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AN EMPIRICAL INVESTIGATION OF FACTORS AFFECTING THE PERFORMANCE OF WOMEN ENTREPRENEURS IN HARARE: A CASE OF FOOD VENDORS

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Abstract

Zimbabwe, whose economy is under life support; continues to be characterized by company closures with many workers losing their jobs through retrenchments (Nyathi et al, 2018). This fragile economic situation has resulted in a number of Zimbabweans resorting to entrepreneurship as their last option. We note with kin interest that the growth of women entrepreneurs in Zimbabwe has also increased significantly. This study seeks to empirically investigate the factors that affect the performance of women entrepreneurs in Harare. The study adopts a case study approach, specifically focused on food vendors in Harare. Questionnaires consisting of structured and unstructured questions were used for data collection. The research employed purposive sampling to select the target population and 190 questionnaires were completed and analyzed. While consistent with both the psychological and economic theories of entrepreneurship, the results of this study also indicate that the performance of women entrepreneurs in the food vending sector in Zimbabwe continues to be hindered by a serious lack of adequate financial resources. The study managed to come up with two main policy recommendations that are envisioned to go a long way in improving the performance of women entrepreneurs in Zimbabwe.

Key Words: Entrepreneurship, Food Vendors, Women Entrepreneurs

INTRODUCTION & BACKGROUND

Women – owned businesses are one of the fastest growing entrepreneurial populations in the world (Brush & Cooper, 2012). They make significant contributions to innovation, employment and wealth creation in all economies (Brush *et al*, 2006). Besides the contribution to economic growth and job creation, female entrepreneurs augment the diversity of entrepreneurship of any economy (Huang *et al*, 2012; Reed *et al*, 2012) in addition to making inroads into female expression, fulfillment (Bahmani *et al*, 2012; Huang *et al*, 2012), agency, emancipation and empowerment (Goss *et al*, 2011; Ramadani *et al*, 2015). As female entrepreneurship talent and potential remain poorly tapped in many contexts, there remains a great deal of benefit to be leveraged (Baughn *et al*, 2006; Ramadani *et al*, 2015). It is imperative to highlight the fact that the contribution of women entrepreneurs in Zimbabwe, just like in other countries; depends on their performance, which in turn is affected by the underlying factors, comprehension of which is a crucial stepping stone towards nurturing a balanced economy and sustainable growth in the long run.

Objectives

The main objective of the study is to empirically examine the factors affecting the performance of women entrepreneurs in Harare within the food vending sector and recommend policy prescriptions to be adopted in order to materialize growth and sustainability of women entrepreneurs in the food vending sector. To achieve this main objective, the following specific objectives guided the study:

- i. To investigate the factors affecting the performance of women food vendors.

- ii. To analyze the level of support given to women food vendors by the government and or non – governmental organizations (NGOs).

Relevance of the study

There is an increased focus on female entrepreneurship globally in light of tangible evidence of the significance of new business creation for economic growth and development (Lawton – Smith, 2016; Bergmann *et al*, 2014; Jamali, 2009; Langowitz & Minniti, 2007). While women’s entrepreneurship is a central aspect of economic development and public policy concern in most countries, scholarly research about their entrepreneurial activities is comparatively scarce (Usman, 2008). Most Zimbabwean studies on women’s entrepreneurship are biased towards street vendors (the ones who form part of the informal sector) e.g Njaya (2014a, b, c & d; 2015; 2016); Mazhambe (2017) and Zikhali (2017). This study is quite different from mainstream studies because it strictly focuses on women food vendors in the formal sector (the ones who form part of the registered micro and small enterprises) in Harare. The results of the study are envisioned to assist policy makers in improving and promoting women entrepreneurship in Zimbabwe.

LITERATURE REVIEW

Theoretical Literature Review

The psychological theory of entrepreneurship, having proposed by early psychologists; identifies traits, motives and personalities as the fundamental factors that enhance the entrepreneurial spirit in an individual. In fact, the psychologists argue that factors such as the desire for achievement, internal locus of control, energy/strength, need for independence/freedom and risk appetite are important in improving the performance of entrepreneurs.

In contrast to the psychologists, the sociological theory of entrepreneurship avers that entrepreneurial behaviour is a function of the individual’s interaction with society. This apparently means the entrepreneur is literally made by the society in which they reside. The primary argument of the sociologists is that for one to be a good entrepreneur, he / she needs to be able to adapt to his / her environment. The ability to adapt to the environment places the entrepreneur at a better position in terms of identifying business opportunities. The environment can be a pull or push factor in women entrepreneurship. In Zimbabwe, the harsh economic environment is believed to be the one that has necessitated the growth of women entrepreneurship.

Economists in contrast to both the psychologists and sociologists, argue that the entrepreneur is an agent of economic change. The economic theory of entrepreneurship argues that entrepreneurs mainly engage in entrepreneurial activities in order to gain profit. Women entrepreneurs in Zimbabwe are undoubtedly motivated by the need for profit in their entrepreneurial endeavors. In this regard, the entrepreneur is seen as a risk taker who purchases at a certain price to sell at an uncertain price and in the process the entrepreneur either makes a profit or a loss.

Empirical Literature Review

In a study focused on a number of African countries, Kithae *et al* (2012) found out that availability of business information, access to finance, availability of managerial experience and access to infrastructure are the factors that affect the performance of women – owned SMEs. In Kenya, Onyango (2012) looked at factors affecting the performance of small scale fruit businesses in Nakuru town centre and found out that business location, as well as education & training are the most important factors that affect the performance of women entrepreneurs. In a more recent study, once again in Kenya, Wangari (2017) investigated factors affecting the performance of businesses owned by female entrepreneurs and found out that personal characteristics of female entrepreneurs, financial access, lack of own operating premises, stiff competition and access to technology are some of the

most important factors that affect the performance of women – led businesses. Closer to Zimbabwe, Chinomona & Maziriri (2015) studied challenges faced by women entrepreneurs in South Africa and concluded that lack of education & training, lack of access to finance, gender discrimination, negative attitudes and inadequate resources are the main factors that hinder the performance of women entrepreneurs.

MATERIALS & METHODS

This study was conducted in Harare at Mbare Bus Terminus, Mbare Musika, Market Square, Copacabana Market and 4th Street Bus Terminus where food vendors are increasingly sprouted. The study adopted the purposive sampling technique in order to select 190 food vending women. This sampling technique is quite relevant in this study because the respondents were located in similar areas and doing synonymous entrepreneurial ventures, that is; food vending. Questionnaires were used for data collection. A pilot study was also carried out to ensure validity of the questionnaire, particularly in terms of clarity and appropriateness of questions.

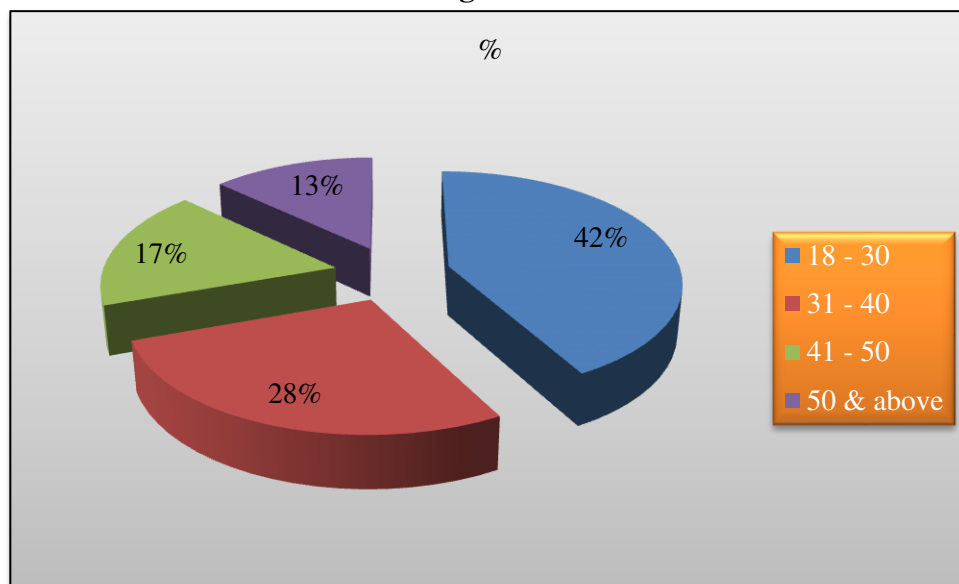
DATA PRESENTATION, ANALYSIS & DISCUSSION

Demographic Profile of Respondents (*Women Food Entrepreneurs*)

Age of the Respondents

As shown below, most (i.e. 42%) respondents are in the youthful age group. A young population has a great potential of improving the economy, especially if resources and opportunities are available.

Figure 1

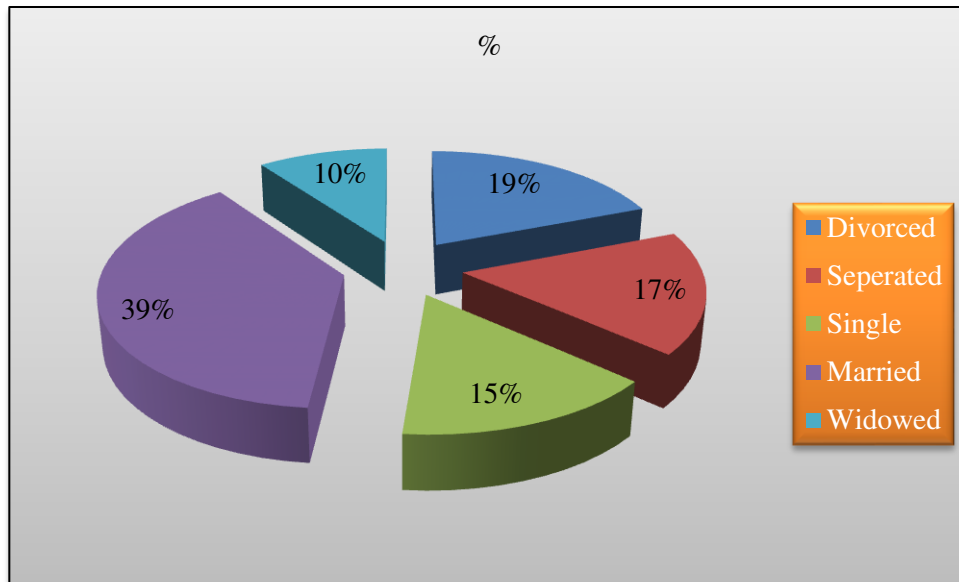


Source: Field Notes, 2018.

Marital Status of the respondents

As shown below, most (i.e. 39%) women are married. Marriage gives women another responsibility of taking care of the family.

Figure 2

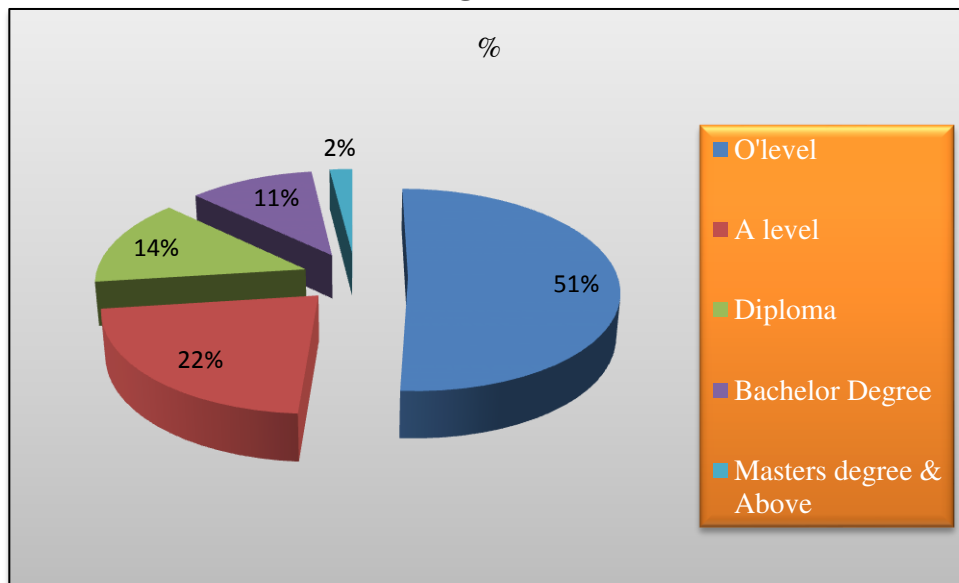


Source: Field Notes, 2018.

Education level of Respondents

Most respondents are holders of the O' level certificate. Only 2% of the women entrepreneurs sampled are holders of at least a Master's degree.

Figure 3

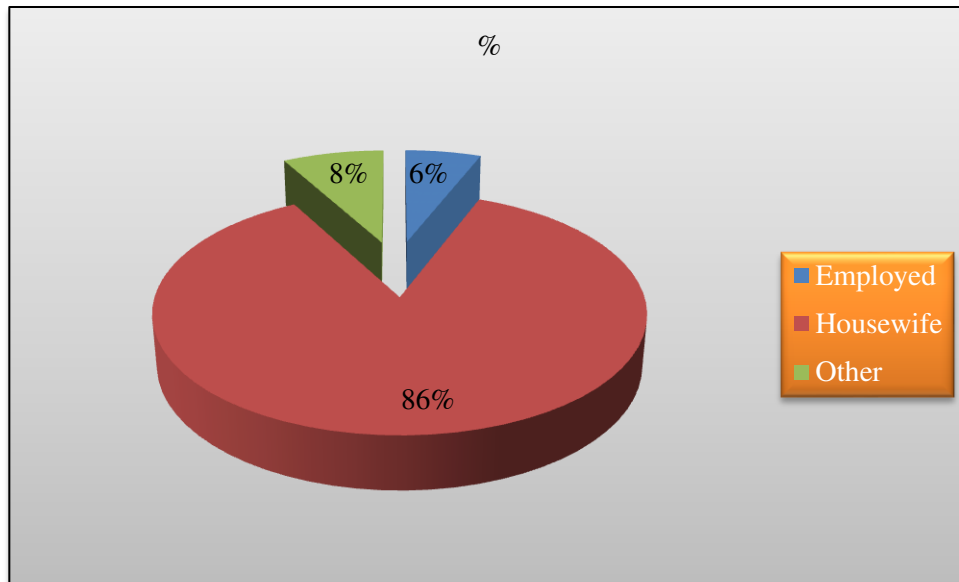


Source: Field Notes, 2018.

Pre – Employment Status

Very few women, that is; only 6% have been employed before. Most of them (86%) were previously full – time housewives.

Figure 4

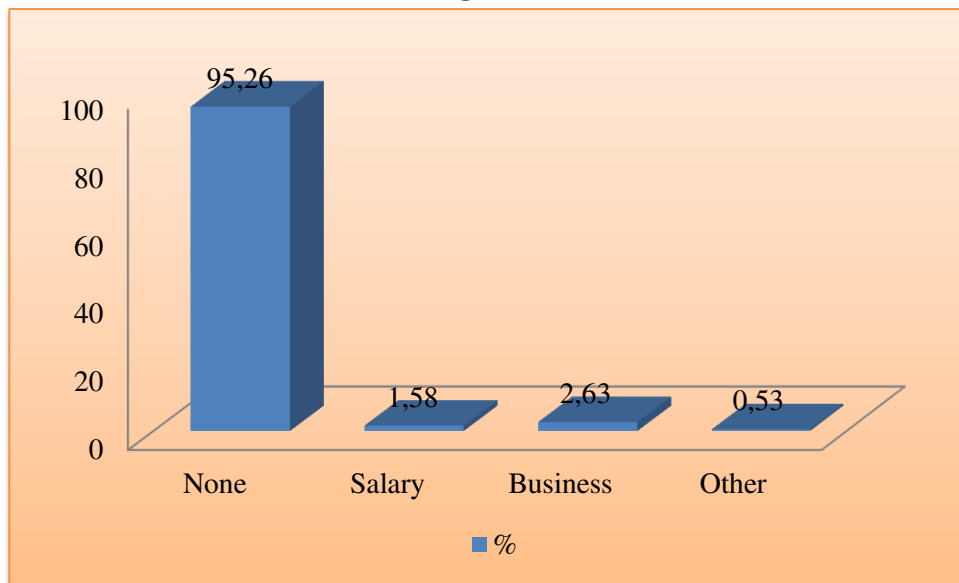


Source: Field Notes, 2018.

Other Sources of Income

As shown below, most women (95.26%) depend on food vending as the only source of income. These findings are consistent with Mazhambe (2017).

Figure 5

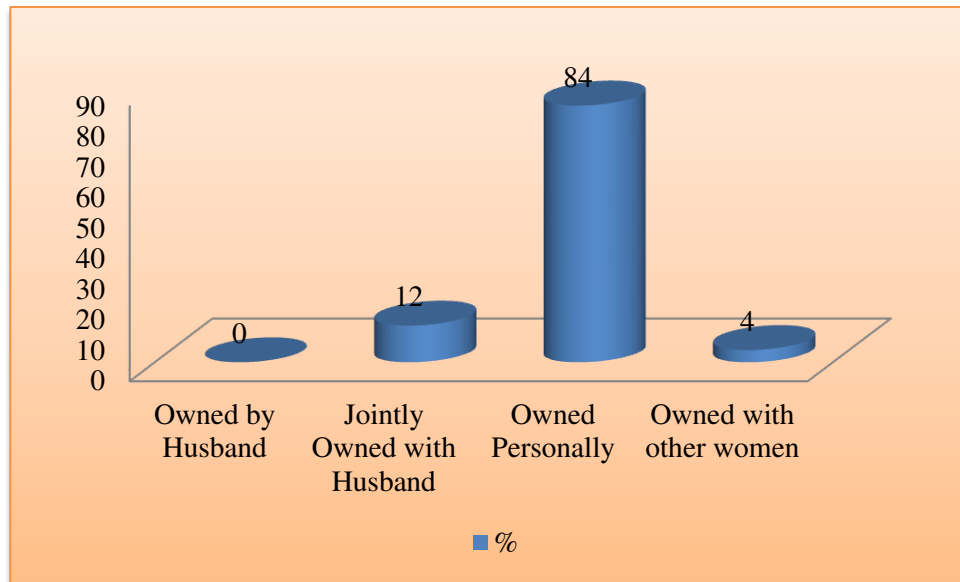


Source: Field Notes, 2018.

Structure of Businesses Ownership

The figure below indicates that most (84%) food vending businesses are personally owned by the women entrepreneurs.

Figure 6



Source: Field Notes, 2018.

Extent to Which Food Vending Offer Employment to Other People

Most food vendors (45.79%) have indicated that their businesses do not necessarily offer much employment to other people. This could be attributed to the fact that most of these ventures are one person businesses.

Table 1

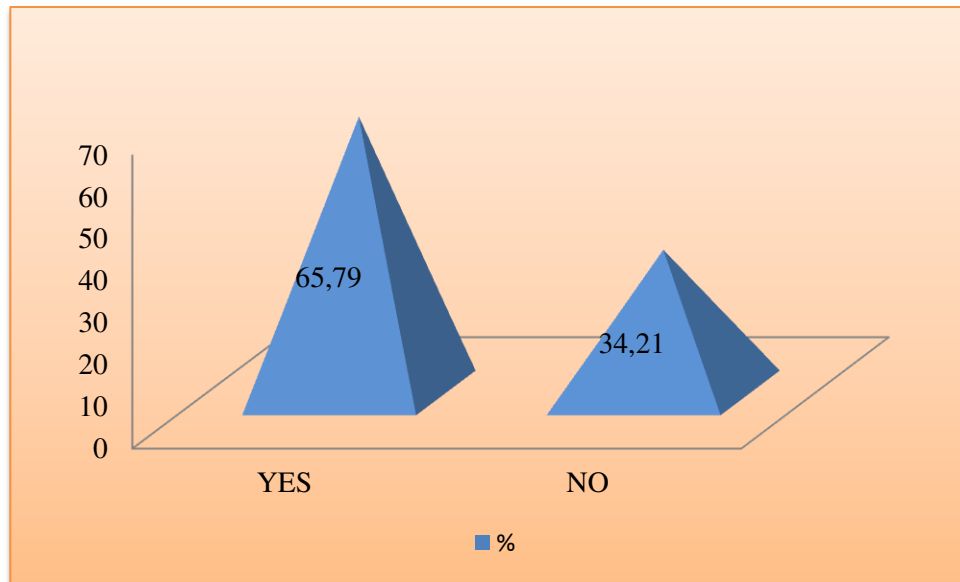
Number of Employees	Frequency	Percent	Cumulative Percent
Non	87	45.79	45.79
1 – 5	62	32.63	78.42
5 – 10	41	21.58	100.0
Total	190	100	

Source: Field Notes, 2018.

Permanent Employees

Most food vendors (65.79%) have become permanent employees of their own ventures.

Figure 7



Source: Field Notes, 2018.

Motivation for Business Start up

There are number of factors that influence women to start up food vending ventures. Below are the factors that have motivated women entrepreneurs in Harare. It can be seen that all of the women food vendors were motivated by the need to be self – employed and also generate income, thereby confirming the economic theory of entrepreneurship. All of them indicated that they also wanted to be their own boss, thereby confirming the psychological theory of entrepreneurship which also highlights that individuals may engage in business in order to gain independence and achieve something on their own. It is quite unfortunate to note that not even a single woman has been motivated by the availability of government loans. This could be attributed to the undeniable fact that the government of Zimbabwe rarely avails loans to women entrepreneurs, especially the micro enterprises who have mushroomed in Harare.

Table 2

Motivational factors	Frequency	Percentage
Desire to do something new	71	37.4
The need to generate self – employment & income	190	100
To enjoy total independence as own boss	190	100
The need to gain recognition	183	96.3
The need to make use of professional experience	13	6.8
The need to salvage late parents’ businesses	91	47.9
Availability of government loans	0	0

Source: Field Notes, 2018

The Factors Affecting the Performance of Women Food Vendors

Most (87%) respondents lament over the lack of financing. These findings are consistent with a number of previous studies such as Wangari (2017), Chinomona & Maziriri (2015), Kithae *et al* (2012) and Onyango (2012) amongst others. In most economically distressed countries such Zimbabwe, lack of finance is one of the most prominent problems that negatively affect businesses development, especially micro, small and medium enterprises.

Table 3

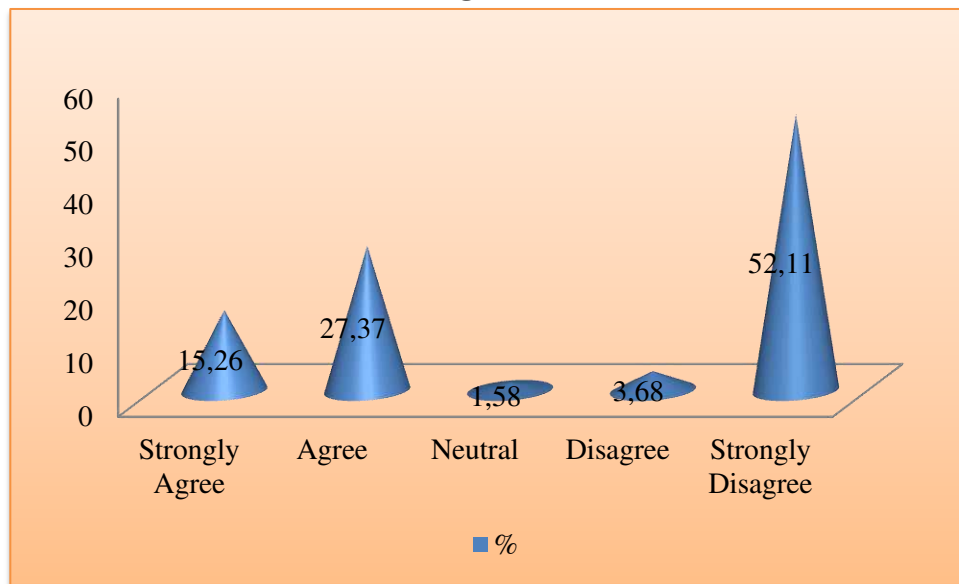
Factors Affecting (<i>Food Vending</i>) Business Development	Frequency	Percentage
Source of Finance	165	87
Cultural environment	33	17
Lack of own operating premises	69	36
Competition	147	77
Isolation from business networks	67	35
Waste Disposal	86	45
Great fear of failure	88	46
Pressure of Childcare	76	40
Pricing	154	81
Proper place suitable for business	137	72

Source: Field Notes, 2018.

Support from Government and or Donors

Most (52.11%) of the women entrepreneurs strongly disagreed to the statement that they have received any form of support whether from government or non – governmental organizations. This is clear indication that support that is alleged to be coming from the government through the Ministry for Women, needs to be revisited and revised because it has not made any difference.

Figure 8



Source: Field Notes, 2018

RECOMMENDATIONS

The study recommends the following main policy prescriptions:

- i. The government of Zimbabwe should offer education & training and advice especially on food – handling and preparation in order to ensure food safety. In this regard there should be regular inspection by government agencies to ensure food safety to all consumers.
- ii. Through the Ministry for Women Affairs, the government of Zimbabwe should offer the much needed financial support to women entrepreneurs.

CONCLUSION

The importance of women entrepreneurship has significantly gained recognition in Zimbabwe and yet a large number of women entrepreneurs continue to open businesses that suddenly loose life whilst in

their embryonic stages. However, it is clear that the government of Zimbabwe is really concerned about women entrepreneurship development. What is now needed is to practically implement the above policy recommendations along with various other government initiatives that already exist. The main aim of the study was to empirically examine the factors affecting the performance of women entrepreneurs in Harare within the food vending sector. The results of the study will go an extra mile in sensitizing not only the *women – entrepreneurship gospel* but also the need for a conducive political and economic landscape in Zimbabwe.

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