

CHALLENGES AND CONSTRAINTS FACED BY SOMALI WOMEN ENTREPRENEURS IN BENADIR REGION

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Abstract

Somali women play exceptional significant role in the economic and social development of Somalia after the central government collapsed in 1990. They are entering in business activities at all levels, making important contributions to economic growth. Nowadays, Somali women are increasingly active in parts of the economy that were previously considered male domain. Women entrepreneurs also create jobs. In the patriarchal society of Somalia, Women have worked as part of family labor for centuries. They have even actively helped their men folk in making business decisions when necessary. In dire circumstances they have even taken charge of family as bread winners and heads of families. However, womanhood as a concept does not include all these. Women as rule are not socialized as independent economic decision makers which is the core of the entrepreneurial spirit. the purpose of this paper is to explore women entrepreneurship, and more plainly, the challenges that Somali Female entrepreneurs face in the specific context of Mogadishu city. The main objective of this study was to examine challenges or constraints that are facing women entrepreneurs in Mogadishu-Somalia. A list of 131 participants was participated in this study. The study was conducted though survey and it used questionnaire. It identified many challenges that women entrepreneurs are facing such as financial problem, violence against women, lack of sufficient knowledge and family problem. It recommended that, the government should play its rules toward violence against women and there should be institutions who are advocating rights of women.

KEYWORDS: ENTREPRENEURSHIP, CHALLENGE, CONSTRAINTS, WOMEN ENTREPRENEURS, LUCK OF FINANCE, FAMILY PROBLEM

1. INTRODUCTION

Worldwide, many women are entrepreneurs. Entrepreneurship emerges from an individual's creative spirit into long-term business ownership, job creation, and economic security. Women bring commitment and integrity because they care about economic empowerment, entrepreneurial development and innovation. Female entrepreneurs seek the professional and personal support that is found in business associations. Economic globalization has encouraged the expansion of female business ownership. "The growing economic power and influence of women-owned businesses are changing the shape of the global economy," remarked Sakiko Fukuda-Parr, director of the UN Development Program's Human Development Report. The global impact of women entrepreneurs is just beginning to gain intensity. Worldwide, the number of female business owners continues to increase steadily. For example, women produce more than 80 percent of the food for Sub Saharan Africa, 50-60 percent for Asia, 26 percent for the Caribbean, 34 percent for North Africa and the Middle East, and more than 30 percent for Latin America. A large number of women around the world have set up and managed their own businesses. It was not easy for these women to succeed in business.

Women entrepreneurs (WE) tend to be over-represented in traditional sectors with relatively fewer growth opportunities and harsher competition (Brush, 2006) this is the case also in Africa, in which women feature disproportionately in small rural enterprises (Evers and Walters, 2000). Small enterprise development has only in recent years begun to be identified as a key component of development programs, based on the recognition of the importance of such activities as part of both the rural and urban livelihood strategy especially of poor people, in both the formal and informal sector. As for empirical evidence, in their comprehensive survey of African small enterprises, Liedholm and Mead (1999) observed that 45 per cent of the enterprises were female headed. However women accounted for a somewhat smaller share of total medium and small enterprises employment.

Many authors have defined entrepreneurship in different ways. Hafizullah et al (2012) viewed entrepreneurship as bringing and implementing novel ideas or modifying the old ones, to bring innovations into

businesses that have the ability to create value. Tambunan (2009) described an entrepreneur as a self-employed person.

In Somalia, traditionally people were believed women contribution of the business is something against the culture. The only thing Somali women were undertaking was looking after their children and undertaking house activities such as caring the children, cooking and etc. Recently, after the collapse the central government of Somali and many problems raised such as hunger, draughts, wars and etc. During in civil war Somali women begun to take care themselves and also their children while participating and starting different kind of business. The main purpose of this paper to examine the challenges and constrains faced by women entrepreneurs in Benadir region and to investigate how these challenges effected by women entrepreneurs performance in Micro and small enterprises.

2. CHALLENGES FACING WOMEN ENTREPRENEURS

Women entrepreneurs require confidence, leadership and managerial skills for their accessibility to new markets. Entering into business as a woman offers the omni-challenges of learning how to effectively operate the activities of such business while simultaneously attempting to meet all other expectations that are part of entrepreneurship (Schaefer, 2003). The worst of these challenges is malignant sexism, which according to Anyanwu (1993) ensures the complete economic manipulation, sexual exploitation, political marginalization and economic inequality of women. Emphasizing on this, Ayogu (1990) was of the opinion that "...women are groaning under unjust culture, beliefs and overbearing influence of a male dominated society.

On view of the world, 1.4 billion poor people 70% are anticipated to be women. In the last few decades women had started to realize the value of self-employment and they are now utilizing their capabilities in entrepreneurial activities. Researchers claim that family issues such as giving proper time and fulfilling family culpabilities are the chief issues confronted by them (Rao, Rao and SuriGanesh, 2011). Another inquiry supported the findings that women are mainly impelled to be the home makers (Roomi and Parrot, 2008). Whereas Hafizullahet al (2012) highlighted that male dominance in culture creates problems for female entrepreneurs in terms of limiting their mobility, business participation and market interactions. The further arguments of the research revealed that women entrepreneurs of Pakistan have to face both environments; traditional and contemporary in order to run their enterprises. Traditional category includes socio cultural and religious elements while contemporary category is a sub category of above mentioned factors and includes constitutional structure, policy making and other institutional mechanism. Furthermore, they recognized poor economy and stereotyped society as other factors liable of causing glitches for female entrepreneurs.

The major factors that restrain women from business are gender-based discrimination, lack of communal support, limited access to information, inadequate education & training facilities, absence of trust in one's capabilities and access to resources (Afza, Hassan and Rashid, 2010). These arguments are supported by the findings of another research that says that the lack of proper leadership, planning and inadequate financial resource allocation is some other difficulties that women usually face during execution of their businesses (Palaniappan, Ramgopal and Mani, 2012).

Besides all the problems women also face some challenges and significant of them are unclocked guidelines, challenging interactions due to gender, dependence upon their male counterparts for transactions and extra restrictions imposed on them as compared to their gender counterparts (Ahmad, 2011).

Although there are many contributions to be accredited to women entrepreneurs, a number of constraints have been identified as detriments to these contributions. Women entrepreneurs face many challenges, which include: government rules and regulations, lack of access to finance, assets, information technology, infrastructure and other facilities that enable their efficiency and business growth (United Nations, 2006). Kantor (1999) rightly argued that women often experience greater constraints on their economic actions relative to men. Mayoux (2001) also noted that there are certain factors that limit women entrepreneurs' ability to take advantage of the opportunities available to them in their environment and these factors have been identified as the reasons why their business fail (Kantor,1999).

On the other hand other factors according to Mayoux (2001) and United Nations (2006) include: poor financial management, liquidity problems, management inexperience and incompetence, poor or nonexistent books and records, sales and marketing problems, staffing, difficulties with unions, the failure to seek expert advice, limited social and business networks, a low level of demand in the local economy, the value and system of tenure for housing, constraints in access to finance, lack of work experience and skill, and lack of role models. Other barriers to women entrepreneurship development are cultural obstacles, lack of motivation, high crime rates and problems during the transition from reliance on government benefits and employment.

Commenting on the challenges facing women entrepreneurs, Gould and Perzen (1990) classified women into 'better-off and low-income women'. According to them, 'better-off women' face the following challenges: lack of socialization to entrepreneurship in the home, school and society; exclusion from traditional business networks; lack of access to capital; discriminatory attitude of leaders; gender stereotypes and expectation: such as the attitude that women entrepreneurs are dabblers or hobbyists; socialized ambivalence about competition and profit; lack of self-confidence; inability to globalize the business: men are leading in the

global market. On the other hand, 'low-income women' face challenges such as: poor savings, longer hours to work, health care and other assistance, illiteracy, regulation that do not distinguish between personal business assets make it extremely difficult to start a business or to invest the time it takes to make it profitable, lack of managerial skill, cultural bias both within cultural group and in the larger society, high level of poverty.

3. METHODOLOGY

This study will be using descriptive design because it will be considered as the most appropriate design in this study. Also qualitative design will be used in this study. Qualitative research allows the researcher to familiarize him/herself with the problem or concept to be studied, and perhaps generate descriptive data. Qualitative approach will also used in this study because in this study qualitative approach is more proper than quantitative. In this study the researchers will be selected some women entrepreneurs who are working in Mogadishu. The sample size of this study will be **130** women who are entrepreneurs especially those who are working micro and macro businesses; in this case the researchers will be select women who own small shops and also those who own supermarkets. The reasons we will choose this is businesses their popularities and their easy way to reach and meet our objectives of the study. Since the target population of this study is very little there is no need to take sample so, the study conducted censuses as whole population.

4. DATA ANALYSES AND DISCUSSION

4.1: DEMOGRAPHIC PROFILE OF WOMEN ENTREPRENEURS IN SOMALIA

According to below table 1, Ages of the respondents, majority of them were in between the ages of 25-35 years (42.0%) while other respondents are above 36 years (38.2%) respectively. The rest are above 46 (19%). The majority or 74 (56%) of the respondents are married. And most of women entrepreneurs had secondary certificate 59 (45%). Experiences of the respondents, majority of them are in between 1-5 years experience presented by 63 (48.1%) of the respondents.

Table 1: Characteristics of the respondents

Characteristics	Classification	Frequency	Percentage
Age	25-35	55	42.0
	36-45	50	38.2
	46-Above	26	19.8
Marital Status	Single	25	19.1
	Married	74	56.5
	Divorced	32	24.4
Educational Background	Secondary	59	45.0
	Diploma	35	26.7
	Bachelor	29	22.1
	Master	8	6.1
Experience	1-5 Years	63	48.1
	6-10 Years	43	32.8
	11-Above years	25	19.1

4.2: DESCRIPTIVE ANALYSIS ON CHALLENGES FACED BY WOMEN ENTREPRENEURS

As shown in the below table (Table 2), factors such as financial independence, family background and family rules are the highest and most challenging women entrepreneurs in Mogadishu-Somalia. Also, the second factors who are affecting women entrepreneurs include: gender discrimination, lack of promotion, lack of proper knowledge and lack of security are other main factors that are affecting women entrepreneurs.

On the other hand, the below table also indicated that, other challenges those are facing women entrepreneurs in Mogadishu-Somalia. Insufficient skills about managing financial issues, lack of confidentiality toward their abilities and political issues such as kidnapping and raping are other challenges that women entrepreneurs are facing.

Table 2: Descriptive Statistics

Items to measure challenges and constraints

	N	Mean	Std. Deviation
It is generally believed that Somali women give more emphasis to their motherly role and family / home responsibilities rather than venturing for a career / growth through entrepreneurship?. If they have to plan & settle for a career, they would at best prefer a safe risk free job than setting up a business venture of their own.	131	3.24	1.458
Lack of self-confidence: will-power, strong mental outlook and optimistic attitude amongst women creates a fear from committing mistakes while doing their piece of work.	131	3.10	1.264
Women would perhaps prefer to be active partner entrepreneurs with their spouses & provide necessary support rather than initiating & running a business enterprise entirely on their own.	131	3.05	1.619
Larger number of women does not have much needed financial independence that would enable them to conceive, plan & execute a business plan independently.	131	2.92	1.222
Financial institutions are generally skeptical about the entrepreneurial seriousness & abilities of women entrepreneurs. As a result, the women entrepreneurs are suffering from inadequate financial resources and working capital.	131	2.91	1.106
The educational level and family background of husbands also influences women participation in the field of enterprise.	131	2.90	1.318
Women's family obligations also bar them from initiating & becoming successful entrepreneurs.	131	2.88	1.253
The overall male domination in the entire business & entrepreneurship area also works as a hurdle for women entrepreneurs	131	2.85	1.222
Although women managers & executives are proving to be more & more effective at their work places, they are still not considered efficient enough to handle Labor & logistic issues as efficiently in self-owned business enterprises. They would prefer men to handle such issues	131	2.80	1.286
Many of Somali women face lack of Proper Financial Management skills	131	2.73	1.216
Low-level risk taking attitude is another factor affecting women's decision to get into business.	131	2.69	1.294
Many of Somali women face security challenge after the Government collapsed them face kidnapping and raping this constrained the business traveling and Networking.	131	2.60	1.281
It is believed that lack of proper knowledge about availability of raw materials & low-level negotiation and bargaining skills are also factors, which affect women entrepreneurs' business adventures.	131	2.58	1.295
Educational Institutions & even Govt. agencies are doing little to promote entrepreneurship amongst women particularly.	131	2.57	1.342
Being a woman/Gender discrimination is major challenge to Somali women entrepreneurs	131	2.40	1.357
Valid N (listwise)	131		

4.3: Discussions

After the collapse of the government of Somalia 1990, women in Somalia were plying the major rule of their family. In order to survive in daily life and to get children into education many Somali women started small business. They developed their own business and act as entrepreneurs. Although, many Somali women succeed to start their own business but there are many challenges there were facing before and now.

Financial problem, family background and double rule they are playing (one of their family and other for their business) are the most challenges women are facing. On the other hand, women entrepreneurs are dominant violence such as kidnap and rape. Although there is government in Somalia, the women entrepreneurs are not getting support from the government. While there are external challenges women entrepreneurs are facing, there is also internal challenges women entrepreneurs are facing. Insufficient skills, lack of confidentiality of their abilities are major internal challenges the women are facing.

4. Conclusion

The purpose of this study was to examine constraints or challenges women entrepreneur in Somalia are facing. The participants of this study were 131 and all participants were female who owners of small business in Banadir region are. In this study, it was identified that many challenges that women entrepreneurs in Mogadishu is facing. Some challenges were external such as violence, financial problem and family issues. On the other hand, challenges such as lack of skills, in adequate or lack of education were internal challenges that women entrepreneurs are facing. Researchers recommending in order encouraging women entrepreneurs, the government of Somalia should play its rule toward preventing violence against women and keeping their right to work, the women who are entrepreneurs should develop themselves such as basic knowledge of business and finally we recommend to establish institutions who are advocating the right of women as human and who are providing social awareness against discrimination of women.

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