
Women in Business-Prospects of SMEs in Gambia

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Abstract:

Purpose: This article seeks to depict critical prospects that lie most Gambia women especially those from the major business regions into SME's and opportunities they can explore. Women empowerment and involvement in economic and social activities are very crucial to the development of the Gambian economy.

Design/Methodology/Approach: A qualitative research approach is used in the study to further gather responses from selected women participants using a semi-structured interview. This approach has enabled participants to share all those desiring factors behind their venture establishment, and the opportunities available. The primary research population, sampling, and interview. Regarding the topic, data from secondary source and literatures from other journal was also used for comparison and analysis.

Findings: The study made by the authors shows that, women from major administrative towns are very keen on engaging into meaningful endeavors such as small and medium-term enterprises at a youthful age mainly for economic gains and to contribute to the societies and country's development.

Originality/Value: There isn't much opportunity for Gambian women into micro and medium-term businesses, particularly from the side of government. And despite all constraints, the sector remains vibrant economic and social contributor in the advancement of this developing country. The issues that concentrate on women entrepreneurship in Africa in general is still a novelty since the originality and the value of the paper is considered to be high.

Keywords: Entrepreneurship, business, SMEs, women, venture, gender, micro-medium sector, empowerment, industry, endeavors.

JEL codes: A10, J16, L10, L20, L26.

Paper Type: Research Paper.

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1. Introduction

Bennett *et al.* (2000) discussed the definition of entrepreneurship in three categories: economics, feminism, and psychology, but all three categories can be combined to give a single definition of an entrepreneur. From an economic point of view, a stable business environment is required before an entrepreneur can develop his business for the purpose of profit. The psychological definition of entrepreneurship focuses more on the personal attribute that is more dedicated to entrepreneurial success. The feminist perspective on entrepreneurship is biased and limited to male entrepreneurs.

Entrepreneurship in a form of micro and medium-term enterprise has contributed significantly to the economic prosperity and development of many nations around the world. It remains the key player in creating jobs for many. This has reduced poverty and dependency, especially in Africa where an entire family depends only on the working person. In addition, revenue generation has increased for both households and the government, which in a broader sense helps to encourage local commerce. In The Gambia, micro and medium-term enterprise promotes economic stability and helps increase gross domestic production.

It is important to realize that the growth and development of any nation depend heavily on women's involvement in such ventures (Wood *et al.*, 2021). Women form a significant percentage of the country's total population thus their social-economic contribution is equally vital (Konte and Tirivayi, 2020). However, development of women entrepreneurs is still in its infancy and needs further improvement to be on a similar level with other developed countries that have more empowerment policies and programs to support female ventures, (Giusta and Phillips, 2006), Mapping report, 2013).

In fact, history has shown that entrepreneurship is the only worthy cause, considered meaningful for many societies at any given time, e.g., traditional to modern, modern to postmodern, and state-controlled economies to the free market. In each of these societal transitions, entrepreneurship has been used as a collective approach to resolve differences, break down barriers, and introduce new and innovative ideas to solve societal problems (Moreno-Gavara and Jiménez-Zarco, 2019).

Therefore, SMEs are predicted to be the true catalyst of each generation. It is important for policy makers, researchers, and other stakeholders to fully understand the link between entrepreneurship and economic development. This will allow them to turn any prospects into an opportunity, creating the perfect balance for an entrepreneurial endeavor thus filling the existence gap on women participation in economic development.

The study will trace the most prevailing prospects that often motivate women to venture into SMEs. And as well, identify those opportunities that they might explore to further advance their businesses into higher high despite the challenges they face

in their drive to achieve success. To our understanding women in the Gambia are usually confronted with lot of constraints, however, this study helps to identify key priority areas as mentioned above, and give out possible recommendations (Cabrera and Mauricio, 2017; Bianco, Lombe, and Bolis, 2017). As the saying continues, society's problem can never be solved if steps are not initiated and directed towards addressing it. And the same applies to the case of our female folks as their dreams are essential for nation development. The developed research questions were:

- What are the major motivating factors for women in SMEs?
- Are there opportunities for SMEs in The Gambia? If so,
- What are they?

The whole article ends with a conclusion and research limitations. The research was based on case study and primary data collected from selected women entrepreneurs. Literature review and information gathered from available secondary sources such as journal articles, books, and conference presentations. The main research method was case study, sampling, and review of literatures.

2. Literature Review

The gender gap in entrepreneurship, as measured by motive, may eventually disappear as recent studies suggest that as economies develop and grow, more job opportunities will become available, and the gap will certainly narrow over time (Wood, PohYen, and Bastian, 2021). However, the proportion of women with distress motives has declined in some parts of Eastern Europe and China. This enlargement contributes enormously to reducing the gender gap (GEM, 2012).

However, most developing economies have recently shown an increase or no change in the number of women entrepreneurs motivated by necessity relative to men (ILO, 2018). The reason could be that the economic downturn affected both men and women with rising unemployment rates. This is also clearly reflected in business development (GEM, 2010). As already mentioned, not only are women less likely to start a business than men; their companies tend to be smaller with fewer employees and lower growth expectations. Women's entrepreneurship is still seen as a means of empowering women (Charrad, 2010; Gray and Finley-Hervey 2005).

This is quite true, as it allows them to express themselves in the business environment, thereby becoming stronger and more resistant to their everyday struggle for survival (Peace, 2022). Studies have also shown that least developed nations are now paying more attention to women entrepreneurs because of their visible contribution to economic and social progress (Muhammad 2017; Ahl and Mikalsen, 2019; Niethammer, 2013).

Numerous factors are identified as influencing factors for women starting their businesses (Gray *et al.*, 2006). These factors are unique in their various

circumstances, with the most popular being the push and pull factors. Normally, the push factor is usually not environmentally friendly and can easily force women to pursue their business ideas. While the pull factor is associated with positive developments. The push factor can arise from elements of necessity, such as unemployment, low income, low job satisfaction or lack of job opportunities, dissatisfaction with a paid job, fewer or no opportunities for advancement, the need for flexible working hours, policy constraints, and training and development (Niethammer, 2013).

It also notes that frustration with the government or private work environment can easily lead women to take steps to start their businesses. This perspective from the Global Entrepreneurship Monitor (GEM) is called Necessity Entrepreneurs. In short, all other employment opportunities are absent or unsatisfactory.

Robinson (2001), women in micro and medium-sized enterprises are motivated to start a business for a variety of reasons. Some may want to do something different, be independent, have a source of income to support the family and improve their standard of living, be their boss, be self-employed, and have flexible schedules to balance work activities with family responsibilities (McGowan *et al.*, 2012). After carefully reviewing the literature on women's business ventures, it is later shown how other factors such as internal and external factors influence the motivation and performance of firms started by women.

3. Small and Medium-Term Enterprises (SMEs) in Gambia – Research Results

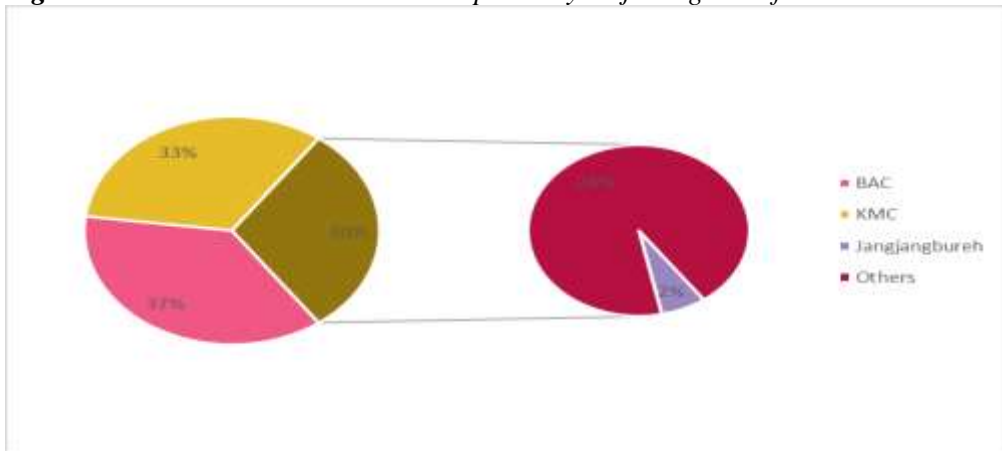
Women in Gambia makes up a larger percentage of the total population; more than half of the country's population are women. GBOS (2016) report shows that 50.6% of the total population are women and girls, most of whom live in the rural part of the country. According to the Mapping Report of medium and small companies else, SMEs in Gambia in 2013, 34% of all companies in the country are owned by women. Interestingly, most of these women entrepreneurs are engaged in agricultural activities such as food production, animal husbandry, gardening, or vegetable production, and in fisheries. The sector is widely regarded as the backbone of the economy (Mapping report, 2013).

It is quite certain that the status of SMEs in Gambian society will continue to be low until and unless more effort is made to consistently raise the necessary awareness. Awareness raising is critical to increasing the positive value and contributions of entrepreneurs. This involves taking risks that create potential business opportunities that benefit both individuals and society. In addition, policymakers need to consider that risk-taking comes with many challenges.

Therefore, they should put in place appropriate mechanisms such as regulations that not only bully them but provide them with the necessary support when needed. To

fully exploit the opportunities offered by business awareness, the parties involved must ensure that the benefits of formalization are clearly articulated, consistent and well-defined. This is a fundamental problem for The Gambia, where the informal sector continues to play a key role in job creation, accounting for almost two-thirds of total employment (LO, 2012).

Figure 1. Small and medium-term enterprises by major regions of Gambia



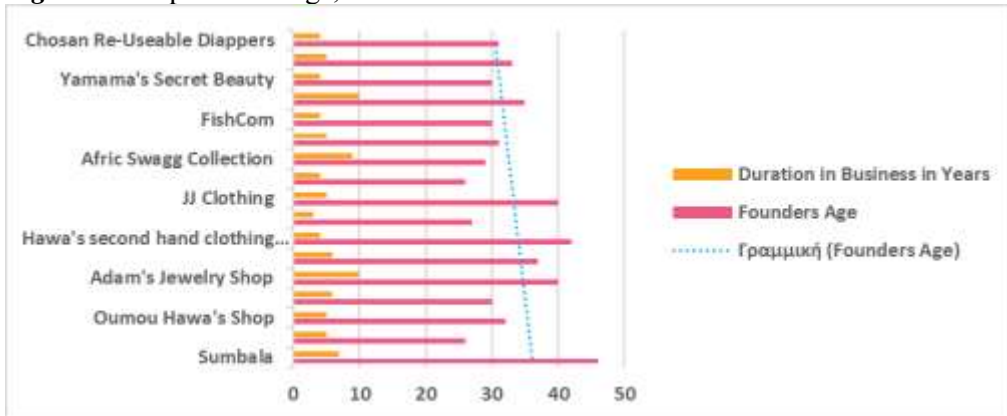
Source: Own elaboration.

If the forecasts are correct, micro, small and medium-sized enterprises can be helpful to the Gambian economy, as they not only create jobs, but also make a meaningful contribution to economic growth, diversification, and transformation. In short, entrepreneurship can become a relevant tool for innovation and productive domestic investment in the long term. The Gambian economy is undoubtedly trying to develop around MSMEs, which contribute an estimated of 20% of gross domestic product (UNDP, 2020).

Micro, small, and medium-term enterprises employ the larger share of around 60% of the active labor force. Especially between the ages of 15 and 64, 70% of whom are self-employed. A 2014 study attempting to map over 88,940 MSMEs in the country found that 70% of the cited amount were identified as unregistered micro and small enterprises, typically operating in the informal sector. This is an extension that is the main source of income for many poor people in urban and rural areas with little or no compliance with labor regulations (UNDP, 2020).

In terms of distribution, the Brikama Area Council (BAC) has the largest share of enterprises (32,665) with a 37% share. Kanifing Municipality (KMC) is the second largest local government area with 29,390 companies (33%). Jangjangbureh comes in at the bottom with an estimate of just 2%.

Figure 2. Respondent’s age, and business details

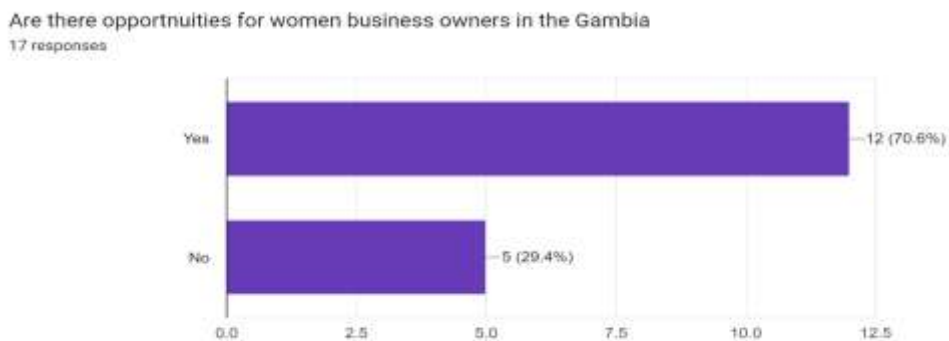


Source: Own elaboration.

The above graphs depict youthful population among the female gender is quite impressive. Majority of whom are engaged in different sectors of the business industry and as well from different part of the country. On average, the age composition seems very promising from the respondents as oldest is approximately around forty years of age while the rest are just thirty years and below. The youthful population especially among the female sex are very keen on small ventures such as mini-tailoring, restaurant and catering, cosmetics, hairdressing fashion etc., (Lamin and Jim, 2021, Isatou, 2018).

Their participation in social and economic activities is vital for the societal growth and development. Many are not only able to provide for their families but as well create job opportunities for others thus increasing both personal and the state revenue (Giusta and Phillips, 2006).

Figure 3. Respondent’s response on SMEs opportunities in Gambia



Source: Own elaboration.

Respondents came from different economic sectors (fashion and design, health and beauty, food processing, etc.). The age groups of the respondents are 50+ years old (0%), 40-49 years old (23.5%) and 30-39 years old (53%) and 20-29 years old (23.5%). By sector, fashion and beauty accounted for the largest proportion of respondents (41.2%) follow by food processing (29.4%), health and beauty care (17.6%), and the least was Grocery retailing accounting for just (11.7%).

And out of the total respondents, (29.4%) stated that there are zero opportunities for women SMEs while, (70.6%) state the exact opposite that opportunities such as micro-financing like mini grants and business development opportunities like training and coaching does exist in the country. This information is relevant to further informing this study of the underlying motivations and opportunities driving women SMEs in The Gambia.

4. Discussion

The average age from the sample study show age less than 35 approximately 33 years when they start their business venture. Peter and Muniyithya (2015) accord that a person's skills improve as they age. The study found that, most Gambian women particularly from major administrative towns are very keen on engaging into meaningful endeavors at tender age for economic gains and to contribute to the societies and country's development. So, my finding is consistent with (Mahadalle and Kaplan, 2017; Ehman *et al.*, 2017) who suggested that women entrepreneurs with greater desire to succeed always do well in their businesses.

This is evident in the major towns such as Brikama, Serrekunda, Banjul, Farafenni, and Basse where the business economic prospects are higher in terms of customers base and availability of social amenities such as electricity, water, and social infrastructures. The desire to start each business venture differs from each respondent, however, half among the respondent is financial motivate to start doing business. This includes the economic gain such as profit to take care of their daily needs and that of their families.

This is also consistent with the study made by Nor and Ramli (2016), and Ramadani *et al.* (2015) who stated women venture into entrepreneurship for economic gains to elevate their status and that of their families. Other participants are motivated by factors such as passion, family or friendship influence, and personal talent. Equally, education is among the key factors that motivated many women SMEs owners and even lead them to achieving immense success in their endeavors.

This finding agrees with the finding of Saidi *et al.* (2017), Rajni and Mehta (2018), and Alene (2020) who reported that entrepreneurs with higher educational qualifications are expected to make better quality decisions to run a business in a way that reduces the likelihood of failure. Furthermore, the result is also consistent with the results of (Berii, 2019), who reported that women with higher levels of

education are more likely to report positive economic empowerment, and this result suggests that investing in education supports women's empowerment in business.

Duration into their businesses seems steady considering an average age 5 years into business from part of the developing world where women face lot of challenges such as social inequality, inadequate finance, and market infrastructure. In fact Danga et al. (2019) believed that social factors are key in hampering the performance of SMEs in rural Africa. Similarly, studies conducted in different parts of the developing world critically examined that the lack of market information and workspace is one of the main problems hampering the productivity of women-owned businesses among them is (Susan and Maura, 2013).

The opportunities as mentioned by Afric, Design, YaAwa's, Jelma Herbella, Sumbala among other SMEs in Gambia appears to be an evident and reason for the steady progress in most women SMEs in the country. This is supported by Alam *et al.* (2012), Mustapha and Subramanian (2016), and Zikmund *et al.* (2013).

5. Conclusion

I have assessed the motive and prospects in terms of opportunities for female SMEs in Gambia. My findings provide some interesting empirical evidence from SME women in various sectors including healthcare and beauty, agriculture and food processing, and creativity, to name a few. The continuing dominance of male colleagues in all areas requires research into the motives and perspectives of women in medium-sized companies. To address this deficiency in the existing literature, I used a qualitative, semi-structured interview approach to gather the individual opinions of respondents who were female entrepreneurs in major cities and Gambia's only capital city (Brikama, Serrekunda, Banjul, Farafenni and Basse).

The results of the study indicate that these respondents are motivated to enter businesses by factors (Table 1) such as a desire for financial independence, education, the need to support their families, and the presence of business support from the government or their government dare partner institutions (Shapero and Sokol, 1982). Individual opinions on the opportunities presented were also collected, with over seventy percent claiming their opportunities for female SMEs in Gambia.

And usually, they are in the form of capacity development, grants for those with brilliant business ideas and a healthy customer base willing to patronize most SMEs as they are affordable and accessible compared to other established companies in the country. However, the remaining percentage of respondents (29.45) who operate from Gambia province tend to disagree with the above statement regarding the availability of opportunities.

Based on the results of this study, the following recommendations aim to promote the growth and development of female SMEs in Gambia.

First, the need for political diversity will encourage the growth of women's participation in small business leadership. Such a practice has the potential to ensure fair and equal treatment for all women entrepreneurs, those women from rural Gambia who are unaware of the existence of available opportunities in Banjul, Serrekunda and Brikama, the capital and largest cities, respectively. Indeed, allocating national budgets to trade and investment is a strategic tool to improve diversity and inclusion in the entrepreneurship landscape (Giusta and Phillips, 2006).

Second, the need to develop more government support such as tax exemptions, collaborating with key stakeholders for expanded capacity development, provision of social infrastructure, and financial support will be key in their ongoing efforts to further expand growth and development in the SME industry (Giday, 2017; Zeb *et al.*, 2019). Indeed GEM (2010), Danish and Smith (2012) have reflected on the need for more business development for women entrepreneurs in developing countries.

Additionally, regulation of the SME industry is vital as it allows small and medium-sized businesses to grow in the country and protects them from the threats posed by larger incumbents (Lamin and Jim, 2021).

Finally, several limitations were identified, including the small sample size, the concentrated research population, and the research approach chosen. Illiteracy among some female SME owners has also been a barrier as they struggle to answer some of the research questions and therefore take longer to retrieve data from them.

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