

Article on Assessment of Women Entrepreneurs Challenges And Opportunities: In Case of Dessie Town, Menafesha Sub-City, Ethiopia

Mengistu Guliti Buba

College of Business and Economics, Department of Management, Wollo university, Ethiopia

Abstract: *The objective of this study was to assess women entrepreneurs' challenges and opportunities. Women Entrepreneur is a person who accepts challenging role to meet her personal needs and become economically independent. Many women have this quality but they never got a platform to showcase their talents and hence they don't know their real abilities. Though the women in Ethiopia are considered as source of power, but they are also considered weaker sex and always depend on men folk. The study were Descriptive. The data used were both the Primary data as well as secondary. The primary data collection was done with the help of questionnaire. The sampling method used were simple random sampling. The subject of the study was included 83 respondents. The data were summarized, organized and analyzed using quantitative and qualitative approaches. Generally, the findings from the two tools show that the women entrepreneurs in the organization are not effective about their job performance as they expected. Some of the major problems identified are women's family obligations, Gender inequality, Problem of Finance, Low-level risk taking attitude, and the male - female competition .The study concludes that the problems of women entrepreneurs can be eradicated by appropriate training, incentives, encouragement and motivation, social recognition of their entrepreneurial abilities, and family's moral support, so the concerned body need to pay for this issue.*

I. Introduction

Nowadays, in this period of globalization of world trade, an increasing role is being assigned to the private sector in many developing countries. In parallel to, and as part of this shift, there has been the emergence of the micro and small-scale enterprise (MSE) sector as a significant component in economic development and employment. In many countries this sector – with both its informal and formal components – has increasingly been seen as a means of generating meaningful and sustainable employment opportunities, particularly for those at the margins of the economy: women, the poor and people with disabilities (ILO, 1998). For example, a recent International Labor Organization (ILO, 1998) report on Zambia estimated that MSEs were responsible for employing nearly 55 per cent of the working population, a figure which increases to almost 82 per cent when unpaid family workers are included (ILO, 2000). In Tanzania recent estimates show the MSE sector employing 3–4 million people, which is 20–30 per cent of the total labor, force and contributing between 35 and 45 per cent of GDP (Aidis, R.; Welter, F.; Smallbone, D. and Isakova, N., 2006). From this it is possible to say that small-scale enterprises play great role for entrepreneurs, particularly for women, the people and disabilities all over the world.

The term entrepreneur first of all appeared in the French language entrepreneur which means “Undertake (Chilosi, A., 2001). Entrepreneur is the one who undertake to organize, manage and assume the risk of the business it is also the aggressive catalyst for change in the world business, the united state economy has been revitalized because of the efforts of entrepreneurs and the world has turned now to free enterprise as model of economic development and business forward (IBID).

Coming to Ethiopia, the depth of entrepreneur in Ethiopia as many other least developed country is critical issue that deserves further research and study. In Ethiopia the stimulation, promotion and entrepreneurs to accelerate the development of small skill enterprise are decisive step for development that is an immense need to launch deep promotion in the area of entrepreneurship to poster any entrepreneurial talent and potential that may be present or to stimulate and initiate entrepreneurial activity through the country (Ahmad, S.Z., 2011). Even though entrepreneurship has got a good role in socio economic development and to reduce poverty by creating job opportunity for citizens in a country, women's have limited capacity or access to participate in entrepreneurial activity. Institutions and organizations rather than participate in informal activities that did not required large capital and basic education (Azmela. 2005). Numerous research reports have been produced on the situation facing micro and small-scale entrepreneurs in Ethiopia , and on women entrepreneurs specifically for example Aschalew(1999), Alemayehu (2002), in Gondar university and Kolfie sub-city respectively

studied on this problem but in Dessie town particularly in Menafesha sub-city no similar study has been conducted so far. Through observation and experience the researchers confirmed that Ethiopian women entrepreneurs have many difficulties and they have very little awareness and knowledge about the challenges and opportunities on the role and function of entrepreneurship. For this aspect; such problem occurred the Amhara region as well as south wollo Zone and also the specific study area of Dessie town of menafesha sub city women entrepreneurs.

Statement of the Problem

Women have an equal access to all the basic service so as to enable them to realize their full potentials they should be economically independent and self reliant only when they are provided training employment and income generation activities with both forward and back ward linkages through entrepreneurship development women in the locality (Chattopadhaya, 2005). Women Entrepreneur is a person who accepts challenging role to meet their personal needs and become economically independent. A strong desire to do something positive is an inbuilt quality of entrepreneurial women, who is capable of contributing values in both family and social life. But, a part of women in some parts of the country still faced many challenges because of financial constraints. It is obvious that women contribute significantly to the running of family businesses mostly in the form of unpaid effort and skills. The value of this effort is underestimated both by the families that take it for granted and in academic studies. On the other hand, many of the enterprises defined as being run by women (that is, enterprises in which women hold the controlling share) are in fact run in their names by men who control operations and decision making. Programs meant to reach women entrepreneurs can succeed only if they take note of this paradox as well as of the familial and social conditioning that reduces the confidence, independence and mobility of women. The state of women's business ownership today may be best characterized as "everywhere and nowhere." In other words, while women entrepreneurs have achieved modest gains in our economy, major gaps and inequalities persist that threaten those gains because of many challenges. So this is the main point that the researchers wanted to fill. And the other point that the researchers' keen interest to study the problem on this topic is for the reason that no similar study has so far been done on this level at Dessie town particularly menafesha sub city to the researcher's knowledge. Therefore, these points inspired the researchers to conduct a research many of women entrepreneur working business as usual & not such a significant growth on their business as well as on their life.

This research tried to answer the following research questions.

- What are the main challenges that affect women entrepreneur?
- What are the motivational factors that motivate women entrepreneurship in Dessie town at menafesha sub-city?
- What are opportunities for women entrepreneurs in Dessie town at menafesha sub-city?

Objective of the Study

The researcher would like to investigate the following specific objectives:

- To examine the different types of challenges that women entrepreneurs encounter;
- To identify types of motivational factors;
- To identify the opportunity of women entrepreneurs in Dessie town at menafesha sub-city.

II. Literature Review

There is one and university accepted definition the world entrepreneurship. Some popular definitions that are forwarded by different scholars were described. According to Hagen "Entrepreneurship is the function of seeking investment and production opportunity, organizing and enterprise to undertake a new production process raising capital arranging labor and raw materials, introducing a new technique and commodities, discovering new source for the enterprise (Petel F. Drucker, 1985).

Entrepreneurship is a complex and multifaceted phenomena after introduction of globalization and economic reforms there has been lost of restructure in labor market in terms of employee's qualification nature of work contents and contrast. This change have raised the profile and importance of entrepreneurship (Chattopadhaya, A, 2005). Identifying opportunities of the market place and investing and resource to exploit the opportunities for long term gain and involves building a team of people with complementary skills and talents to creating wealth by bringing to gather resources in a new way to start and operate an enterprise (Ronin, 1990).

Entrepreneurship in Ethiopia

Entrepreneurship of the entrepreneurial function in the business development process is widely recognized to be critical factor or key variable in the economic countries like Ethiopia. Basically the depth of

entrepreneurs in Ethiopia as many other less developed country is critical issue that deserves further research and entrepreneurs to accelerate the development there is an immense need to launch deep promotion in the area of entrepreneurship to poster may entrepreneurial talent and potential that may be present or to stimulate and initiate entrepreneurial activity through the country (Arega, 1996).

Economic Significance of Entrepreneurship

Entrepreneurship has been regarded as the most significant causal factor in the process of economic growth and development it is noted that the difference in entrepreneurship among the society are relives these societies that possess individuals willingness and eager (readiness to) perform entrepreneurial function while those looking these necessarily component lag behind (Azemela, 2005).

Women Employment Opportunities

It is believed that to attain sustainable development, the potential economic and socio-cultural issues of women have to be the integral part of overall development opportunities to women and reinforcing them will have socio-economic and political development in the country because women constitute half of the population However, the countrys women is unequal in terms of employment opportunity and resources undocumented especially in least developing nation, the main reason for this lower participation of women can be social political and cultural factor (Alemayehu,2000).

Challenges of Women Entrepreneurs

Women play different roles, hold different status in society and face several problems. As female business owners, it is suggested that women entrepreneurs face may challenges and obstacles due to different factors some of the variables that affect women entrepreneurs are power to different sector of economy (Alemayehu, 1999).

Lack of Education

Illiteracy is the root cause of socioeconomic problems due to the lack education and that tool qualitative education women are not aware of business technology and market knowledge. Also lack of education causes low achievement, motivation among women this creates lot of problems in the setting up and running business enterprises (Darya Ganj, 2009).

Problems of Finance

Women entrepreneurs suffer from shortage of finance as they do not generally have property on their name to use them as collateral for obtaining funds from external sources. On other hand, genders has always been an important factors discussed for entrepreneurial activities, like entrepreneurs suffer from inadequate financial resources and working capital (IBID).

Educational Level Women Entrepreneurs

Education for female is an important variable that build the human capacity and contribute greatly to the production of efficiency. Especially women literacy will substantially reduce fertility and increase their capacity. This means that women education minimize socioeconomic problems. However, social environment of women in the most developing countries is very low and 75% and Ethiopian women are illiterate in addition to low enrollment in school, due to early marriage, domestic work load and low incomes, there is a high amount of school dropout of females in Ethiopia due to early marriage as well as Domestic workload and low incomes of their family in the rural Ethiopia (Alemayehu, 2000).

Skills of Entrepreneurs

The skill required entrepreneurs can be classified into three main areas, technical skill involves, such things writing, Writing, listening, oral presentations, organization, coaching and being a team player technical expertise Business management skills are those areas involving in starting, developing and managing an enterprise, skills in making decision marketing, management, financing. Accounting, production, control and negotiation are essential in launching and growing a new venture. The final skill area involves personal entrepreneurial skills. Some of these skills different an entrepreneur from manger (Robert, 1997).

Source of Capital for Women Entrepreneur

Women face the difficulty in acquiring the major and critical factors that is financial capital. Most frequently women entrepreneur do not have an easy access to credit or obtaining bank loan to several reasons. The financial institution are not responsive to women owned business to die size and the nature of business

organizations, hence women are usually engage in very small loans which are viewed as unprofitable by the bank and financial institution (Tesfaye, 1998).

III. Methodology

Research Design

The research design used in this study were Descriptive design, because the researchers want to describe women entrepreneur in what kind of activities employed such as trade, service, agriculture, manufacturing and constriction distributive survey research design will be used in the study to assess challenges and opportunities of women entrepreneurs.

Data Type, Source and Method of Data Collection

The types of data that the researchers used for this study were both quantitative and qualitative. Data for this study were collected from both primary and secondary sources. The most important primary source used were entrepreneur women in Dessie town at menafesha sub-city. The secondary sources were: internet, books, article, magazine, periodical documents, sectored reports. There are 498 female entrepreneurs in the target area, the researchers got this number from the record and human resource office. Therefore, all of them will be sources for the study. The researchers had used both interview and questionnaire for primary data source and also collected further secondary data source from the available documents at menafesha sub-city women association office manuals, newspapers, other books in the library and from the web.

Sample Size and Sampling Technique

As it is difficult to include the entire population due to time, cost and accessibility constraints, sample size were determined to represent the whole population using sample size determination formula. Accordingly, to determine the sample size of the research, statistical formula by (Rayan, 2013) were used and with 10% margin of tolerable error, 83 respondents were selected as a sample using scientific formula from the total population. The data which were obtained from both primary and secondary sources were analyzed using tables, charts and percentages and analyzed quantitatively where as qualitative data were analyzed qualitatively using words by narration. Therefore, both qualitative and quantitative data analysis methods were used.

IV. Data Presentation, Analysis And Interpretation

Table 1: Socioeconomic Factors

No	Item	Choice of Answers			
		Yes		No	
		F	%	F	%
1	Do you have access to market for your products?	35	42.2	48	57.8
2	Do you have access to different business trainings?	30	36.1	53	63.9
3	Do you have an access to information to exploit business opportunities?	21	25.3	62	74.7
4	Do you have access to necessary inputs (raw materials)?	40	48.2	43	51.8

(Source: Own Survey, 2017)

As it is stated in the tables 1 above concerning the first item respondents were asked about the access of the market for their product, in response to this item the majority of the respondents 48 (57.7%) replied no, where as the remaining 35(42.2%) of the respondent said yes. This indicated that entrepreneur women have problems related to market access for their product. When we come to the second question about the access to different business training's, still the majority of the respondents 53(63.9%) replied no. On the other hand, 30(36.1%) of the respondent replied positive response. Hence, there is also shortage for different business training's. Coming to the third question about the access to information to exploit business opportunities, only 21(25.3%) replied positive response. However, the majority of the respondents 62(74.7%) of them replied negative response. Women entrepreneurs have no access information to exploit business opportunities. On the last question, item number 4, about access to necessary inputs (raw materials), 40(48.2%) of the respondents replied positive response whereas the other 43(51.8%) of the respondent replied negative response. Compared to the other items the respondents' response for this item is almost closer. This indicates that the problem here might not be serious.

Generally, the aggregate result about the socioeconomic factor is below the expected one. In relation to this point different authors said more. For example, (Samit, 2006) stated that the major economic factors that affect the performance of women entrepreneurs include finance, market, training, land, information, managerial skills, infrastructures and raw materials. In addition (Vender, 1997) said that the business they will be tend to training and productive are which has potential for growth and income generation.

Table 2: Social Factors

No	Item	Alternatives			
		Yes		No	
		F	%	F	%
1	Do you have a better social acceptability?	27	32.5	56	67.5
2	Do you have a better contact (networks) with outsiders?	16	19.3	67	80.7
3	Do the societies attitude towards your products /services is positive?	20	24.1	63	75.9
4	Do the attitude of other employees towards your business is positive?	33	39.8	50	60.2
5	Do you have a positive relationship with the government bodies?	40	48.2	43	51.8
6	Is your working place comfortable to your customers? (Based on infrastructures	29	34.9	54	65.1

(Source: Own Survey, 2017)

Concerning table 2, about social factors, the first item was about the social acceptability of women entrepreneurs, in response to this question only 27(32.5%) of the respondents replied positive response whereas the majority of the respondents 56(67.5%) replied the negative response. Hence, the result shows that there is a problem of society’s attitude towards women entrepreneurs. On the second item about the contacts (networks) with outsiders, the majority of the respondent 67(80.7%) replied NO response that mean their contact with other required bodies is poor. On the other hand only 16 (19.3%) of the respondents answer is Yes. Though some of the respondent response is positive, the majority s’ response is negative, the problem is real. When we come to the third item about societies attitude towards the women entrepreneur products, the majority of the respondents 63(75.9%) of them replied negative response. Where as few number of respondents 20(24.1%) replied positive response. From this result we can say that the society’s attitude towards the women entrepreneurs’ products is not positive. On the fourth item which talks about the attitude of other employees towards women entrepreneurs’ business, 50(60.2%) of the respondents replied negative response. Whereas 33(39.8%) of the respondents replied positive response. Therefore, that the attitude of other employees towards women entrepreneurs’ business is negative. Relationship with the government bodies, 40(48.2%) of the respondents have positive responses whereas the other 43(51.8%) of them have negative response. Though the relationship with the government bodies is not as such a serious problem since the responses from the respondents is closer it needs improvement. The last question is about the suitability of the working place for women entrepreneurs’ customers based on infrastructures. The majority of the respondent 54(65.1%) of them replied negative response. Whereas the other 29(34.9%) of them replied positive response. Therefore, the working place is not that much comfortable for their customers. Generally, it is possible to conclude that social factors such as stated in table 2 above are not effective for women entrepreneurs. The high cost of developing new business contacts and relationships in a new country or market is a big deterrent and obstacle for many SMEs, in particular women-owned businesses. Women may also fear or face prejudice or sexual harassment, and may be restricted in their ability to travel to make contacts (UNECE, 2004). Even though entrepreneurship has its own advantages, it is not free of problems. For this there are a number of factors. Samiti (2006), Tan (2000) classified the basic factors that affect entrepreneurs in to two broad categories –economic and social. The economic factors include competition in the market; lack of access to the market, lack of access to raw material, lack of capital or finance, lack of marketing knowledge; lack of production/ storage space; poor infrastructure; inadequate power supply and lack of business training The social factors include lack of social acceptability; having limited contacts outside prejudice and class bias; society looks down upon; attitude of other employees; and relations with the work force.

Table 3: Initial and working Capital and Ownership Condition

No	Item	Response							
		Own saving		Loan from credit		Loan bank from		Family and other	
		F	%	F	%	F	%	F	%
1	Which is your source of initial and working capital	16	19.3	67	80.7	-	-	-	-
2	How does the ownership conditions of operation materials?	owned		rented		leased		unknown	
		50	60	18	21.7	15	18	-	-

(Source: Own Survey, 2017)

As stated in table 3 above the first question was about their source of initial and working capital. In response to this question 16(19.3%) of the respondents said that they got initial and working capital from their own saving. On the other hand the majority of the respondents 67(80.7%) of the respondents said they got initial and working capital Loan from credit. So, it is possible to say that most of the time majority of women

entrepreneurs have got initial and working capital loan from credit. On the next item respondents were asked about how the ownership conditions of operation materials were. In response to this question 50(60%) of the respondents said that the ownership conditions of operation materials is from their own. And the other 18(21.7%) of the respondents said that the ownership conditions of operation materials is from rent while the rest 15(18%) of the respondents said that the ownership conditions of operation materials is from leased. Generally, it is possible to conclude that most of the time the ownership conditions of operation materials for women entrepreneurs is from their own.

Table 4: Business development service in the city and magnitude of competition

No	Item	Degree of responses									
		Very high		high		medium		Low		Very low	
		No	%	No	%	No	%	No	%	No	%
1	How much effective for the city or sub city providing business development service?	4	4.8	7	8.3	44	53	23	27.7	5	6
2	What is the magnitude of competition in your Business	5	6	7	8.3	41	49.4	20	24.1	10	12

(Source: Own Survey, 2017)

As indicated from table 4 above about how much effective for the city or sub city providing business development service, 4(4.8%) and 7(8.3%) of the respondents replied very high and high respectively. Whereas 44(53%) and 23(27.7%) replied medium and low respectively. Only 5(6%) of them replied very low. From this result it is possible to conclude that the effectiveness for the city or sub city providing business development service is at the medium level. This mean the city doesn't give the expected service. On the next item about the magnitude of competition in their Business. In relation to this question 5(6%) and 7(8.3%) of the respondents replied very high and high respectively. And the other majority 41(49.4%) replied medium. On the other hand 20(24%) and 10(12%) of the respondents replied low and very low respectively. From this it is possible to say that the magnitude of competition in their business is at the medium and low level which needs improvement.

V. Conclusion And Recommendation

Conclusions

Based on the basic research questions and in line with the findings, considering the review of the related literature, the following conclusions were drawn.

- ❖ The characteristics of women entrepreneurs in Dessie town of Menafesha sub-city shows that they have no entrepreneurial family, they take entrepreneurship as a last resort and others. From this, it is possible to infer that the entrepreneurship training's is not given to women entrepreneurs in the town; or even though it is given, it may focus on theoretical concepts than deep-rooted practical training's. Or even if it is delivered practically, attention might not be given by women entrepreneurs. Even if this is the case, women entrepreneurs still contribute for the countries development.
- ❖ The results found from the percentile indicated that entrepreneur women have problems related to market access for their product and shortage for different business training's, have no access information to exploit business opportunities, there is a problem of society's' attitude towards women entrepreneurs, the attitude of other employees towards women entrepreneurs' business is negative, the working place is not that much comfortable for their customers and Women entrepreneurs don't have the opportunity to borrow enough amount of money as they need without titled assets as collateral.
- ❖ It is also found that the presence of model entrepreneurs, supervision and support from stake holders, the opportunity to borrow money even if it is not satisfactory, access to market and work places though it is not enough, the attention given by the government, trade relation are most important opportunities even if it is not enough.
- ❖ The main problem with women entrepreneurs themselves include they expect everything from government rather than trying to solve by themselves, the inferiority complex, poor quality of the product, the demand for large profit within short time, lack of promotion.

Recommendations

This investigation revealed that the women entrepreneur on the study area has many draw backs. Based on the findings and conclusions of the study, the following recommendations are given.

- ✧ The government needs to solve the problem of market access for women entrepreneur product and shortage for different business trappings.
- ✧ Is better if women entrepreneurs need to have access information to exploit business opportunities and also Awareness needs to be created for the society's attitude towards women entrepreneurs and the attitude of other employees towards women entrepreneurs' business to be positive, and create comfortable working place.
- ✧ Even though entrepreneurship is not free of risks, existing and potential entrepreneurs should not see it as a last resort. This is because starting own business creates sense of independence, flexibility and freedom; make own boss, give time and financial freedoms. Besides this, in the time of globalization, it would be unthinkable to get jobs easily because of the serious competition throughout the world. Moreover, to tackle the different economic, social/cultural and legal/ administrative bottlenecks they face, women entrepreneurs should make lobbies together to the concerned government officials by forming entrepreneurs associations. Besides this, women entrepreneurs should search for other alternative supporting agents rather than relaying only on government institutions, micro finances and other offices in improving their performance and solving problems. For example, they should also approach known individual entrepreneurs, NGOs, banks and other supporting organizations. Lastly, Women entrepreneurs in Menafesha sub-city Dessie of the town should share experiences with other entrepreneurs in other towns and regions so that they can learn a lot from best practices of those entrepreneurs.
- ✧ Women entrepreneurs should appreciate and use the presence of model entrepreneurs, supervision and support from stake holders, the opportunity to borrow money even if it is not satisfactory, access to market and work places though it is not enough, the attention given by the government, trade relation are most important opportunities even if it is not enough.
- ✧ Since women entrepreneurs are principal change agents, considerable effort should be made to change them first. They should be updated with recent changes or innovations in the field of economy, social and other aspects. This could be achieved through continuous training programs that may include seminars, workshops and in-service training programs.
- ✧ Women entrepreneurs should commit themselves for their profession. They should be willing and ready to bring the changes so that the desired goals would be achieved and Sufficient training should be given materials and training opportunities which allow the women entrepreneurs to perform their job well.

Biography

- [1] Aidis, R.; Welter, F.; Smallbone, D. and Isakova. (2006).Female Entrepreneurship in Transition Countries: The Case of Lithuania and Ukraine. Feminist Economics, forthcoming.
- [2] Ahmad. (2011). Businesswomen in the kingdom of Saudi Arabia: Characteristics, Growth patterns and Progression in Regional Context', Equality, diversity and Inclusion: an International journal, Vol. 30, No. 7, pp. 610-614.
- [3] Azmela. (2002).Entrepreneurship Development. London 1. st edition, pp27.
- [4] Joseph. (1998), Organizational Entrepreneurship. Australia,2nd edition,pp127.
- [5] Miti.T. (2007), Development Management. USA. 3rd edition, pp19.
- [6] Morries. (2004).Women Entrepreneur Discover. India. 5th edition, pp168
- [7] Vender. (2006). Entrepreneurship Development. Ethiopia,2nd ,pp12.
- [8] Vender. (2006). International Marketing. Greek. 4th edition,pp25
- [9] Birley, S. J., (1987). Britain's new enterprise programmes. *Journal of Small Business Management*,23(4), 6-12.
- [10] Green, E., & Cohen, L. (1995). Women's businesses: Are women entrepreneurs breaking new ground or simply balancing the demands of 'women's work' in a new way? *Journal of Gender Studies*, 4 (3), 297-314.
- [11] Hisrich, R.D. (2005), *Entrepreneurship*.7th Edition, Boston: McGraw Hill. Retrieved on 15-5-10 from http://www.csb.uncw.edu/people/rowej/classes/mba533old/MBA_533_001_Class_6_Student.pdf.
- [12] OECD (1997), *Entrepreneurship and SMEs in Transitional Economies*, the Visegrad Conference, OECD Proceedings, Paris.
- [13] OECD (2002). *The Keys for Successful Women Entrepreneurs*. The OECD Bologna Process, December 2002.
- [14] UNECE .(2004). "Women's Self Employment and Entrepreneurship in the ECE region", background paper prepared by the secretariat for the Regional Symposium on Mainstreaming Gender into Economic Policies, Geneva, 28-30 January 2004. retrieved on 18-5-10 from <http://www.unece.org/indust/sme/ece-sme.htm.pdf> .
- [15] UNIDO .(2001). *Women Entrepreneurship Development in Selected African Countries*. Working Paper No.7.Legos
- [16] Mahbub, U.H. (2000).*Human Development Centre, Human Development in South Asia:The Gender Question* (Oxford University Press).