

Obstacles facing women-owned enterprises: A case for Sub-Saharan African women

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Abstract: Women-owned enterprises face several obstacles. However, it is not clear which of these challenges are the most severe within Sub-Saharan Africa (SSA). Therefore, the purpose of this study is to identify and rank the obstacles facing women-owned enterprises in Sub-Saharan Africa (SSA). This knowledge is crucial for planning and allocating resources in a way that can better support the development of women-owned enterprises in SSA. This paper utilises secondary data collected by the World Bank Enterprise Surveys from 40 countries within SSA. A total of 2341 female business owners were interviewed between 2006 to 2018. This data was downloaded and analysed using exploratory data analysis. The findings showed that the lack of access to finance is the biggest obstacle facing women-owned enterprises in SSA. This is followed by the absence of electricity, practices of the informal sectors, tax-related issues and political volatility. Overall, the barriers militating against women-owned enterprises in SSA are largely exogenous, which means that women have little or no control over them. This study contributes to the literature on gender and entrepreneurship by ranking the obstacles that confront women-owned enterprises in a developing country region such as the SSA. It contributes to the knowledge that policymakers require for policy development and effective resource allocation within SSA and other developing countries. For women entrepreneurs, this study unravels endogenous barriers that are within the scope of female business owners. Therefore, women entrepreneurs can take innovative steps to resolve such barriers rather than wait for external assistance, which frequently never arrives.

Keywords: obstacles; Sub-Saharan Africa; women entrepreneurs; women-owned enterprises.

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1. Introduction

The Global Entrepreneurship Monitoring (GEM) (2015) group reported that the rate of total early-stage entrepreneurship activity (TEA) among women was high in Sub-Saharan Africa (SSA). Many scholars (see for instance: Quagraine, 2016; Dana and Ratten, 2017; Ibidunni, Ufua, Okorie and Kehinde, 2019) recognise that entrepreneurial activity amongst women in the most SSA countries is crucial for economic development and upward social mobility. Increased entrepreneurial activity among women in Sub-Saharan countries has been credited with the reduction of child trafficking and prostitution rates (Ifeanyi and Elehibi, 2011), improved child education rates in Ghana and the Republic of Niger (Chea, 2008; Otoo, Ibro, Fulton and Lowenberg-Deboer, 2012); enhanced nutritional status in families in Botswana (Ama et al., 2014); crime reduction in Ogun State Nigeria (Iyiola and Azuh, 2014; Damilola et al., 2020); as well as hunger and poverty alleviation in Kenya (Misango and Ongiti, 2013).

Notwithstanding that, Ratten (2014) noted that these socioeconomic benefits that are derived from increased entrepreneurial activity amongst women had not been fully exploited in emerging economies such as Sub-Saharan Africa. This is mostly because women-owned enterprises are confronted by obstacles that reduce the socioeconomic benefits derivable from their existence and entrepreneurial activities. Besides, little or no study has attempted to rank these constraints faced by women-owned enterprises (Minniti and Naudé, 2010; Panda, 2018). This knowledge gap represents a crucial factor that has contributed to the increased failure of donor agencies and policymakers in making effective decisions related to planning and resource allocation to support women-owned enterprises (Minniti and Naudé, 2010; Panda, 2018), particularly in SSA. For instance, the 2017 Edelman Trust Barometer showed that success levels of resource allocation strategies and policies in SSA countries were deficient with South Africa at 15%, Nigeria 31% and Liberia 32% (Edelman, 2017; Andrews, 2018). According to the Organization for Economic Cooperation and Development (OECD) (2000) such high rates of misappropriation of resources and policy failures can be reduced when policymakers obtain adequate information about the target population – that is women entrepreneurs and their enterprises. Against that backdrop, this study attempts to address two management questions:

- (i) What are the obstacles facing women-owned enterprises in SSA?
- (ii) How do these obstacles rank, in terms of their severity, within SSA?

By addressing those questions, this study builds on earlier studies such as Hasan and Almubarak (2016), Minniti and Naudé (2010), and Panda (2018). The findings in this study are crucial as it enables funding agencies and policymakers to plan and allocate resources effectively to women-owned enterprises. Besides, it enables policymakers to develop support mechanisms that strongly aligns with the needs of women-owned enterprises. Therefore, this paper is structured as follows: the theoretical background follows the introductory section. This is followed by the methodology section that discusses how data for this study were collected and analysed. After that, the findings, discussion and conclusion.

2. Theoretical Background

Women-owned enterprisesⁱ are encountering several obstacles within their business environment including the inability to access financial resources, low level of education and experiences, inadequate infrastructural facilities, crime, corruption, regulation and taxes (Naser, Mohammed and Nuseibeh, 2009; Otoo et al., 2012; Iyiola and Azuh, 2014; Noguera, Alvarez, Merigo and Urbano, 2015). These barriers can generally be categorised and discussed under two theoretical perspectives: endogenous and exogenous (Brush, de Bruin and Welter, 2009; Ogundana, Galanakis, Simba and Oxborrow, 2018). These two perspectives, each of which has a corresponding body of empirical research, will guide the discussion of prior literature in this section:

2.1. Endogenous Barriers

A barrier is endogenous when women entrepreneur can largely address it without external intervention (Brush, de Bruin and Welter, 2009; Panda, 2018). These barriers often include inadequate financial resources, absence of properties and human capital deficiencies (Naser, Mohammed and Nuseibeh, 2009; Sullivan and Meek, 2012; Ogundana, Galanakis, Simba and Oxborrow, 2019). The absence of adequate financial resources is one of the significant barriers that frequently confront many women-owned enterprises (Jamali, 2009; Tlaiss, 2013; Maden, 2015; Adom and Asare-Yeboah, 2016; Adom, Asare-Yeboah, Quaye and Ampomah, 2018). One of the reasons behind the shortage is that the financial resources required by women to fund their enterprises are primarily drawn from their savings (Madichie and Katwalo, 2008; Gatewood, Brush, Carter, Greene and Hart, 2009; Oke, 2013; Mazonde and Carmichael, 2016). However, the money raised from their savings, to bankroll their enterprises, is often inconsequential and inadequate compared to what they require to sponsor their business' operations (Alsos, Isaksen and Ljunggren, 2006; van Hulten, 2012; Moses, 2014). This is because women in the developing nations, particularly those in the African region, constitute a

large proportion of those who are underprivileged in the World (U.N. Women, 2017). Although the additional money required by these enterprises could be raised from external sources, yet women entrepreneurs often encounter additional barriers and consequently have recorded very few successes in their applications for loan facilities (Coleman and Robb, 2009; Amine and Staub, 2009; Iakovleva, Solesvik and Trifilova, 2013). This is mainly because women entrepreneurs in developing economies often possess no credit history, inadequate collateral, lack of guarantors, risk-averse and some of them are discriminated against by bankers (Brindley, 2005; Mordi, Simpson, Singh and Okafor, 2010; Panda, 2018). Thus, because of their inability to raise money from both external and internal sources, women-owned enterprises often struggle to: acquire capital equipment (Oke, 2013; Ndururi, Mukulu and Omwenga, 2019); employ, train and retrain their employees (Yacus, Esposito and Yang, 2019; Ogundana, 2020); advertise and export their products or services (Alsos, Isaksen and Ljunggren, 2006; Storey and Greene, 2010; Burn, 2018). Thus, women-owned enterprises might struggle to survive or grow without the financial resources it requires.

Another barrier that often confronts women-owned enterprises is the lack of access to properties, especially land (Amine and Staub, 2009; Movahedi and Yaghoubi-Farani, 2012; Azmat and Fujimoto, 2016; Mazonde and Carmichael, 2016; Panda 2018; Ogundana, 2020). It is generally estimated that women own roughly one per cent of registered land titles in the World (IFC, 2014). Women often struggle to gain access to landed properties because of customary land systems which often makes it problematic for women to access or invest in land, particularly in the African continent (Amine and Staub, 2009; Movahedi and Yaghoubi-Farani, 2012; U.K. Department for International Development, 2013). According to Valenzuela (2004), women's inability to access properties could affect the rate of business formation, growth and survival. This is because such assets often provide a base for them to conduct their business operations (Oke, 2013; Ogundana, Galanakis, Amon and Oxborrow, 2018). Furthermore, women-owned enterprises require properties as collateral to gain access to credit facilities (Nwoye, 2007; Adom and Asare-Yeboah, 2016; Panda, 2018; Ogundana, 2020).

Another barrier that women-owned enterprises often encounter is those arising from human capital deficiencies (Naser, Mohammed and Nesuibeh, 2009; Roomi and Harrison 2010; Sullivan and Meek, 2012; Ogundana, 2020). Those forms of barriers include lack of previous entrepreneurial experience, low-level of education and business skills (Lerner, Brush and Hisrich, 1997; Muller, 2006; Jenkins and Katircioglu, 2007; Oke, 2013; Hasan and Almubarak, 2016; Adom, Asare-Yeboah, Quaye and Ampomah, 2018). According to Hasan and

Almubarak (2016), those human capital deficiencies could affect the capability of women-owned enterprises to identify and exploit opportunities. In relation to that, Galanakis and Giourka (2017) found that the absence of a high level of education and previous experience could weaken women's resolve to grow their enterprises. However, there are instances that the lack of education and prior experience might not be a barrier to the development and survival of women-owned firms (Lerner, Brush and Hisrich, 1997; Manolova, Carter, Manev and Gyoshev, 2007; Ogundana, 2020). According to Lerner, Brush and Hisrich (1997), the lack of education and prior experience might not be a challenge if it is barrier prevalent amongst a group of women entrepreneurs. Such contradictory views in the literature suggest that it is inconclusive whether the lack of education and prior experience represents a barrier to women-owned enterprises in SSA.

2.2. Exogenous Barriers

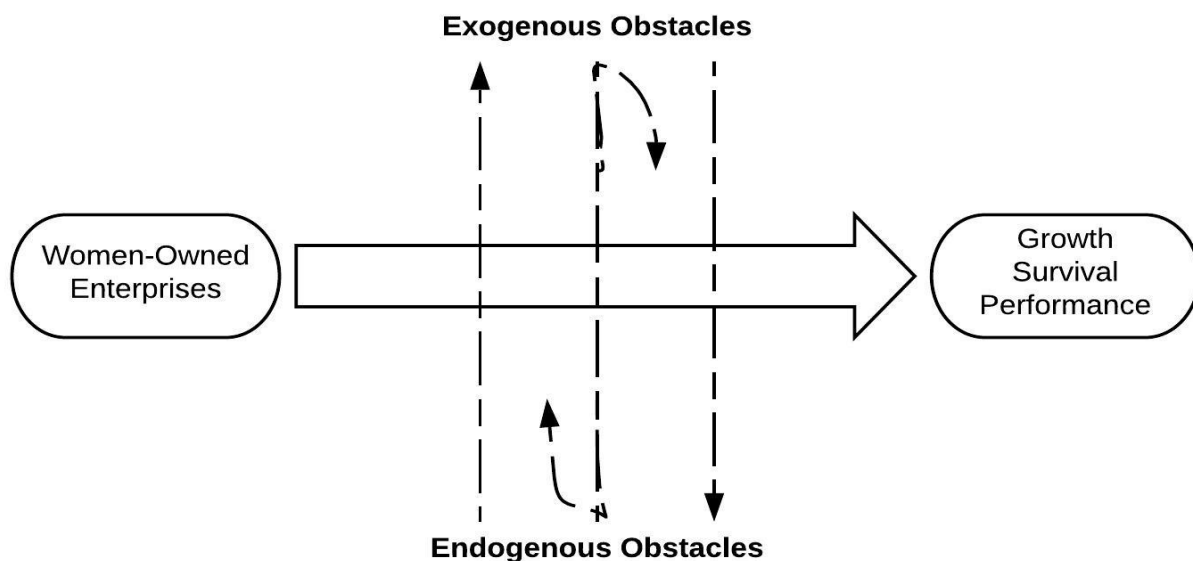
According to Brush, de Bruin and Welter (2009), an obstacle is exogenous when women-owned enterprises have little or no control over it and limited means of directly changing it. Panda (2018) further explained that such obstacles are beyond the scope of the women entrepreneur. These barriers comprise of the lack of infrastructural support such as technology, day-care facilities, lack of transport and electricity, unfavourable government policies and the lack of incentives and motivation for women's entrepreneurial activities (Madichie and Katwalo, 2008; Halkias, Nwajiuba, Harkiolakis and Caracatsanis, 2011; Iyiola and Azuh, 2014; Maden, 2015; Ogundana, 2020). These barriers could hamper the development, productivity and growth of women-owned enterprises (Dionco-Adetayo, Makinde and Adetayo, 2005; Mordi, Simpson, Singh and Okafor, 2010; Lekhanya and Mason, 2014). For instance, some authors have associated productivity improvements, substantial consumer benefits and profitability to the use of information technology within women-owned enterprises (Hitt and Brynjolfsson, 1996; Igwe, Amarachi, Ogundana, Egere and Anigbo, 2018).

Furthermore, digital technology adoption can help women-owned enterprises to reduce their costs and prices, enabling them to expand their production and employment across all sectors, while access to the internet and mobile apps can help low-skilled workers to learn better farming practices or sell more effectively in markets (The World Bank, 2019). However, women-owned businesses in the SSA region are yet to fully exploit the benefits that are available through the use of technology within their businesses. For instance, Chakravorti and Chaturvedi (2019) observed that 87% of Nigeria's economy is transacted in cash, and most Nigerian entrepreneurs have never heard of mobile money. Furthermore, the digital

infrastructures are unaffordable and unavailable to many, and as such women entrepreneurs often do not bother to digitalise their enterprises (Oke, 2013; Madichie and Hinson, 2015; Igwe, Amarachi, Ogundana, Egere and Anigbo, 2018; Chakravorti and Chaturvedi, 2019).

One of the absent critical digital infrastructures is the unreliable power supply. For instance, the Nigerian power sector's operational efficiency is among the worst in SSA, generating about half of what the country requires (World Bank, 2011; Igwe et al., 2018; Ogundana, 2020). According to Lekhanya and Mason (2014), unstable electricity can limit innovation, productivity, the growth of revenue and ultimately, the survival of women-owned enterprises. Another barrier that women-owned businesses could encounter is poor roads and transport system (Dionco-Adetayo, Makinde and Adetayo, 2005; Lekhanya and Mason, 2014; Igwe et al., 2018; Ogundana, 2020). For instance, the road networks in most countries within SSA are in poor condition from lack of maintenance, while its air transport safety records are poor (World Bank, 2011; Igwe et al., 2018; Madichie and Hinson, 2015). As such, women-owned businesses might struggle to get their products to the final consumers. The Government of SSA nations has also been criticised for developing policies and incentives, targeted at women entrepreneurs, that are mostly ineffective and lacking gender-sensitiveness (Gender-GEDI, 2014; Madichie and Hinson, 2015; Ogundana et al., 2019; Ogundana, 2020). As such, Dionco-Adetayo et al. (2005) concluded that the policies and incentives developed by Governments within SSA might not deliver the benefits promised and are often not sustained by subsequent governments particularly when there is frequent political instability. This may discourage private investment and entrepreneurial initiatives (Panda, 2018; Ogundana, 2020).

Figure 1: Conceptual framework illustrating the obstacles that women-owned business encounter in SSA



Source: Author's Idea based on the reviewed literature

3. Methodology and Analysis

This paper employs secondary data from the World Bank Enterprise Survey to explore the biggest barriers that women-owned businesses encounter in Sub-Saharan Africa. The enterprise survey uses standard survey instruments and a uniform sampling methodology to collect firm-level data from female entrepreneurs who operate businesses in 43 nations within SSA. This approach was used to minimize measurement error and to yield data that are comparable across the SSA countries. For data collection, World Bank utilised a simple random sampling technique and a sampling size that is large enough to achieve a minimum of 7.5% precision and 90% confidence intervals (see appendices for population size, sample size 5% and sample size 7% used by World Bank Enterprise Survey). The interview covered a broad range of business environment topics including access to finance, corruption, infrastructure, crime, competition, regulation and taxes, trade and workforce (Enterprises Surveys, 2020). These data are available for download at <http://www.enterprisesurveys.org>. This study adopts an exploratory data analysis to describe, summarise and present the data in tables, charts, graphs and other diagrammatic forms (Hussey and Hussey, 1997; Saunders, Lewis and Thornhill, 2009; Easterby-Smith, Thorpe and Jackson, 2012; Cooper and Schindler, 2014). By doing that, the researcher was able to address the research questions posed at the beginning of this study.

3.1. Descriptive Statistics

This study excluded data from South Africa, Mauritius and Guinea-Bissau. This is because the World Bank Enterprise Survey did not categorise the data from those three nations based on the gender of the owners or top managers. In other words, the data from those three countries were a mixture of both men and women entrepreneurs. Consequently, the data from those three countries were excluded to avoid reaching an incorrect conclusion about the obstacles facing women-owned enterprises in SSA. Thus, this study only utilised data that could be filtered based on the gender of the business owners. In total, the data in this study were drawn from 2341 female entrepreneurs who operate businesses in 40 countries within SSA (See Table 1). Nigeria, Namibia and Kenya had the highest number of participants at 12%, 8.76% and 6.54% respectively (See Table 1). The three regions that provided the lowest number of participants were Mauritania, Gabon and Eritrea at 0.34%, 0.30% and 0.13% respectively (See Table 1). Some probable explanations for the disparity in the proportion of participants includes the varying proportion of SME owners and the different degree of access to respondents in SSA countries. The proportion of participants from the nations within SSA are captured in *Table 1*.

Table 1: SSA Countries and the proportion of participants

SSA Countries	Proportion of Participants	SSA Countries	Proportion of Participants
West African Countries			
Nigeria	12.05%	Namibia	8.76%
Ghana	4.49%	Zambia	5.55%
Senegal	2.86%	Zimbabwe	3.72%
Burkina Faso	2.05%	Mozambique	2.73%
Côte d'Ivoire	1.84%	Angola	2.09%
Liberia	1.11%	Botswana	1.75%
Sierra Leone	1.07%	Eswatini	1.58%
Cabo Verde	1.03%	Lesotho	1.96%
Benin	0.94%		28.14%
Togo	0.68%		
The Gambia	0.64%		
Mali	0.56%		
Niger	0.56%		
Guinea	0.38%		
Mauritania	0.34%		
	30.6		
North African Countries			
		South Sudan	2.99%
		Sudan	0.98%
			3.97%
Central Africa Countries			
Congo, Dem. Rep.	2.73%	Kenya	6.54%
Cameroon	2.26%	Rwanda	1.84%
Central African Republic	0.73%	Uganda	5.25%
Chad	0.51%	Madagascar	4.87%
Congo, Rep.	0.51%	Tanzania	4.06%
Gabon	0.30%	Ethiopia	3.12%
Congo, Dem. Rep.	2.73%	Malawi	3.33%
Cameroon	2.26%	Burundi	1.11%
Central African Republic	0.73%	Eritrea	0.13%
	12.76		30.25%
East Africa Countries			
		Kenya	6.54%
		Rwanda	1.84%
		Uganda	5.25%
		Madagascar	4.87%
		Tanzania	4.06%
		Ethiopia	3.12%
		Malawi	3.33%
		Burundi	1.11%
		Eritrea	0.13%
			30.25%

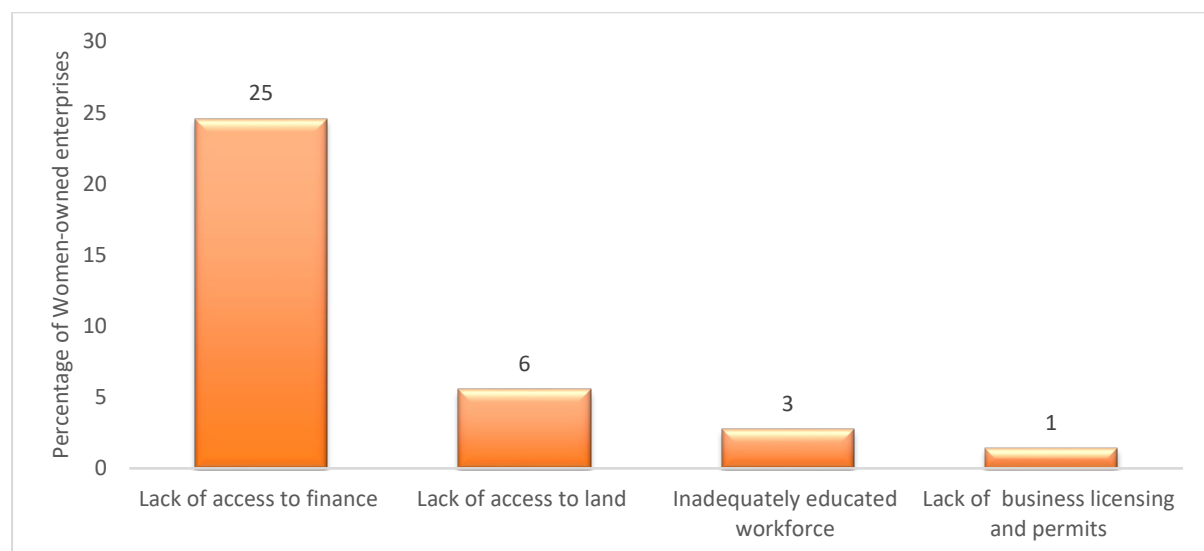
Source: Author's calculations based on Panel data from the World Bank Enterprise Survey

4. Findings and Discussion

4.1. Endogenous Barriers

Endogenous barriers refer to those barriers that women have control over. On average, the participants mentioned four endogenous barriers, including lack of access to finance, lack of access to land, lack of business licensing and permits, and an inadequately educated workforce. Among the endogenous barriers, on average, twenty-five per cent of the women-entrepreneurs in SSA cited the lack of access to finance as the most significant barrier affecting their enterprises (See *Figure 1*). As noted by Panda (2018), women often struggle to access finance for their enterprises because they possess no credit history, inadequate collateral, lack of guarantors, or when they are discriminated against by bankers. Women's inability to access finance will often affect their capacity to invest and expand their business activities and operations.

Figure 2: Endogenous obstacles facing women-owned enterprises in SSA



Source: Authors' calculations based on Panel data from the World Bank Enterprise Survey.

Six per cent (6%) of the respondents mentioned that their biggest barrier is their inability to access land. As noted by the World Bank Women, Business and Law 2020, a greater access to land might enhance women's financial security and provide them with the necessary collateral to access an external source of finance for their businesses. This implies that women's access to landed properties is perhaps a crucial determinant of their level of access to finance for their enterprises. On a country-level analysis, women entrepreneurs in Botswana, Eswatini, and Chad considered their inability to access land as the biggest endogenous barrier faced by their enterprises (see *Figure 3*). A possible explanation is that women entrepreneurs in those three regions encounter a more restricted access to land for their businesses. According to the U.K.

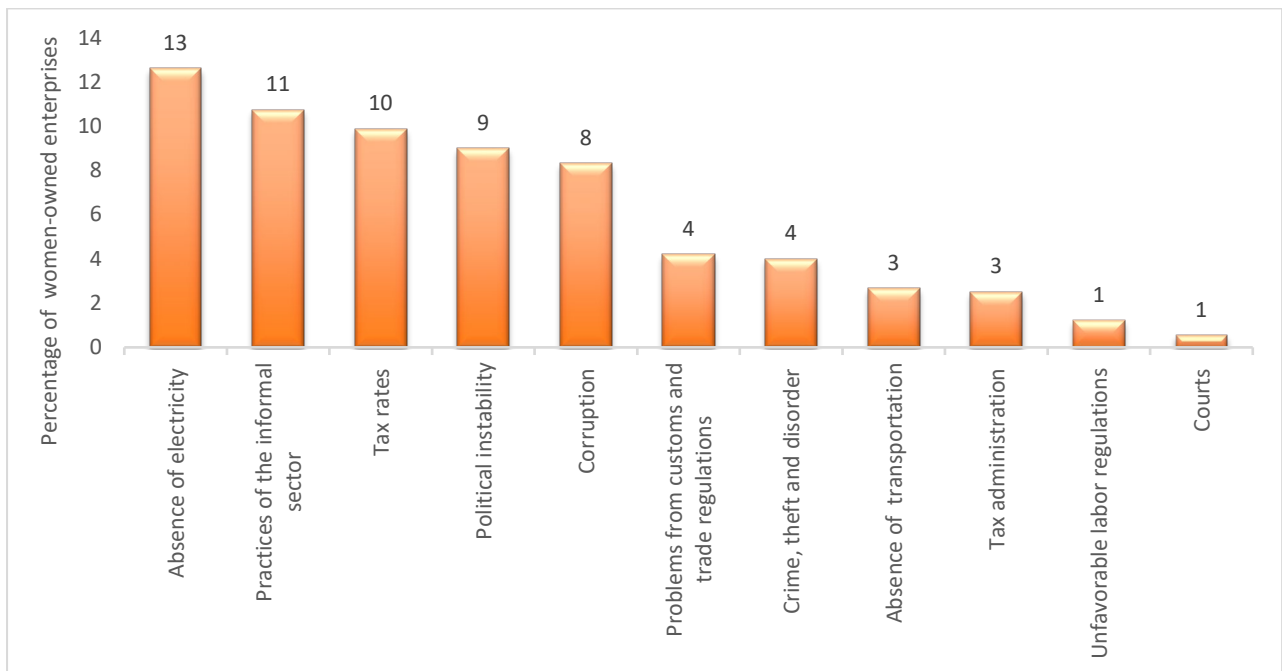
Department for International Development, the customary land system in those three regions makes it difficult for women to access or purchase land for their businesses (UK DFID, 2013).

Three per cent of the sampled women-business owners revealed that their biggest barrier is their inadequately educated workforce which adversely impacts their ability to thrive, compete, innovate and adopt new technologies. The country-level analysis revealed that women entrepreneurs in Cote d'Ivoire cited their inadequately educated workforce as the biggest endogenous barrier encountered by their enterprises (*see figure 3*). According to the World Bank (2019), about sixty per cent (60%) of the population of Cote d'Ivoire are uneducated, representing one of the highest rates of illiteracy in Sub-Saharan Africa. This suggests that women entrepreneurs in Cote d'Ivoire and SSA believe that the improvement in their level of education could support the development and survival of their enterprises. Although Lerner, Brush and Hisrich (1997) identified that the possession of a high level of education was not beneficial to women-owned enterprises in Israel. Lerner, Brush and Hisrich's conclusion was based on the high level of education amongst Israeli women which they believe does not give one business the competitive advantage over another, but mainly equalise their knowledge bases. In that light, an educated workforce might be beneficial for women-owned firms in SSA, a region where the populace is mainly illiterates.

4.2. Exogenous Barriers

The exogenous barriers are those ones that are in the external environment, and women entrepreneurs have no control over them. The participants in this study mentioned eleven (11) exogenous barriers that their enterprises encountered including corruption, courts, crime, problems from customs, absence of electricity, unfavourable labour regulations, political instability, practices of the informal sector, tax administration and absence of transportations (*see Figure 2*). Thirteen per cent (13%) of the sampled women stated that the absence of electricity is the biggest exogenous barrier that confronts their enterprises in SSA. According to the World Bank (2019), the African continent records the highest electrical outage in the world. Electricity insecurity is capable of stifling innovation and productivity within women-owned enterprises. Generators are the preferred mitigation option for many electricity dependent businesses to sustain regular business operations, but the cost of purchase and maintenance is often prohibitively expensive, to smaller firms especially (Scott, Darko, Lemma and Rud, 2014; Madichie and Hinson, 2015).

Figure 3: Exogenous obstacles facing women-owned enterprises in SSA



Source: Authors' calculations based on Panel data from the World Bank Enterprise Survey.

Eleven per cent (11%) of the participants cited the practices of the informal sector as another barrier that their enterprises encountered. A probable explanation is that informal businesses have an unfair competitive advantage over formal businesses. Notably, the informal sector can offer lower prices compared to formal businesses who have to include the cost of their formality, especially tax payments, in the prices of their products. Ten per cent (10%) of the women entrepreneurs believed that the Government tax rates are excessively high with no commensurate support for their businesses. An unfavourable tax rate and administration might adversely impact the profitability of women-owned enterprises. Moreover, the tax rates are often unstable because of political unrests.

As such, nine per cent (9%) of the women entrepreneurs identified political instability as another barrier that confronts their enterprises. An unstable political setting could, for instance, result in changes in laws, especially tax rates which could impact overhead and profit margins of women-owned enterprises. The issue of corruption (8%), crime and disorder (4%) and problems from customs and trade regulations (4%) are other barriers that women-owned businesses encountered in SSA. These barriers often impacted profit margins as women entrepreneurs are required to make unofficial payments or gifts to "get things done" (World Bank, 2019). Three per cent (3%) of the women business owners identified the absence of transportation as another exogenous barrier. The lack of transport could affect their ability to convey production inputs and the final products to their enterprises and consumers, respectively.

Figure 4: Endogenous and exogenous obstacles that women-owned businesses encountered in the Sub-Saharan Region.

Economy	ENDOGENOUS BARRIERS							EXOGENOUS BARRIERS							
	Lack of access to finance	Lack of access to land	Lack of business licensing and permits	Inadequately educated workforce	Corruption	Courts	Crime, theft and disorder	Problems from customs and trade regulations	Absence of electricity	Unfavorable labor regulations	Political instability	Practices of the informal sector	Tax administration	Tax rates	Absence of transportati
Angola	18.5	8.9	10.6	4	24.8	0	0	0.9	15.4	3.4	2.7	4.5	0	0	6.2
Benin	48.5	0	0	0.9	0.7	0	0.6	0	2.9	0	0	16.7	5.3	24.4	0
Botswana	13	18.1	2.4	12.7	8.5	0	6.6	1.5	11.1	3.5	0	13.6	0	7	2
Burkina Faso	37.1	5.1	0	5	4.2	0	0	0	3.6	0.6	0	16.9	3.7	23.1	0.7
Burundi	2.4	1.2	0	0	24	0	0	11.4	28.9	2.3	2.2	1.2	0	26.4	0
Cabo Verde	20.2	1.2	0	3.9	22.4	0	18.1	20.5	3.9	0	0	5.8	0.8	3.1	0
Cameroon	23.2	0	0.2	0	7.6	0	15.1	0.7	23.3	0	0.2	20.9	0.6	6.8	1.3
Central African Republic	16.4	0	0	0	0	0	0	6.3	43.9	0	5.4	10.1	5.4	0	12.5
Chad	3.2	11.2	0	0	15.4	0	15.9	0	11.2	0	3.2	11.2	0	27.2	1.4
Congo, Dem. Rep.	68.8	0	0	0	1.4	0	4.3	3.5	2.7	0	8.5	8	0	0	2.9
Congo, Dem. Rep.	14.9	9.8	0	4.1	7.4	0.9	7.9	0	18.2	0	13	16	4.7	3.1	0
Congo, Rep.	30.5	0	0	10.2	10.2	10.2	0	13.6	5.1	0	10.2	10.2	0	0	0
Côte d'Ivoire	14.5	3.2	0	20.9	3.7	1.6	7.4	2.1	0	0	23.2	7.9	1.5	12.3	1.9
Eswatini	3.8	11.7	0	1.3	9.5	0	13.3	0	19.2	3.8	0	16.5	6.6	7.1	7.1
Ethiopia	42.5	3	0	0.3	2.8	0	0	9	19.8	0	0.1	7.6	2.7	0.9	11.3
Gabon	22	0	0	22	7.7	0	0	0	29.3	0	0	0	0	0	19.1
Gambia, The	45.2	16.9	0	0	0	0	4	0	12	0	0	5.6	0	16.2	0
Ghana	47.2	4.1	0	0.5	1.9	0.8	0.6	5.8	29	0	1.8	1.3	2.7	2.8	1.6
Guinea	41.1	0	0	0	0	0	0	8.3	0	0	43.8	6.8	0	0	0
Kenya	13	0.2	5.3	0.2	9.6	0	0.7	4.4	4.4	3.8	12.4	14.9	2.4	23.3	5.2
Lesotho	12.3	6.7	0	0.9	0.4	0	1.9	2.1	12.9	0.8	31.7	12.8	0.9	15.9	0.6
Liberia	29.9	14.2	0	0.3	0.3	0	3.7	0	32.9	0	0	0	0	17.6	1.1
Madagascar	9.5	0.3	0.1	1.5	11.8	0	1.2	0	14.6	0	53.7	1.5	0.6	3.4	1.9
Malawi	38.6	11.8	0	0	0.2	0	3.1	1.9	11.4	0.4	5.5	13.4	0.6	9	4.1
Mali	18.8	0	0	0	18.8	1.6	0	0	7.4	6.1	44	0	3.3	0	0
Mauritania	52.6	0	0	14.2	0	0	0	0	0	0	0	16.3	0	16.8	0
Mozambique	7.6	7.6	1.8	0.3	28.9	0	16.4	5.7	5.7	0	8.9	7.3	0	4.5	5.3
Namibia	50.7	25.4	0.7	0.8	7.2	0.3	0.1	0.1	4.8	3.9	0	0.2	1.6	1.1	1.4
Niger	11.8	0	0	0	0	0	17.6	0	4.5	0	0	61.5	0	4.6	0
Nigeria	29	1.1	1	0	30.5	0	0.2	2.1	24.5	0	2.9	3	0.2	4.2	1.4
Rwanda	8.4	6.6	7.6	0.8	1.8	5.8	5.8	3.3	0	0.8	0	12.3	10.3	32	4.6
Senegal	47.8	8	0	0	10.1	0	1.2	0.3	4.1	0.9	0	24.4	2.7	0.7	0
Sierra Leone	6.3	12.6	0	0	21.4	0	2.4	5.4	24	0	0	0	2.4	23.7	1.9
South Sudan	15.2	10	2.7	0	9.9	0.9	5.9	2.7	10.9	0	31.7	2.8	1.8	4.7	0.9
Sudan	10	0	4.2	0	3.1	0	0	28.1	0	5.8	19.3	0	21.5	3.1	4.8
Tanzania	31.4	2	0	0.3	2.2	0	2.7	8	21.3	4.4	0.2	14.8	2.6	9.5	0.7
Togo	5.4	0	0	4.6	3.3	0	0	5.4	5.4	0	21	14	8	32.8	0
Uganda	13.1	8.3	5.5	0.1	0.3	0	2.5	0.2	23	0	0.5	21.4	0.7	22.8	1.7
Zambia	44.4	12.5	6.4	0.6	1	0	0.7	0.9	12.3	1.4	0.8	13.8	2	0.8	2.2
Zimbabwe	13.6	0	8.5	0	19.6	0	0	14.3	1.3	6.6	12.1	14.4	4.6	4.5	0.4
AVERAGE (in percentage)	25	6	1	3	8	1	4	4	13	1	9	11	3	10	3

Source: Authors' calculations based on Panel data from the World Bank Enterprise Survey.

5. Conclusion and Implications

This study explored the biggest obstacles that women-owned enterprises encountered in Sub-Saharan Africa. Such exploratory study was necessary as evidence indicates that policy mechanisms developed to support women-owned businesses are often ineffective. One of the reasons behind the policy failures is the lack of sufficient knowledge about women-owned enterprises in SSA. In addition to that, this study highlighted the obstacles that women entrepreneurs could attempt to resolve themselves instead of waiting endlessly for the Government's assistance.

This study concludes that the biggest obstacle faced by women-owned enterprises in SSA is the lack of access to finance. This barrier is described as endogenous because it is mostly an issue that women entrepreneurs could attempt to resolve themselves without any external interference. It was inferred that the lack of collateral such as land is a principal reason behind women entrepreneurs' inability to access money from loan facility providers such as the bank. To resolve that barrier, women entrepreneurs could come together with other women to each put an agreed amount of money into savings each month, then at the end of every month, someone in the group then takes all the money saved for that month, which is subsequently rotated among all the group members throughout the period of the monthly contribution. This contributory scheme, which is often described as Ajo or Esusu, is interest-free and does not require collateral security like the conventional loan facility (Ogundana, Galanakis, Amon and Lynn, 2019; Ogundana, 2020). In addition to that, the Government of nations within SSA should provide financial support to women-owned enterprises in that region. However, before offering financial supports to women, policymakers should implement steps that mitigate the issue of corruption and crime. Doing this would ensure that the financial assistance from the Government gets to targeted women-owned businesses. In addition to that, it will mitigate the number of instances where Government officials divert to personal use the financial support earmarked for business support.

This study concludes that the absence of electricity and the practices of the informal sector are the second and third biggest barriers confronting women-owned enterprises in SSA. These barriers are primarily exogenous as women entrepreneurs primarily have little or no controls over them. The only way these external barriers can mitigate is through the intervention of policymakers. As noted by the Overseas Development Institute (ODI, 2014), policymakers can help to mitigate the impact of electricity insecurity on women-owned enterprises by ensuring that outages are planned and by facilitating access to alternative

supplies of electricity, including generators and renewable energy. For resolving the adverse impact of the informal sector, policymakers should sensitise informal businesses on the need and benefits for them to transit from informality to formality. Doing that will not only enable fair competition among women-owned businesses but will also improve tax revenue and the Government's capacity for regulatory oversight. To resolve the issue of human capital deficiencies, women entrepreneurs should consider exploiting non-formal form of education, instead of formal form education, that could improve their skills at producing quality products/services. In that regards, Ogundana (2020) found that the customers of women-owned businesses were more interested in the quality of products/services than they were with women entrepreneur's possession of a high-level of formal education. In addition to that, women entrepreneurs should develop non-formal skills such as courage and self-efficacy that can significantly enhance their level of self-efficacy (Prasad, Naidu, Murthy, Winkel and Ehrhardt, 2013).

Despite the contributions of this study, it has its limitations, which provide avenues for further research. Future studies could test the relationships between these obstacles. By accessing their association, policymakers can understand whether resolving an obstacle will automatically resolve other obstacles. Future research could also explore these obstacles based on the size of women-owned enterprises (i.e. micro, small, medium and large enterprises). By doing that, future research could unravel whether the size of women-owned enterprises is a determinant of the form of obstacles they experience. Such study is beneficial for policymakers to decide whether to develop support mechanisms taking into consideration the size of women-owned enterprises.

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Appendices

Table 2: Sample Size utilised by World Bank Enterprises Survey to achieve 7.5% precision and 90% confidence

Population Size	Sample Size 7.5%
50	36
100	55
200	75
300	86
400	93
500	97
600	100
700	103
800	105
900	106
1000	107
1250	110
1500	111
1750	113
2000	113
2500	115
3000	116
5000	117
10000	119
50000	120
100000	120

Source: World Bank Enterprises Survey

ⁱ Consistent with the International Finance Corporation (IFC) Women SME mapping exercise in 2011, women-owned enterprises are described as those enterprises that are at least 51% owned, operated and controlled on a daily basis by one or more (in combination) women.