

**BARRIERS FACING FEMALE ENTREPRENEURS:  
A STUDY IN THE GAUTENG PROVINCE,  
SOUTH AFRICA**

**by**

**SUNITA VALLA**

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requirements for the degree of**

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**Supervisor: Prof. G. H. Nieman**

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## DECLARATION

I declare that this research report is my own, unaided work. It is being submitted in partial fulfilment for the requirement for the degree of Master of Business Administration at the University of Wales. It has not previously been submitted for any degree or examination at any other university.



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SUNITA VALLA



UNIVERSITY  
OF  
JOHANNESBURG

The 30<sup>th</sup> day of NOVEMBER 2001.

**DEDICATION**

**To my Father,  
in fondest memory of his  
love, support and encouragement in all my efforts.**



## ACKNOWLEDGEMENTS

I would like to express my gratitude to all those who aided and made it possible for me to do the MBA.

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Everywhere in the world, an increasing number of female entrepreneurs are becoming the pillars of economic growth and development. This exploratory research sought to investigate the barriers facing female entrepreneurs and to establish whether these barriers are exacerbated for women because of their gender. It focuses on the experiences and perceptions of female entrepreneurs in the urban formal sector of the Gauteng area of South Africa. Data for the study was gathered by a survey through questionnaires administered to 93 female entrepreneurs, the majority of whom were registered with either the South African Business Women's Association or The South African Women's Network.

The literature review identified differences in female and male entrepreneurship related to personal demographics, business demographics and support structures. These differences could be explained by the barriers that female entrepreneurs face in their endeavours. The barriers are discussed under five main categories: social and cultural barriers, infrastructural barriers, educational and occupational barriers, role barriers, and behavioural barriers. Upon investigating these barriers amongst female entrepreneurs, results revealed that female entrepreneurs have to contend with socio-cultural, political, structural, economic, legal and personal barriers compared to men when they contemplate entrepreneurship. Although some barriers may be the same as those experienced by male entrepreneurs, the female entrepreneurs in this study perceived that they did indeed experience barriers that were specific to female entrepreneurs and that some barriers were exacerbated for them because of their gender.

Thus, even if the Constitution of South Africa states that women and men have equal rights and the same entitlements for engaging in a career in society, reality proves that the experiences of female entrepreneurs in Gauteng are contrary to this - the current situation indicates that female entrepreneurship in Gauteng serves as a 'glass ceiling' for female entrepreneurial ambitions.

Understanding the barriers facing female entrepreneurs can be beneficial to: females currently engaged in entrepreneurship, aspiring and emerging female entrepreneurs, and policy makers. This understanding can lead to more supportive policies and programmes for female entrepreneurs. Society, government, policy makers and women themselves thus need to work together to bring about changes required towards female entrepreneurs.

## TABLE OF CONTENTS

	<b>Page no.</b>
Declaration .....	(i)
Dedication .....	(ii)
Acknowledgements .....	(iii)
Abstract .....	(iv)
Table of contents .....	(v)
List of Tables .....	(ix)
Appendices .....	(x)
<b>CHAPTER 1: SCOPE AND OBJECTIVES OF THE STUDY .....</b>	<b>1</b>
1.1 Background .....	1
1.2 Definition of the research problem .....	5
1.3 Research objectives .....	6
1.3.1 Primary objective .....	6
1.3.2 Secondary objectives .....	6
1.4 Research methodology .....	6
1.4.1 Limitations of the research .....	7
1.5 Value of the research .....	7
1.6 Structure of the report .....	9
1.7 General .....	10
<b>CHAPTER 2: COMPARISON OF FEMALE AND MALE ENTREPRENEURS .....</b>	<b>12</b>
2.1 Introduction .....	12
2.2 Personal demographics .....	13
2.2.1 Reasons for start-up .....	13
2.2.2 Education, skills and experience .....	14
2.2.3 Entrepreneurial characteristics .....	16
2.2.4 Attitude to risk .....	17
2.2.5 Family commitments .....	17

2.3	Business demographics .....	18
2.3.1	Financing the venture .....	18
2.3.2	Sector .....	18
2.3.3	Structure and management style .....	19
2.3.4	Growth and expansion .....	20
2.3.5	Survival .....	22
2.3.6	Profitability and success .....	23
2.4	Support structures .....	24
2.4.1	Networking .....	24
2.4.2	Mentors and role models .....	25
2.4.3	Support groups.....	25
2.4	Conclusion .....	25

### **CHAPTER 3: BARRIERS FACED BY FEMALE ENTREPRENEURS..** 27

3.1	Introduction .....	27
3.2	Models, theories and perspectives.....	27
3.2.1	Gender based models .....	27
3.2.2	The situational and dispositional perspectives .....	29
3.3	The barriers categorised .....	29
3.3.1	Social and cultural barriers .....	30
3.3.2	Infrastructural barriers .....	37
3.3.3	Educational and occupational barriers .....	45
3.3.4	Role barriers.....	46
3.3.5	Behavioural barriers .....	48
3.4	Conclusion .....	49

### **CHAPTER 4: RESEARCH METHODOLOGY, PROCEDURES AND FINDINGS .....** 51

4.1	Introduction .....	51
4.2	Reasons for the study .....	51

4.3	Objectives of the study .....	52
4.4	Quantitative versus qualitative research .....	52
4.5	Research methodology .....	53
4.5.1	Use of survey research .....	53
4.5.2	Survey population and survey sample .....	54
4.5.3	Choice, development and construction of the research instrument .....	56
4.5.4	Pilot survey .....	59
4.6	Research procedure .....	60
4.7	Data collection .....	61
4.8	Limitations of the survey method .....	61
4.9	Analysis of data .....	63
4.10	Research findings .....	63
4.10.1	Demographic profile of respondents .....	63
4.10.2	Sectors in which female entrepreneurs operate .....	65
4.10.3	Motivational factors for female entrepreneurs .....	66
4.10.4	Self-confidence .....	69
4.10.5	Networks and mentors .....	70
4.10.6	Business profile of respondents .....	72
4.10.7	Business start-up and expansion .....	74
4.10.8	Government projects.....	74
4.10.9	Skills .....	76
4.10.10	Barriers faced by female entrepreneurs .....	77
4.10.11	Content analyses of open-ended questions .....	85
4.11	Conclusion .....	91
 <b>CHAPTER 5: SUMMARY, CONCLUSION AND RECOMMENDATIONS .....</b>		 <b>93</b>
5.1	Introduction .....	93
5.2	Research findings in respect of barriers compared to literature review	93
5.2.1	Social and cultural barriers .....	93
5.2.2	Infrastructural barriers.....	95



5.2.3	Educational and occupational barriers .....	96
5.2.4	Role barriers.....	97
5.2.5	Behavioural barriers .....	98
5.3	Summary.....	99
5.4	Recommendations.....	100
5.4.1	Financial institutions.....	100
5.4.2	Government.....	101
5.4.3	Service providers.....	102
5.4.4	Women themselves .....	103
5.5	Future research .....	104
5.6	Conclusion.....	105

## REFERENCES

## APPENDICES



## LIST OF TABLES

		<b>Page no</b>
Table 3.1	Gender Based Models .....	28
Table 4.1	Classification of statements .....	58
Table 4.2	Demographic profile of respondents .....	64
Table 4.3	Sectors in which female entrepreneurs operate .....	66
Table 4.4	Motivational factors for female entrepreneurs .....	68
Table 4.5	Self-confidence of respondents .....	70
Table 4.6	Networks and Mentors .....	71
Table 4.7	Business profile of respondents .....	73
Table 4.8	Business start-up and expansion .....	75
Table 4.9	Government projects .....	76
Table 4.10	Skills and competencies of respondents .....	77
Table 4.11	Responses to statements on barriers .....	79
Table 4.12	List of variables that were eliminated for two-factor analysis .....	81
Table 4.13	Factor loadings after elimination of non-conforming variables ...	82
Table 4.14	List of variables in factor 1 .....	83
Table 4.15	List of variables in factor 2 .....	84
Table 4.16	Barriers that female entrepreneurs encountered or are encountering .....	86
Table 4.17	Ways in which the entrepreneurs deal or dealt with the barriers they experience(d) .....	88
Table 4.18	Changes that respondents would like to see for / towards female entrepreneurs .....	90

## LIST OF APPENDICES

- Appendix A - Covering Letter
- Appendix B - Questionnaire on Female Entrepreneurs
- Appendix C - Barriers that respondents encountered / are encountering as female entrepreneurs
- Appendix D - Ways in which respondents deal / dealt with the barriers they experience(d)
- Appendix E - Changes that respondents would like to see for or towards female entrepreneurs
- Appendix F - Experiences where being female acted in respondent's favour
- Appendix G - Messages to aspiring and emerging female entrepreneurs

## CHAPTER 1

### SCOPE AND OBJECTIVES OF THE STUDY

#### 1.1 BACKGROUND

Amongst the most urgent challenges in many parts of the world today are employment creation and income generation. This is largely due to the explosive growth in world population and widespread unemployment. While many large corporations are downsizing, the resulting high levels of unemployment are of great social, political and economic concern. For many, alternate means of job creation and economic growth have become necessary and the solution seems to lie in the domain of those engaged in entrepreneurship.

Dollinger (1999: 4) defines entrepreneurship as “the creation of innovative economic organisations (or a network of organisations) for the purpose of gain or growth under conditions of risk and uncertainty”. The definition of an entrepreneur, however, remains problematic as academics and researchers define the entrepreneur from the point of view of their own approach to the subject. Nieman (2001: 57) defines an entrepreneur as “a person who sees an opportunity in the market, gathers resources and creates and grows a business venture to satisfy these needs. He or she takes the risk of the venture and is rewarded with profit if it succeeds”. For purposes of this research report the focus will be on the female entrepreneur and one that conducts her business in the formal sector of the economy.

Both female and male entrepreneurs play a vital role in creating wealth and jobs but a growing number of these small new companies are being led by women (Holmquist, 1997: 179; Starcher, 2001: 1). Levin (1993: 5) sees “women entrepreneurs” as a concept that is relatively new - a result of harsh economic imperatives, the rising expectations fuelled by feminism, the sheer demographics of working women, the glass ceiling in many corporations, the downsizing trend amongst large corporations, and the

general perception of small business activity as an answer to many economic ills of the world. More and more women all over the world are breaking away from the shackles that for so long kept them in the shadows of their male counterparts. The Paris based, Organisation for Economic Co-operation and Development (OECD), calls the rise of women entrepreneurs “one of the most significant economic and social developments in the world” (Starcher, 2001: 2).

In the last few years, it has been found that the number of firms created and managed by women have grown faster than those set up and managed by men (Baker, Aldrich, & Liou, 1997: 221; Holmquist, 1997: 179; Loscocco, Robinson, Hall & Allen, 1991: 65; OECD, 1997: 3; Van Auken, Rittenburg, Doran & Shu-Fang, 1994: 10). According to Erwee, in both Australia and USA more women are leaving large corporations in an attempt to escape corporate politics, sexist attitudes and a stifling work environment to become entrepreneurs and business owners (Levin, 1993: 5). Trinco & Valente (1993: 1) found that South African women were similarly moving in that direction and revealing their determination to make their mark and contribute to the economic development of their country as well as of its people. Recent statistics (OECD, 1997: 3) indicate that approximately eight million businesses are owned and managed by women in the United States. According to the same source, 1 out of 4 private sector jobs in the US is provided by firms headed by a female and three out of four female-owned companies stay in business longer than three years, in comparison to only two out of three male-owned companies.

Personal and external circumstances, both positive and negative may impact on a woman's decision to create her own enterprise. Negative factors “push” women to consider entrepreneurship while positive factors “pull” or attract them. Push factors include economic necessity, lack of childcare facilities, unacceptable working conditions, rigid hours, the wage gap between women and men, occupational segregation, job frustration such as the “glass ceiling” blocking advancement, and hostile corporate environment or disillusionment with traditional employer / employee relationships. Positive factors pulling women into entrepreneurship include market opportunity, ambition, experience, an interest in a particular area of activity, social objectives, contacts, a need for flexible hours, greater income and financial

independence, a desire for autonomy, personal growth and increased job satisfaction (Levin, 1993: 5; Starcher, 2001: 4).

Although both male and female entrepreneurs face difficulties in establishing an enterprise, much of the literature indicates that female entrepreneurs face specific barriers. Among these barriers are: access to financial resources, lack of support, negative prevailing socio-cultural attitudes, sex discrimination or gender-bias, and personal difficulties. Female entrepreneurs often also suffer from low credibility when dealing with the various stakeholders associated with their firms – such as suppliers, bankers or customers. They are often not taken seriously in their capacity as entrepreneurs and some men consider female-run businesses as hobbies. Moreover, the efforts of females are sometimes hampered by governmental laws, institutional policies and a legal and regulatory environment that reflect this attitude (Starcher, 2001: 6).

The White Paper on a National Strategy for the Development and Promotion of Small Business in South Africa (DTI, 1995), identified the constraints in the South African context as being particularly hard on entrepreneurs in rural areas and on women. This document represented government's commitment, within given financial and organisational constraints, to what it can contribute to the process of stimulating enterprises in the private sector by engaging in serious consultation with all the major stakeholders. These stakeholders amongst others include government agencies, non-governmental organisations (NGOs), community based organisations (CBOs), individual entrepreneurs, financial institutions and foreign donor agencies. Equally important for the present phase of small business support in South Africa is the recognition of the particular problems and needs of enterprises initiated, owned or controlled by those who were discriminated against in the past. Aside from the racial dimension, i.e. enterprises owned or controlled by black South Africans, particular reference is also made to females, the disabled, elderly people and the youth. This document coupled with the first 'President's Conference on Small Business' in March 1995, paved the way for the Department of Trade and Industry in South Africa to address small, medium and micro-enterprise development through the National Small Business Act of 1996.

This Act led to the establishment of two government agencies (NTSIKA Enterprise Promotion Agency and KHULA Enterprise). These agencies are tasked with implementing programmes that specifically target and support female entrepreneurs amongst designated groups. The impact made by the existent programmes has however been largely limited to micro-enterprises (SAWEN, 2001: 2).

The Act also classifies business by sector in the economy into medium, small, very small and micro according to turnover, total assets and number of employees. In general the guideline of less than 50 employees and R2.5 million annual turnover would classify a business as “small”. The acronym, “SMME” is generally used in South Africa to indicate small, medium and micro enterprises.

In a study conducted in South Africa, Allie & Human (1997: 8) found that both internal and external barriers impacted on the success of female-owned businesses. These barriers ranged from basic life skills of female entrepreneurs (self-confidence; assertiveness; self-motivation; achievement-orientation; reliability and communication skills) through the virtual absence of mentorship opportunities, to marketing and basic holistic management training (Allie & Human, 1997: 8). Thus, the ideals envisaged by the White Paper, have not been realised.

Existing theories on entrepreneurs have been developed by men, for men, and about men (Nielsen, 2000: 17). Decision and policy makers are thus informed almost entirely by analyses of the experiences and actions of male entrepreneurs. Consequently, female entrepreneurs are judged by parameters which do not take account of extraneous factors which are extremely pertinent to them, for example, gender-based labour market discrimination and domestic responsibilities. These various social and cultural, infrastructural, educational and occupational, and role and behavioural barriers keep females from contributing to economic production as fully and freely as may be desired. Thus, entrepreneurship may not guarantee an escape from labour market discrimination for females. They have been forced to adapt themselves to the values, standards, and structures which have been built up and dominated by males and which are perceived to be the norm. In view of this, attempts to find certain qualities which may be the contributions of females, are limited. This research is thus aimed at determining the

barriers to female entrepreneurship. The findings may not change the values, standards and structures in place but they may have us re-evaluate them.

Female entrepreneurs undoubtedly give new possibilities to economies coping with unemployment. But, if their businesses are to make such a significant contribution to the economies of the world, it is crucial that all stakeholders pay attention to the factors hindering the progression of such enterprises and attempt to encourage and foster such endeavours. It is generally accepted that entrepreneurship is difficult for both females and males. However, what needs to be ascertained is whether there are specific barriers that only females face, and whether some barriers that both female and male entrepreneurs face, are exacerbated for females because of their gender.

## 1.2 DEFINITION OF THE RESEARCH PROBLEM

Entrepreneurship is booming as a career choice for most females because it presents a landscape of opportunity and new challenges and offers a way forward to those who are unable to make progress in conventional organisational careers. Despite the actions taken by the Government, it would appear that the ideals as set out in the White Paper have not been realised and that females face many barriers when embarking on new venture creation.

The purpose of this study is to determine which barriers female entrepreneurs encounter and whether these barriers are exacerbated because of their gender.

The study will advance our understanding of the barriers faced by female entrepreneurs.



### 1.3 RESEARCH OBJECTIVES

The primary and secondary research objectives are as follows:

#### 1.3.1 Primary objective

To determine whether there are specific barriers that only females face in entrepreneurship and whether these barriers are exacerbated for females because of their gender.

#### 1.3.2 Secondary objectives

To critically evaluate current theories and practices in respect of female entrepreneurs.

To identify any limiting factors, from the literature and from the survey, and develop recommendations that can be utilised in overcoming these limitations and thereby allowing female entrepreneurs to overcome at least some of the barriers that they face.

### 1.4 RESEARCH METHODOLOGY

The research consists of two parts:

- A literature study and
- Quantitative research on female entrepreneurs in the Gauteng Province of South Africa (Gauteng is one of the nine provinces in South Africa and is regarded as the economic hub of the country).

*how* The purpose of the literature review will be to identify possible differences in female and male entrepreneurship and to highlight the experiences of female entrepreneurs. Previous research related to the barriers facing female entrepreneurs as well as current theories and practices in female entrepreneurship will also be reviewed. The differences in female and male entrepreneurship as well as the experiences of female entrepreneurs in previous research may be linked to the barriers that female entrepreneurs face and these will be identified.

Survey (quantitative) research will be used to investigate the barriers experienced by female entrepreneurs by means of a distribution of questionnaires to randomly selected female entrepreneurs. Randomly selected candidates from the following sources formed the sample of this study:

- ‘The Women’s Network’ booklet subtitled ‘A guide to women in business - Gauteng 1999-2000 which is distributed through FEMINA Magazine;
- The ‘Women in Business’ publication distributed through the South African Business Women’s Association
- Female entrepreneurs listed with NTSIKA Enterprise Promotion Agency.
- A further source of respondents were acquaintances of the female entrepreneurs whose details were forwarded from any of the sources mentioned above.

The majority of questionnaires were distributed via e-mail (these addresses were available in the databases), other questionnaires were faxed through while still others were hand delivered.

#### **1.4.1 Limitations of the research**

A limitation exists in the composition of the sample selection. Since the inclusion of all South African female entrepreneurs is too large a sample to investigate for purposes of this study, only randomly selected female entrepreneurs in the formal sector of the Gauteng province of South Africa formed the composition of this sample. Furthermore, as databases or mailing lists of female entrepreneurs in the Gauteng area are not easily accessible, the vast majority of respondents were those listed with the South African Business Women’s Association and The Women’s Network associated with Femina Magazine. A further limitation lies in the research method, as most of the questionnaires distributed were to those women who had access to e-mail, although a small percentage were faxed through while a few were also distributed and collected in person.

#### **1.5 VALUE OF THE RESEARCH**

According to Erickson, just as the nineteenth century was viewed as the Industrial Age, the twentieth century as the Corporate Age, the twenty-first century looms as the Entrepreneurial Age, with women entrepreneurs as the major players (Kulas, 2000: 12).

Research on female entrepreneurs in South Africa is rather limited. However, with the increasing number of female entrepreneurs throughout the world, it is of critical importance that South African women too identify, understand and overcome the forces retarding their progress as entrepreneurs. Any woman who is running or attempts to run a business must at some point in her life deal with the problems that her entrepreneurial endeavours present. The intention in this study is therefore to identify the barriers encountered by female entrepreneurs and to propose measures and changes with a view of remedying the situation and the current shortcomings. Knowing which factors serve as barriers and understanding women's experiences can allow us to better understand the needs of female entrepreneurs and aspiring female entrepreneurs and allow us to take steps to develop and incorporate new strategies in institutions, organisations, society, government and most importantly in women themselves to break down these barriers and enhance the role of female entrepreneurs.

Furthermore, because of inadequate information regarding entrepreneurship in South Africa (Allie & Human, 1997: 17; Nieman & Nieuwenhuizen, 1999: 4), the generation, co-ordination, and dissemination of this type of information must be regarded as a high priority. Holmquist (1997: 179) points out that female entrepreneurs have not been integrated into the field of entrepreneurship research. Also, 'no two entrepreneurs are the same' (Nieman & Nieuwenhuizen, 1999: 4; Verheul & Thurik, 2000: 6) and thus by recognising and understanding many different types of entrepreneurs, we are more likely to see and appreciate the diversity inherent in entrepreneurship.

During the last decade female entrepreneurs have been brought into sharper focus, which has led to a number of surveys, where female and male entrepreneurs have been compared. However, surveys with a focus on female entrepreneurs account for only 6-8 percent of international research into entrepreneurship (The Danish Agency for Trade and Industry (a), 2000: 1). Baker, *et al.*, (1997: 221) state that there is a lack of attention given to "women's spectacular progress in business ownership" and therefore it is virtually invisible. This research report is thus aimed at making a contribution to the pool of knowledge on female entrepreneurs.

## 1.6 STRUCTURE OF THE REPORT

The research report consists of five chapters which can be summarised as follows:

### **Chapter 1: Scope and objectives of the study**

This chapter provides an overview of this research report. It commences with a background to the topic, followed by the definition of the research problem, the objectives of the study as well as the value of conducting such a study. The research methods used and the limitations in this study are also identified. The structure of the research report is provided with a brief outline on each of the chapters. Finally, defining concepts, the reference technique and abbreviations used in the study are indicated.

### **Chapter 2: Comparison of female and male entrepreneurs**

This chapter provides a comparative analysis of female and male entrepreneurs as indicated in the literature. This analysis is done on personal demographics, business demographics and support structures. Factors such as reasons for start-up, experiences and education, entrepreneurial characteristics and family commitments are discussed under personal demographics. Business demographics relate to sectors in which male and female entrepreneurs operate, their structure of management, growth and expansion, survival, profitability and success. Family support, networks and mentors, and other forms of support groups are discussed under support structures. This chapter highlights the differences between female and male entrepreneurs in the afore-mentioned areas.

### **Chapter 3: Barriers faced by female entrepreneurs**

This chapter is the essence of the literature review. Through the use of theories, perspectives and gender-based models the barriers faced by female entrepreneurs are categorised in this chapter. These barriers may be either internal or external. For purposes of this research report, the categories used to identify the barriers are those identified by the International Labour Organisation. These categories are: social and cultural barriers, infrastructural barriers, educational and occupational barriers, role

barriers and behavioural barriers. The discussion in this chapter sheds more light on the reasons for the differences (highlighted in Chapter 2) between female and male entrepreneurs and their businesses.

#### **Chapter 4: Research methodology, procedures and findings**

This chapter covers the research methodology employed in this study. Details of the research procedures, programmes and methods used as well as some of the limitations of conducting such a survey are discussed. In the second part of this chapter, the results of the research findings are presented and interpreted.

#### **Chapter 5: Summary, conclusion and recommendations**

In this chapter the research results are summarised, and discussed in terms of the literature reviewed. Conclusions to the study are made and practical recommendations are given for financial institutions, government regulators, service providers and women themselves (female entrepreneurs, and potential female entrepreneurs) based on the perceptions and experiences of female entrepreneurs in the Gauteng area. Ideas for future research related to the topic are also identified.

### **1.7 GENERAL**

#### **Defining concepts and constructs:**

The terms woman/female and woman entrepreneur/female entrepreneur as well as the plural forms of these terms are used interchangeably in this report. This is due to the inconsistency of terminology by various researchers.

#### **Reference method:**

The abbreviated Harvard method of referencing is used in this research report.

**Abbreviations used:**

DTI	–	Department of Trade and Industry
OECD	–	Organisation for Economic Co-operation and Development
SMME	-	Small, medium and micro enterprise
SAWEN	-	The South African Women Entrepreneurs Network
CBOs	-	Community based organisations
NGOs	-	Non-governmental organisations
WOEs	-	Women-owned enterprises
PDIs	-	Previously disadvantaged individuals



## CHAPTER 2

### COMPARISON OF FEMALE AND MALE ENTREPRENEURS

#### 2.1 INTRODUCTION

While some research supports the assumption that there are in many respects great similarities between female and male entrepreneurs, others highlight the differences. Researchers have identified differences on data related to business demographics, for example the fact that women operate in sectors different from those of men, they do not grow their enterprises as much as men do and that they have access to fewer social, professional, and financial resources. However, existing theories on entrepreneurs have been developed by men, for men, and about men (Nielsen, 2000: 17). Baker, *et al.*, (1997: 222) found that women's special characteristics are not apparent because they are viewed from a traditional, male angle, which is seen as natural in connection with the setting up, development, and management of an enterprise. There is also an assumption that traditional, male centred business models are the neutral or normal models and affect decision makers, politicians, journalists, enterprise owners, and researchers. Holmquist (1997: 181) supports this view and states the “entrepreneurship is gendered”. Research therefore should also expand beyond the business demographic variables and deal with some of the areas where there could be real differences.

This chapter therefore deals with the following factors in differentiating between female and male entrepreneurs:

- Personal Demographics
- Business Demographics
- Support Structures

These factors are however, only a few amongst the myriad of factors that can be identified in differentiating female and male entrepreneurs.

## 2.2 PERSONAL DEMOGRAPHICS

### 2.2.1 Reasons for start-up

A number of authors find some common areas of motivation among women and men. Dominating motives for starting a business are: a need for independence or autonomy, a need for achievement, a search for job satisfaction, and to obtain a high degree of flexibility. (Brush, 1992: 11; Hisrich & Brush, 1983: 256; Kerka, 1993: 1; Langan-Fox & Roth, 1995: 216; Levin, 1993: 5; Nieman & Nieuwenhuizen, 1999: 10; Piasecki & Rogut, 1992: 5-6; Starcher, 2001: 4). These dominating motives are consistent with McClelland's theory of needs which identifies achievement, power and affiliation as the three important needs that help explain motivation (Robbins, 1998: 175).

Although many authors highlight the similarities between female and male entrepreneurs, a number of surveys of women's conception of their motives for starting an enterprise show that they are different from those of men. Stevenson (1986: 33) found that for men the decision to start a business seems to be a logical progression, but it does not appear to be so for women. Men may be motivated by a desire "to be an entrepreneur" or not work for someone else, whereas women may wish to have "flexibility" in balancing work and family or to "help others" (Nielsen, 2000: 5). Hisrich & Peters (1998: 78) indicate that men are more often motivated by the drive to control their own destinies, which often stems from disagreements with their bosses or a feeling that they can run things better. In contrast, women tend to be more motivated by the need for achievement arising from job frustration in not being allowed to perform and grow in their previous situation (Hisrich & Peters, 1998: 78).

Work-life balance is also an important issue to female entrepreneurs and Gatewood, Shaver and Gartner (1995: 385) found that women decide to become entrepreneurs for such reasons as self-fulfilment and as a way to actualise personal goals that focus on family. The 1997 study by Moore and Buttner suggest that some women started their own businesses from a desire for self-determination and for the challenge, with the accompanying respect, recognition, and self-esteem that both self-determination and challenge provide. Furthermore, moving from a large organisation to one's own business



also reflected a strong desire to be one's own boss. This research however, failed to support the assumption that women with families started businesses to help balance work and family responsibilities (Easley, 1998: 2).

In addition to the above, Chaganti (1986: 23) stated that women find entrepreneurship attractive in order to minimise or to escape social and organisational barriers to success and Zapalska (1997: 81) found that women may have political and economic motivations. Studies by Goffee & Scase (1985) and Cromie (1986) also found that women wished specifically to escape male domination of employers and husbands and placed more importance on needs of childcare. However, both studies (Goffee & Scase, 1985; Cromie, 1986) found that contributing towards women's decision to enter self-employment were experiences of discrimination in the waged labour market specific to their sex. Nieman & Nieuwenhuizen (1999: 10) found that respondents in their study were motivated to take advantage of an opportunity that appeared which was also found in a previous study by Maysami & Goby (1999: 98). Piasecki and Rogut (1992: 6) found that female entrepreneurs had a need for risk taking. In addition to flexibility, opportunity and financial independence, Maysami & Goby (1999: 98) also found that women wanted to put their knowledge and skills to use and desired personal growth.

Women are also assumed to be motivated more by consideration and welfare for others. This is called responsibility- or solicitude rationality. On the other hand, men are motivated more by purpose rationality based on individuality, "reason", and efficiency, for the purpose of pursuing some definite purposes and goals. This is also termed technical/economic rationality (Nielsen, 2000: 5).

### **2.2.2 Education, skills and experience**

Wickham (1998: 41) identified the following skills required in entrepreneurship: general management skills (strategy, planning, marketing, financial, project management and time management) and skills in dealing with people (leadership, motivation, delegation, communication and negotiation). He identified industry knowledge and personal motivation as additional factors in the entrepreneurial performance formula.

Chaganti (1986: 22) found that the educational levels of female and male entrepreneurs are comparable; yet the management skills of women are viewed as deficient. Konecna (1992: 5) identified previous education and management training as being predominantly directed to men and although the level of education of female and male entrepreneurs is roughly identical, the type of education differs (Verheul & Thurik, 2000: 6). Male entrepreneurs are more likely to have completed a technical schooling, while the education of female entrepreneurs is usually more of an economic, administrative or commercial nature. Moreover, female entrepreneurs are usually more likely to be experienced in fields like educational services, sales, liberal arts, administration and personal services (Carter, Williams & Reynolds, 1997: 128; Chaganti, 1986: 21; Hisrich & Peters, 1998: 80; Verheul & Thurik, 2000: 6; Watkins & Watkins, 1983, 280) as opposed to management, sciences and technology (Stevenson, 1986: 31; Watkins & Watkins, 1983: 280).

The length and type of experience of women and men in the labour market also varies considerably. Stevenson (1986: 33) pointed out that men and women come to entrepreneurship from very different educational and business experience backgrounds. Men are more likely to have been employed prior to the start-up of their business and have more working experience (Verheul & Thurik, 2000: 7). According to Hisrich & Peters (1998: 78) the transition for men from a past occupation to the new venture is often facilitated when the new venture is an outgrowth of a present job, sideline or hobby. Men are also more likely to have earlier entrepreneurial experience and additionally, they have more industry experience and experience with human resource management, financial management and the application of modern technologies (Verheul & Thurik, 2000: 7). Women, however, often leave a previous occupation with a high level of job frustration and enthusiasm for the new venture rather than experience, making the transition somewhat more difficult (Hisrich & Peters, 1998: 78). Thus, from the above discussion and conferring with Brush (1992:13) female and male entrepreneurs differ with respect to experience and education.

### 2.2.3. Entrepreneurial characteristics

Male and female entrepreneurs tend to be energetic, goal-oriented, and independent. However, men are often more confident and less flexible and tolerant than women, which can result in very different management styles (Hisrich & Peters, 1998: 79). According to Hisrich & Peters (1998: 79) female entrepreneurs also tend to be older when they embark on their ventures (age 35-40) than male entrepreneurs (age 25-35).

Sexton and Bowman-Upton (1990: 34) found that the extent to which women and men possess certain entrepreneurial characteristics like perseverance, autonomy, propensity to take risks and readiness to change do not differ significantly, although men do put a higher value on perseverance and risk and a lower value on autonomy and change than women do. Moreover, women rate their own entrepreneurial characteristics lower than men (Verheul & Thurik, 2000: 8) with regard to taking risk, industry knowledge and technological knowledge. Female entrepreneurs have also reported a lack of self-confidence in their own entrepreneurial capabilities which may be attributable to a relatively negative self-perception in addition to the social and cultural factors which play an important role in maintaining this negative self-image of women, like the subordinate role of women in large parts of the world and internalised gender specific images and values (Hofstede, 1991). Furthermore, the strategic orientation of successful (typically male) entrepreneurs is to think bold and big for the long term, whereas female entrepreneurs are seen as having limited vision and are seen as thinking in terms of the short term (Chaganti, 1986: 21).

Research by Chaganti (1986: 22) found that strategic management in women-owned enterprises (WOEs) is similar to that in male-controlled enterprises. Thus male and female entrepreneurs are similar. However, women and men may have different values. Women are seen to be more altruistic, while men are motivated more on issues related to their individuality (Nielsen, 2000: 5).

#### **2.2.4 Attitude to risk**

A misconception, held usually by men, is the fact that women operate their businesses the same way men do and have the same thought processes (Kulas, 2000: 24). However, women are generally more risk averse (Cliff, 1998: 523; Kulas, 2000: 18; OECD, 1997: 4; Sexton & Bowman-Upton, 1990: 29; Starcher, 2001: 7). Risk aversion also implies a reliance on equity instead of bank loans. This is confirmed by Kotey and Meredith (1997: 43) who state that risk aversion of entrepreneurs leads to dependency on personal equity as a source of finance. Others (Carland, J.W., Carland, J.C. & Aby, 1989: 31) claim that a higher risk taking propensity and a better understanding of the risks inherent in investments leads to the use of more debt finance. It also seems that the aversion against borrowing money somewhat limits the prospects of growth and development of the enterprises owned by female entrepreneurs.

#### **2.2.5 Family commitments**

Stigter (2000: 2) found that more than half the enterprising women are carrying out activities other than running their own business, like being employed or taking care of their family or attending to household activities. Only a small percentage of male entrepreneurs have such obligations (Verheul & Thurik, 2000: 7). Schauer, (1993: 465) cites the studies of Longstreth, Stafford and Mauldin who found similar results in their study of female entrepreneurs from various U.S. states. The fact that women combined paid work and family responsibilities, meant that they spent more time than men on household work. Stigter, in Verheul & Thurik (2000: 7) found that, if male entrepreneurs work more often on a part-time basis in their own business, it is as a result of having another enterprise or having other employment. The 'double assignments' or "role strain" of being engaged in running an enterprise and a household at the same time may limit the time female entrepreneurs spend on their businesses (Loscocco, *et al.*, 1991: 80). This may impact on the sector, size, growth and subsequent profitability of their businesses.

## **2.3 BUSINESS DEMOGRAPHICS**

### **2.3.1 Financing the venture**

Male and female entrepreneurs differ in the area of start-up financing. Men often list investors, bank loans, or personal loans in addition to personal funds as sources of start-up capital. Women on the other hand rely solely on personal assets or savings (Hisrich & Peters, 1998: 78).

According to Verheul & Thurik (2000: 10) female entrepreneurs are likely to have less experience with financial management than male entrepreneurs because of the vertical segregation of the labour market. This view is supported by Collette & Aubrey (1990: 420) and Stevenson (1986: 31) who found that financial management skills are an area of weakness, often due to educational background. This lack of financial management experience may result in women being unaware of whom they can contact for help and advice. They often start 100 per cent self-financed or want to repay any loans as quickly as possible (The Danish Agency for Trade and Industry (b), 2000: 13). This puts some natural limitations on the possibilities of developing the enterprise. It is also found that women generally have less training and education with regards the financial part of the enterprise. According to Verheul & Thurik (2000: 10), entrepreneurs with financial management experience are assumed to be able to use their earlier experience in securing financial assistance. Moreover, tax shields can be an incentive to use bank loans. Entrepreneurs with financial experience may be better informed about such tax incentives. Finally, financial management might be associated with a sufficient amount of personal savings based upon success in earlier jobs and investments (Verheul & Thurik, 2000: 10).

### **2.3.2 Sector**

Female and male entrepreneurs work in different sectors. Male entrepreneurs are most likely to enter manufacturing, construction, high technology fields, wholesale trade and financial services (Anna, Chandler, Jansen & Mero, 2000: 279; Hisrich & Peters, 1998: 78; Verheul & Thurik, 2000: 7). These sectors are characterised by large initial

investments requiring large amounts of financial capital. Female entrepreneurs are over-represented in the retail- and service sectors, public relations, educational services and personal services (Chaganti, 1986: 21; Hisrich & Peters, 1998: 80; Nieman & Nieuwenhuizen, 1999: 1). These sectors are characterised by relatively small initial investments requiring a small amount of financial capital. This was confirmed by Coleman & Cohn (1999: 4) who found that women-owned businesses do not require as much external capital as men-owned businesses because they are smaller and more likely to be concentrated in lines of business that are not very “asset intensive,” such as personal services. They are also generally associated with low investments in tangible assets, like machines and buildings and high investments in intangibles, like human capital and customer relations. Van Uxem and Bais stated that the businesses of female entrepreneurs can be characterised as 'supporting services' and include secretarial, translational and processing activities (Verheul & Thurik, 2000: 8). Furthermore, female-owned businesses are also smaller in terms of number of employees (Orser & Hogarth-Scott, 1995: 2).

### 2.3.3 Structure and management style

Women owned enterprises are described as follows: “where traditional enterprises are managed on the basis of financial, technical and functional policies, enterprises started and managed by women are managed on the basis of social and relation oriented purposes and goals. Where decision-making in traditional enterprises is analytical and facts-oriented, it is based on female intuition and participation in enterprises started and managed by women. Whereas in traditional enterprises the goals and values are competition oriented, transaction oriented and undifferentiated, they are in enterprises started and managed by women integrative as regards family, job, and society, and they are reciprocal and differentiated” (Danish Agency for Trade and Industry (a), 2000: 4).

Some surveys state that in WOE, the management style is more feminine, participative and open in the internal communication, and with less hierarchy than in traditional enterprises. Other surveys find that WOE are highly structured, built up formally, and planning oriented. Marshall for example, makes a general distinction between ‘male’ and ‘female’ values when looking at organisations and suggests affiliation, attachment,

receptivity and co-operation as essentially female values with self-assertion, separation, control and competition as male values (McGregor and Tweed, 2000: 607). McGregor & Tweed (2000: 607) also suggest that women seek affiliative relationships and value co-operative and collegial styles of business over individualistic behaviour and hierarchical structures. Women-led businesses are often structured along decentralised and networked rather than hierarchical lines. Sheppard, in Carter, *et al.*, (1997:129) also found that women described their management style as being service-oriented with an emphasis on persuasion, appeasement and maintaining good relations. They viewed themselves as “humanistic” and “personal oriented” as opposed to “cost-oriented”. Chaganti (1986, 28) also found that the management styles of female entrepreneurs was more people orientated and less autocratic.

Researchers conclude that as a consequence of the differences between men and women regarding experience in social and educational matters, women have different ways of running a business, they have different problems and achieve different results than enterprises owned and managed by men. Distinguishing traits of male development are autonomy, independence, and competition; those of women are relations, interdependence, and co-operation (Starcher, 2001: 4).

#### **2.3.4 Growth and expansion**

Women owned businesses are smaller than businesses owned by men (Cliff, 1998: 538; Fabowale, Orser & Riding, 1995: 58; Orser & Hogarth-Scott, 1995: 2; Shim & Eastlick, 1998: 20). Verheul and Thurik (2000: 8) suggest that this can be related to the sector of their business, e.g. sectors with low barriers to entry, high competition and low profit margins, and the relatively high proportion of part-timers among female entrepreneurs. This may also be why they are typically characterised by lower financial performance than male-owned businesses (Shim & Eastlick, 1998: 20). In addition to this Van Uxem and Bais found that their smallness is manifested through a small workforce (if any) and a small amount of start-up capital (Verheul & Thurik, 2000: 8).

In more traditional industries WOE's are not only smaller but also experience slower growth (Buttner & Moore, 1997: 39; Shim & Eastlick, 1998: 20). This however may be

due to the differences in value attached to business expansion and growth by men and women. This was found by Cliff (1998: 527) who indicated that men placed greater emphasis on economic values and qualitative, nonambiguous measures of achievement and success such as status and wealth; whereas women assigned more importance to social values and qualitative ambiguous measures of achievement and success such as personal fulfilment and strong interpersonal relations. The non-economic goals of women may lead to less aggressive, less growth oriented strategies (Shim & Eastlick, 1998: 20) whilst the main business objective of male entrepreneurs according to van Uxem & Bais is growth so that they can reap increasing returns (Verheul & Thurik, 2000: 8). Cliff (1998: 527) argues that there are strong societal pressures on men to be competitive, masterful and dominant and that they are therefore likely to measure success by the size of their businesses. For female entrepreneurs, however, growth is merely a secondary objective and they are therefore likely to measure success by less objective criteria (Cliff, 1998: 527). This can also be related to the situation where their business is not the only means of earning a living as most female entrepreneurs have an earning partner (Verheul & Thurik, 2000: 8). More women than men may deliberately choose not to grow their businesses, in pursuit of goals other than growth and economic performance. Brush (1992: 24) therefore suggests that different performance measures must be considered such as social orientations and responsiveness, increase in employees and innovative management practices, when measuring success in male and female entrepreneurship.

McGregor and Tweed (2000: 604) refer to a study done by Lee-Gosselin and Grise on Canadian female entrepreneurs. They found that these women saw their future as significantly different to the visions normally attributed to entrepreneurs taken from male samples. For these women, small and stable businesses were important and they did not see their start-up as a transitory phase. They expressed the view that they wished to preserve their quality of life, be employee and customer focused, and remain in control of the operational level of their businesses. They also sought recognition as entrepreneurs for these values. Rosa, Carter & Hamilton (1996: 469) found in their research that men were significantly more likely to want to grow their businesses as far as they could.



Studies by Goffee and Scase (1985) suggest that female entrepreneurs differ from male entrepreneurs in that they tend to view their business as but one component of a wider system of relationships including family, community and friends. In support of this view, (Du Rietz & Henrekson, 1999: 14) cite the work of Carter and Cannon, who found that there is a tendency among female entrepreneurs to run their business in such a way that the interest of the immediate family does not get into conflict with the business. Thus, women are found to regard proprietorship as a mechanism for achieving independence and control over their working lives. Small businesses offer women greater flexibility facilitating the reconciliation of work requirements and family commitments.

Cliff (1998: 528) argues that if women are motivated more by integration and balancing of roles, and attach less value to quick growth, "smallness" must mean something else to women than to men. For women expansion may interfere with other equally cherished goals and perhaps women's enterprises are thus smaller as a consequence of a deliberate choice rather than a lack of ability to develop the enterprise. Women may thus measure success by other criteria than size and their enterprises should be interpreted from a broader perspective rather than from just a financial, economic or growth perspective. Moore and Buttner found self-actualisation (composed of self-fulfilment and achievement of goals); business performance (composed of profits and business growth); and a web effect (including employee satisfaction, helping others, balancing family and work, and social contributions) that were of underlying importance in measuring success for women (Easley, 1998: 3).

The study done by Cliff (1998: 530) however, revealed that women had fewer resources to expand, were less likely to possess a business degree and lacked the experience of prior business ownership.

### **2.3.5 Survival**

White reported that a longitudinal Canadian study conducted over 5 years showed that 47 per cent of women business owners in the sample were still in business at the end of 3 years, while only 25 per cent of the men were (Schauer, 1993: 466). It was concluded

that the very strength and resourcefulness that women needed to overcome the additional problems they faced, may have contributed to their high business survival rate.

However, Carter, *et al.*, (1997: 139) in their study on initial resources to performance of new firms found that women-owned retail businesses have higher odds of discontinuing than those owned by their male counterparts and that the lack of human and financial resources increase the odds of businesses discontinuing. Female entrepreneurs are also more likely to fail than men because of the typical barriers which they face and which include lack of access to capital, lack of basic business skills, entrepreneurial training and marketing expertise (MyCounsel, 2001:1)

### **2.3.6 Profitability and success**

While female entrepreneurs may have sometimes been found to have a higher survival rate than male entrepreneurs, they have been found to have a lower average net yearly income. Past data has shown that men's businesses have a considerably higher net average income than women's businesses. Even in traditionally female industries, male-operated sole proprietorship's out-earned those of females.

A study done by Miskin and Rose found that even when males and females have the same type of businesses that had been operating for the same length of time, female owners still reported lower levels of profitability (Schauer, 1993: 466). Longstreth, Stafford and Mauldin suggested that the comparatively poor dollar performance of female entrepreneurs' businesses compared to men's, may have been due to the following factors. The businesses were:

- smaller enterprises; concentrated in industries with lower profit margins and

The women had:

- not gained needed skills in previous employment;
- difficulty in balancing the needs of the business and their family;
- suffered discrimination by legal and financial markets.

(Schauer, 1993: 466).

Buttner and Moore (1997: 36) suggest that perhaps traditional economic measures of success make women-owned businesses appear to be less successful than male-owned businesses. Women may look to outcomes such as professional growth and development, and self-fulfilment as important goals. Thus traditional measures of business success or performance may not adequately represent success for female entrepreneurs.

## **2.4 SUPPORT STRUCTURES**

### **2.4.1 Networking**

Having contact with other entrepreneurs can lead to the exchange of useful information and the creation of useful contacts and relations that can open doors to concrete business opportunities. Female entrepreneurs have only recently started acknowledging the importance of networking activities which are essential to the survival of female-run establishments (Verheul & Thurik, 2000: 7). Hansen and Allen found that the tendency to network does not differ significantly between female and male entrepreneurs (Verheul & Thurik, 2000: 7). There is also no significant difference in the average size of business networks run by male and female entrepreneurs (Cromie & Birley, 1990: 244). Contrary to this, some researchers state that women usually engage in smaller networks (Brush, 1992: 15; Shim & Eastlick, 1998: 20) primarily made up of women (Brush, 1992: 15). Men spend more time developing and maintaining networks (Cromie & Birley, 1990: 244) which are the result of personal endeavour and experience (Verheul & Thurik, 2000: 7).

Household activities of women ('double assignments') and other social obligations may lead to more isolation than men usually experience. Nagarajan suggests that networks are not used due to a lack of time for meetings and functions, and due to a desire for total autonomy (Djivre, 1998: 6.). This implies that women spend less time on networking. According to Verheul & Thurik (2000: 11) because female entrepreneurs spend less time networking than their male counterparts, it may deprive them of important information concerning the acquisition of finance. Networking activities are assumed to improve the entrepreneur's view on his or her goals and future activities and

hence his or her capital requirements. These activities are also assumed to lower barriers when acquiring bank loans (Verheul & Thurik, 2000: 11-12). Surveys show that women and men use different personal, social, and professional networks when they start a business, and that it may often be a problem for women that they have no contact with the persons who hold the 'purse strings'. Moreover, members of formal as well as informal networks are an important source of counsel for men (Starcher, 2001: 6) but are not always open to accepting women (Verheul & Thurik, 2000: 7).

#### **2.4.2 Mentors and role models**

The significant growth in the number of female entrepreneurs is a relatively recent phenomenon and women thus have few role models and few opportunities for finding female mentors. However, when mentoring was explored in a research study in New Zealand, results showed that more female small business owners had mentors than men and that more networked women were engaged in a mentorship relationship than women in the nation-wide sample (McGregor & Tweed, 2000: 609). This is contrary to previous findings by Neider (1987: 23) who stated that lack of role models was a significant problem for female entrepreneurs.

#### **2.4.3 Support groups**

Men usually list outside advisors (lawyers, accountants) as their most important supporters, with the spouse being second in contrast to women who list their spouses first, close friends second and business associates third (Hisrich & Peters, 1998: 80). Shim and Eastlick (1998: 32) pointed to the importance of spousal / family information sources for female owned businesses.

### **2.5 CONCLUSION**

From the above discussion, some general observations regarding female entrepreneurs can be drawn. Whilst they may be similar in some respects to male entrepreneurs, they differ in others.

The dominant motive for both men and women in entrepreneurship is a need for independence, achievement, flexibility and job satisfaction. Women however also seek work-life balance and may have altruistic reasons for engaging in entrepreneurship. They tend to establish enterprises in predominantly service sectors which require small amounts of financial capital and which are self-financed. This seems to link to their risk aversiveness in acquiring more debt finance, their lack of financial management skills and possible lack of self-confidence. Their enterprises are also smaller measured by turnover and number of employees. These businesses are different from those chosen by men and may be due to educational and experiential differences. The businesses of female entrepreneurs also grow less and are less profitable than those owned by male entrepreneurs, but this seems to be a deliberate choice by women in their attempt at preserving or maintaining a work-life balance and thereby attaching value to the qualitative instead of the quantitative aspects of life. The businesses of female entrepreneurs exhibit a flatter structure with a more participative management style than those of traditional businesses. Female entrepreneurs also have less access to mentors and influential networks and are less inclined to seek professional or outside assistance.

The next chapter is a discussion on the barriers facing female entrepreneurs. This discussion may shed more light on why these differences exist between female and male entrepreneurs and their businesses.

## CHAPTER 3

### BARRIERS FACED BY FEMALE ENTREPRENEURS

*“...rules are not always fair but success goes to those who can spot opportunities, seize them and dare to try” (Goh, 1991)*

#### 3.1 INTRODUCTION

A recent rapid rise in female entrepreneurs has been widely reported in the literature (Schauer, 1993: 458; Starcher, 2001: 1, Trinco & Valente; 1993: 1). There is a perception that women because of their gender face blocked promotional opportunities to senior positions in the workplace and look to entrepreneurship as a strategy to overcome the obstacles that block the achievement that they desire. Entrepreneurship is a difficult endeavour for both men and women. However, literature seems to indicate that women when compared to men encounter greater barriers to becoming entrepreneurs. The key issues to be ascertained therefore, are whether there are specific barriers that only females face, and whether these barriers, are exacerbated for females because of their gender. These questions form the basis of this chapter.

#### 3.2 MODELS, THEORIES AND PERSPECTIVES

##### 3.2.1 Gender based models

Grove & Montgomery (2001: 2) refer to the following three models of Estler & Schmuck which have been used to explain the under representation of women in leadership positions. These three models can be effectively used to explain the barriers faced by female entrepreneurs and are summarised in Table 3.1.

The first of these is the meritocracy model or the individual perspective model, which can also be referred to as the psychological orientation. This model looks to women for cause: personal traits, characteristics, abilities or qualities. Individual attitudes such as

self-image and confidence, motivation, and aspirations also fall into this domain. According to this model women are believed not to be assertive enough, not to want power, lacking in self-confidence, not aspiring for line positions, unwilling to play the game or work the system, and not applying for the jobs.

The second model, the organisational perspective or the discrimination model, focuses on the educational system. This model describes the differences between career aspirations and achievements of men and women as an effect of the limited opportunities for women that accompany systemic gender bias. The model explains how organisational structures and practices in education discriminate against women. Men seem to advance to higher levels because they are favoured in promotional practices and women cannot advance even if they choose to do so.

The third model is identified as woman's place or social perspective model. This model emphasises cultural and social norms that encourage discriminatory practices. The norms, folkways, and mores of the society coincide with different socialisation patterns that channel women and men into different areas of work and differential pay and status.

**Table 3.1: Gender Based Models**

MODEL	EMPHASIS	CAUSE
Individual or meritocracy	Psychological orientations	Women are looked to as the cause
Organisational or discrimination	Educational system	The organisational structures and practices of education which discriminate against women
Woman's place or social perspective	Cultural and social norms	Different socialisation patterns for women and men

Source: Growe & Montgomery, 2001: 2. Women and the leadership paradigm: Bridging the gender gap.

### 3.2.2 The situational and dispositional perspectives

Some researchers have assumed that performance differences relate to variations in structural positions women and men occupy in work and society, whereas others attribute differences to deep-rooted interpersonal orientations. Liou and Aldrich refer to these two perspectives as situational versus dispositional (Carter, *et al.*, 1997: 127). The former view argues that gender-based differences can be attributed to variations in the power and opportunities accorded to women and men. Women in being denied equal access to opportunities in organisations and the labour markets have been hindered in acquiring the skills and capabilities necessary to compete at the same level as men. The dispositional view, on the other hand, argues that women and men have different experiential backgrounds and ways of thinking derived from differences in their education and socialisation processes. These differences shape the way men and women construct and interpret reality and influence the formation of their values and intentions.

### 3.3 THE BARRIERS CATEGORISED

From the above theories and perspectives, it seems possible to categorise the barriers that female entrepreneurs face under certain headings. These categories are those identified by the International Labour Organisation (ILO). They have however been slightly adapted for purposes of this research report and are summarised as follows:

- Social and cultural barriers, e.g. negative attitudes towards women in business; the fact that women are supposed to fulfil other roles; restrictions as to the choice of sector; lack of family support; lack of mobility.
- Infrastructural barriers, e.g. access to credit, technology, support services, land, and information is systematically more difficult for women.
- Educational and occupational barriers, e.g. women have relatively lower education levels, have received a biased education and usually have limited access to vocational training opportunities. Even in transition economies where women have a good educational level, they frequently have problems in accessing relevant vocational training and have fewer opportunities in the formal sector of the economy for skill development.



- Role barriers, e.g. conflicting role demands and time constraints.
- Behavioural barriers, e.g. women have little self-confidence and a negative self-image.

(International Labour Organisation, 2001: slightly adapted).

The barriers mentioned above will form the basis of the discussion that follows.

### **3.3.1 Social and cultural barriers**

#### **3.3.1.1 Society**

According to Crampton & Mishra (1999: 1) a major obstacle for women is the presence of constraints imposed upon them by society, the family, and women themselves. They see women still working in a society that often does not accept them as powerful and influential business leaders (Crampton & Mishra, 1999: 7). Relationships in our society are structured hierarchically, with women subordinate to men, having less power, opportunity and access to resources. Relations between men and women in the family, the workplace or in the public sphere reflect society's understanding of appropriate male and female characteristics and behaviour. Grove & Montgomery (2001: 4) find that society's attitude toward appropriate male and female roles is thus an obstacle that identifies women as not task-oriented enough, too dependent on feedback and evaluations of others, and lacking independence. These researchers also find that women receive little or no encouragement to seek leadership positions, while men are encouraged to do so (Grove & Montgomery, 2001: 4).

#### **3.3.1.2 Socialisation**

Professional and lifestyle choices are strongly influenced by socialisation processes in which schooling plays an important role. Schools have a natural tendency to replicate existing social structures, including sexual stereotypes. Thus, while girls are increasingly attaining a level of education equivalent or superior to that of boys, the teaching that they receive, or choose to receive, differs from that of boys in significant ways. This is particularly true of training related to professional life (OECD, 1997: 5). Due to the

socialisation process, female aspirations are affected by the potential impact of career on family life, role conflict, lack of role models, and discouragement received from high school guidance counsellors (Crampton & Mishra, 1999: 2).

### 3.3.1.3 Stereotypes

Another related barrier is the negative attitudes and stereotypes created by society toward the career woman (Crampton & Mishra, 1999: 2). The first stereotype is that women assume more of the physical work involved in running a household than do men. Second, women assume a 'higher level' of household responsibilities. The third, and most discouraging, is that the man's job is considered more important. Although not all women fit this stereotype, Crampton and Mishra reported the following stereotypes as among the most identifiable barriers to women's advancement: "women lack career commitment, are not tough enough, don't want to work long or unusual hours, are too emotional, won't relocate, lack quantitative and analytical skills and have trouble making decisions" (1999: 2). Deep-seated attitudes that have developed over hundreds of years, regard women as soft, loving, attending, intuitive, emotional, irrational, non-objective, afraid of achievement, poor at quantitative analysis, and unable to make tough decisions. These stereotypes are not applicable to all women and although they may be false subtly influence the decisions about careers, roles, behaviours and futures of women (Crampton & Mishra, 1999: 6).

Schauer (1993: 464) cites a study conducted by Sexton and Bowman-Upton that examined whether the sexual stereotyping of female entrepreneurs was based on a real difference in the relevant traits between female entrepreneurs and male entrepreneurs. The researchers had found that previous research in sexual stereotyping had shown females were perceived to be psychologically less capable or effective in initiating and managing businesses, than their male counterparts. The study found that among successful, growth-oriented entrepreneurs, none of the traits measured would indicate that females are less effective than their male counterparts. The researchers concluded that sexual stereotyping often has its roots in a lack of understanding, and of opinions based on fiction or the unknown.

Hubert recognises that women still have to cope with obstacles linked to cultural stereotypes of the traditional role imposed on them. Women are still in many ways expected to remain in an isolated environment, despite their official right to act as independently as men. Women sometimes lack the confidence and the skills to overcome these cultural obstacles which are an addition to the problems usually associated with starting a business for any entrepreneur (OECD, 2001: 13).

Attempts to stereotype female entrepreneurs may continue because of the lines of business that women set up in business. They will continue to be perceived as of little importance, and as a consequence, the advisory system as a whole may not take applications from female entrepreneurs as seriously as from men.

Social and cultural barriers thus affect women's access to entrepreneurial opportunities.

#### **3.3.1.4 Gender**

Goffee and Scase (1985) reported in their book about the experiences of female entrepreneurs that many of the difficulties, faced by U.K. female entrepreneurs, stemmed from them lacking the credibility that male entrepreneurs automatically received. The researchers reported that when female entrepreneurs were faced by sexist reactions from bank managers, many were compelled to go to other sources. Sometimes men were taken on as business partners so they could negotiate credit, act as financial guarantors, and give business advice. In other cases, husbands or female acquaintances were used as sources of credit.

The literature provided evidence that females, when compared to males, had frequently encountered greater obstacles to becoming entrepreneurs. Many female entrepreneurs reported some form of discriminatory attitude towards them because of their gender. One such barrier identified by Brodsky (1993: 375) is that the presumption of competence which is automatic for males is not so for females. Females must prove themselves and thus they are at a distinct disadvantage in terms of support received (Brodsky, 1993: 375).

Buttner & Rosen (1992: 64) conducted a study on female and male entrepreneurs' perception of loan proposal rejection. The survey was designed to investigate whether female and male entrepreneurs have different expectations regarding the difficulty of securing a loan. The results seemed to suggest that gender differences were based on bankers' and venture capitalists' perceptions and stereotypes, and not on reality. Buttner & Rosen (1992: 63) found that males and females recognised the differences in getting start-up capital and both male and female entrepreneurs rated bias as a very unlikely reason for rejection.

Numerous studies have given strong evidence that the difficulties females more frequently faced with getting finance were often gender related. Buttner and Rosen (1988) investigated bank loan officers' perceptions of the characteristics of females and males with regard to successful entrepreneurship. Bank loan officers evaluated respondents on scales assessing attributes of successful entrepreneurs. Women were evaluated significantly lower than men on attributes of leadership, autonomy, risk-taking, readiness for change, endurance and levels of emotionalism. The study concluded that females were seen as less likely to possess the necessary attributes for successful entrepreneurship. This was also found to be the result of Fagenson and Marcus's (1991: 40) study which suggested that the entrepreneur role was characterised as being more masculine than feminine and that this may lead to the perception that men would be more likely than women to succeed in this role.

Fay and Williams, in Schauer (1993: 464), conducted a study in New Zealand, which investigated the relationship between the availability of business start-up finance and the sex of the applicant. Half the questionnaires included a photograph of a male applicant and the remainder a photograph of a female. Loan officers were asked whether or not they would approve loan finance for the proposed business, and to indicate factors that contributed to their decision. It was found that loan officers were less likely to recommend a loan for the female applicant than they were for the male applicant. The researchers concluded that loan officers may need to be educated or sensitised to the possibility of allowing sex-role stereotyped views of women to influence their financial judgement.

Ironically, it is often the traits of being a woman that get in the way of starting a business (Kulas, 2000: 21). We have established from the discussion thus far, that female-owned businesses are predominantly small. Berger and Udell (1998: 660) found that because of lack of collateral, banks have historically been reluctant to give loans to small businesses. Their reluctance is based on the premise that small businesses do not possess audited financial statements, they do not have many business assets that can be easily evaluated or used as collateral and have little repayment history or records of profitability. However, Lee-Gosselin & Grise (1990: 427) found that women continued to face these obstacles related to gender even after they had been in business for some years. It seems that banks require a co-signer for approval of finance before even considering whether the income earner is the wife or whether she will be the source of the repayment or debt.

Kolvereid (1993: 49) stated that male and female entrepreneurs in Western countries do not face very different business environments. However, from the above, one could be led to conclude that men are more likely to succeed than women, and preference may be given to buying from, supplying or helping men thus creating a self-fulfilling prophecy or alternatively women may be more likely to perceive that they are not given due respect by financial institutions and financial managers. However, Buttner and Rosen (1992: 61) found that terms offered to females are not significantly different from those advanced to male owners. Furthermore, not all female entrepreneurs agree that they have suffered any discrimination. While 60 per cent of the U.S. and U.K. women in Hertz's 1987 study considered it was harder for a woman to become a successful entrepreneur, 40 per cent of the women considered being a woman made it easier for them (Schauer, 1993: 463).

### **3.3.1.5 Support**

Personal support offered by a spouse or significant other, as well as some environmental types of support are important for entrepreneurs. Anna, *et al.*, (2000: 286) found that this support may come from bankers, accountants, lawyers, small business development counsellors, and other professionals and may be in the form of financing, encouragement or hands-on operational support. The summary of the Report of the 1988 International

Workshop on Women Entrepreneurs held in Manila, referred to difficulties reported by female entrepreneurs. It claimed that they lacked support, and often experienced negative reactions to their entrepreneurship activities (Schauer, 1993: 463). McGregor & Tweed (2000: 610) in their study on New Zealand female entrepreneurs found that several respondents mentioned isolation as a factor when they started their business.

The Watkins and Watkins 1983 comparative study of 58 females to 43 male entrepreneurs, found that a significant difference between the two groups, was the support they generally got from their spouses. Men often got support by being freed from household work, and also often got help from their wives in their business. On the other hand, women often got obstructive resistance to their having a business from their husband, and no contribution from them in regards to the business, or the household work. (Schauer, 1993: 465).

Van Wees and Romijn, in Schauer (1993: 463) stated that the female population as a whole faced formidable barriers to successful business ownership, especially within particular sectors. This was confirmed by Anna, *et al.*, (2000: 296) in their study on women business owners in traditional and non-traditional industries. They found that gaining access to support systems may be more difficult for women in non-traditional types of industries. These women experienced additional frustration of not being taken seriously when trying to secure loans and venture capital from banks and other organisations for their ventures.

Contrary to the above, Brush (1992: 15) found that women business owners tend to have many strong supporters. Nelson (1989: 17) identified the primary or strong-tie associates as providing emotional support to the female entrepreneur whilst those individuals designated 'significant other' provided very specialised support. Nelson (1989: 17) concluded that it appears as if the working lives of female entrepreneurs are made more viable through various levels of contact with a wide array of persons.

### 3.3.1.6 Sector

The majority of women establish very small enterprises in the service and retail sectors and which operate most of the time in local markets. Despite the growing number of small enterprises and their important economic role, investors have been less inclined to invest in many of these firms because of the perceived cost difficulties of evaluating them. Furthermore, in their effort to modernise and become more competitive, banks often focus on servicing large and medium-sized companies to the detriment of small enterprises.

Studies give evidence that a significant number of female entrepreneurs have suffered gender-related discrimination when attempting to get finance. Lack of necessary finance could mean that a business was under-capitalised and this could act as a barrier to women starting-up businesses in sectors that require a large amount of initial capital. Bird argued that women may have been forced to start in sales and service instead of production, because problems they encountered acquiring finance may have limited them to start-ups with low overhead and capitalisation requirements (Schauer, 1993: 465). Women are over represented in the service sector and businesses operating in these sectors have low resale value of assets in cases of liquidation. Investment in the service sector is thus less attractive for banks. Therefore the service sector is associated with a low proportion of debt or bank loans (Verheul & Thurik, 2000: 10). This according to Fabowale, *et al.*, (1995: 58) is another reason why women experience difficulties in securing new lines of credit. However, Anna, *et al.*, (2000: 296) in their study of women in non-traditional industries found that these women experienced great frustration in trying to secure loans and venture capital from banks and other organisations. These women felt as though the financial institutions did not take them seriously when they sought funding for their non-traditional ventures.

### 3.3.2 Infrastructural barriers

#### 3.3.2.1 Access to start-up finance

Financing is one of the major impediments to female entrepreneurship (Anna, *et al.*, 2000: 296; Brush, 1992: 15; Crampton & Mishra, 1999: 7; Hisrich, Brush, Goode, de Souza, 1997: 2; Hisrich & Peters, 1998: 78; OECD, 1997: 4; Riding and Swift, 1990: 328; Ylinenpaa & Chechurina, 2000: 5). Most business owners face barriers to obtaining sufficient and affordable capital to start or acquire a venture. Generally speaking, however, most female entrepreneurs say that, when they decide to seek outside financing, they face greater difficulties than men because of their lack of credibility, the type and relatively small scale of their business endeavours and their lack of experience in negotiating financial matters (OECD, 2001: 5).

All entrepreneurs have to contend with a financial environment that has become increasingly demanding. However, access to capital markets has been regarded as among the most important resources denied to women. Frequently mentioned problems relating to access to capital include: the guarantees demanded, the cost of money, and the ceiling on loans (OECD, 1997: 6). Carter, *et al.*, (1997: 129) cite three reasons why women may be disadvantaged in capital markets:

- they tend to have less experience and equity in their businesses than men;
- they may be discriminated against by resource lenders on the basis of outmoded gender-role beliefs;
- their belief that they will receive differential treatment may reduce the rate of lending applications among women business owners.

The respondents in Collette & Aubry's (1990: 422) study were inclined to use more equity as they were 'uncomfortable' using credit to finance their businesses. Financial institutions were partly responsible for this attitude (Collette & Aubrey, 1990: 421).

In addition to these reasons, Starcher (2001: 7) found that women often don't have a positive history of borrowing, property to offer as collateral to secure a loan and a



business track record. Personal savings therefore account for the majority of start-up capital in most WOE. This statement is supported by Fabowale, *et al.*, (1995: 59) who found that women are more likely to report personal assets as collateral in contrast to men who have business assets. Owners with personal assets may be more likely to be requested for spousal co-signature than owners with business assets. On average because women owned businesses are smaller, they have less capacity, less capital, a narrower range of collateral and an unproven track record relative to their male counterparts (Fabowale, *et al.*, 1995: 58). In cases where bank loans are available to small business, women are less able to obtain them because they have fewer personal assets or business assets as collateral for loans. From the above it is apparent that women experience greater difficulty in obtaining financial assistance because of their lack of assets to secure loans and their perceived capacity to repay loans.

Capital cannot turn a weak business idea into a strong business, but lack of capital can derail a good business idea. Lack of access to start-up and small business financing is not unique to women, yet it poses a greater obstacle to their business development efforts (OECD, 2001: 5).



### **3.3.2.2 Personal financial resources**

Female entrepreneurs may have less personal financial resources than male entrepreneurs. This may be due to past labour relations. They thus have a smaller proportion of equity within the total amount of financial capital. Men's personal investment tends to be higher than do women's. Some researchers state that female and male entrepreneurs do not differ with respect to the amount of their own resources used (Rosa, Hamilton, Carter & Burns, 1994: 27). Others found that although women's access to loans and overdrafts improved as their businesses grew, they were still much less likely than men to use them (Carter & Anderson, 2001: 1).

There are however, a number of problems with self-financing. Fabowale, *et al.*, (1995: 59) points out that since female small business owners are more likely than men to be sole owners, their firms could be under-capitalised, and on the human capital side,

experience problems such as lack of skills or talent. Leleux (1998: 7) finds the following problems with self-financing:

- First of all, from a portfolio perspective, it is probably not optimal for the entrepreneur to commit all his/her resources to what is also an employment, i.e. putting all his/her eggs in the same basket. If the firm fails, the entrepreneur loses not only a job but also all economic resources.
- Second, the amount of resources available through this source is often quite limited.
- Finally, self-sourcing does not bring along any other new resources, such as product or market knowledge or distribution networks.

### **3.3.2.3 Financial institutions**

Female entrepreneurs may experience difficulties acquiring bank loans for instance due to discrimination based on images of women not being adequately equipped for entrepreneurship (Verheul & Thurik, 2000: 13). A number of authors have indicated that female start-ups may experience barriers with the acquisition of start-up capital originating from discrimination of female entrepreneurs by financial institutions such as banks (Riding & Swift, 1990: 328; Stigter, 2000: 3). Riding & Swift, (1990: 328) found gender-related differences in the following areas of banking practices: rates of loan approvals, co-signature requirements, requirements for loan collateral, interest rates on loans and lines of credit.

Women typically apply for smaller loans, which to a banker appear similar to a personal loan. Underestimation of financial requirements for the enterprise, or reluctance to borrow larger sums, can adversely affect the perceptions of banks and organisations regarding the viability of these firms. The cost of administering small loans is a further barrier. Starcher finds that an attitude among some male bank officials that women cannot handle money adds to the difficulty of obtaining financing for the venture (2001: 7). Further barriers can be found in the area of credit. Often, a business can be started only by a real estate owner, as most banks require guarantees of this type (Konecna, 1992: 3). However, women are less likely to have real estate as property is usually in the husband's name. Prospective female entrepreneurs have often been humiliated when

seeking business loans as they are often not accepted without a co-signature (Levin, 1993: 11 ; Starcher, 2001: 6; Stevenson, 1986: 34).

A number of surveys have dealt with banks and funding sources and their behaviour and attitudes towards female entrepreneurs. These surveys conclude that women's business plans are as good as those prepared by men. Other surveys show that women have been discriminated against in the sense that a higher level of education and training was required, and that it was often estimated that they had insufficient collateral. It was easier for men to obtain loans, based on identical applications, where only sex, education and training were different. Men also often have a closer relationship with the bank, which is important when a loan is needed for establishing an enterprise. Mungai (2000: 7) found that in Eastern and Southern Africa, many women expressed frustration at intimidation from bankers where the bankers placed obstacles for women who sought loans from the banks. This treatment made them feel unwelcomed and shy away from banks (Mungai: 2000: 7). The study by Mungai (2000: 7) also found that for the most part, banks were unfriendly towards female entrepreneurs but that these women did not fight back.



However, contrary to what is generally assumed, Stigter (2000: 4) found that women, when compared to their male counterparts, were able to acquire larger proportions of bank loans.

### **3.3.2.4 The special significance of the environment**

According to Kolvereid, *et al.*, (1993: 42), organisations face different environments as measured by differences in resources, technology, information and external relationships. “When we find the right combination of motivation and competence in the individual, and a society that is willing to support the entrepreneur’s initiative with a favourable macro policy framework, a culture which, if it does not encourage entrepreneurship at least, allows it to grow and a micro climate made up of supporting institutions and a local market in which opportunities exist, entrepreneurship is bound to flourish. All of these elements are strategic entry points in improving the success rates of entrepreneurs in creating wealth and employment” (CEFE, 1996: 21).

Gnyawali and Fogel (1994: 45) discussed five environmental dimensions in entrepreneurship: government policies and procedures, socio-economic conditions, entrepreneurial and business skills, financial support, and non-financial support to businesses. Scannell, Wang & Halbrecht (1997: 4) expand on these and identify the key factors of the environmental dimensions as: minimal government regulations and taxes, institutions that provide loans, technical assistance, information to new businesses, support from local community and business agencies, business skill training programmes and service organisations. The absence of these factors may pose as barriers to female entrepreneurship as indicated by the results of the following studies.

Siu and Chu conducted eighteen in-depth interviews with female entrepreneurs in Hong Kong and concluded that the Chinese socio-cultural environment is problematic for aspiring female entrepreneurs (Cox, 1997: 3). Difficulties are exacerbated, because, besides those that any entrepreneur encounters, women who want to start a firm have to cope with the particularly difficult aspect of being relative newcomers on the economic scene, to which societies are rarely accustomed (OECD, 2001: 3). In the past, there was no tradition of female entrepreneurs and this creates special difficulties and opportunities.

Ylinenpaa & Chechurina (2000: 12-13) in their study on Russian women identified the following factors to be barriers to female entrepreneurship: lack of start-up capital, prevailing business laws and tax system, degree of actual stability in the society, corruption among authorities, criminal blackmailing and mafia, and inflation rate.

Lee-Gosselin & Grise (1990: 426) found that lack of knowledge of the environment, lack of technical and production knowledge, lack of help from the government and lack of help from professionals were barriers to entrepreneurship. However, government help if and when available may be fraught with difficulties. Leleux (1998: 10) finds the following problems with government sources of financing:

- available to very specific circumstances;
- most agencies and their representatives, have neither incentives nor skills to make projects work – task is purely administrative;
- time is a non-issue for them.

Allie and Human (1997: 2) in their article on female entrepreneurs in South Africa point out that it is unfortunate that most female entrepreneurs from all communities are affected by personal and environmental factors such as a lack of self-confidence and family support, social pressure and legislative factors. Even President Mandela in his opening address at the President's Conference on Small Business, Durban (DTI, 1995), stated that "we must remove the barriers that have impeded the vast entrepreneurial potential amongst women". Robert Kalomho of Namibia pointed out that government institutions in many developing countries and in Africa in particular have been ill-equipped to perform their respective functions and roles, or they have been unresponsive and virtually untrained in implementing an "enabling environment" (DTI, 1995: 10)

According to Starcher (2001: 2) a given in achieving success is a cultural environment which is favourable to entrepreneurial activity, the essential role of government in fostering conditions for success, the support of a loyal customer base as well as the collaboration of bankers, suppliers, partners and employees. Starcher finds that entrepreneurs have the greatest chance of long-term viability if these relationships are based upon honesty, fairness, reliability, quality and service (2001: 2).

### **3.3.2.5 Networks and Mentors**

Based on history, men have built up networks and mentors based on generations and generations of business ownership. They have had access to associations, networks and clubs (business and social) where they discussed business and negotiated deals. Their networks also afford access to those who have influence. "It's not always just a matter of what you know, but of whom you know and who knows you" (Crampton and Mishra, 1999: 3). Women on the other hand are new to this concept. There are not many females who can actually turn to an aunt, mother, sister, best friend or a best friend's sister for advice on a business start-up or an expansion or other issues involved in running a business. Women are still in the process of developing their own network of supporters and mentors (Kulas, 2000: 24). The lack of formal and informal social networks, or not being a member of the "clubs" as men, results in the lack of recognition that often leads to advancement. Thus, an obstacle that women often face is the lack of

opportunity to “learn the ropes” – often due to a lack of mentors for females in the workplace (Crampton & Mishra, 1999: 2).

Due to the shorter supply of female mentors, women often have to turn to males as their mentors. According to Cotton & Ragins there are conflicts that can develop in a cross-gender mentoring relationship (Crampton & Mishra, 1993: 3). Male models negatively affect women’s perceptions of their own competence (Fagenson & Marcus, 1991: 40).

McGregor and Tweed (2000: 608) found that part of the motivation for associating with a network was obviously to seek reassurance from other women in similar circumstances. It was found that a greater proportion of the women who networked identified that gaining the necessary confidence was a difficulty associated with starting up a business. This suggested a need for network nurturing. Because women do not have the same access to informal business networks as do men, they are denied the same information and assistance which is important to those starting a new business venture in an industry where they are reliant on those networks for business introductions and contacts. Women’s networks are larger but with less influential members (The Manchester School of Management, 1999: 7).

### **3.3.2.6 Access to markets**

A recent study indicated that forty (40) per cent of US female entrepreneurs considered “being taken seriously” one of their biggest problems in accessing markets (OECD, 1997: 9). Women in South Africa too have the problem that they are not taken seriously (Schroeder, 1999). Other frequently mentioned problems are the lack of networks to facilitate business development, the lack of know-how concerning corporate and public sector procurement, and the need to master technologies that will enable female entrepreneurs to penetrate new markets.

Public sector procurement represents an important market for both large firms and SMMEs, but because of discrimination and more subtle barriers, WOEes are only beginning to access these opportunities. In certain countries, such as South Africa and the United States, the access of female-owned businesses to public procurement is

actively encouraged by government. However, while the United States has had at least nominal policies in support of increased federal procurement for female entrepreneurs for two decades, these businesses still receive only a small percentage of all federal procurements (OECD, 1997: 10). In South Africa the Preferential Procurement Act, 2000 has as an objective to use government procurement to create access to markets for previously disadvantaged individuals (PDIs), women and disabled persons.

The problem of access is also apparent in winning outsourcing contracts by large companies. While large corporations may have aggressive business partners, supplier and outsourcing programmes, because female entrepreneurs often are not part of influential, primarily male, business networks, they may often find themselves excluded from corporate business opportunities (OECD, 1997: 9).

### **3.3.2.7 Legislation and regulation**

Another element of primary importance in the environment is the way the entrepreneur is affected by regulations and unproductive administrative burdens (OECD, 1997: 10; The Danish Agency for Trade and Industry (a), 2000: 7). This is because they have to devote a large amount of their time and costs to dealing with administrative matters, compared with larger firms which are able to spread this burden over a much higher volume of output and people. Because the same regulations and administrative burdens impose disproportionately higher costs on smaller enterprises, larger firms have a comparative advantage. For women, the regulation and administrative burdens would seem to be heavier. This is true because of the type of firms they tend to set up (i.e. small and micro-enterprises) and because they may have less experience in acquiring information regarding the relevant administrative regulations and in carrying out many administrative formalities.

### 3.3.3 EDUCATIONAL AND OCCUPATIONAL BARRIERS

Allie and Human (1997: 9) point out the differences in educational levels of entrepreneurs in the more developed economies to those in less developed economies. In the former the educational level of entrepreneurs is relatively high and the percentage of entrepreneurs without a graduate education is decreasing whereas the latter find themselves with an inadequate education and training base. Dolinsky, Caputo, Pasumarty & Quazi (1993: 43) were of the notion that the greater the amount of education, the more likely females were to succeed in business. They also found that the likelihood of entry into entrepreneurship was the most important difference between the more and less educated. Furthermore the continuous stayer and re-entry status increased with increasing levels of education attainment (Dolinsky, *et al.*, 1993: 51).

Stevenson (1986: 33) states that female entrepreneurs are generally better educated than males. She further stated that female entrepreneurs were more likely to have completed high school and university programmes but they often did not have an educational background in business. Cliff (1998: 530) concurred with this when she found that female business owners were less likely than males to have business degrees. Fabowale, *et al.*, (1995: 59) suggested that this lack of specialisation may raise perceived risk associated with female owned businesses.

Anna, *et al.*, (2000: 298) and Lee-Gosselin & Grise (1990: 431) found in their studies that women perceived that their competencies in certain skill areas were low. These may be due to some of them starting in other lines of business than that in which they have been employed or that they have entered the labour market later than men, within a limited range of professions, and are therefore often less experienced professionally than men, particularly in financial management and supervision. In addition, McGregor and Tweed (2000: 608) found that women perceived that they lacked both 'soft' attributes, such as initial confidence, and 'hard' skills such as business plan writing when they began. These researchers also found that confidence, selling and marketing skills, and business planning rank higher as difficulties than either finance or the initial idea for start-up (McGregor & Tweed, 2000: 609).



Female entrepreneurs are often less prepared and have different business backgrounds than their male counterparts. They also have difficulties accessing the scientific, technological and economic information which is of vital importance in ensuring competitiveness. Female entrepreneurs are unable to access this information due to a lack of time and specialist skills. There is also the need for increased competencies such as market knowledge, technology, norms and quality, legal and fiscal regulations. But, female entrepreneurs lack both time and resources for developing their own competencies in these fields. Associations and business networks (formal and informal) therefore play an increasingly important role for female entrepreneurs. However, female entrepreneurs have less access to networks and may turn to available networks.

Murphy and Young indicated that the learning methods adopted by small business owners tend to be unstructured, informal and heavily reliant on interpersonal interaction (The Manchester School of Management, 1999: 9). These interactions are based on networks of friends and associates from business and social areas of life, and tend to take a hands-on approach rather than a strategic one. These researchers believe that this approach to training may not only inhibit the successful formation of new enterprises but may also determine the level of success that such businesses will subsequently experience (The Manchester School of Management, 1999: 9).

### **3.3.4 ROLE BARRIERS**

Another particular problem women face is dual role stress. Crampton and Mishra (1999: 8) found that in addition to the demands of a career and family, women also experience the additional behavioural expectations placed on them by society - the burden of child rearing.

Schauer (1993: 465) referred to a study done by Cole on British female entrepreneurs which found that many of the respondents considered that there was a 'distinct' conflict between their roles as wives and / or mothers and businesswomen. The study found that problems arose from the attitudes held by the respondents' families, as well as the business institutions they dealt with. These attitudes led to reduced support and needed

extra effort to overcome. Such attitudes tended to undermine the respondents' self-confidence and credibility.

Surti and Surupria in their study of forty (40) female entrepreneurs from Ahmedabad city (India), found that married female entrepreneurs experienced more role stress than unmarried female entrepreneurs (Schauer, 1993: 466). In addition, Stevenson (1986: 34) found that male business owners experienced less conflict between the claims of marriage and business. Married women owners typically found that their husbands expected them to continue with their household duties despite the demands of their businesses. However, these husbands rarely contributed to the running of either homes or their wives businesses.

Ylinenpaa & Chechurina (2000: 3) reported that the 'glass ceiling' serving as a barrier for female aspirations in social production coupled with a high rate of unemployment attracts Russian women to the entrepreneurial sector. Starting new smaller firms serve the double purpose of generating an additional family income and creating an arena for self-fulfilment. However, these entrepreneurial ambitions are then combined with the double female burden of also being the family person primarily responsible for unpaid housework and upbringing of the family's children. This 'double burden' to contribute to both the productive and reproductive sector, is also a characteristic of women in Western economies and implicates that women do not progress in their careers at an equal rate to men (Ylinenpaa & Chechurina, 2000: 5).

The double burden of Russian women has however also been addressed from another perspective. President Gorbachev referred problems such as juvenile delinquency, poor labour discipline and immorality to the 'cost of emancipation'. According to the President, these problems were due to women taking part in social production at a degree and at the expense of 'their everyday duties at home - housework, the upbringing of children and the creation of a good family atmosphere' (Ylinenpaa & Chechurina: 2000: 6). During recent years, therefore, "the return of women to the home is widely perceived as an ideal worth striving for where women tend "to look at the private sphere for self-fulfilment" (Ylinenpaa & Chechurina, 2000: 5).

Studies conducted by Belcourt, Burke and Lee-Gosselin concluded that the role of women as primary caregivers to children and their perceived responsibility for the household, when added to the role of entrepreneur and businesswoman meant “role overload,” a barrier that their male counterparts rarely faced (Treasury Board of Canada Secretariat, 2001: 1).

### **3.3.5 BEHAVIOURAL BARRIERS**

#### **3.3.5.1 Women themselves**

Ylinenpaa & Chechurina (2000: 12-13) in their study on Russian female entrepreneurs found the following personal traits of women to be barriers to entrepreneurship: risk-taking propensity, degree of aggressiveness, lack of personal qualification and education, and lack of personal motives for starting a business.

McGregor & Tweed (2000: 610) in their study on New Zealand female entrepreneurs found that several respondents mentioned isolation as a factor when they started their business. This study identified self-confidence as an inhibitor to business start-up. Starcher (2001: 7) suggests that perhaps their training as helper rather than chief is a reason why women lack self-confidence. Women have also been said to suffer from a “fear of success”. Some argue that the traditional sex-role definition of feminine characteristics that include submissive, non-competitive behaviour may induce women to see assertive, competitive, achievement-oriented behaviour as jeopardising their attractiveness (Crampton & Mishra 1999: 6).

Garland, (in Crampton & Mishra, 1999: 6) found that for identical performance compared to men, women predicted lower scores for themselves and attributed their successes to luck rather than skill. The ‘person-centred view’ is another obstacle faced by women (Crampton & Mishra, 1999: 1). This view puts the blame of limited progression of women on factors that are internal to the female gender. Females are often characterised as being dependent, passive, fragile, non-aggressive, non-competitive, inner-orientated, empathetic, sensitive, subjective, intuitive, and supportive (Crampton & Mishra, 1999: 1). Sexton & Bowman-Upton (1990: 30) however, state

that gender related psychological traits do exist, but they do not provide a basis for sexual stereotyping.

Schiller and Crewson (1997: 530) found that females have a higher need of self-assurance before they start a business – they need to begin at a higher confidence level than their male counterparts. Other researchers (Brodsky, 1993: 367; Zapalska, 1997: 81) have however found positive characteristics such as determination, communication skills and risk taking in female entrepreneurs.

Anna, *et al.*, (2000: 298) state that “if a woman wants to be successful, and make money and has the confidence in her abilities to manage the finances of her business, it is more likely that she will actually be successful”.

### 3.4 CONCLUSION

The purpose of this chapter has been threefold:

- to provide an insight from international research relating to the barriers faced by female entrepreneurs;
- to inspire the development of most of the questions which forms the basis of the current study and in interpreting the results and setting them into perspective against previous findings;
- to inspire further research in the field.

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From the discussion it is apparent that female entrepreneurs face barriers that are not usually encountered by male entrepreneurs. These include social and cultural barriers, infrastructural barriers, educational and occupational barriers, role barriers and behavioural barriers.

The social and cultural barriers identified are: the lack of socialisation to entrepreneurship in the home, school and society, the behavioural expectations of appropriate female and male roles, and the negative attitudes and stereotypes created by society toward the career woman. The infrastructural barriers refer to the lack of access

to support systems from financial institutions, networks, advisory systems and government in the form of prevailing legislation, tax systems and administrative burdens. Further barriers experienced by females are educational and occupational barriers which relate to biased education and limited access to vocational training opportunities. Women may also experience conflict in the multiple roles that they play as wives, mothers and businesswomen and this gives rise to role barriers or role overload. The behavioural barriers refer to personal traits, characteristics, abilities and qualities of female entrepreneurs. Risk aversion and the lack of self-confidence seem to be the two dominant factors discussed under behavioural barriers.



## **CHAPTER 4**

### **RESEARCH METHODOLOGY, PROCEDURES AND FINDINGS**

#### **4.1 INTRODUCTION**

This chapter covers the research methodology employed in this research project. Details of the survey research, survey population and sampling method, research instrument, pilot survey, administration and data gathering process, analysis of data including the various programmes and statistical techniques utilised in this study are discussed. The motivation factors for choosing specific instruments and methods are also mentioned in the discussion and the shortcomings of the study are identified and discussed.

The second part of the chapter presents the findings and interpretation of the current study and concludes with a summary of the results obtained in the study.

#### **4.2 REASONS FOR THE STUDY**

In the last few years, it has been found that the number of firms created and managed by women have grown faster than those set up and managed by men. An ever increasing number of women are looking to entrepreneurship as they leave large corporations in an attempt to escape corporate politics, sexist attitudes and a stifling work environment to become entrepreneurs and business owners.

Although it is generally accepted that entrepreneurship is difficult for both females and males, the reason for undertaking this study is to ascertain the barriers in female entrepreneurship. Female entrepreneurs undoubtedly give new possibilities to economies coping with unemployment, yet they continue to face formidable barriers in their endeavours. If female entrepreneurs are to make such a significant contribution to the economies of the world, it is crucial that all stakeholders pay attention to the factors

hindering the progression of such enterprises and attempt to encourage and foster such endeavours.

### **4.3 OBJECTIVES OF THE STUDY**

The primary objective of this report is to determine whether there are specific barriers that only females face in entrepreneurship and whether these barriers are exacerbated for women because of their gender. The secondary objective is to critically evaluate current theories and practice in respect of female entrepreneurs and to investigate the perception of barriers faced by female entrepreneurs in the Gauteng area.

The focus of the research is therefore to identify the barriers encountered by female entrepreneurs and to propose measures and changes with a view of remedying the situation and the current shortcomings. Identifying the barriers will allow us to take steps to develop and incorporate new strategies in institutions, organisations, society, government and most importantly in women themselves to break down these barriers and enhance the role of female entrepreneurs.

### **4.4 QUANTITATIVE VERSUS QUALITATIVE RESEARCH**

There are two basic approaches to research – quantitative and qualitative. Quantitative research involves large numbers of respondents while qualitative research is generally done in focus groups or in the form of interviews. Whilst qualitative research allows for in-depth probing of issues and yields great detail in responses, it is not appropriate for evaluating pre-existing ideas as it relies on free-ranging discussion rather than direct structured questioning. Furthermore, the primary disadvantage of qualitative research methods according to McCullough (2001: 1) is that they are unreliable predictors of the population.

Quantitative research on the other hand, is essentially evaluative and the issues to be tested are known. This method is recommended when there is a need for accurate, statistically reliable numeric data. McCullough (2001: 1) finds that a primary advantage

of the results of quantitative research, is that it is projectable to the population i.e. the proportion of respondents answering a certain way is similar to the proportion of the total population that would have answered that way if they had all been asked. The usual technique for collecting quantitative information includes surveys. This approach was chosen for the current study.

## **4.5 RESEARCH METHODOLOGY**

### **4.5.1 Use of survey research**

According to Babbie (1992: 262) surveys are used for descriptive explanatory and exploratory purposes and are chiefly used in studies that have individual people as units of analysis. Saunders, Lewis & Thornhill (2000: 93) state that surveys are popular because they allow the collection of a large amount of data from a sizeable population in a highly economical way. The survey approach is also easily understood and gives the researcher more control over the research process (Saunders, *et al.*, 2000: 94). The survey was thus chosen as the research approach for this study. Furthermore, due to the volume of information sought, a self-administered questionnaire was identified as the most appropriate data collection method.

The vast majority of the questionnaires in this study were e-mailed to prospective respondents, while a few were faxed and still others were hand delivered. The e-mail (online) method was chosen as it is a convenient and quick way (Schaefer & Dillman, 1998) of communication and its usage is already almost universal (Mann & Stewart, 2000: 69). E-mail also offers substantial savings as it eliminates paper and is cheap to send (Mann & Stewart, 2000: 71). The e-mail comprised of the covering letter which explained the reason for the survey while the questionnaire was e-mailed as an attachment (MS word document). Responses were requested by either e-mail or fax. It was assumed that e-mail was convenient for the respondent and that respondents all had access to the program (MS word). It was also a method chosen because it required no additional facilities and probably only slightly more technical ability on the part of the respondents than that which was used in their daily operations – but these were



explained on the covering letter and the respondents were urged to contact the researcher should they experience any difficulty in returning their completed questionnaires.

In an experimental study carried out by Schaefer & Dillman (1998), it was found that e-mail responses were more complete, especially for open-ended questions, and the e-mail survey achieved much longer responses to open ended questions than the paper version. They concluded that the study suggests the viability of a standard e-mail method based on techniques found successful in mail survey research (Schaefer & Dillman; 1998:392) though they recommend that it be combined with paper methods in a mixed-mode design to ensure that respondents who do not have (or do not wish to use) e-mail are not excluded.

#### **4.5.2 Survey population and survey sample**

As there is no comprehensive national listing or regional listing of women business owners, the Businesswomen's Association (BWA) of South Africa, Femina Magazine Head Office and NTSIKA Enterprise Promotion Agency were approached to ascertain the possibility of purchasing or acquiring access to their data bases or mailing lists of female entrepreneurs. Femina magazine distributes regional annual booklets of female entrepreneurs. The fact that they are entrepreneurs is mentioned on the first page of the booklet. This booklet titled "The Women's Network" subtitled "A guide to women in business - Gauteng 1999-2000" was purchased at a small fee. A short list of female entrepreneurs was also obtained from NTSIKA Enterprise Promotion Agency. BWA also has an annual publication which is distributed to members. The publication for the year 2000 was made available to the researcher on request free of charge. The complete database of BWA however, was not available, but on request, the Director of Membership offered assistance with the distribution and collection of questionnaires to female entrepreneurs in the Gauteng area. A further source of potential respondents were through friends and acquaintances, or any other contacts whose details were forwarded by the women from the sources mentioned above.

Most of the female entrepreneurs listed in the BWA and Femina publications had e-mail addresses as well as telephone and fax contact details and comprised of predominantly white women. The list of female entrepreneurs received from NTSIKA Enterprise

Promotion Agency had telephone and or fax details and comprised of predominantly black women. The sample population was compiled as follows: 102 from the Women's Network Magazine, 84 from the BWA publication, 7 from NTSIKA Enterprise Promotion Agency, and 32 were acquaintances of women from the afore-mentioned sources. An attempt was made at selecting women from the greater Gauteng area and this was made possible by the area dialling codes of telephone numbers which were given in the publications.

Respondents from the two publications were identified by their e-mail addresses. On compiling the final list of prospective respondents, a number of duplicate and triplicate e-mail addresses were identified. Although it was understood that duplicate and triplicate addresses were possible indications of women who were in business associations or partnerships, it was difficult to ascertain this and therefore only one of each of these addresses was maintained.

In total 225 questionnaires were distributed. This number excludes those distributed by BWA on behalf of the researcher. The exclusion is explained as follows: as the complete database of BWA was not available to the researcher, it was not possible to ascertain the number or percentage of women to whom the questionnaire was sent twice (once through the researcher and again through BWA). Bearing in mind that respondents were identified by their e-mail addresses, it was possible to verify that there is a duplication between the researcher's list and that of the BWA as a number of duplicate responses were received from the same e-mail address – one response to the researcher and the other to BWA. Duplications of the databases are also evident from single responses received. In such instances responses were collected from BWA, but the e-mail address was the same as one from the researcher's list. As responses were marked off against e-mail addresses the researcher marked off all responses against the original list compiled, proceeding to include any additional responses as those from BWA. In this way any and all duplicated responses were excluded. The role of BWA can thus be seen as one of soliciting additional responses.

### 4.5.3 Choice, development and construction of the research instrument

A questionnaire was used as the research instrument for collecting data. It was chosen as it allows accuracy, access to dispersed respondents and wide coverage in terms of topics and respondents (Rothwell, 1993: 3). The possible disadvantages are the expenses and some delay in getting results (Rothwell, 1993: 3), both of which were partially alleviated by distribution of questionnaires through e-mail.

The original questionnaire used for the exploratory study was developed after a literature review on issues related to the barriers facing female entrepreneurs. The questionnaire comprised of a covering letter (Appendix A) plus 5 pages (Appendix B). Although the research was done with the aim of investigating the “barriers facing female entrepreneurs”, the questionnaire was titled “Questionnaire on Female Entrepreneurs” in an attempt to avoid skewing of responses. Respondents were also assured of confidentiality.

The questionnaire was divided into three sections:

#### **Section A:**

This part focussed predominantly on demographic and business data where the majority of the responses required respondents to mark a cross next to the appropriate box provided (an example was given).

The demographic and related data covered the following areas: motivations for starting a business, educational level, dependent children, race, marital status, networks and mentors, and skills and competency levels (rated on a 5-point Likert scale from 1=None to 5=Great).

The business data covered the following areas: industry or sector in which the respondent operates (compiled from the BWA categorisation – BWA 2000 brochure plus categories that appeared on their website), how the business was started, period for which the firm has been in business, annual turnover, number of employees, capital

sources utilised for start-up, business expansion, and whether the respondent had tendered for government projects or not.

### **Section B:**

According to the literature reviewed, the barriers experienced by women can be classified as social and cultural barriers, infrastructural barriers, educational and occupational barriers, role barriers and behavioural barriers. Twenty-one statements were developed from the literary study. These statements explored perceptions of female entrepreneurs' experiences in business and included questions on internal and external forces which impact on the respondents' role as a businesswoman. Issues relating to previous experience; support from partners, spouses, professionals and other women; mentors and networks; gender discrimination; governmental and environmental issues; as well as personal competencies were covered in this section. The statements are a mix of positive and negative statements. In order to determine whether they served as barriers or not, each statement had to be classified in the category from which the statement was derived. The classification of statements in terms of the barriers is presented in Table 4.1.

A 5-point Likert scale was used to measure responses ranging from "strongly disagree" to "strongly agree". A value of one (1) was taken as "strongly disagree" with the statement, a value of five (5) was taken as "strongly agree" and the value of three (3) represented a neutral perception/feeling to the statement. A value of two (2) was thus indicative of disagreement with the statement while the value of four (4) was indicative of agreement. Furthermore, the numerical value did not necessarily mean the same or have the same interpretation for different sets of bipolar statements.

The idea of using the scaling method was that instead of learning whether or not the respondent was favourably inclined on an issue, one also gets a measure and a reasonably reliable one of the actual position on the continuum.

**Table 4.1: Classification of statements**

<b>STATEMENT</b>	<b>Variable</b>	<b>BARRIER CLASSIFICATION</b>
I experienced personal barriers (e.g. lack of self-confidence, low self esteem, isolation) when I started my own business.	54	Behavioural
I take on all challenges even in uncertainty.	60	Behavioural
I chose to go into my own business because of other women who inspired me.	66	Behavioural
I believe that it is essential for successful women entrepreneurs to network.	62	Behavioural
I work longer hours in my own business than I did in my previous employment.	51	Educational and occupational
My current line of business is related to my previous work experiences.	49	Educational and occupational
I sought the assistance of experts (e.g. legal / financial etc) when I ventured on my own.	55	Educational and occupational
In business, I encounter situations where I am not taken seriously because I am a woman.	67	Infrastructural
I believe I have suffered gender discrimination by financial markets.	57	Infrastructural
Information in my chosen field of endeavour was easily accessible.	52	Infrastructural
I gained access to a network easily.	56	Infrastructural
I received excellent advice from professionals who supported and encouraged me.	64	Infrastructural
The legal and regulatory environment supports women entrepreneurs.	65	Infrastructural
I have been successful in acquiring government tenders.	68	Infrastructural
I would like to devote more time to domestic responsibilities.	58	Role
My family / partner assists me greatly with domestic responsibilities.	50	Role
The views held by my family sometimes impose negatively on my entrepreneurial endeavours.	61	Role
The views held by other women impact positively on my entrepreneurial endeavours.	59	Social and cultural
Society encourages and supports women like me to take on the challenges of the business world.	53	Social and cultural
The views held by society on the traditional roles of women (e.g. wife, mother) impose negatively on my entrepreneurial endeavours.	63	Social and cultural
I believe that women experience more barriers than men in making a success of their business.	69	Social and cultural and / or infrastructural

**Section C:**

This part was the open-ended section to allow the respondents to express and provide more detail and discussion and to thus gain a wider and more dynamic perspective on their unique views. Responses were requested on barriers that they encounter / encountered as female entrepreneurs, ways in which they deal / dealt with these barriers and changes that they would like to see for / towards female entrepreneurs. Respondents were also requested to share any experiences where being female acted in their favour in their entrepreneurial endeavours and the final question asked them to relay a message to aspiring and emerging female entrepreneurs.

Every page of the questionnaire also included a column clearly marked “For office use only” for ease of coding for computer input.

**4.5.4 Pilot survey**

The research instrument was tested through a pilot survey. Piloting is the term for trying out a questionnaire on typical respondents (Rothwell, 1993: 38). The purpose of the pilot test is to refine the questionnaire so that respondents will have no problems in answering the questions and there will be no problems in recording the data. In addition, it enables one to obtain some assessment of the questions' validity and the likely reliability of the data that will be collected (Saunders, *et al.*, 2000: 305). Before sending out the final questionnaires, a pilot survey of 10 questionnaires was conducted. Eight of the prospective respondents were female entrepreneurs, while one was an ex entrepreneur who had run a very successful business for 25 years and who had just recently retired from it. She was, however, working very closely with many female entrepreneurs. The other individual was a friend, who is renowned for being very critical and objective. An 80% response rate was received on the pilot survey.

One major amendment was made to Question 1. Responses on the pilot survey indicated that the categories used to identify the sectors in which these entrepreneurs operated needed to be revised as all the respondents indicated their sector under the option “Other”. Thus, the Department of Trade and Industry classification was replaced by the industry / sectors used by BWA. Other minor amendments were made to the

questionnaire but generally the respondents viewed the questionnaire positively. They found it easy to understand, free from ambiguity and experienced no difficulty in answering the questionnaire. Three respondents even indicated that they enjoyed completing it.

After making the necessary changes to the questionnaire, the final questionnaire was distributed as it was not found necessary to conduct a second pilot survey.

#### **4.6 RESEARCH PROCEDURE**

The questionnaire was sent to 225 female entrepreneurs. Most of these entrepreneurs (96.88%) could be contacted via e-mail. The Director of Membership at BWA further assisted with the distribution and collection of questionnaires via e-mail to the database of female entrepreneurs in the Gauteng area. Respondents were identified by their e-mail addresses.

As responses were marked off against an original list of e-mail addresses, it was possible to follow up on outstanding questionnaires via e-mail chasers. In some instances follow-up phone calls were also made to further enhance response rates. Responses received by BWA were forwarded to the researcher with the senders details still appearing on the e-mails. It was agreed up-front that BWA would not be responsible for ensuring that all questionnaires are filled in correctly or to the satisfaction of the researcher. Thus, in instances where blank or incomplete questionnaires were received, the onus was on the researcher to liaise directly with the respondent. E-mail was a very efficient tool to use in the data gathering process especially in instances where women needed to be informed that the deadline for submission of completed questionnaires was extended or when reminder or chaser e-mails needed to be sent.

#### **4.7 DATA COLLECTION**

Majority of the responses were received via e-mail while others were received by fax. A few were collected in person. A total of 93 usable responses were received. One questionnaire was discarded as it had insufficient information. Of the 93 (100%) responses received, 63 (67,74%) were part of the 225 questionnaires distributed by the researcher, indicating a 28% response rate. The additional 30 were those collected by BWA and accounted for 32.26% of the 93 responses received.

#### **4.8 LIMITATIONS OF THE SURVEY METHOD USED**

The survey method (e-mail) used in this study had certain limitations. The list of limitations listed below is an attempt to assist future researchers who employ this method to overcome or deal with some of the issues that were prevalent in this study.

- As e-mail was the principal method used for the distribution and collection of data, the respondents are representative of women who have access to e-mail thereby creating a problem of 'the haves' versus the 'have-nots'.
- The list of e-mail addresses were personal as well as business addresses. The questionnaire was addressed to the entrepreneur, and it was assumed that the e-mailed responses were coming from the appropriate person as a number of individuals in a business setting may have access to the same e-mail address.
- In addition to the above, the format for reply is completely under the control of the individual and cannot be imposed by the researcher (Mann & Stewart, 2000: 67). This is evident when the respondent was requested to mark responses in the appropriate allocated left-hand column, but indicated responses in the spaces allocated for office use only on the right hand side of the form (for questionnaire format refer to Appendix B). Furthermore some respondents indicated responses outside of the boxes allocated or selected one response when more were asked for or vice versa. One respondent also altered the format of the questionnaire by deleting the inappropriate options. An example of this was where a "Yes" or "No" response was required, and the respondent was asked to indicate a response by marking the



appropriate box provided alongside the option. In this case the respondent opted for deleting the “No” option from the questionnaire, indicating that the response was a “Yes”. In most cases it was possible to interpret the responses and in instances where responses were not clearly indicated e.g. where more than one response was indicated when only one was required, responses were verified through a follow-up e-mail or a telephone call. But the need to edit responses removed some of the advantages of quick responses expected through e-mail.

- The data gathering process was fairly methodical but was complicated by some women who responded from e-mail addresses to which the questionnaires were not sent. This made tracking some of the responses difficult. It is assumed that in these instances, the respondent may have received the questionnaire at the business e-mail address, but due to time constraints in the workplace, the entrepreneur may have opted to complete the questionnaire at home or from an alternate address and may have forwarded it to the home / alternate address from where the response was sent. Many of these however were verifiable as some respondents also forwarded their contact details on their responses, which could be followed up on, while other women upon receiving chaser e-mails advised that their responses had already been submitted.
- Additional problems were experienced in receiving completed questionnaires. A number of respondents e-mailed responses with a note saying “see attached file” where there was none. Although there was an instruction at the beginning and at the end of the questionnaire that asked the respondent to save the document once completed, a number of returned questionnaires were blank. Furthermore, although details were given in the covering letter on how to return the completed questionnaires, a number of respondents who had completed the questionnaires experienced difficulties in returning them electronically and resorted to faxing them through. All “failed” responses were followed up on with either a telephone call or e-mail note where they were requested to re-send their responses. Some did, while others were discouraged. A number of potential responses were lost in this way.

## 4.9 ANALYSIS OF DATA

All questionnaires were checked and coded for data capturing. The data in Section A and B of the questionnaire was processed on the SAS and BMDP statistical software packages. Frequency tables are used to analyse the responses received for Section A and Section B of the questionnaire. In addition, mean scores, standard deviations and factor analysis are used to analyse the data in Section B.

The questions in Section C (open-ended questions) were used to gather more in-depth data. Through the literature study it was found that most of the responses could be put into context by using codes to categorise the responses. The analyses of Section C thus consist of content analysing responses to five open-ended questions using codes to categorise the various responses. There may be a high possibility of subjectivity with regard to these questions due to the grouping of responses under a particular code.

## 4.10 RESEARCH FINDINGS

### 4.10.1 Demographic profile of respondents

With reference to Table 4.2, the respondents in this study were predominantly white women (84.9%). The purpose of including the race variable was to ascertain whether there were any similarities or differences in the experiences of female entrepreneurs across the different population groups. An attempt was made to get a more representative sample from the different population groups, however this attempt failed, and thus a comparative analysis cannot be carried out because of insufficient representation of certain population groups.

More than half the respondents (57%) indicated that they were married, while 6.4% indicated that they had a partner, 17.2% were single, 18.3% were divorced and 1.1% were widowed. Many of the respondents (59.1%) had dependent children against 39.8% who did not have dependent children. All the respondents in this study had received formal education with the majority (80.7%) having post-matric qualifications. Many of the respondents (64.5%) also undertook additional education or training directly related to their business since start-up.

**Table 4.2: Demographic profile of respondents**

VARIABLE	FREQUENCY	PERCENTAGE
<b>Race:</b>		
Black	8	8.6
White	79	84.9
Indian	4	4.3
Coloured	1	1.1
Other	1	1.1
<b>Total</b>	<b>93</b>	<b>100</b>
<b>Marital status:</b>		
Single	16	17.2
Married	53	57.0
Partnered	6	6.4
Divorced	17	18.3
Widowed	1	1.1
<b>Total</b>	<b>93</b>	<b>100</b>
<b>Dependent children:</b>		
Yes	55	59.1
No	37	39.8
Not indicated	1	1.1
<b>Total</b>	<b>93</b>	<b>100</b>
<b>Highest level of education:</b>		
Grade 10 (Std 8) or lower	3	3.2
Matric	15	16.1
Diploma after Matric	25	26.9
Degree	24	25.8
Honours degree	16	17.2
Masters degree	7	7.5
Doctorate	2	2.2
Other	1	1.1
<b>Total</b>	<b>93</b>	<b>100</b>
<b>Undertook additional training since the business was started:</b>		
Yes	60	64.5
No	33	35.5
<b>Total</b>	<b>93</b>	<b>100</b>

#### 4.10.2 Sectors in which female entrepreneurs operate

As shown in Table 4.3, the majority of women in this study operated in the communication, education and training sector (22.6%) with almost as many operating in the advertising, marketing, sales and public relations sector (21.5%). Fourteen percent (14%) of the respondents operated in the human resources and personnel sector and 8.6% operated in the beauty, fashion, art, design and décor sector. These sectors are service sectors and in total 66.7% of the respondents operated within these four sectors.

Low to zero responses were indicated in the following sectors: transport and freight (2.2%); property, architecture and quantity surveying (0%); manufacturing and heavy industry (3.2%); and finance, insurance and commerce (3.2%). Previous research (see 2.3.2) has indicated that these sectors are male dominated. In this study, these four sectors collectively account for only 8.6% of the respondents.

Other sectors represented in the survey were as follows: hospitality, travel and tourism, 5.3%, information technology and computers, 4.3%. The entertainment, and media and publishing sectors, both indicated a 3.2% response. The health and medical, wholesale and retail, and transport and freight sectors, all indicated a 2.2% response rate. The legal sector was represented by 1.1% of the respondents and 0% operated in the government and public service sectors. Responses for the category other were: economic development, strategies and projects, farming and corporate gifts.

Previous studies have indicated that female entrepreneurs established enterprises predominantly in service sectors (see 2.3.2). The sectors in which female entrepreneurs in Gauteng operate is an indication that women are still over-represented in service sectors, with very few operating in male dominated sectors such as manufacturing and heavy industry or transport and freight. This result is therefore consistent with results achieved in previous research studies with service sectors dominating in a marked way.

**Table 4.3: Sectors in which female entrepreneurs operate**

SECTOR / INDUSTRY	FREQUENCY	PERCENTAGE
Communications, education, training	21	22.6
Advertising, marketing, sales and public relations	20	21.5
Human resources and personnel	13	14.0
Beauty, fashion, art, design & décor	8	8.6
Hospitality, travel and tourism	5	5.3
Information technology & computers	4	4.3
Entertainment	3	3.2
Finance, insurance and commerce	3	3.2
Manufacturing and heavy industry	3	3.2
Media and publishing	3	3.2
Health and medical	2	2.2
Wholesale and retail	2	2.2
Transport and freight	2	2.2
Legal	1	1.1
Government / public services	0	0
Property, architecture and quantity surveying	0	0
Other	3	3.2
<b>Total</b>	<b>93</b>	<b>100</b>

#### 4.10.3 Motivational factors for female entrepreneurs

As mentioned in chapter 1, a number of push or pull factors can be assumed to give rise to and influence decision-making in connection with self-employment (see 1.1). Multiple responses were requested to this question on the questionnaire. The reasons that women in this study indicated for having started their own businesses are represented in Table 4.4. They were as follows: need for independence (89.3%), need for achievement (80.6%), new challenges (78.5%), ambition (72%), search for job satisfaction (71%) and preference for flexibility (68.8%). A large number of

respondents (46.3%) also indicated a material motivation for starting their own business while a number of respondents (30%) indicated that it was not a motivating factor.

While 43% of the respondents indicated financial security as a motivational factor, a third of the respondents (33.3%) indicated that it was not. Similarly, 39.8% of the respondents indicated urge for risk-taking as a motivational factor as opposed to 26.9% who indicated that it was not.

A higher percentage of respondents indicated that the following were not motivating factors against those who had indicated that they were: unable to obtain a salaried position (65.6% against 4.3%), social welfare considerations (51.6% against 11.9%), family commitments (43% against 28%), glass ceiling or barriers to progression at the workplace (43% against 28%), role models (41.9% against 24.7%), and need for recognition (38.7% against 33.3%).

Excluding all of the above factors, some women (11.8%) indicated other motivating factors for having started their own businesses. These were opportunities in new markets, implementation of affirmative action in previous workplace, dislike of the corporate environment or corporate politics, and retrenchment.

A number of factors in Table 4.4 have a high percentage reflecting “not indicated”. This is merely due to the fact that many respondents instead of indicating a response to each factor (as was requested on the questionnaire) only indicated responses for the factors that they regarded as motivational.

The literature pointed to need for independence, need for achievement, flexibility and job satisfaction as dominating motives for women starting a business (see 2.2.1). Women also sought flexibility in order to balance work and family. Other reasons included a consideration and welfare for others and discrimination in previous work place. Zapalska (1997) also found that they may have economic and political motivations (see 2.2.1).

**Table 4.4: Motivational factors for female entrepreneurs**

<b>MOTIVATIONAL FACTORS</b>	<b>f = frequency % = Percentage</b>	<b>Yes (1)</b>	<b>No (2)</b>	<b>Unsure (3)</b>	<b>Not indicated (4)</b>	<b>Total</b>
Need for independence	f	83	1	2	7	93
	%	89.3	1.1	2.1	7.5	100
Need for achievement	f	75	8	0	10	93
	%	80.6	8.6	0	10.8	100
New challenges	f	73	3	1	16	93
	%	78.5	3.2	1.1	17.2	100
Ambition	f	67	11	2	13	93
	%	72.0	11.8	2.2	14.0	100
Search for job satisfaction	f	66	11	3	13	93
	%	71.0	11.8	3.2	14.0	100
Preference for flexibility	f	64	14	1	14	93
	%	68.8	15.1	1.1	15.0	100
Material motivation	f	43	28	7	15	93
	%	46.3	30.1	7.5	16.1	100
Financial security	f	40	31	3	19	93
	%	43.0	33.3	3.2	20.5	100
Urge for risk-taking	f	37	25	9	22	93
	%	39.8	26.9	9.7	23.6	100
Need for recognition	f	31	36	5	21	93
	%	33.3	38.7	5.4	22.6	100
Family commitments	f	26	40	3	24	93
	%	28.0	43.0	3.2	25.8	100
Glass ceiling/barriers to progression at the workplace	f	26	40	4	23	93
	%	28.0	43.0	4.3	24.7	100
Role models	f	23	39	6	25	93
	%	24.7	41.9	6.5	26.9	100
Social welfare considerations	f	11	48	7	27	93
	%	11.9	51.6	7.5	29.0	100
Unable to obtain a salaried position	f	4	61	2	26	93
	%	4.3	65.6	2.1	28.0	100
Other factors	f	11	0	0	82	93
	%	11.8	0	0	88.2	100

The results in this study reflected several consistencies with previous research. The dominating motives by the majority of respondents were preference for independence, need for achievement, ambition, search for job satisfaction and preference for flexibility. In the current South African context where the country is still a young democracy (seven years) 78.5% of respondents also indicated “new challenges” as a motivating factor. This is comparable with the findings in the studies conducted by Nieman & Nieuwenhuizen (1999) and Maysami & Goby (1999) where “taking advantage of an opportunity” was a dominant reason for start-up (see 2.2.1).

Amongst other factors that featured prominently were material motivation and financial security. Thus, motives for entrepreneurship by the respondents in this study are represented by a mix of tangible and intangible factors. Tangible motives such as financial rewards were found to be important in this research, indicating that female entrepreneurs in Gauteng are being motivated by traditionally male driving forces reflecting consistency with previous findings (see 2.2.1). Social welfare considerations and family commitments were not found to be dominant motivating factors in this study.

#### **4.10.4 Self-confidence**

Much of the literature review indicated low self-confidence levels of female entrepreneurs (see 2.2.3; 3.2.1; 3.3.5.1). Respondents in this study were asked to rate their self-confidence levels on a 5-point Likert scale ranging from 1=None to 5=Great. The respondents exhibited high self-confidence, with 76.3% rating themselves above the middle point (3) on the Likert scale. Just over one-third of the respondents (34.4%) indicated their self-confidence levels as “Great” (level 5) while 41.9% indicated their self-confidence at level 4. It is interesting to note that none of the respondents rated their self-confidence below the middle mark of 3 on the scale. These results are represented in Table 4.5.



**Table 4.5: Self-confidence of respondents**

<b>VARIABLE</b>	<b>FREQUENCY</b>	<b>PERCENTAGE</b>
<b>Self-confidence level rated on a 5-point scale : 1=None , 5=Great</b>		
1	0	0
2	0	0
3	22	23.7
4	39	41.9
5	32	34.4
<b>Total</b>	<b>93</b>	<b>100</b>

#### 4.10.5 Networks and mentors

Responses relating to networks and mentors, are presented in Table: 4.6. In responding to the question of whether the respondent had joined a network within the first six months of having started the business, 35.5% of the women indicated that they had while 64.5% indicated that they had not. The six month period was chosen because the influence of role models is regarded significantly more important for firms in the early growth stage.

More than half (55.9%) of the respondents reported that they had someone who served as a mentor or a guide for them in business. For 29.2% of these forty-one women it was their partner or spouse. Parents or other family member was indicated by 9.7% of the respondents. An equal number of respondents (14.7%) reported a friend or an ex employer, boss or colleague as a mentor. Professional assistance or guidance was indicated by 17% of the respondents and 9.7% indicated business associates. Amongst other mentors indicated, were lecturers (2.5%).

**Table 4.6: Networks and Mentors**

VARIABLE	FREQUENCY	PERCENTAGE
<b>Joined a network within 6 months of starting the business:</b>		
Yes	33	35.5
No	60	64.5
<b>Total</b>	<b>93</b>	<b>100</b>
<b>Have mentor or guide:</b>		
Yes	41	44.1
No	52	55.9
<b>Total</b>	<b>93</b>	<b>100</b>
<b>Indicate gender of mentor / guide: (from “Yes” responses above)</b>		
Female	14	34.1
Male	27	65.9
<b>Total</b>	<b>41</b>	<b>100</b>
<b>Mentor / Guide specified (from above):</b>		
Partner / spouse	12	29.2
Business person / another entrepreneur / consultant / accountant / other professional	7	17
Friend	6	14.7
Ex employer / boss / colleague	6	14.7
Business associate	4	9.7
Parents / Family	4	9.7
Lecturer	1	2.5
Not indicated	1	2.5
<b>Total</b>	<b>41</b>	<b>100</b>

#### **4.10.6 Business profile of respondents**

With reference to Table 4.7, 64.5% of the respondents indicated that their businesses were self-started, while 25.8% indicated that they had started the business with a partner or friend. A further 8.6% of the respondents had acquired their businesses through buy-outs. On responses relating to the period for which the company was in business, the highest number of responses (30.1%) were indicated for 2 to less than 5 years, 20.4% indicated 5 to less than 10 years, 28% of the respondents indicated 10 to less than 15 years, and 8.6% indicated 15 years plus. The respondents thus seemed to have well established businesses with only 12.9% indicating that the business had been operational for under 2 years.

The responses indicated for annual turnover were as follows: Only 12.9% indicated a turnover under R150 000. The majority of respondents (43%) indicated turnover between R150 001 and R2,0 million, with a substantial number (23.6%) indicating annual turnover between R2,0 million and R5,0 million. Some respondents (4.3%) indicated turnover between R5,0 million and R10,0 million, 14% indicated annual turnover in excess of R10,0 million and 2.2% of the respondents did not indicate a response.

In terms of number of employees, the majority (75.3%) of the respondents indicated that they employ between 1 and 10 employees with only 4.3% indicating employees exceeding 100.

**Table 4.7: Business profile of respondents**

<b>VARIABLE</b>	<b>FREQUENCY</b>	<b>PERCENTAGES</b>
<b>Start-up:</b>		
Self-started	60	64.5
Started with partner / friend	24	25.8
Buy Out	8	8.6
Other	1	1.1
<b>Total</b>	<b>93</b>	<b>100</b>
<b>Period in business:</b>		
0 - < 2 years	12	12.9
2 - < 5 years	28	30.1
5 - < 10 years	19	20.4
10 - < 15 years	26	28.0
15 years plus	8	8.6
<b>Total</b>	<b>93</b>	<b>100</b>
<b>Annual turnover:</b>		
R0 – R150 000	12	12.9
R150 001 - R2 000 000	40	43.0
R2 000 001 – R5 000 000	22	23.6
R5 000 001 – R10 000 000	4	4.3
R10 000 001 plus	13	14.0
Not indicated	2	2.2
<b>Total</b>	<b>93</b>	<b>100</b>
<b>No. of employees:</b>		
1 - 5	49	52.7
6 – 10	21	22.6
11 - 20	9	9.7
21 - 50	8	8.6
51 - 100	2	2.1
100 plus	4	4.3
<b>Total</b>	<b>93</b>	<b>100</b>

#### **4.10.7 Business start-up and expansion**

The majority (68.8%) of the respondents in this study utilised only their own funding / savings to start-up their businesses (Table 4.8). At least 13% of the respondents coupled their own funds with those borrowed from either friends and family (6.5%) or with a loan from a bank or financial institution (6.5%), while 14% of the women utilised funds other than their own for start-up, with 7.5% loaning from a bank or financial institution and 6.5% loaning from friends and family. The respondents who indicated their responses as 'other' all had payment terms arranged. Furthermore, 72% of the respondents indicated that they chose to finance their businesses the way they did whilst 22.6% indicated that it was not a preferential choice. A few respondents (5.4%) did not indicate a response.

The results of this study also indicate that 66.7% of the women had expanded their businesses while a third of the respondents (33.3%) had not. Of the respondents who had not expanded their businesses, 22.6% indicated that it was due to the inability to gain expansion capital, 58.1% preferred not to expand for reasons of wanting to maintain current business level (32.3%) or to balance work and family (25.8%). Other reasons for not expanding were that the venture was still too new to expand / infant stages, there were insufficient customers to warrant expansion, there was no need yet, and "I don't know how to go about expanding my business".

#### **4.10.8 Government projects**

Public sector procurement represents an important market for both large and small firms and WOE's are only beginning to access these opportunities. In this study 31.2% of the respondents indicated that they had tendered for government projects against 67.7% who indicated that they had not. Results are shown in the Table 4.9.

**Table 4.8: Business start-up and expansion**

<b>VARIABLE</b>	<b>FREQUENCY</b>	<b>PERCENTAGES</b>
<b>Capital sources utilised for start-up:</b>		
Own funding / Savings	64	68.8
Loan (Bank or other financial institution)	7	7.5
Loan (Family & friends)	6	6.5
Own funding / Savings plus loan (Bank or other financial institution)	6	6.5
Own funding / Savings plus loan (Family & friends)	6	6.5
Other	4	4.2
<b>Total</b>	<b>93</b>	<b>100</b>
<b>Capital source utilised was a preferential choice:</b>		
Yes	67	72.0
No	21	22.6
Not indicated	5	5.4
<b>Total</b>	<b>93</b>	<b>100</b>
<b>Business expansion:</b>		
Yes	62	66.7
No	31	33.3
<b>Total</b>	<b>93</b>	<b>100</b>
<b>Reason for not expanding (if "No" – from above)</b>		
Inability to gain expansion capital	7	22.6
Prefer not to expand – want to maintain current business level	10	32.3
Prefer not to expand – want to balance work and family	8	25.8
Other	5	16.1
Not indicated	1	3.2
<b>Total</b>	<b>31</b>	<b>100</b>

**Table 4.9: Government projects**

VARIABLE	FREQUENCY	PERCENTAGES
<b>Tendered for government projects:</b>		
Yes	29	31.2
No	63	67.7
Not indicated	1	1.1
<b>Total</b>	<b>93</b>	<b>100</b>

#### 4.10.9 Skills

The responses of the respondents regarding the levels of their skills and competencies are shown in Table 4.10. The three skills or competencies that received the highest number of responses under the 5=excellent rating were: communication (46.3), creativity (35.5%), and innovation (31.2%), while business planning (6.5%), technological skills (5.4%), and finance (4.3%) received the lowest number of responses under this rating. The three skills or competencies that received the highest number of responses under the rating 4 were: innovation (44.1%), general business management (44.1%), and creativity (38.7%), while networking (25.8%), technological skills (25.8%), procurement (18.3%), and finance (18.3%) received the lowest responses.

Skills or competencies that received the highest number of responses under the rating 1 (No skills) were: procurement (12.9%), technological skills (9.6%), finance (5.4%) and networking (4.3%). Skills or competencies that received the highest number of responses under the rating 2 were: finance (25.8%), procurement (24.7%), technological skills (19.4%), business planning (19.4%) and networking (18.3%).

All the qualities listed for this question are functional to entrepreneurship. Chaganti (1986) found that female entrepreneurs managerial skills were deficient (see 2.2.2) and this created difficulties in managing, particularly in finance, business planning and market analyses (see 3.3.3). The entrepreneurs in this study indicated highly developed communication skills. They believed that they possess high levels of creativity and innovation and indicated a high propensity to take risks. Consistent with previous

findings, the entrepreneurs in this study lack financial, technological, business planning and networking skills (see 2.2.2; 2.3.1; 2.4.1; 3.3.2.5; 3.3.3).

**Table 4.10: Skills and competencies of respondents**

VARIABLE	f = frequency % = Percentage	SKILLS LEVELS					
		1 = None , 5 = Excellent					
		1	2	3	4	5	Total
Communication	f	0	3	12	35	43	93
	%	0	3.2	12.9	37.6	46.3	100
Creativity	f	1	0	23	36	33	93
	%	1.1	0	24.7	38.7	35.5	100
Innovation	f	1	5	17	41	29	93
	%	1.0	5.4	18.3	44.1	31.2	100
Risk Taking	f	1	8	31	31	22	93
	%	1.1	8.6	33.3	33.3	23.7	100
Marketing	f	2	8	32	31	20	93
	%	2.2	8.6	34.4	33.3	21.5	100
Networking	f	4	17	31	24	17	93
	%	4.3	18.3	33.3	25.8	18.3	100
General Business Management	f	0	6	34	41	12	93
	%	0	6.4	36.6	44.1	12.9	100
Procurement	f	12	23	34	17	7	93
	%	12.9	24.7	36.6	18.3	7.5	100
Business Planning	f	3	18	39	27	6	93
	%	3.2	19.4	41.9	29.0	6.5	100
Technological	f	9	18	37	24	5	93
	%	9.6	19.4	39.8	25.8	5.4	100
Finance	f	5	24	43	17	4	93
	%	5.4	25.8	46.2	18.3	4.3	100

#### 4.10.10 Barriers faced by female entrepreneurs

Responses received to the list of twenty-one statements comprising questions on social and cultural, infrastructural, educational and occupational, role and behavioural factors are presented in Table 4.11. Due to the volume of data, the frequencies of responses have been excluded and only percentage responses are reflected. The statements do not



appear in the same format as they appeared on the questionnaire (Appendix B). They have been rearranged to reflect the responses received for each statement according to the mean score in descending order. The mean score is a measure of central tendency i.e. it indicates the average response. The standard deviations are also indicated. A standard deviation exceeding one (1) indicates a significant difference of opinion between respondents.

The statement that rated the highest on mean score was that “it is essential for successful female entrepreneurs to network” (4.15). This tends towards “strongly agree” on the Likert-scale used. The standard deviation for this statement is 0.79 which shows that there is not a significant difference in the opinions of the respondents to the statement. This is the only statement on which not a single respondent indicated “strongly disagree”. Although the findings in this study indicate that 64.5% of the entrepreneurs did not join a network within the first six months of having started their businesses (shown in Table 4.5), it is probable that the majority of the respondents currently engage in networking.

The following three statements had a mean score between 3.5 and 4.5 which falls on the border of agree and tends towards strongly agree. They are:

- I work longer hours in my own business than I did in my previous employment (V51).
- I take on all challenges even in uncertainty (V60).
- My current line of business is related to my previous work experience (V49).

The standard deviation in variables 51 and 49 exceed 1 (one) and therefore reflect a difference in opinion of the respondents to the statements.

**Table 4.11: Responses to statements on barriers (ranked in order of the mean score)**

VARIABLE	STATEMENT	PERCENTAGES					Mean Score	Std Deviation
		Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree		
		(1)	(2)	(3)	(4)	(5)		
62	I believe that it is essential for successful female entrepreneurs to network.	0	3.2	15.0	45.2	36.6	4.15	0.79
51	I work longer hours in my own business than I did in my previous employment.	2.2	11.8	14.0	16.1	55.9	4.12	1.17
60	I take on all challenges even in uncertainty.	1.1	7.5	10.8	49.4	31.2	4.02	0.91
49	My current line of business is related to my previous work experiences.	15.0	7.5	2.2	31.2	44.1	3.82	1.45
50	My family / partner assists me greatly with domestic responsibilities.	16.7	5.5	16.7	36.7	24.4	3.47	1.37
69	I believe that women experience more barriers than men in making a success of their business.	5.4	16.1	26.9	32.3	19.3	3.44	1.14
52	Information in my chosen field of endeavour was easily accessible.	9.7	15.1	24.7	36.6	13.9	3.30	1.18
59	The views held by other women impact positively on my entrepreneurial endeavours.	7.5	14.0	31.2	35.5	11.8	3.30	1.09
55	I sought the assistance of experts (e.g. legal / financial etc) when I ventured on my own.	11.8	23.7	17.2	36.6	10.7	3.11	1.23
56	I gained access to a network easily.	4.3	24.7	34.4	29.0	7.6	3.11	1.01
64	I received excellent advice from professionals who supported and encouraged me.	5.4	28.0	35.4	22.6	8.6	3.01	1.04
67	In business, I encounter situations where I am not taken seriously because I am a woman.	11.8	25.8	25.8	25.8	10.8	2.98	1.20
53	Society encourages and supports women like me to take on the challenges of the business world.	12.9	17.2	36.6	26.9	6.4	2.97	1.11
57	I believe I have suffered gender discrimination by financial markets.	14.0	30.1	23.7	21.5	10.7	2.85	1.22
58	I would like to devote more time to domestic responsibilities.	11.8	31.2	28.0	24.7	4.3	2.78	1.08
54	I experienced personal barriers (e.g. lack of self-confidence, low self esteem, isolation) when I started my own business.	19.4	30.1	17.2	25.8	7.5	2.72	1.25
63	The views held by society on the traditional roles of women (e.g. wife, mother) impose negatively on my entrepreneurial endeavours.	16.1	35.5	24.7	16.1	7.6	2.63	1.16
66	I chose to go into my own business because of other women who inspired me.	18.3	36.6	19.3	17.2	8.6	2.61	1.21
65	The legal and regulatory environment supports female entrepreneurs.	18.3	19.3	49.5	10.8	2.1	2.59	0.09
61	The views held by my family sometimes impose negatively on my entrepreneurial endeavours.	28.2	33.7	12.0	20.7	5.4	2.41	1.25
68	I have been successful in acquiring government tenders.	28.4	23.9	34.1	9.1	4.5	2.38	1.28

Other statements / variables that had a mean score between 3 and 4 and which indicated a tendency towards agreement with the statement were: variables 50, 52, 55, 56, 59 and 69. All these variables had a standard deviation above 1 and indicate significant differences in the opinions of the respondents to the statements.

The statement that rated the lowest on mean score was “I have been successful in acquiring government tenders” (2.38). The standard deviation for this statement is 1.28 which shows that there is a significant difference in the opinions of the respondents to this statement. These results may be due to the fact that only 31.2% of the respondents did in fact apply for government tenders as discussed under section 4.10.8.

Other statements that had a mean score below 3 are Variables 53, 54, 57, 58, 61, 63, 65, 66, 67 and 68. This indicates that respondents were neutral on their perceptions of these statements or that they disagreed or strongly disagreed with these statements. The standard deviation for all these statements (except variable 65) is greater than 1 and indicates that there is a significant difference in opinion between respondents to the statements. Variable 65 stated that the legal and regulatory environment supports female entrepreneurs. The standard deviation for this statement is 0.09, which indicates that there is not a significant difference in opinion between the respondents to this statement.

Factor analysis was conducted on the 21 variables (statements in Table 4.11) in order to gather in different groups, those variables that were highly correlated. In order to explore dependencies and /or structure in what was indicated to be the main barriers to entrepreneurship, an exploratory factor analysis was performed on the statements. The five-point semantic scale was assumed to be a quantitative measure of the respondent's feeling on the items.

Factor analysis is a general term for several specific computational techniques. It has the objective of reducing to a manageable number many variables that belong together and have overlapping measurement characteristics (Cooper & Schindler, 2001: 591).

Firstly, an item analysis was performed on the 21 items in order to verify the reliability of each item. A principal factor analysis was performed on the 21 items. The number of eigenvalues greater than 1 is often used as a criterion to determine the number of factors to extract. However, with this analysis, the aim was to establish a factor structure which had a sufficient number of variables in each factor and which gave factors that were usable and definable. This resulted in two clearly definable factors. Due to the limitations in the length of the study, the various eigenvalues and scree groups are not presented as part of the study.

The BMDP programme was used to run the factor analysis on the statements (variables 49 to 68). The programme was run for “five”, “three” and “two” factors respectively to determine which gave the highest correlation. The “two-factor analysis” produced the most acceptable result and was run a second time after eliminating the following variables (Table 4.12) which loaded less than 0.3 and / or which loaded on more than one factor.

**Table 4.12: List of variables that were eliminated for two-factor analysis**

Variable	Description
49	My current line of business is related to my previous work experiences.
51	I work longer hours in my own business than I did in my previous employment.
59	The views held by other women impact positively on my entrepreneurial endeavours.
60	I take on all challenges even in uncertainty.
62	I believe that it is essential for successful female entrepreneurs to network.

Factor analysis requires some judgement on the part of the researcher as to the labelling of the individual factors. Obviously this introduces a measure of subjectivity to any interpretation of a factor analysis which is by nature a difficult task to undertake. Interpretation of factors calls for a decision regarding which factor loadings are to be considered and which not. A factor loading of 0.30 is considered fair (Kerlinger, 1986:

572), while loadings of 0.40 are considered important and loadings of 0.50 and higher are generally regarded as very significant for interpretation. Therefore in Table 4.13 only factor loadings of approximately 0.30 and higher are represented. Other loadings are eliminated to make it more readable. The two factors formed by the preceding analysis have been interpreted and labelled appropriately and discussed.

**Table 4.13: Factor loadings after elimination of non-conforming variables**

VARIABLE	STATEMENT	Factor 1	Factor 2
50	My family / partner assists me greatly with domestic responsibilities.		0.288
52	Information in my chosen field of endeavour was easily accessible.		0.390
53	Society encourages and supports women like me to take on the challenges of the business world.		0.544
54	I experienced personal barriers (e.g. lack of self-confidence, low self-esteem, isolation) when I started my own business.	0.302	
55	I sought the assistance of experts (e.g. legal / financial etc) when I ventured on my own.		0.270
56	I gained access to a network easily.		0.562
57	I believe I have suffered gender discrimination by financial markets.	0.550	
58	I would like to devote more time to domestic responsibilities.	0.347	
61	The views held by my family sometimes impose negatively on my entrepreneurial endeavours.	0.569	
63	The views held by society on the traditional roles of women (e.g. wife, mother) impose negatively on my entrepreneurial endeavours.	0.719	
64	I received excellent advice from professionals who supported and encouraged me.		0.500
65	The legal and regulatory environment supports female entrepreneurs.		0.506
66	I chose to go into my own business because of other women who inspired me		0.488
67	In business I encounter situations where I am not taken seriously because I am a woman.	0.674	
68	I have been successful in acquiring government tenders.		0.287
69	I believe that women experience more barriers than men in making a success of their business.	0.564	
% variance accounted for		15.00	10.90
Cumulative variance		15.00	25.90
Cronbach's Alpha		0.699	0.663

***Factor 1: Role conflict***

The following statements (Table 4.14) were grouped under this factor and refer to the role conflict that women experience when engaged in entrepreneurship.

**Table 4.14: List of variables in Factor 1**

VARIABLE	STATEMENT
54	I experienced personal barriers (e.g. lack of self-confidence, low self-esteem, isolation) when I started my own business.
57	I believe I have suffered gender discrimination by financial markets.
58	I would like to devote more time to domestic responsibilities.
61	The views held by my family sometimes impose negatively on my entrepreneurial endeavours.
63	The views held by society on the traditional roles of women (e.g. wife, mother) impose negatively on my entrepreneurial endeavours.
67	In business I encounter situations where I am not taken seriously because I am a woman.
69	I believe that women experience more barriers than men in making a success of their business.

These statements indicate that women who are engaged in entrepreneurship, experience role conflict. The views held by family members, society as well as the behaviours that women themselves have internalised through socialisation processes makes women more accountable for domestic responsibilities. Because of this, female entrepreneurs may not be taken seriously as business women and therefore tend to experience barriers when they embark on their ventures – one of which is gender discrimination by financial markets.

***Factor 2: Support structures***

The following statements (Table 4.15) loaded highly on the second factor and refer to the support structures that are required by female entrepreneurs.

**Table 4.15: List of variables in factor 2**

VARIABLE	STATEMENT
50	My family / partner assists me greatly with domestic responsibilities.
52	Information in my chosen field of endeavour was easily accessible.
53	Society encourages and supports women like me to take on the challenges of the business world.
55	I sought the assistance of experts (e.g. legal / financial etc) when I ventured on my own.
56	I gained access to a network easily.
64	I received excellent advice from professionals who supported and encouraged me.
65	The legal and regulatory environment supports female entrepreneurs.
66	I chose to go into my own business because of other women who inspired me.
68	I have been successful in acquiring government tenders.

Female entrepreneurs require the support of both formal and informal support structures if they are to pursue entrepreneurial activities. Informal support structures include the support of spouses and family and the view of society on the changing roles of women.

From the formal support structures female entrepreneurs require access to professional assistance from experts and other female entrepreneurs from whom they can gain invaluable information, support and encouragement. In addition they also require a conducive legal and regulatory environment which will support their ventures and one form of this kind of support may be access to government tenders.

Using factor analysis it becomes clear that the barriers in essence can be grouped into the two major categories discussed above (role conflict and support structures).

#### 4.10.11 CONTENT ANALYSES OF OPEN-ENDED QUESTIONS

The following five open-ended questions were asked to allow respondents to express and provide more detail and discussion on their unique views. This also gives a wider and more dynamic perspective on their individual experiences. Categories were created and responses were coded under these categories. Not all respondents indicated responses to these questions, however, those that did may have given multiple responses and the frequencies in the tables of the discussion that follows may therefore exceed 93 (the number of respondents in this study).

**Question 1: If applicable, list barriers that you are encountering or encountered as a female entrepreneur.**

This question was asked so that the respondents could list barriers that may not have been covered in the questionnaire. Responses are presented in Table 4.16.

More than two-thirds of the respondents (67.74%) indicated a response to this question. Gender issues dominated the list of barriers experienced and a number of respondents pointed to the business world as being male dominated. Respondents pointed to gender discrimination, female entrepreneurs not being taken seriously, the unsupportive nature of financial institutions and role conflict experienced in balancing the role of mother, homemaker and businesswoman. Issues on race also featured amongst the barriers encountered, with white women indicating that black women were favoured in the current South African business context. On barriers relating to access to markets, respondents pointed to the “high levels of company taxation”, the current labour laws which do not favour small businesses and the difficulty in accessing government tenders. The lack of access to professionals and mentors for guidance and advice were additional barriers that these female entrepreneurs encountered. In terms of support, one respondent’s statement sums it up - “women don’t support other women”. Some women also identified their lack of skills in finance, management and marketing as barriers faced in entrepreneurship. Regarding self-image, one respondent indicated that “women are their own worst enemies”. Age was also mentioned as a barrier. Responses received to this question are listed in Appendix C.



With reference to the previous discussion on situational factors (variations in power and opportunity) and dispositional factors (personal traits, experiential background, socialisation, personal motives) in chapter 3, it is evident that the women in this study have experienced structural barriers to a greater extent than personal barriers (see 3.2.2).

**Table 4.16: Barriers that female entrepreneurs encountered or are encountering**

VARIABLE	FREQUENCY	PERCENTAGE
Gender Issues	28	26.4
Not taken seriously	20	18.9
Financial institutions Access / Dealings	18	17.0
Difficulty in maintaining balance – dual role	9	8.5
Race	8	7.5
Access to markets / legislation	6	5.7
Lack of professionals / mentors	5	4.7
Lack of Support / Isolation	4	3.8
Lack of skills	3	2.8
Self-image	3	2.8
Age	2	1.9
<b>Total</b>	<b>106</b>	<b>100</b>

**Question 2: Mention ways in which you deal / dealt with the barriers you experience / experienced.**

This question was asked so that other female entrepreneurs who might have similar experiences may find alternate ways of dealing with the barriers they encounter.

A response to this question was indicated by 61% of the respondents. Responses received are summarised in Table 4.17. The highest number of responses were indicated for perseverance (35.3%). The respondents indicated that they persevered even in adverse situations. Some responses indicated were “keep fighting”, “just keep moving forward”, “constant attempts” and “many years of persistence eventually gives one some credibility”. Responses received to this question are listed in Appendix D.

Networking was another way in which these women dealt with the barriers encountered. At least 7% of the respondents indicated that they formed consortiums in order to get larger projects or government tenders. Networking also indicated that women supported each other rather than competed against one another. Developing and improving negotiation skills and growing one's expertise in their chosen field helped these women deal with the negative perceptions of women working in a male-dominated environment. Developing their self-confidence and being more assertive also helped them deal with situations where they were not taken seriously. Through the guidance of mentors and assistance of professionals, these female entrepreneurs dealt with areas in which they lacked expertise (finance, business planning, marketing and management skills). A number of respondents indicated difficulties in accessing financial resources through financial institutions as well as difficulties in dealing with their intermediaries. These female entrepreneurs thus sought alternate sources of funding.

The frustration that these female entrepreneurs experienced in their multiple roles of mother, wife and businesswoman was partially alleviated by taking on additional help at home through the support of child-minders and maids. Some assistance was also received from the family support structure.

Some female entrepreneurs in this study experienced negative stereotypical views of owning successful businesses. They were thus determined to be successful in their ventures. Respondents found that suppliers would not deal with women in authority nor take them seriously and they thus "got the males in the company to deal with the real rough and tough people". Other ways in which these entrepreneurs dealt with the barriers they encountered was by simply ignoring them and continuing to run their business, or confronting those who imposed the barriers through one on one consultation.

**Table 4.17: Ways in which the entrepreneurs deal or dealt with the barriers they experience(d)**

VARIABLE	FREQUENCY	PERCENTAGE
Perseverance	30	35.3
Network	13	15.3
Develop skills	12	14.1
Sought mentors / Professional help	7	8.2
Alternate funding	6	7.1
Support	5	5.9
Build a successful business	4	4.7
Male front	4	4.7
Ignore	3	3.5
Communication	1	1.2
<b>Total</b>	<b>85</b>	<b>100</b>

**Question 3: What changes would you like to see for / towards female entrepreneurs?**

This question was asked so that respondents could get an opportunity to make recommendations on factors that may alleviate some of the barriers that they experience. The responses received by 62% of the respondents are reflected in Table 4.18 and are listed in Appendix E.

The main areas in which respondents felt that they would like to see changes were in being granted equal opportunity and recognition (20%). Respondents felt that the opportunities and chances open to entrepreneurs should not depend on their sex or race and that they should have “equal opportunity” and be “given a chance” to prove themselves.

Getting support from networks and other successful female entrepreneurs also featured highly on the list of desired changes (17.9%). These entrepreneurs recognised the need for information sharing and practical advice from other entrepreneurs. While most

respondents indicated a need for increased networking between female entrepreneurs in general, others saw a need for networks specific to industries. A number of respondents also saw a need for mixed (male and female) networks.

A need for greater and more favourable access to financial support and advice from financial institutions, other professionals and the Department of Trade and Industry was indicated by 17.9% of the respondents. These respondents felt that the current funding criteria of financial institutions are too stringent. They want financial institutions to grant finance on merit and not involve their spouses in sureties. Furthermore they want to see changes that are more favourable to smaller WOE's which are currently regarded by financial institutions as being risky. There is also a general feeling that the persons encountered in the system do not possess the relevant knowledge and competence to give these women the kind of service they need.

Changes in attitudes and perceptions from family and society had a response of 13.7%. Almost all of these respondents pointed to more support required for the multi-faceted roles that female entrepreneurs play in balancing home and career. Respondents would like to see a change in attitude by society and by men in particular towards this challenge faced by female entrepreneurs. Changes in domestic support structures especially in the area of childcare were also envisaged. One respondent stated that "childcare should be tax-deductible - this will enable women to employ other women and create internal childcare facilities".

Respondents would also like to see changes in government enabling including tax benefits (12.6%). They would like to see the tax burden lightened and labour laws for smaller firms changed so that they are less prohibitive to entrepreneurship. They want government to play a more visible role, as current government schemes are unknown to most women.

The availability of mentors and role models and the need for quality education and training was also recognised by a number of respondents (10.5%). There is a need for more mentors "to inspire and encourage women to take that all-important first step". Respondents also felt that current education and training for entrepreneurs was very

costly and needs to be made more affordable. One respondent felt that entrepreneurial thinking should be encouraged in school years.

The changes envisaged by respondents above relate to external factors. However, some respondents (7.4%) indicated that changes had to come from within women themselves. Female entrepreneurs must be more confident and maximise on the opportunities available to them rather than depend on changes in the environment.

**Table 4.18: Changes that respondents would like to see for / towards female entrepreneurs.**

VARIABLE	FREQUENCY	PERCENTAGE
Equal opportunity / Recognition	19	20
Support from networks / Women encouraging women	17	17.9
Support from financial institutions and other professionals	17	17.9
Support from family and society	13	13.7
Government enabling and tax benefits	12	12.6
Mentors /Role models/Training & education	10	10.5
Changes within women themselves	7	7.4
<b>Total</b>	<b>95</b>	<b>100</b>

**Question 4: Please share any experiences where your gender (being female) acted in your favour in your entrepreneurial endeavours.**

Many respondents (45%) did not indicate a response to this question whilst 12% indicated “none” or “never”. Responses are listed in Appendix F.

Those who indicated positive responses pointed to the excellent people skills (sensitivity and insight) that women have, their ability to multi-task and the current business practices which “favour a female influence”. They stated that management styles have become more participative and therefore, tenacity as opposed to aggression wins

favourably. Others indicated that there were some people who were willing to “give a female a chance” or were empathetic towards females.

Some indicated that there were definite advantages to being a female entrepreneur, as they believed that they are more people oriented and thus better at dealing with human relations. An almost negligible number of respondents (2%) pointed to current South African laws which “accommodate women”.

### **Question 5: What would be your message to aspiring and emerging female entrepreneurs?**

In the final question, respondents were asked to relay a message to aspiring and emerging entrepreneurs. This question received a response rate of 87%.

The messages were encouraging and inspirational (Appendix G) and indicated that Gauteng female entrepreneurs displayed tenacity and an unerring will to win. The following are some of the words and phrases used in the messages: have a business plan, never give up, be committed, go for it, keep on fighting, take calculated risks, believe in yourself and in what you can accomplish, get professional assistance including a financial advisor, manage your money well, thrive on the uniqueness of being a successful woman in business, you create your own destiny, hard work, vision and perseverance pay off, find one or two good mentors, surround yourself with people who support and share your vision – a good support structure is critical, if you love what you do, you are halfway there, make sure your spouse and children understand why you need to be an entrepreneur – understanding brings greater support, if you never try you will never know, what matters is competency – not gender and Network! Network! Network!

## **4.11 CONCLUSION**

The empirical research findings in this study are indicative of female entrepreneurs who are predominantly white married women with dependent children. The motivating factors for these women to engage in entrepreneurship were a need for independence, achievement, job satisfaction, flexibility and the opportunities of new challenges. They

exhibited high self-confidence and operated predominantly in the service sectors. The majority had a tertiary education with many having undertaken studies after starting their businesses. The skills levels of these entrepreneurs are high in areas of communication, creativity and innovation whilst they are low in areas of financial management, procurement, business planning, networking and technological skills. The support role of spouses as mentors and guides in the business is also evident in this study.

According to the classification used by the National Small Business Act of 1996, the businesses of the respondents in this study can be classified as small businesses. This is apparent from the annual turnover figures indicated by 55.9% of the respondents as being under R2,0 million, and employed staff of under fifty being indicated by 93.6% of the respondents. The majority of respondents are operating self-funded, small businesses (in terms of turnover and number of employees) as sole proprietors and have been in business for longer than two years. Almost two-thirds of the respondents have grown their businesses and those who haven't have indicated a preference not to expand or an inability to gain expansion capital. Some are also engaged in government projects.

Female entrepreneurs in this study have experienced structural barriers (e.g. gender issues, financial institutions, access to markets) to a greater extent than personal barriers (e.g. low self-image, low self-confidence, lack of skills). They have dealt with these barriers by persevering, networking, seeking professional help and alternate funding. Some have also developed additional skills required for the running of their businesses. Respondents have indicated that there are not many aspects which act in favour of their endeavours other than their "softer qualities" in dealing with human relations. They have suggested changes that they would like to see towards female entrepreneurs, and being granted equal opportunities and recognition are at the top of this list.

## CHAPTER 5

### SUMMARY, CONCLUSION AND RECOMMENDATIONS

#### 5.1 INTRODUCTION

This chapter presents a general discussion of the results obtained compared to those found in the literature review. It is apparent from the overall findings in this research that female entrepreneurs in Gauteng still face formidable barriers and need to overcome many barriers and challenges to achieve equality in entrepreneurship. Social, cultural, political, legal, economic and personal factors all have elements, which inhibit the progress of female entrepreneurs and thus practical recommendations based on the barriers experienced by female entrepreneurs in the Gauteng area are put forward. Areas for future research are also identified.

#### 5.2 RESEARCH FINDINGS IN RESPECT OF BARRIERS COMPARED TO LITERATURE REVIEW

The discussion that follows will be a comparative analysis of the literature reviewed against the findings in this study. This discussion is specific to the barriers and is discussed under the headings as in chapter 3 to set them in perspective. These are social and cultural barriers, infrastructural barriers, educational and occupational barriers, role barriers and behavioural barriers.

##### 5.2.1 Social and cultural barriers

The literature review showed that society's attitude towards appropriate male and female roles was found to be an obstacle to women's progression into leadership positions and hence entrepreneurship (see 3.2.1; 3.3.1). This is reinforced by the socialisation processes in home, school and society. Another related barrier was negative attitudes and stereotypes created by society toward the career woman (see 3.3.1.3). Women were expected to assume more of the household responsibilities as their businesses were considered less important than those of male entrepreneurs. They were seen to be less



committed to careers and operated their businesses as part-time employment (see 2.2.5; 2.3.4). The influences of social structures thus affect women's access to entrepreneurial opportunities.

Female entrepreneurs, because of their gender lacked the credibility that was automatically received by male entrepreneurs and had to prove their competence (see 3.3.1.4; 3.3.2.1; 3.3.4). Previous research also suggested that they did not possess the necessary attributes required in entrepreneurship and often the traits of being a woman posed as obstacles to successful entrepreneurship (see 3.2.1; 3.3.1.3; 3.3.1.4). The literature also indicated that female entrepreneurs experienced negative reactions and lack of support from spouses and significant others on the home-front as well as in business (see 3.3.4).

This study found that a third (33.33%) of the respondents agreed or strongly agreed that society encourages and supports female entrepreneurs to take on the challenges of the business world whilst 36.6% of the respondents were impartial to this view. The balance of respondents disagreed or strongly disagreed with this viewpoint.

Contrary to the view that female entrepreneurs engaged in their ventures on a part-time basis, the findings of this research show that 72% of the respondents indicate that they work longer hours in their businesses than they did in previous full-time employment.

Consistent with the literature review (see 3.3.1.4), respondents experienced gender discrimination in entrepreneurship. They experienced situations where they were not taken seriously and had their authority undermined. They felt that they were not given equal opportunities to men or a chance to prove their competence. Some respondents (13.75%) indicated that they would like to see a change in the attitudes of society and men in particular for the multi-faceted roles that female entrepreneurs play. Whilst 23,7% of the respondents indicated that the views held by society on the traditional roles of women (e.g. wife / mother) imposed negatively on their entrepreneurial endeavours, 51,6% indicated that they did not agree with this view. Respondents who were impartial to this view accounted for 24,7% of the responses.

### 5.2.2 Infrastructural barriers

In the literature review, the lack of access to capital was found to be the major impediment to female entrepreneurship (see 3.3.2.1). This may be due to the relatively small scale of their business endeavours and therefore the reluctance of financial institutions to invest in such ventures, or their lack of sufficient collateral to secure loans. The majority of enterprises started by women are therefore financed mostly from personal savings.

Access to support systems (financial institutions, advisory systems, small business development counsellors, and other professionals) were also found to be more difficult for female entrepreneurs especially for those engaged in non-traditional types of industries. Women were not taken seriously when seeking venture capital or securing loans for such enterprises (see 2.4; 3.3.1.5). Previous research found that in many instances loan applications were often not accepted without a co-signature and in general financial institutions were not supportive (see 3.3.1.4; 3.3.1.6; 3.3.2.1; 3.3.2.3). Prevailing legislation and tax systems, regulations and administrative burdens, lack of help from government and professionals, and access to corporate and public sector procurement were additional barriers cited in the literature (see 3.3.2.4; 3.3.2.6; 3.3.2.7). Female entrepreneurs also lacked access to influential formal and informal networks and therefore also lacked access to essential information and assistance provided by networks (see 3.3.2.5). Guidance and assistance to prosper as entrepreneurs was further hampered by the lack of available mentors (see 3.3.2.5).

The situational analysis of the experiences of Gauteng female entrepreneurs in the present study is consistent with previous research. In spite of recent improvements, female business owners have not received the attention they deserve from authorities, educational institutions or from the world of business and finance.

More than two-thirds of the females in this study started their ventures with personal savings and a number of respondents highlighted the unsupportive nature of financial institutions and government agencies. Although legislation supports female entrepreneurs in principle, the experiences of Gauteng female entrepreneurs proved that

legislation (e.g. labour laws and tax systems) is disabling to small WOE. Additional structural barriers such as lack of access to networks, professionals and mentors and the exorbitant costs of entrepreneurial education and training posed as additional barriers to female entrepreneurship in Gauteng.

The findings in this study are also consistent with previous research regarding slow or no growth of enterprises owned by female entrepreneurs (see 2.3.4). A third (33.33%) of the respondents in this study indicated that they did not grow their enterprises. Some of these respondents indicated inability to gain expansion capital as a factor, other reasons included wanting to maintain current business levels and preference to balance work and family. The difficult and unstable economic situation of the country could be a further reason that makes these WOE adopt a strategy oriented at survival rather than growth.

In South Africa, entrepreneurship is also exercised in a context in which the historical heritage of apartheid is embedded. With current legislation favouring PDIs, a few “white” respondents (7.5%) indicated that they were being discriminated against on the basis of race. Female entrepreneurs in South Africa do not form a homogenous group since their subordination in South Africa remains interwoven with significant race and class differences. This is an avenue for further research (attempted in this study but did not come to fruition).

We must conclude that factors in the environment can be assumed to discriminate against women who start their own business.

### **5.2.3 Educational and occupational barriers**

The literature reviewed indicated that female entrepreneurs were generally well educated. However, they were less likely to have business degrees and therefore financial management skills (see 2.2.2; 3.3.3). The lack of time and resources for developing their competencies were further barriers experienced by female entrepreneurs. Furthermore, because of the lack of access to formal and informal networks, women turned to available networks. These networks were unstructured,

informal and heavily reliant on interpersonal interaction which indicated a hands-on rather than strategic approach to running an enterprise (see 3.3.3). The literature also pointed to women starting in other lines of business than that in which they were previously employed (see 2.2.2; 3.3.3).

The women in this study are for the most part individuals with a higher education. More than half the respondents (52.7%) have university degrees with an additional 26.9% having post matric qualifications. However, consistent with the findings of previous research (see 3.3.3), female entrepreneurs in this study lacked financial skills. Technological, business planning and networking skills were also deficient in this sample of entrepreneurs.

Consistent with previous research, guidance in setting-up and developing the business was predominantly sought from interpersonal relations rather than from formal institutions, professionals and experts (see 2.4.3; 3.3.1.5; 3.3.3).

Results from this study on the influences of previous work experience is not consistent with previous literature. Where previous research indicates that female entrepreneurs may be employed in areas where they have had none or limited previous work experience (see 2.2.2; 3.3.3), 75% of the respondents in this study indicate that their current line of business is related to their previous work experience.

#### **5.2.4 Role barriers**

The literature review highlighted the distinct conflict that women experienced between their roles as wives and / or mothers and businesswomen. This was due to the expectations placed on them by their families, society as well as the business institutions that they dealt with. Husbands were found to be unsupportive and rarely contributed to the running of either homes or their wives businesses. Women thus suffered from “role overload” in their multiple roles (see 2.2.5; 3.3.4).

The findings in this study suggest that female entrepreneurs do indeed experience conflict in their multiple roles. For 28% of the respondents, family commitment was a

motivating factor for engaging in entrepreneurship. A number of respondents (29%) also agreed / strongly agreed that they would like to devote more time to domestic responsibilities. The frustration of dealing with the multiple roles was however partially alleviated by domestic support (childminders and maids) sought by some women. Majority (61%) of the respondents also indicated that their families/partners assist them greatly with domestic responsibilities.

### 5.2.5 Behavioural barriers

Some researchers (Brodsky, 1993; Sexton & Bowman-Upton, 1990; Zapalska, 1997) found positive characteristics in women such as determination, communication skills and risk-taking in their studies on female entrepreneurs (see 2.2.3; 3.3.5.1). However, a higher percentage of the literature reviewed highlighted the risk-averse nature of female entrepreneurs (see 2.2.4). Amongst other behavioural barriers were: lack of self-confidence and fear of success. Women were also found to attribute their success to luck rather than skill. A particularly interesting finding was that assertive, competitive and achievement oriented behaviour by women jeopardised their attractiveness (see 3.3.5.1).

Evidence in this study specifically clarified that female entrepreneurs in Gauteng exhibited high self-confidence. Contrary to what is commonly believed about women's self-confidence being low, 81% of the respondents also indicated that they take on all challenges even in uncertainty. This is also contrary to the majority of findings in the literature review which points to the risk-averse nature of female entrepreneurs but consistent with the findings of Zapalska (1997) and Sexton & Bowman-Upton (1990).

In summary, the results received in this study are in most part consistent with the findings of previous research relating to the barriers facing female entrepreneurs. Thus, even if the Constitution of South Africa states that women and men have equal rights and, e.g., the same entitlements for doing a career in society, reality proves that the experiences of female entrepreneurs in Gauteng are contrary to this. The circumstances facing female entrepreneurs in the Gauteng area indicate the need for specifically designed interventions from government, financial institutions, service providers, and

from women themselves, in order to integrate female entrepreneurs more fully into our economy. The current situation indicates that female entrepreneurship in Gauteng serves as a 'glass ceiling' for female entrepreneurial ambitions.

## 5.2 SUMMARY

The research objective was to determine whether there were specific barriers that only females faced in entrepreneurship and whether these barriers were exacerbated for females because of their gender. The female entrepreneurs in this study perceived that they did indeed experience barriers that were specific to female entrepreneurs and that some barriers were exacerbated for them because of their gender. Some of the barriers may perhaps be the same as those experienced by men, but because of biological or socio-cultural origin, are experienced by women as specific barriers in female entrepreneurship.

Although there are a multitude of barriers faced by female entrepreneurs, through factor analysis in this study, it became apparent that these barriers can in essence be grouped into two major categories (see 4.10.10). These are role conflict and lack of support structures experienced by female entrepreneurs. Past research has shown that greater domestic responsibilities decreases women's relative success as small business owners. This is due to the tension created between business and family life and the difficulty in managing time between business and personal life. Female entrepreneurs generally exhibit lower entrepreneurial skills or lack occupational experience more than their male counterparts, and therefore professional assistance either from other successful female entrepreneurs in the form of mentors or networks or other professional assistance from experts (accountants, financiers) is essential for the success of WOE's. However, the focus on the new venture should also ensure that informal forms of support in the domestic sphere and in the perceptions of society at large are geared towards supporting female entrepreneurs.

## 5.4 RECOMMENDATIONS

The collective analysis of the data is incorporated for the formulation of appropriate practical recommendations, for financial institutions, government regulators and service providers and for women themselves. These are discussed below.

### 5.4.1 Financial institutions

Financial institutions are a significant source of capital for entrepreneurs. However, the current situation indicates that there may be situations where the businesses of female entrepreneurs may not be able to develop, grow or survive due to the lack of financial resources available to them. A large number of respondents in this study had negative perceptions of financial institutions and their intermediaries in their support of female entrepreneurs. This impression may also impact negatively on aspiring and emerging entrepreneurs in the future, and potentially viable businesses may not be created because of this. However, there may also be a lack of awareness on the part of female entrepreneurs of the financial possibilities open to them.

- Financial institutions need to be seen as more supportive of the initiatives of female entrepreneurs. They need to ease the administrative procedures for the establishment and operation of WOE's as well as revisit their assessment criteria of women's applications for loans – they may have to include other "softer" assessment criteria than the traditional ones in connection with lending to women.
- There is a need for improved interaction between financial institutions and female entrepreneurs. Financial institutions may need to reassess their marketing strategies to women. One way of doing this is through the dissemination of information on business opportunities and support services available to women.
- Financial institutions need more information and training to be able to accommodate the special needs of female entrepreneurs. In the absence of full-time financial managers in many of these WOE's, financial institutions fulfil an important advisory function. Furthermore, the general perception that women are bad loan risks even before they apply needs a change in attitude of people involved. This could be a

long-term process but as more information is shared, misconceptions about WOE can be dispelled.

#### 5.4.2 Government

The importance of female entrepreneurs to the South African economy has already been acknowledged by government. Government however cannot by itself make firms grow and employ staff but it can work towards making the environment more conducive for entrepreneurship by implementing a favourable institutional and regulatory environment.

- There is an urgent need for a favourable climate in the area of State administration and co-ordination of measures designed to promote WOE. This can be done through a central “competent” body / organisation that provides information, brochures, guidance, counseling and courses relevant to entrepreneurship. This could be a place where one could come in and talk to someone about issues concerning start-up and development of entrepreneurship. This organisation could also provide a forum for networking through the formation of business associations.
- Government can initiate consultations with appropriate parties e.g. banks, finance companies, educational institutions, and Women in Business Associations and maintain this dialogue so as to monitor actions taken to overcome the barriers facing female entrepreneurs. By conducting regular (annually or bi-annually) meetings with all concerned, updated information can be provided, problems can be identified, and logical solutions can be sought. By women equitably sharing in the political and economic benefits of entrepreneurship, the policymaking process will be reflective of women’s interests. This is definitely a better option than to enforce regulations and bureaucratic procedures on WOE and expect them to comply.
- Government interventions can take on many different forms. These may be anything from consulting and implementing more supportive legislation (e.g. tax relief) through to the actual financing, at subsidised rates, of business ventures started by females. Government also needs to encourage financial institutions, credit facilitators and lending institutions to make start-up capital available to female entrepreneurs.



- In a country such as South Africa with a high unemployment rate, female entrepreneurs definitely contribute toward reducing unemployment. The government needs to raise public awareness of women's economic role through information dissemination awareness campaigns and education. The government could also launch a nation-wide communication campaign against discrimination on grounds of gender. There is also a need for overall effective support structures for female-owned businesses such as information centres and crises centres.
- As mentioned in Chapter 4 (see 4.10.11), a number of female entrepreneurs are forming associations in order to access markets (public and private) more effectively. These associations could build networks with government and corporate procurement officials. Government could support and encourage these associations in their proposals for such projects.
- In our young democracy, change is constant and we need to work towards changing ideas, attitudes and ways of thinking towards the role of women in our society. This can however be a long-term process and through government intervention must be initiated through the various powerful institutions within our communities such as schools and churches.



### 5.4.3 Service providers

- An entrepreneurial culture needs to be fostered for women through education and management training. There is a need to develop educational packages / modules / courses that can teach female entrepreneurs skills that they lack (e.g. finance, marketing) or provide information that is not easily accessible (e.g. tax). However due to time constraints on the part of female entrepreneurs in trying to balance multiple roles, these courses need to be short term. They however need to be practical, intense, affordable and run at convenient times.
- Mentors could provide one-on-one support for female entrepreneurs. In a situation where mentors are available to female entrepreneurs, they could guide those in their charge through barriers and problems that they themselves experienced. If such a service was initiated, it could be perpetuated by those who use it, since recipients of such services could pass on their knowledge to future female entrepreneurs.

#### 5.4.4 Women themselves

This new age of the female entrepreneur is also an age of opportunity. Whether changes occur in the environment or not, female entrepreneurs need to be proactive in engaging in activities that enhance their roles as entrepreneurs. Women who want the opportunity to reach their full potential must understand the forces that may stifle their progress.

- The need for more visible role models and mentors (preferably female) is evident from this study. Female entrepreneurs still largely turn to informal types of support from e.g. friends, spouses and colleagues. They thus “miss out” on essential information and guidance from mentors and role models. The onus lies on women themselves in seeking appropriate mentors, and for those who have the necessary skills and capabilities to avail themselves as mentors. Female role models should also be utilised to expose women to enter the entrepreneurial arena.
- Women have their own internal battles that must be fought. They must develop appropriate skills, capabilities and attitudes and a degree of self-confidence required to succeed in business. Any person in business is likely to experience barriers in one form or another, but by being in possession of certain skills and capabilities, one would be better able to adapt and overcome these barriers. However, being successful is not just a matter of having the experience and ability – it is also about believing in yourself and having the faith to overcome the traditional biases and prejudices towards female entrepreneurs. The “glass ceiling” syndrome, whether real or imaginary, could be broken when women are able to make this paradigm shift.
- There is a need for more networking between female entrepreneurs. Networking is important for entrepreneurs as it allows the sharing of positive and negative experiences. The exchange of information in networking allows women to educate and support each other. Networking can help develop confidence and provide encouragement in female entrepreneurs themselves and will allow women a means of getting advice, moral support and contacts for information and providing constructive ways of dealing with barriers encountered. Networks will also ensure more access to mentors and role models and are essential for creating business

opportunities and as lobbying and negotiating bodies (e.g. in applying for public and private procurement).

- In addition to their reproductive role, women of today also carry a major responsibility of socialising their children, particularly their daughters into the practices and norms of business. They have the responsibility of changing attitudes and values within the family through the socialisation process so that men and women of the future can become equal business partners.
- Women themselves also have the responsibility to ensure their increased representation in decision-making processes so that their interests are well represented.

The recommendations above may go some way towards assisting female entrepreneurs in overcoming at least some of the barriers that they face. However, further studies are necessary. All stakeholders need to have more combined and committed efforts to ensure that more women start, grow and prosper as female entrepreneurs.

## 5.5 FUTURE RESEARCH

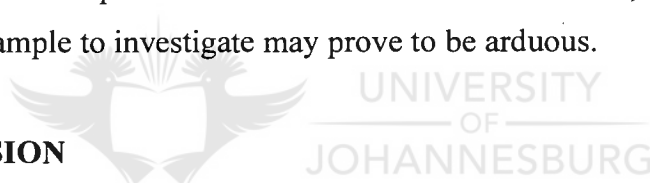
Collecting data on female entrepreneurs has a very clear importance and therefore further research in respect of female entrepreneurs is still required. Hopefully this study has contributed results and research approaches stimulating further research on this important issue. The following are possible areas identified for future research:

- This study could be replicated by including male entrepreneurs and then comparing and contrasting similarities and differences in barriers experienced between the genders.
- This study could also be replicated by including an equitable number of women from the different race groups and then comparing their experiences in the current South African context.
- The respondents in this study were predominantly from service (traditional) sectors and experienced a multitude of barriers. The assumption is that those female entrepreneurs who have engaged in entrepreneurial endeavours in “non-traditional” (male dominated) sectors such as manufacturing are likely to

experience even greater barriers. Such a study could prove interesting but the survey sample may prove difficult to assemble.

- A study on formal and informal networks with a special focus on the support they provide to the female entrepreneur is another area for future research.
- Another interesting study could be a focus on the role conflict experienced by female entrepreneurs - women's views on running an enterprise, their balance between the enterprise and their family life.
- Surveys casting light on women's relations to players in the environment in connection with access to public and private procurements and women's success rates in these could have interesting revelations.
- The majority (87.1%) of the respondents in this study had been in business for more than 2 years and this indicates some element of success. If these "successful" female entrepreneurs experienced barriers in some way, the barriers experienced by those no longer in business could reveal some invaluable information. Perhaps this could also be an area of research, although finding the necessary sample to investigate may prove to be arduous.

## 5.6 CONCLUSION



McCullough states that "a primary advantage of the results of quantitative research, is that it is projectable to the population i.e. the proportion of respondents answering a certain way is similar to the proportion of the total population that would have answered that way if they had all been asked" (2001: 1). The vast majority of respondents in this study were listed with the South African Business Women's Association and The Women's Network and were predominantly white. The views of 93 respondents in this study in terms of the barriers that they experienced are therefore fairly reflective of the majority of white women associated with these organisations.

The results of this study have both positive and negative elements. The tenacity and drive of Gauteng female entrepreneurs display a group of women who are willing to confront the barriers head-on and succeed as entrepreneurs. Furthermore, the potential of female entrepreneurs to contribute to the process of economic growth has largely been

accepted by the government of South Africa and this is evident from the changes in current legislation in support of female entrepreneurs. The experiences and perceptions of the majority of the respondents in this study however indicate that while legislation guarantees equality towards male and female entrepreneurs in principle, it does not ensure effective mechanisms for its implementation or for achieving it. Entrepreneurship thus, may not guarantee an escape from labour market discrimination for females. A paradigm shift and a combined effort by all those involved is required to eradicate the existing barriers facing female entrepreneurs. This will enable these women to play their important role in the economy. Hopefully the identification of some of the barriers facing female entrepreneurs in this study and the recommendations suggested will go some way towards alleviating the plight of female entrepreneurs.



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**APPENDIX A**  
**COVERING LETTER**

14<sup>th</sup> May 2001

**QUESTIONNAIRE ON FEMALE ENTREPRENEURS IN THE GAUTENG AREA**

Dear Ms Entrepreneur

I am currently conducting research on female entrepreneurs as part of the requirements for the Master of Business Administration degree. To make the above research possible, I would greatly appreciate it if you would kindly complete the attached questionnaire. Completion of the questionnaire should take no more than 20 minutes of your time.

The study is of an exploratory nature with the objective of the research being to investigate the experiences and perceptions of female entrepreneurs in their entrepreneurial endeavours.

Please return the completed questionnaire to me by 28 May 2001 by e-mail or fax (details are listed below). Responses will be handled with strict confidentiality and only group responses will be reported. I urge you to complete the questionnaire, as research in this field will be useful to all stakeholders: current female entrepreneurs, aspiring and emerging female entrepreneurs and policy makers. As an entrepreneur, your knowledge and experience would thus be of great value to my research report.

Please note that to respond to the questionnaire by e-mail, you will have to select the option "Forward". If you respond by selecting the option "Reply", I will not receive your completed questionnaire.

If you wish to clarify any matter concerning the research or the questionnaire, or would like me to send you a summary of my research findings, you can contact me at:

Telephone: (011) 406-4083  
0834150727 (mobile)  
Fax: (011) 406-4001  
e-mail: [sunitav@emimusic.co.za](mailto:sunitav@emimusic.co.za)

Your assistance is greatly appreciated.

Yours faithfully  
SUNITA VALLA  
PART-TIME WALES MBA PROGRAMME 1999/2001

## APPENDIX B

### QUESTIONNAIRE ON FEMALE ENTREPRENEURS

(If you are responding by e-mail please remember to save the document once you have completed it.)

**THIS COLUMN IS  
FOR OFFICE USE  
ONLY**

RESPONDENT NUMBER	V1				1-3
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#### SECTION A

PLEASE COMPLETE THIS SECTION BY MARKING THE APPROPRIATE BOX WITH A CROSS (X).

<b>e.g. Please indicate the industry or sector in which you currently operate.</b>				
X	01) Advertising, Marketing, Sales and Public Relations			

<b>1. Please indicate the industry or sector in which you currently operate. (please select one only)</b>		V2			4-5
	01) Advertising, Marketing, Sales and Public Relations				
	02) Beauty, Fashion, Art, Design & Décor				
	03) Communications, Education, Training				
	04) Entertainment				
	05) Finance, Insurance and Commerce				
	06) Government / Public Services				
	07) Health and Medical				
	08) Hospitality, Travel and Tourism				
	09) Human Resources and Personnel				
	10) Information Technology and Computers				
	11) Legal				
	12) Manufacturing, and Heavy Industry				
	13) Media and Publishing				
	14) Property, Architecture and Quantity Surveying				
	15) Wholesale / Retail				
	16) Transport and Freight				
	17) Other .....Please specify below				

<b>2. Please indicate which of the following were reasons for having started your own business (please indicate a response for each factor).</b>			
	YES	NO	UNSURE
e.g. Material motivation		X	

	YES	NO	UNSURE			
Material motivation				V3		6
Need for independence				V4		7
Need for achievement				V5		8
Ambition				V6		9
Search for job satisfaction				V7		10
Family commitments				V8		11
Preference for flexibility				V9		12
Financial security				V10		13
Need for recognition				V11		14
Social welfare considerations				V12		15
Unable to obtain a salaried position				V13		16
Glass ceiling / barriers to progression at workplace				V14		17
New challenges				V15		18
Urge for risk taking				V16		19
Role models				V17		20
Other .....Please specify below				V18		21

<b>3. Please indicate how you started your business.</b>		V19	<input type="text"/>	22
<input type="checkbox"/>	1) Self-started			
<input type="checkbox"/>	2) Started with partner / friend			
<input type="checkbox"/>	3) Inherited			
<input type="checkbox"/>	4) Buy out			
<input type="checkbox"/>	5) Other.....Please specify below			
<input type="checkbox"/>				
<b>4. Please indicate the period for which your company has been in business.</b>		V20	<input type="text"/>	23
<input type="checkbox"/>	1) 0 - < 2 years			
<input type="checkbox"/>	2) 2 - < 5 years			
<input type="checkbox"/>	3) 5 - < 10 years			
<input type="checkbox"/>	4) 10 - < 15 years			
<input type="checkbox"/>	5) 15 years plus			
<b>5. Please indicate your highest level of education achieved.</b>		V21	<input type="text"/>	24
<input type="checkbox"/>	1) Grade 10 (Std 8) or lower			
<input type="checkbox"/>	2) Matric			
<input type="checkbox"/>	3) Diploma after Matric			
<input type="checkbox"/>	4) Degree			
<input type="checkbox"/>	5) Honours degree			
<input type="checkbox"/>	6) Masters degree			
<input type="checkbox"/>	7) Doctorate			
<input type="checkbox"/>	8) Other.....Please specify below			
<input type="checkbox"/>				
<b>6. Please indicate the annual turnover of your business.</b>		V22	<input type="text"/>	25
<input type="checkbox"/>	1) R0 - R150 000			
<input type="checkbox"/>	2) R150 001 - R2 000 000			
<input type="checkbox"/>	3) R2 000 001 - R5 000 000			
<input type="checkbox"/>	4) R5 000 001 - R10 000 000			
<input type="checkbox"/>	5) R10 000 001 plus			
<b>7. Please indicate whether you have dependent children.</b>		V23	<input type="text"/>	26
<input type="checkbox"/>	YES	<input type="checkbox"/>	<input type="checkbox"/>	NO
<b>8. Please indicate your race (will be useful for cross-cultural analysis).</b>		V24	<input type="text"/>	27
<input type="checkbox"/>	1) Black			
<input type="checkbox"/>	2) White			
<input type="checkbox"/>	3) Indian			
<input type="checkbox"/>	4) Coloured			
<input type="checkbox"/>	5) Other.....Please specify below			
<input type="checkbox"/>				
<b>9. Please indicate the total number of employees employed in your company (full-time, part-time &amp; contractual).</b>		V25	<input type="text"/>	28
<input type="checkbox"/>	1) 1 - 5			
<input type="checkbox"/>	2) 6 - 10			
<input type="checkbox"/>	3) 11 - 20			
<input type="checkbox"/>	4) 21 - 50			
<input type="checkbox"/>	5) 51 - 100			
<input type="checkbox"/>	6) 100 plus			
<b>10. Please indicate your marital status.</b>		V26	<input type="text"/>	29
<input type="checkbox"/>	1) Single			
<input type="checkbox"/>	2) Married			
<input type="checkbox"/>	3) Partnered			
<input type="checkbox"/>	4) Divorced			
<input type="checkbox"/>	5) Widowed			

<b>11. Please indicate the capital sources utilised for the startup of your business.</b>		V27		30
	1) Own funding / Savings			
	2) Loan (Bank or other financial institution)			
	3) Loan (Family & friends)			
	4) Own funding / Savings plus Loan (Bank or other financial institution)			
	5) Own funding / Savings plus Loan (Family & friends)			
	6) Other ..... Please specify below			

<b>12. Was the capital source indicated above a preferential choice?</b>		V28		31
	YES		NO	UNSURE

<b>13. Have you expanded your business? (e.g. investment / premises etc.)</b>		V29		32
	YES		NO	

<b>14. If you answered NO above, please indicate the main reason for not expanding.</b>		V30		33
	1) Inability to gain expansion capital			
	2) Prefer not to expand – Want to maintain current business level			
	3) Prefer not to expand - Want to balance work and family			
	4) Not willing to take the risk			
	5) Saturated market			
	6) Other ..... Please specify below			

<b>15. Have you taken up additional training / education directly related to your business since you started it?</b>		V31		34
	YES		NO	

<b>16. Did you join a network within the first six months of having started your business?</b>		V32		35
	YES		NO	

<b>17. Have you tendered for any government projects?</b>		V33		36
	YES		NO	

<b>18. Please rate your skills/competency levels in the following areas on a 5-point scale from None to Great (Mark an "X" next to the appropriate number).</b>									
		<b>Skills Levels</b>							
		<b>1 = None , 5 = Great</b>							
e.g. Creativity		1	2X	3	4	5			
		<b>Skills Levels</b>							
		<b>1 = None , 5 = Great</b>							
Creativity		1	2	3	4	5	V34		37
Finance		1	2	3	4	5	V35		38
Innovation		1	2	3	4	5	V36		39
Communication		1	2	3	4	5	V37		40
General Business Management		1	2	3	4	5	V38		41
Marketing		1	2	3	4	5	V39		42
Networking		1	2	3	4	5	V40		43
Business Planning		1	2	3	4	5	V41		44
Procurement		1	2	3	4	5	V42		45
Technological		1	2	3	4	5	V43		46
Risk Taking		1	2	3	4	5	V44		47

19. Please rate your self-confidence on a 5-point scale from None to Great .						V45		48	
Self-confidence						1 = None , 5 = Great			
						1	2	3	
20. Did you have a mentor / someone to guide you in your business?						V46		49	
YES						NO			
21. If you answered YES above please indicate their gender.						V47		50	
FEMALE						MALE			
22. Please specify who it was (e.g. father, aunt, legal advisor etc).						V48		51	

## SECTION B

Please complete this section by marking the appropriate box with a cross (X).

	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree	THIS COLUMN IS FOR OFFICE USE ONLY	
	1	2	3	4	5		
My current line of business is related to my previous work experiences.						V49	52
My family / partner assists me greatly with domestic responsibilities.						V50	53
I work longer hours in my own business than I did in my previous employment.						V51	54
Information in my chosen field of endeavour was easily accessible.						V52	55
Society encourages and supports women like me to take on the challenges of the business world.						V53	56
I experienced personal barriers (e.g. lack of self confidence, low self esteem, isolation) when I started my own business.						V54	57
I sought the assistance of experts (e.g. legal / financial etc) when I ventured on my own.						V55	58
I gained access to a network easily.						V56	59
I believe I have suffered gender discrimination by financial markets.						V57	60
I would like to devote more time to domestic responsibilities.						V58	61
The views held by other women impact positively on my entrepreneurial endeavours.						V59	62
I take on all challenges even in uncertainty.						V60	63
The views held by my family sometimes impose negatively on my entrepreneurial endeavours.						V61	64
I believe that it is essential for successful women entrepreneurs to network.						V62	65
The views held by society on the traditional roles of women (e.g. wife, mother) impose negatively on my entrepreneurial endeavours.						V63	66
I received excellent advice from professionals who supported and encouraged me.						V64	67
The legal and regulatory environment supports women entrepreneurs.						V65	68
I chose to go into my own business because of other women who inspired me.						V66	69
In business, I encounter situations where I am not taken seriously because I am a woman.						V67	70
I have been successful in acquiring government tenders.						V68	71
I believe that women experience more barriers than men in making a success of their business.						V69	72

**SECTION C**  
**OPEN-ENDED QUESTIONS**

**THIS COLUMN  
IS FOR OFFICE  
USE ONLY**

<p><b>If applicable, list barriers that you are encountering / encountered as a female entrepreneur.</b></p> <p>1.</p> <p>2.</p> <p>3.</p>	<table> <tr> <td>V70</td> <td><input type="text"/></td> <td>73</td> </tr> <tr> <td>V71</td> <td><input type="text"/></td> <td>74</td> </tr> <tr> <td>V72</td> <td><input type="text"/></td> <td>75</td> </tr> </table>	V70	<input type="text"/>	73	V71	<input type="text"/>	74	V72	<input type="text"/>	75
V70	<input type="text"/>	73								
V71	<input type="text"/>	74								
V72	<input type="text"/>	75								

<p><b>Mention ways in which you deal / dealt with the barriers mentioned above.</b></p> <p>1.</p> <p>2.</p> <p>3.</p>	<table> <tr> <td>V73</td> <td><input type="text"/></td> <td>76</td> </tr> <tr> <td>V74</td> <td><input type="text"/></td> <td>77</td> </tr> <tr> <td>V75</td> <td><input type="text"/></td> <td>78</td> </tr> </table>	V73	<input type="text"/>	76	V74	<input type="text"/>	77	V75	<input type="text"/>	78
V73	<input type="text"/>	76								
V74	<input type="text"/>	77								
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<p><b>What changes would you like to see for / towards female entrepreneurs?</b></p> <p>1.</p> <p>2.</p> <p>3.</p>	<table> <tr> <td>V76</td> <td><input type="text"/></td> <td>79</td> </tr> <tr> <td>V77</td> <td><input type="text"/></td> <td>80</td> </tr> <tr> <td>V78</td> <td><input type="text"/></td> <td>81</td> </tr> </table>	V76	<input type="text"/>	79	V77	<input type="text"/>	80	V78	<input type="text"/>	81
V76	<input type="text"/>	79								
V77	<input type="text"/>	80								
V78	<input type="text"/>	81								

<p><b>Please share any experiences where your gender (being female) acted in your favour in your entrepreneurial endeavours.</b></p>	<table> <tr> <td>V79</td> <td><input type="text"/></td> <td>82</td> </tr> </table>	V79	<input type="text"/>	82
V79	<input type="text"/>	82		

<p><b>What would be your message to aspiring and emerging female entrepreneurs?</b></p>	<table> <tr> <td>V80</td> <td><input type="text"/></td> <td>83</td> </tr> </table>	V80	<input type="text"/>	83
V80	<input type="text"/>	83		

**If you are responding by e-mail, please save the document now so that you do not lose any information filled in.**

## APPENDIX C

**BARRIERS THAT RESPONDENTS ENCOUNTERED / ARE ENCOUNTERING AS FEMALE ENTREPRENEURS****Gender:**

Male staff undermined my authority.  
 Old Boys Club Attitude – Bullying, sexual harassment, belittling.  
 Male chauvinism  
 In a male dominated company, women do not get contracts.  
 The banking sector is sexist.

**Not taken seriously:**

We need to work harder than males to be taken seriously.  
 Females are not taken seriously

**Financial institutions - access and dealings:**

Male colleagues are offered services by financial institutions without hesitation as opposed to when a female approaches them.  
 All correspondence from banks is addressed to Dear Sir... they don't think any directors of companies are women.  
 Banks are not supportive.  
 It's difficult to get access to finance from banks.  
 Financial institutions might see you as an entrepreneur, but one who will never make it big. As a woman you will always be a small company – not worth their effort.

**Difficulty in maintaining balance:**

Lack of time for real balance in life.  
 It's hard to be a mommy, homemaker, 100% businessperson etc etc...- It's quite hard to give each aspect of ones life 100%.  
 Pressure around balancing career, motherhood and wife role, burnout because of a lack of support systems.

**Race:**

It helps if you are a black female, which I'm not.  
 As a white female rather than as a female.  
 Because I am white and don't have an equity partner, I am sometimes disadvantaged in the tender process.  
 Indian women are not taken seriously – neither black nor white.

## APPENDIX C

**BARRIERS THAT RESPONDENTS ENCOUNTERED / ARE ENCOUNTERING AS FEMALE ENTREPRENEURS****Access to markets / legislation:**

High levels of company taxation.  
 Labour laws for small businesses.  
 Getting recognised as a player in the public sector market.  
 It is difficult to access government tenders.

**Lack of professionals / mentors:**

Lack of access to professionals and networks to provide guidance and support.  
 Lack of motivational mentors.

**Lack of support / isolation:**

Lack of support from financiers / bankers – they won't assess the person and track record – they can't see beyond the repayment.  
 Lonely decision making.  
 Access to business advice and finance is difficult.

**Lack of skills:**

Lack of skills in finance, strategic planning and advertising.  
 Lack of management and accounting skills.

**Self-image:**

Lack of self-confidence and own self-image.  
 The single biggest barrier to female entrepreneurs is their own attitude. If you expect to be treated differently – you will be treated differently.  
 Women are their own worst enemies.

**Age:**

My age seemed to be the one thing which people based taking me seriously on, or not.



## APPENDIX D

<p><b>WAYS IN WHICH THE RESPONDENTS DEAL / DEALT WITH THE BARRIERS THEY EXPERIENCE(D)</b></p>
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<p><b>Perseverance:</b></p>
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<p>Just keep moving forward, no time to be a victim.</p>
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<p>Keep fighting.</p>
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<p>Continue with my work – time will prove my competence.</p>
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<p>Perseverance, perseverance, perseverance.</p>
--

<p>Carry on “carrying on” in a professional way.</p>
--

<p>Constant attempts.</p>
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<p>Prove I am capable, no matter what it takes.</p>
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<p>Many years of persistence eventually gives one some credibility.</p>
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<p><b>Network:</b></p>
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<p>Try to work with others in consortium.</p>
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<p>Joined committees.</p>
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<p>Women need to network more and get to know the things that affect us all and treat one another in a mentoring way instead of as competition.</p>
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<p><b>Develop skills:</b></p>
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<p>Continued to grow my expertise in the field.</p>
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<p>Know your stuff – Knowledge is power.</p>
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<p>Build self-confidence.</p>
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<p>Become more assertive.</p>
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<p>Improve negotiation skills.</p>
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<p>Change your own attitude.</p>
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<p><b>Sought mentors – Professional help:</b></p>
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<p>Taken on an associate.</p>
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<p>Honesty is your best policy and asking for help when you need it is not a negative factor.</p>
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<p>Approached experienced business people and financial institutions.</p>
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<p><b>Alternate funding:</b></p>
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<p>Used alternative sources of funding which resulted in excessive finance charges.</p>
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<p>Changed banks.</p>
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<p>Starting to seriously question my loyalty to a bank that doesn't know who I am.</p>
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## APPENDIX D

WAYS IN WHICH THE RESPONDENTS DEAL / DEALT WITH THE BARRIERS THEY EXPERIENCE(D)
<p><b>Support:</b></p> <p>Got some support from family.</p> <p>Sought out a mixed gender network where people respect each other for their professionalism and skills.</p> <p>Ask others advice.</p> <p>Employ more help at home.</p>
<p><b>Build a successful business:</b></p> <p>Exceed expectations.</p> <p>Ignore the men and try to concentrate on building a client base of women.</p> <p>Kept my word and delivered the services.</p> <p>Take small secure steps.</p>
<p><b>Male front:</b></p> <p>I would use males to forward the requests, get the other party's document in writing and then present myself for final signing.</p> <p>Sent in my partner who is my husband.</p> <p>I get my dad to deal with the conflict.</p> <p>Get males in my company to deal with the real rough and tough people.</p>
<p><b>Ignore:</b></p> <p>Ignore it and do business with people who are more open-minded.</p>
<p><b>Communication:</b></p> <p>Male-staff communication through meetings and one on one consultation.</p>

## APPENDIX E

### CHANGES THAT RESPONDENTS WOULD YOU LIKE TO SEE FOR / TOWARDS FEMALE ENTREPRENEURS

#### **Equal opportunity / Recognition:**

Equal opportunity.

A chance to prove ourselves as a reliable service provider.

Small business development support from banks for white females as well as black.

I would like to see work given on merit not colour.

I think men and women are creating further barriers by making an issue out of women entrepreneurs. If we single ourselves out as different, we in fact encourage others to treat us differently.

Recognition.

That women and men be judged by what they deliver and not their gender.

No gender discrimination.

A belief that female entrepreneurs are equal and up to the challenges.

I worry about the future of white entrepreneurs whose personal (and mostly white) networks / contacts will become redundant in the near future due to Affirmative Action. I fear that it will become more difficult to land new accounts and maintain old one's when newly appointed AA placements give preference to their own (largely non-white) networks.

#### **Support from networks / women:**

More support amongst women entrepreneurs encouraging each other.

Let's support each other rather than play power games.

More formalised forums for networking and support.

Develop network opportunities specifically for women entrepreneurs.

Support from women in the industry.

More networking by women in business – less “queen-bee” syndromes.

Informal get-togethers and peer support.

More networking opportunities.

Networks that work – everyone I have looked at hasn't survived, or is elitist or forgets to meet regularly. I think an e-mail forum may work a lot better.

Access into formally male domains.

## APPENDIX E

### **CHANGES THAT RESPONDENTS WOULD YOU LIKE TO SEE FOR / TOWARDS FEMALE ENTREPRENEURS**

#### **Support from financial institutions and other professionals:**

Finance should be granted on merit – no spouse to be involved in surety.

Not so stringent criteria from financial institutions.

More financial support from institutions.

Access to finance by the formal sector (banks).

Systems like banking or financial institutions willing to take risks on women.

Improved banking and financial support / opportunities.

Greater recognition by banks of the merit of a small firm. The points system, relying on number of employees and size of bank balance should be revised. More credit should be given to the greater degree of flexibility and personal attention that is to be found in a small firm.

More favourable support from financial institutions and DTI.

Banks that assess us without asking, “does your husband support you?” No one ever asks a man that. Banks that understand entrepreneurs – they may say they have a division that does, but actually they still prefer corporate banking.

Better financing deals.

Greater access to business advice and affordable finance.

The banking industry to become more aware of their male bias and concrete changes made to remove discrimination.

#### **Support from family and society**

More support for the variety of roles we play simultaneously.

To be taken seriously (change of attitude in society).

An understanding from the male population of how working females balance work and family and quite successfully, but possibly receiving more support.

An understanding of the enormous challenge of balancing work and home.

More support for women with children in the workplace.

Greater support for our multi-faceted roles.

Change in male attitudes and attitudes in general.

Stronger domestic support structures.

## APPENDIX E

### **CHANGES THAT RESPONDENTS WOULD YOU LIKE TO SEE FOR / TOWARDS FEMALE ENTREPRENEURS**

#### **Government enabling and tax benefits**

More visible - government schemes unknown to women.

Government needs to show its commitment to SMME development in tangible ways and not through KHULA and NTSIKA, both of which are ineffective.

Whether male or female I would like to see more commitment by government to make it more viable for entrepreneurs to take risks.

The tax burden for entrepreneurs should be lightened.

Labour laws for SMME's should be changed.

I would like to see the laws relaxed to encourage more people to employ more people.

As it is now, I find the laws increasingly prohibitive to encouraging small business.

Regulatory and financial changes that will encourage more entrepreneurship.

More favourable support from DTI.

Tax relief.

#### **Mentors / role models / training and education:**

Availability of persons to inspire and encourage women to take the all important first step

More support and mentorship.

Availability of courses for running a business, financial management etc – that don't cost an arm and a leg. Small businesses cannot afford corporate rates.

Would like to have access to a high profile female mentor in my own industry.

More women in business, so more role models.

Training, education and workshops.

Encouragement in school years towards entrepreneurial thinking.

#### **Changes within women themselves:**

I think that changes need to occur within and among women themselves.

Females need to be more confident with finance.

Too many women have a chip on their shoulder and try to prove too much.

Women are very bitchy especially amongst each other and if they see someone succeeding.

Once in the business world, I feel that the workplace has opened up opportunities to women, it is really us that need to change our thinking now.

## APPENDIX E

### **CHANGES THAT RESPONDENTS WOULD YOU LIKE TO SEE FOR / TOWARDS FEMALE ENTREPRENEURS**

I really believe that we work in a country which encourages and embraces women entrepreneurs and certainly in my line of work, I don't believe that there are gender barriers. However, I think that women who blame their failure on this inequality should rather strive to create their own success, rather than depending on changes to allow for it.



## APPENDIX F

<b>EXPERIENCES WHERE BEING FEMALE ACTED IN RESPONDENT'S FAVOUR</b>
None – after all your spouse is always given the glory.
I think that business practices favour a female influence as management styles have become more participative and tenacity as opposed to aggression wins favourably.
Commitment, strength, building on experience gained in dealing with problems, independence, being able to juggle tasks, feeling for other people / being able to see others' points of view are good qualities for consulting.
Getting more male clients, because I am a woman – with their ulterior motives.
Never!
Women are able to multi-task and have excellent people skills.
Being a female in Human Resources has acted in my favour as I bring a softer more humane touch to the position.
I've been treated equally by my clients 99% of the time.
None that I am aware of.
None to my knowledge
I am an entertainment agent and the majority of my clients are men with whom I get on extremely well. It has worked in my favour.
Often people like women more and therefore give them access – often not to be taken seriously however!
In most organisations, the decision makers related to my service and products are female. I experience them as open-minded, well informed and organised. Because so many of them are still studying, they are clued up and know about new approaches. They give us equal opportunity and make sound economic decisions based on the quality of the product.
I find people are happier to give a female a chance. Although you will only get a small job to do, it is a start or foot in the door and possible growth may occur. As opposed to a male who would not get the job because it is small, which may be perceived as insulting. On the other hand, the larger job is not available, resulting in a male not getting the chance. The negative side is that when the big job comes up you are overlooked for the male.

## APPENDIX F

<b>EXPERIENCES WHERE BEING FEMALE ACTED IN RESPONDENT'S FAVOUR</b>
Most of my network is female, and there is a lot of support and empathy with similar issues to my own.
In certain respects – landing various contracts. Dealing with the softer issues of people.
When working with women in companies.
The new SA definitely does make an effort (laws) to accommodate women. Women are just more sensitive to a client's needs – add a bit of emotional insight.
I don't believe gender has anything to do with it. I am respected for my knowledge and experience. I pride myself on being a woman and try to remain as feminine as possible in my dealings with prospective and existing clients.
I believe that I am perceived as less threatening in the IT market because I am a woman. This enables me to build strong relationships with my clients.
Because I am in specialist recruitment, my sensitivity, caring and insight (intuition) have assisted me in determining good "matches" and has permitted me to empathise with my client base, largely female.
When we initially started our company, there was incredible support from fellow women in our industry – networking helped us get off the ground and has remained a constant form of keeping our heads above water.
Getting money from the bank.
None outwardly. Internally / emotionally, being female ensured that I had more "staying power".
Generally men in senior positions are flattered if a young lady asks them for something – yes I put on my soft innocent little me attitude – but it gets results.
Being in marketing, my clients were less of an obstacle than the system.
As a woman the male clients I came across would rather deal with a woman than a man – if you wore a mini skirt it was even better!!
In dealing with black women clients and with certain male clients.
Good admiration from others wanting to do the same and having the opportunity to encourage other women to start their own businesses. Good track record on this.



## APPENDIX F

<b>EXPERIENCES WHERE BEING FEMALE ACTED IN RESPONDENT'S FAVOUR</b>
Networking with other women . Women do not treat you as a colleague, they act as your friends.
I wouldn't say that my gender has had much to do with it, but rather my self-confidence. There have been times when I considered that my client has selected me above male competitors because I was female, and would therefore help to lend my client an air of slightly improved "political correctness" in an otherwise all Caucasian male set-up, but I have not tested this theory.
Charm and good looks can often get you further.
I think my background and experience were the favourable aspects of my endeavours as well as contacts with clients, word of mouth, etc.
Women are considered to be previously disadvantaged individuals therefore the development sector supports them.
I have a female wellness and sexual health clinic, I believe it is because of my gender that women choose to see me rather than my male colleagues.
You are what you are – be a woman – you are a woman. This attitude has always been in my favour.
I find that men are intrigued and supportive of my role in the business world.
I do women and finance talks for women only. They generally enjoy the fact that the course is run by a woman – gives them a chance to think about financial affairs without influence from husband.
None.
I work within quite a male dominated environment (outside of my office) and I am always treated fairly and equally by colleagues and clients alike. I believe that my opinions and thoughts are sound and logical and therefore, I don't believe that my gender has ever played a role in my success as a businessperson.
I work in a predominantly female industry so many wonderful women have paved the way for me to achieve without any discrimination.

**APPENDIX F****EXPERIENCES WHERE BEING FEMALE ACTED IN RESPONDENT'S FAVOUR**

I must admit it is easier to get a positive response from a group of males when delivering a marketing demo / presentation – if one adds a slightly feminine touch to one's approach. As much as I resent this – it can work in one's favour.

We have on occasion been taken 'under the wing' of manufacturers because we are female – very patronising, but also useful especially when we started up. Also for some reason we have found being female useful when dealing with male landlords – we tend to get what we ask for. I think that in managing and nurturing an unskilled workforce, being female and using skills specifically related to this gender has been beneficial.

Being a clever and attractive woman will get you the appointment but make sure that you have what it takes to deliver. South African men love doing business with women but are very unforgiving if you are not able to deliver. If you are adding value, you will find tremendous loyalty and support. But, you will never get a second chance !!!

I tendered for a contract to train the hostel inmates when the government wanted to change them into family units, my company was given minimal contracts because we were women. However, the whole contract was given to a man, even when we had the skill.

## APPENDIX G

<b>MESSAGES TO ASPIRING AND EMERGING FEMALE ENTREPRENEURS</b>
Keep on fighting to be recognised. Love what you do.
You don't have to be a man to succeed. Thrive on the uniqueness of being a successful woman in business.
Balance the rational and irrational: Work hard and be committed but also listen to your instinct.
Start small after identifying your passion. I believe its important to follow your talent in business. Do whatever comes naturally to you – then it becomes easy and you end up enjoying it.
Go for it – nothing is impossible – even being a female, a mother, a wife...- staying feminine and being good at all of it!
Go for it! Forget fear, make no excuses and listen to your gut... make it happen.
Self-confidence, a good innovative product and exceptional knowledge of your product are most important. Be forward and assertive.
Go out and get it!
You create your own destiny, hard work, vision and perseverance pay off.
Have the courage of your convictions and make it happen.
The new global world gives you every opportunity. Do your job fantastically (go the extra mile) and the rewards are huge.
Identify your dream, become passionate enough to implement plans to fulfil your dream. Do whatever you have to and deliver your dream to your doorstep.
Create a strong support network, know yourself, your speciality or business – the managing of your finances and the running of a business, know when to ask for assistance, always over deliver on promises, produce quality, maintain your integrity, obtain opportunities to sell yourself or your product, and always keep your eye on the bigger picture as well as the details while never forgetting you as a whole person and where your family and personal relationships fit in.
Take the risk and persevere at all costs.
Go for it – After all, it's worth the effort.

## APPENDIX G

### MESSAGES TO ASPIRING AND EMERGING FEMALE ENTREPRENEURS

Never stop learning and gaining knowledge. Know yourself. Love who you are. Love what you do. Believe in yourself and in what you can accomplish. Create good business relationships. Always keep honest commitments. Build trust. Find one or two good mentors. Take time to reflect, give thanks and really live life. And, if you can – risk a little.

Be self-confident, take calculated risks. Use 24 hours of each day.

“Just keep moving”. Don’t spend time on doubting yourself and your skills. Keep top of mind at all times your goal and let it drive you. Surround yourself with people who support you and who share your vision. A good support structure is critical. Steer away from negativity. And if you think that running your business is easy – it isn’t. You will work harder than ever before but the rewards are worth it. It blew my mind to have been paid R50 000 a month for work done. But there are also down times so manage your money carefully.

Be professional in every way. Develop a good supportive infrastructure – pay for it if necessary. Ensure that potential husband understands your drive.

Make sure that enough capital is always available. It’s good to have a financial advisor. Stick to your plans. Work long and hard.

Expect to earn huge money – we often don’t think we’re worth the millions that men earn – Nonsense! Don’t undervalue yourself, your experience and your talent. There are very few people with flair and courage in the market place, and most of them are women.

Just do it. Ask for help. Learn on the job, people can live with honest mistakes if you keep on learning and if you are open to listen to client’s needs. Money is not the reason why entrepreneurs do not succeed. It is rather about caring, dedication and perseverance. If you love what you do you are half way there. Enthusiasm sells products and services.

Life is a challenge – so go for it.

Don’t suppress who you are in terms of your values in order to reach your dream – trust yourself and be yourself.

## APPENDIX G

### MESSAGES TO ASPIRING AND EMERGING FEMALE ENTREPRENEURS

Do your work well. Always do the right thing, efficiently, honestly and creatively and you can't go wrong. Work like you don't need the money.

Persist and make sure your spouse and children understand why you need to be an entrepreneur. Understanding brings greater support, in my opinion.

There is a lot of support, and people are very willing to share and help new entrepreneurs along. It really helps with setting yourself up – you don't have to do it on your own. Once people know what you do, there are many opportunities for referrals and commissions on those – works both ways and everyone wins. Come and have fun.

Go for it! If you never try you will never know.

Do not give up or take on competitors strategies – believe in yourself and your expertise.

Network, Network, Network!

Do not allow negativities from outside to influence you. Get-up and go towards your final goal.

Be professional. Avoid being emotional, do not take criticism personally.

Go for it – but be prepared to work very hard. What matters is competency – not gender.

Challenge attitudes nicely, but persistently, grow as you go along, help others where you can, never give up no matter how bleak the outlook.

Take calculated risks or you will always be a follower.

Work hard, remain focussed on your goals. Do not let smart set-backs get you down. Believe in yourself, persevere and never give up.

Just do it and do not focus on the negative inputs from men. Listen to your gut. Do proper research and don't be scared to ask for help or assistance – especially in the beginning.

Believe in your ability and persevere – no matter how many obstacles come your way. Be honest, truthful and give the best service you can. Integrity gives you credibility in the eyes of your clients. They want to know that they are dealing with someone that can benefit their business. Always be cheerful and positive and try to bring out the best in those with whom you come into contact.

## APPENDIX G

<b>MESSAGES TO ASPIRING AND EMERGING FEMALE ENTREPRENEURS</b>
Believe in yourself / be prepared to work hard / achieve the highest qualifications in your field possible / be prepared to multi-task, juggle home, family, career, / keep fit in body and mind / holistic wellness / make space for family and friends / Have fun / Never forget that you are first and foremost a Woman / Be feminine.
Go for it – demand respect by providing uncompromising quality of work and delivering what is promised. Don't over promise and under deliver.
It certainly is the best thing I ever did for myself and it has empowered me in ways I would never have imagined. I have grown in self-confidence, skills, and have faced great challenges. If these words appeal to you, then go for it!!!
Go for it.... Find a mentor and take calculated risks.
Don't give up – be honest, open, enthusiastic and positive. Believe in yourself and in what you do. Don't forget that knowledge is power and it is actually great to be a Business Woman in what men think is a man's world, and woman "Know" is not! Any woman who strives to be like a man in the business world, is an under-achiever!!
Be confident, mature and determined - but most importantly have passion for what you do as without passion you can't succeed.
Find something you believe in that gives you passion and you will achieve.
You can do it – believe in yourself – if you really want it you can have it – don't complain – never be afraid to try something new, remember amateurs built the Ark, professionals built the Titanic – if you don't make a difference, you don't matter.
Try to do business with women who have been in your position and don't be scared to ask for advise or support from e.g. BWA – there are some marvellous women out there that can really boost your energy levels when you need it.
Go for it – we are winning.
Go out there – show the male population (and anyone who is interested) what you are made of, stand up for yourself and don't be pushed around by anybody. Believe in yourself – you yourself know you can accomplish anything that you want to. Be positive.
Believe in your abilities. Where you find male prejudice work around it so that you come out the winner and not him.

## APPENDIX G

**MESSAGES TO ASPIRING AND EMERGING FEMALE ENTREPRENEURS**

Despite your past experiences, or the opinions of others, invest in yourself and arise to be everything you were created to be. (Copyright).

Women, Arise! is a registered name which incorporates its signature line, 'Women, Arise! and be everything you were created to be'.

Persevere. Make sure you love what you are doing because sometimes its easier to give in than to push ahead.

Although it is tough initially and you have a lot of 'blockers' to discourage you – persevere. Networking and making the effort to make business contacts has paid off enormously. As one of my mentors put it – you have to earn your stripes, so you might have to do the “tacky” type of jobs. Get involved in working groups to contribute to your business – do not expect payment – you’ll be amazed at how many contacts you make. Most of my business has come through referrals by these contacts.

Choose an area in which you are competent and feel comfortable with. Seek assistance from reputable experts when out of your depth. Face challenges head on. Be positive and remain focussed on your goals. Confident people succeed.

Take the risk and work hard. Always under promise and over deliver!

Go for it! Consult an accountant or financial advisor about the drawing up of a business plan, take it to your bank / financier for a loan, and be prepared to push in 14 hours a day. Be fastidious about record-keeping, assess yourself and your business regularly, and change direction as the market dictates.

Always keep your feminine traits and values held high. Being a woman in the right sense can be a huge asset. Stop being a man, being a woman in a mans world if handled correctly can work well.

Never ever give up, even when it seems there is nowhere to turn, there is always a solution. If the outcome is not what you planned, then the journey is not over.

You’ll never know until you try.

As long as you know your business, you are likely to be as good as any male in the market-place and a better employer because you are likely to be empathetic to your staff. Go for it – because you can surely make a difference if you want to.

Become a specialist in your field. Just do it!!

Do the work that you love and you will find independence, joy and pleasure in life. The rest (relationships etc) is a bonus.

## APPENDIX G

MESSAGES TO ASPIRING AND EMERGING FEMALE ENTREPRENEURS
Business is like a game of chess – just stay on the board. The winner is not always a King or Queen.
Hold onto your vision. Have passion for your job. Be meticulous when handling the financials and accounts and have a business plan. And network whenever you can.
Stick it out and do not take any nonsense. Make sure you know exactly what you are talking about.
Learn to state your payment terms quite clearly in writing and then don't be embarrassed to ask for your money. Cash flow kills more businesses than anything else. You have a right to be paid and a customer who hasn't paid is not a customer – it's a bad debt. I hear too many women crying about how they can't 'offend' a customer. Nonsense – business is business and a bad payer will cripple your own ability to pay off staff and debts. Women on the whole are honest in business, so they pay everyone and sit with bad debt. Get tough!
Know what you want – visualise your end result – know how you plan to get it – and go for the dream using all the passion and energy you have to make it happen.
Do market research before starting any business even if you believe you can make it work. Do your financial calculations thoroughly, beware of hidden costs. Famous words “Treat your customers as if they are Queens and they will treat you as if you are King”.
If you want it badly enough, you can have it. Take the risk.
Go for it! Women are very versatile and seem to manage their businesses and lives very differently to men. I always say, “If you want the job done properly ask a woman to do it!”
Think carefully about your future in this country.
There will always be battles to be fought which are no doubt compounded by the discrimination of the business world towards females, this can be viewed as part of the fun and when overcome you will stand stronger and will respect yourself more. The start-up of a business is incredibly hard, and can take several years of extremely time consuming and frustrating work to get off the ground. Once things start swinging it is all worth the effort, the thrill of independence and control of ones destiny is difficult to beat.
Be prepared to accept the compromise and sacrifice in your personal life – you will never be able to comprehend or anticipate the gravity of this compromise and how it affects your life. Marry a “House husband” !!!!!
Strive for more.
Go for it, it is our time, do not let anything bar you from succeeding – after all most of us put bread on the table! And we are in the majority.



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