagree	Slightly disagree	Neutral view	Slightly agree	Agree	Strongly agree
B7	Dr Kenneth Kaunda (Southern) District Municipality is assisting adequately in the needs of women entrepreneurs.	1	2	3	4	X	6	7

It is essential you indicate your choice clearly with a **pen**.

3. Where asked for comments or to express your own opinion, keep answers short and to the point.
4. Please answer all the questions, as this will provide more information to the researcher so that an accurate analysis and interpretation of data can be made.

Thank you for your co-operation. We hope that you will find the questionnaire interesting and stimulating.

SECTION A: PERSONAL INFORMATION

The following information is needed to help us with the statistical analysis of the data for comparisons among different businesses. All your responses will be treated confidentially. We appreciate your help in providing this important information.

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

A1	In which age group do you fall?	≤ 19	20 - 29	30 - 39	40 - 49	50 - 59	60+
		(01)	(02)	(03)	(04)	(05)	(06)

A2	What is your marital status?	Single	Married	Divorced	Widowed
		(01)	(02)	(03)	(04)

A3	Indicate your highest academic qualification.	
	Lower than matric	(01)
	Matric	(02)
	Certificate	(03)
	Diploma (Technical College or Technicon)	(04)
	University degree	(05)
	Postgraduate degree	(06)

A4	Indicate the number of children that you have.	
	None	(01)
	One (1) child	(02)
	Two (2) children	(03)
	Three (3) children	(04)
	Four (4) children	(05)
	Five (5) children	(06)

A5	Indicate the age of your children	
	No children	(01)
	One (1) to five (5) years	(02)
	Six (6) to 10 years	(03)
	11 – 18 years	(04)
	18+	(05)

A6	Indicate your past experience before self-employment (occupational background).	
	Unemployed	(01)
	Self-employed (owned a business)	(02)
	Worker (administration, clerk, secretary, cashier)	(03)
	Supervisor (first-line management)	(04)
	Middle management	(05)
	Top (executive) management	(06)

A7	Indicate the number of years that you are self-employed.	
	Less than one (1) year	(01)
	1 –3 years	(02)
	4 – 5 years	(03)
	6 – 10 years	(04)
	More than 10 years. Please specify:	(05)

SECTION B: BUSINESS INFORMATION

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

B1	In which industry does your business operate?	
	Retail trade	(01)
	Wholesale trade	(02)
	Manufacturing	(03)
	Construction	(04)
	Transport/distribution	(05)
	Accommodation and restaurant (guest houses, hotel)	(06)
	Food industry	(07)
	Agriculture/forestry/fishing	(08)
	Services (Please specify the type of service)	(09)
	Other: (Please specify)	(10)

B2	Indicate the legal status of your business (form of business ownership).	
	Sole proprietorship	(01)
	Partnership	(02)
	Close corporation	(03)
	Company (private)	(04)
	Company (public)	(05)
	Business Trust	(06)
	Not registered	(07)
	Other: (Please specify)	(08)

B3	What is the age of the business (years)?
	Please specify:

B4	Indicate your path to business ownership.	
	Started (founded) the business	(01)
	Purchase the business	(02)
	Join the family business	(03)
	Inherited the business (from the family)	(04)
	Other: (Please specify)	(05)

B5	Indicate your source of start-up funding.	
	Personal savings	(01)
	Borrowed or gifted(donated) from relative or friend	(02)
	Household/spouse	(03)
	Sold previous business	(04)
	Bank loan	(05)
	Other: (Please specify)	(06)

B6	Indicate the business premises (from where does the business operate?).	
	From home (home-based)	(01)
	Central business district (CBD)	(02)
	Outlying business area	(03)
	Industrial area	(03)
	Agriculture land	(04)
	Other: (Please specify)	(05)

B7	How many permanent employees are employed by your business?							
	Myself	2-5	6-10	11-25	26-50	51-100	101-200	200+
	(01)	(02)	(03)	(04)	(05)	(06)	(07)	(08)

B8	Indicate the turnover (annual sales) that your business generates.	
	Less than R30 000	(01)
	R30 000 – R50 000	(02)
	R50 000 – R100 000	(03)
	R100 000 – R500 000	(04)
	R500 000 – R1 million	(05)
	R1 million – R5 million	(06)
	R5 million+	(07)

B9	Did you have any exposure to business in your childhood? (i.e. partents, close family friend owned a business).	Yes (01)	No (02)
	If yes, who owned the business? (Please specify – i.e. father, mother, sibling, family friend, close friend.)		

B10	Is the present business the first business that you own?	Yes (01)	No (02)
	If no, please indicate what happened to the business previously owned.		
	Went out of business		(03)
	Still successful		(04)
	Sold of		(05)
	Other (Please specify):		(06)

SECTION C: MOTIVATIONAL FACTORS

The purpose of this section is to determine which factors drove female entrepreneurs to enter into their own business ventures.

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

		Strongly disagree	Disagree	Slightly disagree	Neutral view	Slightly agree	Agree	Strongly agree
MOTIVATION FOR ENTERING SELF-EMPLOYMENT OR TO START OWN BUSINESS								
C1	The need for independence	1	2	3	4	5	6	7
C2	Need for flexible work schedule	1	2	3	4	5	6	7
C3	Need for a challenge	1	2	3	4	5	6	7
C4	Self-fulfilment	1	2	3	4	5	6	7
C5	To develop my hobby	1	2	3	4	5	6	7
C6	Role models and other people's influences (friends & family members)	1	2	3	4	5	6	7
C7	Redundancy (lost your job, retrenchment)	1	2	3	4	5	6	7
C8	Difficulty finding a job	1	2	3	4	5	6	7
C9	Dissatisfaction with salaried jobs (job/ career frustration)	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	Entered 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	Others (Please specify)							

		Strongly disagree	Disagree	Slightly disagree	Neutral view	Slightly agree	Agree	Strongly agree
DEMOGRAPHIC ASPECTS								
C17	Southern District (Klerksdorp, Potch, Wollies) is a source of ambient number of entrepreneurial opportunities.	1	2	3	4	5	6	7
C18	Southern District (Klerksdorp, Potch, Wollies) has proper policies in place for enhancing women entrepreneurship in the region.	1	2	3	4	5	6	7
C19	The Southern District (Klerksdorp, Potch, Wollies) region provides ambient network opportunities with other businesses.	1	2	3	4	5	6	7
C20	Southern District (Klerksdorp, Potch, Wollies) infrastructure (electricity, water, road network) adequately meet the needs of my business.	1	2	3	4	5	6	7
C21	Southern District (Klerksdorp, Potch, Wollies) provides excellent base for export opportunities.	1	2	3	4	5	6	7
C22	List other aspects of Southern District (Klerksdorp, Potch, Wollies) that motivated you in starting your business in this region.							

SECTION D: OBSTACLES TOWARDS WOMEN ENTREPRENEURSHIP

The presence of different institutional, financial, market and social barriers has for long discouraged women to start and run their own business and many believe that those barriers still exist today. The purpose of this section is to accumulate a body of knowledge of barriers that were faced by current female entrepreneurs in entering and running their own business ventures.

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

		Strongly disagree	Disagree	Slightly disagree	Neutral view	Slightly agree	Agree	Strongly agree
FACTORS (OBSTACLES) THAT INHIBIT THE FEMALE ENTREPRENEUR TO <u>START</u> HER OWN BUSINESS								
D1	Inter role conflict (work/home conflict)	1	2	3	4	5	6	7
D2	Family pressures (gender-role expectations)	1	2	3	4	5	6	7
D3	Awareness/ Access to business support	1	2	3	4	5	6	7
D4	Lack of timely business information	1	2	3	4	5	6	7
D5	Lack of female role models	1	2	3	4	5	6	7
D6	Isolation from business network	1	2	3	4	5	6	7
D7	Socio-cultural environment (lack of respect from male community and stereotype)	1	2	3	4	5	6	7
D8	Lack of business management skills	1	2	3	4	5	6	7
D9	Lack of education and training (in general)	1	2	3	4	5	6	7
D10	Inequality of access to credit (difficult to obtain financing as a female)	1	2	3	4	5	6	7
D11	Lack of self-confidence	1	2	3	4	5	6	7
D12	Risk averse (great fear of failure)	1	2	3	4	5	6	7
D13	Legislative (lack of focussed women entrepreneurship policies from regional municipalities or government)	1	2	3	4	5	6	7
D14	Other (Please specify)							

		Strongly disagree	Disagree	Slightly disagree	Neutral view	Slightly agree	Agree	Strongly agree
FACTORS (OBSTACLES) YOU ARE FACING <u>CURRENTLY</u> IN RUNNING YOUR BUSINESS								
D15	Inter role conflict (work/home conflict)	1	2	3	4	5	6	7
D16	Family pressures (gender-role expectations)	1	2	3	4	5	6	7
D17	Awareness/ Access to business support	1	2	3	4	5	6	7
D18	Lack of timely business information	1	2	3	4	5	6	7
D19	Lack of female role models	1	2	3	4	5	6	7
D20	Isolation from business network	1	2	3	4	5	6	7
D21	Socio-cultural environment (lack of respect from male community and stereotype)	1	2	3	4	5	6	7
D22	Lack of business management skills	1	2	3	4	5	6	7
D23	Liquidity and other financial problems	1	2	3	4	5	6	7
D24	Gaining acceptance/respect of people (internally and externally)	1	2	3	4	5	6	7
D25	No time for training/upgrading of skills	1	2	3	4	5	6	7
D26	Other (Please specify)							

SECTION E: DEVELOPMENT NEEDS OF ENTREPRENEURS

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

E1	Have you ever been trained or developed by either a government agency or the private sector?	Yes (01)	No (02)
(03)	If yes, name the institution: 		
	Indicate the type of training that you received.		
	Technical skills (i.e. hand crafting)		(04)
	Communication skills		(05)
	Accounting skills		(06)
	Management skills		(07)
	Technological skills (computers)		(08)
	Other: (Please specify) 		
			(09)

E2	Do you know any organisation which is specifically established for women entrepreneurs?	Yes (01)	No (02)
(03)	If yes, what is the name of that organisation? 		
	How does the organisation help to develop women entrepreneurs in their activities? (Choose one or more.)		
	Provides education and training		(04)
	Provides financial assistance		(05)
	Supports/enables networking with other women entrepreneurs		(06)
	Provides access/exposure to motivational speakers/role models		(07)
	Provides business information		(08)
	Other: (Please specify) 		
			(09)

E3	Indicate your specific needs. (Choose one or more.)	
	Financial support	(01)
	Training/knowledge/skills	(02)
	Tools, equipment, machinery	(03)
	Business advice, information, counselling, mentoring	(04)
	Marketing support	(05)
	Suitable business premises	(06)
	Growth Support	(07)
	Technical support	(08)
	Psychological support	(09)
	Networking with other business owners	(10)
	Infrastructure (roads, telephone, electricity)	(11)
	Legal support	(12)
	Women entrepreneurship specific based policies for the area.	(13)
	Other: (Please specify)	(14)

THANK YOU FOR YOUR TIME.