WOMEN ENTREPRENEURS IN SMALL AND MEDIUM ENTERPRISES (SMEs) IN GHANA

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ABSTRACT

Over the past two decades, women entrepreneurs have been recognized for their significant contributions to the socio-economic development of their countries. The Organization of Economic Cooperation and Development (2004) found that, depending on which economy is studied, between 15 percent to more than 35 percent of business owners are women. However, most of the literature on women entrepreneurs has focused on developed countries; limited knowledge exists on women entrepreneurs in developing countries (Saffu and Takyiwaa Manu 2004). While the economic impact of female entrepreneurial activities on economies is substantial, the world still lacks a reliable definition of female entrepreneurship in developing countries and its impact on their economies (ILO 2000).

Ghana is one such developing economy in Africa, where women are engaged in diverse productive ventures mostly concentrated in Small and Medium Enterprises (SMEs). These women’s contribution to the socio-economic wellbeing of their families and communities through their entrepreneurial activities has received little attention from policy makers and researchers, and has been taken for granted by the Ghanaian society (Buame 2000; Dolphyne 1991; Saffu and Takyiwaa Manu 2004). This has resulted in gross underestimation and under-utilization of the women’s socio-economic contribution and potential in the Ghanaian economy.

The focus of the thesis is generally on female entrepreneurship in a developing country context. Particularly, it investigates and describes the nature and construction of entrepreneurship by Ghanaian women in the cultural, socio-economic and political environment of Ghana, which shapes these women’s entrepreneurial life. As this is one of the first studies on Ghanaian women entrepreneurs in SMEs, a multi-disciplinary approach was adopted to investigate and explore a myriad of factors in order to provide an understanding of Ghanaian women’s entrepreneurship in a whole of life context, rather than as a discrete business activity. Seven research questions based on seven key dimensions were identified in entrepreneurship literature in relation to the women entrepreneurs’ characteristics and experiences, their motivations for business ownership, business profile, human and financial resources,
their network affiliations, business problems encountered, and their successes. A combined quantitative and qualitative approach was used to collect and interpret data for the study. A questionnaire survey was administered to 300 women entrepreneurs in SMEs in the Koforidua Municipality in Ghana. Additionally, 20 of these women were selected for face to face interviews.

The findings reveal that Ghanaian women entrepreneurs balance, create, and manage a whole range of innovative businesses, and personal and family relationships concurrently. These Ghanaian women entrepreneurs possess a unique human capital derived from their childhood and general exposure to entrepreneurial experiences from family members. Their method of acquiring business knowledge and skills is primarily informal compared to their counterparts in developed countries. Also, with their strong personality traits, such as determination and a high need for achievement, coupled with hard work, they have proved themselves capable of doing equally well what their male counterparts can do. These women have worked hard to fulfil themselves, not only through marriage and child bearing, as traditionally expected of them, but also through creating businesses and earning income to care for themselves and their families. It was identified that women in developing countries are taking their economic future into their own hands and are no longer depending on the customary forms of male support. They are positive role models for young women.

This study dispels the notion that women’s small businesses are less important to economic growth. The women’s businesses are found in diverse business sectors: trading, services, agro-processing, manufacturing, textile and fabric, agriculture, education and construction. The women have made socio-economic contributions to the economic growth of Ghana by reducing poverty and unemployment. Women’s entrepreneurship, properly harnessed, has great potential as a tool for transforming developing economies. Meeting women’s financing needs at all stages of the business continuum will improve their productivity rate and success. Easier and more convenient access to mainstream business training will be particularly useful to these women, given their time constraints and family responsibilities.

The study contributes significantly to knowledge about female entrepreneurship in a developing economy. It also helps to consolidate our understanding of the female
entrepreneurship phenomenon and the field of entrepreneurship generally, and has practical implications for researchers and policy makers.
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This thesis is dedicated to the memory of my late father, Rev. Eusebius Kofi Gavua, whose inspiration has brought me so far.
DECLARATION

I, Smile Dzisi declare that the thesis:

• Contains no material which has been accepted for the award to the candidate of any other degree or diploma, except where due reference is made in the text of the thesis

• To the best of my knowledge contains no material previously published or written by another person except where due reference is made in the text of the thesis; and

• Where the work is based on joint research or publications, discloses the relative contributions of the respective or authors.

Signature:

Date:
## TABLE OF CONTENTS

Abstract ................................................................................................................................. ii  
Acknowledgement .................................................................................................................. v  
Declaration ............................................................................................................................ vi  
Table of Contents .................................................................................................................. vii  
List of Tables .......................................................................................................................... xi  
List of Figures ........................................................................................................................ xii  
List of Appendices .................................................................................................................. xiii

Chapter 1: General Overview and the Purpose of the Study ............................................. 1  
1.1 Introduction ................................................................................................................... 1  
1.2 Background to Entrepreneurship ................................................................................. 1  
1.2.1 Background to Female Entrepreneurship .............................................................. 5  
1.2.2 The Rise in Female Entrepreneurship ................................................................... 7  
1.3 Why Study Women Entrepreneurs in Ghana? .............................................................. 12  
1.4 Research Objectives .................................................................................................... 18  
1.5 The Research Questions ............................................................................................. 19  
1.6 The Theoretical Framework of the Study .................................................................. 20  
1.7 The Hypotheses of the Study ...................................................................................... 25  
1.8 The Ghanaian Context ................................................................................................. 27  
1.8.1 Geographical Features, Population and Ethnic Composition .......................... 27  
1.8.2 Spheres of Socio-Economic Activities ................................................................ 28  
1.8.3 Critical Issues Concerning Entrepreneurial Activities in Ghana ................... 29  
1.8.4 Women in Ghana .................................................................................................... 35  
1.9 Thesis Outline .............................................................................................................. 38  
1.10 Summary ..................................................................................................................... 40

Chapter 2: Entrepreneurship and Female Entrepreneurship ........................................ 41  
2.1 Introduction .................................................................................................................. 41  
2.2 Interpretations of the Definition of Entrepreneurship .............................................. 41  
2.3 Entrepreneurs and the Entrepreneurial Process ......................................................... 44  
2.4 Research on Female Entrepreneurship ....................................................................... 50  
2.5 Summary ..................................................................................................................... 52

Chapter 3: Female Entrepreneurship: Interdisciplinary Perspectives ...................... 54  
3.1 Introduction .................................................................................................................. 54  
3.2 Explaining Female Entrepreneurship: Economic Perspectives .............................. 55  
3.2.1 Schumpeter’s Economic Perspectives of Entrepreneurship .............................. 58  
3.2.2 Kirzner’s Economic Perspectives of Entrepreneurship ...................................... 59  
3.2.3 Schumpeter’s and Kirzner’s Economic Models of Entrepreneurship ............... 61  
3.3 Women Entrepreneurs and Demographic and Psychological Traits ................... 66  
3.4 Women Entrepreneurs and Motivations for Business Ownership .......................... 72
Chapter 4: Research Design and Methodology

4.1 Introduction
4.2 Research Objectives, Questions and Hypotheses
4.3 Research Characteristics of the Study
4.4 Philosophical Research Paradigm of the Study
4.5 The Applicable Paradigm
4.6 Mixed Methods Research Approach
4.7 Population and Sample of the Study
4.8 Research Instrumentation
4.8.1 Quantitative Method
4.8.2 Qualitative Method
4.9 Pilot Study
4.10 Ethics Approval
4.11 Data Collection Procedure
4.11.1 Survey
4.11.2 Interviews
4.12 The Broad Characteristics of Respondents
4.13 Data Analysis Methods
4.14 Summary

Chapter 5: Results and Findings

5.1 Introduction
5.2 The Ghanaian Women Entrepreneurs’ Personal Characteristics
5.2.1 Introduction
5.2.2 Results
5.3 Ghanaian Women Entrepreneurs Motivations for Business Ownership
5.3.1 Introduction
5.3.2 Results
5.4 The Types of Business Ventures Created
5.4.1 Introduction
5.4.2 Results
5.5 The Resources Available to the Women Entrepreneurs
5.5.1 Introduction
5.5.2 Results
5.6 The Networks Affiliations of Women Entrepreneurs

3.5 Women Entrepreneurs and Innovative Business Activities
3.6 Women Entrepreneurs and Network Affiliations
3.7 Women Entrepreneurs and Human and Financial Resources
3.7.1 Human Capital
3.7.2 Financial Capital
3.8 Women Entrepreneurs and Business Problems Encountered
3.9 Interpretations of Business Success
3.10 Female Entrepreneurship and SMEs
3.10.1 Definition and Major Characteristics of SMEs
3.10.2 Women Entrepreneurs and SMEs
3.11 Summary – Key Studies, Findings and Implications for the Study
Chapter 6: Testing of Hypotheses and Discussion of Overall Results………219

6.1 Introduction……………………………………………………………………219
6.2 The Dependent Variables – Measures of Success………………………221
6.2.1 Development of Scales for Measures of Success………………………221
6.3 Testing of Hypothesis One………………………………………………...225
6.3.1 Development of Scale for Personality Traits…………………………..225
6.3.2 Success in terms of Personality Traits…………………………………227
6.4 Testing of Hypothesis Two………………………………………………...229
6.4.1 Development of Scale for Motivations for Business Ownership………230
6.4.2 Success in terms of Motivational Factors………………………………231
6.5 Testing of Hypothesis Three…………………………………………………233
6.5.1 Development of Scale for Resources……………………………………234
6.5.2 Success in terms of Resources…………………………………………236
6.6 Testing of Hypothesis Four…………………………………………………239
6.6.1 Development of Scales for Networks Affiliations………………………239
6.6.2 Success in terms of Networks Affiliations………………………………241
6.7 Testing of Hypothesis Five………………………………………………….243
6.7.1 Development of Scale for Business Problems…………………………244
6.7.2 Success in terms of Business Problems………………………………..246
6.8 Testing of Hypothesis Six…………………………………………………..247
6.8.1 The Impact of the Industry Sectors on Success…………………………248
6.8.2 The Impact of Business Activities on Success…………………………249
6.9 Summary of the Hypotheses Results…………………………………….251
6.10 Broad Context Discussion of the Overall Results………………………257
6.11 Summary……………………………………………………………………270

Chapter 7: Conclusion ........................................................................272

7.1 Introduction…………………………………………………………………272
7.2 Revisiting the Objectives of the Study……………………………………272
7.3 The Concluding Profiles of the Ghanaian Women Entrepreneurs………274
7.3.1 Who Are They?..............................................................................274
7.3.2 Why Did They Go into Business?...................................................276
7.3.3 What Sorts of Business Ventures Have They Created?………………278
7.3.4 What Resources Do They Have?....................................................281
7.3.5 What Are Their Network Affiliations?............................................283
7.3.6 What Sorts of Problems Have They Encountered?.......................284
7.3.7 What are Their Successes? .................................................................................................287
7.4 Reflection on the Theory of Entrepreneurship ....................................................................291
7.5 Summary of Key Findings ....................................................................................................297
7.6 Limitations of the Study ......................................................................................................300
7.7 Research Implications and Recommendations for Further Work ..................................301

References

Appendices
LIST OF TABLES

Table 4.1  Broad Characteristics of Respondents……………………………………….144

Table 5.1  Ghanaian Women Entrepreneurs Industry Sectors and Types of Business Ventures………………………………………………………………………169

Table 5.2  Problems Encountered by the Ghanaian Women Entrepreneurs………195

Table 6.1  Description of Pattern Matrix for Success Factors……………………………..223

Table 6.2  Description of Pattern Matrix for Personality Traits Factors……………….226

Table 6.3  Regression for Success on Personality Traits……………………………….227

Table 6.4  Description of Pattern Matrix for Motivation Factors………………………231

Table 6.5  Regression for Success on Motivations……………………………………….234

Table 6.6  Description of Pattern Matrix for Resources Factors………………………235

Table 6.7  Regression for Success on Resources…………………………………………237

Table 6.8  Description of Pattern Matrix for Networking Factors………………………241

Table 6.9  Regression for Success on Network Affiliations……………………………..242

Table 6.10 Description of Pattern Matrix for Reduction in Problems Factors………245

Table 6.11 Regression for Success on Reduction in Problems…………………………246

Table 6.12 Post Hoc Test for Industry Sectors………………………………………….249

Table 6.13 Post Hoc Test for Business Activities………………………………………251

Table 6.14 Summary of Hypotheses Results……………………………………………254

Table 6.15 Relative Importance of Independent Variables in Terms of Total Success……………………………………………………………………………..256

Table 7.1  Comparison of Hypothesis Results - Developed and Developing Countries Contexts……………………………………………………..296
LIST OF FIGURES

Figure 1.1   Theoretical Framework of the Study……………………………………26
Figure 3.1   Schumpeter’s and Kirzner’s Entrepreneurial Models…………………...62
Figure 4.1   Concurrent Triangulation Strategy……………………………………129
Figure 4.2   Data Collection Methods and Sample Frame………………………….133
Figure 5.1   Seven Dimensions of the Ghanaian Women Entrepreneurs…………149
Figure 5.2   Variables: Personal Characteristics (Dimension 1)…………………150
Figure 5.3   Key Characteristics: Personal Characteristics (Dimension 1)………155
Figure 5.4   Variables: Motivations for Business Ownership (Dimension 2)……156
Figure 5.5   Key Characteristics: Motivations for Business Ownership (Dimension 2)……………………………………………………………………162
Figure 5.6   Variables: Business Profile (Dimension 3)……………………………163
Figure 5.7   Key Characteristics: Business Profile (Dimension 3)…………………173
Figure 5.8   Variables: Resources (Dimension 4)…………………………………174
Figure 5.9   Key Characteristics: Resources (Dimension 4)………………………183
Figure 5.10   Variables: Network Affiliations (Dimension 5)………………….....184
Figure 5.11   Key Characteristics: Network Affiliations (Dimension 5)…………190
Figure 5.12   Variables: Problems Encountered (Dimension 6)…………………191
Figure 5.13   Key Characteristics: Problems Encountered (Dimension 6)………199
Figure 5.14   Variables: Measures of Success (Dimension 7)……………………200
Figure 5.15   Key Characteristics: Measures of Success (Dimension 7)…………217
Figure 6.1   Responsibility Traits’ Relationship with Success………………………228
Figure 6.2   The Model Explaining the Success of the Ghanaian Women Entrepreneurs………………………………………………………...255
LIST OF APPENDICES

Appendix 1a: Hypotheses Testing – SPSS Output Pattern Matrix Tables

Appendix 2a: Covering Letter for the Survey Questionnaire

Appendix 2b: Expression of Interest and Consent Form to Participate in Interviews

Appendix 3a: Survey Questionnaire

Appendix 3b: The Interview Schedule

Appendix 4: ANZAM 2007 Conference, Entrepreneurship and Small Business Stream Award
CHAPTER ONE

GENERAL OVERVIEW AND PURPOSE OF THE STUDY

1.1 Introduction

Entrepreneurial activity has been rising continuously over the past two decades of the twentieth century. On a global basis, the sheer volume of ‘business start-ups’ has been enormous, and the number of new entrepreneurs entering every facet of the commercial market unparalleled in documented history. Profound structural changes taking place globally are providing new opportunities for entrepreneurs, male and female alike. Research in the field has also increased dramatically over the period. This thesis, which focuses on women entrepreneurs in Ghana, commences with the background information on the principal subject matters of analysis: entrepreneurship and female entrepreneurship, as well as the objectives and the theoretical framework of the study.

1.2 Background to Entrepreneurship

Defining the term entrepreneurship is challenging; researchers have done so by describing the elements it embodies (Bennet and Dann 2000; Kouriloff 2000) from their own research perspectives rather than adopt a specific definition for the term itself. For example, from an economist’s perspective, financial matters measured in terms of monetary gain and business growth are seen as being at the heart of entrepreneurship. From a psychological perspective, attributes, values and the presence of specific traits are seen as inherent in entrepreneurs. According to management views, entrepreneurship is perceived as a process of organizing existing resources in marketable products or services. Whilst these disciplines acknowledge the role of other factors, the specific field of study dominates the entrepreneurial model or definition, suggesting that entrepreneurship can be perceived according to the eye of the beholder (Saxon 2003).
Although entrepreneurship has generated considerable academic interest, there is a lack of an agreed definition of entrepreneurship and a concern over what entrepreneurship constitutes as a field of study (Gartner 1990). Like many other disciplines of study, there is growing concern that entrepreneurship as a discipline is fragmented among specialists who make little use of each other’s work. Definitions of entrepreneurship abound. Some definitions that are commonly used focus on innovation, risk taking, venture and wealth creation (Fry 1992; Gartner 1985; Schumpeter 1939; Vanderwerf and Brush 1989).

Analyzing the diversity in the definition of entrepreneurship further, Bennet and Dann (2000), Hofer and Bygrave (1992), Hyrsky (1999), Kao (1993), and Timmons (1999) argue that entrepreneurship is not a science that can be perfectly defined, but rather an amalgamation or medley of art and science, which displays itself with a combination of factors in a range of different settings, contexts, industries, countries and times. Some of the developmental definitions of entrepreneurship will be explored in this study so as to capture the complexities, especially when gender is considered. This is not an attempt to cover all the definitional issues in the literature, but to focus on those that are relevant to this thesis.

For the focus of this thesis, scholarly definitions of entrepreneurship by Schumpeter (1934, 1954) and Kirzner (1973, 1979) that lay specific emphasis on innovation, identification of opportunities, wealth creation, consequences for the economy, and the entrepreneur as the main actor in the entrepreneurial process will be adopted as the working definitions for the study. These two economic schools of thought in entrepreneurship (Schumpeter and Kirzner) have been recommended as an appropriate theoretical framework for the study of female entrepreneurship (OECD 2004). They explicitly emphasize two distinct and complementary methods for the identification and exploitation of sources of opportunities unique to women (Murray 1938; OECD 2004; Rostadt 1984).

Schumpeter (1934) described the entrepreneur as the innovator who introduces something new into an economy. This may involve a new product, a new method of production or a new raw material supply or a new industry structure, and the carrying out of the new organization of any industry, such as the creation of a monopoly position or the breaking up
of a monopoly. The main idea in Schumpeter’s definition of entrepreneurship is an innovating entrepreneur who is the actor and translator of inventions and new ideas into commercial production. Schumpeter made the entrepreneur the focal point of and key to the dynamic of economic development and growth. It is the entrepreneurs who put together new combinations, and whose actions have consequences on the basis of their organizational skills, their creativity as decision makers, and their use of distinctive opportunity structures (the settings, circumstances or situations within which the decisions and choices are made).

Kirzner’s (1979) theory of entrepreneurship indicates how a market process arises and why. His concept is that of alertness by individuals to profitable opportunities to gain pure profits. According to him, this entrepreneurial process is the force that generates the market process and determines its direction. Jennings (1994) observed that, similar to Schumpeter’s idea, Kirzner stressed the fact that the entrepreneur is the decision maker in a particular cultural context, who commands a range of behaviours that exploit these opportunities. Both of them perceived the entrepreneur as the driving force of the market economy. Their idea, that the entrepreneur functions primarily as a creator of innovations in the production process and exploiter of profitable opportunities, has influenced much of the literature on entrepreneurship in developed economies.

In agreement with Schumpeter’s and Kirzner’s entrepreneurship ideas, Murray (1938) also described entrepreneurship as a dynamic process created and managed by an individual (the entrepreneur), who strives to exploit economic innovation to create new value in the market. He also argued that an entrepreneur is a person who has an entrepreneurial mind with a strong need for achievement. The most important points of this definition are the purpose of value creation, the exploitation of economic innovation and the need for achievement.

Schumpeter’s and Kirzner’s entrepreneurship definitions are clearly manifested in the two major types of entrepreneurial start-ups witnessed in the real-life situation. Some start-ups cause radical innovations and change the rules of the game in industries; others involve
gradual but systematic pushing back of the boundaries of ignorance, driving prices and output and input quantities toward the values consistent with equilibrium. These two means of business venture creation form a major component of the entrepreneurial process, and help to explain how women enter self-employment as well as the types of entrepreneurial activities they engage in.

Also, psychological characteristics possessed by an entrepreneur, such as determination, the need to achieve and succeed, boldness, innovation and creativity, being a visionary and having self-confidence, play a vital role in both Schumpeter’s and Kirzner’s definitions. These qualities in both entrepreneurship and management literature are crucial behavioural and success factors for entrepreneurial ventures.

The major elements embodied in Schumpeter’s and Kirzner’s views of entrepreneurship are widely accepted in literature and are summarized in Kao’s (1993) underlying beliefs of entrepreneurship. These are, first, entrepreneurial behaviour involves the ability to identify new opportunities based on new ideas and approaches, and turn them into something tangible. Second, entrepreneurs require an array of organizational and personal skills (interpersonal skills, self-understanding, leadership, conflict resolution, stress management and tolerance for ambiguity). And third, there are consequences of the entrepreneurial behaviour to the entrepreneurs themselves and the economy as a whole.

What does this mean to the layperson? The common public perception of entrepreneurship is that it is synonymous with business: the creation and development of a new business, which grows to be successful and is in some way different from ordinary or everyday typical businesses. At the core of these concepts and definitions is the fundamental notion of creating and developing new ventures and achieving economic growth. Entrepreneurs are those (beyond inventors, bureaucrats and managers) who not only recognize opportunities. They also have creative abilities and practical skills to turn opportunities into ventures and commercial realities that survive, grow and flourish to become successful businesses.
As noted, entrepreneurship has been conceptualized and defined differently by different authors as the field of entrepreneurship has developed and progressed. The concept of entrepreneurship, including Schumpeter’s and Kirzner’s perpectives, will be further analyzed in Chapters 2 and 3 in the literature review. The next section introduces the trend in female entrepreneurship.

1.2.1 Background to Female Entrepreneurship

History and public perception would suggest that entrepreneurship is typically the domain of businessmen. In most countries, the majority of businesses are not owned or managed by women. Indeed, less than one third of all businesses in Europe are led by females, despite the fact that women make up half the European population (Women’s Unit UK 2001).

Women have always been in business, particularly in the retail, teaching and health professions. In a historical study of female entrepreneurs, one could argue and demonstrate that many of the early women pioneers around the world met the criteria of entrepreneurship discussed above. Examples would be women who established private teaching schools that have grown to become large corporations; women who established small children’s hospitals for public benevolence which have developed into major, world renowned teaching hospitals; and entrepreneurship on a smaller scale such as women who established shops, or supplied businesses and professional and personal services. Through the ages women have been renowned for using problem-solving strategies to deal with emerging issues, juggle multiple activities, form teams, marshal resources and successfully develop organizations.

However, currently, it can be argued that women’s entrepreneurship has increased over the past decade as the percentage of women in business has increased. The growth of women entrepreneurs is part of the societal changes that have occurred and are occurring all over the world in the late twentieth and early twenty-first century. Demographically, as the number of women in the workforce increases, the number of women in business and commencing business also increases. Increased independence for women, later marriage,
decreased child bearing, increased education levels, and the increased desire for financial independence all contribute to the growth of women-owned businesses (Fielden and Davidson 2005). Many women would simply not have had the opportunity, education or social acceptance to enter into business thirty years ago. Today, business is an accepted career path for women; it is even favoured to some degree as it is seen to have the potential to offer flexibility and independence that typical employment does not.

Female or women’s entrepreneurship is essentially the creation by entrepreneurial women of new ventures. Women entrepreneurs are women in business who have recognized an opportunity and started, developed and grown a business venture successfully. In other words they have used creative, practical and innovative approaches to convert an opportunity into commercial reality. The activity of women entrepreneurs is similar to the entrepreneurial activity and process. Essentially it relates to the recognition of opportunity and manipulation of resources in order to develop a new venture and the subsequent growth and success of these ventures.

However, it must not be assumed that all businesswomen are entrepreneurs, just as not all businessmen are entrepreneurs. There is not necessarily anything fundamentally entrepreneurial about some businesses, regardless of the gender of the founder. American ‘mom and pop’ businesses are not entrepreneurial; just as many mainstream or typical small businesses are not. These businesses do not reflect the characteristics of entrepreneurship discussed earlier in Schumpeter’s (1934) and Kirzner’s (1979) definitions: the seizing of profitable opportunity, the marshalling of resources, innovation, and being achievement-oriented.

Women entrepreneurs are therefore women business owners whose ventures reflect the characteristics of entrepreneurship and who have adopted and implemented entrepreneurial activities and processes. These women have recognized opportunities and discontinuities. They have successfully marshaled the required resources to exploit the opportunity. They have also driven and managed a dynamic process involving change. Finally, they have
created a new pattern of activity which became a new wealth-creating venture with significant potential for growth, which is realized over time.

1.2.2 The Rise in Female Entrepreneurship

Over the past two decades, women have increased their labour force participation. Women entering into business ownership and self-employment have become a visible and important trend. However, literature reports limited information and statistics on female entrepreneurship. This is mainly due to the fact that in most countries and regions, official statistics relating to the gender of business owners do not exist, with most businesses categorized according to sector, location and size (Butler 2003; OECD 2004). This makes it extremely difficult to determine, with any degree of accuracy, the actual level of female entrepreneurship, and the variations between countries and regions.

Nevertheless, some general figures are available which broadly indicate the levels of female entrepreneurship in different countries. In the United States and Canada, where much research has been conducted into women’s entrepreneurship, findings show that women have been starting businesses at double the rate of men since the 1990s and have been sometimes considered as the new economic driving force of these countries (OECD 2000). In the United States for instance, the latest analyses from the US Census Bureau (2001) estimate that firms owned and managed by women represent 28 percent of the 23 million firms (amounting to 6.4 million) and provide employment for 9.2 million people. That represents 9 percent of all employed in the private sector. These women entrepreneurs in the US also generated $1.15 trillion in sales in 2002 (OECD 2004).

The Centre for Women’s Business Research (formerly National Foundation of Women Business Owners (NFWBO)) in the US estimated that between 1997 and 2002 the number of US women-owned firms increased by 14 percent nationwide – twice the rate of all firms. Employment increased by 30 percent, 1.5 times the US rate, and sales grew by 40 percent, the same rate as all firms in the US (NFWBO 2002). These reports demonstrate that the
women entrepreneurs in the United States are making a vital contribution to the economic development of their economy by wealth and job creation.

In Canada, studies found that there are more than 700,000 women-owned firms providing 1.7 million jobs in the country. The Organization of Economic Co-operation and Development (OECD) in its 2004 report provided a current actual estimate of the economic impact of women’s entrepreneurship in Canada. According to this report, the Canadian Prime Minister’s Task Force on Women Entrepreneurs (2003) assembled statistics from Statistics Canada on women entrepreneurs. Their findings revealed that there are more than 821,000 Canadian women entrepreneurs and they contribute in excess of 18,109 million Canadian dollars to the economy annually. Also, between 1981 and 2001, the number of women entrepreneurs increased 208 percent, compared with a 38 percent increase for men. Coughlin (2002) reported that since 1990, women in Eastern Germany have created a third of the new enterprises, providing one million jobs and contributing 15 billion US dollars annually to the gross national product. The OECD (2004) further stated that there is a total of 1.03 million women-owned businesses in Germany. Hence, the rate of women entrepreneurs and their economic impact in Germany is quite similar to that in the United States and Canadian economies.

Similar findings are reported in Australia, United Kingdom and parts of Asia, with more women entrepreneurs setting up new businesses than men, and with lower failure rates (Brush et al. 2006; Coughlin 2002; Fielden and Davidson 2005; Kitching and Jackson 2002). For example, female participation in entrepreneurial activity in Australia rose sharply from 5.6 percent to 9.6 percent in 2003, and the proportion of female entrepreneurs to male entrepreneurs rose from 48 percent to 71 percent (Brush et al. 2006).

Also, a report by the Observatory of European SMEs (2002) indicated that 22 percent of all 7,600 entrepreneurs (where the gender of the owner could be established) in their study of 19 countries were women, with Greece (14%), Austria (15%), the UK (16%) and Denmark (16%) having the lowest level of entrepreneurship. The report also showed that the Netherlands (27%), Luxembourg (27%) and France (30%) had the highest levels of women
entrepreneurial activity. However, a Global Entrepreneurship Monitor (GEM) Report (2001) found that difference in entrepreneurship activity between men and women was not as significant in Italy, New Zealand and Spain. In these countries, women entrepreneurship rates were either two-thirds of or almost equal to that of men (GEM 2001). In the UK women are notably underrepresented among the self-employed, but there are significant differences between regions, with inner London showing the highest level of women entrepreneurs (36%), and West Yorkshire showing one of the lowest levels, with 19 percent (Women’s Unit UK 2001).

In examining other countries in Africa, Asia, Eastern Europe and Latin America, the OECD reported that women-owned businesses are growing rapidly (OECD 1998, 2004). For example, women produce more than 80 percent of food for sub-Saharan Africa, 60 percent for Asia, 29 percent for the Caribbean, 34 percent for North Africa and the Middle East, and more than 30 percent for Latin America (Woldie and Adersua 2004). In many cases, Coughlin (2002) observed, these women do not only produce food but market it as well, giving them a well-developed knowledge of local markets and customers.

Although little information exists about the trend of female entrepreneurship in developing countries, especially Africa, some of the research conducted by the International Labour Organization (2003) in Africa provides an idea about female entrepreneurship in developing economies. Substantial evidence from the ILO (2003) studies has shown that women living under very difficult conditions can have an important economic impact by creating new employment through firm growth. For example, in Zambia, a sample of 118 women entrepreneurs owning 144 firms provided employment for 1,013 employees, of whom 973 were full-time. This represents an average of 8.2 full-time employees per firm (ILO 2003a). In Tanzania, a sample of 128 women entrepreneurs provided full-time employment for 752 persons, which corresponds to an average of 5.9 persons per firm (ILO 2003b). Similarly, findings from Ethiopia also showed that a sample of 123 women entrepreneurs provided employment for 852 persons, of whom 596 were full-timed employed (ILO 2003c). The ILO’s findings have confirmed African women entrepreneurs’ ability to create employment for themselves and for others.
In spite of any shortcomings of the above findings which might affect the possibility to draw any conclusions about the population as a whole, the results strongly indicate that women entrepreneurship is growing in developing countries as well. The findings also show that these women represent an important source of economic development in these developing economies.

Women entrepreneurs as presented above are active at all levels, domestically, regionally and globally. Significantly, substantial evidence in literature shows that women entrepreneurs’ businesses are predominantly in the small and medium enterprises sector. Research findings revealed that women entrepreneurs are performing well in the sector and contributing enormously to the economic, social and political development of many countries. As observed by Julie Weeks, the Director of Research National Foundation for Business Owners in Jalbert (2000:14):

‘Entrepreneurship offers tremendous opportunities for women across the world by opening doors to greater self-sufficiency, self-esteem, education, and growth – not only for the women themselves but also for their families and their employees. And women are changing the face of business ownership internationally; between one-quarter and one-third of the world’s businesses are owned by women. As their numbers grow and as their businesses prosper, they will change the way the world does business.’

Jalbert (2002) also found that in nations where women have advanced in entrepreneurship economic growth has usually been steady. By contrast, in countries where women’s entrepreneurship has been restricted, the economy has been stagnant. Women’s productive activities, particularly in industry, empower them economically and enable them to contribute more to overall development. Whether they are involved in small or medium production activities, or in the informal or formal sectors, women’s entrepreneurial activities are not only a means for economic survival but also have positive social repercussions for the women themselves and their social environment (UNIDO 2001).

Despite the above findings and reports relating to the economic activities of women, the importance of women as an untapped source of entrepreneurship is now widely being
accepted (Carter 2000; GEM 2001; Kauffman Centre 2001; OECD 1998; 2004). Yet their number still lags behind that of male entrepreneurs. According to Reynolds et al. (2002), men are about twice more likely to be involved in entrepreneurial activity than women. But, as seen from the above discussion, there is substantial variation among countries.

The contribution that women make to the business sector was not fully recognized until the mid 1980s (Watkins and Watkins 1984), when a number of studies relating to gender-specific barriers (Hisrich and Brush 1986), motivations for start-up (Goffee and Scase 1985) and comparisons with male entrepreneurs (Hisrich and O’Cinneide 1985) started to appear in the literature. More recently, studies on female entrepreneurship have focused on motivation and key success factors (Moore and Buttner 1997), management style (Davidson and Burke 2001), policy and support (Women’s Unit UK 2001), and characteristics and challenges (Langowitz 2001). However, most of these studies have focused on the entrepreneurial development in industrialized countries (Adler and Israeli 1994; OECD 2004); very little is available and known about African women entrepreneurs, especially Ghanaians, and their contribution to the economic growth of their countries. Based on this background, the next section introduces the research problem of the study.
1.3 Why Study Women Entrepreneurs in Ghana?

Women, as a result of their increasing entrepreneurial activities (Jalbert 2000; OECD 2004), are perceived as a great source of innovation and job creation in the twenty-first century. Women entrepreneurs create jobs for themselves and others, and by being different also provide society with different solutions to management, organization and business problems as well as to the exploitation of entrepreneurial opportunities.

Research in female entrepreneurship, mostly in developed countries, highlights the growth in the number of women in small and medium enterprises. These studies show that women entrepreneurs in all OECD countries and other developed countries are contributing significantly to the socio-economic development of their countries (OECD 2004). Several researchers have testified that female entrepreneurship in these countries represents an economic strength that is able to generate both substantial sales and employment for the women themselves and for others (Brush et al. 2006; Coughlin 2002; Jalbert 2000).

Despite such information on small business formation and the economic contribution of women in developed countries, little is known of women entrepreneurs in developing countries, particularly Ghana. Women entrepreneurs in developing countries’ paths to entrepreneurship and their experience in self-employment, their contribution to the creation of new businesses and ability to create new jobs, and the consequent reduction in unemployment and poverty are largely invisible in the literature (Allen and Truman 1993; ILO 2000; Lerner, Brush and Hisrich 1997; Saffu and Takyiwaa Manu 2004; Still and Timms 1999; Tinker 1998).

Thus, four reasons explain why there is a need to study women entrepreneurs in Ghana. First, limited knowledge exists on women entrepreneurs in developing countries. For example, Saffu and Takyiwaa Manu (2004) found that, to date, profiles of women in small business are primarily limited to women in developed countries. Further, the ILO (2000) and OECD (2004) observed that while the economic impact of women’s entrepreneurial
activities is substantial, the world still lacks a reliable definition of female entrepreneurship in developing countries and a detailed assessment of their impact on their economies. Importantly, the extent to which existing entrepreneurial theories and knowledge derived from studies into women entrepreneurs in developed countries are useful to women entrepreneurs in developing countries is not known (Hisrich and Ozturk 1999; Lerner et al. 1997). Such knowledge is of increasing importance, since women in these developing countries are assuming a greater role in enterprise creation and economic development as a result of economic and societal changes worldwide (Lerner at al. 1997).

This scarcity of research on women entrepreneurs in developing countries is a critical omission from our understanding of female entrepreneurship. Therefore, there is a need for country-level research in an economic and social context in order to identify and appreciate women entrepreneurs’ specific contributions to the modernization of developing economies. Such research will also be useful in understanding the women’s particular needs, and pertinent issues concerning the promotion and development of their activities.

Ghana is one such developing economy in Africa where women seek self-employment as a means to participate in the economy. The majority (85% percent) of the Ghanaian female labour is in self-employment (Ghana Statistical Services 2002). Researchers (Britwum, Ghartey and Agbesinyale 2006) found that in addition to the Ghanaian women’s traditional responsibilities of performing household chores and looking after the family, they engage in various productive ventures which contribute to economic growth. Other studies also identified that although most of these Ghanaian women contribute greatly to the nation’s economic growth through entrepreneurial activities in diverse ways, there is little information available on them (Buame 2000; Chamlee-Wright 1997; Saffu and Takyiwaa Manu 2004).

Little is known about Ghanaian women entrepreneurs’ background, motivations, activities and the role they play in job creation and overall development in Ghana (Buame 2000). This lack of knowledge has contributed to their low status in society and the under-utilization of their potential in the Ghanaian economy. Also, this lack of information is
problematic in the understanding of their entrepreneurial success, making it difficult to plan and implement policies to assist such women. Ghana’s predominantly strong family orientation, culture, and low level of education for women, coupled with its low income economic status differentiate it from many developed countries and necessitate a study in this particular context. A study into women’s entrepreneurship in Ghana will also contribute to knowledge about women entrepreneurs in the developing country context.

Second, besides contributing to knowledge about women’s entrepreneurship in the developing country context, particularly in Ghana, this study specifically wants to shed light on the socio-economic contribution of women entrepreneurs in the Ghanaian economy. Past scholarly research works have identified that, generally, not only do women have lower participation rates in entrepreneurship than men but they also generally choose to start and manage firms in different industries from men (Duchena 1997; Franco and Winqvist 2002; Reynolds and White 1997). The industries (primarily retail, education and other service industries) chosen by women are often or have until recently been perceived as being less important to economic development and growth than high technology and manufacturing (OECD 2004).

Ghanaian women entrepreneurs have suffered greatly from the above perception, since most of their entrepreneurial activities are concentrated in the small and medium enterprises sector. Dolphyne (1991) has observed that the small-scale economic activities of women in Ghana have been undervalued. Their specific impact and role in the country’s economic development is not well known or recognized by Ghanaian society, government and other stakeholders. Part of the problem is that there is scarcity of research in Ghanaian women-operated small and medium enterprises.

Nevertheless, Ghanaian women entrepreneurs have carved out niches for themselves in their respective fields, while creating income-generating small and medium sized businesses. They are no longer relegated solely to such traditional businesses as catering, child care and hair care; Ghanaian women entrepreneurs are now thriving in fields where few women have gone before, from establishing educational institutions, to construction, to
manufacturing (Buame 2000; Chamlee-Wright 1997; Gavua 1999). Many of these trend-setters and trailblazers are doing more than just holding their own in these male-dominated industries; their businesses are generating a lot of revenue and employing hundreds of people.

Despite these newsworthy breakthroughs, Ghanaian women entrepreneurs, with their bold and inspiring success stories, have not been given their due. Buame (2000) observed that even in publications designed to highlight the achievements of entrepreneurs, women entrepreneurs in Ghana, especially in SMEs, are sorely underrepresented due to a lack of knowledge about their activities. Their job creation capacities and contribution to Ghana need substantiation through proper research; otherwise their potential in, and contribution to the Ghanaian economy, themselves and families will continue to be under-utilized and underestimated. To address this knowledge void, the contributions made by the Ghanaian women entrepreneurs in their communities and in Ghana as whole are investigated in this study.

Third, previous research findings of international organizations and individual researchers have identified a variety of problems women entrepreneurs encounter during the creation and development of their business (Crampton and Mishra 1999; OECD 1998, 2004; UNIDO 2001; Ylinenpaa and Chechurina 2000)). Ghanaian women entrepreneurs have also been observed to face a host of problems. Some of these problems cited by researchers are lack of start-up capital and limited access to other productive inputs, lesser skill endowments, and socio-cultural factors that often inhibit these women from the successful creation and development of their entrepreneurial ventures (Aryeetey et al. 1994; Baden et al. 1994; Britwum et al. 2006; Ewusi 1987; Gavua 1999).

Unfortunately, lack of empirical research to identify and address the problems encountered by these women who play an important role in the Ghanaian economy has rendered them unproductive and their potential seriously under-utilized. As pointed out at the OECD Conference on Women Entrepreneurs in Small and Medium Enterprises held in Paris 1997, facing many barriers in business creation and development affects women’s productivity
and also has negative economic, social and political consequences for economies. A lack of data on obstacles to women’s entry or success in business makes policy formulation difficult and affects their business success (OECD 1998; UNIDO 2001).

Hence, the third reason for this study is to investigate and identify the problems Ghanaian women entrepreneurs face at the start-up and development stages of their businesses. This will add knowledge about the problems and challenges women entrepreneurs from a developing economy have to overcome to create their businesses. Such information will also be helpful to government policy makers, whose brief covers women, private sector and small business development, and other stakeholders in taking practical steps to assist these women, making the question of their businesses’ success of even greater importance.

Globally, SMEs are recognized for their significant contribution to economic growth and development, employment and the social progress of economies (OECD 1998). SMEs have also been widely acknowledged in literature as the vehicles in which entrepreneurship thrives (Brush et al. 2006; Wennekers and Thurik 1999). Hence, a study of Ghanaian women entrepreneurs’ SMEs will add to knowledge about women entrepreneurial activities in the sector. Exploring their success will lead to the recognition of the economic and social contributions these Ghanaian women entrepreneurs are making to their country, as well as their economic abilities and worth. The study will be a strong case for improving support for SMEs in general, and, in particular, for women-operated SMEs to upgrade their operations and enhance productivity.

Fourth, this study is being conducted so as to contribute knowledge about female entrepreneurship in general. Taking into account both early and more recent studies focusing on women entrepreneurs, it still remains the case that comparatively little has been undertaken to fully investigate and understand the role and process of entrepreneurship from a female point of view. While entrepreneurship and the gender system have been widely researched, they have been mainly researched separately. Relatively little attention has been directed towards female entrepreneurship (Brush 1992; Brush et al. 2006; Butler 2003; OECD 2004).
The OECD (2004) found that, depending on which economy is studied from 15 percent to more than 35 percent of business owners are women. The gender system as anywhere else in society plays an important role in shaping entrepreneurship and economic growth. Above all, due to the function of the gender system, women’s entrepreneurship spans different economic sectors than men’s entrepreneurship. In view of this, one would expect a greater interest in women’s entrepreneurship. However, research to date has not reflected this.

Research has been perceived to be either gender-neutral or gender-biased and has paid little attention to the specific needs of women entrepreneurs (Brush 1992; Brush et al. 1999; Holmquist and Sundin 2002), resulting in women entrepreneurs being largely invisible and marginalized in mainstream entrepreneurship research (OECD 2004).

Substantial evidence exists in literature that mainstream entrepreneurship theories, research, policies and programmes tend to be men streamed and too often do not take into account the specific needs of women entrepreneurs and would-be women entrepreneurs (Brush 1992; Nielsen and Kjeldsen 2000; OECD 2004; Spring and McDade 1998; Taylor and Newcomer 2005). Thus, research tools used to examine female entrepreneurship are largely drawn from studies based on the experiences and characteristics of men (Brush 1992), therefore possibly excluding important and particular factors of the female entrepreneurial experience.

Also, as a result of scarcity of research in the area, basic information and statistics on female entrepreneurship in different economies are hard to find, thus limiting proper analysis of their activities, and leading to the use of priori estimates and hypotheses. Therefore this study aims to provide a better knowledge and understanding of women’s entrepreneurial experience, especially in Ghana. This will further enhance knowledge about female entrepreneurship and how it affects economic growth and development. Finally, this knowledge will provide further insights into the theory of entrepreneurship itself.
1.4 Research Objectives

The objective of this research is to contribute knowledge about women entrepreneurs in Ghana. This study specifically seeks to explore and provide information on the Ghanaian women entrepreneurs in SMEs, including their personal profile and the types of entrepreneurial ventures created; their motivations for business ownership and the human and financial resources available to them; and their network affiliations. It also seeks to identify the problems that these women face in the start-up and development of their business ventures.

A further objective is to investigate the success achieved by these Ghanaian women entrepreneurs so as to improve understanding of the impact and contributions of these women in the development of Ghana. Generally, it is anticipated that this study will make a valuable contribution to female entrepreneurship literature by providing understanding and knowledge on women’s entrepreneurship in Africa, and particularly Ghana. The result will guide researchers in their review of theories of entrepreneurship.

Ultimately, this study seeks to provide an insight into Ghanaian women’s entrepreneurial activities and their social and economic contributions to themselves and the nation, leading to women being recognized as an important source of economic growth. This will provide an avenue for these Ghanaian women entrepreneurs to understand themselves better so that they can move on with greater vigour, confidence and pride, more sure of their value and potential in the new millennium. It is expected that the outcome from this research will provide supportive policies and programmes for the women entrepreneurs, and will also serve as reference for government policy makers, who are responsible for women, SMEs and the private sector development.
1.5 Research Questions

In order to achieve the objectives of the study outlined above, seven dimensions of Ghanaian women entrepreneurs were identified for investigation and exploration. These were their characteristics, their motivations for business ownership, their business profile, the resources available to them, their network affiliations, the problems they encountered in the entrepreneurial process, and, ultimately, the successes they achieved.

These seven dimensions were also identified based on past studies into female entrepreneurship in western countries such as Australia, USA and Canada, some Asian countries, and transitional countries such as Israel and Croatia (Brush 2000; Coughlin 2002; Lerner et al. 1997; Low 2003; Saxon 2003) where research in the field is advanced.

This study is therefore constructed on seven sets of research questions:

i) Who are the Ghanaian women entrepreneurs?
ii) What are their motivations for business ownership?
iii) Which business ventures have they created?
iv) What are the human and financial resources available to them?
v) What are their network affiliations and how useful are they to them?
vi) Which business problems do they encounter?
vii) How do they measure their business success, what are their successes, and what contributions have they made to Ghana?

Based on the gaps identified in the literature in section 1.3 and further discussed within the literature review in chapters 2 and 3, the next section will formulate the specific hypotheses to be tested.
1.6 Theoretical Framework of the Study

In its essence, this thesis is about women’s entrepreneurship in Ghana. The focal point of the investigative light is on the understanding of Ghanaian women entrepreneurs, their small and medium enterprises and their success. Entrepreneurship is the immediate discipline for which this study was undertaken.

Entrepreneurship as explained earlier is related to several established disciplines including economics, management, psychology, sociology and others. A consistent universal theory does not exist in entrepreneurship; instead there are several different approaches including the above-mentioned disciplines. A multi-theoretical approach was therefore adopted in the study in order to study the seven dimensions of these women and to provide a rich insight into women’s entrepreneurship in Ghana from different perspectives.

Since the study is interested in the entrepreneurial successes of Ghanaian women entrepreneurs including their economic impact on their nation, economic growth principles are relevant to the study. Entrepreneurship and economics seem to have a lot of principles in common, with a focus on profitability, individual economic empowerment and independence, wealth creation and distribution, job creation and national economic growth. These economic growth factors are the constituents of the dependent variables of the study. Entrepreneurship and relevant economic concepts primarily informed the study.

Thus, this study is inspired by the economic views linked to entrepreneurship by Schumpeter and Kirzner, which have been found to be explicitly relevant for explaining economic growth and overall entrepreneurial success (Ripsas 1998; Wennekers and Thurik 1999). Schumpeter’s and Kirzner’s views have been empirically proven and recommended as capturing the historically and culturally determined framework conditions affecting entrepreneurship and the idiosyncratic prior experiences of enterprising individuals, such as women (OECD 2004; Shane 2000; Shane and Venkataraman 2000; Venkataraman 1997).
Therefore, from both Schumpeter’s and Kirzner’s renowned economic views of entrepreneurship, a working definition of entrepreneurship is derived to guide this study. This definition forms the basis for understanding women’s entrepreneurial process: how women start their business ventures by using the knowledge, experiences and resources available to them to identify and exploit opportunities; and what are the consequences of women’s entrepreneurship for themselves and the economy.

Additionally, it has been widely argued and accepted in entrepreneurship and business literature that entrepreneurial behaviour cannot be explained by economic theory alone; psychological, sociological, cultural and management factors are also important. In view of this, other entrepreneurial theoretical perspectives which have been proven in literature as relevant factors in explaining entrepreneurial behaviour and success also formed part of the theoretical framework of this study. They are psychological, motivational, resource-based, and networking perspectives.

Ghanaian women’s entrepreneurship will be examined in the light of these existing entrepreneurship theories and studies in order to develop a better understanding of these women, and to determine the extent to which these theories apply in a developing economy context. Hence, six hypotheses (comprising the seven identified dimensions of the Ghanaian women entrepreneurs, and based on the various theoretical perspectives adopted in the study) were formulated and tested. Each of these theoretical perspectives will be supported by its corresponding body of empirical research. The use of a multidisciplinary approach in the study of Ghanaian women entrepreneurs underscores the diverse nature of the entrepreneurial phenomenon and the fact that no single taxonomy can capture all of the important differentiating variables. These theoretical perspectives utilized in the study are summarized below. An in-depth analysis of them will feature in the literature review.

**Psychological Theory**

Many scholars in entrepreneurship try to understand the entrepreneur by describing his/her personal characteristics (traits). Under this theory, a number of psychologists (Brockhaus 1982; Gartner 1989; Low and MacMillan 1988; McClelland and Winter 1971) have set out
to identify a single trait or collection of traits capable of successfully predicting entrepreneurial behaviour and patterns of activities. With the trait approach, the entrepreneur is the basic unit or the focus of analysis and the entrepreneur’s characteristics are the keys to explaining entrepreneurship as a phenomenon, since the entrepreneur causes entrepreneurship.

The most mentioned of these traits are high need for achievement, high need for power or internal locus of control, and high need for affiliation. These personal traits among others are considered to be crucial in distinguishing successful entrepreneurs from unsuccessful ones (Brockhaus 1982). Ghanaian women entrepreneurs will therefore be investigated within this framework to find out whether they possess these unique traits, and whether their personality traits relate to their business success. The testing of the related hypothesis will also help to provide knowledge about the attributes of Ghanaian women entrepreneurs, and the extent to which this theory is applicable in a developing country context. It is therefore hypothesized that:

H1: The personality traits of Ghanaian women entrepreneurs are related to their success.

Motivations for Business Ownership Perceptive

Many previous studies (Bennet and Dann 2000; Fielden and Davidson 2005; Lerner et al. 1997) have investigated reasons why entrepreneurs choose the path of entrepreneurship. These studies concluded that a combination or range of factors, rather than any single factor alone, provides the impetus for entrepreneurs to create their own business ventures. For instance, psychological motivations such as achievement, independence, and locus of control have been widely investigated with regard to their influence on business start-up (Lerner et al. 1997).

When it comes to women entrepreneurs, it appears that only a small part of entrepreneurial motivations are acknowledged as gender-based. Instead, ‘pull’ and ‘push’ factors are now a common way of explaining different motivations for women to start a business (Brush 1992; Buttner and Moore 1997). Push factors are elements of necessity such as insufficient family income, dissatisfaction with a salaried job, unemployment, and a need for a flexible
work schedule because of family responsibilities. Pull factors relate to independence, self-fulfillment, entrepreneurial drives and desire for wealth and social status (Ducheneaut 1997). It has been confirmed in the literature that these motivational factors play a key role in successful business creation and development. It is therefore likely that the motivational factors of Ghanaian women entrepreneurs influence their business success, leading to the following hypothesis:

H2: Ghanaian women entrepreneurs’ motivations for business venture ownership are related to their success.

**Resource-based Theory**

This study is also informed by the literature pertaining to human and financial capital and the literature pertaining to social learning theory, which provides a complementary perspective to the resources-based view. Theoretical perspectives in the specified areas are drawn upon to develop a hypothesis about the success of Ghanaian women entrepreneurs being associated with their educational level, prior work experiences, entrepreneurial family background experience, as well as the extent of their finance. Research has proved the importance of human and financial capital to the creation and success of entrepreneurial businesses. The possession of human capital (consisting of capabilities, business skills and knowledge derived from education, previous work experiences, entrepreneurial family background) and financial capital (consisting of access to funds) has been found to differentiate successful women entrepreneurs from the less successful ones (Bandura 1977; Becker 1964; Brush et al. 2006; Carter, Van Auken and Harms 1992). Thus it is hypothesized that:

H3: Resources available to Ghanaian women entrepreneurs are related to their success.

**Networking Theory**

The fourth theoretical approach views entrepreneurship as embedded in a complex network of social relationships. Within these networks, entrepreneurship is facilitated or constrained by linkages among aspiring entrepreneurs, resources, and opportunities (Aldrich and Zimmer 1986). According to this view, the presence or absence of networks, such as relatives, friends and access to or memberships in associations, plays a role in influencing
performances and the viability of a business venture. Women entrepreneurs are embedded in different personal and social networks from men; hence divisions and barriers that limit the reach and diversity of their networks might have far-reaching consequences for business performance (Aldrich 1989). Based on the above perspectives, the network affiliations of the Ghanaian women entrepreneurs will be explored to find out whether there is any relationship between their business success and these network affiliations. However, it is expected that the women’s network affiliations are related to their business success, leading to the following hypothesis:

H4: Network affiliations of the Ghanaian women entrepreneurs are related to their success.

Reduction in the Problems Encountered by Women

The study’s fifth hypothesis rests on the premise that women entrepreneurs face a lot of barriers in their entrepreneurial endeavours that impede their progress. Women’s entrepreneurship literature (Brush 1992; Crampton and Mishra 1999; Kitching, Mishra and Shu 2005; OECD 1998, 2004; UNIDO 1995; 2001) has identified a number of barriers that women face such as infrastructure barriers, social and cultural barriers, educational and occupational barriers, role barriers and behavioural barriers. UNIDO (1995) pointed out a variety of constraints or barriers women entrepreneurs normally encounter, which affect their ability to upgrade their production continuously. These include poor access to market information, technology and finance, poor linkages with support services and an unfavourable policy and regulatory environment. It has been observed that the reduction in these problems results in the greater success of women entrepreneurs (Kitching et al. 2005; OECD 2004; UNIDO 2001), leading to the following hypothesis:

H5: Reduction in the problems Ghanaian women entrepreneurs encounter is related to their success.

Innovation Entrepreneurship Perspective

The fourth perspective, mainly advocated by Schumpeter (1934, 1943) argues that an entrepreneur is the innovator who introduces something new into an economy. Schumpeter’s definition and description of entrepreneurship not only addresses economic factors of entrepreneurship but also emphasizes innovative, growth-oriented ventures.
Drucker (1985), Hornaday (1992) and Kirchhoff (1991) supporting Schumpeter, distinguish between any small business and entrepreneurship. They state that not every new small business is entrepreneurial or represents entrepreneurship. Their argument on representing entrepreneurship refers to the ability of new firms to create innovation. Against this notion, the business activities which the Ghanaian women entrepreneurs are engaged in will be investigated. According to innovation theorists, entrepreneurs enter markets using innovations that challenge the established few suppliers who dominate the markets. Every innovation successfully introduced by business firms, large or small, new or old, creates new demand for goods and services and therefore creates new wealth. Thus, it is hypothesized that:

H6: Entrepreneurial activities of the Ghanaian women entrepreneurs are related to their success.

1.7 Summary of the Hypotheses of the Study

Based on the above discussion highlighting the theoretical framework of the study, the following hypotheses will be tested empirically for Ghanaian women entrepreneurs:

H1: Personality traits of Ghanaian women entrepreneurs are related to their success.
H2: Ghanaian women entrepreneurs’ motivations for business ownership are related to their success.
H3: Resources available to Ghanaian women entrepreneurs are related to their success.
H4: Network affiliations of Ghanaian women entrepreneurs are related to their success.
H5: Reduction in the problems Ghanaian women entrepreneurs encounter is related to their success.
H6: Entrepreneurial activities of Ghanaian women entrepreneurs are related to their success.

Figure 1.1 shows the diagram of the theoretical framework of the study.
Figure 1.1  The Theoretical Framework of the Study

Independent Variables

H 1  Psychological Theory
Personality Traits
Demographics

H 2  Motivational factors
Independence
Economic necessity
Opportunity
Suit family life

H 3  Resource-Based View
Social Learning Theory
Human Capital
Cash capital

H 4  Networking
Types of Networks
Socio-cultural Institutions
Memberships in Business
Associations
Mentors

H 5  Reduction in Problems
Access to Credit
Socio-cultural Constraints
Management-related
Problems
Lack of Modern Technology

H 6  Innovation
Types of Entrepreneurial
Activities Engaged in by the
Women Entrepreneurs

Dependent Variable

Success of Ghanaian Women Entrepreneurs
- Self fulfillment
- Financial independence
- Socio-economic impact on country

H = Hypothesis
1.8 The Ghanaian Context

Before turning to the review of literature in the next chapter, this section presents a basic geographical description of the study area, Ghana, as well as an overview of Ghana’s economic structure and issues concerning entrepreneurial activities in Ghana. This is followed by general information about women in the Ghanaian economy.

1.8.1 Geographical Features, Population and Ethnic Composition

Ghana is located on the west coast of Africa, about 750 km north of the equator on the Gulf of Guinea, between latitudes 4.30 and 11.30 degrees north. The capital, Accra, is on longitude zero degrees of the Greenwich meridian. With a total 238,533 sq. km land area, the country is bounded on the north by Burkina Faso, on the west by Cote d’Ivoire, on the east by Togo and on the south by the Gulf of Guinea. The land area stretches 672 km, north-south and 536 km east-west.

Ghana’s coastal area consists of plains and lagoons near estuaries. The land is relatively flat and the altitude below 500 meters, over half the country is below 200 meters. In the north, the vegetation is savannah and shrub; in the south, extensive rain forest. Ghana has a tropical climate, with year round moderate temperatures of around 21-32°C (70-90°F) and constant breeze and sunshine. Ghana’s population is approximately twenty million, with 51 percent female and 49 percent male, and an annual growth rate of 2.7 percent (Ghana Statistical Services 2002). The country is divided into ten administrative regions: Greater Accra, Ashanti, Volta, Eastern, Western, Central, Brong Ahafo, Northern, Upper East and Upper West.

Ghana’s population is a mosaic of ethnic diversity. While the official language of Ghana is English, approximately seventy-five languages and dialects are actually spoken, each associated with a different ethnic group. The largest tribal group is the Akan, which includes the Ashanti, primarily in the Ashanti region, the Fanti along the coast, the Nzima
in the southwest, and the Brong in the Brong Ahafo region of the country, and the Akim and Akwapim in the eastern region. Taken together, the Akan constitute over 44 percent of the population. The other principal tribes of the Volta region are the Ewe, accounting for 13 percent of the population, and the Ga-Adangme, who constitute 8.3 percent of the population. The mainly northern Mole-Dagbani tribal group, which includes the Dagomba, Frafra, Dagarti, Kusasi, Moshi, and Mamprussi peoples, accounts for 15.9 percent of the population.

1.8.2 Spheres of Socio-Economic Activities

Structurally, the Ghanaian economy is almost evenly divided between agriculture (including food crops, cash crops and timber) and services (including wholesale and retail trade, communications, transportation, finance and insurance, and government social services). The development of activities in the services sector represents a decline in the clear dominance of the agriculture sector.

Ghana is a country that has survived economically through the blood and sweat of its enterprising cocoa farmers and life-risking miners. Generally, Ghana’s arable lands are quite rich. Tropical food crops such as cassava, plantains, yams and cocoyams, rice, maize, millet and sorghum, to mention just the main ones, are extensively cultivated. The forest regions specialize in tropical cash crops such as cocoa, coffee, cola nut and timber, while the coastal regions produce fish, as yams, sorghum, beans and rice, and animal husbandry. At the same time, traditional craftsmen in many localities produced handicrafts of all types: clay works (pottery and ceramics), gold smithing, iron casting, weaving, kente weaving, bakery, distilling, leather works, lumbering and carving.

Even though agricultural activities statistically might be on the decline, such activities still remain the core of economic life. Production techniques are not only labour intensive but also traditional and really primitive. One result of this is that general productivity levels in all sectors of the economy are very low. The trading of agriculture and other products is conducted via a vast commercial network characterized by large numbers of small-scale
enterprises and organizations, often cooperatives linked through the market mechanisms but not coordinated. The fastest growing sectors since 1983 have been the ‘industrial’ and services sectors. Since the introduction of the Economic Recovery Programme (ERP) in 1983, Ghana’s growth performance, at least in macroeconomic terms, has compared very favourably with those of other ‘sub-Saharan’ African countries and all developing countries in general (Buame 2000).

Entrepreneurial activity in the industrial sector has been boosted by the removal of domestic price distortions, the increased availability of foreign exchange, and interest expressed by both domestic and foreign investors in all sectors. Activities in the transport and retailing sectors are the keys to the marketing of agricultural and manufacturing output. A large proportion of the urban labour force is found in these sectors.

1.8.3 Critical Issues Concerning Entrepreneurial Activities in Ghana

In order to understand the nature and problems of the economy in Ghana, including the development of entrepreneurial culture in the country the policies from the colonial era to the present need to be considered. As far as the development of entrepreneurial activities in Ghana is concerned, one can say that the present is a reflection of the past. Buame (2000) has emphasized the essence of history in the study and understanding of socio-economic issues. Reference to the past is among the commonest strategies in the interpretations of the present. In this section the past is taken to refer to the period of colonialism. During the colonial period and since independence, governments have tended to act in ways that have a great impact on the development of local entrepreneurial activities. This study will briefly examine the various implications these policies of state involvement in the productive activities have for entrepreneurial activities in Ghana.

**Impact of Colonial Institutions on Entrepreneurial Activities**

For about one hundred and thirteen years (Buame 2000), Ghana was ‘effectively’ a British colony. Ghana, then Gold Coast, was formally declared a British colony after the Bond of 1844. It was politically declared independent in 1957 following a bitter struggle in the form
of wars, popular agitation, protests, riots and deaths. Like all colonies, Ghana (then aptly called the Gold Coast) also bore the full brunt of the obnoxious colonial policies in all socio-economic fields.

Although Ghana attained political independence fifty years ago, its development continues to reflect the decapacitating effects of the socio-economic structures of its colonial days. Before independence the government’s role was confined mainly to provision of such basic utilities as water, electricity, railways, roads and post offices and other infrastructures that could facilitate the activities of the colonialists. The economy underwent a transition from its various pre-capitalist social formations to a quasi-capitalist organization of production (Chazen 1983). However, these infrastructures were concentrated only on the natural resource-rich areas of the central-south and along the coast. No specific provision or conscious effort was made to develop local human resources.

The educational system was designed to serve the colonial administrative apparatus; thus it laid emphasis on the minimum development of literary and clerical skills that was considered necessary for the running of the colonial administrative machinery. Technical or vocational education was out of the question. In addition, the colonial administrations often failed to establish a system that was capable of generating a sound basis for future self-sustaining entrepreneurial activities and national economic autonomy. There was total marginalization of Ghanaians from the mainstream socio-economic life. To the colonialists, any economic or entrepreneurial activity that the local people might have engaged in for their own interest was viewed as extravagant, ethically untenable and often punishable by imprisonment and burning down of assets. As a result of the hostile attitude of the colonial administration towards local entrepreneurial activities, individuals had to find avenues of employment and engagement. The only employment avenue available was that of working in government offices, should one have the qualification.

In other words, business enterprise did not offer a viable alternative employment avenue to these groups of people. Education offered a more promising avenue for future wealth and power than ‘industrial’ entrepreneurial endeavour. Lucrative employment with promotional
prospects in the civil service depended on educational attainment. This may explain the origin of the present attitude among educated Ghanaians (of all professions and vocations) to prefer working in offices, even though many of them, particularly those graduating from technical and vocational schools, could become successfully self-employed (entrepreneurs) by creating their own ventures.

This colonial legacy of preference for ‘white collar’ employment seems to have persisted up to now as past generations pass it on to the succeeding ones. Many educated Ghanaians, of all professions, even skilled and experienced engineers and technicians today, still prefer to work in the government/public establishments until they are pensioned, remaining in the offices rather than creating their own ventures. To them, ‘salaried’ employment seems much more secure than business enterprise as a path to reaching the higher levels of psychological needs such as personal achievement and self actualization, to express it in Maslow’s (1954) terms. However, governors Gordon Guggisberg and Allan Burns tried to do something more for the colony. For instance, Guggisberg undertook a number of development projects including road construction and demarcation of land. In 1946, Burns established the Industrial Development Board to develop local African manufactured industries (Buame 2000). The Board was to initiate and build up concerns commercially and hand them over to local enterprise.

**Ghana as an Independent Country**

One of the pertinent questions to ask is How has the Ghanaian socio-economic context for entrepreneurial activities changed after independence? What are the characteristics of the post-independence business environment? To what extent has this environment hindered or helped rejuvenate indigenous entrepreneurial activities in Ghana? Answers to questions like these form the subject matter for discussion in this section.

Ghana’s post-colonial experience has been the subject of extensive study (Ahmed 1970; Chazen 1983; Frimpong-Ansah 1991; Killick 1978; Pellow and Chazen 1986; Rimmer 1992). By the time Ghana gained independence, the country’s economy, like other developing economies, had been fully incorporated into the international capitalist order. It
retained the legacy of the colonial policy of encouraging the emergence of specialized economies based on the export of monoculture commodities that were subordinated and tied to the economic progress and domestic policies of the metropolitan economy. This means that the legacies of colonial rule and the ability of external forces to shape the local economy and society do not miraculously disappear once the reins of government are handed over to local people.

Shortly after independence, the Nkrumah administration set out to extend its control over the economy by setting up a large number of state-owned enterprises in agriculture and in industry. The socio-economic demands led to the rapid establishment of state enterprises. The public sector was equally enlarged to accommodate the administrative requirement of economic development experiments. In the end, the government began frowning upon the patches of private entrepreneurship. It adopted a rather negative attitude towards individual entrepreneurial activities. The banks were directed to pursue a conservative lending policy towards small business entrepreneurs. Government attempts to provide loans on easier terms than the banks were neither extensive nor of long duration. Often, the terms offered were rather stiff and included high rates of interest repayments. Few attempts were made to channel sections of business capital towards prospective entrepreneurs.

Finally, by 1960, the coffin of private entrepreneurship was sealed. The major resources available were channelled towards the construction of a powerful public sector. This was well described by Killick (1978). He noted that Ghanaian private enterprise was limited to small-scale concerns, provided they were not nominees or partners for foreign interests. Its existence was to be contingent upon its willingness to operate within the socio-economic transformation programme of state ownership. However, after Nkrumah’s administration in the first half of 1966, successive Ghanaian governments have made efforts to promote local/indigenous entrepreneurial activities with varying degrees of emphasis. For example, one of the things for which the first military government, the National Liberation Council (NLC) 1966 - 1968, will be remembered in the development process of Ghana is the sale of most public corporations under its privatization economic policy.
With the inception of the second republic of Ghana (1969 - 1971), the Business Promotion Act of 1970 was promulgated. With this a set of incentives were instituted in order to promote and develop indigenous entrepreneurial activities. Some of these incentives include: low taxes, ‘low’ interest rates, and liberalization of economic activities, tax rebates and long tax holidays, high depreciation rates, and low factor prices. The periods of Acheampong and Liman’s governments could be described as eras of political inaction and confusion. Under the government of Rawlings more elaborate programmes seem to have been launched within the framework of the government’s restructuring programme, with the basic aim of resuscitating the economy (CSIR, Report UNDP/TTC DOC.1991).

Invariably, there were mixed responses to most of these programmes (Steel and Webster 1991). This may mean that the underlying problems militating against any effective development and organization of entrepreneurial activities have not been deeply examined. As it was, most of these development policies and programmes were based on the ‘conventional wisdom’ about entrepreneurship and the activities involved therein. This conventional wisdom has been patterned on non-existing values and institutional patterns such as well-functioning and efficient bureaucracy, self-orientation, emotional and material independence/autonomy, individual financial security, availability of and easy access to information, elaborate institutional environment and socio-economic infrastructures, as well as political and economic pluralism. As such, the foundations of these policies seem to be wrongly based and, therefore, out of context.

Ghana’s Economy at Present
The current National Patriotic Party (NPP) government (2000 to the present) under J.A. Kufour has laid emphasis on the private sector as the engine of growth of the Ghanaian economy. A Ministry of Private Sector Development (first in the history of Ghana) has been established to provide an overall ‘enabling environment’, which allows private firms to operate efficiently and freely. Also, specific institutions and policies to promote private sector development, innovation and entrepreneurship have been put in place.
Currently, the Ghanaian economy is a free market system with enabling legislation and institutional frameworks to accelerate private sector-led economic development and to attract direct private foreign investment. In just two years, Ghana’s pragmatic stabilization programme has turned around the economy. Inflation has fallen from 41 percent to 13 percent as at July 2002, the exchange rate has stabilized and the expenditure been reduced and restructured by lowering the budget deficit and seeking debt relief (EMPRETEC 2002; Ghana Statistical Service 2002). The success is in the details. Considerable progress has been made in the following areas: designing and implementing a medium–term poverty reduction and growth strategy, and developing an efficient broad-based domestic revenue mobilization strategy. Changes have been made in the rules that govern, protect and strengthen freedom of enterprise.

Also, the Ministry of Private Sector Development (MPSD) Policies, Strategies and Action Plan for 2002–2004 (EMPRETEC 2002) intends to address some of the outstanding problems and issues that hinder the development and effective operation of entrepreneurial ventures in the country. These strategies and policies include organization of entrepreneurial development programmes aimed at advising on funding, equipment and skills sourcing; facilitating private sector-led initiatives to establish technology design and equipment/plant-pooling centres; and developing and introducing entrepreneurship education in all tertiary and teacher-training institutions.

The implementation of these measures in Ghana to support the development of entrepreneurship, particularly the SMEs sector, on the whole has met with mixed results. But it is not possible to be conclusive on the effectiveness of these new measures in the absence of proper evaluation. However, to some extent an enabling environment for the promotion and development of entrepreneurial activities in Ghana currently has been created. For example, the liberalization of the financial sector and related measures has been quite effective in ushering in a new wave of small and medium-sized savings and loans companies, leasing firms and stockbrokers and the like, which have enhanced competition and increased loanable funds. Possessing a thriving agricultural sector, a wealth of forest and mineral resources and a highly educated, skilled and motivated labour
force, Ghana has never been better placed to realize its vision of achieving accelerated
growth to become a middle income nation by 2020.

1.8.4 Women in Ghana

Women perform various social, economic, cultural and political roles in every Ghanaian
society. Traditionally, women in Ghana are expected to function mainly within the
domestic household unit, mothering and nursing children, cooking, processing and storing
food, and managing available resources to sustain family members.

Generally, female education in Ghana lagged behind that of their male counterparts. Some
reasons contributing to this situation are that traditionally, marriage and childbearing were
considered as the essential vocation of women and all Ghanaian societies exhibited strong
pro-natalist tendencies. Women are expected to marry soon after puberty and did not need
formal education to perform this function. Moreover, women are expected to be provided
for by their husbands, and since education became a means for entering highly-paid jobs for
the formal sector, it was considered more important for boys to have formal education,
since they were to be the breadwinners in the family.

Also, in a society like Ghana where there were no social security benefits for old people,
parents looked on their children as their insurance against poverty in their old age. It did not
seem profitable, therefore, to invest money in the education of a girl who was expected to
get married and help her husband to look after his children (Gavua 1999). For all these
reasons and the fact that there was always the risk of a girl dropping out of school because
of pregnancy, it was not considered important to invest money in a girl’s education, and
whenever there were inadequate funds and a decision had to be made between keeping a
son or a daughter in school, it was the daughter who was withdrawn.

Economically, women in Ghana participate in agricultural work, farming different crops
and market produce, either on their own or jointly with their husbands or kin. Some of them
also make pottery, weave cloth and engage in other handicrafts depending on the resources available locally. Women also perform other functions, which vary among Ghanaian societies. For instance, they participate in public life by holding various political, religious and traditional positions. Most of these roles are played by women of royal birth or elderly women freed from procreative and nurturing duties. In general, women occupy subordinate positions in all societies in Ghana and are not regarded as the equals of men.

However, in modern Ghanaian society, improvement in access to education by women, employment opportunities for women in the formal sector, greater concentration of women in urban areas and the establishment of their own business ventures have led to a change in the socio-economic position of women in Ghana. Education has generally broadened the perspectives of women. Those who have basic education, for example, have sought to fulfil themselves not only through marriage and child bearing but also through a desire for improved quality of life for themselves and their families. Women are also taking leadership positions on local communities and standing at the forefront of any organization which seeks to better the welfare of women and children in society.

Importantly, women work very hard in every sector of the Ghanaian economy, especially in the informal or private sector, which includes those in self-employment. The Ghana Statistical Service estimated the Ghanaian labour force at 8 million, of which the private sector employs between 60 and 65 percent. A remarkable feature of this private sector is the heavy female presence in small and medium enterprises. About 85 percent of the Ghanaian female labour force is employed in the private sector; the male proportion is 75 percent (Ghana Statistical Service 2002).

Ghanaian women are highly under-represented in the formal or public sector, comprising only one quarter of waged employees (Ghana Statistical Service 2002). Within the public sector, women workers are highly concentrated in certain branches, notably teaching, nursing, and midwifery. Moreover, within the public sector, women are strongly concentrated in the lower grades. The division of labour in Ghana is highly sex-segregated
in both the traditional and modern wage sectors. Only a very small number of women have
broken through into modern sector occupations and even fewer into managerial positions.

In the private sector, women predominate in the trading industry, mainly in petty trading,
although small minorities of women have gained substantial market power. Most women in
commerce are involved in informal, low productivity petty trading and hawking. These
activities are strongly concentrated in highly perishable, low profit goods including
agricultural produce and traditionally processed goods. Women’s informal manufacturing
activities are usually small-scale in nature, depending on labour intensive and local
technology. Many women are unable to expand operations, due to resource constraints, lack
of necessary educational qualifications and poor access to productivity-enhancing
technology (Baden et al. 1994; Buame 2000).

A commonly held view is that women in West Africa generally, and Ghana particularly,
enjoy a greater degree of economic and personal autonomy than women elsewhere in sub-
Saharan Africa. Whilst this may be true in a relative sense, in practice, the autonomy of the
majority of Ghanaian women is highly circumscribed by the limited range of their
economic opportunities, lack of upward mobility and cultural factors. Moreover, increased
participation in market activity alone is unlikely to lessen gender inequalities, since the
terms of women’s participation are highly constrained by inequalities at the level of the
household. In modern Ghanaian society, the traditional female role is still highly regarded,
and such qualities as subservience, supportiveness and submissiveness meet with approval.
Career women therefore often face a conflict, since the qualities that make them
‘acceptable’ in traditional terms can undermine their self-confidence and their ability to
assert themselves, to assume responsibility and to succeed in a career or business.

When all non-market work is accounted for, women work on average considerably longer
hours than men. Men have considerable control over women’s work time. In addition to
working at various economic ventures, women are responsible for all productive labour
which includes childcare, cooking, washing, fuel wood and water collection. Most women
who engage in market work rely on female kin or maids to look after the children. Women
are also often expected to contribute labour to the husband’s enterprises, while they are highly constrained by lack of access to labour, relying mainly on children, particularly daughters, to assist them. This labour constraint, combined with limited access to other productive inputs (credit, technology) severely limits the scale of women’s operations in the Ghanaian economy. Also, most of their productive activities are not captured in national accounts and, moreover, there is lack of research of their activities. Consequently, their economic activities are underestimated and undervalued (Baden at al. 1994; Ewusi 1987).

Nevertheless, whatever the status of women in Ghana, they represent half of the population (51 %), and their labour participation rates are generally high throughout Ghana. Currently, the government of Ghana, realizing that issues concerning women need to be addressed seriously, established the first ever Ministry of Women and Children Affairs in 2001 to promote the welfare of women and children in Ghana. This government body is responsible for initiating, coordinating and monitoring gender responsive issues, to ensure equal status for women in Ghana.

The decision to enter this research area was primarily inspired by the increase in the numbers of Ghanaian women entering into business and the lack of knowledge about these women’s small and medium entrepreneurial activities. It is clear that Ghanaian women entrepreneurs work hard and contribute economically to the wellbeing of their families and the development of Ghana. However, the lack of systematic research into their activities hinders their contributions from being recognized, and prevents them from receiving the necessary support to reach their full potential.

1.9 Thesis Outline

The content of this thesis is divided into seven chapters. Following this introductory chapter, which provides the general overview and purpose of the study; Chapters 2 and 3 contain the literature review. Chapter 2 provides the analysis of developmental definitions of entrepreneurship, the description of the entrepreneur and the entrepreneurial process, and
identifies gaps in the research of women and applications of the definitions of entrepreneurship within developing country contexts.

Chapter 3 critically examines the various existing entrepreneurial theories that explain entrepreneurial behaviour and success, highlighting past research to provide an understanding of female entrepreneurship. It questions whether the literature findings mostly influenced by western contexts, ideas, values and behaviour can adequately explain the experiences of Ghanaian women entrepreneurs in a developing country context. The six hypotheses above (see section 1.7) were developed based on these findings to examine the extent to which this existing knowledge applies in the developing country context. The literature review in Chapter 3 also includes research findings related to interpretations of business success, as well as a brief examination of the nature of SMEs, and women entrepreneurs’ activities in the sector. The segment concludes with a summary of the key studies reviewed and their implications for this study.

Chapter 4 discusses the research design and methodology, the population, sample group, research instruments, analytical techniques and the approaches to the study. The research objectives for the study support a multi-method approach which permits the utilization of both quantitative and qualitative methods of data collection and analysis. This approach allows the investigation and exploration of the diverse variables that provide detailed information across the woman’s whole life, and the testing of hypotheses to determine the applicability of existing theories in the Ghanaian women’s context.

Chapter 5 presents the results from both the quantitative and qualitative data. The findings arising from the study are across seven key dimensions: the Ghanaian women entrepreneurs’ demographic features, personality traits and experiences; the reasons for being in business; business profiles; human and financial resources; network affiliations; business problems encountered; and measures of success, including socio-economic contributions to Ghana.
Chapter 6, building on the results presented in Chapter 5, uses statistical techniques such as multiple regressions, factor analysis, reliability test, correlations and analysis of variance (ANOVA) to test the six hypotheses of the study and present the outcomes. The chapter then discusses the overall results of the study, allowing the general trends and a story line of Ghanaian women’s entrepreneurship to emerge.

Chapter 7 provides a concluding profile of Ghanaian women entrepreneurs and reflects on the theory of entrepreneurship in the light of the findings of this study, highlighting contributions to the theory of entrepreneurship. The thesis concludes in this chapter with the summary of the major findings and recommendations for policy makers, all stakeholders and further research.

1.10 Summary

This study seeks to explore and provide information on seven dimensions of Ghanaian women entrepreneurs: their personal profiles; their motivations for business ownership, their business profiles; the human and financial resources available to them; their network affiliations; the business problems encountered; and their business success. Accordingly, seven research questions based on these dimensions derived from entrepreneurship literature guided this study. In this introductory chapter, an overview of the content of this thesis was provided. Brief background on the multidisciplinary approach adopted in the theoretical framework of the thesis, including Schumpeter’s and Kirzner’s views on entrepreneurship, psychological, motivations, resource-based views and networking perceptions in entrepreneurship was introduced. An overview of the definitions of entrepreneurship and the global trend in female entrepreneurship was provided. Information on the study area, Ghana, was also presented, especially on women in Ghana. This background information on the principal issues of analysis in the thesis are further discussed and examined in the next chapter, which is the first part of the literature review.
CHAPTER TWO

ENTREPRENEURSHIP AND FEMALE ENTREPRENEURSHIP

2.1 Introduction

The literature review is organized into two chapters (Chapters 2 and 3). The process of understanding women’s entrepreneurship commences in Chapter 2 with a review of literature on defining the principal subject matters for analysis: the nature of entrepreneurship itself; the description of the entrepreneur; the entrepreneurial process; and an analysis of female entrepreneurship research. It identifies gaps in the entrepreneurship literature and questions the contextual definitions of entrepreneurship.

In Chapter 3 the various existing entrepreneurial theories that explain entrepreneurial behaviour and success are reviewed, highlighting past research to provide an understanding of women’s entrepreneurship. Also, the literature review related to interpretations of business success is presented in Chapter 3, along with the nature of small and medium enterprises (SMEs), including women entrepreneurs’ activities in the sector. The segment concludes with a summary of the key studies reviewed and their implications for this study.

2.2 Interpretations of the Definitions of Entrepreneurship

Generally, entrepreneurship is understood to be the creation and development of a new business. This common public perception is too myopic a view, as the concept of entrepreneurship need not apply merely to a new business creation. Whilst the term ‘entrepreneurship’ may be a relatively modern one, the concept is certainly not. Like any other term that is used today, the word has a history of evolution. It appeared in the French language long before there was any general concept of an entrepreneurial function. It is derived from the French verb *entreprendre*, which means to ‘undertake’. According to Ellis (1975), during the early sixteenth century, Frenchmen who organized and managed military
and exploration expeditions were referred to as entrepreneurs. The essential element here is that of taking adventures or risky undertakings that are full of uncertainty. Thus, from this usage it was easy to move to applying the concept of entrepreneur to other types of adventures.

An extensive review of literature revealed that from the time of Adam Smith in 1776 through to the middle of the twentieth century, entrepreneurship literature was dominated by economists focusing upon the outcomes of the entrepreneurship phenomenon. The earliest of these views, originated by Cantillon (1755), portrays an entrepreneur as the individual who assumes the risk for the firm. To him, the essence of the function of the entrepreneur is to bear uncertainty. According to Jennings (1994), Cantillon regarded everyone engaged in economic activity as an entrepreneur. By 1800, many French economists and writers had given a special meaning to entrepreneur and entrepreneurship, with differences arising largely from the characteristics of the sector of the economy that chiefly attracted their interest and attention. For example, the French aristocratic industrialist Jean Batiste Say (1828), with practical business experiences, wrote that the chief contribution of the entrepreneur is to combine and coordinate factors of production. He perceived an entrepreneur as a manager.

Schumpeter (1945) credited Mill with bringing the term ‘entrepreneurship’ into colloquial use amongst economists. Mill (1848) strongly believed that the singular factor in differentiating a ‘manager’ from an ‘entrepreneur’ was the ‘bearing of risk’. Schumpeter, however, was at odds with this specific definition, believing instead that ‘innovation’ rather than ‘risk’ formed the central causal characteristics (Schumpeter 1945). Two modern leading proponents of entrepreneurship as a singular human skill are McClelland and Drucker. Both agree that ‘innovation’ from a social perspective is the most important and relevant aspect of entrepreneurship. McClelland (1961) champions the concept that innovation and creativity are key factors of any entrepreneurial success, whilst Drucker (1985) contends that entrepreneurship is innovation in a business setting and that innovation is the tool of the entrepreneur.
After these two authors, there have been unceasing attempts to conceptualize the phenomenon of entrepreneurship, its processes and activities. There is rather a widespread acknowledgement of the difficulties characterizing this conceptualization discourse. There seems to be no consensus about the definition of entrepreneurship by social scientists and previous researchers in entrepreneurship.

The term ‘entrepreneur (ship)’ has been used in academia, in commerce, by the media and by ordinary persons in conversation for more than two centuries but without an acceptable definition (Bull and Willard 1993). Jennings (1994: 9) commented that as early as 1971 Kilby stated ‘Each researcher in entrepreneurship appears to have developed his or her own definition without building on the works of others’. Jennings (1994) explaining the position of previous researchers on this variety in definition of entrepreneurship, argues that the field of entrepreneurship really needs multiple paradigms that are different because entrepreneurial research serves a variety of purposes.

Other researchers, also commenting on the diversity in defining entrepreneurship, think that because entrepreneurship is a wide spread business phenomenon it embraces a diffuse range of economic activities. Thus, definitions differ and vary as they try to adapt to the specific characteristics of these differing economic activities. The number of fields available for entrepreneurial endeavour, the forms which such endeavour may take and the scope for profitable activity through market exchange may vary considerably depending on whether the society in question is pre-capitalist, early or late capitalist, socialist, less developed or advanced (Buame 2000; Kallenberg 1986).

Nevertheless, although the definitions of entrepreneurship in literature are broad and varied, they all appear to include any human attempt to try something new (Jennings 1994; Shapero 1975). Vanderwerf and Brush (1989) in their review of twenty-five definitions for entrepreneurship indicated that entrepreneurship has been defined as a business activity consisting of some ‘intersection’ of the following human behaviours: first, creation, which is the establishment of a new business unit; second, general management, which is the managerial direction of or resource allocation for a business; third, innovation, which is the
commercial exploitation of some new product, process, market, material, or organization; fourth, risk bearance, which is the acceptance of uncommonly high risk from the potential losses or failure of a business unit; and fifth, performance intention, which is the intent to realize high levels of growth and/or profit through a business unit.

Regardless of the diversity in its definition, most authors agree that entrepreneurship is fundamentally a human creative act. It commences by finding the personal energy and financial means to initiate and build a commercial enterprise. It is invariably an innovative process which requires an identification and seizing of an opportunity. It entails an organization of existing resources to convert those opportunities into workable/marketable products or service, thus adding value through time, efforts, money, or skills for the benefit of society. The entrepreneur assumes the risks of the competitive marketplace to implement these ideas, and realizes the rewards from these efforts.

2.3 Entrepreneurs and the Entrepreneurial Process

Clearly, from the review of literature, entrepreneurship basically has to do with activities of individual person/s called entrepreneur/s. Thus, for the concept of entrepreneurship to be well understood one needs to know who an entrepreneur is, how the entrepreneur can be easily recognized, as well as the entrepreneurial process. The understanding and knowledge of these concepts is crucial for this study on women’s entrepreneurship, to provide a rich background and insight into the entrepreneurial phenomenon.

As rightly argued by Wennekers and Thurik (1999), entrepreneurship is essentially a behavioural characteristic of persons. This entrepreneurial behaviour requires entrepreneurial skills and qualities (entrepreneur) on one hand, and the participation in the competitive process (entrepreneurial process) on the other hand. Entrepreneurship is therefore not an occupation but rather an exhibition of entrepreneurial behaviour in a given circumstance. This contention was intensified by Gartner (1989: 64) who explained that ‘the entrepreneur is not a fixed state of existence; rather entrepreneurship is a role that individuals undertake to create organizations’.
Researchers have therefore invested a great deal of time and effort over the last decades trying to paint a clear picture of the entrepreneurial personality and the roles that entrepreneurs play. Interestingly, American models of entrepreneurship place focus decidedly on this individual entrepreneurial personality. As a result, several characteristics have been identified as the primary aspects of the claimed entrepreneurial personality.

The first of these characteristics of an entrepreneur is the propensity for risk taking, the earliest identified trait. Richard Cantillon (1755) stressed the importance of the entrepreneur as an arbitrageur, who conducts all exchanges and bears risk as a result of buying at certain prices and selling at uncertain ones. Cantillon’s entrepreneur is perceptive, intelligent and willing to take risks: his role is to bring the two sides of the market together, bearing all the risks involved in this process. Risk-taking propensity remains a key aspect of the entrepreneurial psyche as visualized by American researchers (Carland, Carland and Stewart 1996). To these researchers, risk-taking is a primary element of entrepreneurship. However, some studies have indicated no significant differences in risk-taking propensities for entrepreneurs as compared to the general population (Brockhaus 1980; Sexton and Bowman 1983), but other have discovered a higher propensity for risk-taking among entrepreneurs (Carland, Carland and Pearce 1995).

The second characteristic is the entrepreneur as innovator. This characteristic, which is a different approach to entrepreneurship, is emphasized by Schumpeter (1934, 1945) and central to the American model of entrepreneurship. Schumpeter’s view of entrepreneurial innovation was rooted in the classical theories of economists such as Say and Marshall. In entrepreneurship literature, innovation remains a frequently identified functional characteristic of entrepreneurs (Brockhaus 1982; Gartner 1990; Hornady and Aboud 1971; McClelland 1961; Timmons 1978). Drucker (1985) actually defined entrepreneurship as innovation in a business setting, and Timmons (1978) suggested that creativity and innovation were conditions inherent in the role of entrepreneurship.
However, it was deftly illustrated that while innovation is a necessary element of entrepreneurship, alone it is insufficient to fully circumscribe entrepreneurial behaviour because of the broad parameters of the function. Nevertheless, the preference for innovative behaviour is firmly established as a distinguishing characteristic of an entrepreneur. For example, Carland et al. (1984) proposed that innovation was the critical factor in distinguishing entrepreneurs from managers and small business owners.

Strong need for achievement is another ubiquitous characteristic identified to describe entrepreneurs (McClelland 1961; McClelland and Winter 1971). In a study of behaviour in young men, McClelland (1961) concluded that a high need for achievement would influence the self selection of an entrepreneurial position, defined as a salesman, management consultant or a business owner. Several subsequent studies have shown a positive relationship between achievement motivation and entrepreneurship (Begley and Boyd 1986; Davidsson 1989; Hornady and Aboud 1971; Lachman 1980). However, other studies have shown that need for achievement is not the most important variable for predicting the likelihood of starting a business (Hull, Bosley and Udell 1980). Nevertheless, motivation remains a central tenet in the psychological theories of entrepreneurship. Most of these studies conclude that entrepreneurs have a high need for achievement.

Another perspective of an entrepreneur is that of a manager. In his book *The Wealth of Nations*, Adam Smith (1776) perceived the ‘capitalist’ as an owner-manager who combined basic resources – land, labour, and capital – into a successful industrial enterprise. Smith described how capitalists were essential ingredients to the growth and distribution of wealth in society. The next one hundred years saw economic theorists expand and modify Smith’s original theories. Around 1810, in the midst of the industrial revolution, general ‘managerial capabilities’ were required for success as an entrepreneur (Say 1967 in Long 1983: 55). At this time there was no middle management in organizations and the entrepreneur had to fulfil these roles alone (Long 1983). The idea that the entrepreneur must also be a manager was followed up by Knight (1921) and Leibenstein (1968). However, early economists’ views such as those of Knight (1921) and Penrose (1959)
argue that a manager and an entrepreneur differ, and a manager cannot become an entrepreneur until there is liability of error on the part of the manager (Long 1983).

In addition to the above major classical characteristics of entrepreneurs, many researchers (Baron and Shane 2005; Birley and Muzyka 2000; Buame 2000; Butler 2003; Jennings 1994; Swedberg 2000; Zimmerer and Scarborough 2005), in an attempt to explain who entrepreneurs are, have identified their following distinctive features. Entrepreneurs are individuals who make a difference (Baron and Shane 2005; Birley and Muzyka 2000; Buame 2000). They transform a simple, ill-defined idea into something that works. They have their own ways of dealing with opportunities, setbacks and uncertainties to ‘creatively create’ new products, new services, new organizations and new ways of satisfying customers or doing business (Birley and Muzyka 2000).

Entrepreneurs add value (Birley and Muzyka 2000; Buame 2000; Butler 2003). Entrepreneurs acquire and utilize resources to create products and services, which satisfy customers and markets. Value is then added through a transformation process. Entrepreneurs sometimes instinctively understand market needs and satisfy them (Jennings 1994; Swedberg 2000). There is often a strong element of demand-pull, but true visionaries have to sell their new ideas and create demand. Some inventors fail to persuade the market to take up their idea. Critics will then dismiss the idea as ill-conceived, but there are definite cases of a good idea being lost or wasted through poor marketing. This is where the inventor sometimes needs a partner to provide a commercial brain. Effective control of the value-adding process requires sound performance measurement, which is outcome-driven. The entrepreneur needs to understand which factors are critical for success and ensure that performance in respect of these is measured and any failings are remedied.

Entrepreneurs are good networkers (Zimmerer and Scarborough 2005). Constrained by resource limitations, especially finance, entrepreneurs use creativity, social networking and bargaining to obtain favours, deals and action. There is a paradigm that ideas can be found anywhere, anytime and people need to be alert for opportunities. In this context, successful entrepreneurs will realize where they can obtain sound and often free advice. Entrepreneurs
are determined in the face of adversity (Jennings 1994; Zimmerer and Scarborough 2005). Entrepreneurs are motivated to succeed; they possess determination and self-belief. This is a major reason for their success; they refuse to be beaten and persevere when ‘the going gets tough’. On the other hand, this also explains why some entrepreneurs fail. They have too much faith in their own ability; they believe they are infallible and can do almost anything; they refuse to accept they might be wrong; they fail to seek help that might be available. Successful entrepreneurs are also able to deal with unexpected obstacles (Zimmerer and Scarborough 2005).

Importantly, entrepreneurs are the central figures in the entrepreneurial process. Researchers have described this entrepreneurial process as involving all the functions, activities, and actions associated with entrepreneurs perceiving opportunities, and the creation of organizations to pursue these opportunities (Bygrave 1989; Bygrave and Hofer 1991). Kirzner (1978) earlier on perceived the entrepreneurial process as always competitive. Many researchers also explain the entrepreneurial process as a dynamic and holistic process initiated by an act of human volition that occurs at the level of the individual firm. It also involves a change of state, antecedent variables and a discontinuity, and its outcomes are extremely sensitive to the initial conditions of these variables (Gartner 1989; Ronstadt 1984; Schumpeter 1934; Virtanen 1997; Wennekers and Thurik 1999). To these researchers, entrepreneurial process, which is an integral component of entrepreneurship, is not a static system, or a fixed state of existence, but a dynamic process of becoming rather than a state of being. It involves the combination of time dimension and innovating behaviour in the market to create value.

It can be deduced from the above review of literature on the conceptualization of entrepreneurship that entrepreneurship is a dynamic process of the creation of incremental wealth. The wealth is created by individuals who assume the major risks in terms of equity, time and/or career commitment and through innovation provide value for some product or service. The product or service may or may not be new or unique but value must somehow be infused by the entrepreneur by receiving and allocating the necessary skills and resources.
In essence, the process of entrepreneurship is a result of an individual’s actions; and that individual’s (referred to as the entrepreneur) actions are profoundly affected by his or her personality. It is the entrepreneur’s energy and abilities that bring entrepreneurial activity into being. Entrepreneurship is thus the means through which the creation of new combinations is to be brought about. The carrying out of new combinations is an enterprise. The individuals who create such enterprises are therefore called entrepreneurs. The potential for entrepreneurial activities is everywhere and in everyone regardless of gender. Entrepreneurs are therefore defined by what they do and not what they own. They are decision makers and generators of action. They make choices and decisions in a variety or a multiplicity of social contexts and situations. The economic and non-economic aspects of their activities become part of the process of development.

However, a peculiar feature in all the definitions of entrepreneurship and labelling of an entrepreneur is an attempt to portray an entrepreneur as a man. Many researchers have pointed out the fact that existing theories of entrepreneurship have been developed for men, and about men (Nielsen and Kjeldsen 2000; OECD 2004; Spring and McDade 1998; Taylor and Newcomer 2005). Affirming this assertion, Nielsen and Kjeldsen (2000) and Taylor and Newcomer (2005) observed that the tendency worldwide has therefore been to identify entrepreneurs in terms of masculine characteristics. Women entrepreneurs are thus judged by these masculine parameters, which naturally do not take account of extraneous factors peculiar to women.

Just how much do these entrepreneurship theories apply to women entrepreneurs? And what research work has been carried out on women’s entrepreneurship? The review of literature in the next section examines previous research on female entrepreneurship.
2.4 Research on Female Entrepreneurship

Research on female entrepreneurship has received proportionally less attention than research concerning entrepreneurship in general, which frequently is gender-neutral or concentrates on male norms and practices. The OECD (2004) observed that the research that has been carried out in the domain of women’s entrepreneurship has not come as a response from the research community as a poorly understood and theoretically interesting phenomenon. Rather the research that has been conducted in the field comes as reaction from different policy institutes (European Union, ILO, UNIDO, the OECD and different national governmental agencies) needing better information on these women in order to support them, coupled with the intrinsic motivation emanating from individual women researchers in the field.

To improve knowledge of female entrepreneurship, the OECD initiated three very important working conferences on women entrepreneurs in small and medium enterprises in 1997, 2000 and 2004. These conferences brought together leading researchers in gender and women’s entrepreneurship studies with policy makers from across the OECD countries as well as developing economies and economies in transition. The OECD (OECD 1998, 2000, 2004) also recognizes that there is no consistent definition of a woman entrepreneur across nations and existing data sources and research on women entrepreneurs are limited.

Other individual researchers have also admitted that the topic of women in entrepreneurship has been largely neglected in both society and academia. While entrepreneurship and the gender system have been widely researched, they have been mainly researched separately. Relatively little attention has been directed towards women’s entrepreneurship (Brush 1992; Brush et al. 2006; Brush and Hisrich 1999; Butler 2003; Holmquist and Sundin 2000). As a consequence, equal opportunity between men and women from the perspective of entrepreneurship is still not a reality.
Consequently, the OECD’s (2004) conference findings attributed the lack of knowledge and statistical information on women entrepreneurs to the way business statistics have traditionally concentrated on larger firms such as in the manufacturing and technological sectors. Thus, women who generally were found to start and manage small firms in industries (primarily retail, education and other service industries), which have until recently been perceived as less important to economic development and growth (Duchenaut 1997; Franco and Winqvist 2002; Reynolds and White 1997) received less attention.

In addition, most economic indicators such as ownership or management are not designed to capture gender differences (Baygan 2000; Butler 2003). Arising from the debates at the OECD, it is recognized that the inclusion of a gender dimension in the official data collection framework is possible in the longer term but, for the present, researchers and policy makers have to rely on ad hoc surveys (Baygan 2000). It is important too that research continues on the qualitative aspects of women entrepreneurs to increase the understanding of women’s entrepreneurship, as statistical data alone are unable to fully explain women’s entrepreneurial experience (OECD 1998, 2001, 2004).

A renowned researcher into female entrepreneurship, Candida Brush (1992), also commented on the relative lack of quantity and the quality of research on women entrepreneurs in academic entrepreneurship publications. She further criticized this research because the research tools used to examine female entrepreneurship were largely drawn from studies based on the experiences and characteristics of men, possibly excluding important and particular factors of the female entrepreneurial experience (Brush 1992).

Furthermore, feminist-oriented critiques of the literature have suggested that comparative studies of male and female entrepreneurship may downplay the contribution of female-owned businesses by emphasizing masculine performance indicators. For example, Fenwick (2001:1) noted, ‘In small business literature, women are sometimes portrayed as deficit, requiring training to compete with traditional male business models measuring success according to profit, growth and size’. However, Fenwick also noted that emphasis on a ‘men’s’ mode of doing business might erroneously homogenize the diverse population
of women in business. Research on women entrepreneurs must therefore be sensitive to those theoretical problems, understanding that women might have different barriers or problems as well as different intentions from their male counterparts.

Thus, research about women’s entrepreneurship needs to take cognizance of intersections of gender and entrepreneurship. There is the need to take into consideration characteristics and circumstances that are generally peculiar to women and which might have a strong impact on their entrepreneurial process.

2.5 Summary

An important issue arising from the review of the developmental definitions of the concept of entrepreneurship is that many of the definitions, theories and works of literature on entrepreneurship have emerged from Europe, America and other western cultures. Definitions are rather based on various researchers’ empirical studies, observations, fieldwork and culture. This to a large extent shows that the concept and definition of entrepreneurship is context or culture bound. That is, it depends on the context or the angle from which one is analyzing it. The issue therefore is whether the insight into entrepreneurship based on these western countries can be successfully exported to other non-western countries such as Africa. The importance of this issue cannot be overstated, as it goes to the validity of attempts to aid and support entrepreneurship internationally with any model, irrespective of the country of origin.

However, if culture is enmeshed with entrepreneurship, there must be differences and those differences are likely to vary from nation to nation. This study therefore has a considerable interest in finding out just how much entrepreneurs in America and other western countries differ from those in Ghana, and whether or not entrepreneurship as defined in literature has similar expressions in Ghana. Another important gap identified in the literature is that existing entrepreneurship definitions and theories have been developed about men and for men. Thus, important and particular factors of the female entrepreneurial experience are excluded in entrepreneurship research.
What the research implies for this thesis is that research about women’s entrepreneurship needs to take cognizance of intersections of gender and entrepreneurship. In addition, the socio-cultural and economic context or the environment of the entrepreneurial activity needs to be included in the equation for study. Given the general objective of the study of researching Ghanaian women entrepreneurs in the socio-economic context of Ghana, this thesis will challenge the boundaries of the theory of entrepreneurship.

Nevertheless, what knowledge can we gather from entrepreneurship research in order to understand women’s entrepreneurship? Some important results tend to come back regularly from past studies and seem to have a solid base of support in the empirical research on women entrepreneurs (Aldrich 1999; OECD 2004). The review of literature in the next chapter examines those theories and findings which have been empirically proven to explain women’s entrepreneurship.
CHAPTER THREE

FEMALE ENTREPRENEURSHIP: INTERDISCIPLINARY PERSPECTIVES

3.1 Introduction

In this chapter, the literature related to explanatory variables of entrepreneurial behavior, activity and success of women is examined. A general classification of these explanatory variables in literature revealed that these variables stem from different theoretical and disciplinary backgrounds. The chapter commences with a brief review of the various economic perspectives on entrepreneurship, particularly the economic views that best explain women’s entrepreneurship. This review will then lead to a general working definition of entrepreneurship derived from Schumpeter’s and Kirzner’s views of entrepreneurship, which form the basis of investigating women’s entrepreneurial process. Schumpeter’s and Kirzner’s views or models of entrepreneurship also provide an understanding of how women successfully start-up and grow their entrepreneurial ventures.

Other theoretical perspectives such as psychological, motivational and resource-based views, networking and innovation, which have been theorized and empirically proven in literature as determinants of entrepreneurial behaviour and success, will be reviewed also. Such a multi-disciplinary approach to the study of entrepreneurial behaviour is justifiable, since entrepreneurship scholars argue strongly that the entrepreneurial phenomenon cannot be adequately explained by one theory alone and, a multi-disciplinary approach is recommended (Campbell 1992; Lerner et al. 1997; Rauch and Frese 2000; Ripsas 1998; Schumpeter 1954). Thus, not one factor or determinant can explain entrepreneurial behaviour or success, but a combination or range of factors.

However, as pointed out by Triandis (1994), since these theories focus on individual motives and behaviour, they are strongly influenced by western culture and values, from
whence they have emerged. Nevertheless, this review will help to guide this study and provide rich information on Ghanaian women entrepreneurs.

3.2 Explaining Female Entrepreneurship: Economic Perspectives

As indicated in the previous chapters, entrepreneurship is a field that is characterized by widespread disagreement on basic models, assumptions and methods. Similarly, a myriad of different understandings of the concept of entrepreneurship exists in the economists' perceptions of entrepreneurship. Throughout literature, the entrepreneur has worn many faces and fulfilled many roles. Researchers (Djik and Thurik 1995; Herbert and Link 1989; Praag 1996) have identified at least thirteen distinct roles for the entrepreneur in the economic literature.

For example, as presented in the previous chapter, Cantillon (1755) referred to the entrepreneur as the risk bearer; Knight (1921) believed he faced uncertainty from the unknown; Marshall (1930) saw him as a leader and a manager; Say (1971) recognized the entrepreneur as a manager because he plays an important role in coordinating factors of production and distribution; Schumpeter (1934) thinks he is an innovator; and the Austrians (Hayek 1945; Kirzner 1979; Mises 1881-1973) describe him as an arbitrageur, who is alert to profitable opportunities. However, most of these economic theories recognize the fact that entrepreneurship contributes significantly to the development of the economy (Ahl 2006; Wennekers and Thurik 1999). Cantillon (1755) for example described entrepreneurship as a special economic function and Schumpeter (1954) argued that the entrepreneur is the one who brings about innovations that create real development in the economy, meaning that without the entrepreneur economic growth will be very slow.

Similarly, Low and Macmillan (1988) agree with the economists that entrepreneurship is a critical force of economic growth which creates hundreds of thousands of new jobs. Also, Venkataraman (1997:133) presenting a view originating in the Austrian school in economics (Hayek 1945; Kirzner 1997), stated that the connection between the individual
entrepreneur’s profit seeking behaviour and the creation of social wealth is ‘the very raison d’etre of the field’.

It is, therefore, not surprising that economic development supporting entrepreneurship or new venture creation is an attractive policy in most countries. Regardless of location or country context, the increased attention to economic contributions of entrepreneurship, and in particular, growing and successful businesses is reflected in the accelerated pace and variety of public and private sector policy initiatives at all levels, including local, regional and national levels (Hart 2003). Various studies have identified that small enterprises, which are vehicles in which entrepreneurship thrives, are the main drivers of this economic growth.

How then do women participate in this phenomenon? Apart from research findings that women are predominant in small and medium enterprises, recent statistics also show that women are important drivers of growth in many of the world’s economies (Minniti, Arenius and Langowitz 2005). One would therefore expect a greater interest in this phenomenon of women’s entrepreneurship. However, research until present does not reflect this. Research in the area can be said to be gender biased and pays little attention to the specific needs of women entrepreneurs (Brush 1992; Brush and Hisrich 1999; Holmquist and Sundin 2002; OECD 2004). Nevertheless, the concern of most recent studies on women entrepreneurship is what knowledge can be gathered from economic-entrepreneurship research in order to understand women’s entrepreneurship? And, which economic theories or factors best explain women’s entrepreneurial activity at the macro level?

These questions need to be answered to fully understand the entrepreneurial process and success of women entrepreneurs. Since it is argued in literature that entrepreneurship of women and men is different, there may be different factors explaining their prevalence rates. This difference is acknowledged by Delmar and Davidson (2000) and Shane and Venkataraman (2000), who find that the factors explaining the nascent entrepreneurship rate of men, have limited value in explaining the nascent entrepreneurship status of women.
These studies indicate there is a need for research investigating the appropriate factors influencing women entrepreneurship in general, and taking their peculiar characteristics and circumstances into consideration.

In view of the above, peculiar circumstances that need to be taken into account when studying women’s entrepreneurship are derived from two main streams of literature. First, an extensive review of literature showed that the knowledge and the resources needed to create and to manage a new business are culturally embedded and historically specific (Carroll and Hannan 2000; Granovetter 1985; Phillips 2002; Sorensen and Audia 2000; Uzzi 1997). That is, the reason women’s entrepreneurship is different from men’s entrepreneurship is that culture and history have attributed to women a different role in society and that specific conditions have a strong and deep impact on the entrepreneurial process.

Second, it has been established in several entrepreneurship studies that women have access to fewer resources, have less knowledge, and have in many countries a lower societal position than men (OECD 2004). Thus, women and men differ with respect to their personal and business profile: they start and run businesses in different sectors, develop different products, pursue different goals and structure their businesses in a different fashion (Brush 1992; Carter, Williams and Reynolds 1997; Chaganti and Parasuraman 1996; Fischer, Reuber and Dyke 1983; Verheul 2003; Verheul and Thurik 2000). These significant features of women’s entrepreneurship contribute to the diversity of entrepreneurship in the economic process (OECD 2004; Verheul and Thurik 2000).

Hence, the theoretical framework of this study, which suits and forms the basis of investigating women’s entrepreneurial processes, including how women successfully start-up and grow their entrepreneurial ventures, is primarily inspired by Schumpeter’s and Kirzner’s economic models of entrepreneurship. Their perceptions have been empirically proven and recommended as capturing the historically and culturally determined framework conditions affecting entrepreneurship and the idiosyncratic prior experiences of
enterprising individuals, such as women (OECD 2004; Shane 2000; Shane and Venkataraman 2000; Venkataraman 1997).

This study is interested in investigating women’s entrepreneurship in their real-life context. Schumpeter’s and Kirzner’s economic models of entrepreneurship suited the framework of this research. Discussions will firstly identify the various key features in the individual economic theories, and then finally merge the two perceptions to provide a general model or working definition to understand women’s entrepreneurial processes and success.

3.2.1 The Schumpeterian Economic Perspective of Entrepreneurship

Schumpeter is the economist who has most prominently drawn attention to the innovating entrepreneur. His major contributions to the theory of entrepreneurship are included in his book *The Theory of Economic Development*, first published in 1911. Schumpeter argued that innovation meant doing more with the same amount of resources available to anyone. Schumpeter believed entrepreneurship not only meant management of a firm but, more importantly, leadership of the firm, in contrast to the many imitators who follow the innovative lead of the entrepreneurs. The entrepreneur is therefore responsible for the continuous improvement of the economic system. Schumpeter regarded the entrepreneur as the decision maker in a particular cultural context and entrepreneurship as a temporary position for any person, unless he continues to be innovative.

According to Schumpeter (1961: 7), the economy does not grow like a tree, ‘steadily and continuously’, but through an individual’s creative or innovative responses to opportunities. By necessity or by desire, entrepreneurs create qualitatively new phenomena (Schumpeter 1947), which is what makes the economy grow. The entrepreneurial function is thus defined by its disproportional contribution to the economy. That is, an entrepreneur is one who contributes significantly more than others to the economy by virtue of innovation and realizing new combinations. This could involve the creation of a new product, a new method of production, the opening of a new market, the capture of a new source of supply, or a new organization of industry.
Although Schumpeter expected that innovation would primarily be manifested in new organizations, there has also been a focus on renewal of existing businesses (Covin and Slevin 1991) where innovations may occur. For Schumpeter, the essence of entrepreneurship is the ability to break away from routine, to destroy existing structures, to move the system away from the even, circular flow of equilibrium. Kirzner (1973:127) stated that ‘For Schumpeter the entrepreneur is the disruptive, disequilibrating force that dislodges the market from the somnolence of equilibrium’.

Hence, the primary consequence of Schumpeter’s entrepreneurship is the long-running economic development of the capitalist system, and the entrepreneur is the innovator in economic life. Schumpeterian entrepreneurs are to be found mostly in small firms (Wennekers and Thurik 1999); they own and direct independent firms that are innovative, and creatively destroy existing market structures.

The argument that runs through literature is that Schumpeter’s approach to entrepreneurship is multidisciplinary in nature. He looked at different aspects of entrepreneurship during different periods of his life, and he used a variety of approaches in doing so, including economic theory, psychology, and sociology and economic history. And nowhere in literature, either in entrepreneurship or in economic theory, can one find a well-rounded picture of Schumpeter’s theory of the entrepreneur (Ripsas 1998; Swedberg 2000). He is also the main figure in the literature on entrepreneurship.

3.2.2 Kirzner’s Economic Perspective of Entrepreneurship

Kirzner in his 1973 publication *Competition and Entrepreneurship* highlighted and summarized the Austrians’ (Mises and Hayek) economic views of entrepreneurship. Kirzner’s economic view of entrepreneurship is a representation of the Austrians’ perceptions. Kirzner focused on the alertness for profit opportunities as the key to understanding entrepreneurship. According to Hayek (1945) and Kirzner (1979), knowledge is unevenly distributed in and among individuals, with the consequence that the
market uses resources imperfectly. This mismatch in knowledge and information and gaps that others have not yet perceived and exploited in the market process translate into profit opportunities for those individuals with a particular, unique knowledge of market discrepancies.

Subsequently, discoveries play an important role in the economy in Kirzner’s perspective (Kirzner 1979; Venkataraman 1997). The entrepreneurial role is that of discovering or alertly noticing where discrepancies have occurred in the market process, and of moving to take advantage of such discoveries. According to Kirzner, entrepreneurs are the persons in the economy who are alert to discover and exploit these profit opportunities. The emphasis is thus on the entrepreneurs being the equilibrating forces in the market process by simply noticing profitable opportunities arising from unanticipated, independently-caused changes in underlying market circumstances.

Explaining entrepreneurial profit further, Mises (1962: 109) pointed out that what is responsible for such profit ‘is the fact that the entrepreneur who judges the future prices of the products more correctly than other people do buys some or all of the factors of production at prices which, seen from the point of view of the future state of the market, are too low’. The crucial element in Kirzner’s perception of entrepreneurship is thus captured in the entrepreneur’s perception and discovery of a price gap between present inputs and future output, taking advantage of these profitable opportunities by carrying out functions to make profit.

Another equally important feature of Kirzner’s (1979) view is that, the entrepreneur is a visionary, and possesses entrepreneurial or psychological qualities of boldness, determination, innovation and self-confidence. According to Kirzner, these qualities play a key role in the entrepreneur’s discovery of profitable opportunities (Kirzner 1999). Hence, Kirzner saw entrepreneurs as producers of products or services, but they are entrepreneurs only if they make discoveries and if they also make a profit out of these discoveries (Kirzner 1973). For Wennekers and Thurik (1999), Kirzner’s entrepreneur combines resources to fulfil currently unsatisfied needs or to improve market inefficiencies or
deficiencies. Other researchers summarized the Austrians’ entrepreneurship perspective represented by Kirzner as the discovery, evaluation and exploitation of profitable business opportunities (Shane and Venkataraman 2000).

3.2.3 Schumpeter’s and Kirzner’s Economic Models of Entrepreneurship

Given the preceding review of the key features in the economic views of entrepreneurship by the two distinguished economics traditions in entrepreneurship literature, Schumpeter’s and Kirzner’s views can be seen as sharing a common heritage and language but pointing at different aspects of the function or role of the entrepreneur that are relevant to this study.

Hebert and Link (1982), comparing the two views, think that while the differences between Schumpeter’s and Kirzner’s views are real, they arise not from two fundamentally inconsistent views of the economic process. Hebert and Link (1982) rather think that both Schumpeter’s and Kirzner’s views are necessarily different emphases relevant to the two parts of the same market process, to which these views respectively pertain. Similarly, other scholars (Boudreaux 1994; Choi 1995; Loasby 1989), who have extensively reviewed the two perceptions, concluded that the two different views should be seen as complementary. Schumpeter usefully draws attention to dimensions of improvement in product and services quality; Kirzner, on the other hand, usefully draws attention to the equilibrative sense in which all social and business opportunity-grasping, including Schumpeterian innovation, can be perceived.

Why have the two schools of thought been selected as the theoretical framework for the study of women’s entrepreneurship? The two views have explicitly emphasized two distinct and complementary types of identification and exploitation of sources of opportunities in their theories, which is unique to the entrepreneurial process. To Schumpeter, while the identification and exploitation of these sources of opportunities may involve radical innovations which disrupt the existing economic conditions and require a change in the business context, Kirzner’s incremental innovations are far less disruptive and are brought to market and exploited by alert entrepreneurs.
These views are clearly manifested in the two major types of entrepreneurial start-ups witnessed in the real-life situation. While some cause radical innovations and change the rules of the game in industries, some also involve gradual but systematic pushing back of the boundaries of ignorance, driving prices, output and input quantities toward the values consistent with equilibrium. These two means of business venture creation form a major component of the entrepreneurial process which will help to understand how women enter self-employment and the types of entrepreneurial activities they engage in. Figure 3.1 below illustrates Schumpeter’s and Kirzner’s perspectives of entrepreneurship, which is an important component of the general framework adopted for this study.

Figure 3.1 Schumpeter’s and Kirzner’s Entrepreneurial Models

Also, psychological characteristics possessed by an entrepreneur, such as determination, the need to achieve and succeed, boldness, innovation and creativity, being a visionary, and self-confidence play a vital role in both Schumpeter’s and Kirzner’s perceptions. These qualities in both entrepreneurship and management literature are very crucial behavioural and success factors for entrepreneurial ventures.
The OECD (2004) recognized and identified that the presence of historical and cultural conditions, for example technological, market, political and demographic, as well as institutional and cultural development act as demand on enterprising individuals, especially women, and create opportunities for them to take advantage of. These individuals have an advantage in discovering these profitable opportunities and create new products or services, find a new method of production, a new market (Schumpeter 1954), or alertly discover and exploit the existence of profitable gaps in the market process for intrinsic satisfaction and profit (Kirzner 1979).

Identifying with this explanation of the entrepreneurial process, the OECD (2004) lauded Schumpeter’s and Kirzner’s economic views as suitable models for the study of women entrepreneurs. Their views together provide a general model or working definition of entrepreneurship, to understand how women start and develop their entrepreneurial ventures. These views are helpful in focusing on women entrepreneurs as a country-specific and gendered phenomenon, taking into account the peculiar institutional, economic, social and cultural environments which affect their decisions for choosing the path of entrepreneurship.

Moreover, the two perspectives are explicit on the motivations and outcome of the entrepreneurial process. Schumpeter talked about being motivated intrinsically and not necessarily by profits or luxury, although profit and wealth could be an outcome (Schumpeter 1934). Kirzner believed that it is compulsory for the entrepreneur to make profits out of his/her endeavours. Together, they perceived the entrepreneur’s activity as having a positive impact on the economy. Thus, Wennekers and Thurik (1999), comparing all the economists’ views in the entrepreneurship literature, concluded that Schumpeter’s and Kirzner’s entrepreneurship is much more explicitly relevant for explaining economic growth.

Also, one of the major thrusts of this study is to investigate the motivation and impact of Ghanaian women entrepreneurs in the economic and social lives of the individual women
entrepreneurs, their families, and the nation at large. Schumpeter’s and Kirzner’s views combined fit as an ideal economic model to guide the study.

Schumpeter’s and Kirzner’s economic models of entrepreneurship agree with other entrepreneurship theorists that entrepreneurial opportunities are not equally obvious to everyone. They further identified that these opportunities are equally available to anyone with the experiences and the knowledge to discover them. Agreeing with this viewpoint, Casson (1982) explained that opportunities are themselves unstructured, and advantages and disadvantages of opportunities are largely dependent on idiosyncratic individual differences in personal experiences and education. These are important for the generation of information and resources in the entrepreneurial process.

Thus, for the enterprising individual, be it male or female, their varied experiences, educational background, education and position in social networks play a great role in Schumpeter’s and Kirzner’s economic models of successful entrepreneurship. These two great economists’ views together will allow the study to investigate the experiences, resources and educational backgrounds of the women entrepreneurs to help find out how these experiences and knowledge were helpful to them in the entrepreneurial process.

Therefore, using both Schumpeter’s and Kirzner’s economic views, entrepreneurship is here defined as the study of sources of opportunities, their identification and innovative exploitation, and the consequences for the economy. The three major components identified in this definition form the basis for women’s entrepreneurial process, provide a general model or working definition for the study, to understand how women start their business ventures by using the knowledge, experiences and resources available to them; how they identify and exploit opportunities; and finally, what the consequences are of women’s entrepreneurship for themselves and the economy.

The OECD (2004), which also recommended Schumpeter’s and Kirzner’s entrepreneurial models as a framework for the study of women’s entrepreneurship, concurs that together these four components are helpful in understanding women’s entrepreneurship. It further
commented that Schumpeter’s and Kirzner’s economic models facilitate the work of researchers to interconnect and evaluate the different aspects of entrepreneurship and women’s entrepreneurship in particular. Also, the models provide an understanding of how entrepreneurship both affects and is affected by the surrounding conditions, and how the entrepreneurial process evolves over time from individuals recognizing opportunities to exploiting them more or less successfully in independent business ventures.

Most importantly, Schumpeter’s understanding of the entrepreneur is widely accepted in literature (Ripsas 1998). His views therefore serve well as a good choice for studying women entrepreneurs. All in all, Schumpeter’s and Kirzner’s economic models will help direct this study, whose focus is primarily on women’s entrepreneurship as a country-specific gendered phenomenon. The key components in the models will provide some insights into the general determinants of entrepreneurship, particularly women’s entrepreneurial activity and success at the macro level, where the interplay of economic, social and cultural variables are accounted for.

Interestingly, in management science and entrepreneurship literature, entrepreneurship is understood as a behavioural phenomenon. Although Schumpeter tried to combine economic theory and the role of the entrepreneur with the psychological and sociological aspects of the real person, other researchers recommended separate analysis of the various perspectives explaining the entrepreneurial phenomenon, in order to capture a better picture of the entrepreneur and the entrepreneurial process (Campbell 1992; Ripsas 1998; Stevenson, Roberts and Grousbeck 1994). They argued strongly that entrepreneurial behaviour cannot be explained by economic theory alone because psychological, cultural and sociological factors are also very important.

In view of this argument, other theoretical perspectives, that is psychological, motivational, resources-based, innovational and networking, which explain successful entrepreneurial behaviour and activity are explored in relation to women’s entrepreneurship in this thesis. The review of literature of all the relevant perspectives will constitute a complete
framework to achieve the purpose of the study, which is the development of a holistic picture of women entrepreneurs in Ghana.

3.3 Demographic Profile and Psychological Traits of Women Entrepreneurs

There are several approaches to describing the entrepreneur and determining business success. One of the approaches is based on the psychological perceptive, which argues that entrepreneurs often exhibit a typical characteristic profile. Numerous studies on women entrepreneurs have therefore endeavoured to develop a profile of women entrepreneurs and establish whether a ‘typical’ profile of women entrepreneurs existed, and if so, whether people matching this profile were more likely to make successful entrepreneurs (Bennet and Dann 2000; Hisrich and Brush 1985). Demographic features such as age, marital status, ethnicity and educational background, as well as the psychological or personality traits of the women entrepreneurs, are often studied in order to develop this profile.

In one such study (Hisrich and Brush 1983) it was found that the typical woman entrepreneur was that first-born child of middle class parents where the father was self-employed. The relevance of being the first born child stems from sociological literature recognizing that first-born children have different attitudes and values to those of their siblings, and, in particular, a more positive attitude towards responsibility-seeking and achievement, which seems to correlate with an entrepreneurial career choice. In relation to the relevance of having a self-employed father, Watkins and Watkins (1984) for example reported that a woman entrepreneur is four times more likely to have been subject to the influence of an entrepreneurial parent than a member of the general population. Researchers continue to argue that the behaviours and attitudes displayed by these parents provided a positive role model for entrepreneurs (Hisrich and Peters 1996; Mathews and Moser 1996).

Other factors commonly investigated in such studies (Bennet and Dann 2000; Dolinsky et al. 1993; Hisrich and Brush 1983) include educational qualifications, age at business commencement and business type. For example, after obtaining a liberal arts degree, a
typical woman entrepreneur marries, has children, and works as a teacher, administrator or secretary. Her first business venture in a service area begins when she is thirty-five, with her biggest problems being finance, credit and lack of business training (Hisrich and Brush 1983). The typical conclusion of these studies is to classify women entrepreneurs as having family based values, a lower propensity for risk (in comparison to males), and conflict between work and home roles.

As socio-demographic and societal changes have occurred in the last decade, and access to education about entrepreneurship and business management has increased for women, it is likely that this situation has changed. More recent studies support this conjecture (Bennet and Dann 2000) and tend to negate some of the earlier assumptions and findings that no statistically significant evidence was found to indicate that a respondent’s ethnic background, marital status, household income, parental employment, management or work experience were associated with venture creation and entrepreneurship. New factors in relation to Australian women entrepreneurs include, first, the increasing likelihood of having a business education; second, that the reason for establishing a business combines an increasing level of general business needs as well as personal needs; and third, movement into new sectors outside of those traditionally considered as women’s industries (Brush et al. 2006; Fielden and Davidson 2005).

It is noteworthy that the above theoretical propositions determining the characteristics of women entrepreneurs tend to be varied and based on experiences of white women. They may not fully determine the characteristics of women entrepreneurs in other parts of the world, and particularly in Africa. Whereas the above profile of a ‘typical’ woman entrepreneur may apply to women in the USA, Canada, Australia and the UK, the question is whether it can be generalized as the researchers sought to do.

As rightly observed by the International Labour Organization (ILO) (2000), there are many ‘faces’ of women entrepreneurs today, which include the sectors they operate in, those in micro, small and medium enterprises, those in subsistence or growth-oriented enterprises, and most importantly those operating in different cultures and different countries. There is
therefore advocacy by the ILO for country-level research into the characteristics of women entrepreneurs, to understand them all, identify their needs and promote cost effective and sustainable ways of helping them to get established and grow.

For instance, in order to gain insight into the rarely articulated perceptions of women regarding entrepreneurship in India, Kitching et al. (2005) research into the women’s characteristics revealed that most of the women entrepreneurs were between the ages of 31 and 45, most (67 percent) of them were married, had children and had started their businesses after marriage. It was also found that 17 percent had only primary school or less education, 35 percent had an undergraduate or college degree, while 22 percent had postgraduate qualifications. Only two percent had a vocational qualification. However, the same research conducted in China by the same researchers (Kitching et al. 2005), showed that the age range of the women entrepreneurs was 22 to 67, with 56 percent aged 30 to 40, and 87 percent was married. The results therefore varied according to the countries involved.

Although most of the available literature on women’s entrepreneurship has concentrated on entrepreneurial development in industrialized countries (Adler and Israeli 1988; 1994; Saffu and Takyiwa Manu 2004), the little that is available on Africa has highlighted the fact that in Nigeria for example, the majority of women entrepreneurs were between the ages of 31 and 55. A large percentage (75%) of them were married and had children, and most (73%) of them had attended college or graduate school (Woldie and Adersua 2004). Also, ILO research into women’s entrepreneurship in various countries such as Bangladesh, Bulgaria and Senegal (ILO 2000) has also shown that the characteristics of women entrepreneurs vary from country to country.

However, one area that has demonstrated commonality between entrepreneurs is the study of psychological characteristics, indicating that entrepreneurship is related to the behavioural and personality traits of the individual entrepreneur (Buame 2000; Jalbert 2000; Saffu and Takyiwaa Manu 2004). Recent studies (Bennet and Dann 2000; Jalbert 2000; Osborne 1995) outline the characteristics frequently displayed by individual
entrepreneurs, such as commitment, determination and perseverance; the drive to achieve and grow; persistent problem solving; internal locus of control; calculated risk taking; and integrity and reliability. Innovativeness is another characteristic that researchers (Kao 1993; Schumpeter 1979; Timmons 1999) have linked with entrepreneurship. This supports the perception that entrepreneurs are creative and innovative, using these skills to solve problems and develop new strategies.

The most mentioned of these personality traits are high need for achievement, high need for power or internal locus of control, high need for affiliation, risk-taking and having self confidence (Brockhaus 1982; Gartner 1989; Low and MacMillan 1988; McClelland and Winter 1971). These characteristics have been identified as leading to the emergence and consequently the success of entrepreneurs. However, the trait or personality contribution to the description of entrepreneurs has been criticized on the grounds that the diversity among entrepreneurs is much larger than personality descriptions. The problem identified with the psychologists’ approach is they seemed to assume the entrepreneur to be a particular person, in a fixed state of existence: ‘once an entrepreneur, always an entrepreneur’ (Gartner 1989: 48).

In addition, scholars of the female entrepreneurship literature have pointed out that these characteristics identified by the psychological perceptions as entrepreneurial are typically masculine characteristics. Typical masculine characteristics are being competitive, active, independent, decisive, and self-confident and risk-taking (Brush 1992; Mirchandani 1999; Nielsen and Kjelsen 2000). And as occurs in others areas of life, the male norm identify the criteria against which all small business owners, including female entrepreneurs are evaluated (Moore 2000). For instance, Taylor and Newcomer (2005) observe that the tendency worldwide has been to identify entrepreneurs in terms of masculine characteristics. They stated that, unfortunately, this male norm did not take account of extraneous factors and traits which are peculiar and pertinent to women entrepreneurs, such as their typical female characteristics of being gentle and emotional.
Nevertheless, findings from studies in regards to the personality characteristics of women entrepreneurs have revealed that the characteristics of successful women entrepreneurs are identical to those mentioned by the psychologists. Women entrepreneurs’ characteristics are also found to be more associated with behaviours identified with masculine than with feminine traits (Buttner and Moore 1997; Hisrich and Brush 1986). Illustrating that pattern, masculine characteristics dominated the self-reported profile of successful Polish women entrepreneurs. These women self-identified personal traits of aggressiveness, assertiveness, determination, strong leadership behaviour, highly developed communication skills, and analytical thinking. They believed that they possessed a set of leadership skills and attributes that included a high level of internal locus of control, autonomy, ambition, energy, responsibility, innovation and creativity. They indicated a high propensity to take risks, a readiness for change, strong social skills such as persuasiveness, a low need for support, and a high level of the ability to inspire others (Zapalska 1997).

Also, in a USA study comparing female managers and female entrepreneurs, neither group self-identified with the stereotypically feminine sex role (Brodsky 1993). Two-thirds of the total sample held culturally masculine attitudes. One third of the entrepreneurs and one fourth of the managers adopted an androgynous self-perception. The managers perceived themselves as bright, analytical, strong, articulate, politically aware linear thinkers, who were determined, self-assured and work long hours. Like their managerial counterparts, the entrepreneurs saw themselves as bright, determined, verbally skilled, analytical and strong. The entrepreneurs’ personalities, however, tended to be less warm, very dominant, expedient, bold, suspicious, shrewd, self-assured, somewhat conservative, self-sufficient and tough minded. By self-report their pace appeared to be faster, and they worked longer hours. They also were seen as more aggressive and less bound by convention. Other research findings on women entrepreneurs from Australia, Canada and UK confirmed that personality traits such as self-discipline, internal locus of control, self-confidence, perseverance, and an intense desire to succeed have an impact on the success of the female-owned business (Coughlin 2002; Jalbert 2000; OECD 2000; Saxon 2003).
Hence, in spite of the criticisms leveled against the psychologists’ approach to the explanation of entrepreneurial behaviour and success, the specified personality traits have been widely accepted and found to affect the description of the emergence and success of entrepreneurs, particularly in developed countries where research in the field is advanced. According to Ripsas (1998) these characteristics are repeatedly mentioned whenever an attempt is made to identify what distinguishes entrepreneurs from non-entrepreneurs. Brockhaus (1982) further emphasized that if even an internal locus of control trait fails to distinguish entrepreneurs, it may serve to distinguish the successful entrepreneur from the unsuccessful one. McClelland (1987) also hypothesized strong need for achievement trait to be the dominant characteristic of an entrepreneur.

Thus, substantial evidence in literature supports the perception that entrepreneurial or personality characteristics such as the need for achievement, internal locus of control, confidence and risk-taking propensity make a fundamental contribution to the emergence of an enterprise, and are strong determinants in entrepreneurial success. In view of these findings we might expect that Ghanaian women entrepreneurs possess these specified personality traits. However, the review of literature identified similarities and diversity among the demographic profiles of women entrepreneurs. While the majority of the women entrepreneurs was married and had children, they had diverse educational backgrounds as well as diverse ethnic identities and belonged to varied age groups. Ghanaian women entrepreneurs’ demographic features will be examined in this thesis to unravel their personal profile.
3.4 Motivations for Business Ownership Perspectives – Why Do Women Entrepreneurs Go into Business?

Another determinant of successful entrepreneurship, which is frequently researched, is the motivations for business ownership. Many previous studies (Bennet and Dann 2000; Brush 1992; Fielden and Davidson 2005; Lerner et al. 1997; Moore 2000; Moore and Butler 1997) have investigated reasons why entrepreneurs choose the path of entrepreneurship. These studies concluded that a combination or range of factors, rather than any single factor alone, provides the impetus for entrepreneurs to create their own business ventures.

For instance, psychological motivations such as achievement, independence, and locus of control have been widely investigated with regard to their influence on business start-up (Lerner et al. 1997). Economic motivators include economic necessity, a path to material independence and greater control over the products of labour (Bennet and Dann 2000; Carter 2000; Hisrich and Brush 1983). In addition, dissatisfaction with circumstances can describe a combination of factors including disillusionment with career, perceived lack of career opportunities, the glass ceiling, flexible work patterns and the challenge of business ownership (Bennet and Dann 2000; Carter et al. 1997; Hisrich and Brush 1983).

Generally, women’s entrepreneurship studies explain women’s motivations for business ownership in two thematic dimensions: extrinsic motives including dissatisfaction over employment, and intrinsic motives involving desire for independence and ability to balance work commitments with family responsibilities. Extant research found that women primarily tend to choose to become self-employed primarily for intrinsic reasons (Brush et al. 2006; Kjeldsen and Nielsen 2000).

In theorizing why women venture into enterprise formation, a number of modern researchers have found it useful to explain motivations under the categories of ‘push’ and ‘pull’ factors (Brush 1990; Buame 2000; Moore and Buttner 1997; OECD 2001; Soutar and Still 2000). These findings rest on the premise that personal and external circumstances,
both positive and negative, may impact on a woman’s decision to create her own enterprise. According to the researchers, 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 environments 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.

However, the determinants of the triggers that push and pull are not always clear. For instance, push factors are classified as those positions where a woman has little choice: she is ‘pushed’ into a decision or situation of owning and operating a business, whether by herself or with family or others. Pull factors on the other hand are considered attractive options for women: they are drawn to brighter prospects and generally have control over their decisions to establish a business. The women normally view start-up as fulfilling an ambition to be one’s own boss or as pursuing a potential business opportunity. These push and pull factors have been found to be the major motivations for women entrepreneurs all over the world, particularly in developing countries. Scholars in women’s entrepreneurship literature categorized the motivators embedded in the push and pull factors into economic, social and personal motivations (Coughlin 2002; Fielden and Davidson 2005; Moore 2000; Starcher 1999). These are discussed below.

**Economic Motivations**

According to the push and pull factor theorists, one of the universal motivations which push women into starting their own business ventures is the need to generate income. Coughlin (2002) observed that in all countries women are at an economic disadvantage compared with men. Societal norms still discount women as the primary breadwinners in the family.
But, with the increase in divorce and women heading single-parent households, in many cases they are the primary breadwinners. Coughlin’s observation is particularly valid in the developing world context, where it is common for one man to father numerous children without providing economic support to any of the offspring. Coughlin (2002) further identified in the developing countries context that decreasing opportunities for men to earn a family wage have made many women less able to depend on customary forms of male support. In many cases male expectations that women will contribute to the family income pool have increased.

Also, women in developed countries, as in the rest of the world, are pushed by economic motivation to start business ventures. Many women are pushed into whatever market economic activity they can take up. The changing nature of government programmes coupled with the lack of opportunity for entry-level work in developed countries have led many women to view entrepreneurship as the best way out of the permanent cycle of poverty. As a result, many women look at their own business as the best way to achieve those things the system has failed to provide. After realizing dependence on government programmes is doing nothing to improve their self-esteem, many women have tried to enter the workplace. Although the economies of the United States and Western Europe have created millions of new jobs in recent years, women have found that entry-level positions often do not pay enough to provide the basic necessities. As a result, many women have rejected government assistance, started a new job, and at the same time, launched a new business. The combination of the salary and benefits received from their job and the extra income from their own business provide many with enough resources to sustain themselves and their families for the long term (Coughlin 2002; OECD 1997, 2000).

In some countries that are undergoing transition, the theorists found that unemployment and the lack of other economic options is the major factor that ‘pushed’ women into business ownership. Statistical data broken down by gender are scarce in the transition economies, but evidence there suggests that women, who are particularly affected by the privatization of state-owned industries and the structural unemployment resulting from the transition to market economies, are increasingly turning to entrepreneurship.
Pauykert (1995) revealed that before the fall of the Berlin Wall, 94 percent of women in the former German Democratic Republic worked. Today, the 20 percent unemployment rate in Eastern Germany has touched off a surge in female entrepreneurship: 150,000 new female-run companies have been launched since 1990.

The beauty of these stories of women motivated into self-employment is that women are taking their economic future into their own hands by starting their own enterprises. By running their own businesses, they have a direct relationship between how hard they work and how much money they earn. While they may in some cases make less money initially by choosing to own a business, they know in the long run they have more security and potential for earnings when they own the business. One can conclude from the push and pull theoretical perspective that the economic motivation for women to start businesses has grown out of financial conditions that have forced women to find alternative methods for generating income. The increase in the number of women entrepreneurs out of economic motivation has therefore demonstrated the resiliency and steadfastness of women. Women entrepreneurs worldwide have demonstrated their ability to take control of their economic future, by choosing the risky and often difficult option of entrepreneurship.

**Social Motivations**

The motivators embedded in the push and pull factor theory such as the need for flexible hours, unacceptable working conditions, lack of childcare facilities, wage gap between men and women and job frustration have been categorized and analyzed as social motivations for women to start business ventures (Coughlin 2002; Moore 1997, 2000).

Coughlin believed that socio-cultural factors played a great role in a woman’s decision to become an entrepreneur. She pointed out that before the Industrial Revolution, families generally lived and worked in the same place. Men and women worked together in the family farm and they operated as a unit. Families were physically close, and so they had a built-in support mechanism in the case of sick children, an ageing parent, or family crises.
A family who owned a retail store would often employ the mother and her children, who would help around the store.

However, in today’s modern society, the family and taking care of the family have become separated from the role of breadwinner. Earning a living usually requires leaving the home and often the community to work for long hours in an environment completely separated from home and family. Men and particularly women always crave a blending of their family and work life rather than complete separation (Coughlin 2002; Fielden and Davidson 2005). The schedule that is imposed on working mothers makes it nearly impossible to respond to the personal needs of a family. By starting their own businesses, women are creating an environment where they are in control of where they work, how they work, and when they work. Although they often work as many hours or more than they did when employed, they are more in control of their time and they can work their businesses around the needs of their families instead of the other way around.

Coughlin’s interview of some women entrepreneurs in the United States reflects the sentiment of millions of entrepreneurs who are starting businesses because of their desire to find balance between work and home. Clearly, changes in societies, which have put more pressure on many women to ‘have it all,’ have actually been a driving force behind the growth of female entrepreneurs, especially in developed countries. Frustrated by their need to work, but unwilling to accept the terms of employment, many women have struck out on their own. The women who find themselves in this position, many of whom have fought their way into executive positions, find a keen desire for the flexibility and control that entrepreneurship provides (Moore 1997, 2000).

Researchers in Australia as well as in the US, Canada and the UK also confirmed from their studies that women balance family responsibilities with productive employment by starting their own businesses or engaging in family businesses which allow them a degree of flexibility for their other responsibilities (Burgess-Limerick 1993; Coughlin 2002; Evans 1984; Fielden and Davidson 2005). However, family responsibilities invariably refer to children and unpaid domestic work, and for many African women the lines between
business and home duties are blurred. Earlier on, Evans (1984) found that married women are more likely to be entrepreneurs and those with children are more likely to start their own businesses because self-employment gives them time flexibility. In addition to time flexibility, another study indicated that many Asian women started up business ventures because of time flexibility as they wished to balance productive work with family responsibilities (Ip and Lever-Tracy 1992).

**Personal Motivations**

Another category of motivators embedded in the push and pull factor theory, such as the desire for autonomy, to control one’s destiny and the need to be personally fulfilled, have been labeled personal motivations. These motivators have been identified and described by Coughlin as the most interesting of all the motivators for women entrepreneurs. She emphatically pointed out that even in the developing world where the primary motivation is economic; the motivation for self-fulfillment is very strong. Entrepreneurship has provided an opportunity for women to discover a new-found sense of accomplishment in supporting themselves instead of relying on men and government welfare systems.

Many women entrepreneurs start their businesses because of a social or spiritual need they identify in their lives. Others have a vision of a better way to build a mousetrap (Coughlin 2002). These women share the common motivation of self-fulfillment and the desire to be in control of their destiny. Often self-fulfillment will keep women entrepreneurs in business even when they would gain more economic benefit working for someone else. The desire for self-fulfillment is particularly strong for women; since many societies give women little respect for their accomplishments and abilities, women crave an opportunity to create their own self-respect (Brush et al. 2006; Buame 2000; Coughlin 2002; OECD 2004).

Extensive research into the characteristics of women entrepreneurs has established that the need for achievement is innate in many women. Those high in need for achievement are thought to have a general orientation toward certain types of goals, entrepreneurial activity being one. Also, personal growth and self-determination- not attaining great wealth and building large operations – always rank high as motivating factors among women who have
started their own businesses. For example, Coughlin (2002) cited the research findings of Holly Buttner, a business faculty member at the University of North Carolina at Greensboro, who spent four years in a study of female entrepreneurs in the US. Her findings revealed that getting rich and owning a large company were not the major reasons for these women entrepreneurs. Her findings further indicated that profits were important, but not as much as income, as a means to ensure that the businesses they started would survive. Thus, the biggest motivation for many women entrepreneurs is the empowerment that comes with gaining control over their destiny.

In conclusion, it is evident in the women and entrepreneurship literature that no single factor motivates a woman to become an entrepreneur. Her reasons depend upon several personal and external circumstances. Reasons also vary from country to country, which emphasizes that female entrepreneurship is cultural or context bound, though some of the reasons overlap among countries and other reasons too are common to all women entrepreneurs worldwide.

Similarly, motivators that have been found to be push factors for women entrepreneurs in developing countries appear to be pull factors for women entrepreneurs from developed countries. For instance, in developed countries such as USA and Australia, independence, self-fulfillment, achievement and desire for recognition by others ranked higher or was prioritized as the primary motivation for going into entrepreneurship, whereas in transitional and developing countries economic reasons ranked higher. However, it is apparent from the extensive review of literature that women entrepreneurs worldwide have a common motivation, which is self-fulfillment and economic empowerment that comes with gaining control over their lives, being in charge of their own fate and having freedom and flexibility. These reasons are a hallmark of successful entrepreneurship.
3.5 Innovating Entrepreneurship – Types of Business Ventures Created by Women Entrepreneurs

Women entrepreneurs all over the world are founding firms in all industry sectors, growing them in geographic scope and size, and contributing significantly to gross national product (GNP) in many countries. The situation is not different in Ghana, since 75 percent of women in the Ghanaian labour force are engaged in the operation of their own business ventures (Ghana Statistical Service 2002).

However, pertinent questions this research is interested in are: what types of activities are being undertaken by these women; are their activities limited to some particular industrial sectors; are they just reproducing existing goods and services or imitating existing practices? Schumpeter’s and Kirzner’s economic models of entrepreneurship (extensively discussed earlier in section 2 of this chapter) will be adopted to guide the study to find answers to these questions. This will enable the study to identify the types of industrial sectors women entrepreneurs operate in and also gain deeper insight into the types of ventures being created, whether entrepreneurial or in imitation of existing practices.

Schumpeter (1954) argued that every innovation successfully introduced by business firms, large or small, new or old, creates new demand for goods and services and therefore creates new wealth and success for the entrepreneur. Lumpkin and Dess (1996), supporting this perspective, added that, although innovations can vary in their degree of radicalness, innovativeness represents a basic willingness to depart from existing technologies or practices and venture beyond the current state of the art.

Schumpeter’s perspective is strongly affirmed in the business literature in that the choice of industry sector and the type of business activity undertaken has a direct effect on potential growth and success (Bhide 2000; Carter et al. 1997). According to Bhide, business ventures based on radically innovative ideas that solve big problems have much greater potential for success, while less innovative ideas serving small niche markets that are easily imitated
have much lower growth potential. Hence, innovation plays a crucial role in the success of business ventures no matter the form that it takes and the sex of the entrepreneur. Innovative business ventures that are not easily imitated are more likely to attract growth capital for expansion (Timmons and Bygrave 1997), attract high patronage, create wealth and be successful. Business ventures created by women entrepreneurs will be reviewed to ascertain whether they belong to innovative sectors and whether they exhibit the innovative characteristics advocated by Schumpeter and other innovation entrepreneurship theorists, as well as the alert discovery of entrepreneurial opportunities described by Kirzner.

The available literature illustrates vividly the types of business ventures created by women entrepreneurs. The most significant feature of the women’s activities is the breaking away from ventures perceived to be ‘traditional’ women’s businesses like trade and services to the setting up of activities classified as peculiar to men. Research on women entrepreneurs revealed that women start their businesses utilizing skills developed in traditional women’s work: education, secretarial-typist, retail sales, lower and middle management (Scott 1986; Stevenson 1986), explaining why most women entrepreneurial activities are concentrated in the trade and service sectors (Brush et al. 2004). Thus, women’s psychological make-up, and their educational and work backgrounds played a great role in the choice of those sectors labelled as traditional women’s business ventures.

However, recent research findings on the types of business ventures created by women entrepreneurs, particularly in developed countries, have indicated a paradigm shift. The women’s business ventures are no longer limited to trade and services industries but are also found in all sectors of the economy, with distinct innovative features leading to their success. In the United States of America for example, women entrepreneurs’ activities cut across all the industrial sectors, namely retail and wholesale trade, service, construction, transportation and communications, agriculture and manufacturing (Brush et al. 2001). Coughlin also found in her study on women entrepreneurs in the USA that the number of women entrepreneur-owned construction businesses nearly doubled between 1987 and 1999, while wholesalers increased 87 percent, confirming a large growth in the less traditional business sectors for women.
Birly and Muzyka (2000) also added that although 70 percent of women entrepreneur-owned firms in the USA are in services and retail, women are rapidly starting and acquiring businesses in other sectors, including wholesale trade, transportation and communications, agriculture and manufacturing. Confirming the above research findings, the US Bureau of Census (2001) highlighted the fact that women entrepreneurs before the 1980s tended to be proprietors of small, slow-growing service businesses with low earnings and few assets, but that a new generation of women entrepreneurs started to appear in the 1980s. Many of these women left corporations to start their own firms in non-traditional women’s business sectors. They have also created and are operating businesses that are traditionally perceived to be for men.

In Australia, women entrepreneurs have been found to own businesses in various sectors of the Australian economy such as mining, manufacturing, construction, wholesale trade, retail trade, transport and storage, finance, property and business services, community services, and recreational, personal and other services (Department of Industry, Science and Tourism 1996). A significant representation by these Australian women entrepreneurs has been recorded in non-traditional businesses such as the manufacturing sector (60 percent), construction (40 percent) transport and storage (35 percent) and mining (25 percent) (Brush et al. 2006).

Significantly, research has further shown that women entrepreneurs’ activities are found in all sectors of economies in the countries in the Asia-Pacific Economic Cooperation (APEC) region (Chun 1999), though they are more likely to be concentrated in service-based or cottage industries. It was found that in Mexico, for example, the highest concentration of women-owned firms is in the hotel and restaurant sector, followed by trade. This is also the case in Korea. In addition, in the Philippines, a recent survey of women-owned firms found 45 percent to be in manufacturing – mostly in the production of crafts or non-durable items like clothing – and 26 percent in retail trade. Also, in Canada there has been an exponential increase in the number of self-employed women in the construction, transportation, storage and communications sectors, and in finance, insurance and real estate (Chun 1999).
However, in the case of developing countries, Tinker (1990) found that most of the enterprises run by women entrepreneurs tend to cluster around small-scale or micro enterprises in trade and services. This loosely refers to those enterprises involving individual women and their family members. For instance, Singh, Ruthie and Muhammed’s (2001) study on 200 micro and small enterprises in four villages in Java, Indonesia, revealed that the majority (94 percent) of the respondents were sole proprietors within the informal sector and that women owned or operated 56 percent of these enterprises. Their findings among others suggest that male enterprises dominate in the manufacturing sector while women enterprises dominate in the food processing and trade sub-sectors.

Concerning African women entrepreneurs, McDade and Spring (2005) found that they are primary providers of domestic food supplies in both rural and urban areas. West Africa for instance is known for women traders dealing in textiles and food supply. Recently, Spring (2005) classified African women’s entrepreneurial activities into four main levels: informal sector small vendors (which consists of women trading in the street and small markets); informal sector wholesalers, retailers, importers and exporters; formal sector business (which consists of regular local businesses); and a new generation of African entrepreneurs of which women entrepreneurs comprise about 22 percent. According to Spring, these African women often manifest non-traditional gender roles, forming companies dealing with information technology, construction, tourism and sector management. She found that out of the four categories women entrepreneurs in Africa dominate the first group.

Interestingly, Spring’s findings are very significant since little is known in literature about the actual types of activities women entrepreneurs in Africa, particularly Ghana, are engaged in. This finding at least shows that African women entrepreneurs are also breaking through traditional women businesses to own firms in male-dominated areas such as construction and mining and also enlarging their businesses.

Snyder (2000) interviewed Ugandan women entrepreneurs who had established and operated successful businesses that run the spectrum of the entrepreneurial landscape.
These entrepreneurs include market women (who sell everything from water to curtains), manufacturers of leather shoes, owners of private clinics and supermarkets, hoteliers, and tourism industry operators. Her study also revealed that a small but growing segment of women entrepreneurs are in medium-scale businesses in Uganda. Spring (2005) also indicated that many more men than women are in lucrative businesses, the formal sector, and are owners and managers of large firms and small industries in Africa. Therefore, as evidenced in the review of the women’s entrepreneurship literature, the initial entrepreneurial activities of women entrepreneurs globally were concentrated in the trade and services industries. These industry sectors were easy to enter, less innovative and therefore easily imitated. The women entrepreneurs’ initial concentration in these highly saturated and competitive industries automatically limited the growth potential and success of their ventures (Brush et al. 2004).

However, currently, there is a big paradigm shift whereby women entrepreneurs all over the world are venturing into less traditional business sectors for women and which are less competitive such as construction, manufacturing, mining and transportation. These industry sectors are not easy to enter and not easily imitated. Also, although men have already dominated these industry sectors, women being different from men have introduced various forms of innovation into the sectors with regards to the exploitation of entrepreneurial opportunities and different solutions to management, organization and business problems (OECD 2004). Thus, women entrepreneurs have gone beyond creating business ventures in less innovative and highly saturated sectors traditional for women. Research findings have shown that they are now setting up businesses based on radically innovative ideas that solve bigger problems. These activities are the important drivers of growth in many of the world’s economies and result in their increasing success. Women entrepreneurs in Ghana also engage in a variety of business ventures. This study within an innovating entrepreneurship framework will identify the industrial sectors they are belong to and the types of activities they engaged in. It is expected that the types of business ventures they engage in are related to their success.
3.6 Networking and Entrepreneurship – Network Affiliations of Women Entrepreneurs

Another important determinant of entrepreneurial success which is of interest to researchers is support and networks. It has been widely acknowledged that networks form an integral part of the explanation of entrepreneurial success. Researchers have generally obtained positive evidence that networking, whatever its form, does have an impact on a business venture’s survival and success (Aldrich 1989; Baron and Shane 2005; Carter, Dinopoulos and Lanzillotti 2005; Jennings 1994; Kerwood 1995; Lerner et al. 1997; Ring and Van de Ven 1994).

Networking theorists view entrepreneurship as embedded in a complex network of social relationships. Within these networks, entrepreneurship is facilitated or constrained by linkages between aspiring entrepreneurs, resources and opportunities (Aldrich and Zimmer 1986). According to this view, the presence of networks (formal or informal), such as access or membership in associations, plays an increasingly important role in the success of entrepreneurs.

Networking is understood as one of the key practices contributing to small business success. Research into the networking practices of women in business and the significance of networking to small business success has been pursued predominantly by US and Canadian academic institutions. The findings from these researches primarily based on developed countries have emphasised the importance of support systems, mentors and advisors to the successful start-up and operation of entrepreneurial ventures.

Researchers into networking and entrepreneurship (Baron & Shane 2005; Buame 2000; Carter et al. 2005; Jennings 1994) have developed several typologies of networks. However, research has revealed that in all the typologies identified, networks basically contribute to the entrepreneur’s ability to discover opportunities, find resources and gain
legitimacy (Elfring and Hulsink 2001). Three typologies mainly talked about in literature are instrumental networks, personal networks and symbolic networks (Buame 2000).

Instrumental networks generally describe instrumental relations, for example, supply and sales contacts and public relations. Instrumental ties arise in the course of job performance and involve the exchange of job-related resources such as information, expertise and material resources. Personal networks arise where contacts between people are rooted in sympathy (as in the case of friends and contacts in ‘clubs’), mutual support, exchange of information and as a source of mutual inspiration. These relationships involve social support and are characterized by higher levels of closeness and trust. Generally, most networks are instrumental and expressive. Symbolic or moral networks are rooted in common attitudes towards a specific goal (political, ethnic, religious, and moral) that bind the members together. This type of network consists of culturally induced values. As a solidarity network it becomes a kind of mutual insurance that is organized around delayed reciprocity contingent upon need and affordability.

Interestingly, past research findings have indicated that entrepreneurs from developed countries tend to rely more on instrumental networks (Hofstede 1980). These people are members of professional associations and formal organizations. Relationships are normally formalized among organizational members as they interact and are connected with mentors and business colleagues who have lived through the entrepreneurial process themselves and are willing to share the experiences they have accumulated. Thus, in the advanced economies and more individualistic societies, networks as linkages are used instrumentally and mainly in resource generation.

In African societies, particularly Ghana, Buame (2000) found that lineage, kinship and neighborhood, which are the major elements of solidarity networks, are much more relied on. In a collectivistic society like that of Ghana where relationships are reinforced by norms, networks are used as resource acquiring mechanisms. Solidarity networks often tie members of the family, kinship group or a community together and the entrepreneur taps on the resources and information that he/she can get from this network to the benefit of the
business venture. The Ghanaian entrepreneur’s basic social network is the extended kinship system. Other forms of networks both affective and instrumental radiate fundamentally from these kinship relations.

While highlighting this difference, it is also clear that entrepreneurs from both developed and developing countries rely heavily on their personal networks, especially at the start-up of their business ventures. Carter et al. (1992), agreeing with the usefulness of personal networks, endorse family, spouse, parents and children as a major source of support. They are most helpful to entrepreneurs in the areas of encouragement, advice and labour, and financial and material resources acquisition for the business ventures. Personal networks are helpful in laying a solid foundation for the business ventures and consequently for their success. Johannisson (1998) confirmed in his study that the personal network of the entrepreneur is the most important resource of the firm. The significance of personal contacts as an aid to business development has also been validated in a study showing that strong ties in social networks facilitate the start-up process (Aldrich et al. 1988).

Similarly, mentors are normally trusted counsellors who share their business knowledge, skills and experience and, most importantly, serve as respected role models for would-be entrepreneurs and budding entrepreneurs. In the female entrepreneurship context, mentors are best described as experienced women business owners willing to give back to their communities by assisting other women ready to start or grow their businesses (Coughlin 2002). Mentors can come from legal, financial or other professions providing guidance, advice and training to women entrepreneurs.

In spite of the above importance of social networks and mentors to entrepreneurs, various studies have revealed that women entrepreneurs are new to the concept and have not utilized these support systems as compared to men and are still in the process of developing their own networks of supporters and mentors (Coughlin 2002). Other studies have confirmed that women are less likely than men to belong to a business network, to have a business mentor, or to join business associations on start-up (Still and Timms 1999; Walker and Weigall 2001).
According to a survey by the National Foundation for Women Business Owners (NFWBO) (2001), women business owners are less likely than their male counterparts to have a mentor before opening a business but are more likely to consult outside sources on business management and growth issues. The NFWBO’s study further found that when owners of fast-growth firms were starting or acquiring their firms, less than half the women had a mentor or role model. Crampton and Mishra (1999) blamed this on the fact that traditionally, men have built up networks and mentors based on generation and generations of business ownership. They have had access to associations, networks and clubs (business and social) where they discussed business and negotiated deals. Some researchers also explained that access to information and assistance from these networks depends on ‘know-how’ and ‘old boys’ networks which could be difficult for women to penetrate (Belcourt, Burke and Lee-Gosselin 1991).

Supporting Crampton and Mishra, Coughlin (2002) also found that women have been excluded from some traditionally male networks in the past. Women therefore have found it difficult to establish relationships in predominantly male networks, because of the impression that the network was ‘closed’. Women have been effectively shut out of the good ‘old boy’ informal business networks and, as a result, many organizations have emerged to offer networks exclusively to women (Coughlin 2002) and have helped them to develop their own formal and informal networks. These networks provide successful role models for aspiring and developing women entrepreneurs (Smeltzer and Fann 1989).

In Israel for example, it was noted earlier that occupational segregation in terms of sectors and level of managerial responsibility is prevalent. This implies that women will less often be integrated into certain networks, for instance in the manufacturing, government, or military sectors. The recent growth of women’s associations in Israel suggests women entrepreneurs might be likely to participate in women-only associations as a means to gain moral support. Research shows that in collectivist and informal societies like Israel’s, success is dependent on personal contacts and relationships with key individuals who facilitate the start-up (Baum et al. 1993).
Significantly, other researchers have proved that women entrepreneurs are seriously linking up with support systems and are highly involved in networking and benefiting from mentors just like their male counterparts. Nelson (1989) finds that women business owners are pragmatic in seeking tangible support from those most able to provide it – predominantly spouses, siblings and male friends. Moore and Buttner (1997) confirmed that having a personal network support system composed of spouses, significant others, family members and acquaintances are very important to women entrepreneurs. Their study of USA women entrepreneurs revealed that 53 percent of them consider their spouses the primary source of support.

This therefore suggests that women entrepreneurs utilize networks not only to acquire business information, but also to fulfil social support needs. Smeltzer and Fann (1989) also think that social support may be as important to small firm survival as instrumental information. Carter (1989), for instance, argued that networking is an important means by which women entrepreneurs in her UK sample are able to manage the transition to business start-up. Younger entrepreneurs, who lack workforce experience and contacts, are able to compensate for this in part through vigorous networking. Carter further notes that networking and the ability to draw on sources of business experience and support are important practices enabling the transition from entrepreneurial management to professionalism in the business studied. This is supported by Andre (1992) who proposes that financially successful women entrepreneurs devote time to networking.

Also in 1989, Aldrich et al. conducted research on networking practices of men and women entrepreneurs in America and Italy. They found a high similarity in the networking activities and densities across countries and genders. Regression analysis revealed that being married was associated with a one-third decrease in network size. Each year increase in age decreases network size by 1.3 percent. Using the measures of Aldrich et al. (1989), Cromie’s and Birley’s (1992) research in Ireland again found that with the exception of the gender of the individuals in the personal contact network, female networks are just as active
and diverse as those of men. These findings were supported again in Aldrich and Elam’s (1995) study in America.

Further, McDade and Spring (2005) identified a ‘new generation of African entrepreneurs’ who are business globalists who have organized a system of business enterprise networks consisting of national, regional, and pan-African organizations. The study analyzes interview data from 57 men and women network members from ten African countries (Botswana, Ethiopia, Ghana, Kenya, Mali, Senegal, South Africa, Uganda, Zambia, and Zimbabwe). Women comprise 23 percent of network members. It was also noted that there was an equitable representation of women in the network. Most networks have women members and some even have women chairs. Women in the Ghanaian network for instance were 40 percent of its membership while the head of the 7,000-member Ethiopian Chamber of Commerce in 2000 was a woman.

McDade and Spring further revealed that the women’s gender was not disadvantageous to their status in the networks or in their business relationships with other members. The women entrepreneurs act as spokespersons for women’s issues in their countries, sponsor training courses for women entrepreneurs, and hire female managers. Others have assisted women market traders with bookkeeping skills (Spring 2002). However, their primary focus, like their male counterparts, is on innovating and expanding their own businesses. Some women confided in the researchers that one of the benefits of joining the networks is the opportunity to interact with other businesswomen who share similar views and experiences.

Also, other past research works on women entrepreneurs’ networking identified that women prefer to seek out other women as information sources rather than men. Literature has therefore revealed that organizations that offer networking exclusively to women have been successful (Coughlin 2002). The formalization of women’s networks, such as the National Women’s Business Council in the US, has been highly successful as networks provide access to information and support for women business owners exclusively. The formation of more of these networks for women must be encouraged. One advantage of
these women entrepreneurs’ exclusive networks is their flexibility and informal nature, which suit women’s roles as family women and entrepreneurs.

All in all, it became evident in the review of literature that women entrepreneurs from the UK, Ireland, USA, Australia, Israel, Africa and other parts of the world have benefited immensely from these support systems. The review also suggests that both families of women entrepreneurs and women’s business networks provide ample support to the women entrepreneurs, and both are necessary for the success of the woman entrepreneur.

Networks have therefore been proved as an important prerequisite to the successful organization of entrepreneurial activities in any society. The existences of such institutions are crucial at the various stages of entrepreneurial activities. No matter the form it takes and the people involved, it is clear that networking is used by women entrepreneurs as a means to establish their businesses and reputation, acquire resources and develop their businesses, gain advice and information, and reduce isolation. Hence, women entrepreneurs strategically allocate resources to developing and maintaining networks and view effective networks as a crucial aspect for ensuring the success of their ventures.

3.7 Resource Based Theory and Entrepreneurship – Human and Financial Resources

It has been vividly illustrated in management and entrepreneurship literature that the availability of resources (human, financial and networks) are not just crucial at business start-up but are also critical determinants of business success and survival. The previous discussion centered on networks resources; this section mainly focuses on human and financial resources, as well as their usefulness in relation to business success.

Entrepreneurship research has focused on two main types of resources. These are the tangible assets individuals bring with them to the entrepreneurial process in the form of human capital or human resources, and the entrepreneur’s ability to secure tangible resources from the environment mainly referred to as financial resources or capital, and equipment.
3.7.1 Human Capital

The entrepreneurship and management literature highlight the fact that human capital is a crucial factor in enterprise establishment, influencing business success. Resource based theorists propose that an entrepreneur’s human capital is comprised of management skills and tacit knowledge (Lerner and Almor 2002); previous entrepreneurial experience (Ronstadt 1988); and venture resources in the form of capability assets, strengths and skills (Grant 1991; Lerner and Almor 2002; Peteraf 1993). These types of human capital, among others, contribute to growth and the success of business ventures. The resource based theorists argue that all these components of human capital, including insight, creativity, vision and intelligence, are derived from educational qualifications, previous industry and entrepreneurial experiences (Becker 1964; Carter et al. 1997; Ronstadt 1988). The following subsections discuss the components of human capital: business skills, educational qualifications, previous industry and entrepreneurial experiences, and family background experience.

Business Skills and Capabilities

There is recognition in the entrepreneurship and management literature of the significant contribution of business skills and capabilities to business success. Brush et al. (2006) found that although all entrepreneurs start with a set of unique entrepreneurial traits, business skills and capabilities are essential elements of business creation and success. Business skills, particularly production and marketing skills, strong idea generation and dealing with people, were found to be related to business performance and success by Lerner et al. (1997) and Saffu and Takyiwaa Manu (2004). The centrality of the business owner in the operation of the venture cannot be overemphasized. Implicitly, when the business skills of a business owner are stronger, the business success will be greater (Lerner and Haber 2000).


Education

Previous women’s entrepreneurship scholars identified that women entrepreneurs’ years of college education and advanced professional degrees, as well as valuable expertise through specialized training, are all unique bundles of human capital which form a good foundation for a business venture (Brush et al. 2006). According to these authors the skills and capabilities derived from education are broad ranging, from functional expertise in marketing, accounting, sales or productions, to abilities to spot market trends, and learning to deal with people and generate ideas to provide competitive advantage and underpin enterprise performance (Petraf 1993).

Also, Kim, Aldrich and Keister (2003) explain that the influence of formal education on the decision to become an entrepreneur can be viewed along two dimensions, namely acquisition of skills and credentialling. They explain further that general business skills as well as industry specific skills might help entrepreneurs avoid common mistakes and guide them in setting up basic business functions. Also, formal education as credentials can provide access into social networks or serve as an indicator in an evaluation for resources.

Some researchers into women’s entrepreneurship described women entrepreneurs as college educated (Brush 1992; Brush and Hisrich 1991), but as not having very high educational qualifications compared to men. It has, however, been indicated in the literature that the industries and sectors in which women are most likely to start their own business generally do not require a very high degree of education (Brush et al. 2006). Therefore, although the majority of women entrepreneurs in small and medium enterprises in Ghana do not have high educational qualifications, they have basic educational backgrounds which might be useful in the successful operation of their business ventures.

Previous work and entrepreneurial experience

According to the resource based perspectives, apart from education, human capital is derived from work experience. Research has shown a robust positive relationship between prior work experience in the same industry or line of business and venture success (Bruderl,
Preisendorfer and Ziegler 1992; Carter et al.1997; Cooper, Gimeno-Gascón and Woo 1994). Highlighting the importance of previous work experience, Kim et al. (2003) explain that if the work experience occurs within the industry in which the new business venture is located, individual entrepreneurs will gain opportunities to understand industry-specific market forces and identify potential market opportunities to exploit. Furthermore, work experience increases opportunities for individuals to obtain positions within various social networks that can be tapped into for market information, access to capital, hiring employees, and developing supplier and customer relationships.

Although Carter et al. (1997) provide empirical evidence that women entrepreneurs have fewer years of industry experience than their male counterparts, current studies into women’s entrepreneurship in some developed countries (USA, Australia and Canada) revealed that some 57 percent of women entrepreneurs have had more than six years’ industrial or professional experience, which compares favorably with that of their male counterparts (63 percent) (Brush et al. 2006). This indicates that women entrepreneurs often have some work- or industry-related experience. Therefore, based on the resource based theorists’ findings that industry-related experience is one of the most important factors for successful entrepreneurial ventures, it is inferred that the previous work experience of women entrepreneurs plays a key role in their success. The resource based perspective has found that individuals with prior entrepreneurial experiences may be more likely to avoid mistakes and thus enhance their chances of achieving business success (Bowen and Hisrich 1986).

*Exposure to Entrepreneurship through Family*

Apart from the resource based theorists’ views on the human capital available to an entrepreneur, social learning theory offers a complementary perspective which proposes that women entrepreneurs can acquire crucial business knowledge and skills from family members and friends. The social learning perspective advocates that the individual’s socialization process, which occurs in the family setting, transforms norms, aspirations and career preferences through observational learning and modeling (Bandura 1977). While the most influential role models are family members, the prevalence and visibility of successful
examples can be helpful to entrepreneurs. Some women’s entrepreneurship research findings affirm this perspective and suggest that women entrepreneurs who are less educated and have no formal work and managerial experience can acquire all the necessary skills and knowledge through socialization with a family member who is a successful entrepreneur. The stored knowledge and the skills acquired informally are often an invaluable component of human capital associated with the success of business ventures (Kim et al. 2003).

For instance, researchers have speculated that self-employed parents might encourage the development of entrepreneurial attitudes in their children through socialization. Parents may somehow be instilling a learned preference for self-employment in their children, possibly by providing work experiences at a young age, or through exposing their children to the entrepreneurial lifestyle and the social networks tied to their businesses (Aldrich, Renzulli, and Linton 1998; Carroll and Mosakowski 1987; Hout 1989). The socialization process exposure to entrepreneurial skills may include not only someone’s parents but also other relatives, as well as friends. Other family within the same generation (siblings and cousins) can influence an individual’s beliefs about entrepreneurship, as well as provide role models and practical knowledge. Lentz and Laband (1990) viewed this informal training and experience as a separate component of human capital that might increase someone’s interest in the start-up of an entrepreneurial venture and also improve the chance of success.

In Ghana, about 65 percent of the labour force is in self-employment (Ghana Statistical Service 2002), which means it is likely that an entrepreneur exists in most Ghanaian families. It will therefore not be surprising if women in Ghana acquire entrepreneurial skills and knowledge from their self-employed family members. Also, culturally, women are expected to choose flexible careers that are compatible with family life and may take their mothers and grandmothers as role models, learning entrepreneurial skills from them. The Ghanaian system of apprenticeship which involves acquiring entrepreneurial skills does not occur within a formal education system but is organized by individuals who are skilled and knowledgeable in various entrepreneurial trades. Most Ghanaian youth who cannot
continue their education acquire their human capital from such skilled relatives and role models.

### 3.7.2 Financial Capital

The second category of critical resources that influence success is financial resources, consisting of cash and the money assets of the business (Bygrave 1992). Obtaining the necessary financing to start and grow a business is generally considered one of the entrepreneur’s major problems. Cash capital comes from many sources, including personal savings, banks, government programmes, venture capital funds and business angels. Drawing on each of these sources has different ramifications for the business and the business owner. The easy access to finance, the choice of an appropriate capitalization structure and decisions about the sequencing of capital sources are widely acknowledged as important to business venture success (Carter et al. 2003).

Research has identified that, on average, women have a smaller gross annual income than men at the same age and professional stage before starting a business (Koch et al. 2003), which may influence their ability to invest their own funds and to access financial capital, for example, bank loans and credits (Brush et al. 2006). Researchers have speculated that access to capital markets has been one of the most important resources denied women. Tigges and Green (1994) suggested three reasons why women may be disadvantaged in capital markets: firstly, they tend to have less experience and equity in their business than men; secondly, they may be discriminated against by resource lenders on the basis of outmoded gender role beliefs; and thirdly, their belief that they will receive differential treatment may reduce the rate of lending applications among women business owners.

Empirical studies that have tested these assumptions present mixed results. Some researchers have found that women entrepreneurs have access to less external financing, weaker collateral positions, and believe that they have been discriminated against or have received unequal treatment by financial institutions or other resource providers (Goffee and Scase 1983; Hisrich and Brush 1984; Olm, Carsurd, and Alvey 1988). Others, however,
have found little evidence of obvious discrimination against women (Buttner and Rosen 1989). Brush et al. (2006) for instance found that a small group of innovative women entrepreneurs, many of whom had a university degree and long experience in research, generally had no difficulty in procuring financing for their business.

It is further evident in literature that most women entrepreneurs in SMEs often find ways around capital constraints by using financial ‘boot-strapping’ methods to decrease capital needs in the start-up phase, which consequently leads to their success (Carter et al. 2003; Freear, Sohl, and Wetzel 1995). These boot-strapping methods involve the use of personal and internally generated funds for business investment (Carter et al. 2003), relatives working below market salary, using an owner’s personal credit card for business expenses, borrowing from relatives, withholding the owner’s salary (Kim et al. 2003), and leasing equipment rather than buying it (Winborg and Landstrom 2000). Cash flow or retained earnings subsequently fuel the business as owners position the venture for success in the private equity markets.

Despite the growth in women’s entrepreneurship, findings from women’s entrepreneurship literature show that access to bank loans, private equity and venture capital remains unfamiliar to most women entrepreneurs in SMEs. However, boot-strapping methods discussed above are providing a way for women to secure financial resources. And, this has been a proven factor associated with their business success.

In conclusion, previous studies reviewed have supported the resource based perspective that the two basic categories of resources discussed, human and financial resources are critical determinants of entrepreneurial success. Human capital, which is derived from education, previous experiences and managerial skills and is complemented by skills and experiences learned through the socialization process, represents initial endowments that provide the basis for acquiring other sorts of resources, such as financial and physical capital, which are all important elements in the start-up and success of any entrepreneurial venture.
3.8 Problems Encountered by Women Entrepreneurs

In the creation and growth of business ventures, entrepreneurs face a variety of problems, ranging from major financial issues to day-to-day operational issues. Several studies about women entrepreneurs include a number of problems women entrepreneurs encounter that impede their success at start-up and growth. Amongst these problems, the lack of access to finance is widely covered in the entrepreneurship literature for both men and women. Other problems highlighted in women’s entrepreneurship literature include the lack of managerial, business and technical skills, and lack of access to business networks, and combining domestic responsibilities with the management of their ventures.

The OECD (1998, 2000, 2004) and UNIDO (2001) deliberated extensively on the problems women entrepreneurs face in both OECD and non-OECD countries and concluded that the reduction or elimination of these problems will contribute enormously to the success of women entrepreneurs’ ventures. It will also enable them to receive the necessary support to equip them to overcome the problems and help to fully develop their potential. The various problems women entrepreneurs encounter, as reported in literature, are categorized into four major headings, these categories are those also identified by the International Labour Organization (ILO): access to finance; social and cultural constraints; educational and occupational; role and behavioural problems.

Access to Finance

Access to finance is frequently investigated in entrepreneurship literature, and is particularly widely regarded as the major obstacle facing women entrepreneurs (Brush 1992; Riding and Swift 1990; Crampton and Mishra 1999; Anna et al. 2000; Hisrich et al. 1997; OECD 1997; Ylinenpaa and Chechurina 2000). These studies reported that the majority of women entrepreneurs face difficulties in obtaining sufficient and affordable capital to start new ventures or expand their business.

Interestingly, there is considerable anecdotal evidence in literature to suggest that women perceive that they are discriminated against by banks (Fabowale, Orser and Riding 1995;
Still 1997; Yago, Ford and Gordon 2000). And, although both male and female entrepreneurs have to contend with a financial environment that has become increasingly demanding, access to financial markets has been regarded as among the most important resources denied women (OECD 1997). Frequently mentioned problems women face in relation to access to finance includes higher interest rates (Coleman 2000), huge collateral requirements and ceilings on loans (OECD 2000). Also, Carter and Kolvereid (1997) noted that among nascent entrepreneurs, men anticipated far greater access to funding through both formal lending sources and from their personal assets than did women.

No research evidence from the extensive review of literature supported the proposition that women suffer gender discrimination. However, previous findings suggest that it does seem that the characteristics of women’s business ventures may be less conducive to formal financing (Coleman 1998, 2000). Interestingly, several researchers have found that banks often focus on servicing large- and medium-sized companies to the detriment of small enterprises, in which women are mainly found. For example, Coleman (2000), studying lending practices in the USA, found that women were not discriminated against by gender when seeking bank credit, but as they tend to have smaller firms than men they may be disadvantaged when seeking financial help. 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. Evidence in literature suggests that banks do not discriminate on the basis of gender but on the size of the company (Coleman 1998, 2000; Verheul and Thurik 2000).

Similarly, findings from a Canadian study conducted by Haines, Orser and Riding (1999) suggested that it is not gender discrimination that disadvantages women, but the fact that they tend to operate smaller, younger and riskier businesses, which makes them less desirable investments. Also, Fabowale et al. (1995) found that women are disadvantaged regarding lending practices not because of overt gender discrimination but due to the structural characteristics of their firms. They found that, generally, women-owned business ventures are smaller, have less capacity, less capital, and unproven track record or character relative to their male counterparts. Brush et al. (2006), also concurring with the above
findings, commented that since women-owned businesses are typically smaller, younger and in industries that are less promising, they indirectly face challenges when it comes to bank lending.

In addition, several studies have reported women entrepreneurs’ unsatisfactory relationship with financial institutions which has prevented them from approaching them for credit. These studies have dealt specifically with banks and funding sources and their behaviour and attitudes towards women entrepreneurs. For example, Nieman and Valla (2005) 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 unwelcome, so they shield away from banks (Nieman and Valla 2005). In relation to this, Buttner and Rosen (1989) noted that the banking relationship for women may not be satisfying because women entrepreneurs may feel patronized in their interactions with lending officers. They also found that bank managers may associate entrepreneurial characteristics more closely with men than women.

Moreover, it has been suggested that while women’s business ventures receive high levels of publicity, women’s access to equity capital remains low (Brush et al. 2001, 2006). This is mainly attributed to the fact that with the traditionally male composition of the equity capital community, there are network gaps which may present serious access challenges for women trying to grow their businesses with equity capital (Aldrich 1989). In addition to the problems of access to credit, women have been found to feel less confident about financial affairs. Some Canadian and Australian women were found to lack confidence regarding knowledge of financial options and financial planning skills (Orser and Hogarth-Scott 1995; Still 1997). Also, high performance and growth have been found to correlate with the amount of capital, as well as the financial sources that women entrepreneurs can draw upon to facilitate the creation and development of their business ventures (Carter et al. 1996). These financial limitations therefore pose a significant hindrance to the growth and success of women-owned business ventures.
Although access to finance and other financial problems associated with entrepreneurship are not unique to women, the OECD (2001) believes strongly that these pose a greater obstacle to their business development efforts and success. Thus, with increased awareness by the financial sectors and governments of the potential of women entrepreneurs, some attempts have been made to rectify the situation in developed countries. For example, the US Springboard Programme linking women entrepreneurs with venture capitalists was implemented (Brush et al. 2001; Millman 1997). Australian state governments have also introduced programmes to assist women’s access to finance, either through loan programmes or by liaising with the financial sector (Still 1997). Such programmes may help to rectify the structural disadvantages faced by women business owners, particularly as it has been shown that women tend to apply for government assistance more than men (Carter 1997).

Social and Cultural Constraints

According to Crampton and Mishra (1999) 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 and Mishra 1999). Relationships in our society are structured hierarchically, with women subordinate to men, and having less power, opportunity and access to resources. Relations between men and women in the family, the workplace or in the public sphere reflect how society understands appropriate male and female characteristics and behaviour. Growe and Montgomery (2001) find that society’s attitude towards 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.

Another related barrier is the negative attitudes and stereotypes created by society towards the career woman (Crampton and Mishra 1999). The first stereotype is that women assume more of the physical work involved in running a household than men. Secondly, 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 (1999: 2) further reported the following stereotypes 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’.

It was found that deep-seated attitudes that have developed over hundreds of years regard women as soft, loving, intuitive, emotional, 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 women’s decisions about careers, roles, behaviours and the futures (Crampton and Mishra 1999). Women sometimes lack the confidence and the skills to overcome these cultural obstacles that are in addition to the problems usually associated with starting a business for any entrepreneur (OECD 2001). Attempts to stereotype women entrepreneurs may continue because of the lines of business that women establish themselves in. 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 women entrepreneurs as seriously as they do from men. Social and cultural barriers thus affect women’s access to entrepreneurial opportunities.

Gender has also been identified in research as playing a major role in creating barriers. The literature provided evidence that females, when compared to males, had frequently encountered greater obstacles to becoming entrepreneurs. Many women entrepreneurs reported some discriminatory attitudes towards them because of their gender. One such barrier identified by Brodsky (1993) 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 for the creation and development of their business.
Lack of Specialized Educational Background and Advances in Technology

Allen and Truman (1993) revealed that there are differences in the educational levels of entrepreneurs in the more developed economies and 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 entrepreneurs in the latter find themselves with an inadequate education and training base.

Stevenson (1986) found that women entrepreneurs in developed countries were more likely to have completed high school and university programmes, but they often did not have an educational background in business. Cliff (1998), concurring with this, also identified that women business owners were less likely than men to have business degrees. Fabowale et al. (1995) suggested that this lack of specialisation may raise perceived risk associated with women-owned businesses.

Women entrepreneurs were also found to have difficulties accessing the technological and economic information which is of vital importance in ensuring competitiveness. Women entrepreneurs are unable to access this information due to a lack of time and specialist skills. This lack of technical know-how and poor access to appropriate technologies have also been identified as a major obstacle facing women entrepreneurs in the SMEs sector in most developing countries (Buame 2000: Steel and Webster 1990).

The impact of technological change on SMEs has revolved around increased capabilities. Technical know-how and the impact of technologies on the way businesses operate help to increase the productivity of women entrepreneurs. For example, the computer-communications technological revolution generally improves the flexibility, the capability and the opportunity of women-operated SMEs to form and compete in foreign and domestic markets. Most women entrepreneurs in SMEs in developing countries, however, do not have access to modern technologies. Their technical skills are not up-to-date and even if they are, they mostly lack the necessary theoretical background to buttress their skills since business owners normally have low levels of education.
Role Problems – Balancing Family Responsibility with Business

Another barrier recurring throughout the literature is the dual role stress that women face. This refers to the concern that women business owners have about balancing work and family commitments. Universally, family responsibility falls primarily on women, and this can occur even when women are involved in entrepreneurship. This may lead to time fragmentation, less chance of entrepreneurial success or general career progression (Brush 1997). Women experience ‘time poverty’ in attempting to deal with both commercial and domestic work, leading to greater stress and difficulty (Still 1997).

Chun (1999) found that one of the two greatest problems in starting a business for Canadian women entrepreneurs is the difficulty in balancing business and family responsibilities. Research has indicated that variables such as children showed no statistical relationship with firm performance (Allen and Carter 1996); this does not mean, however, that domestic responsibilities are not constraining women who wish to create and advance their firms.

This contention was intensified by Crampton and Mishra (1999), who found that in addition to the demands of a career and family, women also experience the additional behavioural expectation placed on them by society – the burden of child rearing. Butler (2003) referred to a study by Cole on British women entrepreneurs, which found that many of the respondents considered that there was a ‘distinct’ conflict between their roles as wives, 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.

Ylinenpaa and Chechurina (2000) reported that the ‘glass ceiling’ as a barrier to female aspirations in social production, coupled with a high rate of unemployment, attracts Russian women to the entrepreneurial sector. Starting new, smaller firms serves 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 burden for women of also being the person primarily responsible for domestic responsibilities,
including the upbringing of children. Women entrepreneurs, therefore, faced the problem of combining the hard work involved with their businesses with family responsibilities, which they found very stressful and affected the performance and productivity of their businesses. Ylinenpaa and Chechurina (2000) further observed that this ‘double burden’ that women bear performing both productive and reproductive roles is also a characteristic of women in western economies. Also, a study by Belcourt et al. (1991) 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 problem that their male counterparts rarely faced.

Given the above discussion, it is evident that women entrepreneurs, regardless of the society in which they operate, face several constraints that impede the successful start-up and growth of their entrepreneurial activities. Past research has shown that greater domestic responsibilities decrease women’s relative success as small business owners. This is due to the difficulty in managing time between business and personal life. Women entrepreneurs generally lack occupational experience compared to their male counterparts, and also find it very hard to acquire funds for the creation and development of their business ventures. It is therefore expected that Ghanaian women entrepreneurs also face a host of problems in the start-up and growth of their business ventures. Identification of these problems will allow all the stakeholders to take the necessary steps to develop and incorporate new strategies in institutions, society and government, and most importantly in the women themselves, in order to overcome these problems to enhance their business success.
3.9 Interpretation of Success

In this study, success was explored in relation to how researchers have endeavoured to measure business success, and as to how women entrepreneurs’ view their success. This provides a framework in which to gain insights into the Ghanaian women entrepreneurs’ interpretation of their success.

Traditional economics and entrepreneurship theories interpret the success of a business based on its financial performance and profitability (Djik 1996). Business success is determined by financial indicators including the growth rates, business size, turnover, profitability and the number of people employed. However, more recently there is a growing argument that, because business and entrepreneurs are not homogeneous, definitions of success need to include non-financial yardsticks. This argument is more strongly used in the women’s entrepreneurship literature.

Several studies have revealed that women entrepreneurs may be less concerned with financial rewards than their male counterparts. There is consensus among these studies that women measure their success by their level of self-fulfillment and personal achievement (Anna et al. 2000; Bennet and Dan 2000; Brush 1990; Buttner and Moore 1997; Ip and Lever-Tracy 1992; Moore and Butner 1997; Still and Timms 1999, 2000). This qualitative measurement presents a different perspective on entrepreneurial success to which other researchers using quantitative criteria have subscribed. For instance, Moore and Butner (1997) found that for a group of women entrepreneurs in the USA, self-fulfillment and effectiveness were ranked above profits as success criteria. Similarly, Still and Timms (1999) found that for a group of women small business operators in Western Australia, success was not perceived in terms of ‘grand visions’, building empires’ or ‘making money’ but of being able ‘to make a difference’ and to make lifestyle choices such as balance and flexibility.

However, Brush et al. (2006) pointed out that the women entrepreneurs’ interpretation of success by qualitative success measures does not mean that women entrepreneurs do badly
on the profit and economic front or that a financial success yardstick is always secondary; but they also aspire to other goals, and perhaps prioritize these other goals at some stages of their lives. For example, the financial success of women entrepreneurs in the USA is receiving growing attention. Thus, the interpretation of success remains a somewhat challenging notion for researchers. There are greater complexities and different subjectivities involved when one tries to determine the meaning of success amongst women entrepreneurs. Moreover, interpretations of success not only vary between men and women, but also they differ by age, culture and country context. In this study, the concept of success is explored in terms of what it means to the women entrepreneurs in Ghana, in order to find out which factors explain their success.

3.10 Female Entrepreneurship and SMEs

There has been a substantial, worldwide growth of interest in the development of SMEs and entrepreneurship. This is to a large extent due to the growing acknowledgement of the importance of SMEs in all countries, not only as an employment generator, but also as a potential exporter and an important source of innovation and economic development (Illeris 1989; OECD 1998).

Previous studies have made it clear that the increasing growth of interest in SMEs is not merely a western European or United States phenomenon. These enterprises play a key role in triggering and sustaining economic growth and equitable development in developing countries. SMEs have become a key focus in strategic adjustment programmes in many of these developing countries (OECD 1993). Also, the exploitation of the potential of the indigenous sector as an engine for growth, using local resources and appropriate technology which is the nature of SMEs, is seen as an alternative development model to the traditional large-scale intensive ‘stages of growth’ paradigm in developing economies (Bennet and MacCoshan 1993).
Substantial evidence in previous studies has proved that these SMEs drive economic growth in both developed and developing countries and they are vehicles in which entrepreneurship thrives. Interestingly, literature has further revealed that, globally, women entrepreneurs’ activities are mostly concentrated in SMEs (Brush et al. 2006; Butler 2003; Capowski 1992; Fielden and Davidson 2005; Lee-Gosselin and Grise 1990; McDade and Spring 2005; Tinker 1990), with women from developing countries, especially Africa, being predominant in the SME sector (McDade and Spring 2005; Tinker 1990). Hence, the review of past research in SMEs and women’s entrepreneurship can enlighten us about the activities of women in these enterprises. Against this background, the case of Ghanaian women entrepreneurs in SMEs will be explored.

This study will specifically find out how SMEs are defined in literature, their nature and characteristics, their importance and benefits to economies, as well as some of the obstacles that exist in the sector. Findings by previous research regarding the activities of women entrepreneurs in these enterprises will be highlighted. The review will particularly shed light on the SMEs in Ghana, to provide understanding of the nature of these enterprises in the country.

3.10.1 Definition and Major Characteristics of SMEs

The World Bank definition of SMEs in Hallberg (1999) classified SMEs as a heterogeneous group. They include a wide variety of firms – village handicraft makers, small machine shops, restaurants, and computer software firms – that possess a wide range of sophistication and skills, and operate in very different markets and social environments. Their owners may or may not be poor. Some businesses are dynamic, innovative, and growth-oriented; others are traditional ‘lifestyle’ enterprises that are satisfied to remain small. In some countries, SME owners and workers are (or are perceived to be) dominated by members of particular ethnic groups, such as the native Pribumi in Indonesia or indigenous groups in Bolivia.
In many countries, however, the number of employees is the most widely used criterion in the definition of SMEs. Further research has shown that the statistical definition of SMEs varies from country to country, and is usually based on the number of employees or the value of assets (Buame 2000; Hallberg 2000). The lower limit for small-scale enterprises is usually set at five to ten workers and the upper limit at 50 to 100 workers. The upper limit for medium-scale enterprises is usually set between 100 and 250 employees. But since statistical definitions vary, it is very difficult to compare size distributions across countries (Hallberg 2000).

Specifying any number of employees to define SMEs is necessarily arbitrary since the number of employees, viewed in isolation from the size of markets or the economy, may be misleading. For example, according to Hallberg (2000), a 50-employee firm in the US would be considered ‘smaller’ (relative to the size of the US economy) than a 50-employee firm in Bolivia. Moreover, other characteristics of the firm, such as the degree of informality or the level of technological sophistication, may matter more than the number of employees as a segmentation factor. However, an attempt to define what constitutes SMEs is important for a number of areas, such as policy and for academic research. There is therefore the need for some working definition, which should be offered to suit the organizing context of SMEs in any country.

In Ghana for instance, there is no official definition of SMEs. In practice, over the years, various definitions have been used to suit particular requirements, usually of donors. These have usually been related to the number of employees and sometimes also assets. The National Board of Small-Scale Industries (NBSSI), set up by the government in the 1980s and reminiscent of small enterprise/industry development organizations established elsewhere in that époque, has employed a definition of SMEs over the last decade. This definition includes operational criteria such as number of employees, volume of sales, value of assets and capital employed. The SME sector in Ghana comprises micro and small enterprises.
The Ghana National Board for Small-Scale Industries Act 434 (1981) defined micro enterprise as any enterprise that employs up to five people or has fixed assets excluding land and building not exceeding US$10,000. A small enterprise is defined as any enterprise employing between six and 29 or having fixed assets excluding land and building not exceeding US$100,000. Similarly, Steel and Webster (1990) in defining SMEs in Ghana also used an employment cut off point of 30 employees. They further disaggregated small into three categories: (i) micro – employing up to five people, (ii) very small – employing six to nine people, (iii) small – employing 10 to 29 people.

Further, the draft Government of Ghana policy paper on SMEs, prepared in 2000 with assistance from UNIDO and which is currently being revised, described micro and small enterprises (MSEs) as those enterprises that employ 29 or fewer people. Micro enterprises are those that employ between one and five workers, or have fixed assets of value not exceeding 25 million Ghanaian Cedis (equivalent to about US$ 6,250 in May 2000) (excluding land and buildings). Small-scale enterprises are those that employ between six and 29 workers, or have fixed assets of value not exceeding 250 million Ghanaian cedis (equivalent to about US$62,250 in May 2000) (excluding land and buildings).

Thus, whilst asset value varies widely in the definitions of SMEs in Ghana, it appears that there is general consensus on the number of employees qualifying a firm to be an SME in Ghana. Another remarkable feature of the SMEs sector in Ghana is that it includes a wide variety of firms as described by the World Bank definition. The sector is characterized by small firms such as agriculture (poultry, fish farming, citrus farm etc.); agro-processing (oil processing, food processing etc); textile and fabric (kente weaving, tie and dye and batik making etc.); manufacturing (soap making and bead making etc); trading (wholesaling and retailing) and service sector (hairdressers, dressmakers, tailors, tour operators etc.).

Also, the SMEs sector in Ghana is not dominated by one particular ethnic grouping as is found in Indonesia and Bolivia. SME operations are found among all ethnic groups and are scattered over all the ten regions in Ghana (NBSSI 2005).
Despite the variation in the definitions of SMEs across countries due to factors such as number of employees, capital employed and level of technological sophistication among, SMEs worldwide have been found to have almost similar characteristics (Buame 2000). These characteristics have made the sector economically viable; this has made governments all over the world, especially in developing countries realize the importance of this category of companies, and therefore formulate comprehensive public policies to support and fund the establishment of SMEs (Ghana EMPRETEC 2002; SME and Funding in Nigeria 2003).

SMEs are characterized by dynamism, active and witty innovations, and efficient use of resources that are otherwise dormant, such as family savings. The smallness of business size creates a unique situation in the management of human resources. The atmosphere of a small firm creates distinctive opportunities to develop strong relationships among its members. Also, enterprises have wide geographic spread and wider presence in rural areas and their small size allows for faster decision-making process. Most importantly, they have an ‘easy’ entry compared to large firms and their operations are flexible. Additionally, they have a higher capacity for absorbing labour since their operations are labour intensive and they have much lower cost per job created.

Many economies, developed and developing, have come to realize the value of SMEs due to the enormous benefits that are associated with them. For instance, in most developing countries, micro enterprises and small-scale enterprises account for the majority of firms and a large share of employment (Hallberg 2000). It has also been proved that gross job creation rates are substantially higher for SMEs than for large firms (Davis, Haltiwanger, and Schuh 1993). SMEs are also perceived to be more innovative than large firms. Researchers contending this view have shown that in developing countries, SMEs are sources of innovation. They often follow ‘niche strategies’, using high product quality, flexibility, and responsiveness to customer needs as means of competing with large-scale mass producers (Buame 2000; Snodgrass and Biggs 1996). Most importantly, the SME sector is a big source of tax revenue for many countries. Funds realized collectively from SMEs contribute largely to an increase in the gross domestic product of many nations and result in economic improvement.
Developments in small and medium enterprises are therefore sine quo non for employment generation, solid entrepreneurial base, encouragement of the use of local raw materials and technology, and skill creation. Significantly, since women entrepreneurs are predominant in SMEs, they have the potential of bringing development and rapid economic change to their various economies. Relevant previous research concerning women entrepreneurs’ activities in SMEs are discussed below.

3.10.2 Women Entrepreneurs and SMEs

Several studies and research findings have pointed to the fact that women entrepreneurs, compared to their male counterparts, are more involved in SMEs and they are observed to be very successful in the sector (Brush et al. 2006; Butler 2003; Coughlin 2003; OECD 1998, 2004). Studies have confirmed that women entrepreneurs are the fastest growing segment of the SME population, with their numbers increasing dramatically since 1980. SMEs are reported to be growing at a faster rate than the economy as a whole in several countries (Moore and Butttner 1997; OECD 1998).

Women entrepreneurs are performing significantly well in the sector and contributing enormously to the economic, social and political advancement of many countries. For example in Australia and the United States, the progress of women entrepreneurs in SMEs has been significant and steady over the last two decades. Studies have shown that the number of firms created and managed by women entrepreneurs in the United States has grown twice as fast as those set up and managed by men (Brush et al. 2006; Coughlin 2002; OECD 1998). Also, in Romania, the OECD (1998) reported that women create large numbers of SMEs, either alone or in association with others. Similarly, Butler (2003) found that women entrepreneurs in Greece, Austria, the United Kingdom, Denmark, the Netherlands and France are mainly in SMEs.

Although little is known about women entrepreneurs in developing countries, Tinker (1990) found that enterprises operated by these women cluster mainly around SMEs in the
trades and services. Tinker further revealed that compared to male enterprises, female enterprises are mainly SMEs based in developing countries. McDade and Spring (2005) also confirmed that most African women entrepreneurs’ businesses are SMEs. In agreement with these research findings, Coughlin (2002) observed that millions of women entrepreneurs are linked indirectly to the international market through SMEs comprising small sub-contracted workshops, or as piece-based home workers for export industries. Women-owned SMEs are concentrated in SME sectors such as agriculture, textiles, and clothing. Coughlin found that these sectors are becoming more closely integrated into the global trading system.

In exploring why women entrepreneurs’ activities are mostly SME based, most studies reviewed argued that the nature of SMEs is very conducive for women. For instance, the flexible and ‘easy’ entry nature of the SMEs has made it quite easy for women to be predominant in the sector. Women want businesses that they can combine with family life by looking after their children and their household and earning some income at the same time. SMEs have provided that opportunity for them to work wherever and whenever they want to. Hence women entrepreneurs in SMEs are in more control of their time and they can work their businesses around the needs of their families.

Research has also revealed that women engage in entrepreneurial ventures to put their knowledge and skills to use, no matter the size of the enterprise. Most importantly, the desire to be independent and have control over one’s life, not necessarily to make a lot of money, has been found to be the women’s motivations for the establishment of the SMEs (Capowski 1992; Fielden and Davidson 2005; Lee-Gosselin and Grise 1990).

Additionally, women entrepreneurs seem to prefer a more people-oriented and less autocratic management style. Research has confirmed that rarely do women entrepreneurs have formal operational policies, formal planning processes, or job descriptions (Hisrich and Brush 1987; Neider 1987). Women entrepreneurs operate and manage their businesses successfully in a more relaxed manner. Another reason given in literature for women’s preference for SMEs is the lower start-up costs involved (Therrien et al. 1986). The reasons
provided in literature for women’s domination in SMEs are all essential features of SMEs. Thus, the nature of SMEs suits women’s needs and motivations, and are great mediums for them to exhibit their entrepreneurial skills.

Thus, without doubt, women entrepreneurs are predominantly found in SMEs, and the benefits that both developed and developing countries derive from their activities are enormous. For instance, the unique qualities and skills which women entrepreneurs introduce into SMEs constitute a real potential source of innovation for economies. These women’s activities in SMEs yield great benefits for their countries, especially developing ones, in the areas of skill formation and employment generation. They use mainly locally available raw materials and simple tools, machinery and equipment that are largely less capital intensive. These women are also involved in the training of qualified personnel needed for industry through apprenticeship. Most remarkably, they contribute greatly to stimulating entrepreneurial and managerial talent at the local level. In the case of Ghanaian women entrepreneurs for instance, they are scattered all over Ghana and play an important role in eliminating regional imbalances and promoting economic activity.

Remarkably, the OECD, in reviewing the benefits associated with women entrepreneurs’ SMEs in its 1997 report, argued that women and various economies stand to gain economic, social and political advancement from these business activities. Economically, they argued that women-owned SMEs are creating employment for the women and others. Many companies invest in their female staff members over the long term, but do not promote them to the highest management positions – the ‘glass ceiling’ effect (Moore and Buttner 1997). The SMEs provide opportunities for these women to branch out and create their own firms. This opportunity also enables the women to capitalise on their acquired skills and training. Self-employment offered by the creation of SMEs serves greatly as an escape from unemployment.

Socially, it has been noted that SME creation can offer women the possibility of balancing work and family responsibilities, thus contributing to family well being and improving social cohesion (Brush et al. 2006; Coughlin 2002; OECD 1997). Balancing career and
family responsibilities can represent a challenge for women entrepreneurs. Also, an increase in women’s autonomy which comes out from the creation and management of SMEs can allow women to play more active and representative roles in the economic and political life of their countries. This will help to reduce the disparities between women and men.

A viable deduction from the literature on SMEs is that these enterprises are very vital to economies; therefore no country can overlook them. They are recognized as major players in innovation and job creation. Literature reviewed revealed that, although, more women are going into entrepreneurship, only a few of them own large companies. An increasing number of them are taking up the challenge of creating and managing their own SMEs. The SMEs offer these women significant opportunities to develop their employment-generation skills and their entrepreneurial and managerial potential. It has been established that women-owned SMEs comprise the fastest growing segments of businesses in the world. The positive impact and contribution of these women on themselves and their countries is very significant, since they engage in many economically productive ventures. Because of these realities, studies need to be conducted and measures put in place to promote and encourage women-owned SMEs.

On the other hand, literature highlighted major obstacles such as lack of access to funds, managerial inadequacies, lack of internal and external support, and absence of a self-sustaining governmental intervention. These obstacles affect the performance of the women entrepreneurs in the sector. Their contribution could become even more significant if the obstacles were removed so that their potential could be fully tapped. SMEs, particularly in Ghana, are a major component of the economy. Fostering the participation of Ghanaian women entrepreneurs in healthy and vibrant SMEs is therefore crucial to the economic, social and political development of the country. Research into these important areas in Ghana will help bring out peculiar challenges and problems in the sector. It will also deepen all stakeholders’ understanding of these important areas and enable measures to be devised to support the women to perform much better in the sector.
3.11 Summary – Key Studies and their Findings and Implications for this Study

There has been quite extensive research focused on women entrepreneurs. The literature in relation to entrepreneurship generally and female entrepreneurship specifically has shed light on many of the variables in question. It indicates that whilst definitions vary somewhat, key features of any definition in relation to entrepreneurship at the broadest level must encompass the objective of entrepreneurship, the action of the entrepreneur and the desired outcomes, as featured strongly in Schumpeter’s and Kirzner’s ideas.

These concepts of entrepreneurship are further explained and enhanced in this thesis by an understanding of common personality traits of entrepreneurs, their motivations for business ownership, and the critical resources needed for the entrepreneurial process. For women entrepreneurs, the entrepreneurial process within their broader life context is reflected on. Studies into women’s entrepreneurship which integrate entrepreneurship in a total life context are minimal and many questions remain to be answered in the literature. As indicated from the review of literature, past studies on women entrepreneurs are piecemeal and have not addressed the whole world-reality of women entrepreneurs or the cultural context in which they operate. Much of the research works have focused on areas such as the trend of women’s entrepreneurship, demographics, reasons for becoming an entrepreneur, types of business, barriers and the formation of networks, and the utilization of mentors. These areas have been studied in isolation and are mostly concentrated on women entrepreneurs from developed and westernized countries, with findings being generalized to women entrepreneurs worldwide.

The implications for this study are several. A study seeking to develop an understanding and picture of women’s entrepreneurship in Ghana must address the myriad of factors involved such as the Ghanaian women entrepreneurs’ individual characteristics and experience; their business motivations and resources; their business profile; the problems encountered and their achievements. There is the need to find out whether those research findings based on women entrepreneurs from developed countries are applicable to
Ghanaian woman entrepreneurs. The existing entrepreneurial theories explaining entrepreneurial behaviour and success have emerged primarily from research in developed countries; it is important to examine the extent to which they apply in the context of developing countries, particularly Ghana.

In view of the diversity in the literature constituting the framework of the study and the study’s objectives, the research method for the study supports a multi-method approach which allows the utilization of both quantitative and qualitative methods, which will allow general trends and a story line to emerge. A qualitative approach will seek detailed information across women’s lives and explore the myriad of variables and factors, which will best achieve the aim of this study of seeking to develop an understanding of women entrepreneurs and their entrepreneurial activity in a whole-of-life context. A quantitative approach will also be effective in identifying the breadth of variables underpinning the diversity of the women’s experience, allowing consideration of the number of diverse variables (rather than any single one) that create and influence successful women’s entrepreneurship. Hypotheses will be tested to determine the applicability of existing theories in the Ghanaian context.

The review of literature pertaining to women entrepreneurs was very helpful in identifying the survey and interview questions for this study. It provided a solid multidisciplinary framework in which the specified seven dimensions of Ghanaian women entrepreneurs were researched. It also shed light on the enormous socio-economic contributions women entrepreneurs are making to their countries worldwide. This knowledge was therefore useful to this thesis to address many unanswered questions regarding women entrepreneurs in Ghana.
CHAPTER FOUR

RESEARCH DESIGN AND METHODOLOGY

4.1 Introduction

Having introduced the literature and expanded on various relevant arguments in the previous chapters, the research methodology now becomes important, as it explains the data collection and analysis. Since the purpose of a study determines the philosophical paradigm and consequently the choice of a methodology, a brief overview of the objective of the study and the research characteristics will be outlined respectively. An overview of research paradigms will also be presented in this chapter, including the one used in this thesis and the research strategies used to collect data for the study. The research population and the sampling technique applied will be explained, as well as the instruments and procedures of data collection. Finally, the data analysis methods employed in the study are presented.

4.2 Objective, Research Questions, Hypotheses of the Study

As specified in chapter 1, the research objective is to investigate women’s entrepreneurship in Ghana and contribute to knowledge about them. In other words, this study aims to add to our understanding of Ghanaian women entrepreneurs in SMEs in their real-life context by shedding light on their backgrounds, experiences and activities, and their socio-economic contributions to Ghana and the business problems they face.

In order to meet the above objective, seven dimensions of Ghanaian women entrepreneurs were identified for investigation based on past studies: their characteristics, their reasons for business ownership, their business profile, resources available to them, their network affiliations, the problems encountered in the entrepreneurial process and their successes.
Drawing upon these seven dimensions of Ghanaian women entrepreneurs, seven research questions were posed: Who are they? What are their reasons for choosing the path of business ownership? What are their business profiles? Which resources do they have? What are their network affiliations and how useful are they to them? Which business problems do they encounter? What are their successes, including their socio-economic impact on their families, communities and the nation of Ghana as a whole?

To gain deeper insight into women’s entrepreneurship in Ghana, six hypotheses were formulated tied to the research questions and the theoretical framework of the study:

H1: Personality traits of Ghanaian women entrepreneurs are related to their success.
H2: Ghanaian women entrepreneurs’ motivations for business ownership are related to their success.
H3: Resources available to Ghanaian women entrepreneurs are related to their success.
H4: Stronger network affiliations of Ghanaian women entrepreneurs are related to their success.
H5: Reduction in the problems Ghanaian women entrepreneurs encounter is related to their success.
H6: Entrepreneurial activities of Ghanaian women entrepreneurs are related to their success.

The testing of these hypotheses contributed to the achievement of the objective of the study by helping to answer the research questions and find empirical support for the theories adopted for the study.
4.3 Important Research Characteristics of the Study

Based on the research objectives, questions and hypotheses, this study has the following key research characteristics: it is a descriptive study; it is a correlative study; it is an exploratory study.

**Descriptive Study**

The major aim of a descriptive study according to Kumar (2005) is to describe and provide information on what is prevalent regarding a group of people, a community, a phenomenon or a situation. In order to achieve the objective of this study by providing information on Ghanaian women entrepreneurs, this study embarked on the research mission of using quantitative and qualitative methods to investigate a number of diverse variables to describe Ghanaian women entrepreneurs’ backgrounds, their reasons for business ownership, the resources available to them, the activities they are engaged in, the problems they face and their success. This study also used renowned theoretical perspectives to derive the hypotheses of the study and to name the research variables. It can therefore be argued that this study started as a descriptive study. This stance of the study as descriptive research is underscored by Hussey and Hussey’s (1997) argument that research constructs in a descriptive study must be supported by established theory.

**Correlation Study**

In the thesis, the strength of relationships between variables was described and explored from the testing of the specified hypotheses of the study. This characteristic of the study showed that it is a correlation study. According to Bryman (2004), in a correlation analysis, the strength of relationships between variables is explored. Similarly, Kumar (2005) emphasized that in correlation studies relationships or associations between two variables are ascertained.

This study adhered to this principle by ascertaining the relationships between the six individual independent research variables and one dependent variable. The independent and
the dependent variables were derived from the seven dimensions of Ghanaian women entrepreneurs identified for investigation. The independent variables are the personality traits of the Ghanaian women entrepreneurs; their reasons for business ownership; the resources available to them; their business profile; their network affiliations; the problems they encounter. The dependent variable is the Ghanaian women entrepreneurs’ successes. This study concentrated on the determination of the strength of relationship between the independent and the dependent variables. This was helpful in finding the empirical support for the various theoretical perspectives adopted in the study and providing a better understanding of the Ghanaian women entrepreneurs.

**Exploratory Research**

After addressing part of the research problem of providing information on Ghanaian women entrepreneurs in the descriptive study, the study moved further to seek detailed information and explain in an explorative fashion how to capture and discover the understanding of Ghanaian women entrepreneurs in their real-life context. Therefore, the study is also described as an exploratory study.

Moreover, many research methodologists (Hussey and Hussey 1997; Kumar 2005; Sekaran 2003) strongly state that a study is exploratory in nature when extensive knowledge of the specific problems examined in the study was not available before the commencement of the study. Since very little empirical research seems to have been done on the research objectives raised in the Ghanaian context and generally, there is no clear knowledge of Ghanaian women entrepreneurs in literature; this qualified the study also as an exploratory study.

Of particular relevance to this study is the fact that the issues addressed in the theoretical framework of the study occur within a dynamic environment and the study will have no meaning without regard to their place in that environment. At first glance it would appear that descriptive and correlation studies would appropriately measure the extent to which certain factors or variables influence and promote women’s entrepreneurship in Ghana. However, data would be barren in the vibrant environment of intertwining dynamic
influences, which is typically associated with entrepreneurship. Denzin and Lincoln (2000) strongly argued that to understand the worldview of women entrepreneurs, the investigator must view human conduct from the point of view that he/she is studying, taking the context or environment into serious consideration. This was when the exploratory approach in the study became crucial in solving the research problem by providing not just information on Ghanaian women entrepreneurs but understanding them as well. Significantly, the exploratory study further determined the broader veracity and meaning of the quantitative findings arising from the statistical analysis of the research hypotheses.

4.4 Philosophical Research Paradigms of the Study

The three key research characteristics of the study are derived from entirely different research theoretical perspectives or paradigms. Descriptive and correlation studies are derived from positivism and exploratory study from phenomenology. Since a philosophical paradigm influences the choice of research methodology or research enquiry strategy, there is the need to identify in which philosophical research paradigm this study is situated. A brief overview will be presented on research paradigms with their associated research methods; finally the paradigm used in this study will be presented. The two major traditional research paradigms are positivist and phenomenological.

*Positivist paradigm*

The positivist paradigm is derived from the natural sciences and treats research as independent observation of events occurring within a system. It is founded on the belief that the study of human behaviour should be conducted in the same ways as studies in natural sciences and is based on assumptions that social reality is independent of us and exists regardless of whether we are aware of it.

This paradigm is associated with a quantitative research method that typically incorporates tools to measure numbers indicating cause-and-effect relationships. Its explanation consists of establishing causal relationships between variables by establishing causal laws and
linking them to deductive or integrated theory. The positivistic paradigm is typified by data collection methods using quantitative techniques such as experiments, surveys, and statistics. These methods seek facts or causes of social phenomena. The paradigm aims at rigorous, exact measures and objective research, and tests hypotheses by carefully analyzing numbers from the measures (Kumar 2005).

**Phenomenological paradigm**

The phenomenological paradigm adopts a different framework of analysis. It attempts to understand subjective human behaviour by focusing on meaning rather than measurement. That is, it is essentially concerned with the understanding of human behaviour from the participant’s own frame of reference. This paradigm is founded on the belief that social reality is within the individual and therefore the act of investigating reality has an effect on that reality. It is therefore based on hunches, experience and intuition as the means of investigating research problems. The phenomenological paradigm is normally associated with qualitative research methods. The research approach used under this paradigm is an array of interpretative techniques such as action research, case studies, ethnography, triangulation and hermeneutics. These methods seek to describe, translate and come to terms with meanings (Green 2002; Neuman 2006).

**4.5 Applicable Paradigm of this Study**

A critical analysis of the key characteristics of this study indicated that this study falls within the framework of the two traditional research paradigms. Descriptive and correlation studies are essentially within the positivist philosophical framework. This study to an extent made an effort to adhere to the principle of positivism by collecting quantitative data by surveys and by analyzing data using statistical techniques. Also, the specified hypotheses of the study were tested and empirical support found for theoretical perspectives without any bias.
The exploratory nature of this study suited the phenomenological framework. It described and developed an understanding of women’s entrepreneurship in Ghana by placing an emphasis on the complexities in interrelationships between the women entrepreneurs and their environment as they go about their daily lives. Qualitative data were collected by interview to gain deeper insight into Ghanaian women entrepreneurs to develop a clear image of them. Another important principle associated with the phenomenological paradigm according to Neuman (2006), which is reflected in this study, was the fact that the interpretive research approach adopted is useful in gaining meaningful insight into social action in its real-life context. Since entrepreneurship is social action, the interpretive approach enabled the study to capture and discover an understanding of Ghanaian women entrepreneurs in their real life context. Consequently, the interpretive research within the phenomenological research paradigm highlighted the voice of the women entrepreneurs within the complexities of the dynamic Ghanaian social and business context (Green 2002).

It is clear from the above analysis of principles that two traditional research paradigms were combined in this study. Consequently, both quantitative and qualitative research methods were used to collect and analyze data for the study. Hence a mixed-method research approach was used in this study within a distinct philosophical paradigm, identified as pragmatism.

**Pragmatic Research Paradigm**

The philosophy underlying pragmatism includes induction or the discovery of patterns (associated with qualitative techniques), deduction, which involves testing of hypotheses and theories (associated with quantitative techniques), and abduction, which is uncovering and relying on the best of a set of explanations for understanding one’s result. Pragmatism is a new research paradigm derived from the work of Peirce, James, Mead, and Dewey (Cherryholmes 1992). For many of the recent writers and advocates of pragmatism (Cherryholmes 1992; Creswell 2003; Johnson and Onwuegbuzie 2004; Murphy 1990; Patton 1990; Rorty 1990), knowledge claims arise out of actions, situations, and consequences rather than antecedent conditions. Pragmatism is therefore an approach to legitimatize the use of multiple methods in answering research questions, rather than
restricting or constraining researchers’ choice. It rejects dogmatism; it is an expansive and creative form of research. What is most fundamental is the research problem. Thus, instead of methods being important, the problem is most important, and researchers use all approaches to understand the problem. In this study, therefore, instead of restricting the study to one method, the researcher used both quantitative and qualitative approaches to achieve the objective.

In addition, as a philosophical underpinning for mixed methods studies, Cherryholmes (1992), Creswell (2003) and Murphy (1990) emphasized that researchers working within the pragmatic framework draw liberally from both quantitative and qualitative assumptions when they engage in their research. Also, individual researchers have a freedom of choice. They are free to choose the methods, techniques, and procedures of research that best meet their needs and purposes. Pragmatists do not see the world as an absolute unity. In a similar way, mixed methods researchers look to many approaches for collecting and analyzing data rather than subscribing to only one way, for instance, qualitative or quantitative.

Hence, mixed methods with an underlying pragmatic philosophical paradigm enabled this study to combine both quantitative and qualitative methods, different theories and assumptions, as well as different forms of data collection and analytical procedures to solve the research problem of providing understanding of Ghanaian women entrepreneurs.

4.6 Mixed Methods Research Approach

The mixed methods research approach is a type of research where both qualitative and quantitative research techniques are combined with their associated methods, approaches, languages or concept in a single study (Creswell 2003; Creswell, Piano and Vicki 2007; Johnson and Onwuegbuzie 2004). Recently, Creswell et al. (2007) described mixed methods research as a research design with philosophical assumptions as well as methods of inquiry, with its central premise being that the use of quantitative and qualitative approaches in combination provides a better understanding of research problems than either approach alone.
The mixed methods approach or triangulation, as it is sometimes known, has its origin in navigation, military strategy and surveying (Kohlbacher 2005). The term triangulation in social research is used in a less literal sense to describe the use of a combination of multiple empirical research methods to investigate a phenomenon (Brannen 1992; Jick 1979; Kelle 2001; Tashakkori and Teddlie 1998; Wolfram Cox and Hassare 2005). According to Wolfram Cox and Hassare (2005: 111), the implicit assumption in much of the social science literature on triangulation ‘is of developing a more effective method for the capturing and fixing of social phenomena in order to realize a more accurate analysis and explanation’.

Jick (1979 in Kohlbacher 2005) emphasized that researchers can improve the accuracy of their judgment by collecting different kinds of data bearing on the same phenomenon. The intention is that the combined techniques complement each other (Wood et al. 1998). Wood et al. (1998) further explained that complementing is useful in situations such as helping to confirm research findings, one study being used to generate research hypotheses for another, or one study being used to help explain the findings of another. Easterby-Smith, Thorpe and Lowe (1991) identified four forms of triangulation:

1. Data triangulation, which is the use of the same method of data accumulation on different occasions or of a different method on the same object of the study.
2. Investigator triangulation, which is the use of several researchers or evaluators.
3. Methodological triangulation, which is the use of various data sources.
4. Triangulation of theories, which is the development of multiple theories about the same research problem.

This study enhanced the validity and reliability of its data by adopting two forms of triangulation. The first one was the development of multiple theories about the same research problem. Multiple hypotheses were derived from the theoretical framework of the study, which consisted of multiple theories such as psychological, motivational, resource-based, innovation and network. The testing of these hypotheses resulted in the confirmation
of multiple theoretical perspectives about Ghanaian women’s entrepreneurship. Second, the use of multiple methods of data collection, which was the combination of both qualitative and quantitative instrument materials, provided methodological triangulation.

Hence, in order to understand complex human phenomenon where there are diversities in the subjects under study, a multidisciplinary approach favoured by triangulation needed to be adopted, this was the approach used in this study. The use of multiple disciplines of psychology, sociology and management, and knowledge from multiple study models such as entrepreneurship and women’s entrepreneurship studies, were all incorporated to provide a rationale for understanding Ghanaian women entrepreneurs.

Triangulation or mixed methods research has received particular support from advocates of combining qualitative and quantitative research methods (or interpretive and positivist approaches). For example, the studies of Kaplan and Duchon (1988) and Wynekoop (1985 in Wood et al. 1998) showed how the combination of qualitative and quantitative methods provided a richer context for interpreting and validating results, and for the generation of new research questions. Moreover, collecting different types of data by different methods will result in a wider coverage of the problem space. This enables a fuller understanding of empirical results than might be achieved from data gathered using a single method.

Other writers have also observed that triangulation can be used to improve the result of research and overcome the potential bias and sterility in a single approach (Hussey and Hussey 1997; Kohlbacher 2005; Leedy 1997; Patton 1990; Yin 1994). However, the main weakness of triangulation identified in the literature is the investment of time and effort required (Wood et al. 1998). There is the need for each phase of the methodology to be planned, designed, executed and analyzed. Nevertheless, Gillham (2000) argued strongly that the investment of time and effort required in the triangulation approach is worth while, since different methods have different strengths and weaknesses. Therefore, if they converge, the researcher can be reasonably confident that he/she is getting a true picture of the study. The effectiveness of triangulation therefore rests on the premise that the weaknesses in one method will be compensated by the counter-balancing strengths of
another (Jick 1979). Also, the research finding from one method can be used to confirm the findings of another (Creswell et al. 2007).

Two major strategies for data collection and implementation of a mixed methods research have been identified in literature. In the first strategy which is sequential, researchers collect both the quantitative and qualitative data in different phases; and in the second strategy which is concurrent, qualitative and quantitative data are collected at the same time and the implementation is simultaneous (Creswell 2003; Morgan 1998; Tashakkori and Teddlie 1998). The concurrent strategy was used in this study, and it is discussed below.

**Concurrent Triangulation Strategy**

In order to achieve the objective of this study, which is to provide better understanding of women’s entrepreneurship in Ghana, concurrent triangulation strategy was used to collect and analyze data. In a concurrent triangulation strategy, the quantitative and qualitative data collection was concurrent, happening in one phase of the study. Quantitative and qualitative data were not collected in separate phases of the study, as is in the case of the sequential triangulation strategy. Concurrent triangulation strategy was suitable for this study since Creswell (2003), Creswell et al. (2007) and Morgan (1998) found that it is useful in confirming, cross-validating, or corroborating findings in a single study.

Thus, in this study, while the questionnaire survey to collect quantitative data was mailed out, qualitative interviews were conducted with women entrepreneurs within the sample group during the same phase of data collection. The rationale behind the use of this strategy was to obtain statistical quantitative results from a larger number of Ghanaian women entrepreneurs and concurrently interview individual women entrepreneurs by probing and exploring the research questions in more depth. Also, the study followed another principle of concurrent triangulation strategy: that of convergence of results during the data analysis phase (Creswell 2003; Creswell et al. 2007). This principle was advantageous in strengthening the findings or the knowledge claim of the study.
The use of concurrent triangulation strategy was beneficial to the study in that separate quantitative and qualitative methods were used as a means to offset the weaknesses inherent within one method by the strengths of the other method. Thus, in this study, the weaknesses associated with qualitative data such as lack of rigour and representativeness were complemented by the strength of the quantitative method of the collection of large data and their rigid statistical analysis. In addition, the qualitative method also gave deeper and richer meanings to quantitative findings. Thus, the use of a concurrent triangulation strategy in the mixed methods approach assisted in increasing the richness of information and ultimately the research findings, which provided an overall interpretation within the life context of Ghanaian women entrepreneurs.

Importantly, Creswell et al. (2007) advised that the use of the concurrent triangulation strategy is more advantageous since it is the most familiar of the six major mixed methods approaches and can result in well validated and substantiated findings. In addition, the concurrent strategy data collection time period is shorter and suitable for PhD studies as compared with the other mixed method strategies. However, it required great effort to adequately study a phenomenon with two separate methods within the same phase of data collection.

Therefore, two major methods of data collection were combined in this study. In the quantitative methodology, primary data were collected by means of mail survey. Objective data, such as demographic profiles, business turnovers, and benefits derived from engagement in entrepreneurial ventures all added to the value-free data that were compared and analyzed while the study’s hypotheses were tested. Concurrently, a qualitative method which involved probing and exploring the experiences of the women entrepreneurs in Ghana as entrepreneurs and as women embedded in Ghanaian society and culture was employed by means of interviews.

The process of the data collection and implementation using the concurrent triangulation strategy of a mixed methods approach is presented in figure 4.1. The quantitative data technique (mail survey) is discussed in details in section 4.11.1. The primary qualitative
method used in this study, that is the field interview as a technique to elucidate rich information from the women entrepreneurs, is discussed in section 4.11.2. Preceding an in-depth discussion of the data collection methods is the presentation of the population and sampling techniques employed for the study.

Figure 4.1 Concurrent Triangulation Strategy

![Diagram of Concurrent Triangulation Strategy]

- Research Problem
- Research Questions
- Theoretical Framework
- Hypotheses of the Study
- Quantitative Survey
- Qualitative Interviews
- Quantitative Data
- Qualitative Data
- Integration and Analysis of Both Data Sets
- Testing of the Hypotheses and Discussion of the Overall Results
- Development of the Profile of Ghanaian Women Entrepreneurs
4.7 Population and Sample of the Study

The population of the study comprised women entrepreneurs in Ghana. Koforidua Municipality of the Eastern Region of Ghana (one of the ten regions in Ghana) was chosen as the study area. Of particular relevance to the study is the fact that the study area, Koforidua municipality, contains all the ethnic tribes in Ghana. Also, women form the majority (60%) of its population (Ghana Statistical Service 2002). In addition, greater numbers of these women are in small and medium businesses. Another reason for the selection of this region for the study was the fact that the researcher had lived in the municipality for the past seven years, lecturing in entrepreneurship in the only polytechnic in the region, and was also involved in the organization of entrepreneurial workshops for women entrepreneurs in the municipality. The researcher to some extent is familiar with the region and the study area.

The database of women entrepreneurs in the municipality was obtained from the Eastern Regional office of the National Board for Small Scale Industries (NBSSI). The NBSSI is Ghana’s governmental body in charge of small and medium Enterprises (SMEs). It is required that all small and medium businesses in the municipality are to register with the NBSSI. Preliminary contact with the office revealed that about five hundred (500) women in the municipality were involved in small and medium businesses.

In order to achieve the objective of the study of investigating women’s entrepreneurship, distinct criteria were used to identify the women entrepreneurs for the sample. The major criterion applied was Moore and Butner’s (1997: 13) definition of women entrepreneurs. They defined a female or a woman entrepreneur as ‘a woman, who has initiated a business, is actively involved in managing it, owns at least 50 percent of the firm, and has been in operation one year or longer’. The OECD (2004) endorsed this definition, and earlier on this definition of women entrepreneurs was successfully used in the study of women’s entrepreneurship in Ireland (Butler 2003).
Therefore the criteria developed from the attributes of women entrepreneurs according to the above definition, in addition to the general features of an entrepreneurial venture, were applied to the determination of the sample the study. The attributes were:

- The woman entrepreneur either owned all of her business, or was the majority shareholder (50%).
- The woman entrepreneur, who had initiated the business, was actively involved in managing it.
- The business of the woman entrepreneur was based in the municipality under investigation.
- The business had been in operation for at least one year.
- The business venture had to exhibit entrepreneurial features.

After the process of screening and scrutiny using the above outlined criteria, three hundred (300) women were identified for the sample. To collect quantitative data, survey questionnaires were mailed out to all the 300 women entrepreneurs identified in the study area. This enabled all the women entrepreneurs in small and medium enterprises in the municipality to participate in the research irrespective of their ethnic background, age, marital status, educational background and other factors. Also, with the coverage of the entire population, the variety or types of businesses women operate (trading, service, agro-processing, education, construction, manufacturing and industries) were included in the survey.

**Purposeful Sampling for Qualitative Data**

As indicated earlier, a qualitative method was also used to explore and provide deeper understanding of Ghanaian women’s entrepreneurship. As argued by researchers (Creswell 2003; Miles and Huberman 1994; Yin 2003), the basic idea behind qualitative research is to purposefully select participants that will best help to understand the problem and the research questions. Nor does this necessarily depend on large numbers of participants as typically found in quantitative research.
Based on the above principle, twenty (20) women entrepreneurs who also participated in the quantitative research were purposefully selected or sampled. These twenty women entrepreneurs’ worlds were further explored, and in-depth and rich information was obtained from them by means of interviews. According to some research methodological scholars, it is very advantageous to use purposeful sampling since it is the judgment of the researcher as to who can provide the best information to achieve the objectives of the study. The researcher only goes to those people who in his/her opinion are likely to have the required information and be willing to share it (Berg 2004; Kumar 2005; Leedy and Ormrod 2005; Neuman 2006).

The researcher was able to form a judgment about the participants who could provide the best information to achieve the objectives and purpose of the study and purposefully selected them for the interviews during the quantitative data collection process. Most importantly, the quantitative data collection also enabled the researcher to select those women entrepreneurs who were interested in the research and willing to discuss the research questions in depth.

The process adopted in the study therefore met Merriam’s (1998:77) recommendation regarding purposeful sampling that ‘it is not the number and representativeness of the sample that are the major considerations, but rather the potential of each person to contribute to the development of insight and understanding’. This potential for contribution to the study was determined by the participants’ high response to the questionnaire survey (see section 4.11.1). The data collection methods relative to the study (sample) area, and described in the remainder of this chapter, are shown in figure 4.2.
Figure 4.2  Data Collection Methods and Sample

20 women entrepreneurs purposefully sampled and interviewed to collect qualitative data

300 women entrepreneurs surveyed to collect quantitative data
4.8 Research Instrumentation

4.8.1 Quantitative Method

The general purpose of this study was to investigate Ghanaian women’s entrepreneurship. Therefore, efforts were made to select a quantitative research instrument that would cover as many women entrepreneurs as possible in the study area. The general background and operating environment of the women entrepreneurs in Koforidua municipality was the same as what pertains everywhere in Ghana; the result from the survey of women entrepreneurs in the study area can thus be generalized to the broader understanding of women entrepreneurs in Ghana. Quantitative data were therefore collected by means of a survey questionnaire with 163 questions. The survey questionnaires were mailed out to 300 Ghanaian women entrepreneurs in Koforidua municipality in Ghana. Most of the questions were designed to collect quantitative data.

The survey questionnaire was employed in the study to collect data because it was well suited to the descriptive and correlative nature of the study (Bryman 2004; Creswell 2003; Kumar 2005; Leedy and Ormrod 2005). A survey questionnaire was also employed to collect data because it enabled a systematic collection of predominantly quantitative data. The data collected were useful in measuring many variables and testing the specified hypotheses of the study, which contributed to the understanding of Ghanaian women’s entrepreneurship (Leedy and Ormrod 2005; Neuman 2006).

Furthermore, the mail survey procedure allowed the efficient, in-time and one-off collection of data from respondents (Sekaran 2003). The mail survey facilitated the data collection process by the researcher, who had a limited time to stay in the research site before returning to Australia to complete the writing of the thesis. Moreover, Sekaran (2003) further argued that questionnaires are preferred by respondents because questions are likely to be easily understood and answerable at their own pace and in their own time. Also, the questionnaire used in the study allowed space for open-ended responses and additional comments in order to collect qualitative observations as well. The above arguments therefore support the choice of the survey questionnaire in the study.
The 163 questions in the survey questionnaire were related to all the research variables and the six hypotheses of the study. The majority of these questions were Likert-like items based on a scale ranging from ‘no extent’ to ‘a large extent’ and ‘of no importance’ to ‘most important’. Based on the theoretical framework of the study and the seven major research questions, the questionnaire was structured into seven sections (a copy of the questionnaire is included in appendix 3a):

1. Characteristics of the Ghanaian women entrepreneurs
2. Reasons for business venture ownership
3. Business profile
4. Resources available to the women
5. Network affiliations
6. Business problems encountered
7. Business successes achieved

4.8.2 Qualitative Method

As stated earlier, the research problem of the study was generally the limited knowledge about Ghanaian women entrepreneurs in the literature. A qualitative method was chosen to better discover and understand the world view and the nature of the issues impacting Ghanaian women entrepreneurs from their own perspectives. From this world view, including cultural and psychological insights, the study attempted to understand Ghanaian women’s entrepreneurship and contribute knowledge about their entrepreneurship.

According to Putnam (1992), a qualitative methodology allows the researcher to leave the laboratory and to get closer to the data. The ultimate aim of the researcher is to study situations from the participants’ point of view. As such, a qualitative methodology produces descriptive data, the actual words of the people studied: ‘The subject is not reduced to an isolated variable or a hypothesis but is viewed as part of a whole’ (Putnam
1992: 25). Therefore, in order to understand the world view of Ghanaian women entrepreneurs, a qualitative interview technique was used to collect in-depth information from 20 women entrepreneurs. The selection of 20 women entrepreneurs for interview was to enable a good number of the women entrepreneurs to participate in the qualitative study. By interviewing an appreciable number of women entrepreneurs from varied backgrounds and in varied businesses in Ghana, multiple perspectives on the same phenomenon, women’s entrepreneurship in Ghana were able to be revealed.

Research methodologists (Bryman 2004; Kumar 2005; Leedy and Ormrod 2005; Neuman 2006; Yin 2003) describe the interview as a superior data-gathering device, because people are more willing to talk than to write. Also, Kumar (2005) added that if a question is misunderstood the interviewer can either repeat it or put it in a form that is understood by the respondent. The above research methodologist also agreed that interviews allow the interviewer access to the respondent’s gestures, tone of voice, and the emotional impact of the response. As well, the words and tone of voice can be preserved in interview tapes.

The interview technique employed in the study had unique advantages in that it can be most effective in revealing the reasons for actions, feelings and attitudes. It provided an opportunity to penetrate in-depth the responses of the interviewees, something unlikely to be achieved through other investigative means (Leedy and Ormrod 2005). Also, feminist researchers such as Reinharz (1992) believe that interviewing is particularly suited to female researchers and that for a woman to be understood it may be necessary for her to be interviewed by a woman.

**The Interview Schedule**

An open-ended interview schedule was designed to allow flexibility in the sequencing of questions and to support in-depth probing (Strauss and Corbin 1998). The interview schedule comprised a set of standard demographic and background questions about the interviewee. In addition, groups of open-ended questions were asked in order to address each of the research questions. The research questions were: Who are the Ghanaian women entrepreneurs? What are their motivations for business ownership? Which business
ventures have they created? What are the human and financial resources available to them? What are their network affiliations and how useful are they to them? Which business problems do they encounter? How do they measure their business success, what are their successes and what contributions have they made to Ghana?

Interviews took one and a half to three hours. Most of the interviews commenced with obtaining the demographic information of the Ghanaian women entrepreneurs. The participants were then asked to describe what they had done from the time they finished their formal education to the time they established their business. This provided a very rich background to the process of becoming an entrepreneur as well as an opportunity for further investigation where relevant. Following the advice of Gillham (2000), verbal probes were used to ask interviewees to expand upon their responses to the questions (for example, Tell me more about…, How long did you…, What do you mean by…, etc.) in order to further elicit the participants’ world view.

The interview was conducted in both English and Ghanaian languages. In order to discover the world view of the women entrepreneurs and have a better understanding of them, eight out of the 20 interviews conducted were in the Ghanaian local dialect. These women could understand and read English but were unable to express themselves very well in it. Opportunities were given to these women to express themselves in their local dialect. Fortunately, the researcher understood and could speak very well the two Ghanaian dialects that the entrepreneurs preferred to express themselves in. However, the other 12 women entrepreneurs had good command of English and were able to express their views very well, even though an option was given for the interview to be conducted in any dialect of their choice.

All the interviews conducted with the 20 women entrepreneurs were audio-recorded. Tape recording was chosen based upon the advice of Belson (1967) and Gillham (2000) regarding accuracy in interviewing. The recorder allowed me as the researcher to concentrate on the interview itself, reducing my need to transcribe all the information in notes. Tape recording also captured individual idiosyncratic changes in vocal tone, pitch,
rate of speech, pauses and fillers, enabling the researcher to develop more insights into the world view of participants and state of being.

The interview guide is presented in Appendix 3b.

4.9 Pilot Study

The survey questionnaire and the interview schedule were both piloted to ensure their reliability and appropriateness for the study. According to Bryman (2004) and Neuman (2006), piloting helps in ensuring that the survey questions operate well and the research instrument as a whole functions well. In this study, the survey questionnaire and the interview schedule were pilot-tested in two phases.

First the questionnaire was piloted on eight of the researcher’s peers and colleagues who are doctoral students in entrepreneurship to ensure that all the variables were completely and clearly covered and to avoid double-barrelled questions. During the pilot study, two female doctoral students who are Africans and had experience in working in business and with African women were very helpful in the reviewing of the questionnaire and the interview schedule. The questionnaire was reviewed on the basis of syntax, spelling, integration, comprehensibility and grammar. This was to avoid confusion, slang, abbreviations, ambiguity and vagueness. This review also ensured that the intended respondents readily found the questions understandable.

In the second phase, five Ghanaian women entrepreneurs resident in Melbourne, Australia took part. The researcher identified two Ghanaian women hairdressers and three traders resident in Melbourne, who have created their own businesses and are operating them very well. Their attributes and operations met the criteria and qualifications of the target population of the study. The women have lived in Australia for an average of five years. My initial contact with them revealed that they have not forgotten the Ghanaian environment and there was much they could offer concerning the subject matter of the study. The pilot test on this group was extremely important and very useful since it ensured
the cultural relevance of the study. In fact, one scenario of the interview schedule was conducted in a Ghanaian language. This gave a lot of confidence to my conduct of the interviews in the Ghanaian language. Also, as suggested by Bryman (2004) and Neuman (2006), pilot testing is best conducted on a small set of respondents similar to those in the final survey. This second group of Ghanaian women entrepreneurs doing business in Australia was very similar to those in the study’s sample frame.

The pilot test was conducted to ensure the academic, business, social and cultural relevance of the survey questionnaire and the interview schedule. Importantly, comprehensibility and confidence in the research questions and instruments were also assured in advance.

4.10 Ethics Approval

Ethical issues generally arise in the design and conduct of research on human subjects and in the reporting of results. It is a Commonwealth legislative requirement in Australia that all projects involving human subjects meet certain standards and have written approval from the accredited ethics committee. The Swinburne Human Research Ethics Committee (HREC) or one of its sub-committees has responsibility for ensuring that research within the University meet ethical principles. Hence the researcher had the responsibility to ensure that ethics approval was obtained in writing before commencing the data collection process, including the pilot study. It meant that no data were collected from any human participants without approval. A completed standard form together with copies of the cover letter and the survey questionnaire and interview schedule were forwarded to the Human Research Ethics Committee for its approval. The committee gave written approval to conduct the survey after accepting the proposed research protocol.

An important ethical principle in the ethics protocol which this study adhered to was that no harm should befall any person requested to participate in research. This necessitated protecting the respondents’ anonymity and ensuring freedom from a stressful experience. Thus, a written statement was given to all persons who would be requested to participate, outlining the purpose and nature of the research project. Its objective was to assist those
persons to make an informed choice as to whether or not they wished to participate. A copy of the statement was attached to the approval application. Later, the approved statement became a part of the request letter that accompanied the survey questionnaire. Also, due care was taken to ensure that all data collected were handled confidentially.

The procedure for grievance resolution during the research was also outlined in the initial pages of the survey questionnaire. It made it clear that in case a respondent participating in the study had any concern about the participation, or a complaint, the participant could either contact the research supervisor or the researcher in the first instance. If the issues raised could not be solved, then the chair of the Human Ethics Committee must be contacted. Included were all relevant contact addresses, telephone numbers, fax numbers, and email addresses.

4.11 Data Collection Procedure

A multi-method research methodology approach, which involved the combination of qualitative and quantitative methods, was used to collect data for the study. The data were collected in Koforidua, Ghana, from August to December 2006. The target population of the study was women entrepreneurs in small and medium enterprises in the Koforidua municipality of the Eastern Region in Ghana. The database of the respondents was obtained from the Eastern Regional branch of the National Board for Small Scale Industries (NBSSI) in Koforidua.

4.11.1 Survey

To collect the quantitative data, survey packs were mailed out to the 300 women entrepreneurs who were identified from the database provided by the NBSSI and then further screened to reflect the characteristics of entrepreneurship. The survey packs were mailed out from the research site (Koforidua), where the researcher was resident. The survey pack consisted of the following items:
1. The survey questionnaire titled ‘Women Entrepreneurs in Small and Medium Enterprises (SMEs) in Ghana’
2. A covering letter
3. A reply paid envelope on which was printed the researcher’s name and address
4. A letter of expression of interest and consent to participate in interviews.

The covering letter explained the following: the purpose of the research, and the benefits to Ghanaian women entrepreneurs and the nation of Ghana as a whole; the estimated time required to fill out the questionnaire; assurances of confidentiality; ethical; and a closing date. Copies of the covering letter, expression of interest and consent letter, and the survey questionnaire are provided in appendices 2a, 2b and 3a.

**Response to the Survey**

A total of 241 usable completed questionnaires were collected out of the 300 that were distributed, yielding an 80 percent response rate. The response rate of 80 percent was found to be above the acceptable range for such a survey, representing a high response rate. (Hart 1987)

The high response rate could be as a result of the covering letter attached to the survey questionnaires assuring confidentiality and emphasizing the importance of individual responses to the study’s outcomes and the contribution to knowledge about women entrepreneurs in Ghana. Also, since little research on this subject matter has been carried out in the study area, the participants probably perceived this study as a medium to let others hear about them and their activities.

A reply paid envelope was also enclosed to minimize monetary cost and inconvenience to respondents. The Ghanaian postal service has also improved considerably, contributing to the success of the mail survey. Moreover, the survey packs were mailed out, posted back and received at the research site, which minimized delay in the movement of the questionnaires between the researcher and the participants, and vice versa. Also, as all replies were anonymous, a letter of appreciation and a reminder were sent after the three
weeks deadline for the return of completed questionnaires to all 300 participants to thank them for participating in the study and also reminding those who had not yet posted their completed questionnaires to do so. It seems the letter and the reminder had some impact, as 23 more completed questionnaires were returned. In addition, the mail survey gave the respondents a considerable amount of time to complete the questionnaires at their own convenience. The above reasons may have been motivating factors for the respondents.

4.11.2 Interviews

For the collection of the qualitative data, a letter of consent accompanied the survey questionnaires requesting the consent of respondents to participate in an interview. Significantly, 45 women responded to the letter and expressed interest in the interview, exceeding the target number of 20. Purposeful sampling was therefore used to select 20 of the women entrepreneurs for the interviews. The purposeful sampling method ensured variation in the participants selected for the study according to age, ethnic background, experience, and variety entrepreneurial activity. Most importantly, it offered the opportunity to interview those interested in the study and willing to discuss the survey questions in depth.

During the interviews, the researcher was conscious of the fact that the researcher is an important research instrument in the collection of qualitative data. The researcher has been trained to perform interviews, and has practised these skills in previous situations. Therefore, in interviewing, the researcher was mindful of the critical need to be professional and at the same time of the importance of building an immediate rapport with the interviewees to gain their trust and cooperation. Non-verbal communication skills of proxemics (distance), chronemics (use of silent probes), and paralinguistics (matching volume, quality and inflection patterns) were utilized to develop rapport with the interviewees. This facilitated the interview process.

In addition, overt characteristics of the researcher – sex, age, race, ethnicity, manner of speech and dress - were similar to that of the participants. This was helpful in bridging
etiquette and social barriers. The researcher had also lived in the same municipality as the participants for the past seven years, had organized business management workshops for some of the participants, and had also patronized their services and products. In view of these identifiable characteristics of the researcher, the participants perceived and trusted the researcher as someone who could relate their stories in an intelligent, sensitive and responsible manner. Hence, all the 20 women entrepreneurs interviewed were enthusiastic about the interviews, created time for it and wholeheartedly recounted their stories. The researcher was therefore able to obtain rich in-depth information on women’s entrepreneurship in Ghana from the women entrepreneurs’ point of view. Therefore, the two sets of data collected, quantitative and qualitative enabled the study to obtain wide-ranging, rich, in-depth information on women entrepreneurs in SMEs in Ghana.

4.12 The Broad Characteristics of the Participants

The broad characteristics of the participating women entrepreneurs and their ventures are shown below in table 4.1 (detailed analysis of the individual characteristics is presented in chapter 5). The participants’ ages ranged from 21 to 60, their businesses were located across numerous small-scale industries, and 84 percent of them were sole founders and owners of the ventures. They had been in business for between seven to 30 years, and their success story centered on being financially independent, having self-worth and fulfilment, achieving recognition and status, and contributing significantly to the well-being of their families, communities and country at large.
Table 4.1   Broad Characteristics of Respondents

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ages of the respondents</td>
<td>21-60</td>
</tr>
<tr>
<td>Industries/business categories</td>
<td>Trading, manufacturing/production, personal services, agriculture, construction, agro-processing, education, textile and fabric</td>
</tr>
<tr>
<td>Relationship to business</td>
<td>84% sole proprietorship and 16% joint ownership</td>
</tr>
<tr>
<td>Range of years in business</td>
<td>1-30</td>
</tr>
<tr>
<td>Success story</td>
<td>Self-fulfillment and personal satisfaction, financial independence and wealth creation, family well-being and recognition, economic and social contribution to Ghana.</td>
</tr>
</tbody>
</table>

4.13 Data Analysis Methods

Quantitative data were analyzed using the Statistical Package for Social Scientists (SPSS) software Version 14. SPSS was chosen because it is very useful for performing the statistical tests which were conducted in the study, such as multiple regressions, correlation, reliability, factor analysis and analysis of variance (ANOVA).

Data from the responses to the questionnaires were coded and entered into the SPSS program for statistical analysis. SPSS generated outputs which provided the researcher with systematic frequency counts, sorted and rearranged data, and served as a useful data-entry device, with labels for brief entries. SPSS is very useful for the analysis of large data as in this study, and it enabled the researcher to gain a greater insight into actions, attributes and attitudes of the women entrepreneurs. Its usage also brought out the relationship or interdependence of the independent and dependent variables of the study in the testing of the hypotheses (Bryman and Cramer 2004; Pallant 2005).

The main statistical technique used by the study to describe the relationship between the independent and dependent variables was multiple regressions. Multiple regressions analysis is a general statistical technique used to analyze the relationship between a single dependent variable and several independent variables, as in the case study. Multiple
regressions is a widely used and versatile modelling technique, applicable in every facet of business decision making and business research projects such as this study. It allows the researcher to predict a score or result on a dependent variable from the score or result of a number of independent variables (Brace, Kemp and Snelgar 2003; Bryman and Cramer 2004; Hair et al. 2006; Pallant 2005). Multiple regression analysis also produces correlations, which are useful for the exploration of the strength of the association between any two pairs of variables, and beta coefficients which give an indication of the relative contribution of each independent variable. Another related statistical tool is analysis of variance (ANOVA). It is useful for detecting any significant difference in the relationship between categorical independent and dependent variables (Hair et al. 2006; Pallant 2005).

An equally important statistical technique, which the study employed first to prepare the data for the multiple regression analysis is factor analysis. Since the number of variables in this study was high (164), there was a need to use factor analysis to reduce or summarize the original data into smaller manageable units for analysis and to identify the structure underlying them. The related statistical tools of factor analysis such as Kaiser-Meyer-Olkin (KMO) and reliability test were also employed. The KMO and Bartlett test of sphericity indicates the factorability of a correlation matrix and support the factorability of variables. Reliability testing was also conducted for each of the extracted factors to ascertain the degree to which the items making up the scale agreed; that is, to find out whether all the variables collated on one factor have internal consistency and measure the same underlying constructs (Brace et al. 2003; Bryman and Cramer 2004; Hair et al. 2006; Pallant 2005). How the statistical methods were employed in the data analysis will be described in the analysis of data and testing of hypotheses in Chapters 5 and 6.

The basic tool or means selected for the qualitative data analysis in the interpretative framework was content analysis. According to Titscher et al. (2000: 55), content analysis is ‘the longest established method of text analysis among the set of empirical methods of social investigation.’ According to Babbie (2001: 309), content analysis is the study of recorded human communications; it is ‘essentially a coding operation’ with coding being ‘the process of transforming raw data into a standardized form’.

145
Therefore, content analysis of the research into women’s entrepreneurship resulted in the development of an analytical framework by which to structure the general categories and clusters of variables or dimensions of female entrepreneurship. The following seven dimensions or categories were identified in the study for content analysis: the characteristics of the women entrepreneurs, their reasons for business ownership, their business profile, the resources available to them, their network affiliations, the problems encountered and their successes.

Significantly, content analysis of a qualitative study allows the integration of quantitative steps in the data analysis. Research methodologists have found that qualitative content analysis preserves the advantages of classical quantitative content analysis, and thus also includes quantitative analysis steps. According to Gillham (2000), content analysis does not equate qualitative methods and data only; although these are predominant, content analysis is also suitable for quantitative data analysis. This special feature of content analysis was useful in the analysis of both qualitative and quantitative data sets, which were converged for interpretation in the data analysis segment of the study.

Content analysis therefore suited the analysis of the different data sets collected using a concurrent triangulation research strategy. Content analysis is especially important when trying to generalize results, as was the case in this study. It has also been proved in literature that qualitative content analysis is a useful tool for analyzing interview data material (Mayring 2002; Yin 2003), as was found in this study. The benefits and relevance of its usage were also identified by Kohlbacher (2005). One of the strengths of qualitative content analysis is its openness and ability to deal with complexity. Qualitative content analysis takes a holistic and comprehensive approach towards analyzing data in a step-by-step process. The procedures of summary, explication and step-by-step structuring reduce complexity and filter out the main points of analysis in an iterative process. It has therefore been argued that content analysis perfectly fits the credo of qualitative study research by helping to understand complex social phenomena.
Also, content analysis ensures theory-guided analysis, as was the case in this research. Theory-guided analysis offers the chance to compare and complement the primary data collected within the research project with secondary data collected from literature. Content analysis enabled the findings in this study to be compared with existing theories and past studies of women’s entrepreneurship. The analysis of complementing secondary data helps to ensure the quality of content analysis, especially validity (Mayring 2002).

Therefore, although statistical techniques were employed to analyze quantitative data and qualitative content analysis was used to analyze the interviews, both data sets were combined and integrated for interpretation. The purpose was to achieve convergence among the results. All the data analysis procedures employed in the study were useful in the systematic presentation of data collected, and together revealed the depth and richness of the whole-of-life data. Thus, whilst results are presented using frequency percentages, the main intention is to develop patterns of agreement and themes across cases.

4.14 Summary

The research design and methodology, the population, and the various approaches to the study have been outlined and justified. The research objectives of the study supported a multi-method approach which allowed the use of both quantitative and qualitative methods of data collection and analysis. This approach allowed the investigation and exploration of a number of diverse variables to provide detailed information across a participant’s woman’s whole life, as well as the testing of hypotheses to determine the applicability of existing theories in the Ghanaian women’s context. The presentation of the study’s results and findings follow in the next chapter.
CHAPTER FIVE

RESULTS AND FINDINGS

5.1 Introduction

This chapter reports on the results from both the quantitative and qualitative data. The findings are in relation to the 163 usable responses to questions contained within each of the 241 returned questionnaires, and the interviews with 20 women entrepreneurs. Results are presented using frequency percentages, with the intention of developing patterns of agreement and themes across cases. The systematic presentation of the combined quantitative and qualitative results will reveal the depth and richness of data within the whole of the Ghanaian women entrepreneurs’ life context.

These results are presented in a structured manner according to the sequence of the sections in the questionnaire survey and the interviews, reflecting the dimensions of the Ghanaian women entrepreneurs based on the research questions (see Figure 5.1). Each section of this chapter begins with a brief introduction and a diagram reflecting the variables investigated, followed by the results and findings, and then concludes with a diagram demonstrating the key themes and findings arising from the results.

Findings are commented on in relation to previous literature, and present the researcher’s own explanations and suggestions. These results are further analyzed and interpreted in Chapter 6, when the hypotheses of the study are tested and the overall results are discussed. Finally, in Chapter 7, the findings are summarized leading to the concluding profile on the women entrepreneurs in Ghana.
5.2 Personal Characteristics and Experiences of the Ghanaian Women Entrepreneurs

5.2.1 Introduction

To be able to effectively develop a picture of Ghanaian women entrepreneurs and provide an understanding of them, it is important to be aware of their basic characteristics and answer the questions: Who are these women? What are their backgrounds? There is significant evidence in literature that entrepreneurial characteristics make a fundamental
contribution to enterprise formation and development. In view of this evidence, attempts have been made by several researchers in entrepreneurship literature to develop a typical profile of all women entrepreneurs. But the debate is whether this generalization can apply to all women entrepreneurs universally, including women entrepreneurs from different cultures, environments and countries.

This section therefore presents the results of the study on the personal characteristics and experiences of the Ghanaian women entrepreneurs. The variables investigated in the study, as shown in Figure 5.2 below, were the women entrepreneurs’ personal characteristics such as their age, marital and maternal status, ethnic identity, educational background, entrepreneurial personality characteristics, and pre-business-ownership experiences. At the end of the section a personal profile, unique to the women entrepreneurs in Ghana, is developed.

**Diagram 5.2 Variables: Personal Characteristics and Experiences (Dimension 1)**

![Diagram 5.2 Variables: Personal Characteristics and Experiences (Dimension 1)](image-url)
5.2.2 Results

Age, Marital Status, Number of Children, Ethnicity

In order to gain insight into the basic demographics of the women entrepreneurs in Ghana, the study included questions about their age, marital and maternal status, and their ethnic identity.

The women entrepreneurs fall mainly into the economically active age groups, that is, between 31 and 50 years old (67%). The respondents ranged in age from 21 to 60 years, with the majority of them (40%) aged between 41 and 51. Whilst some of them were between 51 and 60 years old (16%), others (17%) were young women entrepreneurs aged between 21 and 30. Outside this spectrum were a few (1%) above 60 years old.

Similarly, earlier research by Woldie and Adersua (2004) in another African country, Nigeria showed that the age limit of their women entrepreneurs was below 60. Their findings revealed that the age group of Nigerian women entrepreneurs was mainly 31 to 55. However, it is possible to find women entrepreneurs aged far above 60 years in countries such as Australia, the USA, Canada, Israel, China and India (Brush et al. 2006; Fielden and Davidson 2005; Lerner et al. 1997; Kitching et al. 2005).

The results further showed that a significant percentage (70%) of these Ghanaian women entrepreneurs was married and had an average of 4 children. Some (14%) of them were single, a few (12%) were widowed, and the rest (7%) were either divorced or separated. The results also indicate that all the five main ethnic groups in Ghana had a good representation in the study, with the Akan (44%) being in the majority. Others were Guan (15%), Ga (13%), Ewe (12%), Hausa (10%) and others such as Dargati and Mamprushie (6%). This result is reasonably close to ethnic distribution for the whole of Ghana (Ghana Statistical Services 2002).
It is noteworthy that the results on marital and maternal status, as well as the ethnic identity of the women entrepreneurs in Ghana differ little from the studies by previous researchers into the background of women entrepreneurs from different countries. In these studies the majority of women entrepreneurs globally was married, had children, and had diverse ethnic identities (Bennet and Dann 2000; Butler 2003; Coughlin 2002; Fielden and Davidson 2005; Lerner et al. 1997; Woldie and Adersua, 2004).

The diverse ethnic backgrounds of the women entrepreneurs in Ghana as indicated by the result of this study therefore support the findings in the literature that business ownership or entrepreneurship by women is not limited by race or ethnicity.

**Educational Background and Relevance**

The questionnaire survey included questions in relation to the highest educational qualification of the respondents. The interview segments followed up this question by probing further into the interviewees’ areas of specialization. The results from the study indicate that there are two categories of Ghanaian women entrepreneurs in SMEs by educational level. The first category which forms over half (59%) of the respondents, are the less educated, with only a basic level of education. The second category is the women entrepreneurs with a secondary/high school/college, polytechnic or university qualification; they form nearly half (41%) of the respondents.

Most (64%) of the respondents believed that the level of formal education that they had obtained was a useful factor in the successful setting up and operation of their ventures. The interviews further revealed that the basic knowledge obtained from their education was helpful to them in the areas of literacy, ability to identify opportunities and market trends, bookkeeping and the ability to prepare basic financial statements and make financial projections. Apart from a few respondents (8%) who had vocational/technical and polytechnic education in specialized areas such as accounting, marketing, fashion, catering and dressmaking, most of the respondents had not obtained any specialized knowledge in any field during their formal education.
Pre-business Attendance at Apprenticeship, Lectures and Courses

The answers to the question about apprenticeships undertaken by the women entrepreneurs before they created their ventures revealed that most of the respondents (54%) had gone through various forms of apprenticeship to acquire skills and knowledge before they set out in business.

It came out during the interviews that, in addition to their basic education, most of these women had to go through long (3 years) apprenticeships in fabric manufacturing (batik, tie and dye), kente (Ghanaian traditional cloth) weaving, fashion and design, dressmaking, hairdressing, jewellery production and bead making. Some of them also went through short (1 and a half years) apprenticeships in agro processing, soap and detergent manufacturing and cosmetics production. This type of apprenticeship, which is an informal means of learning a trade, enabled the majority of the women to acquire an entrepreneurial aptitude, employable skills and knowledge to set up their own business ventures. This system of apprenticeship that operates in Ghana is rare in women’s entrepreneurship literature.

Apart from going through the apprenticeship, which is not part of the Ghanaian educational system but an informal arrangement between a specialist in the field and an apprentice, few (5%) of the respondents attended any special business start-up and management lectures or courses before setting up their ventures.

Employment History

Previous studies (Brush et al. 2006; Coughlin 2002; Fielden and Davidson 2005) have suggested that employment and experience in the same industry as the business venture is a clear advantage in the entrepreneurial process and are associated with business growth. Questions were asked in relation to previous industries the respondents had worked in, their levels of satisfaction, and the barriers to progress encountered in their former employment.

Prior to setting up their own ventures, most (69%) of the respondents had worked in a range of industries and sectors. These included teaching, retail, administration, manufacturing,
marketing, sales, hairdressing, fashion and catering. The most represented were teaching and sales. The interviews revealed further that most of the women had worked in the private sector, mostly in the workplaces where they learnt their trade through apprenticeship. Some also had worked in the government sector, and a few had worked in the corporate sector. A notable percentage (64%) of the respondents had worked in essentially the same industry as to that of their business; and just over half (58%) had worked in the same occupation or with a similar product or service to the one they were supplying through their own business.

**Personality Traits**

Several studies in entrepreneurship have investigated the individual characteristics and personality traits of entrepreneurs. Although there are no hard and fast rules on the typical entrepreneurial personality profile, these studies suggest that the common characteristics appear to be high need for achievement, desire for independence, willingness to take calculated risk, self-confidence, internal locus of control, responsibility and innovativeness, and high levels of motivation and persistence (McClelland 1987; Schumpeter 1979).

A series of personal attributes were listed and the respondents were asked to rate themselves in relation to these. In terms of their own perceptions about their personal attributes, the respondents rated themselves very highly on all the listed traits. The first of these was high need for achievement (99%). The rest of the attributes which were also rated very highly (above 85%) by the respondents were, in descending order of priority, self-confidence, internal locus of control, desire for independence and responsibility, openness to innovation, high optimism about the success of their ventures, high levels of persistence and motivation, and finally willingness to take calculated risks.

All these unique entrepreneurial traits possessed by the women entrepreneurs in Ghana identify with the findings in literature on the psychological characteristics frequently displayed by individual entrepreneurs, male and female. This shows that entrepreneurship is related to the behavioural and personality traits of the individual entrepreneur (Bennet and Dann 2000; Jalbert 2000; Kao 1991).
Of particular interest is that the women rated themselves very highly (96%) on openness to innovation. Innovativeness is another strong characteristic that researchers (Kao 1993; Schumpeter 1979; Timmons 1999) have linked with entrepreneurship, supporting the perception that entrepreneurs are creative and innovative and use these skills to solve problems and develop new strategies, which impacts their businesses positively. These findings led to the development of a story-line about the personal characteristics and experiences of the Ghanaian women entrepreneurs (Figure 5.3), to add to the over-all understanding of them.

**Figure 5.3  Key Characteristics: Personal Characteristics and Experiences**

*(Dimension 1)*

- Aged 31 to 60, majority of them are married with children, and come from diverse ethnic backgrounds
- Some of the women are highly educated but others have low educational background
- Acquired skills and knowledge through education and apprenticeships
- Career experiences in diverse industries
- Rate high on key entrepreneurial traits: need for achievement, locus of control, openness to innovation.
5.3 Ghanaian Women Entrepreneurs’ Motivations for Business Ownership

5.3.1 Introduction

This section explores why the women entrepreneurs in Ghana choose the path of entrepreneurship. The reasons normally given for women venturing into business in literature are complex and multilinear. Generally, women’s entrepreneurship studies explain women’s motivations for business ownership in two thematic dimensions: extrinsic motives, including dissatisfaction over employment; and intrinsic motives, involving desire for independence and being able to balance work commitments with family responsibilities. A range of variables were investigated to explore the Ghanaian respondents’ reasons for being in business (see Figure 5.4). What are the stories of Ghanaian women entrepreneurs?

Figure 5.4 Variables: Motivations for Business Ownership (Dimension 2)
5.3.2 Results

Dissatisfaction in Prior Employment

Dissatisfaction in previous employment has been suggested by many earlier researchers (Carter, Anderson, and Shaw 2001; Still 1997; Wirth 2001) as one possible incentive that moves women into business ownership. Hence, questions relating to satisfaction of the women in their prior employment were asked. The result indicated that the majority (24%) of the women entrepreneurs were neither satisfied nor dissatisfied with their previous employment. Whilst some (20%) said they were somewhat satisfied in their previous employment, few of the respondents (14%) were definite that they were totally dissatisfied.

Thus, whilst dissatisfaction in previous employment is a contributing factor for some women to engage in their own businesses, this study found that it is only a minor factor in pursuing entrepreneurship by Ghanaian women. Comparing this result with findings from other studies, dissatisfaction in previous employment was a major factor for most women entrepreneurs in developed countries such as Australia, the US and Canada to engage in their own business ventures (Hisrich and Brush 1986; Moore and Buttner 1997; Wirth 2001).

Progress Barriers in Prior Employment

Another possible factor in influencing people to leave their previous employment and pursue a business venture was slow career progression, or for women in the developed countries the ‘glass ceiling’ (Moore and Buttner 1997). Women’s entrepreneurship literature has suggested that most formal workplaces are male dominated and characterized by ‘invisible barriers’ and ‘glass ceilings’, which limit female advancement in the corporate world (Moore 2000; Moore and Buttner 1997). The survey questionnaire included a question to seek information on whether this has been a factor for the women in Ghana to go into business ownership.

To the contrary, a notable percentage (30%) of the respondents who had worked before creating their own ventures cited family responsibilities as a constraint on their
advancement in their former employment. The women explained in the interviews that they found it difficult to combine family responsibilities, which included care of children and domestic duties, with work at their former employment with its inflexible work schedules and regulations. They further explained that they did not receive much help from their husbands in the performance of these chores so it was most times very difficult and stressful for them to combine work in their formal employment and their family responsibilities. Their attempt to combine work and family responsibilities only resulted in their investing less time and commitment in their former jobs compared to their male counterparts. Time and commitment were the criteria considered for promotion for both males and females in their former employment.

These women wanted to engage in productive work while performing their family responsibilities, and entrepreneurship gave them the opportunity to do this. Engagement in their own businesses, according to the rich qualitative data obtained, allowed them the freedom and flexibility they needed to meet their family responsibilities. One of the women entrepreneurs interviewed who owns a restaurant commented:

*I am my own boss now; I work anytime I like and if even I have to go to work late in order to look after my sick child at home I do not have any queries to answer at work. That does not also mean that I do not work hard at my restaurant. I manage my time myself and work hard, no fixed schedule, I can decide to close late whenever I have to. Doing my own work is far better than when I was an employee in a hotel, I rarely had time for my family and that was affecting my marriage. I am now a happy woman.*

Another barrier to career progression encountered by some (27%) of the respondents was competitiveness and skills possessed by the women. Most women in Ghana are less educated and skilled compared with their male counterparts and this prevents them from moving higher into managerial positions in most work places. Educational qualification is a major factor for promotion into supervisory or managerial positions in Ghana, regardless of how skilled or knowledgeable one is. An earlier discussion on the educational background of the women entrepreneurs in Ghana shows that most of the women did not have higher educational qualifications. It is not surprising that in Ghana most managerial and leadership positions are not filled by women.
In the interviews, some of the women felt that they had all the experience, knowledge, skills and confidence to be a manager and leader with the exception of the educational qualification. The lack of qualification placed them in lower positions at their former workplaces, resulting in dissatisfaction at their former employment. These women had to leave to set up their own business ventures to display their managerial qualities. It was, however, noteworthy that gender and age were not considered barriers to promotion and career progression by the women entrepreneurs in Ghana.

Therefore, it has been identified from the study that rigid organizational regulations (which do not allow for family responsibilities) and the need for advanced educational qualifications (which is a major criterion for promotion and career progression in Ghana) were motivational factors for some women to leave paid mainstream employment and pursue business ownership.

**Personal Motivations for Business Ownership**

A series of questions was asked to explore the personal reasons for the women creating their own ventures have been asked. The need to be personally fulfilled has been identified and described by Coughlin (2002) as the most interesting of all the motivators for women entrepreneurs’ business ownership. The questions were formulated to allow the respondents to rate a range of variables as not important, important or very important.

Seven key personal factors were rated most highly by the respondents and seen as very important. These were: to be independent (98%); to achieve (97%); job satisfaction (96%); to control one’s destiny (94%); to be the boss (91%); to achieve status and prestige (90%); to suit family life (85%). Another two personal factors also seen as important were to create the best business (76%), and to take advantage of an opportunity (72%). The least rated personal factor, but which was important to half (50%) of the respondents, was to fulfil family expectations or tradition.
Thus, personal reasons were strong motivators for business ownership by Ghanaian women entrepreneurs. This accords with the findings of Woldie and Adersua (2004) that self-satisfaction, desire for independence, desire for autonomy, control of one’s destiny and being the boss were very important personal reasons stated by Nigerian women entrepreneurs for business ownership.

**Business Motivations for Business Ownership**

This study also found that business reasons were highly significant to these Ghanaian women entrepreneurs in their decisions to create ventures. Apart from the personal reasons outlined above, these women entrepreneurs’ motivations for business ownership were to do the kind of work they preferred (96%), to be able to use their skills (86%), to be recognized for their skills (75%), and to provide a unique product or services (64%).

This result implies that these women purposefully create innovative business ventures which are unique to them. These business reasons given by the women entrepreneurs in Ghana also underscore Schumpeter’s (1945, 1979) renowned perspective of entrepreneurship, which emphasizes creativity and innovativeness in venture creation and being able to use one’s skills to create new businesses.

**Financial Motivations for Business Ownership**

Economic motivations were very significant in the Ghanaian women entrepreneurs’ decisions to create their own ventures. Financial drivers such as economic necessity (96%); financial independence (95%), making more money than otherwise likely (90%); and becoming wealthy (83%) were crucial factors to the women and were rated as the most important reasons for business ownership.

The interviews also revealed that most of the women were pushed into business to generate income to provide for themselves and their families, especially their children’s education. As one of the interviewees explained:
Because I want my children to attend the best school in the city and reach the highest pinnacle, I have to create my own venture to earn more money. My husband is a teacher and his salary alone cannot cater for us.

Another unanimous explanation of the financial reason given for venture creation by all the interviewees was that self-employment is far more lucrative than paid employment. Their observations of society showed that entrepreneurs are far richer than those in paid employment, hence, the high rating (90%) of the financial reason ‘to make more money than otherwise likely’. Also, some (40%) of the women interviewed were affected by redeployment and redundancy programmes. Financial reasons were extremely important to this group of women who chose the path of entrepreneurship to generate income. These findings were not very surprising since one of the universal motivations for women business ownership, particularly in developing countries as cited in literature, is the need to generate income (Coughlin 2002).

We can see from the above results that many varied and interrelated reasons were given by the women entrepreneurs in Ghana for engaging in entrepreneurial ventures. However, the common motivational themes that emerged from both the qualitative and quantitative data can be classified into four broad categories in order of importance: financial, personal, compability with family life, and the opportunity to engage in one’s own business. The results are shown in Figure 5.5.
Figure 5.5  Key Characteristics: Motivations for Business Ownership (Dimension 2)

- **Financial Reasons**
  - Economy necessity
  - Financial independence
  - Retrenched and need income

- **Personal Reasons**
  - Desire for autonomy, to be the boss, to achieve, for self fulfillment, job satisfaction

- **Business Reasons or being entrepreneurial**
  - To provide a unique product or service,
  - To express innovative skills

- **Flexibility**
  - To control my time, have more time for my family responsibilities

**Motivations for Business Ownership**
5.4 Types of Business Ventures Created by Women Entrepreneurs in Ghana

5.4.1 Introduction

To have a better understanding of the findings of this research on Ghanaian women’s entrepreneurship, it is not only necessary to understand the personal characteristics of the women, their choices and decisions. There is also the need to develop a detailed understanding of the entrepreneurial ventures they have created.

This section therefore present the results of the study on the types of small and medium business ventures the women entrepreneurs in Ghana are engaged in. Detailed descriptions of their business activities will be reported on, as well as the origin of their business ideas; the types of business ownership; the number of years in business; their markets; and the locations of these business ventures (see Figure 5.6).

Figure 5.6 Variables: Business Profile (Dimension 3)

5.4.2 Results

Industry Sectors
The study found that the Ghanaian women entrepreneurs have established businesses in all the broad classifications of the National Board for Small Scale Industries (NBSSI) in Ghana. This means that the range of businesses operated by the women entrepreneurs in Ghana is diverse and cuts across trading, services, manufacturing/production, construction,
agriculture, agro processing, education, textile and fabric industries. The majority of the women entrepreneurs in Ghana were in the trading (26%) and services (21%) sectors. The rest were spread across agro-processing (16%), manufacturing (12%), textiles and fabrics (12%), agriculture (5%) and education (5%), with the smallest number (4%) located in the construction sector.

These results seem to coincide with past researchers’ findings that the entrepreneurial activities of the women entrepreneurs from developing countries are concentrated in the trade and services sectors (Singh et al. 2001; Spring 2005; Tinker 1990). However, the results from this study also highlighted the fact that the business ventures of the women entrepreneurs in Ghana were not limited to these sectors. Of particular interest is the fact that the women entrepreneurs in Ghana are also making inroads into non-traditional industries for women. A notable percentage of the business ventures were located in the manufacturing (12%) and construction (4%) sectors.

Also the Ghanaian women entrepreneurs were found to operate in a very distinct industry, agro-processing, which is the next most predominant sector after the trading and services industries. Agro-processing is a unique industry where food or other end-products are produced by adding value to raw produce from food and cash crops as well as fish from both marine and inland sources. It was found that the activities of the women entrepreneurs in the agro-processing sector offered a great avenue for opening new market outlets and for increased consumption of agricultural products in Ghana.

Significantly, these innovative entrepreneurial activities of the women entrepreneurs in Ghana, especially in the agro-processing, educational, and manufacturing and construction industry sectors, support the earlier findings that women entrepreneurs rate themselves high on the innovative entrepreneurial trait.
Detailed Descriptions of the Women’s Business Activities in the Industry Sectors

To develop a vivid picture of the business ventures that Ghanaian women entrepreneurs have created, the women were asked to describe the actual activities they were engaged in. The responses to this question are also presented in Table 5.1.

In conformity to the earlier response, most (26%) of the respondents’ activities were in the trading sector, where they described their activities as owning wholesale shops importing and supplying large quantities of food products such as bags of rice and sugar to schools, hospitals and retailers. Others deal in building materials such as bags of cement, roofing sheets and iron rods. Some also supply soft drinks and alcoholic beverages on a wholesale basis. The trading sector is also dominated by retailers who trade in a variety of products including clothing, cosmetics, foodstuffs, jewellery, plastic wares and kitchen utensils.

It was found that the business ventures of the women entrepreneurs were predominantly in catering services (8%) including restaurants, snack shops, rest stops and bakeries. This was followed by fashion designing and dressmaking (5%); hairdressing (5), and interior decoration (3%).

The results also show that several business ventures involving different types of food and cash crop processing dominate the agro-processing industry, as shown in Table 5.2. A good percentage (16%) of the women’s business ventures in the agro-processing industry is in food, oil, drink, and cash crop processing. These agro-processing activities included the extraction of edible oil from palm fruit kernels, coconuts, groundnuts and shea nuts. Some of the women entrepreneurs’ processing ventures were also in the dehydration of root crops and vegetables such as cassava, pepper and okros (okra). Women were involved in the processing of gari, a pre-cooked corn grain made from grated cassava, and dehydrated by roasting. Also, cocoa bean (which is a famous cash crop in Ghana) is processed into cocoa powder drink and butter.
Another processing entrepreneurial activity is the preservation of fish by smoking, drying or salting. The interviews with the women revealed that they buy fish from the fishermen and preserve it by smoking, sun-drying or salting. Such cured fish can keep for months if it is properly stored and aired at regular intervals. The cured fish is bought by market women and sold throughout the country and abroad. Fish in Ghana is seasonal, and during the lean season, the price of fish, which is the main source of animal protein in Ghana, goes up. According to the women (fishmongers), they make a substantial amount of money from the sale of smoked or salted fish. An earlier study by Britwum et al. (2006) has confirmed that most women in Ghana process agricultural produce as a traditional role, but with time some of these activities have grown to become viable enterprises providing substantial income for them and their families.

The respondents’ dominant business activities in the manufacturing sector were handicraft making. Some (9%) of the respondents were engaged in jewellery making (gold and silver rings, chains, bracelets, earrings), assorted bead making and pottery making. A few (3%) of the respondents in the manufacturing sector were involved in soap, detergent, cosmetics and shampoo production.

An industry sector that some (12%) of the respondents were found in was textiles and fabrics, for example the weaving of *kente* (a beautiful Ghanaian traditional cloth), batik, and tie and dye making. The women involved in these ventures are innovative and have the abilities and skills to blend different colours to produce beautiful fabric. The women (5%) in the agricultural sector were mainly involved in poultry and livestock farming. Only a few (1%) of them were involved in commercial farming in citrus and maize.

Another sector the women operate in is education. The women entrepreneurs have identified niche markets in the area of pre-schools (childcare). Another educational area is the establishment of vocational schools which cater for school drop-outs, who otherwise would be on the streets without any skills. Children start school at age four in Ghana’s educational system, and no provision is made for children from age 0 to 4. Women, especially working mothers and mothers who are students, find it extremely difficult to
combine looking after their young children with work or schooling. Women entrepreneurs have particularly identified this problem and solved it by setting up pre-schools to cater for younger children.

Finally, the few (4%) women in the construction sector were engaged in business activities such as building private houses, office complexes and school blocks. Some were also involved in sandcrete production for constructional works.

**Location of Business at Commencement and Currently**

At the commencement of their businesses, most (51%) of the respondents were based at home, some (38%) were in small offices and shops and a few (11%) were in other makeshift locations such as under shelters and canopies, in the streets and under trees.

Currently, the percentage of home-based ventures has reduced significantly (18%), and the percentage of business ventures located in small offices/shops increased (42%). Others are also now located in corporate office suites and big shops (11%), factories (8%), and other locations (21%) such as school premises, farms and salons/beauty clinics. It is noteworthy from the interviews that the number of locations from which the businesses operate has increased over time, from an average amongst the respondents of one at commencement to more than one currently.

**Markets Served**

Furthermore, to develop a detailed picture of the business ventures of the women, knowledge was sought about the markets served, whether, local, regional, national or international. This was to assist in understanding the reach, depth and profile of the businesses.

The markets served by the respondents’ business ventures were local and regional (50%), national (42%), and international (6%). This result agrees with the findings in literature that women entrepreneurs’ small and medium ventures expand at a very fast rate over time (Coughlin 2002; OECD 2000, 2004). In relation to the most profitable market, the
respondents rated all the markets as equally profitable, with the local market being more profitable because of the good will gained in the municipality and the region.

**Types of Venture Ownership (Legal Structure of Business)**

The results indicate that most (84%) of the women solely own their business; that is they are sole proprietors and very few are involved in partnerships. The legal structure of the women’s ventures conforms to some of their personal reasons for business ownerships, which are to be the boss, to be independent and to take control of their destiny. Earlier studies also affirm that the majority of women entrepreneurs’ small and medium enterprises are individually owned (Brush et al. 2006; Buame 2000; Fielden and Davidson 2005; Woldie and Adersua 2004).
<table>
<thead>
<tr>
<th>Industry Sectors</th>
<th>Types of Business Venture</th>
<th>Number of Women Entrepreneurs</th>
<th>Total (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Trading (Wholesale/Retail)</strong></td>
<td></td>
<td></td>
<td>64 (26%)</td>
</tr>
<tr>
<td></td>
<td>Building supplies</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Children clothing</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Clothing (unisex)</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Jewelry</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Imported food (bags of rice, sugar and vegetable oil)</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Soft drinks and Alcoholic beverages</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Foodstuffs</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Kitchenware</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Fashion leather bags</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Frozen meat, poultry and fish</td>
<td>5</td>
<td></td>
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<tr>
<td></td>
<td>Fabrics</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Hair products and Cosmetics</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td><strong>Manufacturing/Production</strong></td>
<td></td>
<td></td>
<td>28 (12%)</td>
</tr>
<tr>
<td></td>
<td>Hair products (shampoo, conditioners, hair pomade)</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Detergents, toilet soap,</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cosmetics (powder, cream, pomade)</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Jewelry (rings, bracelets, necklaces, earrings)</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Beads</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Pottery</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td><strong>Construction</strong></td>
<td></td>
<td></td>
<td>9 (4%)</td>
</tr>
<tr>
<td></td>
<td>Residential</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Schools and Office Complexes</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sandcrete Production</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td><strong>Services</strong></td>
<td></td>
<td></td>
<td>51 (21%)</td>
</tr>
<tr>
<td></td>
<td>Restaurants</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Small Scale Catering Services, bakery</td>
<td>16</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Hairdressing Saloon/Decorations, Bridal dressing, Florists</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Dressmakers/Fashion Designers</td>
<td>15</td>
<td></td>
</tr>
</tbody>
</table>

Table continues next page
<table>
<thead>
<tr>
<th>Industry Sectors</th>
<th>Type of Business Venture</th>
<th>Number of Women Entrepreneurs</th>
<th>Total (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>Vegetable Farm</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Poultry and Livestock</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>Agro-Processing</td>
<td>Fish Processing</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Gari Processing</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Palm oil Processing</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Shea Butter Processing</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Palm Kernel oil Processing</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Fruit juice Processing</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mineral Water Processing</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>Education</td>
<td>Pre Schools (Childcare)</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Pre School to Junior Secondary School level</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Vocational Schools</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Primary to Senior Secondary level</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Textile and Fabric</td>
<td>Batik making</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Local Tie and Dye fabric making</td>
<td>15</td>
<td></td>
</tr>
</tbody>
</table>

**Sources and Development of Business Ideas**

In general, for the respondents, the business idea for their ventures came from their own industry or profession (42%). However, for some of them it was an existing business that they thought they could do better (21%), or the identification of a niche market (20%). Other (12%) respondents also got their business ideas from brainstorming and a few (5%) of them from their hobbies. That the majority of the women entrepreneurs in Ghana developed their business ideas from their original profession supports the perspective in literature discussed earlier, that one’s own profession or having work experience in an industry is an important source of information for venture creation. The entrepreneurial opportunity itself usually arises from it.
**Number of Years in Business**

Knowledge was sought about the number of years the women entrepreneurs have been in existence. On average, across the respondents, the businesses have existed for 15 years, although this ranged from one to 30 years. The highest (48%) number of business had existed for seven to 16 years, followed by one to six years (43%). Some (8%) of the respondents had also been in business for 17 to 30 years and a few (1%) of them for 27 to 30 years. These results show that some of the business ventures covered in the study were not early start-up businesses but could be considered to be in the later stages of business development.

**Competitive Strengths**

Information was sought from the women on how they perceived their business competitive strengths and ability to adapt to changing markets. The competitive strengths rated highly in the interviews were innovation, creativity, quality, uniqueness of product/service, experience in the market place and an opportunistic approach. Also, the majority of the respondents rated the ability of their businesses to adapt to changing markets as reasonably fast (36%) and fast (36%). A notable percentage (24%) also rated their businesses as moving very fast in a changing market. These responses have highlighted the confidence, determination, innovation and persistence of the Ghanaian women entrepreneurs in the operation of their ventures.

**Future Business Intentions**

The women were asked about their business plans for the next five years. The majority (78%) of them had plans to grow or expand their existing businesses; some (15%) had a vision of acquiring a new business; and a few (7%) would like to start a new venture altogether. This indicates that women entrepreneurs do not just focus on the short term for their business ventures, but they also have long-term plans and take a holistic approach in considering and planning for their future.
**Optimism and Chances of Success**

Entrepreneurs’ optimism and perceived chances of success in relation to their business ventures were investigated. Pinfold (2001) concluded that entrepreneurs tend to be overly optimistic about their chances of success, regardless of whether or not a high level of optimism is warranted. The women entrepreneurs were asked about how optimistic they were in relation to the general performance of their businesses. Nearly half (49%) of the respondents were very optimistic about the successful performance of their businesses; a significant percentage (29%) of them were absolutely optimistic; and some (22%) were just optimistic. This indicates that the women perceived the chances of success of their business ventures as very high.

The results on the entrepreneurial activities of the Ghanaian women entrepreneurs show that their business ventures are located in seven major business sectors in Ghana. They are engaged in diverse traditional and non-traditional women’s businesses, namely trading, services, agro-processing, manufacturing, textiles and fabrics, agriculture, education and construction. The entrepreneurial activities of the women in these industries involve the creation of totally new businesses, and in some cases taking over an existing business and developing and expanding it by employing their innovative skills. The findings are presented in Figure 5.7.
**Figure 5.7  Key Characteristics: Business Profile (Dimension 4)**

<table>
<thead>
<tr>
<th>Business Profile</th>
</tr>
</thead>
<tbody>
<tr>
<td>The women’s business ventures found in all 7 broad Ghana SMEs classifications</td>
</tr>
<tr>
<td>Range of business activities, especially traditionally female</td>
</tr>
<tr>
<td>Business ideas originated from own industry/profession, to improve an existing business, a niche market, brainstorming, hobbies</td>
</tr>
<tr>
<td>Businesses located mostly at small &amp; big business premises and homes</td>
</tr>
<tr>
<td>Businesses spread across local, national &amp; international markets</td>
</tr>
<tr>
<td>Majority individually owned and few jointly owned businesses</td>
</tr>
<tr>
<td>Number of years in business ranged from 1 to 30 years</td>
</tr>
</tbody>
</table>
5.5 Resources Available to the Women Entrepreneurs

5.5.1 Introduction

Before a complete picture of women entrepreneurs in small and medium enterprises in Ghana can be developed, the resources available to them and which play a very important role in the creation and operation of their ventures need to be investigated and explored. As emphasized by resource-based theory, venture resources in the form of capabilities, financial and human capital, skills and assets provide competitive advantage and underpin the performance and success of a business venture (Grant 1991; Lerner and Almor 2002; Lerner and Haber 2000; Peteraf 1993)

The variables investigated under the resources, as shown in Figure 5.8, include the business skills, level of education, previous work and entrepreneurial experiences, entrepreneurial background, childhood experiences and financial capital that are available to the women in the operation of their business ventures.

Figure 5.8 Variables: Resources Available to the Women (Dimension 4)
5.5.2 Results

Sources of Skills and Knowledge (Human Capital)

Of significant relevance to the entrepreneurial experience are the sources of knowledge, skills and capabilities. The Ghanaian women entrepreneurs were therefore asked to rate the most important sources of their skills and abilities in relation to their businesses. The majority (76%) of the respondents rated their educational qualification as their most important source of knowledge and abilities. This was followed by their entrepreneurial background and childhood experiences (71%), experiences gained in prior employment (58%), apprenticeship (54%), and prior experience in starting other entrepreneurial business ventures (40%).

Given their responses to a previous question in section 5.1.2 regarding the relevance of their educational qualifications to their businesses, it was not surprising that the majority of the respondents rated their qualification as the most important source of their skills and knowledge. This indicates that whilst these Ghanaian women entrepreneurs’ levels of education were not very high or directly geared towards businesses, their educational qualifications were nevertheless very important to them in terms of their sources of knowledge and abilities.

It was noteworthy that background and childhood experiences were rated as very important and were seen as an influential source of skills and abilities. The interviews with the women revealed that the majority (65%) of them had a parent or relation who was an entrepreneur. They admitted that they acquired a lot of entrepreneurial skills, knowledge and abilities from these figures. This finding also coincides with earlier studies in literature, which emphasize that entrepreneurs are four times more likely to have been subject to the influences of an entrepreneurial parent. This view also points out the fact that people’s personalities and skills are partially the result of their genetic make-up, and partially the result of their environment, that is, their upbringing (Bandura 1977; Hisrich and Brush 1985).
Also, of great importance to the women were rich experiences acquired from their previous employment, skills and knowledge from apprenticeships and previous entrepreneurial experiences. As the interview data show, some of these women entrepreneurs were found to possess generalist and functional knowledge in administration, finance, marketing and management that was relevant to the operation of their businesses. For example, the women entrepreneurs who had prior work experience at middle management levels were able to apply these generalist and functional skills in their businesses. In addition, the women entrepreneurs who acquired their skills and knowledge through apprenticeship gained a lot of experience by working for at least a year, at where they learnt their trades from or with other employers before starting their own ventures.

Thus, the previous experiences of women entrepreneurs in Ghana in various industries and employment, the starting up of other ventures, their educational qualifications and family background were very important sources of skills and knowledge that greatly influenced the creation and development of their business ventures.

**Key Skills Available at the Commencement of Business**

Information was sought from the women regarding the key skills available to them at the commencement of their business ventures. The key business skills and capabilities rated by the respondents in order of priority were technical/production (82%); sales (76%); marketing (70%); managerial (50%); financial (42) and legal (9%) skills.

Comparing this result to others in women’s entrepreneurship literature, it is interesting to note that while technical/production skills were the top skills possessed by the Ghanaian women entrepreneurs, their counterparts from developed countries’ top skills were in management and marketing (Fielden and Davidson 2002; Saxon 2003). However, they all had common weaknesses in the same areas: financial and legal expertise. Nevertheless, the result shows that the majority of the respondents had a reasonable mix of skills at the commencement of their businesses.
Computer Skills Required and Available

The questionnaire survey included a question about the computer skills that were considered important and required for the operation of the women’s businesses. The majority of the women considered knowledge of Microsoft Office Word (30%) as most important and needed. Following in the order of priority were knowledge of the Internet (28%), the use of E-mail (27%), Microsoft Excel (25%), and PowerPoint (18%).

Of the computer skills rated as being required, the respondents had only limited knowledge in the following areas in descending order as: Microsoft Word (30%), Internet usage (27), E-mail (26%), Excel (9%), and PowerPoint (6%). This shows that most women entrepreneurs in Ghana had less computer knowledge, but they perceived it as very important in the operation of their businesses.

Strengths and Weaknesses

In exploring their areas of strengths and capabilities, the respondents perceived themselves as particularly strong in customer relations or dealing with people (91%), ability to spot market trends (86%), idea generation (85%), and organizational skills (84%). They also rated themselves high on product innovation (71%), and marketing (67%) but average on finance (49%).

In relation to these responses, most (60%) of the respondents perceived that their weaknesses formed a barrier to growth to some extent, and some (40%) of them also admitted that this was to a large extent. The perceived weakness in the area of finance in particular may assist in explaining the result in relation to financial planning being a key barrier to the successful operation of their ventures.

The strengths of the women in dealing with people, ability to spot market trends, idea generation, and organizational skills are clear advantages in business. That the women’s strongest strength was dealing with people is not surprising since Ghanaian women are generally perceived to be hospitable by nature (Chamlee-Wright 1997), and this might have been reflected in the way they operated their businesses.
Development of a Business Plan

Over the past two decades, most theoretical and practical literature related to business development and management recommends the development of a business plan prior to business commencement. The questionnaire survey included a question in relation to the development of a written business plan prior to commencement as well as planning for later stages of business development.

The majority of the respondents (83%) did not prepare a written business plan when the business commenced, but now some (34%) have formal written business plans for their going concerns. During the interviews, the women unanimously stated that at the commencement of their business, they were fairly clear about their goals and had developed budgets and various other plans, primarily informally, but without collating them into a formal written business plan. Nevertheless, the fact that the percentage of businesses that currently have a formal written business plan has increased (32%) compared to the percentage at commencement (17%), indicates that the women appreciate the value of the business planning process.

Types of Planning Schedule

As a follow up to the previous response on business plans, a question was asked in relation to the frequency of planning schedules in the operation of their businesses. It was found that formal planning in relation to business management and growth was undertaken at least monthly (24%), and in most of the cases (37%) more frequently than that. This means that these Ghanaian women entrepreneurs’ planning schedules ranged from one to four weeks. Few of the women had a quarterly (14%), six monthly (1%) or annual (1%) formal plan schedule. However, some (22%) of the respondents had no formal planning schedule for their businesses; they planned when they found it necessary.

This short-term planning could be a result of the unstable nature of the Ghanaian economy and its unpredictable elements, or of opportunities in the business market. This also explains why a significant percentage of the women do not have any formal planning
schedule for their businesses. They observe market trends and change their plans to suit whatever opportunities and conditions come up.

**Formal Training**

Business literature has suggested that business people are hesitant to attend business training, partly because of a lack of time and partly because they do not perceive its value. A series of questions was asked in relation to the women’s willingness to train and the types of training/educational activities in business management they had undertaken in the previous twelve months.

In relation to the willingness to undergo formal training, most (80%) of the respondents tended to be very willing. However it was found that less than half of the respondents had undertaken any formal education or training in business management within the previous 12 months. The respondents undertook most (16%) of their training in production or technical skills, an equal percentage (9%) of training in financial management and general business management; the rest was in marketing skills (7%) and computer training (6%). Most (52%) of the respondents had not undertaken any form of training. Thus, whilst most of the respondents reported themselves as very willing to attend training, they do not actually do so. If they do, as explained further by the women interviewed, it tends to be in the form of industry conferences or seminars, rather than more formal training sessions or workshops.

While the interview data indicate that the reasons why business people are normally hesitant to attend business training as cited in literature applies to women entrepreneurs in Ghana, this study also found another reason why these women were hesitant. Most of them have no reliable or trustworthy employees to leave with the operation and management of their businesses. They have fears that their businesses will collapse in their absence. One of the women interviewed commented sadly that she won an award which involved a two months’ training package away from home, but for fear of the collapse or mismanagement of business in her absence she failed to benefit from the sponsorship.
Number of Employees at Commencement and Currently

One method of measuring and developing an understanding of the size of an organization is to seek information in relation to the number of personnel employed. Several studies have pointed out that many countries and international organizations such as the World Bank use the number of employees as a criterion in the definition of small and medium enterprises (SMEs). This number is mostly fixed at 29 or fewer people (Buame 2000; Hallberg 2000; NBSSI 1981; Steel and Webster 1990).

The findings from this study show that most (41%) of the respondents did not employ anyone at the commencement of their business ventures. On average across the sample group, three people were employed, while the number of people employed ranged from 0 to 6 at commencement.

The rich information obtained from the interviews revealed that one of the reasons behind the low number of employees at commencement was lack of adequate funds for wages. Some of the women entrepreneurs decided to accumulate savings from the profits during the start-up to plough back into their business, so they could not afford to employ anyone. Others also use the services of family members, either for free or by paying them below the normal wage. Also, generally, most of them worked very hard to perform all the duties required by the business, and in most cases the smallness of the ventures at commencement did not demand extra help at that stage, particularly for those who started with petty trading.

However, the results further highlighted the fact that the number of employees currently employed by the women entrepreneurs had increased to an average of 15, with a range of 0 to 30. Large numbers of employees were particularly found with the women who owned restaurants in the services sector and those who had set up schools in the educational sector.
**Hours Spent on Business**

The previous discussion centered on the number of employees who assisted the women entrepreneurs in the operation of their business ventures. This addressed the average number of hours the women spent on their businesses weekly to ascertain the amount of time invested in the businesses.

The women explained during the interviews that they used time flexibility that is they worked whenever they could. However, they were able to estimate the number of hours that they dedicated strictly to business activities. This ranged from 38 to 70 hours per week, with an average of 45 hours per week. Most (44%) of the respondents invested an average of 50 to 59 hours per week in their businesses, while a few (2%) worked for 70 hours per week. This result highlighted the fact that these Ghanaian women entrepreneurs, similar to all entrepreneurs, invest much time in their businesses, working very hard for long hours.

**Sources of Start-up Capital and Initial Amount Invested**

Information was sought on the initial financial capital invested in the business and where the money came from. The data show that most (91%) of the respondents started their business ventures with capital of less than 10 million Ghanaian cedi (below US$ 1,600). Only a few (9%) of them started with 10 million or more.

Entrepreneurship literature indicated that for most small businesses, the sources of start-up capital are mainly limited to personal savings, borrowing from relatives and friends, and bank loans. The SMEs of the women entrepreneurs in Ghana are no exception. However, there are a few other interesting sources that the women employed. It was found that the women mostly accessed funds from their personal savings (75%), and some borrowed from relatives (32%), banks (22%) and friends (19%). Others also accessed credit facilities from government agencies (13%). In some (19%) cases personal valuables and assets were sold or mortgaged to obtain funds for the commencement of their business ventures.
The women entrepreneurs in Ghana further indicated that they accessed their start-up capital from other sources (22%), such as private micro-finance agencies like the Sinapi Aba Trust, Opportunity International’s partner in Ghana, which has a Trust Bank program, a group-lending methodology for the women entrepreneurs in SMEs in Ghana. The study also identified another source of finance unique to Ghanaian women entrepreneurs: traditional savings and credit groups popularly known as the ‘Susu’ system. These ‘Susu’ groups operate rotating savings systems and are the preferred mode of saving for low income women entrepreneurs.

Personal savings were therefore the most important source of capital for the women. The interview data showed that the savings were as a result of the women entrepreneurs’ self-sacrifice and hard work. And, in most cases, because they were not able to save much, they had too little capital to start with and profits were ploughed back into the business for reinvestment. In this way, most of the women were able to develop their businesses. The women revealed in the interviews that growth was often financed through internally generated funds from the business.

As indicated in the above result, relatives/families are an important source of start-up capital for Ghanaian women entrepreneurs. Some of the women interviewed borrowed money from their husbands to start up their businesses. Others received gifts of cash and assets from their parents which they were able to use for their businesses as cash injections or property assets used as collateral for bank loans. In addition, relatives such as brothers and sisters, uncles, aunts and grandparents supported some of the women by giving them personal loans that they used for their businesses.

This section therefore answers the question posed by dimension 4 of the study: ‘What resources do the women have?’ The results show that they have a mix of both human and financial resources which are very important to them in the running of their business ventures. The results are summarized in Figure 5.9.
Their sources of skills included educational qualifications, family background, apprenticeships and experiences from prior employment and starting other ventures.

They were skilled in production, sales, marketing, financial & administration areas. They however had limited computer skills.

They had strengths in customer relations, ability to spot market trends, organizational skills & idea generation.

Number of employees at the commencement of business ranged from 0-6. Currently the numbers have increased from 0 – 30.

Their sources of start-up capital were mostly personal savings, borrowing from banks relatives & friends, local ‘Susu’ credit system, Sinapi Aba Trust Bank program.
5.6 Women Entrepreneurs’ Network Affiliations

5.6.1 Introduction

Networking has been highlighted in entrepreneurship literature as a very important tool for any venture creation and management. In further support of this view, Coughlin (2002) suggested strongly that networking is a very effective method for women entrepreneurs to get assistance in developing their business plans and engaging in fruitful entrepreneurial ventures.

In Ghanaian society is embedded a complex network of social relationships, particularly strong kinship ties where relationships become means of receiving, giving and creating resources. Hence, any study of a social process like women’s entrepreneurship in Ghana cannot overlook networks. Buame (2000) has found that networking or ‘connections’, as termed in Ghana, is playing an increasingly important role in the success of entrepreneurs there. Guided by the above previous findings, the networks available to the Ghanaian women entrepreneurs, and how beneficial or otherwise there are to them are explored in this section.

Figure 5.10 Variables: Women’s Network Affiliations (Dimension 5)
5.6.2 Results

Use of Network Resources

As discussed in the literature review, networking has been posited as a key to business success. The types of networks utilized by the Ghanaian women entrepreneurs, and which of these contribute more to the entrepreneurial process, will be addressed in this subsection.

The study found that the women entrepreneurs draw mainly on kinship networks in the operation of their business ventures. They rated spouse (71%) highest, followed by their parents and other family members (66%) and children (50%) as being most helpful to them. Other forms of networks that the women draw on are professional and business networks which had also been very helpful, that is employees (45%) and industry associations and business networks (45%). Other forms of networks were friends (50%) and clients (45%).

The interviews further provided rich information about the network affiliations of these women entrepreneurs. These are made up of close and distant relatives, and professional associations and religious groups. These networks are found to be important sources of inspiration, encouragement, advice, knowledge, labour and finance for the women entrepreneurs, especially at start-up. The networks also play very important roles in the success of their ventures. For example, the interview data show that half (50%) of the women interviewed rely mainly on their children, particularly their daughters, to assist them in their ventures since they are unable to afford to pay an employee. In most cases too, their older children look after the younger ones when the women are busy with their business ventures. According to the women these forms of help they receive from their children contribute greatly to their business success.

Also, most (70%) married women entrepreneurs interviewed received financial help, encouragement and advice from their husbands. The women explained that since most of their spouses were salaried workers they were able to obtain loans from the banks for them to either start their businesses or for reinvestment. One of the women interviewed trades
between Ghana and China to bring goods for retailing to other traders; and according to her that would never have been possible without her husband’s consent. She spends at least two weeks away on a trip and in her absence, her husband who is a professional accountant, cares for their four children (an eighteen-month-old baby). The husband also helps her with the financial calculations.

Some (45%) of the women also highlighted the great help they received from their parents. In some cases their parents donated pieces of land for a school building, a building to use for business premises (restaurant, shops, fashion center, hairdressing salon), and in other cases properties to be used by the women as collateral for a bank loan.

The study found that an important source of social capital for the women entrepreneurs in Ghana is their religious groups. The Christian women entrepreneurs draw greatly on their church members who are mostly their friends and clients. They are known as their ‘brothers and sisters in the Lord’. This special group of ‘brothers and sisters’ patronize the products and services of their fellow ‘sister’, and market her business for her by customer referral. The women indicated in the interviews that they received a lot of financial assistance, encouragement, prayers for wisdom and success and moral support from their fellow church members. Six Muslim women interviewed also admitted that their religious affiliation network also applied in their case.

It is very interesting to find from the interview data that most of the women entrepreneurs did not draw much on professional/industrial/business association networks, although these associations exist. Some of the women perceived it as time wasting while others also thought these networks were only a platform for talking and not a source of funds, which they needed most. Earlier researchers (Still and Timms 1999; Walker and Weigall 2001) have predicted that women are less likely than men to belong to a business network or to join business associations; this to some extent applied to the findings of this study.

However, the women who made use of the business associations networks found them very important. They cited various scenarios in which they found them useful as a platform for
discussion of ideas and acquiring new knowledge and skills about their businesses. Some of the associations, such as the Hairdressers and Beauticians Association and the Dressmakers Association were also able to source loans from the banks for their businesses. Members also purchased business-related products at a discount.

Another classic case was revealed by the President of the Eastern Regional (study area) branch of the Ghana Association of Women Entrepreneurs. She said that formerly, they were many members in the Association and they received a lot of sponsorship packages from USAID, which sponsored all the members to travel to the US for exposure and links with international markets. Currently however, there were only three members left in the Association because no sponsorships or credit packages were forthcoming, and so the women felt it was a waste of time to be part of such associations again.

Notably, the Business Advisory Centre of NBSSI (government department in charge of SMEs) exists to provide services such as business management training programmes, links with banks for loans and training in advanced technical skills to women entrepreneurs. However, they mainly provide these services through organized professional/business associations. The women who do not patronize these associations miss out on these beneficial services.

**Gender Makeup of Networks**

The study was also interested in finding out the gender makeup of the women’s business and professional networks. The result indicates that the majority (63%) of the respondents’ professional network’s proportion of females was above 50%. Although for some of the women (20%), less than 25% of their professional networks were females.

This result is not surprising since most of the business ventures the women were engaged in were dominated by women, as shown in section 5.3.2. Also, the fact that for some (20%) of the respondents, the proportion of females in their business and professional network was less than 25% confirms that women entrepreneurs in Ghana are gradually making inroads into the male-dominated businesses. However, the findings show that even though the
highest proportion of people in the women entrepreneurs’ business networks are females, they have relatively little contact with other women entrepreneurs in their networks, as highlighted in the previous sub-section.

**Use of Advisors**

Information was sought on the categories of professional advisors the women entrepreneurs draw upon. The study further explored the ones most used and the reasons for using them. The women entrepreneurs in Ghana indicated that they sought the assistance of their business mentors most frequently (41%). This was followed in descending order by general business advisors (35%), accountants (32%), and marketing consultants (23%); a few drew on solicitors (7%). The reasons why they drew on these specialist advisors were to seek general information in their business areas (67%), for encouragement and motivation (65%), for expert opinions (59%), as a platform for discussion of ideas and opinions (52%) and to critique their opinions (38%).

The majority of the women used their mentor most in the process of advice seeking. Professional advisors such as accountants, marketing consultants and solicitors were definitely not used to provide encouragement and motivation and were less likely to be used to critique their opinions. The main reason given in the interview data for the women preferring to seek assistance from a mentor was that the business mentors were usually always there for them for guidance and support (this will be covered in detail in the next sub-section).

Nevertheless, most of the women revealed in the interviews that they tend to contact professional accountants and auditors for expert opinions in the preparation of their financial statements and auditing of their accounts. The women in the agro processing and manufacturing industries also mostly sought the assistance of marketing consultants in the packaging of their products to meet international standards and make products more attractive in the market.
**Mentors and Role Models**

The practice of mentoring has received some coverage in business and career publications recently. Whilst mentoring is a difficult notion to define, and can occur at both a formal and informal level, it is generally accepted as the provision of advice, expertise and support by an experienced ‘mentor’ or a coach to a less experienced person, to assist them in achieving their goals. Questions were asked in relation to mentoring and role models to determine what pertains to the women entrepreneurs in Ghana.

First of all the pilot test of the questionnaires showed that the two terms ‘mentor’ and ‘role model’ were used interchangeably by the women and they meant the same thing to them. Therefore, in this analysis only ‘mentor’ will be used.

Nearly half (42%) of the women had identifiable mentors. The result further indicated that among the proportion of the women entrepreneurs who had mentors, most (91%) of them were by informal arrangements with very regular contact. The benefits of the mentoring were perceived as ‘enormous’ with the help coming in a mixture of encouragement and moral support, general advice and guidance, knowledge and expertise in the industry, and help with confidence building in the industry.

The interviews provided greater insight into mentoring and its sources in Ghana. Most of the women entrepreneurs who acquired their skills and technical know-how through apprenticeship generally regarded those who trained them, popularly referred to as ‘madam’ as their mentors. These ‘madams’ have also accepted these roles and responsibilities. As discussed earlier the women entrepreneurs draw mostly on their mentors, and the mentors provide all the necessary support within their limits to their former apprentices who have set up their own ventures. These ‘madams’ mostly share their venture start-up experiences of how they began small and was able to achieve success to inspire and encourage the younger women entrepreneurs.

All in all, women entrepreneurs in Ghana were found to be surrounded with different types of networks, from kinship ties, friends, and religious group members to their business
associations, mentors and experts, as shown in Figure 5.11. This unique type of networking has been reinforced by the collectivist nature of the Ghanaian society. These networks are playing a significant role in the success of the creation and operation of the business ventures of the women entrepreneurs in Ghana.

**Figure 5.11   Key Characteristics: Women’s Network Affiliations (Dimension 5)**

- Draw heavily on kinship, friends and religious affiliations networks
- Seek specialist advice from general business advisers, accountants, marketing consultants & solicitor.
- Less interested in business associations, but find these very beneficial to those who patronize them
- Draw on informal mentors for encouragement and moral support, general advice and guidance, knowledge and expertise in industry

Network Affiliations
5.7 Business Problems Encountered by Ghanaian Women Entrepreneurs

5.7.1 Introduction

Recognition of the problems faced by women entrepreneurs is crucial to understanding them. It also enables the women to receive the necessary support to equip them to overcome the problems. In order to assist in understanding Ghanaian women entrepreneurs better and develop a holistic picture of them, information was sought the various problems they faced both personally and in business during the various stages of business development, such as in the start-up, management and growth stages.

Figure 5.12. Variables: Problems Encountered by the Women (Dimension 6)

5.7.2 Results

Problems during the Start-up

Respondents were asked to rank from a list of factors those factors that created problems during the initial stages of business development. The result indicated that access to credit or finance was the biggest (94%) problem encountered by the women entrepreneurs. This
was followed by the lack of management experience (91%), financial planning (88%), and business or strategic planning (86%), combining their role as family member and entrepreneur (80%). Other problems rated highly were keeping customer contact (72%), lack of guidance and control (66%), hiring of competent staff (63%) and attracting enough customers (47%).

It is not surprising that lack of financial credit was the highest ranked problem for the women, since this is cited in literature as one of the major problems women entrepreneurs face. In the interviews, most (97%) of the women entrepreneurs lamented the difficulty in sourcing financial credit other than their own personal savings. They explained that it was difficult to access bank loans since they did not have collateral such as land or buildings. Even those who could access a loan were scared by high interest rates. As one of the women said, she would only end up working for the bank since she would use all her profits to pay the interest on the loan. Thus, even though some of the banks in Ghana have loan facilities for women entrepreneurs at the start-up phase, the high interest rates were barriers to the women.

According to the women, the other sources of finance available to them, such as the Sinapi Aba Trust and the traditional Susu credit system discussed earlier, do not loan or give out large amounts of money. The women explained that the financial assistance to women entrepreneurs from those sources does not even cover a quarter of the operational cost of their business ventures; it is only useful for petty trading.

The women also ranked very high the lack of management experience, financial planning, business or strategic planning, and keeping customer contact as some of the major problems faced at the start-up phase. The findings from this study coincide with recent research by Britwum et al. (2006), which found that women entrepreneurs in SMEs in Ghana faced management, financial and strategic planning problems in the operation of their businesses. It was further identified from the interview data that some of the women entrepreneurs’ low levels of education and lack of knowledge in modern management practices could be the causes of these problems. This handicap of lack of management experience and financial
planning had therefore become a major problem in the successful operation of their ventures.

The women also admitted that employment of competent and qualified staff was a problem for them at the start-up phase due to lack of adequate funds for wages. In most cases they had to rely on unqualified and less competent staff, comprising mainly family members and other persons, to assist them in the operation of their businesses. This sometimes affected productivity.

**Ongoing Problems in Business Operation**

To ascertain whether the women faced the same problems after start-up, they were asked to rank from the list of factors that created ongoing problems for them. In comparison to problems faced at the start-up phase of the business ventures, a small number of variables were still considered to pose large problems, but most only presented average to small problems.

Problems most mentioned were combining the roles of woman and entrepreneur (65%) and obtaining finance (62%). However, we can see some positive changes (at start-up, obtaining of finance was 94% and combining roles of woman and entrepreneur was 80%). Other problems such as financial planning (52%), hiring competent staff (50%), business or strategic planning (43%), keeping customer contact (40%), management experience (36%), lack of guidance and control (30%), getting enough customers (19%) presented moderate to small problems to the women currently (see Table 5.2).

In the interviews, the women entrepreneurs highlighted the fact that they still had a huge problem with access to credit due to high bank interest and the nature of the collateral asked for, which they did not have. They added sadly that they have all the skills and knowledge that it takes to expand their businesses. They also have the resources and ready market for their products and services, and the only major obstacle to their growth and expansion is access to credit. During the interviews, a trader expressed her sentiments on access to credit remaining an obstacle to the smooth operations of the businesses:
The major problem is finance. I have all that it takes to run the business bigger than what I am doing now but I need a large amount of money to be able to expand my business to open shops nationwide. In Ghana, there is no other place to turn to apart from the banks who demand huge collateral and huge interest rates. If one is not careful she will end up working for the banks. Sources of finance are the main obstacle for us women entrepreneurs. For example I travelled outside the country four times in a year to buy goods because I do not have huge capital to go twice in a year to buy a lot of goods at once but rather going with smaller amounts of money, considering the cost and risk involved.

Nevertheless, some of the women had made progress in sourcing credit, which they attributed to owning properties such as land, buildings (their own business premises and houses) and other investments that banks required as collateral. Others also confessed that their membership of co-operatives and associations had enabled them to access funds solely reserved for members.

Of particular interest is the change in problem of management, planning and keeping customer contact. It was found that while some of the women learnt on the job, others employed the services of qualified administrators to help them with management and planning issues. Some of them also had training in general business management organized by the National Board of Small Scale Industries. Others also benefited from various forms of workshops and training programmes organized by some of the business grouping associations. For example, the Ghana National Association of the Proprietors of Private Schools (GNAPPS), the Tailors and Dressmakers Association of Ghana (TDAG) and the Ghana Hairdressers and Beauticians Association (GHABA) help their members to manage their business ventures very well.

These results therefore imply that the typical problems faced by the women in relation to their businesses changed over time, as highlighted in Table 5.2, as the business ventures grew and developed. Early problems such as financial planning, hiring competent staff, business or strategic planning, keeping customer contact, management experience, lack of guidance and control and attracting enough customers had changed greatly over time, while the combining the roles of woman and entrepreneur, and obtaining finance still posed
problems. These findings agree with women’s entrepreneurship literature, which similarly identified the lack of access to finance as a major problem that the women entrepreneurs in SMEs encounter.

Table 5.2 Problems Encountered by the Women Entrepreneurs in Ghana

<table>
<thead>
<tr>
<th>Nature of Problems</th>
<th>Percentage Facing Problems at Start-up</th>
<th>Percentage Facing Problems Currently</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management Experiences</td>
<td>91%</td>
<td>36%</td>
</tr>
<tr>
<td>Obtaining Finance</td>
<td>94%</td>
<td>62%</td>
</tr>
<tr>
<td>Getting enough Customers</td>
<td>47%</td>
<td>19%</td>
</tr>
<tr>
<td>Keeping Customer Contact</td>
<td>72%</td>
<td>40%</td>
</tr>
<tr>
<td>Financial Planning</td>
<td>88%</td>
<td>52%</td>
</tr>
<tr>
<td>Lack of Guidance and Control</td>
<td>66%</td>
<td>30%</td>
</tr>
<tr>
<td>Hiring Competent Staff</td>
<td>63%</td>
<td>50%</td>
</tr>
<tr>
<td>Business or Strategic Planning</td>
<td>86%</td>
<td>43%</td>
</tr>
<tr>
<td>Combination of Roles as Woman and Entrepreneur</td>
<td>80%</td>
<td>65%</td>
</tr>
</tbody>
</table>

Role Conflict between Business and Family/Personal Life (Socio-Cultural Issues)

Traditionally, women in Ghana are responsible for all domestic chores (childcare, cooking, washing, cleaning and fuel wood and water collection) in addition to the varied social, economic, cultural and political roles they play. Women entrepreneurs in Ghana are no exception. Baden et al. (1994) found that in Ghana when all non-economic work is accounted for, women work on average considerably longer hours than men because of the domestic duties that they are expected to perform. The responses from the questionnaire survey indicated that most (82%) of the women had a major problem with the combination of their roles as women and entrepreneurs at the start-up of their ventures; many (65%) were still facing that problem in the operation stage of their business.

The qualitative data also affirmed this result and revealed that the women had to perform all the domestic chores expected of them as women in addition to the management of their business ventures. All the married women interviewed stated unanimously that their
husbands gave them moral support and in some cases financial assistance but did not help with the household chores such as cooking, washing, cleaning and catering for children, since these are classified as women’s duties in the Ghanaian society. The women explained that they had to close their businesses and rush home very tired to cook, serve their husbands at table and perform other household chores and prepare for the next day, while their husbands read the newspaper or watched television. Some (45%) of the women interviewed added that in addition to performing all the household chores they had to help their children with their school homework before going to bed.

Nevertheless, there change in the magnitude of the problem associated with the combinations of roles from 82% at start-up to 65% currently, as indicated in Table 5.2, was explained in the interviews. The women stated that they had to employ domestic helps (maids) to help them with the household chores as their businesses grew and they could no longer cope with the demands of the two roles. Some of the women also explained that their businesses would fail if they were unable to give enough attention to them because of their domestic duties.

However, culturally, it is not acceptable for a married woman in Ghana, no matter her professional background, to leave cooking for her husband, washing his clothes and other duties in the hands of anyone, particularly a maid. The women entrepreneurs are still grappling with these socio-cultural problems. Hence, despite the strong family factors that support the entrepreneurial process, the women entrepreneurs still have to balance and juggle the many competing tasks of running a business and handling family responsibilities.

The study explored further the effect of the women entrepreneurs’ business operation on the time they spend with their family and friends and their personal interests. The results indicated that business operation did have some (51%) effect on the time they spent with their loved ones, but not much. The greatest effect (86%) was on the time they had to spend on their personal interests. Almost all the women interviewed admitted that they had to balance their time very well so that their families did not suffer from their business
operation. However they had to sacrifice their own pleasure such as visiting friends, watching television and participating in recreational activities.

**Other Problems: Lack of Modern Production Equipment/Technologies**

This study has identified two other very important factors, namely lack of modern production equipment and appropriate technologies, which are significant problems for women entrepreneurs in Ghana. The women entrepreneurs interviewed, particularly in the services, agro processing and manufacturing industries, lacked modern technologies and equipment to facilitate and boost their production.

All the women interviewed in these industries expressed concern about the difficulties they encountered in the processing or production of their products. Crop processing is mainly manual, demanding a considerable amount of physical exertion and time. The study found that women processors work ceaselessly from dawn to dusk almost every day of the week. Labour intensity in the processing enterprises tended to allow virtually no time for anything else.

For instance, one of the female palm oil processors described the process as consisting mainly of boiling and pounding the palm nuts and then cooking again to extract the oil by skimming, all done manually. In some of the cases an oil-extraction press machine was used but generally the technology was indigenous, and also old. Another processing procedure for shea butter, which is predominantly a female activity, involves drying and cracking of nuts, roasting, pounding or grinding, milling, boiling, oil extraction, then cooling and moulding of oil into calabashes. The end product is then stored in very cool corners of rooms, in calabashes.

The drudgery involved in the processing applied to all the activities in the agro processing industry such as palm kernel and coconut oil extraction, fish processing and gari processing. This same picture is painted by the women in the production sector, who did not have any modern equipment for activities such as bead making, pottery and jewellery making. The women lamented that the absence of mechanized procedures in their activities
had an adverse affect on their health, on product output, and prevented the businesses from expanding to meet the growing market demands. Similarly, Buame (2000), and Steel and Webster (1990) in their studies of small scale enterprises identified poor access to appropriate technologies as a major obstacle facing the SME sector in most developing countries.

Also, the women entrepreneurs in the production sector lacked modern technology for labelling and packaging their products. The interviews revealed that the women produce quality products such as cosmetics, soap, detergents, hair shampoos and conditioners. The main problem they have is how to package and label the products attractively to compete with similar ones in both national and international markets.

This section therefore explores and presents the results on the diverse problems women entrepreneurs in Ghana encounter at start-up and during the development phase of their businesses. The key characteristics of the problems are displayed in Figure 5.13. In spite of these past and current problems, the women entrepreneurs still maintain that they are satisfied with their business and life in general. These problems the women entrepreneurs in Ghana face and the way they handle them add to our overall picture and understanding of them.
Start-up problems included lack of access to credit, management experience, financial & strategic planning, hiring of competent staff.

Currently, they face problems relating to obtaining of finance, financial planning, and hiring of competent staff & strategic planning.

Combining of roles as a woman who is expected to handle all family responsibilities, and as an entrepreneur.

Lack of modern equipment and technologies to facilitate production processes and product packaging and labelling.

Problems Encountered
5.8 Interpretation of Success

5.8.1 Introduction

As pointed out in the literature review, findings from previous studies have inferred that women may not measure or interpret success purely based on financial performance, using the traditional bottom line indicator of profits. It is suggested that success is interpreted in a much broader sense. In the mail survey and during the interviews the women entrepreneurs in Ghana were asked how they interpret success and the contributions they have made to Ghana.

Diagram 5.14 Variables: Measures of Success (Dimension 7)

<table>
<thead>
<tr>
<th>Interpretation and meaning</th>
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</thead>
<tbody>
<tr>
<td>Personal factors</td>
</tr>
<tr>
<td>Financial factors</td>
</tr>
<tr>
<td>Measures of Success</td>
</tr>
</tbody>
</table>

5.8.2 Results

Measures of Success

In the results, five outstanding factors emerged as to what success means to Ghanaian women entrepreneurs. These are presented in descending order of importance: freedom and self-respect (96%) and control over life and accomplishment (96%); financial performances of their businesses which included money and financial success (92%); family well-being
(90%); social (82%) and economic (76%) contributions to the development of the nation. The results imply that the women entrepreneurs in Ghana interpret success in a very broad context. For them the meaning of success relates to a cluster of attributes including freedom, self-respect, and control over life, accomplishment, financial success and family security as well as contributions to their communities.

This broad context of interpretation of success by the Ghanaian women entrepreneurs is discussed further in the subsequent sub-sections. This discussion is supported by the rich information obtained from the interviews, which helps to gain a clearer insight into the successes of the Ghanaian women entrepreneurs. These success categories are personal success comprising self-fulfillment, status and recognition; financial success consisting of financial independence; family well-being and wealth creation; and economic and social contributions to Ghana.

These categories of success indicators are based on the responses by the women to the questions in the questionnaire survey and interview guide in relation to the financial performance of their businesses, the extent to which they were better off working in their own businesses than working for someone else, personal benefits derived from their businesses, contributions to Ghana, and finally an open-ended question on their top three success stories.

**Self-fulfillment**
Most of the women entrepreneurs in Ghana agreed that they had achieved self-fulfillment and emotional well-being through entrepreneurship. In relation to self-fulfillment and emotional well-being, the personal factors they considered very important in descending order were: control over life (96%); freedom and self-respect (96%); independence (90%); self-esteem (88%); developing greater self-confidence (86%); overall satisfaction with personal development and satisfaction with business development were rated equally as very important (85%).
During the interviews, the women explicitly or implicitly conveyed the self-fulfillment they derived through entrepreneurship in terms such as being pleased about themselves and what they have accomplished. They are happy and have a heightened sense of self worth. This self-fulfillment of the women entrepreneurs in Ghana may also be translated as a sense of achievement and accomplishment, an increase in self-esteem and pride in one’s work and performance which they have achieved through entrepreneurship. All these factors have contributed to their self-fulfillment and emotional well-being.

A trader related her success story:

I am now self-confident. It is through this business that I have been able to travel outside this country several times to buy goods, now I have travelling abroad exposure. Initially I was very timid but now I can meet and interact confidently with all classes of people although I do not have high educational qualification. I therefore have personal satisfaction from doing my own business.

A restaurant operator expressed this self-fulfillment in her own words:

In actual fact, I am very proud of myself being able to start a business from scratch and developing it to this stage. I have started as a pastry seller on the street and I have now been able to open three restaurant annexes in the municipality, my staff strength has also increased from 3 to 24. I am well respected in town, I am self sufficient and my family is proud of my accomplishments.

A vocational school proprietor likewise expressed her feelings:

My sister, I feel very happy and satisfied to be able to train and equip so many thousands of girls with vocational skills. I have a mechanism that gives me feedback on where the graduates of my institute are. It is a joy, and I have self-fulfillment to know that through me most of them are gainfully employed and some of them have set up their own businesses. These girls would otherwise become prostitutes or dependents. Each year I take girls from the street and train them in vocational skills. I offer scholarships to ten needy students and the enrolment to my school also increases. The satisfaction and self-worth I get from training these girls is more than the financial benefits of the business.
Similarly, a mineral water processor and wholesaler shared her achievement story:

I am really enjoying what I am doing. Before starting this business I was working with the State Insurance Company as a receptionist. I was redeployed and I was paid off. I used this money to start this business. After brainstorming for some weeks I identified a niche market which is the processing and production of sachet mineral water. There were lots of bottle mineral water producers at that time, so there was a demand for the production of more convenient far less expensive sachet water. I surprised myself by my planning and managerial skills which were not utilized in my previous employment. Within a year, my production rate has increased tremendously. Currently, I have 11 employees who assist me, and I supply processed sachet water to retailers in the whole region and beyond. I have a lot of confidence in the management of my business and I am very proud of being able to build a business to an appreciable level within two years of my redeployment. I do not depend on anybody for anything, but rather help others financially and also give encouragement and advice to those who need them. I can boldly and confidently say I have found self-sufficiency and fulfillment in doing my own business.

This finding shows that for the majority of these Ghanaian women entrepreneurs, personal success factors such as self-fulfillment, emotional well-being and self-worth derived from entrepreneurship are very important success indicators.

Financial Achievement

The second success criterion is financial achievement. Most (90%) of the women entrepreneurs in Ghana stated that to a very large extent they were financially better off in their entrepreneurial ventures than in paid employment. Also, the majority (92%) of them rated their entrepreneurial ventures as very profitable.

From the rich data gathered from the interviews, financial success for the women entrepreneurs in Ghana is manifested in profitability and number of employees, business turnover, expanding of business through increasing space or shop outlets, and diversifying the business into other areas. Some of the women entrepreneurs’ financial achievement success stories as presented here.
One of the women entrepreneurs who is a trader and travels to China to buy goods to retail narrated her financial success story:

*Before starting my business venture I used to be a housewife depending hundred percent on my husband to meet my every need. I got up one day and with part of the pocket money given me I started my trading business, hawking plastic cups. My parents were famous entrepreneurs in the region so I have acquired some skills from them. Within a few months my business expanded stage by stage with good turnover. Now I have made enough money to travel to China five times in a year to bring goods that move very fast. I have also purchased a bigger premise for my business and I no longer rent the shop; I own a big warehouse as well. I now have seven employees, I started with none. Madam, to be honest with you I generate a lot of profit from my business which is helpful to my family since my husband’s income alone does not suffice.*

A caterer also summed up her financial success:

*My catering business is doing very well, it is very profitable and I am financially independent. I get a lot of contracts, anytime there is a big event in the municipality my services are hired, the number of my employees has increased to 17.*

About (50%) percent of the women entrepreneurs in Ghana are involved in business diversification. That is, they own more than one business and this brings them more profit. One of the women engaged in this way also shared her story:

*I had to make more money to be financially independent and continue to be in business. First of all I am a fashion designer by profession; I have also acquired the skill of batik, ‘tie and dye’ manufacturing so that I can make the fabric myself. I normally sell the fabrics and also make them into dresses for sale. In addition to these I sell crates of soft drinks and mineral sachet water in my business premises. Sometimes when I make losses in one line of business, profit from the other venture off-sets these losses, and when all the businesses do well then I make more profit than those who are in only one business.*

The expression of financial success that appears in the interviews is that the women make more money than their counterparts in paid employment. They state that they always have
money on them and do not have to wait for the month to end before they receive their salary or wages (in Ghana, salaries are mainly paid at the end of the month).

**Wealth Creation**

The third success indicator is wealth creation, manifested mainly in the acquisition of real estate and capital equipment. Nearly half (49%) of the women entrepreneurs own the homes they live in and some (20%) of them are in the process of building their own houses. In addition, more than half (61%) of them had bought their own business premises, warehouses, factories and office buildings (see also section 5:4 on the current location of their business premises).

As was described in the interviews, many women entrepreneurs in Ghana own substantial productive assets such as construction equipment and machines, as well as commercial vehicles such as commercial mini buses (23%) and taxis (51%); this makes more money for them in addition to their own businesses. Some (29%) of them also have company vehicles, and a few (10%) have computers. The following are three examples of women entrepreneurs who describe with pride the material they now possess. A woman who trades in building materials expressed her sentiment as:

*I own my own house now, no landlord/landlady can trouble me and my family again, I have also bought my business premises, redesigned it to suit my taste and make my business place very attractive, and by the grace of God I have also bought a pick-up which I use to convey my goods.*

To most of the women, their sense of pride is in the fact that they now own properties such as pieces of land, buildings, and shares in big companies which they can use as collateral when seeking bank loans. Some happily declare in the interviews that they now have easy access to bank credit. A woman who manufactures hair shampoos and conditioners, and detergents also shared her success in a few words:

*I am glad I can now easily access bank loans with no tears because I now possess all the collaterals: factory, van, house and a piece of land asked for. When I started the business I suffered a lot to obtain a loan from the*
bank because I did not have any property. The banks turned me down, but now they are after me begging me to come for more loans.

One of the women also in the construction industry said:

I now own my house and office building and I am also helping others to own houses. I have purchased a large plot of land for my real estate business, what more could I ask?

This study has also identified from the responses in the questionnaire survey and the interviews that wealth creation among the women entrepreneurs in Ghana is even more remarkable among those in the trading, construction and education sectors. The women entrepreneurs in these categories of businesses have accumulated much wealth and invested in properties and shares.

**Family Security and Wellbeing**

The fourth success attribute is being able to achieve the well-being of one’s family and satisfy family demands. The challenge of being able to cater for their family members, which in Ghana includes the extended family members, was very important to the women entrepreneurs and for them was a crucial determinant of success. Buame (2000) pointed out that one of the measures of success of Ghanaian entrepreneurs is their ability to provide and meet the needs of their nuclear family as well as extended family.

All (100%) of the women entrepreneurs expressed with a sense of pride that if they were not able to achieve anything else, they were able to provide adequately for their nuclear and extended families through the benefits they had obtained from their entrepreneurial ventures. They stated that they were able to provide adequate food, clothing and shelter and were also able to afford better education for their children. Several of them were also able to afford to support their siblings and aged parents.

In the interviews, two of the women entrepreneurs related their success stories of being in sole charge of providing all the needs of their family members when their husbands had to go and further their education and their employers would not give them paid study leave.
The paid their husbands’ school fees, as well as their children’s, for three years until their husbands completed their education.

One of the women entrepreneurs in the textile and fabric industry also said that it was the proceeds from her business that the family depended on for food and clothing and that helped the husband to pay their children’s school fees, since the husbands meagre salary could not cope. She confessed that she could not remember the last time her husband gave her money for the upkeep of the house. She financed everything from the profits from her business; her husband was proud of her and respected her enormous contribution to the well-being of the family. She added: *I am also very helpful to my extended family, if any of my family members is sick or in any financial difficulty, I am able to help out.*

One of the restaurant operators also shared her contribution to her family’s well-being by saying that she always dreamt of her children attending the best private school and attaining any educational level they wanted to without any financial limitations, and through entrepreneurship she was able to achieve that. She had also sponsored three of her siblings’ education to tertiary level since their parents died when they were very young. She had therefore been able to provide for her own children and her siblings through her business venture.

All the widowed women entrepreneurs who participated in the study said in response to the open-ended question on their success stories and also in the interviews that when their husbands died and there was nobody there for them it was through their business ventures that they single-handedly fed, clothed, sheltered and educated their children. Below is an excerpt from the interview of a widowed woman entrepreneur who is a dressmaker and a batik, tie and dye producer.

*In spite of all my problems, I cannot deny the fact that doing my own business is good. Without it I would not have been able to cater for myself and two young children since the death of my husband five years ago.*

A single mother entrepreneur who is in the pre-school business also admitted that:
Apart from it being refreshing to look after children in my pre-school, I get enough income from the operation of the school to look after myself, children and my aged parents.

The above success stories of the women entrepreneurs in Ghana about their ability to provide for their family members through the proceeds of their business ventures support the fact that women’s success benefits more than one person. These findings also coincide with the report released by the Women’s Entrepreneurship Development Trust Fund (WEDTF) in Zanzibar, East Africa that women’s increased income benefits their children, particularly in education, diet, health care, and clothing (WEDTF 2001).

**Recognition**

Gaining recognition for achievement is the fifth success indicator for the women entrepreneurs in Ghana. Recognition may take the form of winning industry awards, creating and owning products and brands, achieving a dominant market position, achieving customer loyalty and satisfaction and gaining recognition, respect and support from one’s community. For instance, one of the women entrepreneurs who set up a vocational school and has been training girls in vocational skills for 25 years has been recognized by the government of Ghana for her contribution to girl-child education in Ghana. She won a prestigious award as one of the prominent educationists in Ghana. She is respected and recognized especially in the Eastern region for her great sacrifice. She expressed the uniqueness associated with her vocational school as follows:

\[
\text{In my vocational school, I provide the equipments, sewing machines and cooking utensils that the students need for practical training free of any charges whereas in other vocational schools the students need to bring those equipments to the school themselves for practical work. Most of the students are from poor homes, I even sponsor ten of them each year. Unlike other schools, I also teach my students entrepreneurial skills so that right after the completion of their training they could set up their own ventures.}
\]

A restaurant operator also shared her story as the winner of the Unilever Ghana Award for the best traditional dishes provider for twice in succession. According to her, because of the delicious local dishes she prepares in a very clean environment, coupled with her excellent
customer relations, the number of customers increases each day. She is well recognized and known in the whole country, and anyone who visits Koforidua comes to her restaurant for a meal. She added that whenever the New Juabeng traditional area in Koforidua celebrates a festival, the paramount chief calls upon her services, as does the regional coordinating council, the local government seat in the region.

Also, a pre-school proprietress who was one of the first women to set up a crèche (childcare) in the municipality is well recognized in the community for taking good care of the children so that their mothers have peace of mind to work or study. Apart from the crèche, she was one of the first to build a private hostel to accommodate Polytechnic students since the Polytechnic did not have any accommodation for its students when it was set up.

Several of the women entrepreneurs in Ghana who participated in this study stated in their success stories that they had contributed in no mean way to the development of the Koforidua municipality and have also operated their business ventures so well that they are widely recognized for their achievements.

The above expressions of achievement and pride by the women entrepreneurs bring us to the last item for discussion in this section on the measures of success: What are the contributions of these women entrepreneurs to Ghana?

5.8.3 Contributions of the Women Entrepreneurs to Ghana

Besides personal and financial success indicators, women’s entrepreneurship literature has highlighted the fact that women entrepreneurs globally, particularly in the USA, Canada, and other OECD countries, have made immense economic and social contributions to the development of their nations (Brush et al. 2006; Coughlin 2002; Fielden and Davidson 2005; Jalbert 2000; OECD 1997, 2000, 2004). Information was therefore sought about the Ghanaian women entrepreneurs’ social and economic contributions to their nation. A series
of questions were included in the questionnaire survey in relation to this and also during the interviews the women were directly asked what they consider their contributions to Ghana to be.

Information from the data collected indicated that the women entrepreneurs in Ghana have contributed economically (75%) and socially (90%) to the development and welfare of their country. This measure of success can be explored in two main areas and is discussed in detail below. The first is economic contributions, which include business creation and innovation, employment and job creation, and taxes. Then second is social contributions to communities and the Ghanaian society at large by the women entrepreneurs’ participation in community organizations, voluntary work, and sponsorships and donations to various organizations, institutions and individuals.

**Economic Contributions**

*Business creation and innovation* – It was found that the creation of businesses by the Ghanaian women entrepreneurs, either totally new entrepreneurial ventures or taking over an existing business and expanding it, is expansionary. It impacts on the Ghanaian economic base as it creates new jobs as well as new business opportunities, and enlarges the taxation pool.

As shown in the earlier discussions and in Table 5.1, the women entrepreneurs in Ghana are operating a wide range of businesses. Altogether, the women are involved in over 70 different business areas, producing and selling different products and services. These range from trading in a wide range of products to manufacturing detergents and hair products, in textiles and fabrics, jewellery and bead making and tailoring; to processing of different types of cash and food crops, to construction of apartments and buildings, to setting up of vocational institutions and preschools; to operation of restaurants; catering services; hairdressing salons, dressing of brides and in decoration of venues for ceremonies.

The study found that in the creation and development of the above entrepreneurial ventures, the majority of women entrepreneurs (79%) have started up new businesses, while some
(20%) of them have taken over existing businesses from relatives and expanded them and a few (1%) have bought businesses and developed them.

Of particular interest is the great economic impact the creation and development of these ventures has made on Ghana. In the agro-processing sector for instance, the processing activities of the women offer an important avenue for secondary business venture creation in the agriculture sector. Given the fact that developing economies such as Ghana depend to a very large extent on agricultural produce, the creation and development of production business ventures linked to agriculture automatically expands the labour absorptive capacity of the Ghanaian economy.

Also, the unique aspects in almost all (90%) of the businesses created by the women entrepreneurs such as the vocational schools; the services industry: hairdressing, dressmaking, catering; textile and fabric, manufacturing and processing is that the women engaged vigorously in the training and running of apprenticeships for young girls who could not continue their education. These young girls were equipped with entrepreneurial and employable skills and most of them are doing very well in their own entrepreneurial ventures and creating more businesses and employment avenues in Ghana. Two of the vocational schools studied have trained more than ten thousand women in employable skills. This contributes greatly to Ghana through the expansion of the labour force and enlargement of the taxation pool.

Some (20%) of the women who took over existing jobs from their parents have creatively changed the businesses into more lucrative and well developed ventures. A private school proprietress interviewed said her mother started the business as a crèche with only two rooms and 15 children before she (the interviewee) took over. After ten years of operation, through her creativity and entrepreneurial skills she had expanded the school from crèche level to junior secondary school level acquired a large plot of land where she put up the school complex, and increased the staff from three to 25. Similar situations also applied to the women entrepreneurs who had taken over shops and other trading businesses from their parents, siblings and husbands. The have changed the ‘face’ of the businesses in several
ways by expansion, introduction of different products, diversification and new ways of marketing their business to the public.

The above findings show that the women entrepreneurs in Ghana are capable of creating new businesses and growing them, which makes significant contributions to the enlargement of Ghana’s economic base and the creation of new jobs, as the next discussion will illustrate.

*Employment and job creation* – Women entrepreneurs make a significant contribution to reducing the unemployment problems bedevilling Ghana. Women dominate the informal sector in Ghana as compared with men, and are more involved in the creation of small and medium enterprises. Their business ventures create job opportunities and they employ a lot of people in Ghana in their various businesses, as shown in Table 5.1. The women’s business ventures, such as the services industry, employ a lot of people (30) in restaurants, educational institutions employ 25 people, and the other ventures employ smaller numbers mostly from 1 to 15.

An important feature of the women entrepreneurs’ business ventures is family labour. Most of the women employ the services of their children, nephews, nieces, uncles, aunts and in-laws in their businesses and in most cases with pay, but mostly they are not perceived as employees since they are family members. These family members are often not included in the employment index when the statistics of employees are requested. A woman entrepreneur who said she did not have any employees might have three or four family members assisting her full time with the operation of the business. I however argue that the employment of family members also contributes greatly to employment since regardless of whom the women employ, the family members are also Ghanaians and need employment.

The processing sector, for instance, where the women’s activities are concentrated, has been found to add value to raw produce, and open the way for new jobs and marketing outlets. It follows that job security is assured for a great number of stakeholders: producers, marketers and transport operators.
Also, as discussed earlier, the large numbers of girls trained and equipped with entrepreneurial and vocational skills by these women entrepreneurs in the study have also created jobs and employment for others. Therefore, through the women entrepreneurs’ transfer of knowledge and skills to other women, more jobs and employment avenues have been created. These great contributions that women entrepreneurs are making to job creation have resulted in the reduction of unemployment in Ghana, since the government is only able to provide a few job opportunities. This proudly forms part of the women’s success story.

Contribution to tax - There is sufficient qualitative evidence from the interview data that the women entrepreneurs in Ghana are tax payers. When these women entrepreneurs declare that they pay taxes which, for them, the government of Ghana uses to provide quality education, build roads and hospitals, provide electricity, telecommunications and good drinking water facilities, they are making a statement of achievement that they were running profitable businesses that contribute to the development of their nation. Significant numbers of traders who import goods pay import duties to the government; most of them pay Value Added Tax (VAT) on their products and services; some pay property rates, and all of them pay business tolls.

The findings show strongly that these women entrepreneurs are making substantial economic contributions to Ghana. They have taken risks to invest in new businesses, and those who did not start new businesses changed the businesses that they took over and now these businesses reflect their own innovations. These new businesses have impacted greatly on the Ghanaian economic base as they create new jobs and new opportunities and enlarge the taxation pool. This study has therefore found that these women entrepreneurs are proud and significant contributors to Ghana’s economic progress.

Social Contributions

The successful creation and development of business ventures by women entrepreneurs in Ghana has contributed positively to the social life of their communities and Ghana at large.
These contributions are diverse and unquantifiable. However, the study has identified some main ideas and patterns out of the numerous social contribution success stories.

The rich qualitative data gathered during the interviews revealed that most of the women had served and are still serving on the various committees of the municipal council (the highest local government decision-making body in the municipality). Their membership of the committees is very significant because formerly men dominated these committees and women were not exposed to broader national issues that affect both men and women. These women’s success in venture creation has been recognized by the local government. The local government believes that these women have all the knowledge and skills that it takes to help work together to develop the community. A wholesale trader who once served on such committees explained:

When I served on those committees, I made sure that women’s and children’s concerns were taken into account in decision making. It was difficult combining my business with this social activity but I worked hard and sacrificed just to the good and for the welfare of my community. I think my presence and contributions made a lot of positive impact on some of the decisions taken and projects implemented.

Similarly, a pre-school proprietress also involved in running hostel accommodation shared her testimony:

I have contributed a lot. I served on about five committees of the municipal assembly; I have been an assembly member for one term contributing knowledge to the development of the country. Currently, I am a resource person for women who want to hold political positions in the country. I teach them how to talk on a platform, have self-confidence and determination and I also sponsor them financially. All these I do in addition to job creation.

The women entrepreneurs served as a source of inspiration and as role models for many young women. They admired how hardworking they were, and their ability to create and build successful business ventures. Through this inspiration, most of the girls went into apprenticeships and vocational institutions so that they could also become successful in the future. The women entrepreneurs in the interviews revealed that most girls approached
them for advice and guidance on how to create successful businesses. Earlier discussion in section 5.6 on networking highlighted the fact that most of the women entrepreneurs are mentors to young women entrepreneurs.

The more highly educated entrepreneurs said in the interviews that they normally serve as resource persons in symposiums and workshops in creation and development of businesses organized by schools, churches, organizations and associations in the region. The participants normally benefit tremendously from these programmes and ask a lot of questions. These programmes have proved to be very beneficial to the community and people of Ghana in general, since venture creation/entrepreneurship as a subject is not taught in schools except the polytechnics.

Another notable contribution comes in the area of sponsorships and donations. Some of the women said that whenever highly educative programmes, such as awareness of HIV/AIDS and drug abuse, are organized in the municipality and they are asked for sponsorship, they donate generously. Some of the women who run apprenticeships also said they sometimes train some of the girls from very poor homes without charging them anything, just to ensure that they become independent and useful citizens in the future.

Several of the women entrepreneurs also added that they receive a lot of invitations to participate in community meetings because they are now in a position to contribute financially to community development projects. Most of them further said they are now able to make contributions at festive occasions and funerals, a major symbol of social status among the Akans – the ethnic group of the study area.

Above all, the entrepreneurial successes of the women entrepreneurs have played an important role in shaping the community’s perception of women. Women are no longer seen as dependant on men and only good enough for household chores and producing children. The women entrepreneurs expressed with a sense of self worth that they are now well known for their business successes and hard work. They notice that men generally respect them more because they see that they are serious about their businesses.
These findings are therefore evidences of the economic, social and political contributions the Ghanaian women entrepreneurs are making to the socio-economic development of their country. The findings are consistent with the women’s entrepreneurship literature in the sense that the women entrepreneurs in Ghana measure success by their levels of self-fulfillment and achievement. This study also found two other measures of success that are equally important: the women’s personal satisfaction and their financial achievement, including their families’ well-being.

Thus, success is interpreted broadly by the women entrepreneurs in Ghana not only in terms of financial success but equally of self-respect and fulfillment, family well-being and recognition, freedom and accomplishment, as well as their contributions to their nation, as shown in Figure 5.15. All these success factors give them overall satisfaction in life and add to our understanding and picture of women entrepreneurs in Ghana.
Figure 5.15  Key characteristics: Measures of Success (Dimension 7)

- Business success perceived as an integration of personal values and financial gains.
- Have a high sense of self-fulfillment and self worth, overall satisfaction with business & personal achievement. Ensure family wellbeing.
- Financial achievement includes greater income, financial independence and.
- Gained recognition, prestige and status in the community.
- Economic and social contributions to Ghana include innovative business creation, employment creation, contributions to tax, donations & sponsorships, voluntary work and being role models.

Measures of Success
5.9 Summary

This chapter has outlined and discussed the dimensions, variables and results of the questionnaire survey and the qualitative data from the interviews. The variables within each of the seven dimensions of the Ghanaian women entrepreneurs have been explored, and the key characteristics arising from these results and findings highlighted. It has built up a picture of the women entrepreneurs in Ghana across seven key areas, namely their characteristics and experiences, reasons for being in business, business profile, resources available to them, networking, problems encountered, and their measures of success. The similarities and differences in the results of this study with the findings of previous studies and the literature on entrepreneurship have been highlighted accordingly.

The results and findings discussed are further integrated to test the six hypotheses of the study in the next chapter. Also, a general discussion of the overall findings follows the testing of the hypotheses in the same chapter. This will provide answers to the seven research questions and lead to the development of a holistic picture of Ghanaian women entrepreneurs across these seven key dimensions.
6.1 Introduction

The previous chapter presented a detailed report on the findings of the survey and interviews. This chapter will further integrate these results to test the six hypotheses of the study, and then discuss in a broad context the overall results of the study. The hypotheses of the study are (1) Personality traits of Ghanaian women entrepreneurs are related to their success. (2) Ghanaian women entrepreneurs' motivations for business venture ownership are related to their success. (3) Resources available to Ghanaian women entrepreneurs are related to their success. (4) Network affiliations of Ghanaian women entrepreneurs are related to their success. (5) Reduction in the problems Ghanaian women entrepreneurs encounter is related to their success. (6) Entrepreneurial activities of Ghanaian women entrepreneurs are related to their success.

From these hypotheses the dependent variable of the study has been identified as the measures of success of the women entrepreneurs in Ghana. The success measures were highlighted in the results and findings section in Chapter 5. They are personal success factors including self-fulfillment and self worth that women entrepreneurs derived from engaging in their own business; financial success indicators including financial independence and wealth creation; and positive contributions to the development of Ghana. Also, the six independent research variables of the study have been identified as the personality traits of the women entrepreneurs in Ghana, their motivations, the resources available to them, their network affiliations, and types of business ventures they have created, and the reduction in the problems they face. The independent variables were classified into these six main groups to capture the dimensions of all the theoretical perspectives of the study. The six hypotheses are based on the seven main
dimensions of the Ghanaian women entrepreneurs identified for study, one of the
dimensions (the women’s successes) being the dependent variable, and the other six
dimensions being the independent variables in the six hypotheses.

Relevant statistical techniques were employed to conduct systematic investigations to
test the hypotheses in order to achieve the objective of the study. The main technique to
describe the relationship between the research independent and dependent variables was
multiple regression analysis. Multiple regression analysis produces correlations, which
are useful for the exploration of the strength of the association between any two pairs of
variables and Beta coefficients give an indication of the relative contribution of each
independent variable. Another related statistical tool employed is the analysis of
variance (ANOVA), which is useful for detecting any significant difference in
dependent variable between groups. ANOVA was used in the testing of hypothesis 6
because of the nature of the different groups of independent variables involved. An
equally important statistical technique which the study employed was factor analysis.
Since the numbers of variables in this study were many (164) there was a need to use
factor analysis to reduce or summarize the original data into smaller manageable units
for analysis. These statistical techniques were employed using the Statistical Package
for Social Scientists (SPSS) version 14. Structural equation modeling (AMOS Version
7) was also used to test the final model explaining the success of Ghanaian women
entrepreneurs.

This chapter is organized into ten sections. Following this introductory section, the
development of the scales and computation of total success (dependent variable) are
presented in section 2. Testing of each of the hypotheses is contained in each of the
seven subsequent sections. The hypotheses results are summarized and the final model
tested in section 9. Finally in the last section, key findings based on the overall results
of the study will be integrated and discussed, leading to the development of an overall
picture and understanding of women entrepreneurs in Ghana.
6.2 The Dependent Variable: Measures of Success

As indicated earlier, the measures of success or the dependent variable of the study were identified as personal success factors, financial achievement and the women entrepreneurs’ contributions to their communities and country at large. These success factors are now commonly used measures of success in women’s entrepreneurship research (Bennet and Dann 2000; Brush 1990; Buttner and Moore 1997; Ip and Lever-Tracy 1992; Low 2003; Moore and Buttner 1997; Saxon 2003; Still and Timms 1999, 2000).

The dependent variable is made up of a large number of related items. There is therefore the need to prepare these items by means of factor analysis before their use in the hypotheses testing. Hence, in this section, an exploratory factor analysis statistical technique will be used to reduce the original large data into a more manageable number of dimensions or factors conducive for use in multiple regression analysis in the testing of the hypotheses. The principal axis factoring method of factor analysis will be used to ensure that only a shared variance is used to cluster variables together.

Also, Bartlett’s test of sphericity and the Kaiser-Meyer-Olkin (KMO) measures of sampling adequacy will be performed to ascertain the appropriateness of the factor analysis for the research variables. Scales will be created for each of these factors by adding the responses for the items, loading strongly on each factor. Finally, a reliability test which gives a Cronbach alpha value will be performed to ensure that the items included in the new scales agree well with one another and they are reliable for use in the testing of the hypotheses.

6.2.1 Development of Scale for Measures of Success

Personal success factors were measured by using eight items in the questionnaire survey. Respondents were asked to rate the eight items related to the personal benefits derived from engaging in their own business ventures on a 6-point Likert scale, ranging from 0 = no benefit to 5 = a lot of benefits. Financial success was measured by using three items. The
first measured the profitability of the business ventures with 0 = not profitable and 5 = very profitable. In addition, a 6-point Likert scale, ranging from 0 = not at all to 5 = to a large extent, measured the overall financial benefits associated with the engagement in their own business ventures compared to being an employee. Also, the degree to which the high turnover of their business ventures influences their success and overall financial satisfaction was measured on a 6-point scale ranging from 0 = no degree to 5 = to a large degree. Finally, positive contributions to their communities were also measured with three items on a 6-point Likert scale ranging from 0 = no benefit to 5 = a lot of benefits.

The response correlations between these items, their ordinal level of measurement and the large number of participants qualified the data for factor analysis. All the dependent variable items data specified above were factor analyzed by means of a principal axis factoring, with promax rotation. The results from this analysis are as follow.

**Result 1**
The various indications of the factorability of the dependent variable was excellent and appropriate: KMO was .894; and the Bartlett test of sphericity which indicated the significant level of p<.001 also showed that factor analysis was appropriate.

**Result 2**
Eigenvalues of greater than 1.0 suggested the number of factors (3) suitable for extraction. These values also represent the amount of variance accounted for by each factor. The three factors with eigenvalues exceeding 1, explained 44 percent, 8 percent and 5 percent of the variance respectively of the 57 percent total variance explained by the factors prior to rotation.

**Result 3**
The SPSS output on the three factors extracted from the measures of success variable is indicated in the Pattern Matrix Table (refer to Table 1a in Appendix 1a): factor 1 – personal success; factor 2 – financial success; factor 3 – contributions to the community represent the measures of success of the women entrepreneurs in Ghana. The factor analysis reduced
the dependent variable data into three factors collating related items together. These values which are above 0.3 indicate the item or responses that are most crucial or important to the women in terms of each measure of success. Scales were constructed for each of the factors by averaging the responses for the items loading strongly on each factor.

For clarity purposes, the Pattern Matrix SPSS output is described and labelled according to the loading on the three factors, as shown in Table 6.1 below. These three factors with their new labels are used as the dependent variable in the testing of the hypotheses.

<table>
<thead>
<tr>
<th>Table 6.1 Description of Pattern Matrix for Success Factors</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Factor 1: Personal Success</strong> (PERSUCC)</td>
</tr>
<tr>
<td>Satisfaction with personal development</td>
</tr>
<tr>
<td>Developing greater self confidence</td>
</tr>
<tr>
<td>Satisfaction with business development</td>
</tr>
<tr>
<td>Self esteem</td>
</tr>
<tr>
<td>Potential for higher income</td>
</tr>
<tr>
<td>Freedom and self respect</td>
</tr>
<tr>
<td>Control over life</td>
</tr>
<tr>
<td>Independence</td>
</tr>
</tbody>
</table>

**Result 4**

A reliability test was conducted for the scales constructed for each of the extracted factors, to ascertain the degree to which the items making up the scale are correlated. This is to find out whether all the items that have collated together on one factor have internal consistency and whether they measure the same underlying constructs. Ideally, the output of a reliability test, which is a Cronbach alpha coefficient, should have a value above .7, but greater or equal to .6 is an acceptable lower reliability coefficient (Hair et al. 2006).

The results indicated that factors 1 and 2 of the extracted dependent variable items have a strong internal consistency with Cronbach alpha coefficients of .9268 and .7566. 

223
respectively, while factor 3 indicated a lower but acceptable Cronbach alpha coefficient of .6358.

**Result 5**

After the extraction and interpretation of the above three success factors, a composite measure of success (total success) was derived for use in the multiple regression analysis of the general assessment of the relationship between the independent variables and the overall success factor in the testing of the hypotheses. Total success (TOTLSUCC) was computed by adding up all the 14 dependent variable items on the three factor scales and dividing by their number (14). The 14 items comprising total success were also subjected to a reliability test to ensure that all the items on the total success scale belonged together with strong internal consistency. The reliability test produced a Cronbach alpha coefficient for total success of .8739, suggesting that this scale could be used for hypotheses testing.

Therefore, the results of the various statistical tests conducted to prepare the dependent variable (the measures of success) are correct and ready for use in the testing of the hypotheses in the subsequent sections. The exploratory factor analysis supports the existence of three constructs or factors (personal, financial and community successes) in the interpretation of success by the Ghanaian women entrepreneurs. These three factors also constitute the dependent variable (total success). It also highlighted the fact that personal success factor is the most important to the women entrepreneurs in their interpretation of success.
6.3 Hypothesis One: Personality Traits of Ghanaian Women Entrepreneurs are related to their Success.

The first hypothesis of the study was anchored on the psychological theoretical perspectives which posit that a single trait or collection of typical traits of entrepreneurs exists. These characteristics have been identified as being capable of successfully predicting entrepreneurial behaviour and patterns of activities. The major objective of this hypothesis is to find out whether the identified personality traits of the Ghanaian women entrepreneurs relate to their success.

6.3.1 Development of Scales for Personality Traits

The variables indicating the entrepreneurial traits were measured by using eleven items in the questionnaire survey asking the respondents to rate themselves in relation to their personal attributes on a 6-point Likert scale, ranging from 0 = very low to 5 = very high. These variables were subjected to principal axis factoring, with promax rotation. The results were as follows.

Result 1
The factorability of these variables was ascertained by the inspection of the correlation matrix to find out whether many coefficients of .3 and above existed. The Kaiser-Meyer-Olkin (KMO) was .871, and the Bartlett test of sphericity reached statistical significance (p<.001) supporting the factorability of the correlation matrix.

Result 2
The two factors with an eigenvalue of greater than 1.0 were found in the SPSS output. The first factor contributed 38 percent and the second factor contributed 8 percent of the 48 percent total variance in the variables explained.
Result 3

The Pattern Matrix SPSS output of the promax rotation performed confirmed the two factors indicated by the eigenvalues. The pattern matrix (see Table 2a in Appendix 1a) highlighted the two factors extracted and the variables loading on them with a common underlying structure. Factor 1 has 6 variables loading strongly on it, all representing achievement traits; and factor 2 with 5 variables loading on it, highlighting more of the responsibility traits of the Ghanaian women entrepreneurs.

For easy understanding of the Pattern Matrix SPSS output, the factors extracted with their specific variables loading on them have been translated and described in Table 6.2 below: Factor 1 – Achievement traits, labelled ACHTRTS; and factor 2 – Responsibility traits, labelled RESPTRTS.

<table>
<thead>
<tr>
<th>Table 6.2 Description of Pattern Matrix for Personality Traits Factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Factor 1 – Achievement Traits (ACHTRTS)</td>
</tr>
<tr>
<td>Need for achievement</td>
</tr>
<tr>
<td>Level of persistence</td>
</tr>
<tr>
<td>Openness to innovation</td>
</tr>
<tr>
<td>Level of motivation</td>
</tr>
<tr>
<td>Need for independence</td>
</tr>
<tr>
<td>Optimistic about the financial performance of the business</td>
</tr>
</tbody>
</table>

Result 4

In addition, the Cronbach alpha coefficients of the variables on each of the two factor scales proved reliable and showed a strong internal consistency among the variables: factors 1 and 2 reported Cronbach alpha coefficients of .7906 and .7937 respectively.

Therefore, the factor analysis of the independent variables in hypothesis 1 has reduced the data aligning them according to their underlying structures to two major factors: achievement traits (ACHTRTS) and responsibility traits (RESPTRTS). Scales have been constructed for these factors by averaging the responses for the variables loading strongly
on each factor. These scales have been proved reliable by their respective Cronbach alpha coefficients and are therefore appropriate for the testing of the hypothesis.

6.3.2 Hypothesis Testing Results: Success in Terms of Personality Traits

The scales developed previously for success and personality traits were subjected to multiple regression analysis with the enter method for the testing of the first hypothesis of the study. The use of the multiple regressions allowed the study to determine how well this set of independent variables – personality traits of the women entrepreneurs in Ghana – were able to predict the dependent variable – their success. The result also showed how much of the success variance the independent variables (Achievement Traits (ACHITRTS), Responsibility Traits (RESPTRTS)) explained in the dependent variable (TOTLSUCC).

Table 6.3 shows how much of the variance in the dependent variable is explained by the model based on the personality traits of the Ghanaian women entrepreneurs. The coefficient of determination (R square value) is .464. Thus, 46.4% of the variation in success is explained by the personality traits. The ANOVA results also show a significant linear relationship between the independent and the dependent variables {F = (2, 238) = 103.190, p <0.001} providing strong support for the first hypothesis. As shown in the second column of Table 6.3, all the independent variables have significant correlations (p<.001) with the dependent variable. The achievement and responsibility traits of the Ghanaian women entrepreneurs have a great relationship with their success.

Table 6.3 Regression for Success on Personality Traits (R-Square = 46.4%, ** p<.001)

<table>
<thead>
<tr>
<th>Personality Traits</th>
<th>Pearson Correlation</th>
<th>Beta Scores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Achievement Traits</td>
<td>.679 **</td>
<td>.640 **</td>
</tr>
<tr>
<td>Responsibility Traits</td>
<td>.444 **</td>
<td>.066</td>
</tr>
</tbody>
</table>

N = 241

The contribution of each of the independent variables included in the model in the prediction of the dependent variable was determined by their beta scores. The larger the
beta values of the standardized coefficients indicated in the last column of Table 6.3 above the greater the contribution. The largest significant beta coefficient of 0.640 is for achievement traits (ACHITRTS). This means that this variable makes the stronger contribution to explaining the dependent variable. This is followed by the responsibility traits of the women (RESTRRTS) with a low insignificant beta value of .066.

The results on the statistical significance of the individual contributions indicated that the achievement traits of the women entrepreneurs (p <.001) made a statistically significant contribution to the prediction of the dependent variable. The responsibility traits of the women entrepreneurs were not significant (p = .260) after controlling for the achievement traits, although there was a significant correlation between responsibility traits and success. However, a significant correlation (r=.590, p<.001) exists between responsibility traits and achievement traits variables, suggesting that achievement traits mediate the relationship between responsibility traits and success. This relationship is depicted in Figure 6.1 below.

**Figure 6.1  Responsibility Traits’ Relationship with Success**

In summary, hypothesis 1 of the study, which states that the personality traits of the Ghanaian women entrepreneurs are related to their success, has been confirmed, with the independent variables explaining 46 percent of the dependent variable. This result has also been supported by its statistical significant value of p <.001, showing a strong support for hypothesis 1. It has been highlighted that the achievement traits of the women made the largest significant contribution in the model towards the prediction of the dependent variable. However responsibility traits of the women entrepreneurs contributed less to their
success. Although they did not make any statistically significant contribution to the prediction of the dependent variable when achievement traits were controlled, the responsibility traits correlated significantly with success when achievement traits were not controlled. This means that the achievement traits have absorbed the contribution to success of the responsibility traits because women who accept responsibility are more likely to achieve. This result also implies that the Ghanaian women entrepreneurs’ personality traits are more achievement oriented, that is the need for independence and achievement; and high levels of persistence and motivation have a strong association with their success.

6.4 Hypothesis Two: Ghanaian Women Entrepreneurs’ Motivations for Business Ownership are related to their Success

In theorizing why women venture into business ownership, a number of researchers have reached different conclusions. The most recent and common perspective given for business ownership by women is classified as ‘push’ and ‘pull’ factors. These factors are identified as strong motivating reasons for women entrepreneurs not only to create their own business ventures but also to be successful. The second hypothesis has been formulated to determine whether the Ghanaian women entrepreneurs’ reasons for business ownership are related to their success.

A number of research variables were included in the questionnaire survey to measure the factors which motivate Ghanaian women entrepreneurs to engage in entrepreneurial ventures. These variables, which have been identified as the independent variables for this hypothesis, centred mainly on personal, business and financial motivations.

Appropriate statistical procedures are employed to summarize the original data into smaller manageable units for analysis. Thus, factor analysis is used to reduce and simplify the number of the independent variables. The reliability of the scales created for the various factor scales is tested. Finally hypothesis 2 is tested by regressing success on these scales.
6.4.1 Development of Scales for Motivations for Business Ownership

The variables indicating the importance of the reasons why women engage in their own business ventures were measured using items in the questionnaire asking the respondents to rate their reasons on a 6-point Likert scale, ranging from 0 = not very important to 5 = very important. These variables were subjected to principal axis factoring, with promax rotation. The results of this factor analysis are as follows.

Result 1
The factorability of these variables was checked by the inspection of the correlation matrix to find out whether many coefficients of .3 and above existed. The Kaiser-Meyer-Olkin (KMO) was .744, and the Bartlett test of sphericity reached statistical significance (p<.001), which confirmed the factorability of the correlation matrix.

Result 2
Also, three factors with an eigenvalue of greater than 1.0 were found in the SPSS output generated before rotation. Factor 1 contributed 26 percent, factor 2 contributed 7 percent and factor 3 contributed 5 percent of the 38 percent total variance in the variables explained.

Result 3
The result from the promax rotation performed confirmed the three factors indicated by the eigenvalues. The pattern matrix (see Table 3a in Appendix 1a) highlighted variables loading strongly on these factors. Factor 1 indicated the variables representing the financial motivations for business ownership; factor 2 variables highlighted personal motivations and factor 3 included variables peculiar to business motivations for venture ownership.

The three factors extracted with the variables loading on them as indicated by the pattern matrix are interpreted in Table 6.4 below. Factor 1 included variables emphasizing the financial reasons or motivations for business ownership, and has been labelled FINMOTV; factor 2 loaded on variables indicating personal motivations for business ownership, and is
labelled PERMOTV; factor 3 represents variables suggesting business motivations for business venture ownership, and is labeled BUSMOTV. Scales were constructed for each of these factors by averaging the responses for those variables loading strongly on each factor.

Table 6.4 Description of Pattern Matrix for Motivation Factors

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Desire for financial independence</td>
<td>To be the boss</td>
<td>To be able to express my skills</td>
</tr>
<tr>
<td>To become wealthy</td>
<td>To achieve status and prestige</td>
<td>To be recognized for my skills</td>
</tr>
<tr>
<td>Economic necessity</td>
<td>To be independent</td>
<td>To do the kind of work I prefer</td>
</tr>
<tr>
<td>To make more money than otherwise likely</td>
<td>To control my own destiny</td>
<td></td>
</tr>
</tbody>
</table>

Result 4
The outcome of the reliability test indicated acceptable Cronbach alpha coefficients of the variables on each of the three factor scales: .6034 (factor 1); .6362 (factor 2); .6728 (factor 3). This implies that the variables on the scales are reliable and there is an internal consistency among the variables. Thus, the factor analysis of the independent variables in hypothesis 2 has simplified the data, aligning the items according to their underlying structures into three factors. The scales for these factors have been proved reliable by their respective Cronbach alpha coefficients and can therefore be used for the testing of the hypothesis.

6.4.2 Hypothesis Testing: Success in Terms of the Motivations for Business Ownership

The factor-analyzed independent and dependent variables were subjected to standard multiple regression analysis by the enter method to test the second hypothesis of the study. The study is interested in how well this set of independent variables – the motivations for business ownership of the Ghanaian women entrepreneurs, relates to the dependent variable
their success. The study also investigates how much variation the independent variables (financial motivations, personal motivations and business motivations) explain in the dependent variable (total success).

Table 6.5 shows how much of the variance in the dependent variable (the success of the women entrepreneurs) is explained by the model based on the motivations for business ownership of the women entrepreneurs in Ghana. The coefficient of determination (R square) value which is .246 suggests that 24.6 percent of the variation in success can be explained by a linear function of the motivation scales. The ANOVA result is also statistically significant (F (3,237) = 25.779, p<0.001), showing that a linear relationship exists between Ghanaian women’s motivations for business ownership and their success. The Pearson correlations in the second column of Table 6.5 show moderate positive correlations between the dependent variable, success, and all the independent variables of financial motivations, personal motivations and business motivations. Importantly, all the correlations have been confirmed as statistically significant (p<.001), suggesting that all the motivational variables have a significant association with the success of the Ghanaian women entrepreneurs.

Table 6.5    Regression for Success on Motivations (R-Square = 24.6%, ** p<.001.)

<table>
<thead>
<tr>
<th>Motivations</th>
<th>Pearson Correlation</th>
<th>Beta Scores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Motivations</td>
<td>.417 **</td>
<td>.277 **</td>
</tr>
<tr>
<td>Personal Motivations</td>
<td>.392**</td>
<td>.250**</td>
</tr>
<tr>
<td>Business Motivations</td>
<td>.309 **</td>
<td>.106</td>
</tr>
</tbody>
</table>

Of particular interest to the study is the relative contribution of each of the independent variables included in the model to the prediction of the dependent variable. In the coefficients results in Table 6.5, financial motivations for business ownership made the strongest contribution to the explanation of the dependent variable, with the largest beta coefficient of .277.
All the results on the contributions of the individual independent variables to the explanation of the dependent variable have been confirmed as being statistically significant, with the financial and personal motivations achieving significant values of $p<0.001$, while business motivations recorded a less significant value of $p = 0.099$. However, since business motivations correlated significantly with financial motivations ($r = 0.423$, $p<0.001$) and personal motivations ($r = 0.383$, $p<0.001$), it seems that the effect of business motivation has been absorbed by financial and personal motivations. Thus, all the independent variables in the model have made a statistically significant contribution to the prediction of the dependent variable in the model. The results therefore imply that the various reasons given by the Ghanaian women entrepreneurs for business ownership are related to their success, with financial reasons making the strongest contribution.

6.5 Hypothesis Three: Resources Available to Ghanaian Women Entrepreneurs are related to their Success

The third hypothesis is centred on the resource-based and Bandura’s (1977) social learning perspectives, which propose that the resources available to a business venture, including the previous entrepreneurial experiences, skills and strengths of the entrepreneur, the cash capital available and business management and planning experiences, coupled with the entrepreneurial family background, are vital in explaining the business performance and hence lead to the success of the business venture. These renowned perspectives were applied to the Ghanaian women entrepreneurs’ situation to find whether the resources available to them relate to their success.

The independent variables identified in this hypothesis are human and financial resources available to the Ghanaian women entrepreneurs in the creation and running of their business ventures. These include the women entrepreneurs’ previous experiences, and business start-up and management skills such as technical/production/operational skills, sales, marketing, managerial/administration and financial skills. Others are business operational strengths including ideas generation, dealing with people, product innovation,
organizational abilities and ability to spot market trends. The financial resources included sources of credit and initial amount of cash invested into the business.

Factor analysis was used to simplify the data for the hypothesis testing. The reliability of the scales constructed for the factors extracted was tested to confirm their internal consistency before the testing of the hypothesis using multiple regression analysis.

6.5.1 Development of Scales for the Resources Available to the Women Entrepreneurs

The independent variables in the hypothesis identified above indicate items which refer to the resources available to the women. These were measured by asking the respondents to rate themselves on these items in relation to the resources available to them on a 6-point Likert scale, ranging from 0 = very weak to 5 = very strong. These variables were subjected to principal axis factoring, with promax rotation, with the following results.

Result 1
Firstly, the factorability of these variables was ascertained by the inspection of the correlation matrix to find out whether many coefficients of .3 and above existed. The Kaiser-Meyer-Olkin (KMO) was .788, and the Bartlett test of sphericity reached statistical significance (p < .001) supporting the factorability of the correlation matrix.

Result 2
Three factors with an eigenvalue of greater than 1.0 were found in the output generated by the SPSS before rotation. Factor 1 contributed 24 percent, factor 2 contributed 16 percent and factor 3 contributed 7 percent of the 48 percent total variance in the variables explained.

Result 3
The promax rotation confirmed the three factors indicated by the eigenvalues. The pattern matrix (see Table 4a in Appendix 1a) generated from the SPSS highlighted the variables
loading on each factor. Factor 1 has 7 variables loading strongly on it, representing the skills, capabilities, knowledge and strengths possessed by the women entrepreneurs; factor 2 has 3 variables loading on it, showing the previous working experiences available to them and factor 3 has 4 variables loading on it, highlighting the financial resources available to them.

For clarity purposes, the extracted factors as indicated by the pattern matrix have been further interpreted in Table 6.6, showing the specific variables which loaded on them. Factor 1, the skills possessed by the women, is labelled SKILRES; factor 2, the previous experiences of the women, is labelled PREXPRES; and factor 3, the financial resources available to the women, is labelled FINRES.

Table 6.6 Description of Pattern Matrix for Resources Factors

<table>
<thead>
<tr>
<th>Factor 1: Skills Possessed (SKILRES)</th>
<th>Factor 2: Previous Experiences (PREXPRES)</th>
<th>Factor 3: Financial Resources (FINRES)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational skills</td>
<td>Essentially a similar occupation</td>
<td>Borrow from relatives</td>
</tr>
<tr>
<td>Ability to spot market trends</td>
<td>With a product or service similar to your own</td>
<td>Sell or mortgage personal assets/properties</td>
</tr>
<tr>
<td>Product innovation</td>
<td>In the same industry</td>
<td>Sell personal valuables e.g. jewellery</td>
</tr>
<tr>
<td>Dealing with people</td>
<td></td>
<td>Borrow from friends</td>
</tr>
<tr>
<td>Skill(s) possessed at the commencement of your business</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Marketing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Result 4
Scales were constructed for these three factors after reliability testing. The Cronbach alpha coefficients of the factors: .7505 (factor 1); .6289 (factor 2); .6238 (factor 3) proved the three factor scales reliable and highlighted internal consistency among the variables assigned to each scale.
In addition to these three extracted factors, five single index variables measuring the various human resources (level of education, areas of education, entrepreneurial family background/childhood experiences, apprenticeship and experiences of starting other businesses) were the independent variables used for the hypothesis testing.

6.5.2 Hypothesis Testing Results: Success in Terms of Human and Financial Resources

Hypothesis 3 was tested using regression analysis. The study is interested in how well this set of independent variables, the human and financial resources available to the women entrepreneurs in Ghana, is able to predict or influence the dependent variable, their success. Also, the relative importance of the influence of the individual variables (skills, prior experiences, level of education, areas of education, entrepreneurial family background experiences, apprenticeship and experience of starting other businesses, and sources of funds) in explaining the dependent variable (TOTLSUCC) was assessed.

The overall results in Table 6.7 show that 40 percent (R Square = .404) of the variation in success is explained by the human and financial resources available to the women entrepreneurs in Ghana. This suggests that these resources are strongly associated with the success of Ghanaian women entrepreneurs. The results also confirm that a significant linear relationship exists between all these independent variables comprising human and financial resources and the success of Ghanaian women entrepreneurs: \( F (8, 207) = 17.510, p < 0.001 \), providing a strong support for hypothesis 3.

Also, we see from the second column of Table 6.7 that all the human and financial resources variables correlate significantly with the success of Ghanaian women entrepreneurs, with a possible exception in the case of the women’s prior experience in starting up other business ventures. The Pearson correlations therefore suggest that the human and financial resources that the Ghanaian women entrepreneurs possess have a
significant relationship with their success, with the exception of their previous experience in starting up other business ventures.

Table 6.7 Regression for Success on Resources (R-Square = 40%, ** p<.001, * p<.05)

<table>
<thead>
<tr>
<th>Resources</th>
<th>Pearson Correlation</th>
<th>Beta Scores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business skills and capabilities</td>
<td>.534 **</td>
<td>.452 **</td>
</tr>
<tr>
<td>Level of education</td>
<td>.282 **</td>
<td>.105</td>
</tr>
<tr>
<td>Specific areas of education</td>
<td>.126 *</td>
<td>.046</td>
</tr>
<tr>
<td>Entrepreneurial background</td>
<td>.217 **</td>
<td>.126 *</td>
</tr>
<tr>
<td>Prior work experience</td>
<td>.190 **</td>
<td>.018</td>
</tr>
<tr>
<td>Apprenticeship</td>
<td>.179 **</td>
<td>.091</td>
</tr>
<tr>
<td>Prior business start-up experience</td>
<td>.110</td>
<td>.042</td>
</tr>
<tr>
<td>Financial resources</td>
<td>-.321 **</td>
<td>-.399 **</td>
</tr>
</tbody>
</table>

N=241

The beta scores presented in the last column of Table 6.7 explain the relative contribution of each of the independent variables (human and financial resources) included in the model in the prediction of the dependent variable (total success). The skills resources made the strongest contribution to the explanation of the dependent variable, with the largest significant beta coefficient of .452. The business skills available to the Ghanaian women entrepreneurs made the strongest contribution to the explanation of their success when all the other variables were statistically controlled.

In relation to financial resources, the large beta coefficient value indicating the contribution to the explanation was although negative, also very significant (p<.001). This finding implies that Ghanaian women entrepreneurs in SMEs with few financial resources for their business ventures are more successful. This finding agrees with the Ghanaian women entrepreneurs’ life situation that in spite of the limited sources of finance available to them and their small amount of capital, they are still successful. The contribution of
entrepreneurial family background to the explanation of success is also supported by its significant beta value of .126. This suggests that the entrepreneurial background of the Ghanaian women entrepreneurs constitutes an invaluable resource which contributes significantly to their success, supporting Bandura’s (1977) social learning theory.

Interestingly, the five other human resources variables investigated (Ghanaian women entrepreneurs’ level of education, specialized areas of training or education, previous work experiences, apprenticeship and prior experiences of starting other businesses) did not seem to make any significant contribution to the explanation of success, as suggested by their insignificant beta scores. However, even though these variables did not make any statistically significant contribution to the prediction of the dependent variable when the other variables were controlled, they correlated significantly with success when the other resources were not controlled.

Overall, hypothesis 3 was supported. However, the findings show that financial resources have a negative relationship with perceived success. This means that women with little in the way of financial resources tend to be more successful, at least from the Ghanaian women entrepreneurs’ personal perception. This finding agrees with the interview data which indicated that success was achieved in spite of the limited sources of finance available and small amounts of start-up capital. Also, the business skills and capabilities of these Ghanaian women entrepreneurs made the largest contribution to their success and are significantly associated with their success. Their business skills and capabilities resources are increased by the contributions of the other human resources variables, all of which, with the exception of their prior experiences of business start-up, were found to be significantly associated with the success of the Ghanaian women entrepreneurs.
6.6  Hypothesis Four: Network Affiliations of Ghanaian Women Entrepreneurs are related to their Success

Of particular relevance to this study is the networking theoretical perspective of entrepreneurship as being embedded in a complex network of social relationships. This perspective posits that within these networks, entrepreneurship is facilitated by linkages between entrepreneurs and resources and opportunities. The presence of networks, such as access to or membership of associations, plays a role in influencing the success of an entrepreneurial venture. The thrust of hypothesis 4 is to determine whether the network support available to the Ghanaian women entrepreneurs plays any role in their success.

A number of variables were included in the questionnaire survey to measure the network resources available to the Ghanaian women entrepreneurs. These research variables, which have been identified as the independent variables of hypothesis 4, included professional networks, personal networks, mentors available to the women entrepreneurs and how often they use them.

The statistical procedures employed in the testing of the above three hypotheses were also applied here. Factor analysis was used to simplify the number of the independent variables. The reliability of the scales created for the various factor scales was tested. Finally, hypothesis 4 was tested by regressing success on these scales.

6.6.1 Development of Scales for Network Affiliations

The variables indicating the importance and relevance of the various networks of women entrepreneurs were measured using various items in the questionnaire asking the respondents to rate the network support available to them and the reasons for using them on a 6-point Likert scale, ranging from 0 = very low to 5 = very high. These variables were subjected to principal axis factoring, with promax rotation. The results of this factor analysis procedure were as follows.
Result 1

The factorability of these variables was checked by the inspection of the correlation matrix to find out whether many coefficients of .3 and above existed. The Kaiser-Meyer-Olkin (KMO) was .835, and the Bartlett test of sphericity reached statistical significance (p<.001) confirming the factorability of the correlation matrix.

Result 2

Three factors with an eigenvalue of greater than 1.0 were found from the second output generated by SPSS before rotation. Factor 1 contributed 34 percent, factor 2 contributed 9 percent and factor 3 contributed 6 percent of the 49 percent of total variance explained.

Result 3

The promax rotation confirmed the three factors indicated by the eigenvalues. The pattern matrix (see Table 5a in Appendix 1a) generated by SPSS, highlighted variables loading strongly on the factors. Each of the factors had five variables loading strongly on it. Factor 1 indicated the variables representing the reasons for relying on networks; factor 2 indicated variables highlighting the professional networks available to the women; and factor 3 indicated variables representing their general personal networks. The three factors extracted by the pattern matrix have been translated and rearranged in Table 6.8 for better understanding: Factor 1 – reliance on networks is labelled RENTW; factor 2 – the breadth of professional networks, is labelled PROFNTW; and factor 3 – the breadth of personal networks, is labelled PERNTW.
Table 6.8 Description of Pattern Matrix for Networks Affiliation Factors

<table>
<thead>
<tr>
<th>Factor 1 – Reliance on Networks (RENTW)</th>
<th>Factor 2 – Breadth of Professional Networks (PROFNTW)</th>
<th>Factor 3 – Breadth of Personal Networks (PERNTW)</th>
</tr>
</thead>
<tbody>
<tr>
<td>General information and advice</td>
<td>Solicitor</td>
<td>Friends</td>
</tr>
<tr>
<td>For encouragement and motivation</td>
<td>Marketing consultant</td>
<td>Employees</td>
</tr>
<tr>
<td>General business advisers/counselor</td>
<td>Accountant</td>
<td>Clients/customers</td>
</tr>
<tr>
<td>Expert opinion on a specific point</td>
<td>To critique your opinion or judgment</td>
<td>Business associates</td>
</tr>
<tr>
<td>As a sounding board to discuss ideas and opinions</td>
<td>Mentor</td>
<td>Parents</td>
</tr>
</tbody>
</table>

**Result 4**

The Cronbach alpha coefficients of the variables on each of the three factor scales proved reliable and showed a strong internal consistency among the variables: .8808 (factor 1); .7189 (factor 2); and .7167 (factor 3). Thus, the factor analysis of the independent variables in hypothesis 4 has reduced the data, aligning them according to their underlying structures to three major factors. Scales were constructed for each of the factors by averaging the responses for the variables loading strongly on each factor. These scales were proved reliable by their respective Cronbach alpha coefficients and were therefore appropriate for the testing of the hypothesis.

**6.6.2 Hypothesis Testing Result: Success in Terms of Network Affiliations**

The factor-analyzed independent and dependent variables were subjected to standard multiple regression analysis by the enter method to test the fourth hypothesis of the study. The study was interested in how well this set of independent variables, the network support available to the women entrepreneurs in Ghana, related to the dependent variable, their success. This study also investigates how much variation the independent variables (reliance networks, professional networks and personal networks) explain in the dependent variable (total success).
The result of the coefficient of determination (R square) value which is .199, expressed as 20 percent (see Table 6.9) shows this variance. This suggests that the independent variables in hypothesis 2 – the network affiliations of the Ghanaian women entrepreneurs, predicted 20 percent of the dependent variable – their success. The above result has also been confirmed as statistically significant from the ANOVA results: \( F (3, 236) = 17.450, p <0.001 \). A significant linear relationship therefore exists between Ghanaian women entrepreneurs’ network affiliations and their success, providing support for the hypothesis.

The Pearson correlations results in the second column of Table 6.9 indicate positive significant correlations between the dependent variable (total success) and two of the independent variables, reliance on networks affiliations and the personal networks, while a weak, negative, insignificant correlation exists between professional networks and success. This suggests that there is a significant association between the success of the Ghanaian women entrepreneurs and their network affiliations, with the exception of their professional networks.

<table>
<thead>
<tr>
<th>Networks Affiliations</th>
<th>Pearson Correlation</th>
<th>Beta Scores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reliance on Network Affiliations</td>
<td>.272 **</td>
<td>.347 **</td>
</tr>
<tr>
<td>Personal Networks</td>
<td>.306 **</td>
<td>.269**</td>
</tr>
<tr>
<td>Professional Networks</td>
<td>-.017</td>
<td>-.306**</td>
</tr>
</tbody>
</table>

\( \text{N} = 241 \)

In the beta scores presented in Table 6.9, reliance networks, which are the reasons for the network affiliations of the women entrepreneurs, made the strongest unique contribution to the explanation of the dependent variable with the largest significant beta coefficient of .347. This was followed by the personal networks or the personal support system available to the women, with a significant beta value of .269. The professional or specialist advisers available to the women made a significant negative contribution (-0.316) to the explanation.
of their success when reliance and personal networks were controlled. Thus, although the Ghanaian women entrepreneurs use little in the way of professional networks or specialist advisers, the few that they affiliate with contribute significantly to their success. Therefore, all the results provide support for hypothesis 4 and show that all the independent variables (reliance networks, personal networks and professional networks) have contributed to the success of the Ghanaian women entrepreneurs.

6.7 Hypothesis Five: Reduction in the Problems Ghanaian Women Entrepreneurs encounter is related to their Success

Past research findings of international organizations and individual researchers have identified a variety of problems women entrepreneurs universally encounter in their entrepreneurial process. These past researches have emphasized that these problems adversely affect the success of women entrepreneurs. The OECD (2000, 2004) particularly argued strongly that the elimination or reduction of these problems will increase the productivity of women entrepreneurs and result in their success.

The women entrepreneurs in Ghana outlined some of the problems they faced at start-up and continued to face in the development of their business ventures. This study therefore tested the fifth hypothesis to find out whether the elimination of these problems was related to the success of the Ghanaian women entrepreneurs.

The first task was to find the independent variables for the testing of the hypothesis. There is data on start-up problems and problems being faced currently. However, these cannot represent independent variables for reduction in problems. In order to obtain independent variables to indicate reduction in problems, the differences between problems scores at start-up and now must be calculated to get new variables that measure problem reduction.

The principal factoring method of factor analysis will then be used to produce these new variables and ensure that the common patterns that underlie the responses cluster together.
The reliability test which gives a Cronbach alpha value will be performed to ensure that the various variables included in the new scales agree well with one another, producing scales that are reliable for use in the testing of the hypothesis.

6.7.1 Development of a Scale for the Reduction in Problems

As indicated earlier, new variables were obtained by taking the differences between problems scores at start-up and the present to get the independent variables for the testing of the hypothesis. These variables were subjected to principal axis factoring, with promax rotation to extract factors for the testing of the hypothesis. The results of this factor analysis procedure were as follows.

**Result 1**
The factorability of these variables was checked by the inspection of the correlation matrix to find out whether many coefficients of .3 and above existed. The Kaiser-Meyer-Olkin (KMO) was .793, and the Bartlett test of sphericity reached statistical significance (p<.001) confirming the factorability of the correlation matrix.

**Result 2**
Eigenvalues of greater than 1.0 found before rotation suggested the number of factors (2) suitable for extraction. These values represent the amount of variance accounted for by each factor. Eigenvalues exceeding 1 explained 35 percent and 7 percent of the variance respectively of the 42 percent total variance explained by the factors.

**Result 3**
The pattern matrix (see Table 6a in Appendix 1a) generated by SPSS showed the variables loading strongly on the factors: factor 1 indicating the variables representing the reduction in financial problems and factor 2 the variables highlighting reduction in management problems.
The two extracted factors on the pattern matrix table have been interpreted and rearranged in Table 6.10 below, stating the specific variables which loaded on them: factor 1 – reduction in financial problems is labelled FINPR; factor 2 – reduction in management problems is labelled MGTPR. Scales were constructed for each of these factors by averaging the responses for these variables loading strongly on each factor.

<table>
<thead>
<tr>
<th>Factor 1 - Reduction in Financial Problems (FINPR)</th>
<th>Factor 2 – Reduction in Management Problems (MGTPR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>q52hm53h - business or strategic planning</td>
<td>q52dm53d - keeping up customer contact</td>
</tr>
<tr>
<td>q52em53e - financial planning</td>
<td>q52cm53c - getting enough customers</td>
</tr>
<tr>
<td>q52fm53f - lack of guidance and control</td>
<td>q52am53a - management experience</td>
</tr>
<tr>
<td>q52bm53b - obtaining finance</td>
<td>q52im53i - combination of your role as a woman and an entrepreneur</td>
</tr>
</tbody>
</table>

**Result 4**

The Cronbach alpha coefficients of the variables on the factor 1 scale (.7206) and factor 2 (.6532) indicated reliability and showed an internal consistency among the variables contributing to the two scales.

Hence, new variables (reduction in problems) were obtained from the original problems data representing the independent variables in hypothesis 5. These variables were simplified and prepared by factor analysis by aligning the items according to their underlying structures into two factors. The scales for these factors were proved reliable by their respective Cronbach alpha coefficients and were therefore used for the testing of the hypothesis.
6.7.2 Testing the Hypothesis: Success in Terms of the Reduction in Problems

The factor-analyzed independent and dependent variables were subjected to standardized multiple regression analysis with enter method to test the fifth hypothesis of the study. Of particular relevance is how well this set of independent variables – the elimination of the problems the women entrepreneurs in Ghana encounter, relates to the dependent variable – their successes.

The coefficient of determination (R square) value was .193, as shown in Table 6.11. Therefore, the independent variables in hypothesis 5 explained 19 percent of the variation in the dependent variable, which is the success of the women entrepreneurs in Ghana. Also, the result on how much variance was explained by the independent variable was also confirmed as statistically significant by the ANOVA results: \( F (2, 238) = 28.370, p < 0.001. \) Although a low contribution was found, the results indicate that a significant linear relationship exists between the reduction in the problems Ghanaian women entrepreneurs encounter and their success, thus providing support for the hypothesis.

The Pearson correlations in the second column of Table 6.11 indicate moderate negative significant correlations between the variables reduction in problems and success. This result implies that although the problems the Ghanaian women entrepreneurs encounter have decreased little, even a small reduction is significantly associated with success.

<table>
<thead>
<tr>
<th>Table 6.11 Regression for Success on Reduction in Problems (R-Square = 19.3%, ** p&lt;.001, *p&lt;.005)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Reduction in Problems Variables</strong></td>
</tr>
<tr>
<td>Reduction in Financial Problems</td>
</tr>
<tr>
<td>Reduction in Management Problems</td>
</tr>
</tbody>
</table>

N = 241

The coefficients presented in the last column of Table 6.11 show that the reduction in the management problems of Ghanaian women entrepreneurs made the strongest contribution
to the explanation of their success, with the largest beta coefficient of -.460, followed by the reduction in the financial problems with a beta value of .047. It was also observed that only the reduction in management problems contribution was significant. However, since the reduction in financial problems significantly correlated with success, as indicated in the second column of Table 11, it means that the reduction in both management and financial problems contributed to the success of the Ghanaian women entrepreneurs, although the reduction in management problems absorbed the contribution of the financial problems. The correlation between reduction in financial problems and reduction in management problems (r=.495, p<.001) explains the non-significant beta value for reduction in financial problems when reduction in management problems is included in the model.

Although the independent variables comprising reductions in management and financial problems made a low contribution to the explanation of success, the results provided support for the hypothesis. The results suggest that the small reduction in the magnitude of problems the Ghanaian women entrepreneurs encounter is related to their success. Therefore the reduction or elimination of the problems the Ghanaian women entrepreneurs face generates more success for them.

6.8 Hypothesis Six: Entrepreneurial Activities of Ghanaian Women Entrepreneurs are related to their Success

The sixth hypothesis of the study is centred mainly on Schumpeter’s perspective of entrepreneurship, which emphasized that every innovation successfully introduced by business firms, large or small, new or old, creates new demand for goods and services and therefore creates new wealth and success for the entrepreneur. The data obtained from the research revealed that business ventures of Ghanaian women entrepreneurs were located in seven broad industrial sectors comprising more than 50 small-scale entrepreneurial activities. The thrust of this hypothesis is to find out whether the types of business ventures the Ghanaian women entrepreneurs engage in are related to their success.
Two major independent variables were identified in this hypothesis. These are the types of industry sectors the women entrepreneurs in Ghana operate in and the detailed descriptions of their entrepreneurial activities. In the testing of this hypothesis, one-way between-groups analysis of variance (ANOVA) with a Student-Newman-Keuls (S-N-K) post hoc test was used. This statistical procedure was suitable in this case, where one independent variable with three or more different categories and one dependent continuous variable exist. One-way ANOVA in SPSS compared the means of all the categories included in the independent variable and made inferences about their significance or contribution to the dependent variable. In this hypothesis, industry sectors are an independent variable with seven different categories of sectors. This also applied to one independent variable of detailed descriptions of activities with different groups of activities with success being the only one continuous dependent variable.

One-way ANOVA indicated whether the independent variable across the different sectors would predict the dependent variable. That is, whether there were significant differences in the mean scores on the dependent variable across the seven sectors. Post-hoc tests used to find out where the differences lay or which of the sectors or entrepreneurial activities explained success most.

6.8.1 Hypothesis Testing Results: The Impact of the Industrial Sectors on Success

A one-way between-groups analysis of variance was conducted to explore the impact of the Ghanaian women entrepreneurs’ industrial sectors on their success. The independent variable, which consisted of the seven industrial sectors, was entered into the one-way ANOVA procedure in addition to the dependent variable (total success).

The ANOVA result $F(7,233) = 4.679, p < 0.001$ showing a large F- ratio value indicated that there is a relationship between the independent variables and the dependent variable. This means that the industrial sectors that the women entrepreneurs operate in are related to their success. The significant value $p < .001$ shows that the above result is significant and thereby supports hypothesis 6. The significant value also reveals that there is a statistically
significant difference somewhere among the mean scores of the seven industrial sectors which impact positively on success.

A Student-Newman-Keuls (S-N-K) post hoc test was performed to determine which of the industry sectors contributed more significantly to the explanation of success. The result, presented in Table 6.12 below, shows that the construction and education sectors were statistically different from the rest of the sectors, except for textiles and fabrics, and contributed most to the success of the Ghanaian women entrepreneurs.

<table>
<thead>
<tr>
<th>Business Sector</th>
<th>N</th>
<th>Subset for alpha = .05</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trading</td>
<td>64</td>
<td>3.8304</td>
</tr>
<tr>
<td>Manufacturing/Production</td>
<td>28</td>
<td>3.8929</td>
</tr>
<tr>
<td>Agriculture</td>
<td>12</td>
<td>3.9762</td>
</tr>
<tr>
<td>Service</td>
<td>50</td>
<td>4.0657</td>
</tr>
<tr>
<td>Agro-Processing</td>
<td>39</td>
<td>4.0678</td>
</tr>
<tr>
<td>Textile and Fabric</td>
<td>28</td>
<td>4.1939 4.1939</td>
</tr>
<tr>
<td>Construction</td>
<td>9</td>
<td>4.5397</td>
</tr>
<tr>
<td>education</td>
<td>11</td>
<td>4.5584</td>
</tr>
<tr>
<td>Sig.</td>
<td></td>
<td>.291 .091</td>
</tr>
</tbody>
</table>

Therefore, the results from ANOVA and the S-N-K post hoc test indicated that the construction and education sectors produced significantly greater success than the other sectors. In the next sub-section, the second independent variable of hypothesis 6, which is the specific business activities of the women entrepreneurs, will also be subjected to ANOVA and the S-N-K post hoc test to lead to an overall conclusion on the testing of hypothesis 6.

6.8.2 Impact of Business Activities on Success

The second independent variable of hypothesis 6, which is the specific business ventures the women entrepreneurs are engaged in, has also been subjected to one-way between-
groups analysis of variance (ANOVA) with post-hoc comparisons procedures to find out
their impact on the dependent variable, the success of the Ghanaian women entrepreneurs.

The large F-ratio and its significant level in the ANOVA results \[ F (10, 230) = 3.354, P<.001 \] indicated that all the business activities the Ghanaian women entrepreneurs undertake contribute uniquely to their success. The above result was also confirmed significant (p<.001), providing support for the hypothesis. The significant value also reveals that there are statistically significant differences somewhere among the mean scores of all the business activities the women undertake which impact positively on success.

A post-hoc test was conducted to find out which of the business activities of these women entrepreneurs made the most contribution to their success. The result in Table 6.13 highlights the construction industry and the establishment of pre-school/schools as the business ventures that contribute significantly more to success than other business activities. Therefore, building construction and setting up of educational institutions including pre-schools, primary, vocational, junior and secondary schools contributed most to the success of the Ghanaian women entrepreneurs.

Therefore, the one-way between-groups analysis of variance with post-hoc comparison statistical techniques employed to test the sixth hypothesis of the study confirmed the hypothesis that the innovative entrepreneurial activities of the Ghanaian women entrepreneurs relate to their success. The set of the industrial sectors the Ghanaian women entrepreneurs operate in, together with their specific business ventures, were found to relate statistically significantly to their success. Educational and construction sectors were found to relate most to success. The result on the detailed description of business ventures also supported this finding by specifying building construction and establishing schools as making the most statistically significant contribution to the success of the Ghanaian women entrepreneurs.
Table 6.13  Post Hoc Test for Business Activities

<table>
<thead>
<tr>
<th>Business Description</th>
<th>N</th>
<th>Subset for alpha = .05</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local soap/detergent, cosmetics, shampoo production</td>
<td>7</td>
<td>3.8265</td>
</tr>
<tr>
<td>Trading</td>
<td>64</td>
<td>3.8304</td>
</tr>
<tr>
<td>Handicraft eg Jewellery, beads, pottery</td>
<td>21</td>
<td>3.9150</td>
</tr>
<tr>
<td>Beautician / interior decoration</td>
<td>11</td>
<td>3.9610 3.9610</td>
</tr>
<tr>
<td>Poultry and livestock, farming</td>
<td>11</td>
<td>3.9935 3.9935</td>
</tr>
<tr>
<td>fashion designers/dressmakers</td>
<td>15</td>
<td>4.0048 4.0048</td>
</tr>
<tr>
<td>Food/drink/oil processing eg cassava, shea butter</td>
<td>39</td>
<td>4.0678 4.0678</td>
</tr>
<tr>
<td>Restaurant/catering/bakery</td>
<td>25</td>
<td>4.1371 4.1371</td>
</tr>
<tr>
<td>Textiles and Fabrics</td>
<td>28</td>
<td>4.1939 4.1939</td>
</tr>
<tr>
<td>Building contractors / sandcrete production</td>
<td>9</td>
<td>4.5397</td>
</tr>
<tr>
<td>Establishing a school</td>
<td>11</td>
<td>4.5584</td>
</tr>
<tr>
<td>Sig.</td>
<td></td>
<td>.655 .060</td>
</tr>
</tbody>
</table>

6.9  Summary of the Hypotheses Testing Results

Overall, the theoretical perspectives on which the six hypotheses of the study were posited were, to a large extent, found to be useful in explaining the success of the Ghanaian women entrepreneurs. In agreement with the psychologists’ perspectives, and also consistent with several researches from developed countries, the Ghanaian women entrepreneurs’ personality traits, especially achievement oriented traits, were found to have a significant relationship with their success. This implies that the psychological theory and its related research findings on entrepreneurial traits being associated with the success of entrepreneurs are applicable to women entrepreneurs in Ghana. The summary of all the hypotheses results in Table 14 also shows that the personality traits of the Ghanaian women entrepreneurs contributed more (46%) to their success. Overall, hypothesis 1 is supported.
The results on the motivations of business ownership by the Ghanaian women entrepreneurs also support the ‘push’ and ‘pull’ factor theory in literature. The Ghanaian women, similar to their counterparts in other countries, especially developing countries, were found to be ‘pushed’ into business ownership by economic necessity and the need for flexible time to combine work with family responsibilities. They were ‘pulled’ into business by the need for independence and business opportunities. All these factors were significantly associated with success. Thus, hypothesis 2 was supported.

However, in relation to resources, it was found that a high level of education, work experiences, prior experiences of business start-up and financial capital, which have been proved to contribute significantly to the success of women entrepreneurs in developed countries, were found to make less contribution to the success of the Ghanaian women entrepreneurs. In contrast, the limited sources of funds available to the Ghanaian women entrepreneurs made a great contribution to their success, as did their entrepreneurial family background and business skills and capabilities. Nevertheless, interestingly, all these variables have a significant association with the success of the Ghanaian women entrepreneurs. The human and financial resources were also found to make the second strongest (40%) contribution to the success of the Ghanaian women entrepreneurs (see Table 6.14). Expectedly, hypothesis 3 was also supported.

The personal network affiliations of Ghanaian women entrepreneurs, which are mostly made up of relatives, friends and religious group members, have a significant relationship with their success and contribute strongly to their success. This finding also differed from the findings from developed countries, which indicated professional association members as women entrepreneurs’ major networks. Although Ghanaian women entrepreneurs have professional groups available to them, they were not found to be significantly related to their success. However, hypothesis 4 was also supported. Also, the impact on success of the reduction in the problems the women entrepreneurs in Ghana face had support. Although there was little reduction in the problems these women encounter, more success was achieved. Hypothesis 5 was thus supported.
The overall hypotheses results, summarized in Table 6.14 show which of the variables have a significant relationship with success, the degree of contribution of each of the variables, and the percentage contribution of each of the models (personality traits, motivations, resources, network affiliations and reductions) to the success of the Ghanaian women entrepreneurs. A new model (comprising all the independent variables) explaining the success of Ghanaian women entrepreneurs is proposed and tested in the next sub-section. Hypothesis 6 is not included in table 14 because a different statistical technique, ANOVA was used in the testing of the hypothesis. However the outcome of the hypothesis testing showed that similar to the findings from research from other countries, and also consistent with Schumpeter’s perspective, the entrepreneurial activities of Ghanaian women entrepreneurs are significantly associated with their success. Hypothesis 6 was supported.

Consequently, a broad context discussion of the overall results of this study is provided in the next section after the testing of the final model. This discussion covers the hypotheses results, and the findings from the survey and interview data presented in the Chapter 5. All these combined results are integrated and discussed in order to build up a holistic picture of Ghanaian women entrepreneurs and develop an understanding of them.
Table 6.14 Summary of Results: Based on Five Separate Regression Models (Regression for Success on Traits, Motivations, Resources, Networks and Reduction in Problems) (** p<.001, * p<.05), N = 241

<table>
<thead>
<tr>
<th>INDEPENDENT VARIABLES</th>
<th>R-Square</th>
<th>Pearson Correlation</th>
<th>Beta Scores</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Personality Traits</strong></td>
<td>46.4%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Achievement Characteristics</td>
<td></td>
<td>.679 **</td>
<td>.640 **</td>
</tr>
<tr>
<td>Responsibility Characteristics</td>
<td></td>
<td>.444 **</td>
<td>.066</td>
</tr>
<tr>
<td><strong>Motivations</strong></td>
<td>24.6%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial Motivations</td>
<td></td>
<td>.417 **</td>
<td>.277 **</td>
</tr>
<tr>
<td>Personal Motivations</td>
<td></td>
<td>.392**</td>
<td>.250**</td>
</tr>
<tr>
<td>Business Motivations</td>
<td></td>
<td>.309 **</td>
<td>.106</td>
</tr>
<tr>
<td><strong>Resources</strong></td>
<td>40%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business Skills and Capabilities</td>
<td></td>
<td>.534 **</td>
<td>.452 **</td>
</tr>
<tr>
<td>Level of Education</td>
<td></td>
<td>.282 **</td>
<td>.105</td>
</tr>
<tr>
<td>Specific Area of Education</td>
<td></td>
<td>.126 *</td>
<td>.046</td>
</tr>
<tr>
<td>Entrepreneurial Background</td>
<td></td>
<td>.217 **</td>
<td>.126 *</td>
</tr>
<tr>
<td>Prior Work Experience</td>
<td></td>
<td>.190 **</td>
<td>.018</td>
</tr>
<tr>
<td>Apprenticeship</td>
<td></td>
<td>.179 **</td>
<td>.091</td>
</tr>
<tr>
<td>Prior Business Start-up Experience</td>
<td></td>
<td>.110</td>
<td>.042</td>
</tr>
<tr>
<td>Financial Resources</td>
<td></td>
<td>-.321 **</td>
<td>-.399 **</td>
</tr>
<tr>
<td><strong>Network Affiliations</strong></td>
<td>20%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reliance on Networks Affiliations</td>
<td></td>
<td>.272 **</td>
<td>.347 **</td>
</tr>
<tr>
<td>Personal Networks</td>
<td></td>
<td>.306 **</td>
<td>.269**</td>
</tr>
<tr>
<td>Professional Networks</td>
<td></td>
<td>-.017</td>
<td>-.306**</td>
</tr>
<tr>
<td><strong>Reduction in Problems Variables</strong></td>
<td>19.3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reduction in Financial Problems</td>
<td></td>
<td>-.181 *</td>
<td>.047</td>
</tr>
<tr>
<td>Reduction in Management Problems</td>
<td></td>
<td>-.437 **</td>
<td>-.460**</td>
</tr>
</tbody>
</table>
**Testing of Final Model**

From the overall hypotheses results summarized in Table 6.14, a model explaining the success of Ghanaian women entrepreneurs is proposed (see Figure 6.2). This model suggests that the relationship between motivation and success and the relationship between reduction in problems and success are mediated by personal characteristics, networking and resources.

**Figure 6.2 Model explaining the Success of Ghanaian Women Entrepreneurs**

This model (which combines of the five independent variables specified above) explains 54.8% of the variation in total success, when fitted using structural equation modelling. Further research is needed to validate this model, but, the results suggest a good fit according to Byrne (2001) with CMIN/DF = 1.53, GFI = 0.94, RMSEA = .047. This model provides a ranking of the relative importance of the predictors of success. As shown in Table 6.15, the achievement trait has the most important impact on success. However, the other personality trait, responsibility, is also very important. Skills and capabilities, resources and financial motivation are the next most important variables, with financial resources having a negative impact on success. Entrepreneurial family background
experience, personal network affiliations and educational qualification also had great impact on the success of the Ghanaian women entrepreneurs.

Table 6.15
Relative Importance of Independent Variables in Terms of Total Success

<table>
<thead>
<tr>
<th>Rank</th>
<th>Contributor</th>
<th>Standardized Effect</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Achievement Trait</td>
<td>0.638</td>
</tr>
<tr>
<td>2</td>
<td>Responsibility Trait</td>
<td>0.355</td>
</tr>
<tr>
<td>3</td>
<td>Skills Resources</td>
<td>0.268</td>
</tr>
<tr>
<td>4</td>
<td>Financial Motivations</td>
<td>0.253</td>
</tr>
<tr>
<td>5</td>
<td>Financial Resources</td>
<td>-0.196</td>
</tr>
<tr>
<td>6</td>
<td>Entrepreneurial Family Background Experience</td>
<td>0.189</td>
</tr>
<tr>
<td>7</td>
<td>Personal Networks</td>
<td>0.154</td>
</tr>
<tr>
<td>8</td>
<td>Educational Qualification</td>
<td>0.133</td>
</tr>
</tbody>
</table>
6.10  Broad Context Discussion of the Overall Results

**Characteristics of the Ghanaian Women Entrepreneurs**

The results of the study from both the quantitative and qualitative data showed that the personality traits of the Ghanaian women entrepreneurs are identical to those mentioned by the psychologists, such as high need for achievement, internal locus of control, autonomy, innovation, self-confidence and high levels of motivation and persistence. The psychological theorists’ identification of entrepreneurial traits as playing a key role in the success of entrepreneurs was supported by the findings from this study.

The testing of hypothesis 1 by multiple regression analysis based on the personality traits of the Ghanaian women entrepreneurs also supported the above findings. These personality traits were found to be highly associated with the success of the Ghanaian women entrepreneurs. Significantly, their high need for achievement trait was found to contribute largely to the explanation of their success. This finding coincides with McClelland who hypothesized ‘high need for achievement’ to be the dominant characteristic of an entrepreneur (McClelland 1987). Overall, hypothesis 1 of the study which is based on the personality traits of the Ghanaian women entrepreneurs was strongly supported.

This result coincides with other similar findings recorded about women entrepreneurs in the USA, Australia, Canada, the UK, Poland and Israel (Lerner et al. 1997). Women entrepreneurs from these countries were also found to possess the personality traits identified by psychologists and these traits were also found to play a significant role in their success. Thus, it was found that these Ghanaian women entrepreneurs have identical entrepreneurial traits to their counterparts from other countries.

However, the findings in regards to their demographic features show that the economically active age of these Ghanaian women entrepreneurs falls between 31 and 51 years. This implies that Ghanaian women entrepreneurs are rarely more than 60 years old. This result
on their age limit is far different from the age limit of women entrepreneurs from the western and Asian countries, which is normally above 65 years (Kitching and Mishra 2003) but may be similar to the age limit of women entrepreneurs from Africa. This result coincides with the United Nations Development Program (UNDP)’s (2006) human development report for 2005, which reveals that the life expectancy of women in Ghana is 57.

Nevertheless, another interesting finding from this study shows that, similar to women entrepreneurs from both developed and developing countries, the majority of the Ghanaian women entrepreneurs are married with children and have diverse ethnic backgrounds. However, it was found that the educational background of these Ghanaian women entrepreneurs is broader than in earlier studies into women’s entrepreneurship where women entrepreneurs from developed countries were reported as likely to have a university degree, with a liberal arts specialty (Coughlin 2002; Fielden and Davidson 2005; Hisrich 1983). The result from the study revealed that the majority of these Ghanaian women entrepreneurs in SMEs only have basic general educational qualifications up to high school level, but their level of education was very relevant to their business ventures.

Therefore, while these Ghanaian women entrepreneurs exhibit common features in relation to entrepreneurial traits and family life with their counterparts from developed countries, they differ in educational background and age group.

*Motivations for Business Ownership*

Ghanaian women entrepreneurs were found to be motivated by a combination of financial, personal, business and social factors to create their own business ventures. It was inferred from both the quantitative and qualitative data that financial reasons were the major motivational factor for these women to create their own business ventures. The testing of hypothesis 2 of the study also supported these findings, indicating the association of these motivational factors with the success of the Ghanaian women entrepreneurs.
These financial motivations, comprising economy necessity, financial independence, to make more money than otherwise likely and to become wealthy, correlated highly with the success of the Ghanaian women entrepreneurs. Financial motivations had the highest beta coefficient value as contributing most to the explanation of the success of the women entrepreneurs. Thus, financial reasons were proved to be their strongest motivational factors. Information from the interviews revealed that the decreasing opportunities for Ghanaian men to earn enough to provide sufficiently for the family, coupled with the high cost of living and education amongst other reasons had pushed most of these women to create their own business to generate income for themselves and their families and to lessen dependence on the customary forms of male support.

Personal motivational factors, which consist of desire to control one’s destiny, to be the boss and to achieve status and prestige, were also strongly associated with success, with significant correlation values. The beta coefficient also supported personal motivations as significant to success. Similarly, the correlations and the beta coefficient values of business motivational factors: to introduce a unique product/service, to express one’s skills and be recognized for it, were also significant enough to confirm their association with success. These findings coincide with a similar study conducted on Israeli women entrepreneurs (Lerner et al. 1997).

It was found that the Ghanaian women entrepreneurs’ social motivation for business ownership involves the ability to combine fulfilling their social and cultural female roles and productive work. Most of these women left their former employment to set up their own businesses because the working conditions did not provide them with the flexibility of work schedules and regulations required for their family responsibilities. Entrepreneurship offered them the opportunity to combine these two roles of productive work and domestic responsibilities. According to these women entrepreneurs, the ability to combine these two roles gives them overall satisfaction in life, since their primary concerns are both economic and social security and the well-being of their families.
This study found that the various reasons given by the women entrepreneurs in Ghana for engaging in entrepreneurial ventures bear similarities with the ‘push’ and ‘pull’ factors in literature used to explain women’s business ownership, especially in developing countries (Buame 2000; Buttner and Moore 1997; Still and Timms 2000; Walker 2000). The Ghanaian women entrepreneurs’ motivational factors identified with the ‘push’ factor theory, were unacceptable working conditions, economy necessity, lack of childcare facilities and rigid working hours. The ‘pull’ factors also identified with the Ghanaian women entrepreneurs were a need for flexible hours to suit family life, an interest in a particular area of activity, ambition, market opportunity, greater income and financial independence, a desire for autonomy and personal growth and increased job satisfaction.

Thus, the findings supported the ‘push’ and ‘pull’ factor theory perspectives and hypothesis 2 was strongly supported. These Ghanaian women entrepreneurs were strongly motivated or ‘pushed’ and ‘pulled’ to succeed in venture creation because of economic necessity, the need to become financially independent, to control their own destiny, to have autonomy, to have flexible hours to suit family life, and because of entrepreneurial drives.

**Resources Available to the Ghanaian Women Entrepreneurs**

Findings from this study show that the human resources of Ghanaian women entrepreneurs in SMEs primarily consist of the various skills and knowledge derived from their average levels of education, their entrepreneurial family background/childhood experiences, and apprenticeship. Also, previous work experiences, experiences of starting other businesses, and specialized areas of training or education contributed to their human resources. Their main financial resources were their sources of funds, particularly their personal savings and financial sponsorship from their family members. The results from the testing of hypothesis 3 by multiple regression analysis reinforced these findings. These human and financial resources available to the Ghanaian women entrepreneurs were found to be associated with their success.

As was expected, the Ghanaian women entrepreneurs’ business skills and capabilities are strongly related to their success. The business skills available to the women in the areas of
production, sales, marketing, managerial and financial skills, and also their strengths and capabilities in customer relations, ideas generation, organizational skills and product innovation, made the strongest contribution to the explanation of their success.

This result is not surprising, even though Ghanaian women entrepreneurs do not have high educational qualifications. Interviews showed that they have acquired a lot of entrepreneurial skills and knowledge from their self-employed family members, whom they have observed all their lives. For instance, most of the women acquired trading, handicrafts and agro-processing skills from their family members. They also acquired some of these skills through apprenticeship. The interviews further indicated that most of the Ghanaian women entrepreneurs involved in hairdressing, dressmaking, textiles and fabrics and handicrafts businesses had acquired their skills and knowledge through apprenticeship. To them, their entrepreneurial family background and environment was a crucial determinant of their success.

The level of education of the women entrepreneurs in Ghana as a component of their human resources also has a significant relationship with their success. This result confirmed the findings from the interviews, as the women stated that their educational background, irrespective of level, had informed them on basic financial transactions, marketing principles, bookkeeping, and at least made them literate. On the other hand, specialized training had a weak but significant correlation with the success of the Ghanaian women entrepreneurs. This is not surprising, since only a few (8%) of the respondents had an area of specialization. The interviews also revealed that most of the women either dropped out before reaching the educational level of specialization or preferred to learn trades and acquire skills through apprenticeship.

Also, the previous work experience of Ghanaian women entrepreneurs was found to have a weak but significant association with their success. Because of the high educational qualifications required for formal employment coupled with its rigid regulations, which are not conducive to the primary roles of women in Ghana, some women do not seek formal employment at all but rather prefer to go into self-employment. However, interviews
revealed that women entrepreneurs who had previous work experiences appreciated the usefulness of the knowledge, experiences and skills they had acquired at their former workplaces. It is therefore not surprising that there was a significant correlation between the influence of prior experience and success. On the other hand, previous entrepreneurial experience produced different results. Previous start-up experience was not significantly related to success. This was expected, since a minority (35%) of the respondents had experience in setting up their own business ventures; for most of them this was their first entrepreneurial experience.

Financial resources, including the relationship of sources of funds with success were supported with a significant negative correlation. This finding implies that Ghanaian women entrepreneurs in SMEs with few financial resources for their business ventures are still successful. This finding agrees with the Ghanaian women entrepreneurs’ life situation, that in spite of the limited sources of finance available to them and their small amount of capital, they are still successful.

Importantly, it was found that previous work experience, more financial resources, and prior entrepreneurial experience, which contributed greatly to the success of women entrepreneurs from developed countries (Lerner et al. 1997; Ronstadt 1988), was less important to the success of the Ghanaian women entrepreneurs. However, since all the human and financial resources indicated a significant association with success, these results to a large extent accord with several findings from earlier research into resourced-based theory and entrepreneurship.

Thus, the findings of this study, including the results of the testing of hypothesis 3, supported the resourced-based view, which argues that the resources available to a business venture, including the previous entrepreneurial experiences, skills and strengths of the entrepreneur, business management skills and educational background, and the cash capital available, are vital in explaining business performance and lead to the success of the venture.
Significantly, these findings support Bandura’s (1977) social learning theory, which offers a complementary perspective to the resource-based view that entrepreneurs who are less educated, and have no formal work and managerial experience, can acquire all the necessary skills and knowledge through the socialization process with a family member who is a successful entrepreneur (Kim et al. 2003).

Results from the study of the human and financial resources available to the Ghanaian women entrepreneurs revealed that although the majority of the women entrepreneurs had limited access to finance, had no higher educational background and little working experience, they possessed diverse business skills which significantly influenced their business success.

**Network Affiliations**

The results of this study showed that network affiliations such as kinship ties, friends and church members, business associations, mentors and experts were the common forms of networks utilized by the Ghanaian women entrepreneurs. These networks played a significant role in the creation and operation of their business ventures. The outcome of the testing of hypothesis 4 corroborated these findings and also showed the network affiliations that were most related to the success of Ghanaian women entrepreneurs.

Personal networks comprising kinship ties, religious group members, and friends correlated strongly with the success of these Ghanaian women entrepreneurs. This result is not surprising since the interview data revealed that the women entrepreneurs’ spouses, parents, children and extended family members played significant roles in the creation and development of their business ventures. They provided support by means of resources mobilization and acquisition, helping with the running of the business, and were also sources of moral support. Another important source of personal networks was religious group members. The women entrepreneurs drew greatly on these people, who were also friends and clients. The women indicated in the interviews that they received a lot of financial assistance, encouragement, prayers for wisdom and success and moral support from their fellow church members.
Reliance networks, which are the reason for network affiliation, correlated highly with the women’s success. The reliance networks also made the strongest single contribution to the explanation of success, as shown by their largest significant beta coefficient in the multiple regression analysis. The women entrepreneurs specified that they relied highly on network affiliations for inspiration, encouragement, advice, knowledge, labour and finance, especially at start-up. In addition, specialist advisers were drawn on for general information in their business areas, for encouragement and motivation, for expert opinions, and as a platform for discussion of ideas and opinions and to critique their opinions.

Contrary to other studies, particularly from developed countries, the Ghanaian women entrepreneurs’ membership of professional/business associations, contact with specialist advisers such as accountants, marketing consultants, mentors and general business advisers, had a weak negative correlation with their success. This finding was not surprising since only half of the Ghanaian women entrepreneurs were members of professional/business associations and rarely contacted professional advisers for specialist advice and expert opinions. But, interestingly, in spite of the low patronage of this professional network, it played a role in their success. It was also found that most of these women entrepreneurs had informal mentors but did not regard them as such since they were relatives or experts with whom they had done their apprenticeship training.

Hence, hypothesis 4 was supported. The findings support the significant relation between networking and the success of the Ghanaian women entrepreneurs. They also support previous research from the USA, Australia, Canada, Israel and other countries showing the important relationship between networking and the success of women entrepreneurs.

However, while literature revealed that women entrepreneurs from developed countries such as Australia, Canada, the US and the UK utilized more professional/business networks in their entrepreneurial process (Coughlin 2002; Saxon 2003), this study found that the women entrepreneurs in Ghana depended mainly on their kinship and religious affiliation networks in the successful operation of their business ventures. They had business
associations available to them, though, and the few women who patronized their activities derived a lot of benefit from them.

**Reduction in the Problems Encountered by the Ghanaian Women Entrepreneurs**

The overall result of the study derived from both the quantitative and qualitative data was that the problems Ghanaian women entrepreneurs encountered at start-up and in the development phases of their business ventures can be classified into four main categories. The first and major problem was lack of finance, followed by the role conflict between business and family responsibilities, also known as socio-cultural issues, then the lack of business management and planning experience, and finally the unavailability of modern production equipments/technologies. These problems were major obstacles and affected the productivity of the Ghanaian women entrepreneurs’ business ventures. However, the testing of hypothesis 5 showed that a reduction in the magnitude of these problems was related significantly to their success. This finding is discussed below.

Access to credit or finance was the biggest (94%) problem encountered by Ghanaian women entrepreneurs at the start-up phase of their business ventures. Their personal savings were their major source of finance. Bank financing at start-up was low. This is because the women were unable to meet the collateral requirements demanded by the banks and the high interest rates. Also, other private financial lending institutions give out limited funds which are not adequate for starting up a business.

The results further revealed that currently or during the development phase of their businesses this lack of finance still posed a serious problem, but the problem reduced from 94% to 62% over time. An explanation given for the reduction in this problem is that some of the women owned properties such as land, buildings (their own business premises and houses) and other investments that banks required as collateral. Other respondents also revealed that their membership of business co-operatives and associations had enabled them to access funds solely reserved for members. The findings indicated that some of these women had joined traditional savings and credit groups popularly known as the ‘Susu’ system. These Susu groups, which operate rotating savings systems, enable
members to benefit from credit facilities. Thus, according to the women, the progress made in sourcing credit had boosted their productivity and contributed to the success of their business ventures.

The results also show that the Ghanaian women entrepreneurs faced business management problems, including their lack of management experience, keeping up customer contact, lack of business and strategic planning, and hiring of competent staff at the start-up phase. The study further revealed that although most of the management-related problems were due to their low levels of education, and lack of relevant work experience and prior experience in starting up business, the Ghanaian women entrepreneurs learnt very fast on the job and the problems had lessened in the development phase. This reduction in their management-related problems had resulted in the smooth running of their businesses, since proper planning strategies and record keeping practices had been implemented. All these measures had greatly contributed to their success. The testing of Hypothesis 5 also affirmed that the reduction in the problems the Ghanaian women entrepreneurs encountered was related to their success.

It was also found that Ghanaian women entrepreneurs in SMEs, especially in the service, agro-processing and manufacturing/production industries, lacked modern equipment and technologies to facilitate and boost their production. All the women interviewed in these industries expressed concern about the difficulties they encountered production. Their processing operations were mainly manual, demanding a considerable amount of physical exertion and time, and also limiting their production capacity. The interviews also revealed that these women entrepreneurs lacked access to modern equipment that would assist them to package their products well to compete in national and international markets. Poor and unattractive packaging of the products of these women entrepreneurs limited their products to the local and regional (state) markets.

Another issue which this study found to be very problematic to the Ghanaian women entrepreneurs was combining their roles as woman, wife and mother (in most cases) and as an entrepreneur. The qualitative data from the interviews were rich in detail, providing a
clearer insight into what takes place within the life of a Ghanaian woman entrepreneur as she balances domestic and work responsibilities. These women entrepreneurs are responsible for all domestic chores and rarely receive any assistance from their spouses. They therefore work on average considerably longer hours than men because of the domestic duties that they are expected to perform in addition to the operation of their business ventures.

The data show that the domestic chores that the women perform exclusively in addition to their busy business days affect their business ventures in several ways. According to the women, although some of their reasons for being in business were to enjoy flexible careers to allow for their family responsibilities, they normally felt physically exhausted at the end of the day. Most of them said that combining both roles made them feel very tired, irritable, pressurized and very stressed. Some added that both roles affected their health; they experienced backaches, dizziness and headaches. Such living conditions affected adversely the productivity of their business ventures.

It was found that even though some of the women tried to solve this problem by seeking domestic help, the cultural and societal norms do not permit a married woman in Ghana, no matter her professional background, to leave cooking for her husband, washing his clothes and other duties in the hands of anyone. The women entrepreneurs were still grappling with these socio-cultural problems. Overall, hypothesis 5 was supported. It also confirmed the perspectives of many studies that the reduction or elimination of the problems women entrepreneurs face in the creation and running of their business is related to their success.

This result about the problems Ghanaian women entrepreneurs face and how a reduction in the problems is related to their success coincides with other findings in several women’s entrepreneurship studies. Similar to this study’s findings, past research by international organizations and individual researchers also identified lack of access to finance, lack of managerial and financial planning skills, and combining of domestic responsibilities with business management as major problems for women entrepreneurs in both developed and developing countries (Coughlin 2002; OECD 2004; Orser and Hogarth-Scott 1995, UNIDO
2001). These researchers also found that the reduction in these problems boosted the success of women entrepreneurs’ businesses at the start-up and growth stages of their business ventures, contributing greatly to their success. The findings of this study therefore confirmed that the reduction in their problems led to greater success for women entrepreneurs.

**Types of Business Activities Undertaken by Ghanaian Women Entrepreneurs**

The findings from this study show that the Ghanaian women entrepreneurs’ business ventures are located within seven major business sectors in Ghana. Their activities are found in diverse ‘traditional’ and ‘non-traditional’ women’s business sectors: trading, services, agro-processing, manufacturing, textiles and fabrics, agriculture, education and construction.

Altogether, these women have created over 70 different businesses which comprise producing and selling various products and services. These range from wholesale and retail trading in a wide range of products to manufacturing detergents and hair products. They are also engaged in textile and fabric making, jewellery and bead making, tailoring and processing of different types of cash and food crops. Other business activities ranged from construction of apartments and buildings to setting up of schools; and from restaurant catering services, hairdressing salons, to bridal and decoration of venues for ceremonies.

It was found that the majority of these Ghanaian women entrepreneurs created most of these businesses anew, while a few had taken over the businesses established by their parents; yet others bought existing businesses. Significantly, women entrepreneurs who started businesses, and even those who did not create new businesses, have done much to change and shape the businesses through their own innovation. These Ghanaian women entrepreneurs have changed the nature of goods or services for sale, changed or broadened the customer or client base, added more sales outlets, and in some cases introduced their own unique ways of business management. Thus, effectively, the businesses in which they are now engaged have been recreated and innovated, and value has been added.
Of great importance is that most of the respondents to the questionnaire survey rated their business activities as very profitable. Also, most of the women interviewed also revealed that the types of business ventures they have established have played a great role in their success. Beside the personal and financial satisfaction that these women have derived from their business ventures, they have also contributed significantly to the development of Ghana in the way of creating new jobs and employment, paying tax, and sponsoring needy girls in their communities.

Given that developing economies such as Ghana depend to a very large extent on agricultural produce, these women entrepreneurs’ development of production ventures linked to agriculture automatically expands the labour-absorptive capacity of the Ghanaian economy. Their business ventures in the agro-processing sector have therefore been lauded as a lucrative investment potential, where the options are several and potential for value addition is high (NBSSI 2005).

It was therefore not surprising when it was confirmed in the hypothesis 6 testing using ANOVA that the types of entrepreneurial ventures the Ghanaian women entrepreneurs engaged in had a significant influence on their success. The hypothesis testing results show that all the seven industrial sectors the Ghanaian women entrepreneurs operate in had a significant impact on their success. The findings further indicated that the business ventures in the construction and educational sectors produced significantly the greatest success for the Ghanaian women entrepreneurs over other sectors.

Interestingly, the construction and educational sectors, which were non-traditional female sectors, were niche markets identified by Ghanaian women entrepreneurs. The Ghanaian women entrepreneurs have succeeded in introducing much innovation and creativity into these sectors to meet local demands. It is therefore not surprising that these two sectors contributed most to the success of the Ghanaian women entrepreneurs.

As a case, children start school at age four in the Ghanaian educational system, and no provision is made for children from age 0 to 4. Women, especially working mothers and
mothers who are students, find it extremely difficult to combine looking after their young children with working or studying. Women entrepreneurs particularly identified this problem and solved it by setting up pre-schools for children aged 0 to 4. Also, progression in Ghana’s educational system is strictly by qualification. There is always a group of students, especially girls, who have not been able to continue their education after their basic education. Women entrepreneurs in Ghana have set up vocational schools which admit girls not necessarily on their academic qualifications and equip them with employable skills.

Overall, hypothesis 6 was also supported. The findings of this study show that the business ventures of Ghanaian women are found in seven broad business sectors and comprise a variety of entrepreneurial activities. These business ventures involve the creation of totally new businesses, or the taking over of existing businesses and developing and expanding them by employing their innovative skills. The creation of these business ventures is related to the Ghanaian women entrepreneurs’ success, which includes their self-fulfillment and financial independence and their significant contributions to the enlargement of Ghana’s economic base and the creation of new jobs.

6.10 Summary

This chapter has presented a systematic investigation into women’s entrepreneurship in Ghana by examining the extent to which the existing entrepreneurial theories are applicable in a developing country context. The results from the testing of the six hypotheses of the study show that some of the theories apply to the Ghanaian context, while less support was found for some of them. For example, the psychologists’ argument that personality traits are related to successful entrepreneurship was confirmed with the Ghanaian women entrepreneurs. Likewise, theoretical perspectives on network affiliations, motivations, innovative entrepreneurship and reduction in business problems were confirmed in the Ghanaian context. Interestingly, the social learning perspective, which proposed that family background entrepreneurial experiences are related to successful entrepreneurship, found strong support in the Ghanaian context, in contrast to the situation in developed countries.
The resource-based view’s stress on educational qualifications and prior entrepreneurial start-up experience as important components of human capital found less support with the Ghanaian women entrepreneurs; as did the view that abundant financial resources are linked to success. In the Ghanaian situation, fewer financial resources were related to success.

This study has provided an overall understanding of the dynamism and performance of women entrepreneurs in Ghana. The next chapter presents the concluding profile of Ghanaian women entrepreneurs and highlights the contributions of this study to the theory of entrepreneurship. The thesis concludes with the summary of the major findings and recommendations for policy makers, all stakeholders and further research.
CHAPTER SEVEN

CONCLUSION

7.1 Introduction

This study investigated a comprehensive set of variables providing an understanding of and developing a framework of women’s entrepreneurship in Ghana. The study’s findings from both the quantitative and qualitative data present a dynamic picture of Ghanaian women entrepreneurs in SMEs in their real-life context. In this concluding chapter, the findings will be presented in a structured manner according to the sequence of the seven research questions based on the seven dimensions regarding these women entrepreneurs: Who are they? Why did they go into business? What entrepreneurial activities do they engage in? What resources do they have? What are their network affiliations? Which problems do they face? What are their successes? Additionally, policy implications and areas that will need further research will be highlighted. However, the research objective and the strategy employed in the study need to be revisited; they are summarized below.

7.2 Revisiting the Aim of the Study

This thesis’ major objective is to define and provide an understanding of Ghanaian women entrepreneurs in SMEs. This research aims to contribute to knowledge about women’s entrepreneurship in a developing country context, in particular, Ghana. There has been very little research in women’s entrepreneurship in developing countries, particularly Ghana, and this study attempts to fill this gap in the literature. The study tried to address this by investigating and exploring these women entrepreneurs’ personal and business profiles, as well as their success and specific contributions to the development of Ghana, while providing an understanding of their particular needs and pertinent issues concerning the promotion and development of their activities.
In view of this, seven dimensions of the women entrepreneurs in Ghana were investigated: their characteristics, their motivations for business ownership, their business profile, resources available to them, their network affiliations, the business problems encountered and ultimately, the successes achieved. These seven dimensions of the women entrepreneurs in Ghana were examined in the light of existing entrepreneurship theories. This was to help develop a better understanding of women entrepreneurs in Ghana and to determine the extent to which entrepreneurial theories apply in this real-life context.

A multidisciplinary approach was adopted in investigating the specified seven dimensions, which resulted in richer data and multiple perspectives of Ghanaian women’s entrepreneurship and entrepreneurial activities. Also, a multi-method research strategy, which involved the combination of quantitative and qualitative methods, was used to collect data for the study. This approach also allowed the six hypotheses of the study to be tested to examine the extent to which the existing entrepreneurship theories applied to developing countries.

Furthermore, the interview data were interrogated at the intersection of the gender, entrepreneurship and developing economy context debates. This approach permitted an investigation into the embeddedness of Ghanaian women’s entrepreneurship in the political, cultural, social and economic structures of Ghana that determined and shaped the entrepreneurial endeavours of these women entrepreneurs. All in all, these approaches help to gain insight into Ghanaian women’s entrepreneurship. This study’s major findings, which lead to knowledge and understanding of women entrepreneurs in SMEs in Ghana, are summarized in the next section.
7.3 Concluding Profiles of Ghanaian Women Entrepreneurs in SMEs

7.3.1 Who Are They?

The findings from the study allow us to develop a personal profile (demographic, personality traits, educational background and work experiences) of the women entrepreneurs in Ghana to add to our overall understanding of them. It was found that the socio-demographic profiles of the Ghanaian women entrepreneurs are diverse, but each of them is both unique and similar to the others in many ways: the women entrepreneurs in Ghana have diverse ethnic identities but the majority fall mainly into the economically active age group of 31 to 50.

Also, one of the key features of who they are is the fact that these Ghanaian women entrepreneurs are embedded in the family and social relations to a greater extent than women’s entrepreneurship literature has recognized to date. The great role family and kinship plays in the Ghanaian society and the primary expectations of women to be responsible for the well-being of a family are reflected in who the Ghanaian women entrepreneurs are. The majority of these women are married, others have been married before and are now widowed or divorced, while a small number are single and have never been married. Most of them have children and dependants such as aged parents, husbands, siblings and extended family members, who reflect the burden of family and home care responsibilities of the Ghanaian women entrepreneurs; these responsibilities compete for the time that these women have for business. This is also the case with the single women entrepreneurs who are responsible for aged parents, siblings or a member of the extended family.

Additionally, these Ghanaian women entrepreneurs in SMEs were found to have two distinct educational backgrounds: the first, which forms over half of the respondents, are those with a basic primary, middle school or junior secondary schooling; while the second category are women with a secondary/high school/college or polytechnic qualification or
university degree. However, significant evidence from the findings suggests that the formal education that these women have obtained, irrespective of the level and areas of specialization, has been a very useful factor in the successful setting up and operation of their ventures. Benefits derived from formal education and mentioned by the women included literacy, ability to identify an opportunity and market trends, bookkeeping and ability to prepare basic financial statements, make financial projections and calculate profits.

The findings further revealed that over half of these women entrepreneurs have self-employed parents or relatives who have encouraged the development of entrepreneurial attitudes in them through socialization. The self-employed parents and relatives with whom these women entrepreneurs had contact were credited with instilling entrepreneurial culture in them, providing them with work experiences at a young age and exposing them to the entrepreneurial lifestyle and the social networks tied to their businesses. Also, some of these women entrepreneurs, who could not continue their formal education, acquired trade skills mainly through apprenticeship from skilled relatives and role models. The women entrepreneurs in Ghana have a diverse work experience background in a range of industries and sectors, including that of their business ventures, and mostly in small business rather than very large organizations and formal employment.

In relation to the personality traits of these Ghanaian women entrepreneurs, the research findings show that they possess entrepreneurial qualities. The majority of them perceived themselves as being entrepreneurial and rated themselves very highly on key personal characteristics: high need for achievement, self-confidence, internal locus of control, desire for independence and responsibility, openness to innovation and being highly optimistic about the success of their entrepreneurial ventures. Significant evidence suggested a high correlation between the personality traits of these Ghanaian women entrepreneurs and their success.

It was found that the Ghanaian women entrepreneurs’ personality traits and marital status are similar to those of other women entrepreneurs from both developed and developing
countries reported in literature, but they differ in demographic features such as age limit and educational background.

Interpretations of these findings as to ‘who they are’ show that although these Ghanaian women entrepreneurs have diverse ethnic backgrounds and life experiences, they have in common an educational qualification, family and social relations, and a combination of personality traits that blend to form an attitude and skills set appropriate to entrepreneurship in this unique context. All the unique personal profiles of the Ghanaian women entrepreneurs identified by this study contribute to our knowledge of who they are.

7.3.2 Why Did They Go into Business?

The reasons given by the women entrepreneurs in Ghana for engaging in entrepreneurial ventures were varied and interrelated, which confirms the findings in women’s entrepreneurship literature. However, the study found significant differences in the trigger factors that set the Ghanaian women entrepreneurs on the path of entrepreneurship.

The key reason why these Ghanaian women entrepreneurs went into business is embedded in financial motivations of economic necessity, making more money than otherwise likely and being financially independent. The study found that the majority of these women entrepreneurs in Ghana were pushed into business as a result of economic necessity to supplement family income by providing resources to sustain themselves and their families, especially their children’s education. The women pointed out during the interviews that decreasing opportunities for men to earn enough to support the family, coupled with the high cost of living and education in Ghana, amongst other reasons, have made many women in Ghana less able to depend on the customary forms of male support. Also, evidence from the study suggests that even where these women’s partners or spouses earned enough to take care of the family, some women pursued self-employment to gain financial independence from their spouses or parents in order to have their own money to spend.
Another unanimous explanation of these Ghanaian women entrepreneurs’ financial motivations for venture creation was their perception of self-employment as being more financially lucrative than paid employment. Financial reasons were also extremely important to women who were affected by redeployment and redundancy programmes in their former workplaces, and had to choose the path of entrepreneurship in order to generate income to cater for themselves and their families.

Besides financial reasons, personal fulfillment and self-worth were also seen as very important in their decision to start a business. The overriding factors that emerged were combination of the need to be independent, to achieve, for job satisfaction, to control one’s destiny, to be the boss, to achieve status and prestige. Additionally, the study identifies that apart from financial and personal reasons, the women entrepreneurs in Ghana created their own ventures in order to satisfy their entrepreneurial spirit, which is to do the kind of work they prefer, to be able to express their innovative skills, to be recognized for these skills, and to provide a unique product or services.

The findings also agree with the women entrepreneurs’ motivational factors often cited in women’s entrepreneurship literature: dissatisfaction over employment and time flexibility. No evidence suggests that women entrepreneurs in Ghana face any discrimination in the labour market, but, rigid organizational regulations (which do not have any flexible allowance for catering for family responsibilities by women) and advanced educational qualifications (which is a major criterion for promotion and career progression in Ghana) were factors for some women in leaving paid mainstream employment and pursuing business ownership.

Family responsibilities, which include care of children and domestic duties, are the primary responsibilities of women in Ghanaian society. However, there are no arrangements in place in formal organizations for the flexible hours and schedules needed to combine productive work with family responsibilities. These women wanted to engage in productive work while performing their family responsibilities well, and entrepreneurship gave them the opportunity to do this. Engagement in their own businesses allowed them the freedom
and flexibility to meet their family responsibilities and work on their businesses without any rigid regulations or time restrictions.

This study found that while dissatisfaction over employment is a major motivational factor for business ownership in developed countries (Brush et al. 2006; Moore and Buttner 1997), Ghanaian women entrepreneurs’ key motivation for going into business was financial. These differences partly reflect the fact that economic development and social structure vary widely in different economies, and for Ghana, as a low income country, it is not surprising that the women’s priority is to generate an income. However, on the other hand, the Ghanaian women entrepreneurs and their counterparts in developed countries have similarly chosen the path of entrepreneurship for flexible hours to suit family life.

Significantly, all the above reasons given by these Ghanaian women entrepreneurs as to why they have chosen the path to entrepreneurship correlated well with their success. Therefore, these findings show that it is no single factor, but rather a combination of financial, personal, business and social factors that motivate Ghanaian women entrepreneurs to create their business ventures. And, these motivations are embedded in the social structure of family relations creating a need to balance business, self and the rest of the family and home responsibilities while generating an income to ensure the well-being of the family.

7.3.3 What Sorts of Business Ventures Have They Created?

The business ventures of women entrepreneurs in Ghana are located in various industries and business sectors. They engage in diverse traditional and non-traditional women’s businesses. Some of the traditionally female business ventures that the majority of the women entrepreneurs in Ghana have created are similar to the activities of women entrepreneurs in the literature. These ventures ranged from wholesale and retail trading in a wide range of products to services-based ventures, such as catering services, hairdressing, dressmaking and interior decoration.
Findings from the study also confirmed that most women in Ghana who process agricultural produce as a traditional role have, with time, turned these activities into viable business ventures. A significant number of their business ventures are found in the agro-processing industry, which involves food, oil, drink and cash crop processing. These agro-processing activities include the extraction of edible oil from the palm fruit kernel, coconut, groundnut and shea nut; the dehydration of root crops and vegetables such as cassava, pepper and okro (okra); the processing of cassava into *gari*, a corn grain pre-cooked preparation made from grated cassava; cocoa bean processed into cocoa powder drink and butter; and the preservation of fish by smoking, drying or salting. All these products are found in both local and international markets.

The study identified ‘non traditional’ business ventures for women in the manufacturing sector, ranging from handicrafts, including jewellery making, assorted bead making and pottery making; to the production of soap, detergent, cosmetics and hair care products. Some of the business ventures were found in the construction sector. Additionally, some of the women’s business ventures were found in the textile and fabric industry, include the weaving of a Ghanaian traditional cloth, batik, and tie and dye making. The women in these ventures are innovative and have the abilities and skills to blend different colours to produce beautiful fabric.

Significant evidence from the findings is that women entrepreneurs have identified niche markets in the areas of pre-schools (childcare), and vocational schools which cater for school drop-outs. Women, especially working mothers and mothers who are students find it extremely difficult to combine looking after their young children with work or study. This study found that women entrepreneurs have identified this problem and solved it by setting up pre-schools to care for children from age 0 to 4. Also, progression in the Ghanaian educational system is strictly by qualification. There is always a group of students, especially girls, who have not been able to continue their education beyond basic level. Women entrepreneurs in Ghana have set up vocational schools which admit girls regardless of academic qualifications in order to equip them with employment skills: secretarial;
catering; fashion and dressmaking; hairdressing; floral and interior decorations; batik and tie and dye making.

It was found that the ideas for these businesses came mostly from their own professions, from former industries where they had worked previously, or from existing businesses that they had improved upon. Others obtained their business ideas from market niches they had identified, or by brainstorming and from hobbies. The findings have confirmed that the choice of business venture has a significant influence on success.

Findings from the study further reveal that the business ventures of the women entrepreneurs were mainly located in their homes at the commencement of the businesses, but over time most were relocated to big and small business premises away from home; notable among these locations were factories, school premises and beauty clinics. Most of these businesses served domestic markets but a few extended to international markets. The majority of these businesses were individually owned while a few were joint ventures. The duration of business ownership ranged from one to 30 years, with most ranging from seven to 16 years.

In spite of the fact that the findings from the study revealed that these Ghanaian women entrepreneurs’ business ventures started very small, and most had no employees, most of the businesses grew quickly. These women had a lot of confidence in their businesses and believed that their ventures were moving fast in adapting to changing market conditions. They also had future plans for their entrepreneurial activities, mostly to grow or expand their existing businesses.
7.3.4 What Resources Do They Have?

This study identified the critical resources that Ghanaian women entrepreneurs have that enable them to set up their business ventures and operate them successfully. The findings confirm that these women possess relevant business knowledge, skills and capabilities which were useful to them when they were establishing their businesses. The women entrepreneurs rated themselves very highly on key business skills such as production, sales and marketing. They rated themselves as having average knowledge and skills in managerial/administration and financial matters. Other entrepreneurial strengths and capabilities on which the women’s ratings were particularly strong were customer relations or dealing with people, ability to spot market trends, ideas generation, and organizational skills and product innovation. Exploring the sources of this bundle of human capital, the majority of the respondents rated their educational qualification, irrespective of the discipline, as their most important source of knowledge and abilities.

Another important human capital that these women entrepreneurs have is their entrepreneurial background and childhood experiences. The study found that the majority of the women entrepreneurs had a mother, father or relative they had stayed with who were entrepreneurs. They admitted that they acquired a lot of entrepreneurial skills, knowledge and abilities from them. Most of them also learnt their present trade or business ventures from them. For instance, the majority of the women entrepreneurs involved with bead-making acquired their skills and knowledge from their grandmothers or mothers; and most of the women in wholesale and retail businesses, where Ghanaian women entrepreneurs are predominant, acquired their skills from either their self-employed fathers or mothers. The women obviously believe that their childhood and general background were critical in shaping their overall business capacity and skills, resulting in their success.

Also, of great importance to the women were rich experiences acquired from their previous employment, and skills and knowledge from apprenticeship. As the interview data show, some of the women possess generalist and functional knowledge in administration, finance,
marketing and management, which are equally important ingredients for success, from their prior work experience at middle management levels. They were able to apply this knowledge in the successful operation of their own businesses. Also, the women entrepreneurs who acquired their skills and knowledge through apprenticeship gained a lot of experiences by working for at least a year, where they learnt their trades from or with other employers, before starting their own ventures.

Interestingly, the study found that most of the women entrepreneurs did not have any previous entrepreneurial experience. Their current business ventures were their first entrepreneurial experience. However, this lack of skills and knowledge derived from prior experiences was not a deterrent, nor of concern to them when they ventured into business. Entrepreneurial skills and strengths were derived from learning on the job. The findings thus confirm that Ghanaian women entrepreneurs learn to acquire more entrepreneurial skills, knowledge and experience on the job. This method of knowledge and skills acquisition is often informal, unlike the findings of much entrepreneurship literature that stresses the importance of formal educational qualifications and background. More important for these women is experiential learning. Their confidence in progressive or on-the-job learning enables them to keep on improving their skills and knowledge in managing their enterprises.

In terms of the financial resources of these Ghanaian women entrepreneurs, it was found that personal savings were their most important source of cash capital. These personal savings were obtained through personal sacrifice and hard work. In most cases, because they were not able to save much, they had too little capital to start with, and any profits were ploughed back into the business for reinvestment. Some of the women entrepreneurs felt a personal achievement in starting a business without going into debt. If they did go into debt, it was more likely to be informal debt such as borrowings from parents and relatives, once again reflecting the importance of family.

Bank financing at start-up is uncommon amongst the Ghanaian women entrepreneurs. This is because the women cannot meet the collateral requirements demanded by the banks and
the high interest rates the loans attract. However, the study found that some of these women accessed their start-up capital from other sources such as private micro-finance agencies like the Sinapi Aba Trust, Opportunity International’s partner in Ghana, which has a Trust Bank program – a group-lending methodology for the women entrepreneurs in SMEs in Ghana. The study also identified traditional savings and credit groups, popularly known as the ‘Susu’ system, as another uniquely Ghanaian source of funding. These ‘Susu’ groups operate rotating savings systems and are the preferred mode of saving for low income women entrepreneurs. Also, it was found that the Ghanaian women entrepreneurs adopt various interim strategies to overcome cash constraints at start-up. These include operating from home, leasing equipment rather than buying, and having relatives working in the business at below market wages.

This study has therefore found that although Ghanaian women entrepreneurs’ main source of financial capital is personal savings and financial assistance from family members, the limited nature of these funds does not seem to be a disadvantage in the successful creation and operation of their business ventures. In addition, the diverse business knowledge and skills which they possess have a significant positive relationship with their success.

7.3.5 What Are Their Network Affiliations?

The research findings show that within the Ghanaian context, these women entrepreneurs’ basic social network is the extended kinship system, followed by their friends and religious group members. Other networks mostly radiate from these relations. The findings of the study indicate that most of the resources the women entrepreneurs needed for the success of their entrepreneurial process were provided by their spouses, relatives and friends. This basic social network was found to be most useful to the women entrepreneurs in Ghana in the creation and operation of their businesses.

Besides the family, another important source of networking available to the women entrepreneurs in Ghana is their religious group. The religious affiliations are usually helpful
to the entrepreneurs in resource acquisition, patronization of their products and linkages with other sources of help.

The study also found that women entrepreneurs in Ghana use professional advisers, such as accountants, marketing and general business advisers, for expert opinions on specific points, for general business advice, and sometimes to critique their ideas. Most of the women have informal mentors or role models who provide industry knowledge and expertise as well as general support and guidance. Also, there are business/industry associations available to the women entrepreneurs in Ghana, and most of the people in these professional networks are females. Although the findings suggested that most women have little contact with these associations, women entrepreneurs who are active in these associations benefit greatly from them.

All in all, women entrepreneurs in Ghana were found to be surrounded with different types of networks such as family relations, friends, business colleagues and associations, mentors and experts. Evidence from the findings suggests a correlation between these networks and the success of the Ghanaian women entrepreneurs. Additionally, this study found that the strong kinship ties available to the Ghanaian women entrepreneurs in the forms of moral support, helping with the operation of the business, linking up customers and acquiring funds is reinforced by the collectivist nature of the Ghanaian society. Thus, the findings depict and affirm Ghana as a predominantly strong family culture and as a socially oriented country, with every phenomenon, be it entrepreneurship or acquisition of human capital, revolving around the family.

### 7.3.6 What Sorts of Problems Have They Encountered?

This study explores the problems women entrepreneurs in Ghana encountered at start-up and are still facing in the entrepreneurial process. It was found that during the start-up and early stages of their businesses, the women were confronted by a myriad of problems. The most critical of these were related to lack of finance, management experience and financial and strategic planning. In addition, they faced problems relating to hiring of competent staff
and combining the two responsibilities of running a business venture and discharging domestic duties.

Over time, some of the problems relating to management experience and business and strategic planning reduced, while problems relating to sources of finance and combining the roles of woman and entrepreneur still persisted, but with reduced intensity. The women entrepreneurs in Ghana have a major problem with sources of finance since apart from the banks no other financial institution or credit system is available to lend them large amounts of money to expand their businesses. While it was found that most of the women can now afford to provide the collateral requested by the banking institutions, the interest charged on the loans is so high that it scares most of the women entrepreneurs away from bank loans. The interview data revealed that the problem with the other sources of credit, such as microfinance, is the small amount of money given out, far below the production capacity of the women entrepreneurs. The women therefore had to rely mainly on their personal savings as start-up capital for their businesses and subsequently ploughed money back to finance the growth and expansion of their ventures.

Also, the women face the problem of combining the hard work involved with their businesses with their family responsibilities. They found this very stressful, affecting the smooth running of their businesses and their health. Although these women entrepreneurs indicated that time flexibility to suit family responsibilities was an important reason for creating their own business ventures, they also admitted that they find it very hard juggling family and business responsibilities without help from their husbands. A lot of evidence from the interview data shows that many of the Ghanaian women entrepreneurs devote very long hours to the task of managing the business, caring for their family and fulfilling housework and childcare responsibilities. Irrespective of the Ghanaian women entrepreneurs’ ethnicity, their entrepreneurial ventures, and how wealthy they are, they are responsible for most of the cooking and cleaning at home after a hard day’s work doing business, and they receive very little help from their husbands. Compared to the women entrepreneurs from western or developed countries, the Ghanaian women entrepreneurs are,
because of their cultures and traditions, locked into what is expected of them in regard to domestic responsibilities.

The women entrepreneurs in Ghana ranked as very problematic the lack of management experience, financial planning, business or strategic planning and maintenance of customer contact during the entrepreneurial process. Evidence from the interview data suggest that the women entrepreneurs’ low levels of education and lack of knowledge and experience in modern management practices, in addition to their lack of previous entrepreneurial experience, led to these problems. This handicap became a major problem in the smooth management of their business ventures, particularly during the start-up phase. However, results of the study further show that these management-related problems reduced over time as the business grew and developed and the women learnt on the job.

Another major problem for the women entrepreneurs was not having the modern equipment and technology required for processing. The interview data showed that women entrepreneurs, particularly those in the manufacturing/production, agro-processing and services industries, lacked modern equipment and technologies to facilitate and boost production. They expressed concern about the drudgery and difficulties involved in using manual methods and outmoded equipment, which took a considerable amount of physical exertion and time. These crude methods forced the women entrepreneur processors to labour ceaselessly from dawn to dusk almost every day of the week. The women lamented that the absence of mechanized processing/production procedures in their activities had adverse affects on their health and output, and prevented the businesses from expanding and producing to meet growing market demands.

In spite of the above problems, the women entrepreneurs in Ghana still maintain that they are to a large extent satisfied with their business and life in general. Although the study found that the burden of family responsibilities, limited finances, and lack of managerial experience and appropriate modern equipment have actually had little impact on the Ghanaian women entrepreneurs’ success, evidence from the findings also indicates that a reduction in these problems will generate more success. This study contributes to our
knowledge with regards to these Ghanaian women entrepreneurs’ remarkable strength and hard work in the creation and management of viable enterprises, despite the burdens and hardships they encounter.

7.3.7 What Are Their Successes?

In order to gain an insight into the success of the Ghanaian women entrepreneurs, the yardstick by which they measure their success was sought. The findings show that the success indicators can be classified into three major groups: personal factors, financial performance, and their contributions to their communities and country at large.

The research findings reveal that these Ghanaian women entrepreneurs measure their success by their levels of self-fulfillment, self-worth and personal achievement as indicators of personal success. The interview data confirm that their personal success was explained as the attainment of a sense of achievement and accomplishment from successfully creating and developing their business ventures amidst hardships, in a country where women are primarily perceived as only good at producing babies and performing household chores. The study found that through entrepreneurship, these women now have high self-esteem, their confidence levels have increased, and they now have control over their lives and are proud of their achievements. To them, these indicators are their biggest measure of success. These personal success factors have contributed to their self-fulfillment and emotional well-being, and spur them on to greater heights in their business endeavours.

An equally important success factor expressed by these Ghanaian women entrepreneurs is financial performance. Evidence from the study’s findings shows that financial success is seen as the profitability of their business ventures, the number of employees, the expansion of the business through increasing space or shop outlets, and diversifying the business into other areas.

The main emphasis of financial success for all of these women is their financial independence and ability to cater for their individual needs without having to depend on
their husbands and parents. These women also explained their financial success as their ability to meet the financial demands of their nuclear and extended family members through the profits from their entrepreneurial ventures. They stated that through entrepreneurship they were able to provide adequate food, clothing, and shelter and were also able to afford better education for their children. Several of them were also able to afford to support the education and provide for the basic needs of their siblings, and also cater for their aged parents. The ability to face the challenge and demand of providing the basic needs of family, which in Ghana includes both the nuclear and extended family members, was very important to the women entrepreneurs and a big success indicator for them.

The women entrepreneurs also show that their financial success is manifested in their levels of wealth creation, such as in acquiring real estate and capital equipment. Nearly half of the women entrepreneurs in the study had built their own homes from the profits of their business ventures. While some of them were in the process of building their own houses, more than half of them had bought their own business premises, warehouses, factories and office buildings as their businesses grew. Additionally, it was found that many of these women entrepreneurs in Ghana own substantial productive assets such as construction equipment and machines, as well as commercial vehicles such as commercial mini-buses and taxis, which make more money for them in addition to the money earned from their own businesses. Some of them also have company vehicles, and a few of them have computers.

The study provided evidence about the contributions these Ghanaian women entrepreneurs are making to the socio-economic development of their country. These women contribute significantly to Ghana’s economic development in areas such as business creation and innovation, employment and job creation and in taxes paid to the government. The study found that the majority of these Ghanaian women entrepreneurs had started new businesses, while a few bought existing businesses, had taken over the businesses established by their parents or had joined in a partnership with a business started by their husband or a friend. These women entrepreneurs have done much to change and shape businesses through their
own innovation. They have changed the nature of goods or services for sale, changed or broadened the customer base, added more sales outlets, or introduced new forms of management and marketing. Thus, new businesses have been created, and value has been added to the businesses they took over or went into partnership in.

Also, the employment generation capacity of the combined small and medium enterprises operated by these women is remarkable. The study found that these women create jobs for themselves and others. In addition, the large numbers of girls trained and equipped with entrepreneurial and vocational skills by these women entrepreneurs have in turn created employment for others. Therefore, through the women entrepreneurs’ impartation of knowledge and skills to others, more jobs and employment avenues have been created. The notable contributions Ghanaian women entrepreneurs are making to employment and job creation in Ghana have resulted in the reduction of unemployment in Ghana, at a time when the government is only able to provide a few job opportunities. This proudly forms part of the women’s success story. Moreover, the interview data show significant evidence of these women’s tax contribution for the development of their country. For example, while all of them pay business tolls for the improvement of their communities, some also pay import duties on imported goods. Most of them pay Value Added Tax (VAT) on their products and services, and in some cases property rates. All of these payments are important sources of revenue for Ghana.

This study also found that besides the economic contributions to Ghana, the women entrepreneurs also feel proud of making social contributions to their communities and the Ghanaian society at large, in the form of participation in community organizations, voluntary work, sponsorships and donations to various organizations, institutions and individuals.

Importantly, the study found that these women entrepreneurs felt successful as a result of being a source of inspiration and sponsorship for many young women. The women are perceived as role models by most of the girls in the society. According to these women, many young women in their communities admire how hardworking they are and their
ability to create and build successful business ventures, and their financial independence. By offering sponsorship to needy girls to acquire employable skills, these women are giving many girls the opportunity to go through apprenticeships and vocational institutions to acquire skills so that they too can become entrepreneurs. Above all, the entrepreneurial successes of the women entrepreneurs have played an important role in shaping the community’s perception of women. Women are no longer seen as being dependant on men.

These women entrepreneurs expressed with a sense of self-worth and pride that they are now well known for their hard work and business success. They pointed out that they have won more respect from the men in their communities because of their success. These women believe strongly that through entrepreneurship they have gained recognition, status and respect from their community. For some of the women entrepreneurs, they are seen as successful in the eyes of their family members because of the amount of money they contribute to improve the welfare of their families. Hence, the women entrepreneurs in Ghana also measure their success by the respect and the recognition they have received. All these success factors give them overall satisfaction in life, and add to our understanding and knowledge of women entrepreneurs in Ghana.

Therefore, these findings in relation to the Ghanaian women entrepreneurs measure of success show that their successes are interpreted broadly and not only in terms of financial success indicators, but equally of self-respect and fulfillment, family well-being and security, recognition, freedom and accomplishment, as well as their contributions to their nation. The study found that while these Ghanaian women have a mixed bag of success indicators, which is a departure from the traditional economic school analysis of success based on financial measures and other physical measures of wealth, this is consistent with women’s entrepreneurship literature, which provides evidence that women entrepreneurs generally measure their success not only by financial yardsticks, but also in terms of self-fulfillment and independence. But it must be recognized that the Ghanaian women entrepreneurs’ interpretation of success is subjective and embedded in their gender and socio-economic context.
7.4 A Reflection on the Theory of Entrepreneurship

The review of literature for this study indicates that although there is a growing body of research on entrepreneurship, there is still no one widely accepted definition of an entrepreneur and what entrepreneurship is about. It appears that researchers define entrepreneurs based on their respective study discipline (Gartner 1990) and empirical research has described the entrepreneurial phenomenon from different standpoints, economies and cultures (Bruyat and Julien 2001). Consequently, there exist many definitions of an entrepreneur that are reflections of the myriad of manifestations of entrepreneurial activities and of the entrepreneurial self. It is noted that most of these definitions are particularly influenced by western ideas and culture where research in the field is well advanced.

There is little knowledge in existing entrepreneurship literature about women entrepreneurs from developing countries and this thesis has tried to fill that gap. Taking cognizance of the complexities and heterogeneity in identifying entrepreneurs and entrepreneurial activity, the study explored Ghanaian women’s entrepreneurship from two classic entrepreneurship theorists’ (Schumpeter and Kirzner) perspectives. The objective was to define women’s entrepreneurship in Ghana and to find out the extent to which the two renowned entrepreneurship traditions of Schumpeter and Kirzner’s widely accepted in literature apply in the developing country context.

Clearly, the entrepreneurial activities of Ghanaian women entrepreneurs support Schumpeter’s and Kirzner’s economic models of entrepreneurship. This study has identified both Schumpeter’s and Kirzner’s definitions of entrepreneurial activity in the Ghanaian context by asking the research questions of how they started their businesses and what type of innovation they have introduced into their business. Two identical forms of entrepreneurship were identified with the Ghanaian women. The first involves the creation of new organizations, introduction of new products or processes, new markets, new suppliers and new materials. This mode of entrepreneurship depicts the Schumpeterian radical innovation idea.
The second form identified with Ghanaian women is those who have taken over family businesses or existing businesses; and in other cases, have recognized and acted on market opportunities. This second group also conforms to Kirzner’s view of entrepreneurship that emphasizes the alert discovery of profitable opportunities. It was identified in this study that the second group of entrepreneurs who have taken over existing businesses, or acted on market opportunities, are just as entrepreneurial as the first group of women entrepreneurs starting ‘new’ products or venturing into ‘new’ markets and ‘new’ businesses.

The study also found that the outcome of the Ghanaian women’s entrepreneurship coincides with Schumpeter’s and Kirzner’s perspectives. Schumpeter talked about being motivated intrinsically and not necessarily by profits or luxury, although profit and wealth could be an outcome (Schumpeter 1934). Kirzner believed that it is compulsory for the entrepreneur to make profits out of his/her endeavours. However, they both perceive the entrepreneur’s activity as having a positive impact on the economy. Ghanaian women entrepreneurs’ main success indicators of self-fulfillment, financial independence, status and recognition, and socio-economic contribution to Ghana underscore Schumpeter’s and Kirzner’s entrepreneurship models.

Thus, together, Schumpeter’s and Kirzner’s economic views on entrepreneurship apply to the entrepreneurial process of the Ghanaian women and provide a general model in which to understand their entrepreneurship. First, this model explains how the Ghanaian women start their business ventures by using the knowledge, experiences and resources available to them in their special socio-economic context. Second, how the women identify and exploit opportunities, either by radical innovation or incremental innovation. Third, what the consequences are of their entrepreneurship for themselves and the economy.

Also, entrepreneurship literature pointed out that whilst definitions vary somewhat, key features of any definition in relation to entrepreneurship at the broadest level must encompass the objective of entrepreneurship, the action of the entrepreneur and the desired
outcomes. This study has demonstrated that the Ghanaian women entrepreneurs meet the above set of criteria within Schumpeter’s and Kirzner’s views of entrepreneurship.

The Ghanaian women entrepreneurs possess the entrepreneurial traits identified in literature. They have identified profitable opportunities in their own unique environment with the available resources and socio-cultural demands, and created new businesses; and even those who took over existing businesses actually reshaped and remodelled them in substantial ways. This is clear evidence of entrepreneurial activity. As entrepreneurs, the Ghanaian women entrepreneurs have taken something and changed it, or they have created something out of nothing, and they have taken high financial and personal risks, and consequently achieved success.

Another significant finding of this thesis which provided further insight into the theory of entrepreneurship is in relation to the extent to which existing entrepreneurial theories originating from developed countries apply to the developing country context. Hypotheses were tested for successful Ghanaian women’s entrepreneurship using independent variables derived from psychological, motivational, resources-based, social learning, innovation and networking theoretical perspectives. The results from the testing of the hypotheses compared to the earlier findings from developed countries are summarized in Table 7.1.

The key findings indicate that, similar to women entrepreneurs from developed countries, Ghanaian women entrepreneurs possesses entrepreneurial traits and diverse business skills. Similarly, they have great support from their network affiliations, and their various reasons for business ownership have a significant positive relationship with their success. Importantly, in both the developed and developing economies contexts, the reduction in the problems women entrepreneurs encounter are related to their success.

Interestingly, some of the results from the testing of the hypotheses reflected a purely developing country context and contradicted the findings emerging from developed countries. For instance, it was found that Ghanaian women entrepreneurs mostly tend to derive their human capital from their entrepreneurial family background, by learning
business skills from relatives who are entrepreneurs and through apprenticeship. Also, personal networks (dominated by the family) are very important in the success of the Ghanaian women entrepreneurs, ahead of their professional networks. This finding depicts the collectivistic and family-oriented nature of the Ghanaian society. On the contrary, their counterparts from developed countries tend to derive their knowledge and skills from high levels of education, work experience and prior experiences in starting up entrepreneurial ventures (Lerner et al. 1997). Also, for women entrepreneurs from developed countries, the major network affiliations are their professional networks (Baron and Shane 2005; Buame 2000).

The low income economic status of Ghana partly contributes to the minimal financial resources available to its women entrepreneurs. Unexpectedly, having fewer financial resources is related to their success. Contrarily, limited financial capital is seen to inhibit successful entrepreneurship in the developed world (Brush et al. 2006; Carter et al. 1996). Also, a financial motivation was the strongest factor in the Ghanaian women’s decision for business ownership, whereas business and personal motivational factors were the strongest in the developed economy context.

Thus, as illustrated in Table 7.1, although support was found for all the six hypotheses tested, there were variations in the degree and type of support, depending on the developed and developing context. For instance, whilst social learning theory explaining the relevance of entrepreneurial background to successful entrepreneurship found medium support in developed countries (Lerner et al. 1997), the hypothesis was strongly supported in the Ghanaian context. Likewise, financial motivations and personal networks found medium support in the developed context, but strong support in the Ghanaian context.

In addition, even though the hypotheses in relation to human and financial resources were supported, specific variables such as the Ghanaian women entrepreneurs’ specialized area of education and prior experience in entrepreneurial start-ups were not supported. However, these variables found strong support in the developed countries. Also, findings regarding financial resources in developing countries differ from the developed country context. In
the Ghanaian context, limited financial resources contribute to success, while in developed economies limited financial resources inhibit success.

Therefore, the multi-theoretical approach used in this study to investigate and explore Ghanaian women entrepreneurs in SME, has shed light on the myriad of factors which explain Ghanaian women’s entrepreneurship, such as their personality traits, motivations, skills and capabilities, entrepreneurial family background, entrepreneurial activities and problems encountered, as well as their successes. It was also evident from the findings that, unexpectedly, some of the theoretical perspectives such as the relevance of specialized area of education, and prior entrepreneurial start-up did not play any significant role in their success. Hence, this suggests that research findings regarding women entrepreneurs in developed countries need to be carefully examined before being applied to developing countries. However, the theoretical perspectives examined within the Ghanaian context provide an understanding and picture of these women entrepreneurs within their whole-life context.
Table 7.1 Comparison of Developed and Developing Countries (Ghanaian Context) in terms of the importance of the following theoretical perspectives for women entrepreneurs.

<table>
<thead>
<tr>
<th>Theoretical Perspective</th>
<th>US/Developed</th>
<th>Hypothesized</th>
<th>Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>H.1: Personality Traits</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Achievement Characteristics</td>
<td>Strongly</td>
<td>Supported</td>
<td>Strongly</td>
</tr>
<tr>
<td>Responsibility Characteristics</td>
<td>Strongly</td>
<td>Positive</td>
<td>Supported</td>
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<tr>
<td><strong>H.2: Motivations</strong></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Financial Motivations</td>
<td>Medium</td>
<td>Support</td>
<td>Supported</td>
</tr>
<tr>
<td>Personal Motivations</td>
<td>Strongly</td>
<td>Positive</td>
<td>Supported</td>
</tr>
<tr>
<td>Business Motivations</td>
<td>Strongly</td>
<td>Supported</td>
<td>Positive</td>
</tr>
<tr>
<td><strong>H.3: Resources</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business Skills and Capabilities</td>
<td>Strongly</td>
<td>Positive</td>
<td>Supported</td>
</tr>
<tr>
<td>Level of Education</td>
<td>Strong</td>
<td>Positive</td>
<td>Medium</td>
</tr>
<tr>
<td>Specific Area of Education</td>
<td>Medium</td>
<td>Positive</td>
<td>Not Supported</td>
</tr>
<tr>
<td>Social Learning/Entrepreneurial Background</td>
<td>Medium</td>
<td>Positive</td>
<td>Strongly Supported</td>
</tr>
<tr>
<td>Prior Work Experience</td>
<td>Strongly</td>
<td>Positive</td>
<td>Medium</td>
</tr>
<tr>
<td>Apprenticeship</td>
<td>-</td>
<td>Positive</td>
<td>Supported</td>
</tr>
<tr>
<td>Prior Business Start-up Experience</td>
<td>Strongly</td>
<td>Positive</td>
<td>Not Supported</td>
</tr>
<tr>
<td>Financial Resources</td>
<td>Supported</td>
<td>Positive</td>
<td>Negative supported</td>
</tr>
<tr>
<td><strong>H.4: Networks Affiliations</strong></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Reliance on Network Affiliations</td>
<td>Medium</td>
<td>Positive</td>
<td>Supported</td>
</tr>
<tr>
<td>Personal Networks</td>
<td>Medium</td>
<td>Positive</td>
<td>Supported</td>
</tr>
<tr>
<td>Professional Networks</td>
<td>Supported</td>
<td>Positive</td>
<td>Medium</td>
</tr>
<tr>
<td><strong>H.5: Reduction in Problems Variables</strong></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Reduction in Financial Problems</td>
<td>Supported</td>
<td>Positive</td>
<td>Supported</td>
</tr>
<tr>
<td>Reduction in Management Problems</td>
<td>Supported</td>
<td>Positive</td>
<td>Positive</td>
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<tr>
<td><strong>H.6: Innovative Activities</strong></td>
<td></td>
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<tr>
<td></td>
<td>Strongly</td>
<td>Positive</td>
<td>Strongly</td>
</tr>
</tbody>
</table>

H - Hypothesis

Please refer to Table 6.14 for numerical results associated with findings.
7.5 Summary of the Key Findings

Substantial evidence in this thesis suggests the Ghanaian cultural, socio-economic and political environment impacts and shapes Ghanaian women’s successful entrepreneurial life. This study recognizes the prominent role family plays in the Ghanaian women’s entrepreneurship. It was found that the Ghanaian women entrepreneurs are embedded in the family and social relations to a greater extent than women’s entrepreneurship literature has recognized to date.

This study has identified that the family plays unique role in the Ghanaian women’s entrepreneurial process, from the acquisition of both human and financial resources, through their motivations for business ownership and start-up, to the measures of success. The findings show that most women entrepreneurs acquired entrepreneurial skills from their parents or relatives and others, and went into apprenticeships with their role models who are normally relatives, to learn trades. Also, the family plays an important role in Ghanaian woman’s decision to become an entrepreneur. For example, it was found that the flexibility associated with entrepreneurship suits the need to combine family responsibilities with working in their own business ventures to earn enough income to provide for their families.

In addition, these Ghanaian women entrepreneurs rely mostly on their family for business start-up capital. Family members are also a constant source of moral support and encouragement to these women. Family members contribute free labour to the operations of these women’s businesses, especially at the start-up phase. Interestingly, it was found that while women entrepreneurs from developed countries rely mostly on professional networks (Baron and Shane 2005; Saxon 2003), Ghanaian women entrepreneurs’ main network affiliations are their family members.

The invaluable services the family renders to these Ghanaian women entrepreneurs, as explored in this thesis, has been classified into first, support that is directly or indirectly of a financial nature; second, contributions of service and loyalty that help the entrepreneurs’
operations; and third, the psychological satisfaction that stems from the prestige earned through her wealth and success, and being respected by the family. Significantly, this finding depicts and affirms Ghana as having a predominantly strong family culture, and being a socially oriented country, and the fact that every phenomenon, including entrepreneurship, revolves around the family.

Another important finding of this thesis is that pursuing entrepreneurship is a major challenge and entails a lot of hardship for women entrepreneurs in the Ghanaian environment. The study has revealed that these Ghanaian women entrepreneurs have to overcome cultural and socio-economic constraints to embark on successful entrepreneurship. Generally, the Ghanaian society does not often perceive women as powerful and influential business leaders because of their low level of education and low societal status compared to their male counterparts. Women are expected to be submissive, docile and supportive of males instead of taking lead roles. However, with these women entrepreneurs’ strong personality traits such as confidence, determination, and high need for achievement, coupled with hard work, they have been able to prove themselves capable of doing equally well what their male counterparts can do.

It was also found that in spite of other competing dimensions in these women lives, such as family and home responsibilities, these women still achieve success in their entrepreneurial ventures. The interview data revealed in particular that these women entrepreneurs have worked hard to fulfill themselves, not only through marriage and child bearing, as traditionally expected of them, but also through the creation of business ventures. The women made it clear that it was not an easy task combining domestic responsibilities with operation of their business ventures. However, it was worthwhile, since it has resulted in an improved quality of life for them and their families. They were also quick to add that their achievement in no means made them non-submissive or disrespectful to their husbands. They have rather won the respect of their husbands, family and community at large.

Interestingly, poverty and the low economic status of Ghana were found to play a key role in the decision of these women to create business ventures. It is evident from the findings
that financial reasons form the strongest motivational factors for business ownership. It was found that the decreasing opportunities for Ghanaian men to earn enough to provide sufficiently for the family, coupled with the high cost of living and education amongst other reasons, have pushed most of the women entrepreneurs to create their own business to generate income to cater for themselves and their families. The beauty of this story though, is that Ghanaian women are taking their economic future into their own hands by starting their own enterprises, and no longer depending on the customary forms of male support. In contrast, literature highlighted dissatisfaction in employment as the strongest motivational factors for business ownership for women entrepreneurs from developed countries (Brush et al. 2006; Moore and Buttner 1997).

Furthermore, this study also highlighted the limited sources of funds and small amount of start-up capital available to the Ghanaian women entrepreneurs in SMEs. Women in Ghana were not deterred by these limited financial resources however. Instead, they rather worked hard, managed the little financial capital available to them, and with their various production skills they were able to establish their businesses.

This study dispels the notion that women’s small businesses are less important to economic development and growth. The Ghanaian women entrepreneurs’ several business activities are found in diverse business sectors: trading, services, agro-processing, manufacturing, textiles and fabrics, agriculture, education and construction. These business ventures have contributed significantly to the economic development of Ghana.

Given that a developing economy such as Ghana depends to a very large extent on agricultural produce, these women entrepreneurs’ development of production ventures linked to agriculture automatically expands the labour absorptive capacity of the Ghanaian economy. Many of these women entrepreneurs’ business ventures were found in the agro-processing sector, where local resources and products were processed for both local and international markets. This industry has earlier on been lauded as a lucrative investment potential, where the options are several and potential for value addition is high (NBSSI 2005). This study also found that the Ghanaian women entrepreneurs especially in service,
educational and construction sectors have succeeded in introducing much innovation and creativity into these sectors to meet the demands of Ghanaian society.

These key findings show that the small-scale enterprises established by these women entrepreneurs have contributed to the enlargement of Ghana’s economic base. The women have achieved this through business creation and innovation, employment and job creation, and in taxes paid to the government. Despite the problems and challenges Ghanaian women entrepreneurs encounter in the establishment and growth of their business, the results from this study shed light on the contribution these women make to ensure the financial security and well-being of their families. It also provides an insight into the significant contribution Ghanaian-women-operated SMEs are making to the economic growth, development, employment and social progress of the Ghanaian economy.

It is likely that some of the characteristics of Ghanaian women’s entrepreneurship may coincide with women’s entrepreneurship from developed countries. However, this study has proved that unlike women from developed countries, Ghanaian women create businesses and achieve success with scarce resources, such as limited finances, little modern technology, and low educational qualifications. In addition, they operate in an environment that is not gender neutral, with socio-cultural norms which pose barriers to women’s advancement. These factors are distinct circumstances that are peculiar to women’s entrepreneurship in developing countries, especially Ghana; this study contributes to knowledge about this area.

7.6  Limitations of the Study

This study is limited by the time and resource constraints involved in completing the doctoral study. The locale of the sample of the study is also restricted to a regional capital of Ghana (Koforidua Municipality), although this municipality is reasonably representative of all the municipalities in Ghana. The findings in the study are limited by the extent to which the respondents were honest, careful and without bias in responding to the survey instrument and the interviews.
The database of the study was obtained from the Eastern Regional branch of the National Board for Small Scale Industries (NBSSI) in Koforidua, a government agency responsible for all small businesses. This database was further cross-checked with the Koforidua office of the National Council of Women and Development, which is also in charge of women’s activities in Koforidua. However, the database obtained cannot be considered as an exhaustive list of all small businesses in Ghana. Thus, any generalizations that are made in the study are limited to the population of Ghanaian women entrepreneurs’ small and medium enterprises provided in the database.

Nevertheless, 241 usable completed questionnaires were collected out of 300 that were distributed, yielding an 80 percent response rate. According to Hart (1987), response rates in business surveys vary from 17 percent to 60 percent, with an average of 36 percent. Therefore the response rate of 80 percent was above acceptable for business surveys. It may therefore be noted in this context that a larger sample size and high response rate lowers the likely error in generalizing the results from the sample to the population (Neuman 2006).

7.7 Research Implications and Recommendations for Further Work

Women form half (51%) of the Ghanaian population of 20 million. The Ghanaian Statistical Service Report (2002) revealed that 85 percent of the Ghanaian female labour force, compared to 75 percent of the male proportion, is employed in the private sector, which has been identified as the engine of growth in Ghana. The report further identified that the majority of the businesses of these women in the private sector are small and medium enterprises. This thesis, which explored these women’s small and medium entrepreneurial activities, has shown that, with few resources, these women have created many diverse productive business ventures, which have contributed to the economic growth of Ghana.

The women’s small and medium productive ventures empower them economically and enable them to contribute more to the overall development of Ghana. This thesis has also
proved that the women’s entrepreneurial activities are not only a means for economic survival but also have positive social repercussions for the women themselves and their social environment. In view of these findings, if there is going to be any sustained development in Ghana, and to achieve its vision of accelerated growth to become a middle income nation by 2020, this important segment of its population cannot be ignored and underestimated. There is a need to understand, recognize and support these women so that their full potential can be developed to the benefit of Ghana, and other developing economies. The following measures are recommended for policy makers and other stakeholders. This is followed by recommendations for future research.

**Policy Recommendations**

It is important for all governments and policy institutes in developing economies, especially in Ghana, to incorporate women’s entrepreneurial dimensions in considering all SMEs and growth policies in order to develop the full potential of these women entrepreneurs, and increase their productivity. This is possible by providing better infrastructure in terms of programmes, curricula and any necessary assistance for new business entrants and those already in business to grow their business. For example, meeting women’s financing needs at all stages of the business continuum will improve their productivity rate and success. This thesis has identified lack of access to funds as one of the major business problems Ghanaian women entrepreneurs have encountered. But even with little start-up capital and limited financial resources, these women have been able to achieve success. However, this is only at the initial stages of the business operation. Financial resources are obviously very important for business growth. Easy access to funds is required for boosting productivity and leading to the growth of developing economies. This implies that more financial resources will result in greater success, including greater economic contribution to the nation.

Also, support for improving and strengthening the Ghanaian women entrepreneurs’ labour and human resource management will be needed as these women grow their businesses. Other areas of future policy interest should include encouraging and supporting women entrepreneurs to access mainstream business training and identifying special areas of
training that they need. Research is needed not only to understand the training needs of women entrepreneurs, but also to take into consideration easier and more convenient access to training given their time constraints and family responsibilities. In addition, training and support of women entrepreneurs in SMEs who are engaging or intending to engage in international trade and globalization is another area that needs the attention of policy makers and training institutions.

Another important area which needs policy makers’ and all stakeholders’ attention and action is the women’s lack of access to and utilization of modern technology and equipment in the operation of their businesses. This study demonstrated that Ghanaian women entrepreneurs lack modern equipment and technologies to facilitate and boost production. Their production and management procedures are mainly manual, demanding a considerable amount of physical exertion and time, and also limiting their production capacity. Lack of access to modern equipment to assist them in packaging their products to compete in national and international markets also limits their products to local and regional (state) markets only. Access to modern and improved technology will increase the women’s capabilities, as well as their productivity and competitiveness. For example, computer communication technology (which this study’s findings show the women have very poor knowledge of) will generally improve flexibility, capability and opportunities for these women-operated small and medium enterprises to serve and compete in foreign and domestic markets.

Similarly, this study reveals that only very few of these Ghanaian women entrepreneurs have access to corporate and government institutions, and also that they use external business support to help them in their operation. The presence and use of such business support in the areas of legal and accounting services, feasibility studies, development of business plans, and production, marketing and management services will be very beneficial to the women at the start-up phases of their business and also boost their performance in terms of turnover and growth. In all these areas, public policy initiatives, educational programmes and adequate financing may well be needed to assure access for women entrepreneurs.
Reducing cultural and social expectations of women of being solely in charge of domestic responsibilities, as well as improved childcare facilities and making men, especially in developing economies, understand the need to help women with domestic chores; will help lighten the burden on women entrepreneurs. Men’s help with domestic responsibilities will keep these women healthy and less stressed, and increases their productivity.

**Future Research**

This study shows that Ghanaian women entrepreneurs play an important role in job creation and innovation in the Ghanaian economy. Future research will assist in increasing awareness of the role of women entrepreneurs in developing economies. This awareness will boost the image and self-esteem of women from this part of the world. They will not only be perceived as only good for producing babies and performing household chores; their great potential and valuable contribution to the development of their communities and nations will be brought into the limelight and properly valued.

Given that this research concentrated on Ghanaian women entrepreneurs in SMEs, future research should include Ghanaian women entrepreneurs in large-scale enterprises and in other parts of the country as well. This would sharpen our knowledge of women’s entrepreneurship in Ghana and be useful for policy makers and those in the position to help develop the full potential of women entrepreneurs.

Business success depends on opportunity structure and the government and institutional regulatory structures (Kloosterman and Rath 2001) that ideally provide the optimal economic and business conditions for business start-ups and growth. There is a need for future research into the structures governments and other stakeholders in developing economies have put in place to create an enabling business environment for these women entrepreneurs, including the effectiveness of these measures for women entrepreneurs in SMEs.
Ample evidence in literature suggests that research into female entrepreneurship has received proportionally less attention than research on entrepreneurship in general, which, frequently concentrates on male norms and practices. Thus, research tools used to examine female entrepreneurship were largely drawn from studies based on the experiences and characteristics of men, to the possible exclusion of important and particular factors of the female entrepreneurial experience.

This thesis tried to fill this gap by contributing knowledge to the female entrepreneurship literature, and ultimately providing further insight into the theory of entrepreneurship. It has explored and highlighted issues, experiences, characteristics, motivations, activities, problems and successes that are unique to female entrepreneurial experience. This study therefore will be helpful to future researchers investigating women’s entrepreneurship and to policy institutes who need valid and better information to initiate measures to support women’s entrepreneurship. Further research will continue to improve our understanding of women’s entrepreneurship. Such studies are particularly needed in the developing economies of the world.

7.8 Conclusion

Women’s entrepreneurship is a growing, dynamic part of the Ghanaian economy. These women entrepreneurs have created jobs for themselves and others in various economic sectors. Entrepreneurship for Ghanaian women in SMEs is about balancing, creating and managing a whole range of innovative business ventures, while coping with personal, marital and family relationships concurrently in an environment that is not gender neutral. Their low societal status, low level of education, limited financial resources and huge family responsibilities, however, did not prevent these women from engaging in productive ventures and achieving success.

Through their entrepreneurial activities, Ghanaian women entrepreneurs have been able to earn enough income to look after themselves and families, and above all, achieve self-
fulfilment and overall satisfaction in life. Their determination, need for achievement, and
economic necessity, coupled with hard work and innovative and production skills, have led
to their success. They have made substantial economic and social contributions to the
economic growth of Ghana through paying taxes, reducing poverty and unemployment, and
by being positive role models to girls, among other benefits derived from their activities.
The Ghanaian women entrepreneurs are the emerging new faces of entrepreneurship in
developing countries, setting their own pace and place in female entrepreneurship literature,
and extending the boundaries of the theory of entrepreneurship. Their story is a very
important and interesting one which needs much more attention from scholars, the media,
practitioners, and policy makers.
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## Table 1a  Pattern Matrix for Success Factors

<table>
<thead>
<tr>
<th>Success Variables</th>
<th>Factor 1</th>
<th>Factor 2</th>
<th>Factor 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Satisfaction with personal development</td>
<td>.940</td>
<td>-.135</td>
<td>-.026</td>
</tr>
<tr>
<td>Satisfaction with business development</td>
<td>.877</td>
<td>-.048</td>
<td>-.049</td>
</tr>
<tr>
<td>Developing greater self confidence</td>
<td>.877</td>
<td>-.069</td>
<td>.014</td>
</tr>
<tr>
<td>Self esteem</td>
<td>.766</td>
<td>.016</td>
<td>.035</td>
</tr>
<tr>
<td>Potential for higher income</td>
<td>.680</td>
<td>.090</td>
<td>-.037</td>
</tr>
<tr>
<td>Freedom and self respect</td>
<td>.593</td>
<td>.206</td>
<td>.058</td>
</tr>
<tr>
<td>Control over life</td>
<td>.585</td>
<td>.250</td>
<td>.070</td>
</tr>
<tr>
<td>Independence</td>
<td>.559</td>
<td>.234</td>
<td>.002</td>
</tr>
<tr>
<td>The degree to which sales levels influence your business satisfaction</td>
<td>-.041</td>
<td>.784</td>
<td>.004</td>
</tr>
<tr>
<td>The extent to which you think your are better off financially working in your business rather than working for someone else</td>
<td>.111</td>
<td>.709</td>
<td>-.034</td>
</tr>
<tr>
<td>Rating of your business financial performance</td>
<td>.034</td>
<td>.588</td>
<td>-.051</td>
</tr>
<tr>
<td>Support the economy of the local community</td>
<td>.004</td>
<td>.005</td>
<td>.938</td>
</tr>
<tr>
<td>Provide donations or sponsorships for community organizations</td>
<td>-.138</td>
<td>.131</td>
<td>.619</td>
</tr>
<tr>
<td>Creates employment for the local community</td>
<td>.168</td>
<td>-.251</td>
<td>.466</td>
</tr>
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</table>
### Table 2a Pattern Matrix for Personality Traits

<table>
<thead>
<tr>
<th>Personality Variables</th>
<th>Factor 1</th>
<th>2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Need for achievement</td>
<td>.832</td>
<td>-.040</td>
</tr>
<tr>
<td>Level of persistence</td>
<td>.755</td>
<td>.033</td>
</tr>
<tr>
<td>Openness to innovation</td>
<td>.702</td>
<td>.156</td>
</tr>
<tr>
<td>Level of motivation</td>
<td>.677</td>
<td>-.138</td>
</tr>
<tr>
<td>Need for independence</td>
<td>.355</td>
<td>.140</td>
</tr>
<tr>
<td>Optimistic level about the financial performance of your business</td>
<td>.246</td>
<td>.204</td>
</tr>
<tr>
<td>Desire to change</td>
<td>-.237</td>
<td>.897</td>
</tr>
<tr>
<td>Desire to seek responsibility</td>
<td>.079</td>
<td>.756</td>
</tr>
<tr>
<td>Self confidence</td>
<td>.108</td>
<td>.621</td>
</tr>
<tr>
<td>Desire for control</td>
<td>.267</td>
<td>.453</td>
</tr>
<tr>
<td>Willingness to take calculated risk</td>
<td>.213</td>
<td>.360</td>
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</table>

### Table 3a Pattern Matrix for Motivational Factors

<table>
<thead>
<tr>
<th>Motivational Variables</th>
<th>Factor 1</th>
<th>2</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Desire for financial independence</td>
<td>.758</td>
<td>.051</td>
<td>-.009</td>
</tr>
<tr>
<td>To become wealthy</td>
<td>.550</td>
<td>-.213</td>
<td>-.005</td>
</tr>
<tr>
<td>Economic necessity</td>
<td>.447</td>
<td>.090</td>
<td>.105</td>
</tr>
<tr>
<td>To make more money than otherwise likely</td>
<td>.273</td>
<td>.047</td>
<td>.158</td>
</tr>
<tr>
<td>To be the boss</td>
<td>.075</td>
<td>.637</td>
<td>-.105</td>
</tr>
<tr>
<td>To achieve status and prestige</td>
<td>-.287</td>
<td>.582</td>
<td>.194</td>
</tr>
<tr>
<td>To be independent</td>
<td>-.015</td>
<td>.577</td>
<td>.047</td>
</tr>
<tr>
<td>To control my own destiny</td>
<td>.367</td>
<td>.400</td>
<td>-.147</td>
</tr>
<tr>
<td>To be able to express my skills</td>
<td>.118</td>
<td>-.096</td>
<td>.783</td>
</tr>
<tr>
<td>To be recognized for my skills</td>
<td>-.069</td>
<td>.098</td>
<td>.615</td>
</tr>
<tr>
<td>To do the kind of work i prefer</td>
<td>.327</td>
<td>.098</td>
<td>.332</td>
</tr>
</tbody>
</table>
### Table 4a Pattern Matrix for Resources Factors

<table>
<thead>
<tr>
<th>Resources Variables</th>
<th>Factor 1</th>
<th>Factor 2</th>
<th>Factor 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational skills</td>
<td>.863</td>
<td>-.037</td>
<td>.015</td>
</tr>
<tr>
<td>Ability to spot market trends</td>
<td>.834</td>
<td>.056</td>
<td>.066</td>
</tr>
<tr>
<td>Product innovation</td>
<td>.620</td>
<td>.030</td>
<td>.009</td>
</tr>
<tr>
<td>Dealing with people</td>
<td>.527</td>
<td>.109</td>
<td>-.177</td>
</tr>
<tr>
<td>Skill(s) possessed at the commencement of your business</td>
<td>.457</td>
<td>-.148</td>
<td>.052</td>
</tr>
<tr>
<td>Marketing</td>
<td>.452</td>
<td>-.075</td>
<td>-.028</td>
</tr>
<tr>
<td>Finance</td>
<td>.381</td>
<td>-.021</td>
<td>.062</td>
</tr>
<tr>
<td>Essentially a similar occupation</td>
<td>-.054</td>
<td>1.002</td>
<td>.054</td>
</tr>
<tr>
<td>With a product or service similar to your own</td>
<td>-.075</td>
<td>.907</td>
<td>-.026</td>
</tr>
<tr>
<td>In the same industry</td>
<td>-.007</td>
<td>.835</td>
<td>.027</td>
</tr>
<tr>
<td>Borrow from relatives</td>
<td>-.129</td>
<td>-.249</td>
<td>.240</td>
</tr>
<tr>
<td>Sell or mortgage personal assets/properties</td>
<td>.096</td>
<td>.062</td>
<td>.838</td>
</tr>
<tr>
<td>Sell personal valuables e.g. jewellery</td>
<td>.051</td>
<td>.037</td>
<td>.654</td>
</tr>
<tr>
<td>Borrow from friends</td>
<td>-.126</td>
<td>-.187</td>
<td>.418</td>
</tr>
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</table>
Table 5a: Pattern Matrix for Networking Factors

<table>
<thead>
<tr>
<th>Networking Variables</th>
<th>Factor</th>
<th>1</th>
<th>2</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>General information and advice</td>
<td></td>
<td>.980</td>
<td>-.110</td>
<td>-.132</td>
</tr>
<tr>
<td>For encouragement and motivation</td>
<td></td>
<td>.817</td>
<td>.073</td>
<td>-.139</td>
</tr>
<tr>
<td>General business advisers/counselor</td>
<td></td>
<td>.746</td>
<td>-.270</td>
<td>.133</td>
</tr>
<tr>
<td>Expert opinion on a specific point</td>
<td></td>
<td>.721</td>
<td>.073</td>
<td>.138</td>
</tr>
<tr>
<td>As a sounding board to discuss ideas and opinions</td>
<td></td>
<td>.590</td>
<td>.288</td>
<td>.051</td>
</tr>
<tr>
<td>Solicitor</td>
<td></td>
<td>-.204</td>
<td>.730</td>
<td>-.110</td>
</tr>
<tr>
<td>Marketing consultant</td>
<td></td>
<td>-.087</td>
<td>.725</td>
<td>.028</td>
</tr>
<tr>
<td>Accountant</td>
<td></td>
<td>-.001</td>
<td>.515</td>
<td>.059</td>
</tr>
<tr>
<td>To critique your opinion or judgment</td>
<td></td>
<td>.342</td>
<td>.496</td>
<td>-.052</td>
</tr>
<tr>
<td>Mentor</td>
<td></td>
<td>.171</td>
<td>.487</td>
<td>-.079</td>
</tr>
<tr>
<td>Friends</td>
<td></td>
<td>-.019</td>
<td>.350</td>
<td>.278</td>
</tr>
<tr>
<td>Employees</td>
<td></td>
<td>-.019</td>
<td>-.040</td>
<td>.821</td>
</tr>
<tr>
<td>Clients/customers</td>
<td></td>
<td>.079</td>
<td>.012</td>
<td>.691</td>
</tr>
<tr>
<td>Business associates</td>
<td></td>
<td>.020</td>
<td>.100</td>
<td>.632</td>
</tr>
<tr>
<td>Parents</td>
<td></td>
<td>-.104</td>
<td>-.118</td>
<td>.420</td>
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</table>

Table 6a: Pattern Matrix for Reduction in Problems

<table>
<thead>
<tr>
<th>Reduction in Problem Variables</th>
<th>Factor</th>
<th>1</th>
<th>2</th>
</tr>
</thead>
<tbody>
<tr>
<td>q52hm53h</td>
<td></td>
<td>1.033</td>
<td>-.318</td>
</tr>
<tr>
<td>q52em53e</td>
<td></td>
<td>.656</td>
<td>.240</td>
</tr>
<tr>
<td>q52fm53f</td>
<td></td>
<td>.528</td>
<td>.219</td>
</tr>
<tr>
<td>q52bm53b</td>
<td></td>
<td>.252</td>
<td>.077</td>
</tr>
<tr>
<td>q52dm53d</td>
<td></td>
<td>.180</td>
<td>.702</td>
</tr>
<tr>
<td>q52cm53c</td>
<td></td>
<td>-.028</td>
<td>.610</td>
</tr>
<tr>
<td>q52am53a</td>
<td></td>
<td>.291</td>
<td>.315</td>
</tr>
<tr>
<td>q52m53i</td>
<td></td>
<td>-.067</td>
<td>.225</td>
</tr>
</tbody>
</table>
Dear Madam,

LETTER OF INTRODUCTION

I am a PhD student in the Swinburne University of Technology, Australia and I am conducting research about women entrepreneurs in small and medium enterprises in Ghana. You have been recommended as a woman entrepreneur who might be willing to participate in my study.

I would be grateful if you could use 60 to 90 minutes of your time at your convenience, to answer the questions in the survey. The survey explores Ghanaian women entrepreneurs’ characteristics and experiences, their motivations for business ownership, business profile, resources available to them, their networks, business problems they encounter, and their successes.

The survey is part of an important academic research project. By completing it, you will be helping in making a significant contribution to knowledge about women entrepreneurs in Ghana, and bringing into recognition the great efforts women entrepreneurs in small and medium enterprises are making towards the social and economic development of Ghana.

However, participation in this survey is voluntary and you may choose to withdraw at any time. Your response to this questionnaire will be kept confidential. All surveys will be coded and the originals destroyed. No identifying information will be used and all data will be amalgamated for analysis.

If you are willing to participate in the second part of data collection for this research project, which is participation in an interview process to probe further into the questions in the survey, please indicate your willingness by the completion of the attached ‘Agreement to participate in interview’ form. Please include this with your completed questionnaire.

Please return the completed questionnaire by 28th September, 2006 in the enclosed pre-addressed envelope to:

Smile Dzisi
P.O. Box KF 1063
Koforidua

Thank you for your assistance.

Yours Sincerely,

Smile Dzisi (Researcher)
Appendix 2b

AGREEMENT TO PARTICIPATE IN INTERVIEW PROCESS

I (Name)…………………………………………………………………………………………

Of (Address and Telephone Number)………………………………………………

Agree to participate in interview segment of the research on women entrepreneurs in small and medium enterprises in Ghana, to probe further into the questions in the survey. I also agree that the interview may be recorded on audiotape on the condition that no part of it is included in any presentation or public display.

I agree that research data collected for the study may be published or provided to other researchers on the condition that anonymity is preserved and that I cannot be identified.

Signature of Participant……………………………………………………………………

Date…………………………
Appendix 3a

QUESTIONNAIRE

How to Complete the Questionnaire:

Most of the questions seek responses by putting a circle around the appropriate numerical number. Other questions request that you provide your own answers. You are kindly requested to answer the questions appropriately and where applicable circle the appropriate numerical number mostly from 1 to 5, which best reflects your response to the question.

SECTION ONE: ABOUT YOU – YOUR CHARACTERISTICS & EXPERIENCES

**Q1** Which age group do you belong to?
- Below 20 years 01
- 21 – 30 years 02
- 31 – 40 years 03
- 41 – 51 years 04
- 51 – 60 years 05
- Above 60 years 06

**Q2** Which ethnic group do you belong to?
- Akan 01
- Ewe 02
- Ga-Adangbe 03
- Hausa 04
- Guan 05
- Others (please specify) 06

**Q3** What is your marital status?
- Single 01
- Married 02
- Separated 03
- Divorced 04
- Widowed 05

**Q4** How many children do you have?
- 0 1 2 3 4+

**Q5** What levels of education have you obtained?
- Primary 01
- Middle School 02
- Technical/Vocational 03
- Secondary School 04
- Polytechnic 05
- University 06
- Postgraduate degree 07
- Other (please specify) ____________
Q5b) Have you undertaken any form of apprenticeship/training in addition to your formal education?
   Yes     01
   No      02

Q6 To what extent is your most recent education useful to your business?
   Not at all        a little                             a lot
   0 1 2 3 4 5

Q7 Prior to commencing your business have you worked?
   In the same industry            Yes 01
                                   No 02
   Essentially a similar occupation Yes 01
                                   No 02
   With a product or service similar to your own Yes 01
                                   No 02

Q8 The following is a list of attributes that describes entrepreneurs. Using a scale of 1-5, where 1 is very low and 5 very high, how would you rate yourself on each of these characteristics?

<table>
<thead>
<tr>
<th>Attribute</th>
<th>Very Low</th>
<th></th>
<th></th>
<th></th>
<th>very high</th>
</tr>
</thead>
<tbody>
<tr>
<td>Need for independence</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Willingness to take calculated risk</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Self confidence</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Desire for change</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Desire to seek responsibility</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Level of energy</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Desire for control</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Openness to innovation</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Need for achievement</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Tolerance for ambiguity</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Level of persistence</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Level of motivation</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>
**Q9** Using a scale of 1-5, where 1 is least important and 5 is most important, please rate the importance of the following in helping you to develop the skills and abilities required to run your business.

<table>
<thead>
<tr>
<th></th>
<th>Not important</th>
<th>Least important</th>
<th>Most important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Formal education/training</td>
<td>0</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Apprenticeship</td>
<td>0</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Work/professional experience in industry</td>
<td>0</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Family background/childhood experience</td>
<td>0</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Experience of starting other business</td>
<td>0</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Other (please describe):</td>
<td>---------------</td>
<td>-----------------</td>
<td>----------------</td>
</tr>
</tbody>
</table>

**SECTION TWO: YOUR REASONS FOR BEING IN BUSINESS**

**Q10** In your paid employment immediately prior to commencing business, how satisfied were you?

- Totally satisfied: 01
- Somewhat satisfied: 02
- Neither satisfied nor dissatisfied: 03
- Somewhat dissatisfied: 04
- Totally dissatisfied: 05
- Not applicable: 06

**Q11** Which of the following created barriers for you in your previous paid employment? *(You can circle more than one of these)*

- Family responsibilities: 01
- Your gender: 02
- Skills: 03
- Competitiveness: 04
- Organizational regulations: 05
- Others (Please specify): 06
- Not applicable: 07
Q12  Please indicate the importance of the following personal reasons for you being in business:

<table>
<thead>
<tr>
<th>Reason</th>
<th>Not very important</th>
<th>very important</th>
</tr>
</thead>
<tbody>
<tr>
<td>To build something of my own</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>To control my own destiny</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>To be the boss</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>To be independent</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>To achieve</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>For job satisfaction</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>To be the best business</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>To suit family life</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>To take advantage of opportunity</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>To fulfill family expectation or tradition</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>To achieve status and prestige</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>For recognition</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
</tbody>
</table>

Q13  Please indicate the significance of the following statements in relation to your decision to start your own business:

<table>
<thead>
<tr>
<th>Statement</th>
<th>Not very significant</th>
<th>highly significant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Had an idea for a product or service</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>To provide a unique product or service</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Had an interest in the area</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>To do the kind of work I prefer</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>To be able to express my skills</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>To be recognized for my skills</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>To use my talent and skills</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
</tbody>
</table>

Q14  Please indicate the importance of the following statements in relation to the financial reasons for you being in business:

<table>
<thead>
<tr>
<th>Reason</th>
<th>Not very important</th>
<th>very important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Desire for financial independence</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Economic necessity</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>To make more money than otherwise likely</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>To be seen as monetarily successful</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>To become wealthy</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>To achieve income, revenue and growth targets</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
</tbody>
</table>

Q15  How optimistic are you about the financial performance of your business?

<table>
<thead>
<tr>
<th>Optimistic</th>
<th>1 2 3 4 5</th>
</tr>
</thead>
</table>
SECTION THREE: ABOUT YOUR BUSINESS

Q16  What industry sector is your business in?

Trading 01
Production/Manufacturing 02
Construction 03
Service 04
Agriculture 05
Agro Processing 06
Education 07
Textile and Fabric 08
Any other (please specify) -------

Q17  What service/product do you specifically make/provide/sell? (Describe your business)

----------------------------------------------------------------------------------------------------
----------------------------------------------------------------------------------------------------
----------------------------------------------------------------------------------------------------
----------------------------------------------------------------------------------------------------
----------------------------------------------------------------------------------------------------

Q18  In what year did the business commence? Year: ---------

Q19  How many people did you start the business with? Number: ---------

Q20  How many people are involved now? Number: ---------

Q21  On average, how many hours per week do you spend working for the business? Hours per week: -----------

Q22  Where did the idea for the business come from? (Your may circle more than one answer)

  Brainstorm 01
  Hobby 02
  Your own profession 03
  New market niche (opportunity) 04
  Saw one you could copy/could do better 05
  Other (Please state) -----------------------------

Q23  Did you prepare a written business plan when the business commenced?

  Yes 01
  No 02
Q24  Do you have a written business plan now?

Yes  01
No   02

Q25  To what extent has the particular source of finance influenced the successful operation of your business:

To a little extent  1
To a large extent  5

Q26  Is your market: (you may tick more than one)

Local  01
Regional 02
National 03
International 04

Q27  How will you rate the profitability of the following markets to you?

Not profitable  a little  highly profitable

<table>
<thead>
<tr>
<th></th>
<th>0</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Regional</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>National</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>International</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Q28  What is the legal structure of your business?

Sole Proprietor 01
Partnership 02
Pty Ltd Company 03
Trust 04
Other (Please specify)-------------------------- 05

Q29  Where was your business first based when it started?

At home 01
Small office (away from home) 02
Corporate office suite 03
Factory 04
Other (Please specify)-------------------------- 05

Q30  Where is it based now?

At home 01
Small office (away from home) 02
Corporate office suite 03
Factory 04
Other (Please specify)-------------------------- 05
Q31  How would you rate your business capability to adapt to changing markets?

Very slowly    01  
Slowly         02  
Reasonably     03 
Fast           04  
Very fast      05 

Q32  How do you see your business developing in the future?

Grow/expand existing business 01  
Acquire new business          02  
Start new venture             03  
Scale down                    04  
Maintain size                 05  
Other (please specify) --------

SECTION FOUR: RESOURCES AVAILABLE TO YOU

Q33  Which of these skills did you possess at the commencement of your business?

Sales    01 
Marketing    02  
Technical/production/operational 03  
Financial 04  
Legal     06 
Managerial/administration 07  

Q34  How would you rate your strengths / weaknesses on the following?

<table>
<thead>
<tr>
<th>Skill</th>
<th>Weak</th>
<th>Strong</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ideas generation</td>
<td>1</td>
<td>2  3  4 5</td>
</tr>
<tr>
<td>Dealing with people</td>
<td>1</td>
<td>2  3  4 5</td>
</tr>
<tr>
<td>Product innovation</td>
<td>1</td>
<td>2  3  4 5</td>
</tr>
<tr>
<td>Organizational skills</td>
<td>1</td>
<td>2  3  4 5</td>
</tr>
<tr>
<td>Common sense</td>
<td>1</td>
<td>2  3  4 5</td>
</tr>
<tr>
<td>Ability to spot market trends</td>
<td>1</td>
<td>2  3  4 5</td>
</tr>
<tr>
<td>Finance</td>
<td>1</td>
<td>2  3  4 5</td>
</tr>
<tr>
<td>Marketing</td>
<td>1</td>
<td>2  3  4 5</td>
</tr>
</tbody>
</table>

Q35  To what extent are your perceived weaknesses a barrier to growth of your business?

To a little extent  1  2  3  4  5  
To a large extent  5  4  3  2  1
Q36  How would you rate your willingness to have further training in business management?

<table>
<thead>
<tr>
<th>Not willing</th>
<th>0</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>Very willing</th>
</tr>
</thead>
</table>

Q37  What type of training to improve your business management skills have you undertaken in the last 12 months?

- Computer Training 01
- Financial management 02
- Production Skills 03
- Marketing Skills 04
- Business Management Training 05
- Any Other 06
- None 07

Q37  What type of training to improve your business management skills have you planned to undertake in the next 12 months?

- Computer Training 01
- Financial management 02
- Production Skills 03
- Marketing Skills 04
- Business Management Training 05
- Any Other 06
- None 07

Q39  How would you rate your computer skills in relation to the following?

<table>
<thead>
<tr>
<th></th>
<th>No Skill</th>
<th>Highly Skilled</th>
</tr>
</thead>
<tbody>
<tr>
<td>MS-word</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Excel</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Power Point</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Internet</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Email</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
</tbody>
</table>

Q40  How important do you consider the computing skills to the running of your business?

<table>
<thead>
<tr>
<th></th>
<th>Not important</th>
<th>Very important</th>
</tr>
</thead>
<tbody>
<tr>
<td>MS-word</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Excel</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Power Point</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Internet</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Email</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
</tbody>
</table>
Q41 What type of planning schedule do you have in relation to the running of your business?

Under One Month 01
Monthly 02
Quarterly 03
Six monthly 04
Annually 05
None 06

Q42 Did you have to do any of these to obtain your start up capital?

<table>
<thead>
<tr>
<th>Activity</th>
<th>A small amount</th>
<th>A great deal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Borrow from relatives</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
<tr>
<td>Borrow from friends</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
<tr>
<td>Borrow from banks</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
<tr>
<td>Borrow from a governmental institution</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
<tr>
<td>Sell personal valuables e.g. Jewelry</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
<tr>
<td>Sell or mortgage home</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
<tr>
<td>Sell or mortgage other assets / properties</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
<tr>
<td>Use personal / family savings</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
<tr>
<td>Others (specify)</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
</tbody>
</table>

Q43 What was the first amount of cash you put into the business?

Under 5 million cedis 01
5 million cedis to under 10 million cedis 02
10 million cedis to under 15 million cedis 03
15 million cedis to under 20 million cedis 04
Above 20 million cedis 05

SECTION FIVE: NETWORK RESOURCES

Q44 What proportion of people in your business and professional network are female?

<table>
<thead>
<tr>
<th>Less than 25%</th>
<th>more than 75%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1  2  3  4  5</td>
<td></td>
</tr>
</tbody>
</table>

Q45 Which of the following advisers do you use and how often?

<table>
<thead>
<tr>
<th>Adviser</th>
<th>Not very often</th>
<th>very often</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accountant</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
<tr>
<td>Marketing consultant</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
<tr>
<td>General business advisers/counsellor</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
<tr>
<td>Solicitor</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
<tr>
<td>Mentor</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
<tr>
<td>Others (Please specify)</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
</tbody>
</table>
Q46  For which of the following reasons do you use advisers?

<table>
<thead>
<tr>
<th>Reason</th>
<th>A small amount</th>
<th>a great deal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expert opinion on a specific point</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>General information and advice</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>To critique your opinion or judgment</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>As a sounding board to discuss ideas and options</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>To counteract your optimism</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>For encouragement and motivation</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Any other reason (Please specify)----------------------------------------</td>
<td>1</td>
<td>2</td>
</tr>
</tbody>
</table>

Q47  Which of the following people are generally helpful to you in the operation of your business?

<table>
<thead>
<tr>
<th>Person</th>
<th>Not very helpful</th>
<th>very helpful</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parents</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Spouse</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Children</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Friends</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Employees</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Business associates</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Clients/customers</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Others (Please specify)------</td>
<td>1 2 3 4 5</td>
<td></td>
</tr>
</tbody>
</table>

Q48  Do you have a specified ‘mentor/s’ or role model who provides you with support, knowledge and guidance?

No 01
Yes 02

Q49  If Yes is this arrangement:

Formal 01
Informal 02

Q50  How often do you have contact with them?

<table>
<thead>
<tr>
<th>Not very often</th>
<th>very often</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 2 3 4 5</td>
<td></td>
</tr>
</tbody>
</table>
### Q51 How do you benefit from your mentor/s or role model?

<table>
<thead>
<tr>
<th>Benefit</th>
<th>A small amount</th>
<th>A great deal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Confidence and expertise in your industry</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
<tr>
<td>Knowledge and expertise in your industry</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
<tr>
<td>General advice and guidance</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
<tr>
<td>Encouragement and moral support</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
</tbody>
</table>

### SECTIONS SIX: PROBLEMS YOU HAVE ENCOUNTERED

### Q52 To what extent did you experience any of the following problems when you first started the business?

<table>
<thead>
<tr>
<th>Problem</th>
<th>Not at all</th>
<th>A little</th>
<th>A great deal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management experience</td>
<td>0  1  2  3  4  5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Obtaining finance</td>
<td>0  1  2  3  4  5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Getting enough customers</td>
<td>0  1  2  3  4  5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Keeping up customer contact</td>
<td>0  1  2  3  4  5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial planning</td>
<td>0  1  2  3  4  5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lack of guidance and control</td>
<td>0  1  2  3  4  5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hiring competent staff</td>
<td>0  1  2  3  4  5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business or strategic planning</td>
<td>0  1  2  3  4  5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Others (Please specify)</td>
<td>0  1  2  3  4  5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Combination of your role as a woman and an entrepreneurs</td>
<td>0  1  2  3  4  5</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Q53 To extent what do you still experience the following problems now?

<table>
<thead>
<tr>
<th>Problem</th>
<th>Not at all</th>
<th>A little</th>
<th>A great deal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management experience</td>
<td>0  1  2  3  4  5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Obtaining finance</td>
<td>0  1  2  3  4  5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Getting enough customers</td>
<td>0  1  2  3  4  5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Keeping up customer contact</td>
<td>0  1  2  3  4  5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial planning</td>
<td>0  1  2  3  4  5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lack of guidance and control</td>
<td>0  1  2  3  4  5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hiring competent staff</td>
<td>0  1  2  3  4  5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business or strategic planning</td>
<td>0  1  2  3  4  5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Others (Please specify)</td>
<td>0  1  2  3  4  5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Combination of your role as a woman and an entrepreneurs</td>
<td>0  1  2  3  4  5</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Q54  To what extent do the following factors affect you?

<table>
<thead>
<tr>
<th>Factor</th>
<th>Not to a very large extent</th>
<th>to a very large extent</th>
</tr>
</thead>
<tbody>
<tr>
<td>In my business, I have so much to do that it takes away from my personal interests</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
<tr>
<td>- The demands of my business make it difficult to be relaxed all the time at home</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
<tr>
<td>- My business takes up all the time I would like to Spend with my family</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
<tr>
<td>- My business makes it difficult to be the kind of spouse or parent I would like to be</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
</tbody>
</table>

SECTION SEVEN: YOUR SUCCESSES

Q55  How do you rate the financial performance of the business?

<table>
<thead>
<tr>
<th>Very less profitable</th>
<th>1  2  3  4  5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very profitable</td>
<td></td>
</tr>
</tbody>
</table>

Q56  To what extent do you think you are better off financially working in your business?

<table>
<thead>
<tr>
<th>To a very small extent</th>
<th>to a very large extent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1  2  3  4  5</td>
<td></td>
</tr>
</tbody>
</table>

Q57  To what degree do sales levels influence your business satisfaction?

<table>
<thead>
<tr>
<th>To a very small degree</th>
<th>to a very large degree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1  2  3  4  5</td>
<td></td>
</tr>
</tbody>
</table>

Q58  How do you perceive each of the following regarding their importance to your level of satisfaction with your business:

<table>
<thead>
<tr>
<th>Importance of Factors</th>
<th>Not very important</th>
<th>very important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Independence</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
<tr>
<td>Control over life</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
<tr>
<td>Positive relationship</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
<tr>
<td>Freedom and self respect</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
<tr>
<td>Self esteem</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
<tr>
<td>Developing greater self confidence</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
<tr>
<td>Satisfaction with type of work</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
<tr>
<td>Satisfaction with spouse and children</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
<tr>
<td>Satisfaction with personal development</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
<tr>
<td>Satisfaction with business development</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
<tr>
<td>Potential for higher income</td>
<td>1  2  3  4  5</td>
<td></td>
</tr>
</tbody>
</table>
Q59  Which of the following social and economic benefits do you feel apply to your business?

<table>
<thead>
<tr>
<th>Benefit</th>
<th>No benefit</th>
<th>Little benefit</th>
<th>A lot</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creates employment for the local community</td>
<td>0</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Support the economy of the local community</td>
<td>0</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Provide work experience for young people</td>
<td>0</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Provide donations or sponsorships for community organizations</td>
<td>0</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Any other (please specify)</td>
<td>0</td>
<td>1</td>
<td>2</td>
</tr>
</tbody>
</table>

Q60  What are the three most important success stories for your business?

1) --------------------------------------------------------------------------------------------------

2) --------------------------------------------------------------------------------------------------

3) --------------------------------------------------------------------------------------------------

Thank you for your cooperation

Please be assured that this information will be treated with the utmost confidentiality and that no identifying data will be used at any stage or in any form. Your time and contribution to this study and to the success of future women entrepreneurs in Ghana is greatly appreciated.

PLEASE RETURN THE SURVEY PROMPTLY IN THE ENVELOPE PROVIDED
Appendix 3b

INTERVIEW GUIDE

I. Personal Characteristics and Experience of the Women Entrepreneurs

Could you please tell me about yourself?

1. How old are you
2. Are you married?
3. If no, have you been married?
4. Do you have children?
5. If yes, how many children do you have?
6. What is your ethnic background?

About your family background

7. Could you please tell me whether either of your parents have ever owned or operated a business?
8. If yes, could you describe the nature of business and how long it has been in operation?
9. Has anybody in your extended family operated and owned a business?
10. With whom did you spend most of your childhood?

What was your educational experience like?

11. Years of formal schooling/highest educational qualification
12. Major/minor qualification
13. Any area of specialization
14. Any specialized training
15. Have you gone through any apprenticeship?
16. If Yes, for how long and with whom (a relative or someone else)

Employment History

17. Could you please describe what you have done from the time you have completed your formal education until the establishment of your business?
18. Tell me about the organizations you have worked in.
19. Which positions have you occupied?
20. How many years experience have you had in those positions?
21. What kind of management experience had you before you started your business?
22. How would you describe working in your previous employment?
23. Were you well paid? Tell me were you satisfied with the positions you occupied?
24. Did you face any form of discrimination or harassment in your previous employment?
Personality Traits

25. Which qualities do you think you have that make you entrepreneurial?
26. How are those qualities helpful to you in the creation and development of your business?

II. Motivations for Business Ownership

What are your reasons for going into self-employment?

1. What is your main reason for creating your own business? Is it still a factor?
2. What are other reasons?
3. If you have ever worked in a former job, tell me why did you quit?
4. Why do you prefer self-employment over being in someone else’s employment?

III. Business Profile

Which business venture have you created?

1. What specifically is your business?
2. Are you the sole owner of the business?
3. If no, who is/are your partner/s?
4. Which specific role do you play in the running of the business?
5. Why did you establish this specific type of business?
6. How long have you been in this business?
7. Could you please describe how you started your business?
8. Could you tell me about any new thing you have introduced into the business?
9. What can you identify with your business that makes it unique or different from similar businesses?
10. What specific need or demand do you think your business has met in your community?
11. Where was your business located at first? What about now?
12. Which markets does your business serve?
13. Is this your first business?
14. If no, what was your previous business, and what happened to the first business?

IV. Resources Available to them

What are the human and financial resources available to you?

1. From where/whom did you acquire the production/operational knowledge and skills for your business?
2. From whom/whom did you learn other entrepreneurial skills?
3. Tell me how did you learn these skills?
4. What is your main source of business knowledge and skills acquisition? How relevant is it to your business?
5. How does your educational qualification relate to your business?
6. How does your family background relate to your business?
7. How does your previous work experience relate to your business?
8. How does apprenticeship relate to your business?
9. How does your previous experience in starting up a business relate to your current business?
10. What other sources of business skills and knowledge acquisition has been beneficial to you?
11. Which key skills did you possess at start-up of your business?
12. What are your strengths in the operation of your business?
13. What plans do you have to improve your skills?
14. Could you tell me how you finance your business? – Major/minor sources
15. How much did you start with?
16. How easy/difficult was it to source for capital for the business
17. What other physical assets did you put into the business at start-up stage? (elaborate on ownership and nature of assets.)
18. Did you have to put in additional cash capital to survive/or to grow the business?

V. Network Affiliations

In starting up and sustaining your business describe the types of support you have received

1. Did you get any help from your relatives?
   Specify: - Who helped you?
   What help did she/he/they give you?
   How beneficial was the help to you?
   Are you still receiving the help?

2. Did you get any help from your friends?
   Specify: - Who helped you?
   What help did she/he/they give you?
   How beneficial was the help to you?
   Are you still receiving the help?

3. Did you get any help from professionals?
   Specify: - Who helped you? (eg. Accountant, lawyer, real estate agent, mentor)
   What help did she/he/they give you?
   How beneficial was the help to you?
   Are you still receiving the help?

4. Did you get any help from the government?
   Specify: - Which government department helped you?
   What help did you get?
   How beneficial was the help to you?
   Are you still receiving the help?
5. Other help not classified above?
Specify: - Who helped you?
   What help did she/he/they give you?
   How beneficial was the help to you?
   Are you still receiving the help?

6. Do you know any of the government organizations, which provide information, services and assistance to SMEs?
7. Have you ever participated in any of the government’s programmes to assist SMEs?
8. How useful was the programmes to your business?
9. Do you know any Non-governmental organizations, which provide information, services and assistance to SMEs?
10. Do you have any dealings with them in connection with your business?
    (Probe the nature of the dealings)
11. Do you belong to any business association? or any women exclusive business association?
12. If yes, which one(s) and what benefit do you receive from them?
13. If no, why?

VI. Business Problems Encountered

1. Could you tell me about the problems you face at the start-up of your business?
2. Which of these problems are ongoing/recurring problems?
3. Which of these problems have reduced?
4. What accounted for the reductions in some of the problems?
5. Which peculiar problems do you face as a woman in business?
6. What has been one of the most difficult problems in your business?
7. How did you come up with a solution?
8. Describe what normally gets in the way of operating your business as you would like to?

VII. Your Success Story

1. How has your business changed?
2. (Probe into areas such as
   a. Efficiency in management and running of the business?
   b. Enterprise stability and growth
   c. Job creation
   d. Income
   e. Increase/decrease in profit margin)

3. What benefits do you personally get from your business?
4. What benefits does your family get from your business?
5. Which assets/property have you acquired from operating your own business?
6. How satisfied would you say you are with your business?
7. Tell me more about other benefits you have derived from creating your own business?
8. What contributions do you think you, as a woman entrepreneur in a SME, has made to your community?
9. What economic contributions have you made to Ghana?
10. What social contributions have you made to Ghana?

Is there anything else you would like to tell me?

Do you have any questions you would like to ask?

Thank you.