

The Role of Entrepreneurship on the Socio-Economic Development of Rural Women: A Case Study of Kwa-Mhlanga in the Mpumalanga Province (Republic of South Africa)

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Abstract

The aim of the study was to investigate the role of entrepreneurship on the socio-economic development of rural women. This study was underpinned by a critical discourse analysis theory in which the researchers expressed their comments or judgments based on written or spoken communications, discussions or conversations with rural women. Thus, critical discourse analysis was considered an appropriate framework to engage and converse about the research problem and questions of this study. Qualitative research assisted the researcher to analyse the role of entrepreneurship on the socio-economic development of rural women. This study was underpinned by a critical discourse analysis theory in which the researchers expressed their comments or judgements based on written or spoken communications, discussions or conversations with rural women. In this study qualitative data was gathered using open ended interviews. Data analysis and interpretation involved the analysis and interpretation of documents related to assessment policies. Data were analysed by selecting, comparing, synthesising and interpreting information to provide explanation. Education is the backbone to the emancipation of rural women entrepreneurs, and opportunities for rural women are too few and far between to have much impact. The level of education usually determines the rate and extend to which individuals can assimilate the different concepts and apply them. Respondents seemed to be in agreement about the importance of Skills Development in enhancing business performance to enable them to successfully fulfill their business management responsibilities within their communities. This study recommends further research on the challenges of women development particularly of those in the rural areas.

Keywords: entrepreneurship, rural women, communications, qualitative, development

1. Introduction and Context of the Study

The rural areas in South Africa are strikingly varied in the terms of social and economic structure, geography and culture. Rural women are not a homogenous group. The economic and social challenges that rural areas are undergoing do not affect all women in the same way. Some are offered opportunities while others encounter difficult challenges. Moe (2003:3) stipulates that women and families were virtually ignored in economics before the 1960s, and many argue that they continue to be marginalized in economics theory today. This study investigated whether entrepreneurship plays a role on the socio-economic development of rural women.

Small business requires some special qualities for it to be successful. Most of these qualities are held in what is termed entrepreneurial spirit, the everlasting life elixir that prevents stagnation and eventual death of business. The rural women entrepreneurial development in South Africa in general and Mpumalanga in particular seem to be falling short meeting the general public expectations.

There is wide evidence of lack of entrepreneurial skills, marketing skills, planning skills and financial constraints among the women entrepreneur's business units (Sizoo 2000:412). To overcome the above stated drawbacks, research is recommended to investigate the requisite supporting factors for women entrepreneurial development and pass recommendations to women business groups and policy makers. The above stated problems require a concerted effort by policy makers, and policy net implementers on the part of women to support entrepreneurial development and improving their status in the community.

The purpose of this study was to explore the challenges and strategy that may be undertaken to integrate roles of entrepreneurship on the socio-economic development of rural women. By exploring the challenges faced, the study sought to recommend ideal integration practices so as to ascertain effective change and efficient role of entrepreneurship on the socio-economics development of rural women. The study focused on change in the development of rural women entrepreneurship and established the barriers faced in trying to implement those changes.

The reason for conducting this study was to contribute to the body of existing knowledge concerning the development of women entrepreneurship in rural areas. This study will be useful to people in the South African women small scale entrepreneurship sector and small medium and macro-enterprises sector because it will guide them in their decision making regarding the development of business in rural areas. This study will be a necessary tool for all those who operate small business in the rural areas by providing data that will allow them to make informed decisions regarding businesses.

In the light of above stated problems the researchers sought to explore the factors affecting women entrepreneur development in Mpumalanga with a view to passing recommendations to policy makers, the business world and academics. The aim of the study was to investigate the role of entrepreneurship on the socio-economic development of rural women.

The objectives of the study were to:

- Investigate the role of entrepreneurship on the socio-economic development of rural women.
- Make recommendations regarding the improvement of socio-economic development of rural women.

2. Theoretical Frameworks

According to Bazeley (2007:41), beginning a project by viewing what is already known on the subject is a well-established practice, as it reviews the implications of the relevant theories for the topic and methods others have used to investigate it. Holy, Arhar and Kasten (2005:263) state that by reviewing literature, we synthesize multiple dimensions of the topic and deepen our understanding of the contents of our own research. The first part of this research is therefore a survey of the literature on the topic of the role of entrepreneurship on the socio-economic development of rural women. Objectives of literature review are to collect an acceptable body of knowledge on the topic and to gain a deeper insight into the field of entrepreneurship. Primary sources, such as entrepreneurship, published books, research reports, articles from periodicals and journals, newspaper reports on entrepreneurship policies and other documents relevant to entrepreneurship policies were reviewed. Librarians in the Unisa library assisted in selecting and compiling lists of relevant secondary sources.

The researchers should provide evidence that they have read a certain amount of relevant literature and that they have some awareness of the current state of knowledge on the subject (Potter 2002:128). Data to be collected should be relevant to the topic under study.

According to Terre Blanch (2007:20), refining a research problem involves identifying a theoretical framework upon which to base the research. Theories that influence the research problem as well as the research methods that are used should be stated. This study was underpinned by a critical discourse analysis theory in which the researchers expressed their comments or judgements based on written or spoken communications, discussions or conversations with rural women. Thus, critical discourse analysis was considered an appropriate framework to engage and converse about the research problem and questions of this study.

McGregor (2010:1) sees critical discourse analysis as tool to help members of the profession understand the messages they are sending to themselves and others and to understand the meanings of the words spoken and written by others. According to Van Dijk (2001:4), critical discourse analysis primarily studies the way social power abuse; dominance and inequality are enacted, reproduced and resisted by text and talk in the social and political context.

Lucke (1996:12) states that critical discourse analysis sets out to generate agency among students, teachers, and others by giving them tools to see how texts represent the social and natural world in particular interests and how texts position them and generate the very relations of institutional power at work in classrooms, staffrooms, and policy. Furthermore, Locke (2004:1) argues that language is at the heart of critical discourse analysis. Critical discourse analysis has been chosen to analyse how entrepreneurship policies are affected by social inequalities in various communities in South African rural areas. Critical discourse analysis involves debating or communicating in either spoken or written form. This means that policies are drafted and people should be given opportunities to be involved in debates and conversations about these policies and in order to do so valuable data generated through research such as this is critical.

3. Research Design and Methods

De Vos, Strydom and Fouche (2005:79) state that qualitative research methods elicit participants' accounts of meaning, experience or perceptions by producing descriptive data in the participants' own spoken words. Qualitative research is typically used to answer questions about the complex nature of phenomenon, often with a purpose of describing and understanding the phenomenon from the participants' point of view (Leedy & Ormrod 2001:101). The advantage of this approach is that it provides rich descriptive data as observed by the researcher during the interactions with participants. It served as the principal method of investigation. This method also enabled the researcher to capture different experiences of the participants accurately. Qualitative method relies heavily on the meanings of communicated information and not on quantity as indicated through statistics. This method contributed to answering the research questions which are informed by the main research question enabling critical discourse analysis which examined the spoken and written words in detail.

Collis and Hussey (2005:53) emphasize that to conduct a research project successfully the researcher needs to understand scientific methods of research and know how to incorporate them in decision making. Qualitative research involves examining and reflecting on perceptions in order to gain understanding of social and human activities (Carnal 2004:18). In this study qualitative data was gathered using closed ended interviews. The interviews covered issues which sought to identify the barriers that inhibit socio-economic development of rural women.

The reasons why the researchers chose to do qualitative study was that:

- It allows for data collection without incurring excessive costs.
- Closed -ended questions increase response rate.

It is in this regard that the researcher chose to conduct qualitative study. Mouton and Mara's (2000:179) define a population element as the subject on which the measurement is being taken. In this study, key informants and respondents were used because unknown bounds of information sought key informants are rural women entrepreneurs and municipal officers.

Trochim (2006:41) defines sampling as a set of all cases of interest. The study population from where the representative study sample was drawn was the small scale business group in Kwa-Mhlanga. The Kwa-Mhlanga region is divided into six sub-regions; the population consists of twelve small central areas. The study population comprised of six small central business areas selected through a systematic random sampling method.

4. Data Collection

According to Voce (2005:6), the primary methods of data collection in qualitative research are observation, interview and focus group discussion. Data collection is simply how information is gathered. In-depth formal interviewing was used as the main data collection method. Other data collecting techniques, participant observation and informal conversations were used to supplement data collected through interviews. Data were also collected through observing and describing the experiences of the participants. The literature review informed the researcher about the topic. The researcher interacted with the participants in order to get the most reliable information. To avoid manipulation, the researcher gave the participants equal opportunities to participate in the investigation. The researcher used focus group interviews and individual interviews to collect data. Follow-up sessions were appropriate in the form of structured and unstructured interviews.

According to Denscombe (2003:168), focus group interviews provide an opportunity for individuals with common or divergent backgrounds to explore a problem.

Focus group interviewing is a carefully planned discussion designed to obtain perceptions on a defined area of interest in a permissive non-threatening environment (Krueger 1994:6). Focus group interview relies on the interaction among group members to elicit more points of view as group members influence each other by responding to ideas and comments in discussions (Mertens 1998:174). This data collection method is actually an open group discussion. The format of this type of group interview is not that of question and answer. The researcher encourages respondents to use their own terminology in describing their experiences. The reason for this is to allow the data to truly emerge from the respondents.

5. Data Analysis and Interpretation

The research was of a qualitative nature and was captured and analyzed using qualitative techniques such as ATLAS and cross analysis. The analysis involved comparing and contrasting phenomenon and findings from the interviews. According to Michelle (2007:103), qualitative data analysis consists of identifying, coding and categorising patterns found in the data. Bradley (2007:619) declares that once the data have been reviewed and there is a general understanding of the scope and contexts of the key experiences under study, coding provides the analyst with a formal system to organise data, uncovering and documenting additional links within and between concepts and experiences described in the data. Plooy (2007:41) defines data analysis as a process of bringing order and structure to the mass of collected data. Discourse analysis usually uses tapes so they can be played and replayed for several people discussing, not individual person specifically. Data analysis and interpretation involved the analysis and interpretation of documents related to entrepreneurship policies. Data were analysed by selecting, comparing, synthesising and interpreting information to provide explanation.

According to Creswell (1994:153), in qualitative research data analysis is conducted simultaneously with data collection, data interpretation and narrative reporting. Bogdan and Biklen (1998:145) define qualitative data analysis as “working with data, organising it, and breaking it into manageable units, synthesising it, searching for patterns, discovering what is important and what is to be learned and deciding what will tell others”. Strauss and Corbin (1990:220) contend that the bits of data from the participants provide the researcher with this “big picture” that transcends any one single bit of data. In this study the researcher analysed and interpreted the “big picture” from what the participants said and how individual statements related to what the “big picture” stands for. The researchers used the inductive approach to ensure that the research findings emerge from the frequent, dominant or significant themes inherent in raw data generated.

Comparisons were drawn, similarities identified and a discussion of the research was presented. Once the data was generated, the researchers organised the data and discovered the relationships or patterns through close scrutiny of the data. The data were coded, categorised and condensed. The researchers then interpreted and drew meaning from the displayed data. According to Best and Khan (1993:203), the main task in data analysis is to make sense of the amount of data collected by reducing the volume of information, identifying significant patterns and constructing a framework for communicating the essence of what the data reveals. The first step to be taken by the researchers involved data organisation. The process also involved grouping of information, coding information of similar kind and genre and describing the information inductive reasoning. After major topics and sub-topics from the interviews and document analyses were identified, data collected were categorised according to the topics and sub-topics.

6. Research Findings and Discussions

6.1 Women Entrepreneur

According to a preview by Sadie (2001; 67-75, in Turnbuii-Jackson, (2004) of the implementation of the Beijing platform for Action by Government in the Southern Africa Development (SAOC); African women have made little progress in accessing decision making powers since the Fourth World Conference on Women held in Beijing in 1995. According to Rwigema and Venter (2005: 18) in many countries, women are still facing a career glass ceiling and starting new ventures at a rate far exceeding that of men. In South Africa, gender discrimination is unconstitutional, but the result of the traditional marginalization of women is that many of them were forced into business and have become successful entrepreneurs (Rwigema and Venter, 2005:186).

6.2 Rural Entrepreneurship

Through much of its history, rural South Africa has been home to small-town merchants, talented crafts people and progressive farmers, all willing to take the risks necessary to build their business and live the life of their choice. It is a legacy of entrepreneurship and small business ownership of which rural people and the provinces of South Africa can be proud of. Yet, the contributions of these entrepreneurs have often been obscured by the manufacturing empires that emerged around textiles, in the early 1900s. By the middle of the 20th century, Mpumalanga Province had become the most underdeveloped province in the Eastern part of the South Africa and as a result was unable to provide jobs for the thousands of its people in the rural part of the province (Evans and Russel 2002:5). However, previous researches show that failure of government assistance programs has been attributed to uneven geographical coverage, an inadequate number of service providers and/or programs. The top-down approach to service delivery, low awareness and gaps between the needs of entrepreneurs and the types of services offered had a negative impact for economic growth. Weak local government support in initiatives has also been highlighted as a major problem (Chandra, Moorty, Ngamnou, Rajaranam and Schaefer 2001).

According to Burns (2007:08) the following precautions need to be followed:

When starting a business, it is important to have some management skills. Rural women entrepreneurship assists in improving the entrepreneurial and technical skills of rural women and rural women entrepreneurs by strengthening relevant support institutions and service providers and promotes human security by supporting entrepreneurship to enable disadvantaged population groups to seize economic opportunities. This study thus focused on the various determinants that influenced rural women entrepreneurs in general, while the main focus was on how the determinants mentioned above have affected the rural women entrepreneurs' small-scale business of Kwa-Mhlanga region.

6.3 Role of Education in Entrepreneurial Development

Education is the backbone to the emancipation of rural women entrepreneurs, and opportunities for rural women are too few and far between to have much impact. Blau (2006:79) seems to make a similar point when he claims that it is ironic that there is a view that white women can impart skills to black women, that black rural women have no skills, and have nothing to bring to the table. Small scale rural business activities are increasing important for livelihood in developing countries, but require the development of new skills and relationships (Sizoo, 2007:13). Niemand (2003; 13) cites that skills development, micro and small scale enterprises (M.S.S.E) are the seedbeds for a broad development of the private sector and create a large number of self-employment and income opportunities, forming the foundation for the national economy and social development at the grass roots.

6.4 Skills Development

According to (Jack, 2007: 272) skills development and organization transformation are at heart of Black economics empowerment, as business education will lack to the financial growth of Black people, white people with assets in South Africa. In business the level of education may influence the kind of planning and business decisions that individuals take Hirsrich (1990:7) and Kruger (1992: 92). Human capital elements of entrepreneurship such as education, age support networks and role models have positive influence on the success of business. The same view was supported by Luissers and Pfizer (2001:63) who argue that entrepreneurs with higher level of education have greater chances of success.

6.5 Barriers to entrepreneurship at an individual level

The majority of the respondents indicated that they have primary level of education, have matric, and only one has a degree. The level of education usually determines the rate and extend to which individuals can assimilate the different concepts and apply them.

7. Conclusions and Recommendations

Respondents seemed to be in agreement about the importance of Skills Development in enhancing business performance to enable them to successfully fulfill their business management responsibilities within their communities. From the preceding information it may be concluded that skills development is one of the areas that would require more government and institutional support. The study reflected that change is a dynamic process. The majority of the respondents indicated that they have primary level of education. The level of education usually determines the rate and extend to which individuals can assimilate the different concepts and apply them.

Relevant literature was reviewed in order to ascertain ways and means by which women entrepreneur can be developed. This study recommends further research on the challenges of women development particularly of those in the rural areas. Further investigation should be undertaken in the following areas: implication of infrastructure development for rural women entrepreneurs, ways of eradicating underdevelopment in business on small-scale among rural women entrepreneurs in small centers in Kwa-Mhlanga. Underdevelopment of rural women entrepreneur small business Centre in the Kwa-Mhlanga region is a major concern. As indicated in the findings of this research, underdevelopment of rural entrepreneur needs to be upgraded, their business skills improved.

8. Limitations of the Study

This work not considered other provinces in South Africa. The research is confined to Kwa-Mhlanga in Mpumalanga Province and therefore the result cannot be generalized to the South African population. However this will encourage further research in other provinces.

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