RESEARCH ARTICLE

THE CHALLENGE OF WOMEN ENTREPRENEURS IN ACCESSING FUNDS IN KUMASI (GHANA)

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ABSTRACT

This research was conducted to know the challenge of women entrepreneurs in accessing funds in Kumasi. In this research, the main research design was a case study. This case study was a quantitative research. This type of case study was applied to fix the mind closely upon the purpose of the study. The sample was taken from women entrepreneurs in Kumasi. The total population was about 7000 with 4000 as sample size. A closed questionnaire was disseminated using systematic stratified random sampling to get the sample size from all areas of Kumasi. The study found that almost all women entrepreneurs in Kumasi agreed that funds give life to entrepreneurship, control the operation of entrepreneurship, help to acquire assets and help in getting resources like human, tools and equipment, etc. the study revealed that some women entrepreneurs in Kumasi lack properties to serve as collateral in accessing loan from banks. Also, they lose their money in the hands of robbers and get funds from relatives and friends on conditions. The study concludes that women entrepreneurs in Kumasi get their source of fund from personal savings, relatives and friends, investment returns and banks.

KEYWORDS

Entrepreneurs, disseminated, challenge, quantitative, questionnaire

1. INTRODUCTION

It is now increasingly recognized that the entrepreneurship plays an important role in income generation as well as employment creation around the globe (Prempeh, 2015). Entrepreneurship is considered to be one of the principal driving forces in economic development (Orobia et al., 2020). It helps in diversifying economic activities, provides employment and makes a significant contribution to exports and trade (Maula and Stam, 2020). It is becoming that, entrepreneurs are most successful persons in Ghana (Petrakis, 2020). Some entrepreneurs in Ghana own about two or five companies which performs very well in this competitive world.

In a simple estimation, 3 out of 10 successful entrepreneurs are females. Some non-governmental organizations and private individuals have taken it upon to themselves to help many women to become entrepreneurs in Ghana (Li et al., 2020). Some go to a particular place and engage their King on their mission (Amiri and Marimaei, 2012). If the King agrees, the people there in are organized to meet at a specified place for education. The volunteers educate women of these places on what entrepreneurship is, how important entrepreneurship is and the start-up capital (Rudhumbu et al., 2020). These private individuals or non-governmental organizations go to these places with all necessary tools and materials for making a particular product (Chaudhuri et al., 2020). Entrepreneurship can start as a small sole proprietorship and later grow or expand to involve more hands (Mugo and Gakobo, 2020).

Although women constitute about 52% of the Ghanaian population, they are marginalized and disadvantaged in all sectors of the economy and in the development agenda (Aitken et al., 2015). They have limited access to economic resources and their participation in the formal economy is marginal (Khan et al., 2020). They have been identified as one of the groups suffering disproportionately from poverty especially in the Central, Northern, Upper East and Upper West regions of Ghana (Chepurensko, 2015). Over the years, Ghana has adopted various policy interventions and strategies aimed at addressing the gender imbalance in development efforts.

However, these policy efforts have proven to be insufficient in addressing the inequality and vulnerability of women in the economy (Avevor, 2016). The need to understand the contributions of women in changing economic circumstances and the implications for their livelihoods and status in society is therefore an urgent one. Accordingly, as part of a larger study on "Promoting Inclusiveness for Sustainable Development and Poverty Reduction", the Institute of Economic Affairs (IEA) carried out a survey on "Women as Economic Actors" (WAEA) across the three (3) northern regions of Ghana namely Northern, Upper East and Upper West regions in June 2016 (Gakuu and Corresponding, 2014).

The survey was aimed at measuring the extent to which socio-economic factors promote or hinder the effective and efficient participation of women in the three northern regions of Ghana. The study focused attention on issues such as: (i) time use in productive and reproductive

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work; (ii) asset ownership and control; (iii) access to credit and other financial services; (iv) factors affecting women entrepreneurs' performance in small and medium enterprises (SMEs); (vi) access to land and its effect on output; and (vii) land ownership and its effect on output. The Ghana Poverty Reduction Strategy GPRS I (2003-2005), the Growth and Poverty Reduction Strategy GPRS II (2006-2009), the Ghana Shared Growth and Development Agenda (GSGDA) - GSGDA-I (2010-2013) and the GSGDA-II (2014-2017).

A woman who is given a parcel of land can lose it without any protection (Kelly et al., 2020). Indeed, a DANIDA study on Land Tenure System in Ghana disclosed that, difficulties in accessing land, insufficient land and insecurity of land tenure were some of the threats that confront women farmers in the Upper West region of Ghana (Grozani et al., 2007). Women are also constrained in terms of how they can access family labor and they often do not have the resources to hire labor for their own farming and other economic activities (Aitken et al., 2015). Issues about entrepreneurship has been the concern of the government of Ghana for the past ten years.

The government has conducted many seminars to educate the public especially the youth about entrepreneurship and urge them to engage in. Entrepreneurship Seminar was organized by the government at Golden Beam Hotel, Kumasi. It was recorded that many of the participants were the youth (Kruger, 2004). Through the education of Ghana, entrepreneurship has become a compulsory course for business students at the University of Education Winneba, Kumasi. Out of which females were 40%. In Ghana, women entrepreneurship is growing from year to year. Women entrepreneurs in Ghana dominate mostly in the markets and skilled.

There are many researches about entrepreneurship. Some of these are based on the introduction, concept, theory and perspective (Profile, 2016). Some of their areas are; women as economic factors, factors influencing access to credit facilities by women entrepreneurs, analysis of factors influencing access to credit services by women entrepreneurs, female entrepreneurship in Serbia and factors influencing performance of women entrepreneurs. This case study differs from the related research by assessing the challenge of women entrepreneurs in accessing funds.

Funds are the blood of many businesses that runs through its activities and additional are sort for when there is a shortage to sustain business (Ebekozen et al., 2020). Without funds entrepreneurship will become difficult for entrepreneurs to succeed. This will also discourage others from engaging in entrepreneurship. Entrepreneurs in many instances have lamented over their difficulties in accessing funds and has been the trigger of discouraging the youth from engaging in entrepreneurship (Ricketts, 2015). It is based on the above concern that, this study sort to address the challenge of women entrepreneurs in accessing funds in Kumasi. The study sort to identify the sources of fund for women entrepreneurs, assess the difficulties women entrepreneurs pass through in accessing funds and assess the influence of funds on women entrepreneurship.

2. EMPIRICAL REVIEW

Based on the study findings, it was noted that the study variables that formed the objectives guiding this work had significant influence on access to credit facilities by women entrepreneurs in Kisii County. Entry into entrepreneurship as an economic venture was therefore found to be a product of both environmental factors and heredity, which is, packaged in the major study variables and demographic factors. Lending conditions in the form of the basic lending requirements had significant influence on access to credit facilities, as these conditions were realized as more beneficial to the lending institutions than the clients and generally cushion the lender against the possibility of encountering losses.

Such conditions therefore put some constraints on the lenders and dictate the value of credit obtained, as well as the duration of loan servicing. From this study it was observed that although there is the possibility of women entrepreneurs operating business enterprises in the same capacity and magnitude as men, traditional roles and practices such as domestic commitments, low levels of education, lack of property ownership, reproduction and lack of opportunity driven motive to start enterprises continues to influence the performance of women entrepreneurs negatively in terms of monthly income from sales, profit margin and types of business enterprise.

3. METHODOLOGY

In this study, the main research design is a case study. This case study is a quantitative research. This is because the researcher wants to analyse

women entrepreneurs in accessing funds in Kumasi. This type of case study is applied to fix the mind closely upon the purpose of this study. Data analysis is the process of editing and reducing accumulated data to a manageable size, developing summaries, seeking for patterns and using statistical methods (Orobia et al., 2020). The questionnaires were coded before entering the data into statistical envelope for women entrepreneurs for analysis (see appendix). The data analysis included frequencies and percentages analysis in phase of cross tabulation to look for the associations between the various variables tested in the current study. The data was then shown in a form of tables, figures and charts.

3.1 Population and the Sampling

In this quantitative research, population comprises women entrepreneurs in Kumasi. It is not easy to recognize structures of the sample which it holds, so the results can be altered in wider population for women entrepreneurship. The sample is taken from women entrepreneurs in Kumasi. The total population is about 7000 and the sample size is 4000. Questionnaires will be disseminated using systematic stratified random sampling to get the sample size from all areas of Kumasi. This quantitative method was applied to get adequate sample size. For it to be representative, the sample included women entrepreneurs from each suburb of Kumasi and that is how these respondents were selected for this study.

3.2 Data Collection Instruments

Data was gathered using a survey as a technique. The appropriate instrument applied for this survey was a closed questionnaire by issuing to them options to choose from. The questionnaire was designed based on the objectives of this case study. The questionnaire was in four categories. Category one; searched the demographic variables. Category two; seeks to identify the sources of fund for women entrepreneurs. Category three; searched to assess the difficulties women entrepreneurs pass through in accessing funds. Lastly category four; searched to assess the influence of funds on women entrepreneurship.

4. RESULTS OF THE STUDY

The data received from the respondents of the study are the results of a study. More than half of women entrepreneurs in Kumasi get their source of fund from personal savings. More than half of women entrepreneurs in Kumasi get financial support from relatives and friends. Few women entrepreneurs in Kumasi get funds from investment returns. Less than half of women entrepreneurs in Kumasi get their finances from banks loans. Few women entrepreneurs in Kumasi get financial support from business angle.

Table 1: The Sources of Funds for Women Entrepreneurs in Kumasi.		
	Frequency	Percentage
Personal Savings.	2968	74.2%
Relatives and Friends Financial Support.	2065	51.6%
Returns from Investment.	645	16.1%
Bank Loan.	1548	38.7%
Business Angles.	129	3.2%

Majority agreed that, lack of properties to serve as collateral in accessing loan from banks is one of the difficulties women entrepreneurs pass through in accessing funds. One of the difficulties women entrepreneurs pass through in accessing funds is the stolen of personal savings. Family and friends supporting financially with conditions is one of the difficulties women entrepreneurs pass through in accessing funds.

One of the difficulties women entrepreneurs pass through in accessing funds is that, they have an idea that an investment may not get a return due to some misfortune so they will not invest. Lack of trust on the side of lenders is one of the difficulties women entrepreneurs pass through in accessing funds. Majority disagreed that, misconception that men are more capable than women in business is one of the difficulties women entrepreneurs pass through in accessing funds.

Majority agreed that, funds give life to entrepreneurship, help to employ more hands in the business, control the operation of entrepreneurship, help to acquire assets, to acquire human, tools and equipment, help women entrepreneurs to rent or buy a permanent place to create a market, women entrepreneurs to achieve their goals, to expand businesses and help women entrepreneurs to satisfy customers on time by getting the needed products.

Table 2: The Difficulties Women Entrepreneurs Pass Through in Accessing Funds

		Frequency	Percentage
Lack of properties to serve as collateral in accessing loan from banks.	Strongly Agree Agree undecided Disagree Strongly Disagree Total	903 2323 387 258 129 4000	22.6% 58% 9.7% 6.5% 3.2% 100%
Personal savings may be stolen.	Strongly Agree Agree undecided Disagree Strongly Disagree Total	387 1936 774 387 516 4000	9.7% 48.4% 19.3% 9.7% 12.9% 100%
Family and friends support financially with conditions.	Strongly Agree Agree undecided Disagree Strongly Disagree Total	387 2581 258 387 387 4000	9.7% 64.4% 6.5% 9.7% 9.7% 100%
Some investments may not get a return due to some misfortunes.	Strongly Agree Agree undecided Disagree Strongly Disagree Total	645 2968 129 129 129 4000	16.1% 74.3% 3.2% 3.2% 3.2% 100%
Lack of trust on the side of lenders	Strongly Agree Agree undecided Disagree Strongly Disagree Total	387 3097 387 0 129 4000	9.7% 77.4% 9.7% 0% 3.2% 100%
Misconception that men are more capable than women in business	Strongly Agree Agree undecided Disagree Strongly Disagree Total	387 903 387 1420 903 4000	9.7% 22.6% 9.7% 35.4% 22.6% 100%

5. DISCUSSION OF THE RESULTS AND FINDINGS

More than half of women entrepreneurs in Kumasi get their source of fund from personal savings. More than half of women entrepreneurs in Kumasi get financial support from relatives and friends. Few women entrepreneurs in Kumasi get funds from investment returns. Less than half of women entrepreneurs in Kumasi get their finances from banks loans.

Few women entrepreneurs in Kumasi get financial support from business angle. Majority agreed that, lack of properties to serve as collateral in accessing loan from banks is one of the difficulties women entrepreneurs pass through in accessing funds. Majority agreed that, one of the difficulties women entrepreneurs pass through in accessing funds is the stolen of personal savings.

Majority agreed that, family and friends supporting financially with conditions is one of the difficulties women entrepreneurs pass through in accessing funds.

Majority agreed that, one of the difficulties women entrepreneurs pass through in accessing funds is that, they have an idea that an investment may not get a return due to some misfortune so they will not invest.

Majority agreed that, lack of trust on the side of lenders is one of the difficulties women entrepreneurs pass through in accessing funds.

Majority disagreed that, misconception that men are more capable than women in business is one of the difficulties women entrepreneurs pass through in accessing funds.

Majority agreed that, funds give life to entrepreneurship. Majority agreed that, funds help to employ more hands in the business. Majority agreed that, funds control the operation of entrepreneurship. Majority agreed

that, funds help to acquire assets. Majority agreed that, funds help to acquire human, tools and equipment.

Majority agreed that, funds help women entrepreneurs to rent or buy a permanent place to create a market. Majority agreed that, funds help women entrepreneurs to achieve their goals. Majority agreed that, funds help to expand businesses.

Majority agreed that, funds help women entrepreneurs to satisfy customers on time by getting the needed products. In discussing the results and findings, the following results of previous studies reviewed in Chapter two were confirmed by the researchers' findings.

6. SUMMARY

In summary, the menace of accessing funds in entrepreneurship among women can be solved if the interested parties and financial institutions join hands to make it easily accessible.

The major sources of funds, difficulties in accessing funds and influence funds have on entrepreneurship have been emphasized in the previous literature. Thus, it is necessary to survey any issue related to women entrepreneurship. Let us educate and empower our women to be more useful to themselves and the world at large.

Let us convince our women that they can do better in entrepreneurship. The purpose of this study is to know the challenge of women entrepreneurs in accessing funds in Kumasi. Moreover, sub aims are developed to preside over a clear achievement of the purpose of the study.

The sample of this study is based on the second biggest city in Ghana, Kumasi. It was found that, the reviews in chapter two correspond to the results of the findings.

Table 3: The Influence of Funds on Women Entrepreneurship

		Frequency	Percentage
Funds give life to entrepreneurship	Strongly Agree	645	16.1%
	Agree	2839	71%
	undecided	0	0%
	Disagree	516	12.9%
	Strongly Disagree	0	0%
	Total	4000	100%
Funds help to employ more hands in the business	Strongly Agree	645	16.1%
	Agree	2710	67.8%
	undecided	0	0%
	Disagree	516	12.9%
	Strongly Disagree	129	3.2%
	Total	4000	100%
Funds control the operation of entrepreneurship	Strongly Agree	516	12.9%
	Agree	2581	64.4%
	undecided	387	6.5%
	Disagree	516	12.9%
	Strongly Disagree	0	0%
	Total	4000	100%
Funds help to acquire assets	Strongly Agree	645	16.1%
	Agree	2839	71%
	undecided	129	3.2%
	Disagree	258	6.5%
	Strongly Disagree	129	3.2%
	Total	4000	100%
Funds help to acquire human, tools and equipment	Strongly Agree	645	16.1%
	Agree	19	
	undecided	387	9.7%
	Disagree	387	9.7%
	Strongly Disagree	129	3.2%
	Total	4000	100%
Funds help women entrepreneurs to rent or buy a permanent place to create a market	Strongly Agree	516	12.9%
	Agree	2968	74.2%
	undecided	258	6.5%
	Disagree	129	3.2%
	Strongly Disagree	129	3.2%
	Total	4000	100%
Finds help women entrepreneurs to achieve their goals	Strongly Agree	645	16.1%
	Agree	2839	71%
	undecided	0	0%
	Disagree	387	9.7%
	Strongly Disagree	129	3.2%
	Total	4000	100%
Funds help to expand businesses	Strongly Agree	645	16.1%
	Agree	2839	71%
	undecided	129	3.2%
	Disagree	129	3.2%
	Strongly Disagree	258	6.5%
	Total	4000	100%
Funds help women entrepreneurs to satisfy customers on time by getting the needed products	Strongly Agree	516	12.8%
	Agree	2968	74.3%
	undecided	258	6.5%
	Disagree	129	3.2%
	Strongly Disagree	129	3.2%
	Total	4000	100%

7. CONCLUSION

The essential objective of the study is to conclude the challenge of women entrepreneurs in accessing funds. The research has made a significance contribution in the existing body of information about the difficulties in accessing funds and women entrepreneurs in entrepreneurship. Women entrepreneurs in Kumasi get their source of fund from personal savings, banks, relatives and friends. Most women entrepreneurs in Kumasi lack properties to serve as collateral in accessing loan from banks. Some women entrepreneurs in Kumasi lose their money in the hands of robbers. They also get funds from relatives and friends on conditions. Most women entrepreneurs in Kumasi agreed that funds give life to entrepreneurship, help in getting resources like human, tools and equipment, etc. and also control the operation of entrepreneurship.

IMPLICATIONS OF THE STUDY

This study has important implications to academia and researchers, women entrepreneurs, financial agencies and government agencies. This study implies that women entrepreneurship should be promoted to equip women in Ghana. They can be equipped and convinced, if there is no challenge or the challenge is controlled. Women accessing funds to support their businesses have been a challenge. If it is solved, many

women will engage themselves. It also confirms other past research findings, the application of an entrepreneurship theory and refining a theory. This study will add to the knowledge of researchers and academia on funds accessibility in entrepreneurship. Also, researchers can use this study as a guide to do further research on the same or similar topic. This study has brought an onus on policy makers to consider women entrepreneurship and funds accessibility in Ghana.

SUGGESTIONS/RECOMMENDATIONS FOR FURTHER RESEARCH

The researcher recommends that, financial institutions should develop friendly products for women entrepreneurs, educate them on the products and sell to them. Women entrepreneurs should be awarded for the best and hardworking annually. There should be counselling agencies specifically for women entrepreneurs who will guide women on the operation of their businesses. Government should give women entrepreneurs discount on the tax they pay. The researcher suggests that, additional studies focusing on a distinct population is welcomed.

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