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SCIENTIFIC REPORT

Strategies on Women Entrepreneurship Survival: a Case Study of Women Entrepreneurs in Zimbabwe Between 2007-2009



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A B S T R A C T

Today's entrepreneurs require a comprehensive stock of knowledge and skills that are both related to their type of business and adaptable for change of their local and international environment. Rapid changes in the Southern African region in general and the country of Zimbabwe in particular, in the socio-economic structures are propelling entrepreneurs especially women towards the search for a competitive edge away from the "crowd", in order to survive. The competitive edge strategies are essential for all visionary women entrepreneurs of the twenty-first century. This paper gives an insight on how various women entrepreneurs managed to adapt to the Zimbabwean unfamiliar business environment during 2007-2009. These women state the different challenges that they faced and the strategies they used to win over and be successful.

KEW WORDS: *challenges, strategies, women entrepreneurs*

Introduction

The Zimbabwean inflation was recorded 231.000.000 % by CSO, July 2006. Many were pessimists and predicted the bottle to be half empty rather than half full. Life on its own was a hustle, the business industry was down. Most women who were employed in Zimbabwe decided to resign from work during 2007. As of 2006 January, www.zimsituation states that

the official poverty line was ZWD 17,200 per month. However by 2008 it had risen to ZWD 13 trillion per month (USD41). Most workers were paid ZWD 200 billion (USD60 cents). A nurse's salary was estimated to be USD12 cents. The sky rocketing inflation was affecting their wages and salaries. They realised that the value for money was depreciating. A monthly salary was clearly not enough. It therefore became imperative that to survive: one had to be an entrepreneur and receive daily income that would be of value in that given day. According to the last women entrepreneurship static's taken in Zimbabwe there has been a clear increase of women entrepreneurs in this country thus significance from about 15% to about 44% between 2007-2009 The Zimbabwean economic environment was turbulent and success in entrepreneurship was becoming more and more difficult. There were many challenges that entrepreneurs faced in particular women.

The paper further indicates that women entrepreneurs are facing more challenges as compared to their male counter-parts. There is need for women entrepreneurs across the board to share their experiences and assist each other with knowledge on how to deal with challenges that they face and succeed despite pressures surrounding them .It serves as a reference platform for all entrepreneurs on strategies on how to survive during economic crisis scenarios.

The research questions were:

- Did women entrepreneurs particularly those in Zimbabwe face challenges in operations between 2007-2009?
- Were the challenges a deviation from the norm (are they worse than the normal challenges that generally women entrepreneurs face)?
- Which strategies then did they use to survive and attain success?

The Concept of Entrepreneurship

Entrepreneurshipconsists in doing things that are not generally done in the ordinary course of business routine. It is essentially phenomenon that comes under the wider aspect leadership (Schumpeter, 1951) .This has a direct link to the characteristics and behaviour of entrepreneurs that they are` opportunity seekers and they make good leaders.

“Entrepreneurthey do not only see the system as it is BUT as it might be” Milton, 1989. He indicates that whether a new firm is being established or not depends on the respective environment and on the founder. Usually he does not have perfect knowledge about all critical factors, which drive an industry’s development. Thus, he will have to bear certain risks. The act of establishing a firm depends on the individual’s perception and on the evaluation of micro and macro environment. Furthermore the firm’s economic success once founded is determined again by an individual’s resources and specific managerial capabilities to manage situations.

Women Entrepreneurship

The need to develop women entrepreneurship was emphasized in Beijing (1995) at the fourth World Conference on Women. The objectives are to:

1. Increase the participation of women in industry and all other sectors, particularly in the non-traditional areas, through access to advanced technologies.
2. Promote, support, and strengthen female entrepreneurship development.
3. Encourage investments in environmentally safe products and in environmentally sound and productive agricultural, fisheries, commercial, and industrial activities and technologies; and
4. Strengthen training opportunities for women.

Challenges of Being a Women Entrepreneur

According to women entrepreneurship in Science and Technology: Impetus for female participation In National Development in Nigeria By Dr. J. B. Bilesanmi and Dr.O.O. Kalesanwo, Volume 7-Issue:

Factors Discouraging Women Entrepreneurship

These factors are discussed in this paper as they relate to societal norms, funding, lack of information, low skill acquisition, lack of mentors, lack of supporting networks, and low level of encouragement from spouses and families.

Strategies on Women Entrepreneurship Survival

Change is constant in the new economic landscape, Hamel (2000). In his view, change has changed. It does not move straight in line anymore, rather its abrupt. The modern enterprises have to adopt a strategy of constant adjustment of their descions to fast moving developments everyday, for some every minute, so if entrepreneurs do not develop a hypersensitivity to the outside circumstances they risk being shifted out of business.

Frank H Knight (1921) states that in uncertain conditions, the decision-making function forecasts on the demand and estimates the factor's marginal productiveness. Entrepreneurs attempt to predict change in the market. Thus, according to Knight the entrepreneurs by virtue of willingness to accept the results of a particular endeavour. Consequently in their decisions entrepreneurs do not know the potential economic outcome but experimentally try different combinations.

Hostile environments lead to more rational strategies according to Dess and Beard (1984).

Methodology and Findings

The researcher focuses on the presentation and analysis of the research findings. The chosen data collection method depends upon the available resources and how best the method can generate relevant information for subject being discussed. Personal interviews were used because they were able to reveal more information that was relevant for the research. It uprooted information for example the researcher derived more from facial expressions and emotional gestures of respondents. All respondents were women entrepreneurs who were active between 2007 and 2009 and more so are still women entrepreneurs in 2010. The questions included:

- Do you think women entrepreneurs face more challenges than their male counter parts?
- Which challenges do you think women entrepreneurs around the world face?
- Were the challenges that you faced between 2007-2009 a deviation from the norm (are they worse than the normal challenges that generally women entrepreneurs face)?

- Since you are still an entrepreneur now, can you brief me on how your business managed to survive?

According to Hirsch and Peters (1989), business started by women and men differ in terms of the nature of business they start and challenges. GEM 2004 indicates that women entrepreneurs tend to be more affected by their local environment as compared to their male counterparts. The respondents believed that women entrepreneurs face more challenges than their male counterparts. They faced challenges in personality characteristics (confidence, innovativeness) as men are said to be less discouraged by surroundings or circumstances than most women. They faced more challenges in securing funds and in general knowledge about business operations (background). However they stated that any dedicated entrepreneur regardless of sex could overcome these challenges. Women entrepreneurs stated various challenges that they thought most of their counterparts in other countries faced. They are similar to those stated in impetus female participation in National Development in Nigeria By Dr. J. B. Bilesanmi and Dr. O. O. Kalesanwo, Volume 7-Issue: they relate to societal norms, funding, lack of information, lack of mentors, lack of supporting networks and low level of encouragement from spouses and families. However 95% respondents felt that women entrepreneurs in Zimbabwe faced more challenges than their counterparts during 2007-2009.

They stated the following challenges during the interview.

- 83 % of women entrepreneurs in Zimbabwe indicated that the biggest challenge was financing the business daily operations. It was a hustle as prices and charges of commodities changed three times a day. Thus prices were changed in the morning at eight am (8:00hrs), at eleven (11:00hrs) in the afternoon they increased and at around three in the afternoon (15:00hrs).
- The banking sector stopped offering financing services in terms of loans, overdraft and e-banking services as the economy was down. Women entrepreneurs needed to take advantage of upcoming opportunities so that they could make larger profits which enabled their survival. Therefore their businesses had to engage in a stability strategy where growth was persued.
- The African set up usually discourages women entrepreneurs. They are seemingly viewed as feminists. Therefore most married women who were entrepreneurs faced challenges of reaching

their goals as their families (especially in laws) discouraged them. At times the family discouragements were understandable as most women were cross-boarders and faced challenges of accommodation (which is insecure for women) as they were shopping in those foreign countries such as Botswana, South-Africa, Zambia and Mozambique.

- Practically there was no development in Zimbabwe. Internet was scarce as it was very expensive to install. There for it became difficult for them to engage their businesses to activities such as e-marketing, e-banking and ordering through the internet .
- Few women were connected in the business network especially with international suppliers. As a result they failed to increase their bargaining power with suppliers for discounts and for being granted first preference in situations where materials were scarce. This threatened their survival as their male counter parts had that advantage.
- The harsh economic conditions needed dedicated women .Women entrepreneurs needed to be there in their business, as decision making was contiously needed. Strategies formulated needed to be reviewed and revised for survival." Having primary responsibility for children ,home and older dependent family members ,few women can devote their time and energies to their business" (Starcher, 1996:8).

“Entrepreneurship is the ability to create and build something from practically nothing” (Timmons, section 1).The science of entrepreneurship involve initiating, doing, achieving and building an enterprise or organisation, rather than just watching, analysing or describing entity. Entrepreneurship is the knack of sensing an opportunity where others see chaos, contradiction and confusion. They embarked on the following strategies.

Hair saloon

Rent a chair

Due to the economic crisis, few customers were prepared to do their hair in the saloons and therefore operating a hair saloon as a sole trader was becoming more expensive. Therefore saloon owners decided to retrench their workers and rent chair to hair dressers who wished to offer the service. These hair dressers paid rent to these owners for using the

space and heir brand name. As such they were able to pay the bills for operations of the business.

Rent other complementary providers

More over the women entrepreneurs understood that if the customers' circumstances changed, their needs and preferences changed too. Customers wanted a package and wanted to save their time for other important activities other than beauty. So they decided to rent other service providers such as manicure and face therapists in the saloon. They rebranded their companies and were less myopic and moved to offering the beauty package not centering on hair doing.

Flea market and Fashion boutiques

Clubs to boost each other financially

As cited before women entrepreneurs were failing to fund their businesses so that they could expand their businesses and buy stock. Therefore they formed clubs to assist each other financially in small groups of six. Every member could contribute about USD100. Which means the receiver in that particular group could get about USD500 to run around and do some business.

Formed strategic partnerships with other women entrepreneurs

Most entrepreneurs were importing their stock. Therefore instead of each lady travelling say maybe to Dubai to buy her stock. They pulled funds in groups and sent two people to purchase the stuff. As such they would all sell the products and then share profits. Thus they gained more profits as they cut travelling and accommodation expenses.

Securing good and safe accommodation in the foreign countries was a must. For married women it was an important factor. Husbands clearly refused to permit their wives to travel to the foreign land if safe accommodation was not established. Therefore they struck deals with various lodges to rent them temporary accommodation at cheaper prices as they were regular customers

New business ideas

Boarding hostels for private schools students (initially day-schools)

Entrepreneurshipconsists in doing things that are not generally done in the ordinary course of business routine (Schumpeter,

1951). During this period of Zimbabwean crisis the private schools offered the best education services, teachers were not striking, books were available and sporting facilities were good. Therefore most people who had gone out of the country preferred to send their children to such schools. However most of these schools were day schools. Some women who owned flats in town decided to open up boarding schools using their flats. This was more profitable than renting residents.

Mergering as women entrepreneurs

Stephen P Robbins (1991) postulates that synergy is so effective. Thus the formula below indicates the benefits of synergy.

$\text{Potential group effectiveness} + \text{Process gains} - \text{Process losses} \\ = \text{Actual group effectiveness}$
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In this case the women entrepreneurs administered a SWOT analysis (their strengths, weaknesses, opportunities and threats analysis). They discovered that working together was the best. In this case they realised that they needed to integrate as they had attained different skills. Some were well vexed in marketing, finance, importing and exporting. The women were able to sustain their businesses as they had more ideas on sustainability strategies on different subjects.

Information Forum

The sky rocketing inflation was affecting the price charges. Women entrepreneurs formed a forum and hired informers who continuously provided entrepreneurs with useful information so that they could charge their commodities appropriately to avoid loss making.

Recommendations

Various women organisations need to support such women. They can be used as mentors for other aspiring women so as to promote women entrepreneurship. More so the various women ministries in respective countries need to offer support to women entrepreneurs when such challenges arise so that they can survive and even then succeed and earn more profits.

It is also important for men especially in Africa to support their wives should they embark on business. The probability of success is usually higher when a spouse is supportive.

Again it's a challenge for women entrepreneurs to learn life skills on being able to balance family life and business, for if you can balance those the business is likely to move on.

Conclusion

The success of many women entrepreneurs in Zimbabwe is indeed a testimony. They have thrived hard, braced up and have risen in this occasion to build up empires. I believe there are still more women entrepreneurs in other countries who are facing the same challenges. Challenges come and the diligent will overcome them by setting up plans that are fundamental and will breed success. It's not where we are from, what kind of lifestyle we are used, its all in the mind and we as women entrepreneurs need to be confident and be courageous. Innovativeness is needed as a weapon to unfamiliar challenges.

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