



March 2023

Startup life may stop here: Helping women entrepreneurs in Sub-Saharan Africa

Amr Swid

St. Edward's University, aswid@stedwards.edu

Emily Rukobo

New York Institute of Technology, erukob01@nyit.edu

Elizabeth Maro

Kilimanjaro Women Information Exchange and Consultancy Organization, kwieco@kwieco.org

Follow this and additional works at: <https://digitalcommons.usf.edu/globe>



Part of the [Entrepreneurial and Small Business Operations Commons](#)

This Refereed Article is brought to you for free and open access by the M3 Center at the University of South Florida Sarasota-Manatee at Digital Commons @ University of South Florida. It has been accepted for inclusion in *Journal of Global Business Insights* by an authorized editor of Digital Commons @ University of South Florida. For more information, please contact scholarcommons@usf.edu.

Recommended Citation

Swid, A., Rukobo, E., & Maro, E. (2023). Startup life may stop here: Helping women entrepreneurs in Sub-Saharan Africa. *Journal of Global Business Insights*, 8(1), 16-30. <https://www.doi.org/10.5038/2640-6489.8.1.1184>

Corresponding Author

Amr Swid, 7804 Adelaide Dr., Austin, TX 78739

Revisions

Submission date: Apr. 15, 2021; 1st Revision: Nov. 22, 2021; 2nd Revision: Apr. 20, 2022; 3rd Revision: Jun. 6, 2022; 4th Revision: Sep. 26, 2022; Acceptance: Sep. 26, 2022

Startup Life May Stop Here: Helping Women Entrepreneurs in Sub-Saharan Africa

Amr Swid¹, Emily Rukobo², and Elizabeth Maro³

Bill Munday School of Business
St. Edward's University, USA
¹aswid@stedwards.edu

Global Academic Programs
New York Institute of Technology, USA
²erukob01@nyit.edu

Kilimanjaro Women Information Exchange and Consultancy Organization, Tanzania
³kwieco@kwieco.org

Abstract

A great emphasis exists in research on entrepreneurs who start small- to medium-size businesses and who are seizing opportunities outside the corporate world, especially in developing countries like Tanzania. Women entrepreneurs have the highest representation of all entrepreneurs in the Sub-Saharan region. Entrepreneurs everywhere face unique hardships that could determine the fate of their businesses. Women entrepreneurs in the Sub-Saharan region have additional struggles to start and sustain their businesses. The participants in this study were randomly selected from women entrepreneurs who participated in the 2017 *NYIT Launch* in Moshi, Tanzania. The researchers conducted virtual qualitative interviews and focus groups with 43 women entrepreneurs assembled in the Excel Education Foundation in Moshi, Tanzania. Findings suggest the main reason women entrepreneurs started their businesses was to gain financial freedom from their spouses and to be able to take care of their families. A major implication of this research is understanding the importance of education for women entrepreneurs in the Sub-Saharan region. The research contributes to knowledge of the challenges of women entrepreneurs in developing countries and suggests practical tips and policy recommendations to support women entrepreneurs.

Keywords: entrepreneur challenges, gender equality, developing countries, Tanzania

Introduction

According to Elenurm and Vaino (2011), entrepreneurship has positively influenced the accelerating economic growth and development process worldwide. Moreover, entrepreneurship increases any given country's economic growth through the support of creativity and innovation (Jourdan & Smith, 2021). Although this shift from planned economies has increased over the last few years, the phenomenon began over three decades ago, when business opportunity seekers moved away from large transnational firms and towards an entrepreneurial economy dependent on small- to medium-sized firms (Verheul & Thurik, 2001). Recent emphasis has been placed on the role of entrepreneurs who have started small- to medium-size businesses and who have seized opportunities outside the typical corporate world. Since studies of women entrepreneurship have been largely overlooked by society and the social sciences (Ama et al., 2014), this research focused

on the challenges women entrepreneurs face to fill this important gap.

An entrepreneur is a person who exploits and searches for opportunities and can face challenges (Winn, 2005). Another definition highlights an entrepreneur's expertise in innovation and organizational creation (Gartner et al., 2004). Entrepreneurship process in general for any given country is also described as "a process of innovation and creation with four-dimensional elements: individual, organizational, and environmental factors and process, with support from the government, education, and the constitution" (Chowdhury et al., 2013, p. 39). In recent years, women's entrepreneurship has been highlighted due to concrete evidence of creating new small- and medium-sized businesses for successful economic growth and development and adding diversification to the economic system (Organization for Economic Cooperation and Development, 2004). Moreover, women's entrepreneurship around the globe has been recognized as an important source of national economic growth over the past decade (Ama et al., 2014). Although there are limited studies in developing countries compared to those from developed countries, outcomes are similar. For example, in terms of the type of business, Singh et al. (2001) indicated that women-operated businesses in Indonesia focus on low-income informal businesses and classic women-industrial sectors. Several other studies conducted in African countries (Aterido et al., 2011; Bardasi et al., 2011) reported that female entrepreneurs focus on services such as restaurants, hair salons, retail trade, textile, and garments. Little is known from these research studies about the context and other social factors which prevent women entrepreneurs in developing countries from perusing opportunities in more profitable sectors.

When analyzing the World Bank data, the percentage of employed women is low compared with employed men, 28% vs. 72% respectively in low-income countries. This rate represents a significant gap compared with high-income countries, with 45% employed women and 55% employed men (World Bank, n.d.). The current research focused on women entrepreneurs in one of those low-income areas, the Sub-Saharan Africa region. This region has a percentage of small, medium, and large firms in this region represent 29% with women among the principal owners. This percentage is close to the world average of 34% (World Bank, n.d.). Hence, this region was chosen for the current research with a specific aim to identify common and unique challenges to women entrepreneurs in this region.

The research contributes to the knowledge of the challenges of women entrepreneurs in developing countries. These research findings suggest practical tips and policy recommendations to ease the business formalization and further enhance the local and national policies to enable women entrepreneurs which, in turn, contributes to the economy of each country in the region.

Literature Review

Women Entrepreneurship

A common definition for women entrepreneur is "the woman or a group of women who initiate, organize, and operate a business enterprise" (Manerkar, 2015, p. 14). There is no real difference between the regular definition of an entrepreneur and a women entrepreneur, except that the women are responsible and highly involved in running and operating the business. Arakeri (2006) defined women entrepreneurship as "an enterprise owned and controlled by a woman and having a minimum financial interest of 51% of the capital and giving at least 51 % of the employment

generated in the enterprise to women” (p. 2). Women entrepreneurs have grown significantly; for example, Sundin and Tillmar (2010) explained that self-employment and entrepreneurs have been *male-labeled* positions in most communities for quite some time. Later, this was categorized as a dominant male sector (Vinesh, 2014). Based on the Global Entrepreneurship Monitor (2021) report, women entrepreneurs have reached a quarter to one-third (33%) of all types of businesses in the main and formal economy worldwide, and 231 million women launched or operated businesses in the 59 economies around the world. Women entrepreneurs still have a bigger role to play in the global economy. Based on a 2015 McKinsey Global Institute report, Woetzel et al. (2015) noted that “if women were to play an identical role in the global labor market to that of men, it is estimated that \$28 trillion, or 26%, could be added to the global gross domestic product” (p. 1).

Motivation of Women Entrepreneurs

The rise of women entrepreneurs in recent years has directly resulted in women wanting to take control of their personal and professional lives (Van der Merwe, 2008). Several other motives behind the rise of women entrepreneurs also exist, including the desire to break away from male hegemony (Mordi et al., 2010) and greater flexibility and satisfaction. Other key findings indicate that women often pursue business opportunities to satisfy major social needs and do not focus on classic business outcomes such as growth or profit (Solesvik et al., 2019). Achieving profit for women entrepreneurs is mostly considered an external validation of their success but not a primary business goal. Unfortunately, due to the COVID-19 pandemic, motivation and the number of entrepreneurs has declined across the globe. According to Global Entrepreneurship Monitor’s (2021) Adult Population Survey, during the summer of 2020, 43% knew someone who had stopped a business in the 2020 year due to the pandemic, while 25% reported that they knew somebody who had planned to start a new business amid the pandemic.

Women Entrepreneurship Challenges in Africa

Global businesses of women entrepreneurs have exceeded expectations and range between 24% - 33% of all businesses, including start-ups (Gartner et al., 2004). The total entrepreneurial activity (TEA) has been identified in the Sub-Saharan Africa region, with 27% of the female residents as self-employed entrepreneurs (Ama et al., 2014). While all entrepreneurs face challenges, women entrepreneurs, especially in Sub-Saharan Africa, face additional challenges which require them to deal with prevailing cultural and social norms, lack of training and education, gender-based discrimination, and a lack of capital (Akhalwaya & Havenga, 2012). Additionally, Jamali (2009) concluded that minimal access to funds and a lack of capital are key barriers and challenges women face. Moreover, other challenges include those related to working and family commitments, access to finances, gaining acceptance, and building client relationships (Ama et al., 2014). According to Singh and Raghuvanshi (2012), difficulties experienced by women in the entrepreneurial process are doubled by women’s dual role as wage earners and homemakers. Among the main challenges Sub-Saharan African women face are under-capitalization and cultural values.

Under-Capitalization

The most crucial element of any business is its capital. Singh and Raghuvanshi (2012) describe finance as the *lifeblood* of any enterprise, especially for entrepreneurs who use their capital and

money to create and start businesses. In many cultures, including those of sub-Saharan Africa, finance is the largest barrier women entrepreneurs face when creating and starting their businesses (Zieba, 2008). McElwee and Al-Riyami (2003) and O'Neil and Viljeon (2001) among others found that banks in Nigeria operate on binary loan and credit grant processes, which makes it more difficult for women to secure the necessary financial capital they need from banks. The main reason behind this binary process is women's lack of collateral loan properties or important family ties (Mordi et al., 2010). This phenomenon appears in many sub-Saharan African countries, such as Botswana, where women have little to no access to credit. This limited access to funds has eventually led to the participation of female entrepreneurs in only informal cross-border trade (Ama et al., 2014), which does not require any bank loans or government oversight. In South Africa, women face great disadvantages as they do not own any properties and need the husband's permission to enter any financial arrangements (Phillips et al., 2014).

Cultural Values

The Sub-Saharan Africa region is a culture and tradition-rich region with a large cultural context. Unfortunately, these cultural values are often strong barriers for women entrepreneurs trying to build and succeed with their business ideas and innovation. Zakaria (2001) explained that the move into entrepreneurship goes against the region's belief that women should be modest and humble with a priority to be wives and mothers and to take a lesser role in any business activities. This value system results from religious beliefs that a woman's *God-given* role is to be a mother and a wife (Mordi et al., 2010). Kamuzora (2009) also indicated that women in Africa are only brought up to be dominated by their future husbands. More importantly, the credibility of any business process in Sub-Saharan Africa is closely tied to the owner's gender, with favorability to male owners (Ahl, 2006; Tillmar, 2016). Kinyanjui (2008) explained that the essence of African womanhood is identified in terms like *purity, humility, subservience, and submissiveness*, and those who try to deviate from this culture are often seen as *modernized* and a *rebel*, which plays a large disadvantage for the business and networking efforts of women entrepreneurship.

Education

Women in Sub-Saharan Africa are raised to be homemakers and followers of their future dominant husbands (Kamuzora, 2009), leaving education a very low priority for most families. Education is also a sign of power and health in East Africa, where only high- and upper-middle-class women have this privilege (Tillmar, 2016). Tillmar (2016) also revealed that English was used in many court systems, where the knowledge of the foreign language depends on the level of education and gives those who do not know the language an immediate disadvantage.

Tribal Affiliation

There is little to no research regarding the effect of tribal affiliation on entrepreneurial opportunities. The five main tribes across Tanzania are Maasai, Hadzabe, Sukuma, Chagga, and Makonde. The Maasai tribe make their living in the rural land of Tanzania, where they take care of their cattle and produce handicrafts. Hadzobe is a tribe highly influenced by their ancestors and their way of life. The current tribe of Hadzobe utilizes their hunting skills as their primary way of providing for themselves (Super Women of East Africa, 2014). Moreover, the Sukuma tribe, one of the largest tribes in Tanzania, is known for living in rural areas where they graze cattle and farm.

Goods they farm include corn, potatoes, cotton, and rice. The Chagga tribe is the third largest tribe, known for their local beer production, and is one of the first tribes to accept the more *modern* way of living. Lastly, the Makonde tribe is popular for its intricate woodcarvings (Super Women of East Africa, 2014).

Policy and Legal Review

The cultural values in the Sub-Saharan African countries are not the only disadvantage women entrepreneurs experience in Tanzania. They also experience major disadvantages from the legal system and policymakers. Because of the legal infrastructure and administrative burdens (Macculloch, 2001), women tend to practice informal business practices to avoid all the administrative paperwork. Osaghae et al. (2000) concluded that the informal business area is more important to businesses than the formal one in Africa, excluding South Africa. Macculloch (2001) also stated that corruption is the main currency to performing any business in East Africa. Therefore, women entrepreneurs who lack capital and highly influential relationships have little hope of creating a successful business by themselves. In the East African contest, the justice system is decentralized to the local court system (World Bank, 2009). These often-considered informal mechanisms are heavily discriminative against women and are affected by corruption at a much higher rate (Osaghae et al., 2000).

Tillmar (2016) investigated self-employed women in Tanzania and revealed that “local councils stand up for each other because they drink together” (p. 107). While women in Tanzania are legally allowed to own property, they are not permitted by their men to use this property as collateral (Gender Land Taskforce Tanzania, 2013). Research also assessed that those women who get divorced or are widowed lack legal protection of their rights and can easily get stripped away from any wealth, land, or business (Rwebangira, 1996).

The focus of many Microfinance Institutions is to empower women to financial and powerful positions in society and to have equal opportunities as men. Women are the poorest people in many societies while also responsible for raising the children (Chiyah & Forchu, 2010). Cultural barriers exist for women as well. These barriers create a mindset that encourages them to stay at home and constrain them from accessing financial support and services. Since most women do not have access to collateral, including property, most banks are unwilling to lend to them. However, when they do receive more income, the impact on the household and community is more noticeable than men when receiving the same income (Maleko & Liheta, 2013).

National Microfinance Policy of May 2000

This policy is the latest Tanzania’s national supporting policy for women to engage in enterprise development activities. Under this policy, women can use savings and credits payment to support their entrepreneurship activities. Although the policy was directed to help low-income earners and small businesses, it benefited more men than women. There are also indications that the policy has helped women in the district council who manage to access loans for their entrepreneurship activities from small financial institutions. Despite the significant improvement in gender impact awareness in Tanzania and the Sub-Saharan region, the existing data on women’s income and their contribution to microfinance institutions in the form of saving and credit societies have remained far from men and less significant (Maleko & Liheta, 2013)

Research Gaps and Research Purpose

The findings from the empirical research and policy review revealed challenges which can affect women entrepreneurs in the area. However, little is known about how this region's norms and cultural values can complicate and add more challenges to those identified. For example, how is the husband involved in business management? How are the culture and norms shaping this region's political and legal environment for women's small businesses? What are other contextual and operational challenges which might be more specific for women entrepreneurs in this area? The current research adopted a qualitative approach (group focus interviews) to address these research questions. Furthermore, the literature review and the empirical research findings were used to develop the interview questions to explore and understand the current challenges and make specific recommendations and policy tips to help women entrepreneurs in this region.

Methods

This research required data from a group of participants. Therefore, the researchers selected qualitative research methods. Focus groups provided insights into how women entrepreneurs in this region think and provided a deeper understanding of the complex challenges they are facing. Surveys are also a valuable research tool. However, surveys generally use closed-ended questions, limiting the feedback obtained from the respondents. More specifically, a focus group was used to obtain detailed information about the individual opinions and feelings within the group. This method is particularly useful because it can lead to greater knowledge about the issue in a shorter time and is less costly than individual interviews. The researchers were aware not to interfere with the participants discussion and remained neutral, not injecting individual biases or leading the discussion in a specific direction. Finally, the researchers were provided recording devices, interpreters, and note-takers to maximize the data quality and avoid misinformation.

Participants

The sample consisted of 43 Tanzanian women who participated in the NYIT Launch in 2017, a small business institute with a business English component. All participants were women business owners in Tanzania. The eligibility criteria for participation in the study were (a) be a woman, (b) be Tanzanian, and (c) be a business owner. The sample collected was large enough to run a reliable analysis and provide assertive results. The sample presented distinct characteristics, such as a large variations in age (between 18 to 67 years old), marital status, and the different Tanzanian tribes represented (11 in total).

Procedure

To recruit participants for the study, the researchers provided flyers to the women entrepreneurs through the host institution (Excel Education Foundation.) Forty-three agreed to participate in the research project and completed their consent forms. The participants filled out the demographic questionnaire with their personal information on the day of the focus group. The participants responded to nine different questions on age, gender, tribe, marital status, number of children, number of people per household, business type, business licensure status, and what made them want to start a small business. Responses to this questionnaire provided substantial data allowing the research team to understand the sample and build the research. The participants were then split

into two smaller groups for virtual sessions. The researcher moderated in the presence of a Swahili interpreter and note-takers to record the participant responses for future analysis. Interpreted through native Swahili speakers, participants responded to questions (developed from the literature review) of the general challenges facing women entrepreneurs and those specifically facing African women. The questions were divided into four categories, namely, financial, societal, political, and legal. Each focus group consisted of the following 13 questions, which were grouped into four categories: financial, social/cultural, legal challenges, and motive/support:

Financial

- Have any of you tried to get a loan? Have you been successful? What is the process like?
- Who controls the income? Where is it directed? To you? Your husband? Your family?

Social/Cultural

- Who are your primary customers/suppliers – male/ female? Are you more successful in your interactions/transactions with the same sex or opposite sex? Why do you feel that way?
- Have you experienced gender-based violence in your small business?
- Do you have any male employees? What is the societal perception?
- For those of you who are married or have partners or relationships, what role do they play in the businesses? Does your relationship cause issues for your business?
- What is the impact of your tribal affiliation on your ability to start or maintain a small business?

Legal

- Is the process for starting a small business legally prohibitive for women? Why do you say that?
- Is it difficult to get licensed if you start a small business as a woman? Are there any positive or negative consequences to having a license?
- Is there anything that you can do to start and operate without the involvement of a man? Why?

Motive/Support

- How do you support each other in running your small business?
- What are your recommendations for improvement in this area?
- Do you think your access to more education would have changed your success ability?

The researchers probed and used follow-up questions to elicit additional data from the participants, building upon the initial series of 13 questions.

Analysis

The research team exercised every effort to interpret a focus group as part of the content analysis. The first step in analyzing the focus group qualitative data was to transcript the entire interview. The moderators carefully filled in gaps and revised words, correcting spelling and typographical errors. The moderators also noted further observational data (e.g., strong feelings during the interview.) Furthermore, the researchers used a rigorous approach to content analysis, which emphasizes the reliability and replicability of observations and subsequent interpretation. It

includes a variety of techniques for the content analysis (Krippendorff, 2004). Krippendorff (2004) defined content analysis as “a research technique for making replicable and valid inferences from texts (or other meaningful matter) to the contexts of their use” (p. 18). However, to analyze the content of a focus group, the researchers first converted the data into specific units of information for analysis. First, the unit of analysis was a complete dialogue about a particular topic from the groups mentioned above. Second, the sampling units were the complete statements of a participant. Third, the recording unit was the individual statements of several group members, which make up a sampling unit consisting of all verbal communication related to a specific topic. The recording units noted were used to describe those exchanges that were, for example, hostile, supportive, or friendly.

The approach used to define each of those units was the thematic unit approach. Thematic units include more general interpretative sets of statements. Recurring statements representing beliefs or shared explanations represent units (the semantic units). Thus, this approach was best to find a recurring theme from this focus group (e.g., husbands are hostile, the government is supportive, etc.). The recording phase of content analysis was set with specific rules for assigning units such as words and sentences to categories. The data were recorded from a transcript by the researcher, who was trained in performing this task and familiar with the research area. The specific rules for recording were tested for reliability by asking two colleagues to use them, and they confirmed similar results. Furthermore, the coding system demonstrated that judges (researchers) find significant agreement only when the coding rules are used. Finally, the data-making process was completed by applying the proposed recording rules to the entire script.

Findings and Discussion

Descriptive Statistics

The sample included a wide age range of participants from 18 to 67 years old. Of those, 30% were 18 to 24 years old, 21% were 25 to 34 years old, 24% were 35 to 44 years old, 18% were 45 to 54 years old, and finally, 6% were over 54 years old. This data also presented which age group had more women-run businesses, how many children and other family members were in their households, and the reasons the women wanted to start their own business. The study was conducted primarily for women; therefore, 100% of the sample was female. The focus group participants were from eleven different tribes, where 48% of the participants were Mchaga, 21% were Mpare, 6% were Mnyamwezi, and the remaining 24% were from eight other tribes. Table 1 summarizes the socio-demographic characteristics of the sample.

In our sample, 58% of the participants were married, and 42% were single. Furthermore, the demographic data showed that 12% of the participants did not have children, 36% of the participants had one to two children, 33% of the participants had three to four children, and finally, about 18% of the participants had five to six children. Therefore, the researchers concluded that the number of children increases regularly with the age of the samples.

The study presented varying information on the household scenario, with households having one to sixty members per home. The household with sixty members—a daycare business—was clearly an outlier in the study. Only one participant in the study did not have any other members in the family, representing 3% of the study. Interestingly, most participants had four to seven members

in their household, which accounted for about 64% of the entire sample studied. Finally, the sample showed an average of eight to ten members per household. The researchers fragmented the demographic study into two parts. The first part focused on personal information and the second part focused on the program's objective, comprising what types of businesses were run by the participants and the distinct characteristics of those businesses.

Table 1. Socio-Demographic Characteristics of Participants

Characteristic	%	Characteristic	%
Age Group		Tribe	
18-24	30	Mchaga	48
25-34	21	Mpare	21
35-44	24	Mnyamwezi	6
45-54	18	Others	24
>54	6	Type of Business	
Marital Status		Day Care	6
Married	58	Farms	21
Living alone	42	Food	12
Children		Retail	15
No kids	12	Salon	24
1-2 kids	36	Tailoring	9
2-3 kids	33	Other	13
4+ kids	18	Business License Availability	
		Yes	58
		In process	42

In the second part of the questionnaire, the participants had options for the *nature of businesses* such as salons, food, tailoring, spa, retail, daycare, or farm. The data indicated that 6% of the participants' businesses were daycare, 21% farms, 12% food, 15% retail, 24% salon, and 9% tailoring. Interestingly, two out of 33 participants marked "not applicable" for this question, indicating that not all participants had their own businesses. Regarding business license holders, 58% of the participants had licenses to run their businesses, and 42% did not have licenses. Interestingly, a business must be licensed to be eligible for a business loan. According to one participant, "Before, it was easy to get a business license, but the process became more difficult with increasing the number of new businesses." The reason for the high number of non-licensed businesses in the study is clear. All participants who had daycare or tailoring businesses owned licenses, whereas 100% of food businesses were not licensed.

Motivation of Women Entrepreneurs

In theory, a woman who owns a business controls the money. However, most income is used to satisfy familial needs. Little or no reinvestment in the business growth and development is considered. There is no true concept of a woman-owned business in Tanzania for married women. Most women work with their husbands, and in these cases, the husband controls the finances. One participant stated, "If my husband works for my business, he will want the money of that." Typically, the man's involvement in the business stops there. Women have historically attempted to run a business quietly and do not tell their spouses about their real income because they fear financial theft or occupational suppression. It is slightly easier for an unmarried woman to operate a business because they do not require consent from a husband to complete business transactions such as getting a loan or licensing the business. To obtain a loan, the business needs to be licensed. These small business loans are given based on asset valuation. In most cases, all assets are in the

name of the husband. When applying for a small business loan, the male spouse's consent typically comes with the caveat that the wife will provide part of the loan to the husband without the expectation that it is paid back. The marital status of the women was collected to help understand the significance of responses related to the impact of a male in the household, that is, the adverse impact caused by lack of support and shouldering responsibilities by their partners. For example, one participant said, "I am responsible for everything in my business because my husband doesn't help with anything." According to another participant, "My husband doesn't affect in any matter related to running my own business." Those women's marital and family status does not impact the actual business itself. However, as noted above, the marital and family status did impact the desire, motivation, and effort required for the business.

The final question of the demographic questionnaire was about what made the participants want to start a small business, and the possible answers were: (a) Take care of family, (b) share your art or craft, and (c) help the community. In fact, *take care of family* was mentioned by 64% of the participants, followed by 27% of the participants who selected all other options. Finally, just 3% stated, *share your art or craft*. Therefore, the studies showed how the family is the main motivator for these women to work hard to help sustain their households, especially when they have no support from their partners. One participant explained, "If I get a loan or ask for my husband's help with my business, he will ask that I give the money to him."

The study revealed that the primary reason for running a business is to take care of one's family and provide financial support to the family. The data could not find a significant relationship between marital status and the age of the participants running the businesses. Also, since most participants were from a specific tribe, the authors could not cross-check the type of businesses to the tribe affiliation. The most common business was that of running a salon.

When women entrepreneurs were asked to prioritize their needs, the top two priorities were (a) forming saving teams and (b) receiving proper training and education. Third on the priorities list was the awareness and education on human rights, including gender equality, and the business legal environment. Marketing and promotion training was fourth. Several other priorities were mentioned but were not significant, including financial management education. These findings match Dvoulety and Orel's (2021) findings that African women entrepreneurs are more interested in the classical determinants of entrepreneurship, such as entrepreneurial training and education and the number of people living in a household. Furthermore, Dvoulety and Orel (2021) emphasized that profit was not the main motive for women entrepreneurs. This finding also supports a recent study conducted in Sweden and Tanzania (Lönnborg et al., 2021) which also analyzed the impact of entrepreneurship, concluding that this impact would vary according to the women's entrepreneurial motives.

Political Environment

While the policy for starting a business is not prohibitive for women, and the legal procedures are the same irrespective of gender, the burdens detailed above make it harder for some women to start a business in Tanzania. Additionally, people do not encourage women to start businesses at all, causing women to run casual or informal businesses. A common phrase from the participants was, "In the past, it was easier to get a license for your business; but now it is hard because of the number of businesses here." These small businesses do not pay tax or get registered with the

Tanzanian government. There is a general sense that only big businesses need to be licensed. Since access to education in Tanzania, in general, is difficult and much more prohibitive for girls, the lack of political and legal awareness has created distrust between Tanzanian women and the governmental institutions that might be able to support their small businesses. The participants reported that the knowledge they were receiving through their participation in the NYIT Launch small business institute was far beyond what they might receive through governmental and non-governmental organizations in Tanzania. The type of businesses can be related to the size of the tribes, the products available, and the nature of the existing culture. However, the tribes had a minor impact on their samples' business, as observed by one of the participants, "My tribe doesn't impact anything on my business."

Operational Challenges

In most cases, the women entrepreneurs' customers are other women. However, businesswomen sometimes interact with both men and women customers because they buy and sell goods and services suited to people with different income levels and interests. The participants reported that they are more successful with transactions with other women, except for highly bargained goods. The participants indicated that their women customers try to bargain more than men customers to get a lower price. One participant stated, "For men, they ask the price once and then say can you give me a discount? When they got it, they buy. However, for the women, they always cry, and then when they receive the discount, they keep on crying that they need extra discount." The participants suggested that women bargain more competitively and ardently as a strategy for economic independence because their husbands give them money in most cases. Getting a lower price benefits women more because they can then pocket the extra money.

Gender-Based Violence

This inequality in stature and financial independence also creates gender-based violence within the business. Men often come into a shop and threaten women business owners because these men do not feel the women should own a business. Men regularly incite physical violence against women and their products. For example, the municipalities do not sanction women selling fruits and vegetables in the street. If authorities see women selling these products, their supplies will be confiscated and destroyed without any reimbursement or consideration. One participant stated, "If the municipal representative sees us selling food on the streets, they will throw everything away." These findings are in line with recent research by Ojong et al. (2021), who extensively examined peer-review articles published over the past thirty years and concluded that cultural, institutional, economic, political, and social contexts shape the resources, strategies used and outcomes for female entrepreneurs in Africa.

Conclusions

This research focused on women entrepreneurs in one of the low-income areas of the world with a significant potential for growth. The research goals aligned well with the fifth goal of the United Nations sustainable development to achieve gender equality and empower all women and girls (Zaki & Shared, 2022). The research revealed the unique challenges of women entrepreneurs in the Sub-Saharan region. These challenges include under-capitalization, gender and cultural barriers, lack of education and business training, tribal affiliation, and legal issues. Women

suffered from their spouses and society, a lack of knowledge about the processes and procedures, lack of access to capital without support from their spouse, and an absence of legal representation towards the business minority.

Additionally, almost half of the participants admitted to operating without a business license due to the complicated process of obtaining one. Finally, most women were not aware of the importance of reinvesting in the business to stimulate growth. The researchers also concluded that the main motives for women entrepreneurs are financial freedom from their spouses and being able to take care of their families. This finding is significantly different from the financial growth motive for male entrepreneurs. By exploring the contextual socio-cultural impact on the motivation of women entrepreneurs, the study identified a higher level of complexity in their motives than those found prevalent in the current academic literature.

The research contributed to the limited existing research by focusing on (a) women entrepreneurs in developing world countries and (b) the importance of the social and cultural contexts for entrepreneurial activities (Ashe et al., 2011). The findings suggest developing more complex training and education opportunities that consider the complexity of the motivations of the women entrepreneurs. The use of innovative methods and upgrading of existing programs (e.g., weekly funds) can be further structured to help women raise funds and help them to improve their network. Finally, the study made recommendations for the policymakers to ease the business formalization and further enhance the National Microfinance Policy of May 2000 to enable women entrepreneurs, especially those with no or minimal collateral, to raise funds for their businesses.

Theoretical Implications

Based on the research findings, unlike in the United States and Europe, women entrepreneurs in this part of the world face certain business environments that often influence their operation in various fields, significantly impacting the development of their ventures. Such an understanding provides meaningful knowledge for research since this framework provokes new theoretical roads for understanding female entrepreneurship in developing regions. Another significant finding in this study was that both microenvironment and motherhood were major key determinants of motivation and growth for women entrepreneurs. This discovery can explain the variation in motivation by gender. Furthermore, gender-related matters and socio-cultural restrictions limited women's access to funds and the managing of their businesses. Thus, the current research contributes to the existing literature by suggesting that the gender-related model by Brush et al. (2009) can be further deployed as a suitable framework to explore women entrepreneurs in developing regions and the developed world.

Implication for Practice

Some concerns pointed out by the focus group included having reliable savings through team groups, the ability to live with minimal dependence on males, contributing to better health, having more respect towards women at home and in society, and participating more in social entrepreneur activities. These challenges to women entrepreneurs have created an environment conducive to building initiatives whereby women are helping other women. For example, the money collected is provided as a microfinance loan to the woman who needs it the most every week. There are many instances of small women's groups that contribute to a weekly fund. The whole program is

based on the level of trust amongst the women. Women are selected to be a part of the fund based on the proximity of their household to other women's households in the fund and their knowledge of other women's family members. The program has been active for more than ten years. Such a system is known as a chit-fund in India. A specified group of persons enters an agreement to contribute a certain fund over a specific time frame. Each contributor shall, in their turn determined by a lot, to be entitled to the prize amount (The Chit Funds Act, 1982). The researchers propose developing this concept further and formalizing it to maximize the benefits and minimize the risks. Another example of the women helping women initiatives is the *Income Generation Activities* support, which establishes peer saving teams, shared skills training, and accessibility to public and private markets. The authors suggest that this comprehensive linking will motivate women to be more engaged in proactive microeconomic activities that create new incomes and speed up local financial transactions.

The researchers and the women entrepreneurs also recommended continuing to conduct seminars that focus on gender equality to change the undermining attitude of men towards women. This was agreed upon as the paramount advantage for the community to understand the rationale of family and positive social transformations resulting from equal power relations.

Limitations and Directions for Future Research

This research contribution and limitations will guide future research. First, the current research was conducted by entrepreneurs in one country to represent the Sub-Saharan region. If the focus group interviews were expanded to include other neighboring countries, findings could be more generalizable and insightful. Therefore, future research should consider exploring other countries in the region. Although the research team applied the content analysis to enhance the reliability of the current research, the results might suffer from the limitation of the common method bias. Future research should incorporate both quantitative and qualitative research design for more robust findings. Finally, future research could build up on the current research findings to create a new theoretical framework that incorporates gender, culture, and economic variables to predict entrepreneur motives and growth in different world regions.

References

- Ahl, H. (2006). Why research on women entrepreneurs needs new directions. *Entrepreneurship Theory and Practice*, 30(5), 595-621. <https://doi.org/10.1111/j.1540-6520.2006.00138.x>
- Akhalwaya, A., & Havenga, W. (2012). The barriers that hinder the success of women entrepreneurs in Gauteng, South Africa. *International Journal of Sustainable Development*, 3(5), 11-22. <https://doi.org/10.1111%2Fj.1540-6520.2006.00138.x>
- Ama, N. O., Mangadi, K. T., & Ama, H. A. (2014). Exploring the challenges facing women entrepreneurs in informal cross-border trade in Botswana. *Gender in Management*, 29(8), 505-522.
- Arakeri, S. V. (2006). Women entrepreneurship in India. *Journal of Research in Arts and Education*, 1(3) 1-7.
- Ashe, F., Treanor, L., & Leung, A. (2011). Motherhood and entrepreneurship: Gender role identity as a resource. *International Journal of Gender and Entrepreneurship*, 3(3), 254-264. <https://doi.org/10.1108/17566261111169331>
- Aterido, R., Hallward-Driemeier, M., & Pagés, C. (2011). Big constraints to small firms' growth? Business environment and employment growth across firms. *Economic Development and Cultural Change*, 59(3), 609-647. <https://doi.org/10.1086/658349>
- Bardasi, E., Sabarwal, S., & Terrell, K. (2011). How do female entrepreneurs perform? Evidence from three developing regions. *Small Business Economics*, 37(4), 417-441. <https://doi.org/10.1007/s11187-011-9374-z>

- Brush, C. G., De Bruin, A., & Welter, F. (2009). A gender-aware framework for women's entrepreneurship. *International Journal of Gender and Entrepreneurship*, 1(1), 8-24. <https://doi.org/10.1108/17566260910942318>
- Chowdhury, M. S., Alam, Z., & Arif, M. D. (2013). Success factors of entrepreneurs of small and medium-sized enterprises: Evidence from Bangladesh. *Business and Economic Research*, 3(2), 38-52.
- Chiyah, B. N., & Forchu, N. Z. (2010). *The impact of microfinance institutions in the development of small and medium size businesses (SMEs) in Cameroon* [Unpublished master's thesis]. Lund University, Sweden.
- Dvouletý, O., & Orel, M. (2021). What drives female entrepreneurship in African developing countries? In S. Dobson, P. Jones, D. Agyapong, & G. Maas (Eds.), *Enterprising Africa: Transformation through entrepreneurship* (pp. 50-63). Routledge. <https://doi.org/10.4324/9780429427725>
- Elenurm, T., & Vaino, E. (2011, June 15-18). *Interpretations of entrepreneurial success factors by female entrepreneurs and executives in a catch-up economy* [Conference presentation]. International Council for Small Business, Washington, DC, United States.
- Gartner, W. B., Shaver, K. G., Carter, N. M., & Reynolds, P. D. (2004). *Handbook of entrepreneurial dynamics: The process of business creation*. SAGE. <https://www.doi.org/10.4135/9781452204543>
- Gender Land Taskforce Tanzania. (2013). *Annual report 2013*. Tanzania Women's Lawyers Association. <http://www.tawla.or.tz/wp-content/uploads/2020/08/ANNUAL-REPORT-2013.pdf>
- Global Entrepreneurship Monitor. (2021). *GEM 2020/2021 global report*. Global Entrepreneurship Research Association. <https://www.gemconsortium.org/report/gem-20202021-global-report>
- Jamali, D. (2009). Constraints and opportunities facing women entrepreneurs in developing countries: A relational perspective. *Gender in Management*, 24(4), 223-251. <https://doi.org/10.1108/17542410910961532>
- Jourdan, L. F., & Smith, M. (2021). National culture dimensions as predictors of innovation, creativity, and entrepreneurship. *Journal of Global Business Insights*, 6(2), 154-171. <https://www.doi.org/10.5038/2640-6489.6.2.1093>
- Kamuzora, A. N. (2009). *Sustainability of women's businesses: The case of Kagera region in Tanzania*. OSSREA Publications. <http://www.ossrea.net/publications/images/stories/ossrea/ossrea-catalogue-2010.pdf>
- Kinyanjui, M. N. (2008). From home to Jua Kali enterprise spaces: Entrepreneurship and female gender identity. *International Journal of Small Business*, 5(3/4), 401-411. <https://www.doi.org/10.1504/IJESB.2008.017312>
- Krippendorff, K. (2004). *Content analysis: An introduction to its methodology* (2nd ed.). Sage.
- Lönnborg, M., Ndiege, B. O., & Besrat, T. (Eds.). (2021). *Beyond borders: Essays on entrepreneurship*. Södertörns Högskola.
- Macculloch, F. (2001). Government administrative burdens on SMEs in East Africa: Reviewing issues and actions. *Economic Affairs*, 21(2), 10-16. <https://doi.org/10.1111/1468-0270.00287>
- Maleko, G. N., & Liheta, B. (2013). Women participation in microfinance institutions of Tanzania: The case of savings and credit co-operative societies. *Journal of Business Administration and Education*, 4(2), 139-175.
- Manerkar, G. A. (2015). Women entrepreneurs in Goa: Issues and challenges. *Indian Streams Research Journal*, 4(12), 1-8.
- McElwee, G., & Al-Riyami, R. (2003). Women entrepreneurs in Oman: Some barriers to success. *Career Development International*, 8(7), 339-346. <https://doi.org/10.1108/13620430310505296>
- Mordi, C., Simpson, R., Singh, S. P., & Okafor, C. (2010). The role of cultural values in understanding the challenges faced by female entrepreneurs in Nigeria. *Gender in Management*, 25(1), 5-21. <https://doi.org/10.1108/17542411011019904>
- Organization for Economic Cooperation and Development. (2004, June 3-5). *Promoting entrepreneurship and innovative SMEs in a global economy: Towards more responsible and inclusive globalization* [Conference presentation]. OECD Conference of Ministers Responsible for Small and Medium-Sized Enterprises, Istanbul, Turkey.
- Ojong N., Simba A., Dana L. P. (2021). Female entrepreneurship in Africa: A review, trends, and future research directions, *Journal of Business Research*, 132, 233-248. <https://doi.org/10.1016/j.jbusres.2021.04.032>
- O'Neil, R. C., & Viljoen, L. (2001). Support for female entrepreneurs in South Africa: Improvement or decline? *Journal of Family Ecology and Consumer Sciences*, 29, 37-44.
- Osaghae, E., Chabal, P., & Daloz, J. P. (2000). Africa works: Disorder as political instrument. *The International Journal of African Historical Studies*, 33(1), 195-196. <https://doi.org/10.2307/220302>
- Phillips, M., Moos, M., & Nieman, G. (2014). The impact of government support initiatives on the growth of female businesses in Tshwane, South Africa. *Mediterranean Journal of Social Sciences*, 5(15) 85-92.
- Rwebangira, M. (1996). *The legal status of women and poverty in Tanzania* (Research Report No. 100). Nordiska Afrikainstitutet. <http://www.diva-portal.org/smash/get/diva2:277419/FULLTEXT01.pdf>

- Singh, S. P., Reynolds R. G., & Muhammad, S. (2001). A gender-based performance analysis of micro and small enterprises in Java, Indonesia. *Journal of Small Business Management*, 39(2), 174-182. <https://doi.org/10.1111/1540-627X.00016>
- Singh, R., & Raghuvanshi, N. (2012). Women entrepreneurship issues, challenges, and empowerment through self-help groups: An overview of Himachal Pradesh. *International Journal of Democratic and Development Studies*, 1(1) 45-58.
- Solesvik, M., Iakovleva, T., & Trifilova, A. (2019). Motivation of female entrepreneurs: A cross-national study. *Journal of Small Business and Enterprise Development*, 26(5), 684-705. <https://doi.org/10.1108/JSBED-10-2018-0306>
- Sundin, E., & Tillmar, M. (2010). Masculinisation of the public sector: Local-level studies of public sector outsourcing in elder care. *International Journal of Gender and Entrepreneurship*, 2(1),49-67. <https://doi.org/10.1108/17566261011026547>
- Super Women of East Africa. (2014, August 12). Five legendary tribes of Tanzania you should know more about. *Incredible Dar Magazine*. <https://definingdar.wordpress.com/2014/08/12/5-legendary-tribes-of-tanzania-you-should-know-more-about/>
- Tillmar, M. (2016). Gendering of commercial justice: The experience of self-employed women in urban Tanzania. *Journal of Enterprising Communities*, 10(1), 101-122. <https://doi.org/10.1108/JEC-01-2016-0004>
- The Chit Funds Act, Act of 1982, 42 U.S.C. (1982). <https://legislative.gov.in/sites/default/files/A1982-40.pdf>
- Van Der Merwe, M. (2008). *A study of discrimination against women entrepreneurs when applying for financial assistance* [Unpublished master's thesis]. University of Pretoria, South Africa.
- Verheul, I., & Thurik, R. (2001). Start-up capital: Does gender matter? *Small Business Economics*, 16, 329-346. <https://doi.org/10.1023/A:1011178629240>
- Vinesh, L. (2014). Role of women entrepreneurs in India. *Global Journal of Finance and Management*, 6(5) 473-480.
- Winn, J. (2005) Women entrepreneurs: Can we remove the barriers? *The International Entrepreneurship and Management Journal*, 1, 381-397. <https://doi.org/10.1007/s11365-005-2602-8>
- Woetzel, J., Madgavkar, A., Ellingrud, K., Labaye, E., Devillard, S., Kutcher, E., Manyika, J., Dobbs, R., & Krishnan, M. (2015, September 1). *How advancing women's equality can add \$12 trillion to global growth?* McKinsey and Company. <https://www.mckinsey.com/featured-insights/employment-and-growth/how-advancing-womens-equality-can-add-12-trillion-to-global-growth>
- World Bank. (n.d.). *Gender indicators report*. The World Bank Data Bank. Retrieved December 9, 2019, from https://databank.worldbank.org/indicator/undefined?id=2ddc971b&report_name=Gender_Indicators_Report&populartype=series
- World Bank. (2009, July). *Uganda: Legal and judicial sector study report*. Open Knowledge Repository, The World Bank. <https://openknowledge.worldbank.org/handle/10986/3088?locale-attribute=fr>
- Zaki, K., & Shared, H. (2022). Many flowers make a bouquet: A recipe for women entrepreneurs in SMEs. *Journal of Global Business Insights*, 7(1), 50-65.
- Zakaria, Y. (2001). Entrepreneurs at home: Secluded Muslim women and hidden economic activities in Northern Nigeria. *Nordic Journal of African Studies*, 10(1), 107-123.
- Zieba, K. (2008). Female entrepreneurship in transitional economies: The case of Poland. *Journal of Small Business and Entrepreneurship*, 21(2), 153-169. <https://doi.org/10.1080/08276331.2008.10593419>