

Gender Perspectives on Socioeconomic Determinants of Ownership of Enterprise in Ghana

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Abstract

Even though literature is replete with discussions on entrepreneurship, the focus had mostly been on the developed world. This study contributes to the discussions by examining gender perspective of enterprise ownership in the context of Ghana. It draws on both quantitative and qualitative secondary data sets to address the objective. The quantitative data were collected through a comprehensive field survey conducted by the Ghana Statistical Service in 2012/2013. The survey involved 16,000 households selected through multistage sampling across the ten regions of Ghana. On the other hand, the qualitative data were collected through 14 separate focus group discussions in 2015 in seven purposively selected regions of Ghana. Probit regression analysis was employed to identify the socioeconomic determinants of enterprise ownership. The results indicated gender differentials in the socioeconomic factors that influence men and women to own enterprises in Ghana. Suggestion was therefore made for the gender differentials to be incorporated in policy on entrepreneurial activities in Ghana.

Keywords: Gender, enterprise ownership, necessity, opportunity

JEL Classification: J16, P42

Introduction

Studies on entrepreneurship have received a lot of attention in academic and policy discourse (Audretsch et al., 2002; Grilo and Thurik, 2008). Yet, most of the discussions have been dominated by studies from the developed world, with only a few focusing on the situation in the developing world (Grilo and Thurik, 2008; Langevang et al., 2015). Moreover, evidence points to a considerable gender gap in entrepreneurial activity across the globe, with significantly more men than women either starting up or owning enterprises (Kelley et al., 2011).

Historically, women of various racial and ethnic groups have suffered several forms of discrimination as a result of which poverty rates among them tended to be higher, compared to those of the men (Eichner and Robbins, 2015). The discrimination mainly results from the physiological differences between men and women, which are socially defined and distorted through the lens of sexism to provide grounds for men to assume superiority over women (Conner, 2000). In most cultures in the past, women were assigned to specific socioeconomic activities and were not allowed to cross the boundary to engage themselves in what had been set aside for men. Some religious practices also forbade women from certain socioeconomic engagements.

However, in recent decades, there appears to be growing recognition of the role of women in all spheres of socioeconomic advancement, including enterprise development. This is mainly due to campaigns by various gender activists and civil society organisations to empower women to be economically independent. Therefore, compared to the past, women's economic activities are no more considered small, informal and survivalist in nature (Marlow and McAdam, 2013; Langevang et al., 2015).

In 2010, Ghana participated in the Global Entrepreneurship Monitor (GEM) survey for the first time. The findings of the survey revealed that Ghana was the only country among the 59 participating countries where the rate of entrepreneurial activity among women exceeded that of men. At the 2012 edition of GEM, Ghana was among three other countries, namely Nigeria, Ecuador and Panama, where the rate of entrepreneurial activity among women was identified to be slightly higher than that of men. Within the Ghanaian context, therefore, the rate of participation in entrepreneurial activities among women could be described as higher than that of men. Interestingly, this unique circumstance of higher participation rate in entrepreneurial activities among women is yet to attract explanations from any academic discourse.

Consequently, the main purpose of the current study is to identify the socioeconomic factors that explain why more women than men own enterprises in Ghana. For instance, it would be interesting to know whether the popular necessity-opportunity dichotomy framework could be used to explain the higher rate of participation of entrepreneurial activities among Ghanaian women. Many studies (Reynolds et al., 2002; OECD, 2003; Tillmar, 2015, etc) mostly in the developed world, have used quantitative approach to identify different effects of socioeconomic factors on men and women as they attempt to establish and own businesses. This study, however, went beyond the usual quantitative analysis by employing qualitative data set to shed further light on the quantitative outcomes.

This report is organised as follows: the introduction section is followed by discussions on the necessity-opportunity dichotomy as well as other concepts and literature that help in explaining the differences in entrepreneurial activities between men and women. The next section is on the methodology, followed by those of the findings and discussion, as well as conclusion and recommendations.

Necessity-Opportunity Dichotomy

Discussions on entrepreneurship motivations have received considerable attention in the literature (Langevang, 2012). However, most of the discussions centred on whether personality traits or external push-pull factors are the main drivers behind enterprise creation and ownership, with the latter appearing to have gained the upper hand (Hessels et al., 2008; Benzing and Chu, 2009). The underlying assumption of the push-pull concept is that individual is either attracted by 'external pull factors' to create enterprise or forced into setting up an enterprise by 'push factors' in order to maintain livelihood. Langevang (2012) used the logic of external push-pull factors to represent entrepreneurs as either motivated by the concept of 'necessity' or 'opportunity'. Williams (2009) traced the discussions on 'necessity-opportunity' dichotomy from the 1980s and explained how it had since been popularised by the Global Entrepreneurship Monitor (GEM) studies. According to Langevang (2012), the concept of 'necessity' and 'opportunity' were specifically introduced in the GEM survey in 2001 to explain why many less developed countries had much higher levels of entrepreneurial activity than the developed countries.

Rosa et al. (2006) used the two terms to illustrate factors that could drive an individual to start an enterprise. The basic assumption of the necessity model is that individuals engage in entrepreneurial activities in order to make a living or ease pressures of life. In other words, some people become entrepreneurs because they do not have better alternative means of livelihood. This model is especially applicable in situations where unemployment is high and the businesses of existing employers are not expanding fast enough to absorb the teeming unemployed. As a result of this phenomenon, Reynolds (2001) noted that entrepreneurship activities in developing countries far outnumber those in developed countries. On the other hand, the model of opportunity assumes that individual starts an enterprise because of favourable environmental conditions and availability of opportunities (Rosa et al., 2006). As the name of the model indicates, entrepreneurs establish businesses when they identify an opportunity to do so. Thus, the model of opportunity tends to be more applicable in the

developed economies where the business environment is mostly congenial for entrepreneurial activities.

In a related development, some other studies (Verheul et al., 2010; Shapero and Sokol, 1982; Gilad and Levine, 1986) have identified two sets of factors (namely, pull and push) to explain why entrepreneurs engage in businesses. Verheul et al. (2010) mentioned motivation to achieve, the desire to be independent and social development possibilities as examples of pull factors and conditions, such as risk of unemployment, family pressure and dissatisfaction as examples of push factors. Consequently, pull factors explain the model of opportunity, while push factors illustrate the model of necessity. In other words, individuals who do not have any means of livelihood may be 'pushed' into entrepreneurial activities in order to make a living, while those who might have identified an opportunity may be 'pulled' along to establish and own businesses.

It must, however, be noted that the "necessity" and "opportunity" motives of enterprise creation are just part of the wider array of factors that can motivate business start-up and ownership (Rosa et al., 2006). According to Frese and De Kruijff (2000), studies in the developing countries have settled on basic entrepreneurial goals, such as autonomy, opportunity and moderate risk-taking as the primary motives for setting up enterprises. This means that there are motives other than necessity and opportunity that may influence business creation and ownership in Africa. Rosa et al. (2006) mentioned social factors as being, sometimes, the main drivers of enterprise creation and ownership in developing countries. For instance, social roles and status of individuals in their households and communities can, to some extent, determine whether they own an enterprise.

Moreover, the ability of the necessity-opportunity dichotomy to comprehensively explain the motivation for enterprise creation and ownership has been questioned. Rosa et al. (2006) and Williams (2009) have cautioned against the tendency of necessity-opportunity dichotomy in treating entrepreneurs as two entirely separate categories – with some being sorted into the basket of necessity entrepreneurs and others, into the basket of opportunity entrepreneurs. Langevang (2012) opined that the use of necessity-opportunity dichotomy could neglect the possibility of push and pull factors from being coexisting. In line with these discussions, there has been a general assertion that strict adherence to the assumptions of necessity-opportunity dichotomy may lead to oversimplification (Rosa et al., 2006; Williams, 2008; Langevang, 2012). Therefore, the main task of this study is to use both quantitative and qualitative approaches to test the basic assumptions of the necessity-opportunity dichotomy in the context of the

Ghanaian economy to see whether the framework could comprehensively explain the motivation for entrepreneurial activities.

Differences in Entrepreneurial Activities between Men and Women

A cursory reading of entrepreneurship and gender literature have shown that significantly fewer women than men start, operate and own businesses worldwide (Reynolds et al., 2002; OECD, 2003; Minniti et al., 2005; Kelley et al., 2011; McGowan et al., 2012; Marlow and McAdam, 2013). This is irrespective of the increasing number of women who continue to establish businesses (Marlow et al., 2008). A number of factors demonstrate the strong participation of men vis-à-vis women in entrepreneurship worldwide; these include economic, cultural, religious and social factors. Since there are fewer women than men who start businesses worldwide, there are also fewer women than men who operate and own businesses.

The fewer number of women who own businesses worldwide could also be explained from the point of view of higher rate of business failure among women, compared to men (Miniti and Naude, 2010). Therefore, the high number of men who start businesses and the high rate of failure among women could account for the high rate of participation in entrepreneurial activities among men, compared to women. As noted by Khan (2014, p.1), “the success of an entrepreneur depends on environmental factors, such as social, economic, legal, political and technological.” Since women do not fare better in the aforementioned factors, their businesses tend not to stand the test of time. Closely related to the high rates of business failure among women are the years of business experience which could also determine the rates of business ownership. According to International Finance Corporation (2011), women tend to have relatively fewer years of experience than men, explaining why few women own businesses worldwide.

The gender differences in start-ups, operation and ownership is also linked to socioeconomic norms which position men and women differently in many societies across the globe (Marlow and McAdam, 2013). Men and women are different in terms of educational attainment, wealth, and family status in many countries. These differences often go in favour of men, giving them an advantage when it comes to starting, managing and owning businesses. The argument has therefore been made that if these socioeconomic differentials between men and women are corrected, the gender differences in start-ups and ownership could as well be corrected.

The sector of concentration of businesses of men and women also varies, especially when it comes to start-ups, management and ownership (Thompson et al., 2009; Marlow and McAdam, 2013; Langevang et al., 2015). There is heavy presence of women in sectors traditionally seen to be female-dominated, such as retail and trading, while men are represented in sectors traditionally perceived to be male-dominated, such as science, engineering and technology. In terms of sectors, businesses owned by women have been observed to be heavily represented in lower order services, which often require limited human capital or formal qualification. This is opposed to professional services, where men seem to enjoy dominance. This aside, businesses that are owned by women tend to be part-time and home-based in nature (Marlow and McAdam, 2013).

In most societies, cultural factors differentiate the rates of participation of men and women in entrepreneurship (Welter et al., 2003; Aidis et al., 2007). Moreover, women have limited inheritance rights over land and other assets (Mukasa et al., 2004; Ellis et al., 2006; Guma, 2015). These differential roles in addition to cultural norms and values shape individual's orientation and access to external resources for venture creation and ownership (Welter et al., 2007). In many instances, existing cultural practices in some parts of the world do ascribe domestic roles to women, which conflict with entrepreneurial activities and also restrict women when it comes to rights of inheritance. In many of these societies therefore, men tend to dominate in terms of entrepreneurial creation, compared to their female counterparts. Moreover, because of the culturally defined roles for women, those who go into entrepreneurship tend to establish home-based and often micro or small-scale enterprises.

Women experience higher barriers to employment in the formal sector, compared to men, and this is typical in many developing countries, especially in Africa; hence, they have to rely more on self-employment in the informal sector in their attempts at establishing businesses of their own. In sum, it is expected that the rate of business start-up in the developing world would be higher among women than men (Kelley et al., 2011; McGowan et al., 2012; Marlow and McAdam, 2013). Also in Africa, the enterprises of women are mostly informal in nature. Thus, there are more women who own and manage informal businesses than formal businesses (Richardson et al., 2004). Some of the reasons attributed to this are: women's preference for informal business, the difficulties on the part of women to move from the informal sector to the formal sector, and the existence of constraints to women's participation in formal businesses, compared to their male counterparts (Zewde and Associates, 2002; Guma, 2015). The barriers to establishing formal businesses among women appear very strong

in many African countries where the legislative and fiscal environment for the regulation of private businesses appears weak or underdeveloped. Aside the fragmented and bureaucratic regulatory environment, the heavy presence of women in the informal sector comes about because women and men take different roots in establishing businesses. This therefore reflects the different power relations and positions between men and women in many African settings.

Since the majority of women's businesses are informal, they are often found to be operating from 'inappropriate premises' (Richardson et al., 2004:8). This comes about as women experience difficulties in accessing appropriate and affordable premises. The challenge of operating from inappropriate locations is peculiar to certain sectors of the economies in many of the African countries where women predominate. Some of these gender differentials are as a result of cultural practices in some communities which tend to restrict their access to and ownership of property— for example, landlords do not like going into lease agreements with women. Women therefore experience difficulties in accessing and obtaining titles to land and buildings, which inevitably restrict their ownership of businesses especially in the formal sector. Under this circumstance, women operate from inappropriate premises where title requirements are less restrictive.

Businesses operated by women also differ in terms of sizes, as against those of men in many of the African countries; women dominate in micro and small businesses (Liedholm, 2002). The reasons attributed for this trend include the tendency on the part of women to be risk averse, women's poor attitude to owning businesses and the fact that women are not growth-oriented in terms of business inclination (Richardson et al., 2004).

Women's businesses are operated in restricted, local markets which are limited in size (Richardson et al., 2004; Spring, 2009; Halkias et al., 2011), hence, there is intense competition and, therefore, under-pricing. In such markets, there is restriction in terms of entry and exit, which fuel that market competitiveness. The types of businesses that have women's attention, such as trading, food vending, beauty salons, informal catering, and local brewing also contribute to the market restriction (Richardson et al., 2004; Overå 2007; Gough et al., 2003; Langevang and Gough, 2009; Afutu-Kotey, 2013). The restriction of women's businesses to local markets is also influenced by women's dual role of managing the household and their businesses, which make it difficult for them to move beyond their immediate environment. In other words, their ability to move beyond their immediate environment to operate businesses is restricted by the traditional, domestic and other cultural values which do not pose similar

restrictions to men (UDEEC, 2002). Men do not face such restrictions, hence, they are able to travel long distances to engage in business.

Capitalisation for women businesses is very low and this affects their performance (Ibru, 2009; Zororo, 2011). Women, therefore, have limited opportunities for capital accumulation. There is a strong association among women to utilise personal savings, credit from friends and family relations and, to a lesser extent, loans from credit schemes in funding their businesses. Compounding the ability of women to raise significant amount of capital for their businesses is the fact that they are less likely to own premises for running their businesses (Yngstrom, 2002). This makes it difficult for them to meet collateral requirements from formal financial institutions, such as banks, to raise capital for business. In many instances also, women do not have the literacy to develop the business plans needed for raising initial capital. Besides, their businesses tend to be labour-intensive and with limited use of technologies. The fact that they have not the know-how to utilise technology, as well as their limited capital base restricts women to labour-intensive activities. On the whole, the African situation shows more men in entrepreneurial activities than women, although the unique characteristics of women entrepreneurs may not necessarily be different from the Ghanaian situation.

Methodology

This study employed both quantitative and qualitative approaches to examine the gender perspective of socioeconomic determinants of ownership of enterprises in Ghana. The quantitative approach employed data sets of the sixth round of the Ghana Living Standard Survey (GLSS 6), while the qualitative component used data originally collected for the Gender and Enterprise Development in Africa (GENDA) project from seven regions of Ghana. The six rounds of the Ghana Living Standards Survey (GLSS) were completed between 1987 and 2013. Each round covered a nationally representative sample of household spread over a 12-month period. The main issues covered by the survey are: demographic characteristics of the respondents, education and skills training, employment and household non-farm enterprises. The latest edition (GLSS 6) covered a sample size of 16,000 households selected through multistage probability sampling technique. The survey took place between October 2012 and October 2013 in all the ten regions of Ghana.

The qualitative data of GENDA project were collected in 2014 through 14 focus group discussions (FGDs) from 7 purposively selected administrative regions of Ghana. Kenya and Uganda were the other two countries that

participated in the GENDA project, which was funded by a grant from Canada's International Development Research Centre (IDRC). The choice of the 7 regions was informed by the concentration of economic activities and cultural diversity. For instance, Greater Accra Region and Ashanti Region were chosen on the basis of higher concentration of economic activities, while Upper East Region was selected to represent Northern Region because the two regions share similar and unique cultural characteristics. In all, two FGDs were conducted per region– one each was conducted separately for men and women entrepreneurs.

The study employed the data of the sections of GLSS 6 on the demographic characteristics of respondents and household non-farm enterprises in the regression analysis. Probit regression was chosen above the other analytical models because of the discrete nature of the dependent variable, measured as '1' if a respondent had either operated or owned an enterprise and '0' if otherwise. Even though Logit model could also handle the binary dependent variable, Probit model was considered, on the assumption that with the large size of the data (16,000 households), the error term would be normally distributed. The dependent variable was then regressed on some selected socioeconomic factors of the respondents to explain factors that influence enterprise ownership in Ghana.

Following closely Sackey and Baffour (2006), the study constructed the underlying model for the empirical analysis in the form:

$$Y^*_i = f(X_i\beta_i + u)_i \quad (1)$$

Where:

$Y^*_i = 1$ if an i^{th} individual owns an enterprise and $Y^*_i = 0$, if the i^{th} individual does not own an enterprise during the reference period, with X_i representing the vector of explanatory variables.

The vector of explanatory variables comprised four sets of socioeconomic variables. The first was the demographic characteristics of the individual; for example, age, marital status, education and religion. The second set of variables comprised the household characteristics, such as size and whether the individual resides with their parents in the same household. The third set of characteristics consisted of the occupation of the individual's parents; while the final set of variables involves location variables. Table 1 presents information on the definition of the explanatory variables and their construction. Based on the four sets of explanatory variables, equation 1 is specified broadly as:

$$Y^*_i = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + e_i \quad (2)$$

In all, three different Probit regression models were set out to help in extricating the socioeconomic factors that have affected men and women differently to own enterprises (table 3). Two models were carried out separately on men and women household members. This was done to clearly bring out gender variances in the discussion. A joint regression for both men and women had a gender dummy (men) to explain the gender dimension of enterprise ownership.

Table 1: Sets of the Explanatory Variables for the Probit Regression

<i>Sets of explanatory variables</i>	<i>Examples used in the regression</i>	<i>Expected sign</i>
<i>Demographic Characteristics</i>	• Age of the respondent (continuous variable)	• Positive
	• Age-squared of the respondent (continuous variable)	• Negative
	• Sex, men =1, otherwise = 0	• Positive
	• Never married (reference)= 1, otherwise = 0	• Positive
	• Currently married = 1, otherwise = 0	• Positive
	• Married before (divorced/separated/widowed)=1, otherwise =0	• Negative
	• No education/primary (reference) = 1, otherwise = 0	• Positive
	• Basic education = 1, otherwise = 0	• Negative
	• Secondary education= 1, otherwise = 0	• Negative
	• Tertiary education= 1, otherwise = 0	• Negative
<i>Household Characteristics</i>	• Religion; Christianity = 1, others = 0	• Positive
	• Household size (continuous variable)	• Positive
	• Entrepreneurs who live with their mothers in the same household =1, otherwise =0	• Positive
<i>Occupation of Parents</i>	• Entrepreneurs who live with their fathers in the same household =1, otherwise =0	• Negative
	• Entrepreneurs whose mothers are farmers =1, otherwise =0	• Negative
	• Entrepreneurs whose mothers are traders =1, otherwise =0	• Positive
<i>Household Location</i>	• Residence in the urban = 1, otherwise = 0	• Positive
	• Residence in the savannah (reference)= 1, otherwise =0	• Negative
	• Residence in the coastal zone = 1, otherwise = 0	• Positive
	• Residence in the forest zone = 1, otherwise = 0	• Positive

Findings and Discussion

The quantitative analysis has two components – one on descriptive statistics and the other on econometric analysis. While the descriptive statistics mainly discussed demographic characteristics of the owners of enterprises, the

econometric analysis component examined how the socioeconomic characteristics of respondents predicted ownership of enterprises in Ghana. At each level of the discussion, voices from the qualitative interviews were employed to shed light on the quantitative outcomes.

Descriptive statistics

The data (figures 1a and 1b) illustrate the proportion of Ghanaian men and women who owned an enterprise in the year preceding that of the research. While more than half (53.5%) of the women in Ghana owned an enterprise, less than half (46.6%) of their men counterparts owned a business. This outcome is in line with the findings of GEM surveys in Ghana, which identified high rates of business participation among women, relative to men (Yankson et al., 2013).

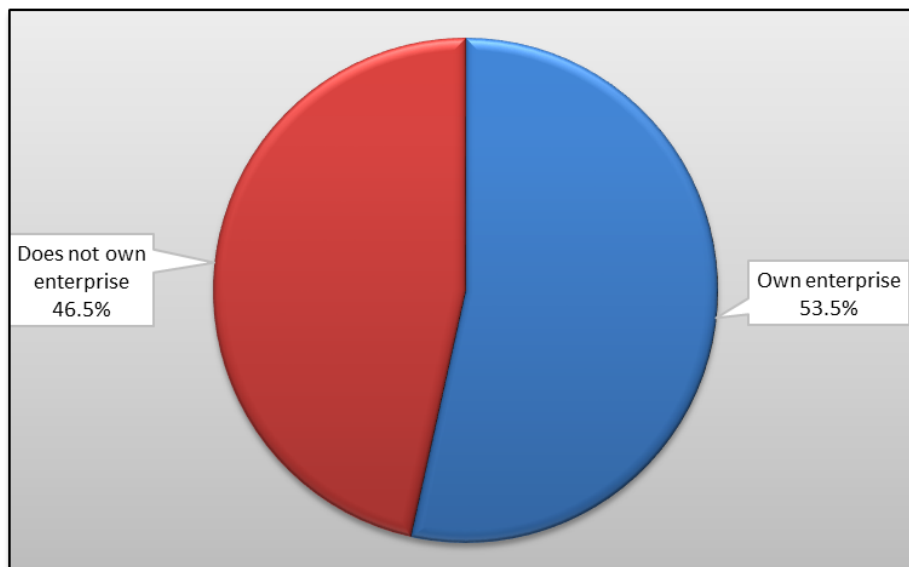


Figure 1a: Proportion of women who own an enterprise

Source: GLSS VI

The qualitative data also indicated that more women than men were engaged in entrepreneurial activities in Ghana, mainly due to such reasons as: the need to avoid cheating employers, as livelihood means for single women parents, having more time to care for children, getting respect from husbands and maintaining family business culture. However, setting up an enterprise to maintain livelihood came very strongly in almost all the interviews. A self-employed woman shared an opinion similar to those of other respondents:

I separated from my husband many years ago. He does not take care of the children and I cannot afford to see them die of hunger. I do not have education and any skills to be employed. Therefore, the only way out is to set up my own business. (Focus Group Discussions, Ashanti Region, Kumasi, January 2014)

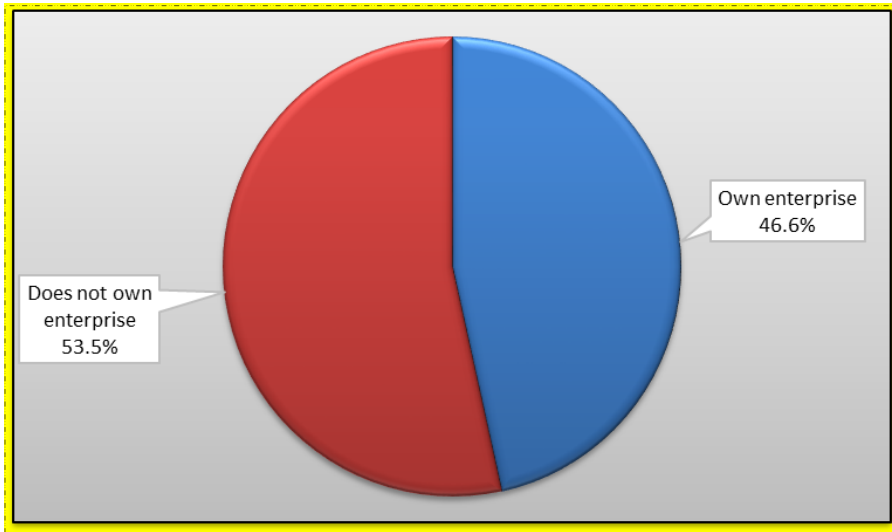


Figure 1b: Proportion of men who own or an enterprise

Source: GLSS VI

Table 2: Demographic characteristics of owners of enterprises

Variable	Type	Women (%)	Men (%)
Marital Status	Never Married	32.7	44.0
	Currently Married	50.7	51.5
	Married Before	16.7	4.5
Education	None	29.2	23.4
	Basic	60.6	63.4
	Secondary	7.7	9.7
	Tertiary	2.5	3.5
Religion	Christianity	76.4	71.3
	Islam	20.8	22.8
	Traditional	2.76	5.8
Household Location (1)	Rural	51.5	48.5
	Urban	54.8	45.2
	Coastal	10.3	9.7
Household Location (2)	Forest	50.7	50.5
	Savannah	24.8	25.2
	GAMA	14.2	14.5

Source: GLSS VI

Another woman mentioned her reason:

A self-employed woman is able to manage her time. It is sometimes almost impossible for a paid employee who has children to constantly seek permission to attend to the needs of her children at home. However, as a self-employed, I am always at liberty to move anywhere at any time. I actually chose to be a self-employed so I could take good care of my children while still working. (Focus Group Discussions, Western Region, Takoradi, November 2013).

Table 2 illustrates the characteristics of men and women who owned enterprises in Ghana. The data show that a greater proportion of the men, compared to their women counterparts, had some forms of formal education (basic, secondary and tertiary education). The respondents in the focus group discussions blamed cultural practices and beliefs for the differences in educational attainment between men and women. According to them, it is culturally acceptable for a Ghanaian woman to abandon education for marriage. A woman respondent had this to say:

My parents always advised my brothers to work hard and go to school. As for me and my sisters, we were advised to stop school and learn how to manage home from my mother. This, according to my father, was because we would soon get married and what becomes important in marriage is how well to manage kids and a husband (Focus Group Discussion, Upper West Region, Wa, January 2014)

Probit regression analysis

Contrary to the situation in some African countries and across the globe, the results from the probit regression analysis (table 3: model 3) suggest that the probability of women owning enterprises in Ghana is higher than that of men. This means that women are more likely to own enterprises in Ghana than men. This could be attributed to such reasons as the laborious nature of farming in Ghana and the inability of women to compete with men in the formal labour setting. As noted by Domfe et al. (2013), women tend to run away from farming in Ghana because it is perceived as laborious and unattractive. Therefore, in the rural areas where farming is the main source of livelihood, household enterprises become the only available option for women. Moreover, men appear to have upper hand over women in the job market in Ghana due to the latter's inability to

acquire higher levels of formal education and vocational skills (ibid). As a result of this, women who are not successful in job search tend to create jobs for themselves to maintain livelihood of their households. A woman respondent in the focus group discussions explained this better:

The reason why I decided to do my own business is because I could not get any help to further my education after completing the basic school. I therefore decided to learn trade in order to earn a living. (Focus Group Discussions, Brong Ahafo Region, Techiman, January 2014)

The results (model 3) of the probit regression for all enterprise owners indicated both linear and nonlinear relationship between prevalence of entrepreneurial activities and age of the entrepreneur. In other words, there was high probability for entrepreneurial activities in Ghana to increase initially up to a peak until it declines as the entrepreneur advances in age. The data showed that, at the initial stage, attainment of an additional year by an entrepreneur increases the probability of enterprise creation by 0.3 percentage points, while later on in life, the probability to establish an enterprise is reduced by 0.3 percentage points. This is consistent with the findings of Madarang and Habito (2007) in the Philippines that the proportion of Filipino population who are entrepreneurs increases initially but declines as they grow older. A man who participated in the focus group discussion explained why more men in Ghana are involved in entrepreneurial activities at the early age:

At a younger age, a man needs to work hard in order to get what is needed to get married. However, as you marry and advance in age, you have to slow down and teach your children to take over from you. (Focus Group Discussion, Upper West Region, Wa, January 2014)

However, a separate probit regression results (model 2) for women enterprise owners suggested that the likelihood of enterprise ownership among Ghanaian women slows initially, up to a certain stage, before picking up as entrepreneurs advance in age. This probability outcome of being an enterprise owner reflects the negative effects of some socio-cultural practices in Ghana that often inhibit women from economic self-determination. A popular adage among the Akans (the largest ethnic group in Ghana) that 'a woman is expected to sell garden eggs and not gunpowder' literally forbids women from some types of occupation. Therefore, as women grow and become more assertive, they tend to take up the challenge of owning enterprises. In other words, even though more women than men in Ghana own enterprises, they tend to establish enterprises as they advance in age. An elderly woman who owned an enterprise explained this:

I was always afraid to set up a business. In fact, my father never supported this move and so was my husband. Later in life when I lost my father and divorced my husband, I had the freedom to set up my own business. (Focus Group Discussion, Ashanti Region, Kumasi, January 2014)

Table 3: Determinants of enterprise ownership (probit regression)

<i>Dependent variable: Ownership of enterprise (Y)</i>	Model 1 (Men)	Model 2 (Women)	Model 3 (All)
Age	0.012** (0.001)	-0.005*** (0.001)	0.005** (0.001)
Age squared	-0.010** (0.001)	0.003* (0.001)	-0.000** (0.000)
Sex (Men)			(0.088)*** (0.008)
Marital status (Never married)			
Currently married	-0.021 (0.013)	0.216*** (0.012)	0.102*** (0.012)
Married before	-0.209*** (0.011)	0.387*** (0.017)	0.075*** (0.017)
Education (None)			
Basic	0.054*** (0.009)	0.043*** (0.009)	0.065*** (0.009)
Secondary	-0.011 (0.013)	-0.020 (0.013)	-0.005 (0.013)
Tertiary	-0.181*** (0.011)	-0.228*** (0.012)	0.265*** (0.014)
Religion (Christianity)	-0.056*** (0.010)	0.037*** (0.010)	-0.025 (0.009)
Household size	0.020*** (0.001)	0.036*** (0.002)	0.033*** (0.001)
Geographical location (Urban)	0.098*** (0.009)	0.139*** (0.009)	0.135*** (0.008)
Geographical zone (Savannah)			
Coastal	0.101*** (0.013)	0.100*** (0.013)	0.111*** (0.011)
Forest	0.089*** (0.009)	0.066*** (0.009)	0.090*** (0.008)
Father's occupation (farming)	-0.041*** (0.009)	-0.019* (0.009)	-0.031*** (0.009)
Mother's occupation (farming)	-0.035** (0.014)	-0.054*** (0.014)	-0.052*** (0.013)
Mother's occupation (trading)	0.001 (0.013)	0.004 (0.014)	0.005 (0.004)
Living with mother	0.048 (0.037)	0.024 (0.038)	0.036 (0.034)
Living with father	Omitted	-0.014 (0.192)	-0.203 (0.184)

Constant	-1.740	-1.277	-0.989***
Number of observation	14,606	16,011	20,280
LR chi ² (17) /(16)/(17)	1363.06	1807.35	2040.69
Pseudo R-squared	0.077	0.087	0.073
Probability > F	0.000	0.000	0.000

Source: Computations based on STATA and GLSS 6 (2012/2013)

Note: Significance level: 1%(***), 5%(**), 10%(*) (standard error in parenthesis)

Marital status has three categories (table 3); never married, as a reference outcome against currently married and previously married (widowed, separated or divorced). The results of the regression (model 3) indicated that the probability of owning an enterprise among the currently and previously married was higher than those who had never married. For instance, the probability of being an entrepreneur was 12.7 percentage points higher for married people and 13.1 percentage points higher for the previously married than for those who had never married. This was supported by the results of the separate regression for women. Also, a previously married woman expressed an opinion on this during the focus group discussions:

Marriage often results in childbirth and as one gets married and gets children, she is expected to take care of the children. Those who have never married and do not have children can afford to stay unemployed. However, whether currently married or once married and you have children, you must find work in whatever way possible to look after your children who never begged you to bring them to the world (Focus Group Discussion, Western Region, Takoradi, November 2013).

This appears to lend support to the fact that necessity, rather than opportunity, is the main reason why women own enterprises. In other words, Ghanaian women are compelled by the pressures of providing food and other basic needs of life to their household members to set up and run businesses. Therefore, that more women than men are owners of enterprises could be that in Ghana the burden of food provision and other basic needs of life tends to be mostly on women.

The regression considered four categories of education, with no education as a reference outcome against basic, secondary and tertiary education. The data suggested an inverse relationship between educational attainment at the higher level and the likelihood of being an entrepreneur. This common trend was observed for all the three different regressions (models 1, 2 and 3). For instance, while acquisition of education up to the basic level increases probability of enterprise ownership by 6.5 percentage points (model 3), acquisition of tertiary

level of education reduces the likelihood of enterprise ownership by 26.5 percentage points (model 3). This could be explained from the point of view of unavailability of jobs for basic school leavers in Ghana, compared to graduates of tertiary institutions. Therefore, most of the basic certificate holders were compelled to set up their own enterprises, compared to tertiary leavers who easily found jobs in the market. This outcome is consistent with the finding of Domfe et al. (2013), who identified formal education as a credit in the acquisition of job in the Ghanaian labour market. A male respondent shed light on this during an interview in Upper East of Bolegatanga: 'I became a carpenter because my parents could not afford to send me to school and in order to help me earn a living; they sponsored me to learn carpentry'.

The dichotomous variable, Christianity versus other forms of religion, had different outcomes for men and women in the regressions. For instance, in model 1 (for men alone), the results indicated a 5.6 percentage point decline in the probability of a Christian creating a business. On the other hand, model 2 (women alone) suggested a 3.7 percentage point increases in the chance of a Christian owning an enterprise in Ghana. Even though the data were limited in giving comprehensive explanation to this effect, factors other than religious affiliation may be the main underlying reason. For instance, compared to men of other faiths, Christian men had relatively higher levels of education, which helped them easily get employment from the labour market. A male respondent, who was an enterprise owner and a Moslem, shared an opinion on this during the focus group discussion.

For us Moslems, we have our own system of education. However, employers would engage you only if you have Western education. As a result, most of us have our own businesses. I do not need their certificates to do what I am currently doing. (Focus Group Discussion, Upper West Region, Wa, January 2014)

Household size came out as significant determinant of enterprise ownership. The results from model 3 indicated that the probability of establishing an enterprise increases by 3.3 percentage points as one more individual member joins a household. The positive correlation between household size and the desire to establish an enterprise is also true for the separate models for women (model 2) and men (model 1). This could be explained by many factors, including access to family labour and other forms of support necessary for ownership of

enterprises in Ghana. A male respondent at the focus group discussion expressed an opinion on this:

I have eight children and five grandchildren who all depend on me. There is no one anywhere to help us. I therefore had to expand this business as the family size was growing in order to make everyone in the family comfortable. (Focus Group Discussion, BrongAhafo Region, Techiman, January 2014)

Again, the data indicate that the area of residence of entrepreneurs can also influence their desire to open up and own enterprises. For instance, the probability of the desire to own an enterprise (*in all the three models*) increases as an individual relocates from the rural to an urban area. This is probably because unlike the rural areas where farming could provide a means of livelihood, absence of farming in most urban communities may push the unemployed in the urban into enterprise creation to maintain livelihood. A woman entrepreneur shed light on this during an interview:

When I first came to Accra, there was no work for me. Back at the village, I was a farmer and therefore the only skills I had was farming. I then started searching for work and when I did not get any, I decided to set up 'kenkey' business. (Focus Group Discussion, Greater Accra Region, Accra, November 2013)

This also lends support to the assumption of the theory of necessity, which appears to suggest that entrepreneurs in developing countries mostly enter businesses out of necessity rather than identifying an opportunity to do so. Relating to this is the fact that probability of the desire to set up an enterprise declines for the individuals whose parents are farmers. This is true for both men (model 1) and women (model 2). This may be due to the Ghanaian culture that imposes parents' occupation on the children. Thus, children whose parents are already farmers may find it convenient to become farmers as well.

Conclusion

The main intention of this study was to find out whether there are socioeconomic factors that motivate men and women differently to own enterprises in Ghana. The study found that, while socioeconomic factors, such as acquisition of lower level of education (basic and secondary education), area of residence, household

size and parents' occupation had similar effects on the decision of men and women to own enterprises, others such, as acquisition of higher level of education (tertiary education), age, marital status and religious affiliation influenced women and men differently to own enterprises in Ghana. It is, thus, concluded that there are gender differentials in the socioeconomic factors that influence men and women to set up enterprises in Ghana.

Among other things, the study also found that, contrary to the widespread observation in many countries that men, compared to women, own more enterprises, women in Ghana own more enterprises. This finding confirmed those of Afutu-Kotey (2013) and Yankson et al. (2013). However, the women's predisposition to set up and own enterprises mostly arose from the pressure to maintain a livelihood rather than identifying an opportunity to do so. On this basis, the study concludes that Ghanaian women entrepreneurs are 'necessity entrepreneurs'.

However, the study also identified some cultural norms and practices as being either directly or indirectly influencing women's decision to own enterprises in Ghana. For instance, the norm of holding higher premium on education of the boy child affected the girl's educational attainment and subsequent rejection in the labour market. Eventually, unemployed women were forced by the necessity life to open up enterprises in order to keep livelihood. Therefore, the necessity-opportunity dichotomy could only bring into focus the 'lower levels of education that led to rejection in the labour market and, hence, the drive to set up enterprises' while ignoring the important cultural factors that contributed to making women less educated. Again, cultural restrictions on women prevented them from certain economic engagements and affected their decision to own businesses in Ghana. On the basis of the eventual outcome of cultural norms and practices, the finding of this study supports that of Langevang (2012) that there are complex reasons, beyond the necessity-opportunity dichotomy, for entrepreneurs' decision to own businesses. In this case, the effect of culture on entrepreneurship appears too complex to be simply described as either a necessity or opportunity factor.

The main theoretical implication of the findings, therefore, is that the necessity-opportunity framework is limited in describing the motivation for entrepreneurial activities in Ghana. Therefore, the study supports a suggestion by Langevang (2012) to do further research to help design a more workable framework to explain motivations for entrepreneurship in Africa.

In terms of policy, the study suggests that the various efforts to empower Ghanaian women should consider measures such as education and involvement of

custodians of the Ghanaian culture to help address all forms of cultural impediments that could adversely affect entrepreneurial activities in the country. Moreover, gender differentials should be a matter of concern in all policy discourse on entrepreneurial activities in Ghana. Moreover, the study observed that both men and women would prefer farming to creating non-farm enterprises if their parents had been farmers. This means that individual occupational outcomes in Ghana depend largely on the work of their parents. While this may sometimes not be a problem, it could potentially hinder the growth of an individual's natural skills and talents. Acquisition of formal education and vocational training should, therefore, be strengthened to break the 'occupational cord' between parents and children in order for the latter to develop their potential to the best of their ability.

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