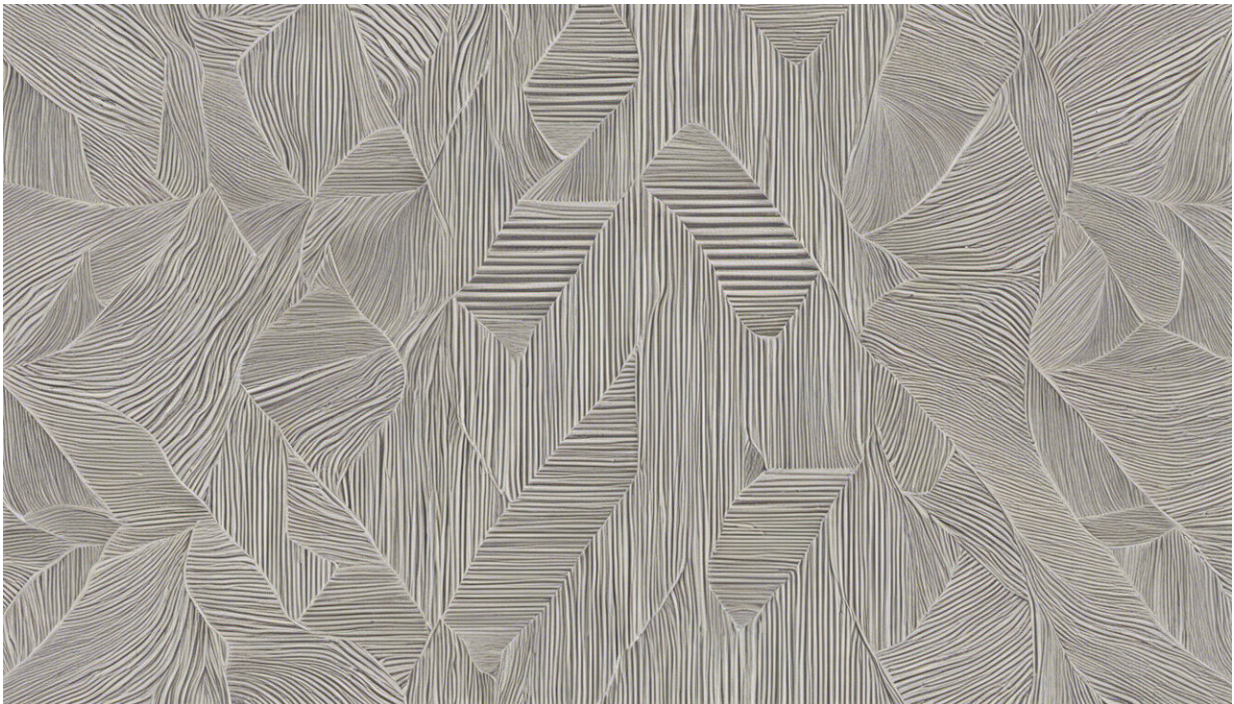


# Want to get more women to start their own businesses? Here's what it takes

August 29 2022, by Melodi Botha

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Credit: AI-generated image ([disclaimer](#))

Globally, men are [twice](#) as likely as women to start a business. Most research into how to start a business has been focused on men. Not much has looked at why women are not fully represented among entrepreneurs or how to change this.

Yet [it's known](#) that women entrepreneurs play an important role as leaders of entrepreneurial teams who contribute to economic growth and poverty reduction.

[Research](#) shows that women in South Africa are less likely to consider starting a business than men. They are also significantly less likely to act on their entrepreneurial intentions. One reason could be the lack of entrepreneurial competencies and the extent to which women have "prior exposure to business".

My [research](#) set out to investigate the relationship between prior entrepreneurial exposure and entrepreneurial action. In other words, whether women who came from a business environment where they were exposed to prior entrepreneurial experience were more likely to start their own business. This included "shadowing" an [entrepreneur](#), having entrepreneurial parents, working in an entrepreneurial business before starting your own or having entrepreneurial role models.

My approach towards the question was a new one. I divided entrepreneurial action into three phases of a process—before a decision is taken, before action, and action itself.

As I expected, context is key. This is also true for women and their entrepreneurial endeavours.

Being exposed to role models or having entrepreneurial parents encouraged women to start businesses. This prior exposure had a stronger effect on action when women have certain entrepreneurial competencies. The relevant ones were: self-efficacy, leadership, curiosity, innovativeness, and need for achievement (motivation).

My findings have important implications for women entrepreneurs, educators and entrepreneurship models, which have been traditionally

male dominated. For example, to get more women to start businesses educators and [policy makers](#) can develop women's self-efficacy, leadership, curiosity, innovativeness and motivation entrepreneurial competencies based on their entrepreneurial exposure.

## **Exposure, intentions and action**

My research sample consisted of South African entrepreneurs: 346 women and 804 men. The men were included so as to test whether the relationship between prior entrepreneurial exposure and action was stronger for women entrepreneurs than for men. I found that it was indeed stronger for women.

The average age of the women was 50, ranging from 26 to 78. Just over half (51.1%) had at least an undergraduate degree. Most of the businesses (56.6%) were service based, mainly in the Gauteng or Western Cape provinces (70.3%). They were mostly in the financial, manufacturing and business services industries (31.7%). On average, the businesses were five years old.

The women were asked which entrepreneurial exposure they were exposed to before starting their businesses. The study showed that prior entrepreneurial exposure made a noticeable difference in a woman's likelihood of pursuing her entrepreneurial goals.

The reason for this is simple. Women typically face conflicting identity roles. They find themselves caught between traditional "feminine" roles and their desire to start businesses, an activity that is generally understood to be more "masculine". But if women see other women pursuing and being successful in an entrepreneurial environment, they are more likely to follow that path themselves.

Women need to hone their entrepreneurial competencies if they want to

commit to being self-employed. These competencies include the knowledge, skills and abilities that contribute towards entrepreneurial action. Therefore, together with prior exposure, it can enhance the aspiring entrepreneur's likelihood of starting a business because of the learning that it provides.

## **Entrepreneurial competencies**

The research showed that leadership, innovativeness, curiosity, self-efficacy and motivation are some of the competencies that women entrepreneurs need to start their own businesses.

**1. Leadership** means developing a vision, sharing it, and encouraging others to follow it. Entrepreneurship conveys an entirely new vision for an emerging venture.

**2. Innovativeness** is the ability to develop new products, services and business models that generate profits.

**3. Curiosity** is the key ingredient that leads [entrepreneurs](#) to find new solutions to customers' problems. The link between entrepreneurial curiosity and entrepreneurial action is strong. A curious woman entrepreneur with prior entrepreneurial exposure is more likely to take action because their interest allows them to identify and exploit opportunities based on their experience.

**4. Self-efficacy** is the perceived capability to perform certain tasks. It influences an individual's choice of activities, goal levels, persistence and performance. For [women entrepreneurs](#) it has been proved that self-efficacy can be strengthened through prior experience, having [role models](#), receiving words of encouragement, and enjoying positive well-being.

**5. Motivation** refers to an individual's desire for significant accomplishment or mastering of skills. So, the more motivated a woman entrepreneur is, the more vigorously she will pursue her entrepreneurial endeavours. When women have the opportunity to watch each other grow and succeed in [business](#), they are encouraged to do the same.

Policy makers must design interventions that make use of [women's](#) prior entrepreneurial exposure, and boosts the right set of competencies.

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