



## Rural Entrepreneurship: Motives and Barriers to Small Business in Ghana: A Gender Analysis

**Bernard Kwamena Cobbina Essel<sup>1</sup>, Miroslava Bavorova<sup>1</sup>**

<sup>1</sup>Faculty of Tropical AgriSciences, Czech University of Life Sciences-Prague

### Background

- Small Scale Enterprises (SSE) development has gain pre-eminence in developing countries, (Oppong et al.,2014 ).
- However, Female-owned enterprises make up an important segment of Sub-Saharan Africa’s small business sector (USAID, 2010).
- There have been limited studies that examine motivations by gender in the rural entrepreneurship space.

### Objectives

- To assess form of business involvement by gender
- To identify the motivation and challenges for business start-up by gender

### Methodology

- 200 operators of small-scale rural enterprise operators were sampled.
- Study was conducted in 2015.
- Quantitative analysis was performed.
- We used chi-square to test the difference in motivation and challenges between entrepreneurs by gender

### Conclusions

- Male entrepreneurs dominate the artisanal space as female entrepreneurs were majority in the processing sub-sector.
- Financial and the quest to be independent drives men and women into entrepreneurship, respectively.
- We suggest an improvement in access to financial capital and market for women starting entrepreneurship.

### References

- Oppong, M., Owiredu, A., & Churchill, R. Q. (2014). Micro and small-scale enterprises development in Ghana. European Journal of Accounting Auditing and Finance Research, 2(6), 84–97
- USAID (2010). Constraints of Female Entrepreneurship in Sub-Saharan Africa. <http://pdf.usaid.gov/pdf/doc/pnadm070.pdf>

### Results

**Table 1: Business involvement by Gender**

Sub-Industry	Gender		
	Total (%)	Male (%)	Female (%)
Processing	92 (46)	37 (18.5)	55 (27.5)
Artisan	74 (37)	42 (20.5)	32 (16.5)
Craft	34 (17)	19 (9.5)	15 (7.5)
<b>Total</b>	<b>200 (100)</b>	<b>97 (48.5)</b>	<b>103 (51.5)</b>

Figures in parentheses are percentages

**Table 2: Motivation and challenges for Business Involvement by Gender**

Variable	Gender		Chi-square (p-value)
	Male (%)	Female (%)	
<u>Motive</u>			
Economic Reasons	89	78	0.010
Source of Employment	69	62	0.322
Independence	21	40	0.004
Personal Satisfaction	14	48	0.000
<u>Challenges</u>			
Lack of Capital	56	76	0.004
Lack of Skilled Labour	15	31	0.007
Lack of Infrastructure	34	50	0.019
Inadequate Market	43	61	0.011

$P < 0.005$

- Men (54%) are more likely to go into business for economic benefits as women engages due to the need for independence.
- Women (75%) find it difficult to acquire capital for business compared to men (25%).
- Women (61%) found it challenging to access market for their products.

