

# FEMALE ENTREPRENEURSHIP AND SMALL AND MEDIUM-SIZE ENTERPRISE GROWTH: EVIDENCE FROM CONGO

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## ABSTRACT

*Female entrepreneurship depends both on the women's situation and the place of entrepreneurship in a society. Firms under women management are actually increasing quickly in Congo. However, women entrepreneurs are still facing insufficient human and social capital, and limited access to adequate financial resources to grow their firms because of discrimination and gender issues. This study aims to analyze SME growth owned by women, and thus, raise the relationship between female entrepreneurship and SME growth. Data was collected empirically by using a structured questionnaire and treated using descriptive statistics and the Logistic Regression. The findings confirm that SMEs owned by women show a better sales growth and a low employment growth. It is because women usually use family workforce (labor). The logistic regression findings show a positive and significant relationship between firm's age and sales growth, and a negative relationship between idea to create firm and employment growth. Thus, women entrepreneurs are still having insufficient social capital and financial resources needed to grow their firms. Keywords: Women entrepreneurs, SME growth, Bukavu town, Female entrepreneurship*

**JEL:** L26, L31, M13, M16, M29

**KEYWORDS:** Female Entrepreneurship, SME, Congo

## INTRODUCTION

The SME growth is the outcome of a veritable management decision where entrepreneurs are its main responsible (Delmar and Davidsson, 2001; Pierre et al, 2006). It is followed by increasing products or services demand of the firm (Bouazza et al., 2015; Davidsson, 2006; Gueguen, 2010). Initially, this would have an effect of increasing sales. Second, it would allow the firm to invest in additional production factors to face the new level of demand (Janssen, 2011). Therefore, SME growth is uncertain due to environmental conditions, such as competition and the dynamics of markets (Bouazza, 2015; OCDE, 2002; Pearson Education France, 2007; Raduan et al., 2006).

Beyond financial resources (Memba et al., 2012; Pierre et al., 2006), SME growth depends both on entrepreneurs' human and social capital, and on his or her gender (Chiraz and Nouri, 2014; Dawn and Gaylen, 2007; Janssen, 2002). The reasons why are that entrepreneurs are the ones who assume the total responsibility of their firms and make strategies to manage them (Gueguen, 2010). Thus, entrepreneurs' gender play a significant role in firm management between firms owned by women and men (Dawn and Gaylen, 2007; Janssen, 2002; Haibo and Gerrit, 2009; Malika, 2001). Scholars in female entrepreneurship (Nina et al., 2005; Robert, F. et Alicia, 2008) show that this difference in gender management is not significant (Didier and Typhaine, 2013; Fiona et al., 2007) and sometimes, it is based on gender discrimination (Ascher, 2012; Balemba et al., 2014; Chamberlin, 1996; Malika, 2001; Mohammed, 2011).

Female entrepreneurship depends both on women's situations and the place of entrepreneurship in a society (OECD, 2004). It is considered a source of growth that is insufficiently exploited and took an important place in most of industrialized countries, and a specific characteristic (micro enterprise) in developing countries (Hassan and Mugambi, 2013; Viviane et al., 2005). Thus, female entrepreneurship is not homogeneous and appears different in countries depending on the cultural background, education level and skills and business size and scale (Greene et al., 2004; Mohammed, 2011). Women entrepreneurs' decisions how to undertake and business logic are not identical (Bouzekraoui, 2014; Kalpana, 2016; Mohammed, 2011; Nina et al., 2005). Thus, women hold at least 25% of all companies in the world (Fiona et al., 2007; Mboko and Smith-Hunter, 2006).

In the Democratic Republic of Congo (DRC), especially in Bukavu town, firms under women management are increasing quickly and have been observed since 2003, when women began to control the same sized companies as men, and face cultural barriers like being active in areas reserved previously to men and authorities in their household (Balemba et al., 2014). Despite the increasing number of SMEs in Bukavu town and their contribution to the economy, women entrepreneurs face limited access to adequate financial resources (Balemba et al., 2013; Makunza, 2000) due to lacking sufficient guarantees to get a credit in MFIs, discrimination and gender issue. Women entrepreneurs also face insufficient human and social capital necessary to facilitate their SMEs growth (Balemba et al., 2014).

The limited access to financial resources remains a major obstacle to creation, survival and SME growth (Balemba et al., 2013; Bouazza et al., 2015; Gueguen, 2010; Makunza, 2000; Memba et al, 2012; OSEO, 2009; Thione, 2006). The regulation, taxation, abandonment of infrastructure and social security, corruption, and the high level of uncertainty in many areas of entrepreneurial activity are also barriers to SME growth in the DR Congo (Mufungizi and Teimann, 2012). Firms owned by women also face these barriers to grow (Hassan and Mugambi, 2013; Robichaud and Egbert, 1992; Smith-Hunter and Joshua, 2010). Given these multiple problems, the present study aims to analyze women owned SMEs growth and thus, the relationship between female entrepreneurship and SMEs growth in Bukavu town.

The McKinsey & Company (2007) studies, named "Women Matter" shows that companies that have a strong representation of women in their management committee, or their management teams, would also be more efficient. European companies with the highest diversity in leadership positions recorded the best performance in financial profitability, operating income, and market growth over the period 2003-2007. The consulting firm Women Equity has screened 40,000 small and medium sized enterprises (SMEs) and showed that those owned by women are more likely to experience a growth in turnover for the year 2013 (70% against 67% for those owned by men for similar sized SMEs). Additionally, Swithina and Smith-Hunter (2009) conducted a study in Zimbabwe and tried to analyze the strategies of small businesses owned by women. Using a qualitative approach, their finding indicated that women had survived the turbulent business environment and obstacles of ancestors. The following section develops the literature review based on previous studies. So, literature review of SME growth and female entrepreneurship is discussed.

## LITERATURE REVIEW

### Female Entrepreneurship

A woman entrepreneur is looking for personal fulfillment, financial autonomy, and control of her existence by launching and managing her own business (Ascher, 2012; Belcourt et al., 1991 cited by Bouzekraoui 2014). She is an individual who is in an inactive situation, unemployed or employee and dependent on an employer, who alone or in teams, creates a new independent company, assuming managerial responsibilities and risks related to planned production's fortune (Chamberlin, 1996; Paturel 2006 cited by Balemba et al., 2014). Therefore, she is also called a business owner-manager, business owner or business leader, as a woman who, alone or with partners, founded, purchased, accepted or inherited a company, who assumes

the risks and the financial, administrative and social responsibilities of it and participates in its daily management (Charmes, 1996; Lavoie, 1988 cited by Bouzekraoui 2014).

The first work on female entrepreneurship has appeared in the US, there are about forty years with the author Eleanor Schwartz (1976). Then there was the work developed by the group DIANA that marked the history of this subfield, which is now conducted in the international area (Didier and Typhaine, 2013). Research on women entrepreneurship in the Democratic Republic of Congo are relatively new and rare, with studies to substantial samples to identify the reality of leadership in SMEs.

Women entrepreneurs face challenges when they are developing and managing their activities and many of these challenges remain even after their business establishment and growth (Bouzekraoui, 2014; Greene et al., 2004; Kalpana, 2016; Malika, 2001). A number of barriers women entrepreneurs face affects the SME development and growth including the lack of knowledge, and skills they need to grow their businesses (Malika, 2001; Subhash and Sunita, 2007). Several studies show that with equal business opportunities, women have more difficulty to obtain funding than men and, therefore, more difficulty developing their projects (Dawn and Gaylen, 2007; Fiona et al., 2007; Hassan and Mugambi, 2013; Robert and Alicia, 2008; Viviane et al., 2005).

Thus, funding remains a major problem for SMEs owned by women, compared to those owned by men, from the creation, to the effective operation of their business (Balemba et al., 2013; Haibo and Gerrit, 2009; Thione, 2006), which funding must be continuous to promote the SME expansion. However, as women begin to enter into entrepreneurship at this time, they lack role models (Dawn and Gaylen, 2007; Didier and Typhaine, 2013; Mohammed, 2011; OCDE, 2004) and therefore they lack experience (Bouzekraoui, 2014; Malika, 2001; Muriel and al., 2014; Nina et al., 2005; Smith-Hunter, 2010). Women also lack the necessary networks and social status that can allow them access to aid, financial resources and necessary information to create and manage their firms (Malika, 2001; Robert and Alicia, 2008; Swithina and Smith-Hunter, 2009). Women are also facing cultural barriers like their family obligations that often prevent them from exercising a full-time job or career (OECD, 2004).

Different factors influence women to enter entrepreneurship (Balemba et al., 2014; Bouzekraoui, 2014; Hassan and Mugambi, 2013). Positive factors that influence women to enter into entrepreneurship are market opportunities, interest in a particular economy sector, social goals, the need to have flexible schedules, a bigger salary and financial independence (Bouzekraoui, 2014; Chamberlin, 1996). Other factors can influence women into entrepreneurship; they are family support, perception, the environment in which they live, their age, level of education, marital status, professional experience, unemployment, access to financial resources, risk aversion and innovation (Balemba et al., 2014; Hassan and Mugambi, 2013).

### SME Growth

Many authors, in their research, have tried to understand the SME growth (Bouazza et al., 2015; Davidsson, 2006; Gueguen, 2010; Janssen, 2002; Janssen, 2011; Teurlai, 2004; Pierre et al., 2006). To define it, they based it on several indicators such as physical indicators (area, number of buildings or establishments ...), human indicators (number of employees), economic indicators (sales, value result, payroll, etc.), financial indicators (value creation, market valuation) and on the firm's operating period (OSEO, 2009).

Based on some indicators, SME growth is defined as an increase in turnover, number of employees and market part (Pearson France, 2007; Janssen, 2011). It supposes the success, performance, profitability, financial accomplishment and is one of the main goals to achieve for many firm's leaders, in fact, that growth is characterized by the success and different progresses made by the firm (Davidsson, 2006; Gueguen, 2010; Teurlai, 2004).

The reasons for this SME growth are not only theoretical, and the question may arise from the creation of the firm, even in the period preceding the creation (Teurlai, 2004; Pierre et al., 2006). Therefore, over 40% of business projects do not realize in time, almost 25% of the created firms do not exceed the first year, and less than 30% cross the barrier of 10 years (Janssen, 2002; OECD, 2002). According to the Belgian economist Maurice Ansiaux (1926), the SME growth depends on others elements like chance, opportunities exploited in time, and also the special ability to adapt based on changes in the economy (Pearson France, 2007).

Many factors influence the SME growth (Memba et al., 2012; OCDE, 2007; Pierre et al., 2006; Raduan et al., 2006; Robichaud and Egbert, 1992; Teurlai, 2004). These factors may be related to the characteristics of the entrepreneur, size, the financing structure, and business environment (Janssen, 2011). The entrepreneur expertise, his family history and motivation, being among those characteristics, influence positively the growth of the firm (Janssen, 2002). Beyond these factors, factors related to the industry in which an entrepreneur operates such as the competitiveness of the sector may also influence the SME growth (Teurlai, 2004). Therefore, entrepreneurs play the main role in the SME growth. In fact, this one is their responsibility and depends significantly on their skills, experience, formation, motivation, personality, and network (Gueguen, 2010).

Therefore, entrepreneurs are facing some obstacles to grow their firms. These obstacles can be financial in nature such as the difficulty of loan access, inadequate management, difficulty gaining access to the markets. There are also institutional constraints, such as the lack of coordination between the different institutions that can contribute to the promotion of SMEs, and psychosocial constraints, such as the preference of the present rather than the future that stifles the entrepreneurship spirit, and lack of risk appetite (Makunza, 2000). Other obstacles are also related to the environment in which the firm operates, such as taxation, SME managers' skills and firm technological capabilities (Bouazza et al., 2015; Mufungizi and Teimann, 2012).

### Female Entrepreneurship and SME Growth

In the relationship between female entrepreneurship and SME growth, factors related to the women entrepreneurs, the firm, the social and human capital are considered.

*The age of a woman entrepreneur* is a factor that can influence a firm's management behavior. An older entrepreneur is less averse to the risk than a young entrepreneur and thus, less willing to adopt innovative behavior or join a new idea since the economic and social responsibility is higher in old age (Janssen, 2002). Therefore, some researchers think that the typical age to enter entrepreneurship is between 25 and 40 years (Balemba et al., 2014; Bouazza, 2015). While young people are more likely than older people to grow their businesses significantly, several studies find a negative impact of the entrepreneur's age or the average age of the leadership team on business growth (for example, Bouazza et al., 2015; Davidsson, 2006; Gueguen, 2010; Janssen, 2002; Pierre et al., 2006). So, there is a negative relationship between SME growth and a woman entrepreneur's age, when she is advanced in age, unless she can grow her business because of risk aversion. As most of women entrepreneurs are married, they can grow their businesses significantly because they can be financially or morally supported by their husbands

*H 1: There is a negative relationship between woman entrepreneur's age and SME growth*

*H 2: There is a positive relationship between woman entrepreneur's marital status and SME growth*

Additionally, different factors related to the firm can influence the SME growth. Working before in the same activity sector can facilitate the implementation of corporate strategies (Bouazza, 2015; Bouazza et al., 2015; Davidsson, 2006; Janssen, 2011) and then being associated positively with SME growth. In fact,

there are activities sectors that show a faster development than others (Janssen, 2002; Teurlai, 2004). Indeed, the firm's age takes an important place to analyze different factors related to the firm that can affect the SME growth (Haibo and Gerrit, 2009; OCDE, 2002. OSEO, 2009). It is sometimes associated with the reason of failure (Roxane and Janssen, 2015). Therefore, Delmar and Davidsson (2001) indicated in their study that young firms are more likely to grow significantly than older firms and thus, young and medium size firms create most of the new jobs in growing and young industries (Janssen, 2002). In that way, firm's age is negatively associated with SME growth. Beyond those factors, financial resources take an important place in SME growth. Some studies (for example, Janssen, 2011; Pierre et al., 2006; Raduan et al., 2006; Robichaud and Egbert, 1992) show that having significant financial resources to create a firm, increases the success potential and firm growth. It supposes getting significant financial resources to create a firm is associated with the firm's success in the future (Robert and Alicia, 2008). Therefore, self-financing is rarely sufficient to finance the firm growth, using mixed capital composed both of owned and borrowed funds has an influence on the firm's growth (Balemba et al., 2013; Janssen, 2011).

*H 3: There is a positive relationship between the firm activity sector and SME growth*

*H 4: There is a negative relationship between the firm's age and SME growth*

*H 5: There is a positive relationship between using mixed capital and SME growth*

Beyond financial resources, human capital takes an important place in factors influencing the SME growth. Thus, education level can improve women entrepreneurs' skills and abilities (Fiona et al., 2007; Hassan and Mugambi, 2013; Smith-Hunter, 2010; Subhash and Sunita, 2007). Hence, a high level of education facilitates access to knowledge, capital and even the recruitment of qualified staff that contribute to firm's success (Raduan et al., 2006; Smith-Hunter and Joshua, 2010). Several studies show that the entrepreneur education level has a positive impact on growth (Balemba et al., 2014; Janssen, 2002; Raduan et al., 2006; Robert and Alicia, 2008; Subhash and Sunita, 2007; Swithina and Smith-Hunter, 2009). Thus, having made a similar activity to the actual activity can have a positive impact on growth because the entrepreneur has knowledge in the field where he operates (Janssen, 2010) and then allows the entrepreneur to acquire some experience. If the previous activity was a success, a woman entrepreneur is better positioned to significantly grow her business. If it was a failure, then this failure can be considered as a learning opportunity and could be the basis of a future project success (Amirali, 2016; Bacq et al., 2016; De Hoe and Janssen, 2014; Kuyatt, 2011; Roxane and Janssen, 2015; Shepherd, 2003; Singh, 2011; Singh et al., 2007; Walsh and Cunningham, 2016). Empirical studies show that knowing the sector in which we operate can have a positive effect on the firm's success, both in terms of survival and on the growth plan (Gueguen, 2010; Janssen 2002; Memba et al., 2012; Nina et al., 2005; OSEO, 2009; Subhash and Sunita, 2007). However, previous experience acquired during studies and working life facilitate the discovery and exploitation of opportunities (OECD, 2004; Subhash and Sunita 2007). The lack of experience and business management skills is considered as a major obstacle to the creation, survival and business growth (Bouazza et al., 2015; Gueguen, 2010; Makunza, 2000; Mufungizi and Teimann, 2012; Muriel et al., 2014; OSEO, 2009).

*H 6: There is a positive relationship between education level and SME growth*

*H 7: There is a positive relationship between experience and SME growth*

Social capital can also have an impact on SME growth (Chiraz and Nouri, 2014). Being interested by a person to create a firm can have a positive effect on growth because that person has knowledge of the sector in which he suggests and will support you in case of problems. However, a woman who had the idea herself to create an enterprise will grow it according to her motivations. Therefore, the reason why women create a firm is the basis of her success in business because it constitutes her main motivation. Thus, woman firm growth depends partially on that motivation (Ascher, 2012). Therefore, having a family member who is an entrepreneur is beneficial for the woman entrepreneur. In fact she can receive support and assistance that can lead her to grow her activities (Janssen 2010; Hassan and Mugambi, 2013). However, the fact of belonging to a family of entrepreneurs increases the chances of a woman's business survival because she

can easily use these members for moral guidance and financial support, or even have benefited the business learning by working in family businesses in the past (Chiraz and Nouri, 2014; Robert and Alicia, 2008). Being associated in entrepreneurial activities when a woman was young by helping parents in their entrepreneurial activities can create an entrepreneurial interest in her to succeed in her activities like the parents (Balemba et al., 2014).

*H 8: There is a positive relationship between idea of firm creation and SME growth*

*H 9: There is a positive relationship between reason of firm creation and SME growth*

*H 10: There is a positive relationship between family history and SME growth*

*H 11: There is a positive relationship between being associated in entrepreneurial activities and SME growth*

## DATA AND METHODOLOGY

The current study uses an exploratory, quantitative research design. Data used in this study have been collected empirically from women entrepreneurs in Bukavu town by using a structured questionnaire inspired by previous studies. Because women entrepreneurs are almost absent in some activity sectors, we collected data from women entrepreneurs acting in four sectors including general trade, pharmacies, garages and workshops, as well as hotels and bars. The survey was conducted directly at the women entrepreneurs' workplace from the period 11 August to 13 September 2016. We collected data only from women entrepreneurs with at least one year of seniority. A questionnaire was submitted to the respondent, she could respond immediately, or even make the survey an exchange of ideas after realizing the importance of our research. We left some questionnaires to other women entrepreneurs who were busy working and came back after a day to take it. To collect data, we randomly selected 120 firms owned by women entrepreneurs. In total, 102 women entrepreneurs agreed to participate in our study, resulting in a response rate of 85 percent.

In the present study, we treated data by using both descriptive statistics and logistic regression with SPSS version 20 as Janssen (2002, 2011) suggested to measure the SME growth in case that firm growth is not a linear phenomenon but a dynamic and non-linear phenomenon (Janssen, 2002; Janssen, 2011). Therefore, we did two logistics regression including a logistic regression of employment growth and a logistic regression of sales growth. In general, the logistic regression is the dichotomous model with "one" if there was growth and "zero" if there was not. Therefore, the dependent variable in the current study in the SME growth in employment and/or in sales. These two firm growth indicators are much used by different scholars because they are easy to identify and reflect the short and long-term firm change (Bouazza et al., 2015; Gueguen, 2010; Janssen, 2002; Teurlai, 2004). Sometimes these two indicators cannot necessarily be complementary and do not involve the same determinants, in fact by introducing new technologies, increased sales could well perform without involving an increase in labor and also an employment increase in the retail business could not be followed by an immediate increase in sales (Janssen, 2011).

The following regression equation was estimated to identify the relationship between different variables related to women entrepreneurs and SME Employment Growth (SMEG) and SME Sales Growth (SMESG).

$$\text{SMEG} = \alpha + \beta_1(\text{age of woman entrepreneur}) + \beta_2(\text{marital status}) + \beta_3(\text{firm activity sector}) + \beta_4(\text{firm age}) + \beta_5(\text{used mixed capital}) + \beta_6(\text{education level}) + \beta_7(\text{experience}) + \beta_8(\text{idea of firm creation}) + \beta_9(\text{reason of firm creation}) + \beta_{10}(\text{family history}) + \beta_{11}(\text{being associated in entrepreneurial activities}) \quad (1)$$

After doing these logistic regressions, we will raise up the relationship between female entrepreneurship and SME growth. The following will present and discuss findings.

## RESULTS

This section presents results related to women entrepreneurs and SME growth. At first, we present findings of descriptive statistic and then results of logistic regression are presented.

Table 1: Descriptive Statistic Related to Women Entrepreneurs

Variables	Characteristics	Numbers	Percentage
Age of woman entrepreneur	Under 20 years	2	2%
	20 to 30 years	34	33.3%
	30 to 45 years	34	33.3%
	45 to 60 years	32	31.4%
	<b>Total</b>	<b>102</b>	<b>100%</b>
Marital status	Single	23	22.4%
	Married	64	62.7%
	Widow	15	14.7%
	<b>Total</b>	<b>102</b>	<b>100%</b>

*This table presents results related to the frequency of age and marital status of women entrepreneurs. The first column presents different variables, which are age of women entrepreneurs and marital status of these women. The second, presents characteristics related to age of women entrepreneurs and marital status. The third, the number of each characteristic related to each variable and then, the fourth column presents the percentage of each characteristic of different variables related to women entrepreneurs.*

Results in Table 1 indicates that the age of the majority of women is between 20 and 45 years, either 33.3%. Therefore, women in Bukavu town enter entrepreneurship being young because of the lacking hope to find employment in the future after graduation. Malika (2001) found the similar result in south India. So, the majority of women entrepreneurs are married, either 62.7%. Smith-Hunter and Joshua (2010) found the similar results in Brazil. Following this high rate of married women, whose ages are between 20 and 45 years, they are moving into entrepreneurship to contribute to their household income and expenses and be independent. These findings complete the one by Balemba et al. (2014).

Table 2: Descriptive Statistic Related to Firms Owned by Women

Variables	Characteristics	Numbers	Percentage
Activity sector	General trade	59	57.8%
	Pharmacy	24	23.5%
	Garage and Workshop	11	10.8%
	Hotels and Bars	8	7.8%
	<b>Total</b>	<b>102</b>	<b>100%</b>
Age of the firm creation	1980-1990	4	3.9%
	1990-2000	6	5.9%
	2000-2010	45	44.1%
	2010-2016	47	46.1%
	<b>Total</b>	<b>102</b>	<b>100%</b>
Financial resources	Mixed capital	31	30.4%
	Equity only	71	69.6%
	<b>Total</b>	<b>102</b>	<b>100%</b>

*This table presents results related to the frequency of activity sector, age of firm creation and financial resources are presented. The first column presents different variables, which are activity sector, age of firm creation and financial resources. The second, presents characteristics related to these variables. The third, the number of each characteristic related to each variable and then, the fourth column present the percentage of each characteristic of different variables related to women entrepreneurs.*

Findings in Table 2 indicate that more than half of women entrepreneurs are working in the sector of general trade, 57.8%. This high rate of women entrepreneurs in the general trade sector is justified by the fact that the general trade sector is much more developed and does not require important skills to enter. Most women

entrepreneurs work in the general trade sector (Malika, 2001; Robichaud and Egbert, 1992; Sedina and Orpha, 2013). Most of the SMEs owned by women are young in DR Congo especially in Bukavu town. 44.1% of them were created in the years between 2000 and 2010 and 46.1% between 2010 and 2016 with an average age of 8 years. Thus, women are now starting to exercise activities once reserved to men (Balemba et al., 2014). However, most of these women use equity to finance their activities, either 69.6% while only 30.4% of these women used mixed capital. What characterizes women entrepreneurs to face the lack of financial resources in the exercises of their SMEs activities using equity is not sufficient and can be the obstacle to growth of their firms. This may be due to the fact that the majority of women are married, as shown in Table 1, and financed by their spouses with startup funds, which may not be sufficient to allow them to develop their firms. This problem of not using mixed capital can be related to the fact that women are risk averse and have some difficulties in accessing credit, following difficult access conditions, interest rates and the lack of guarantee. Most of the study related to obstacles of SME growth indicated that the lack of financial resources is the main obstacle to develop SME firms (for example, Janssen 2011; Hassan and Mugambi, 2013; Kalpana, 2016; Malika, 2001; ; Memba et al., 2012; Mohammed, 2011; Smith-Hunter and Joshua, 2010).

Table 3: Descriptive Statistic Related to Social Capital

Variables	Characteristics	Numbers	Percentage
Creative idea source	Spouse	27	26.5%
	Group or Association	3	2.9%
	Friends	9	8.8%
	Parents	8	7.8%
	Yourself	55	53.9%
	<b>Total</b>	<b>102</b>	<b>100%</b>
Reason of creation	Unemployment	34	33.3%
	Independence	15	14.7%
	family support	43	42.2%
	Market opportunity	10	9.8%
	<b>Total</b>	<b>102</b>	<b>100%</b>
Family history	Yes	63	61.8%
	No	39	38.2%
	<b>Total</b>	<b>102</b>	<b>100%</b>
Associated with entrepreneurial activity	Yes	74	72.5%
	No	28	27.5%
	<b>Total</b>	<b>102</b>	<b>100%</b>

*This table presents results related to the frequency of women entrepreneurs' social capital. The first column presents different variables, which are creative idea source, reasons of creation, family history and being associated with entrepreneurial activity. The second, presents characteristics related to these variables. The third, the number of each characteristic related to each variable and then, the fourth column presents the percentage of each characteristic of different variables related to women entrepreneurs.*

Findings indicate that women entrepreneurs do not have significant social capital required that can allow them to access credit, to have the resources to grow their businesses, to create their businesses by having all the information about the sector in which they wish to operate. Social capital can facilitate entrepreneurs' access to information and resources that are cheaper than those offered by financial institutions (Chiraz et Nouri, 2014). Thus, over half of women entrepreneurs had the idea of firm creation themselves, either 53.9%. Only 26.5% were encouraged to enter entrepreneurship by their husband to contribute to family income. Balemba et al. (2014) find similar results (Table 3). That is why 42.2% of women entrepreneurs are moving into entrepreneurship to support their family, 33.3% of them move into entrepreneurship because of unemployment and only 14.7% to be independent. Therefore, the reason to move into entrepreneurship is the main motivation pushing women to grow their activities and thus provide solution to poverty reduction of their environment (Sedina and Oprha, 2013). Thus, 61.8% of these women

entrepreneurs had at least one family member who is an entrepreneur. This result is similar with one find by Malika (2001), Robert and Alicia (2008) and contradictory to the one by Smith -Hunter and Joshua (2010). This means that the majority of women can benefit moral or financial support, learning of entrepreneur activities by working when young in family businesses. However, 72.5% of women were associated into entrepreneurial activities in their youth, which can build in them an interest to move in entrepreneurship.

Table 4: Women Entrepreneurs and SME Growth in Employment and Sales

Observation	Variables	Employment	Sales	Employment %	Sales%
1	Growth	31	56	30.4%	55%
2	Stagnation	42	31	40.8%	30.2%
3	Regression	29	15	28.8%	14.8%
	Total	102	102	100%	100%

*This table presents results related to the growth of SMEs owned by women. The first column presents different observations. The second presents different variables, which are growth, stagnation, and regression. The third column the employment numbers, the fourth column presents the sales number. The fifth column presents the frequencies of each variable related to employment and then, the sixth column presents the frequencies of each variable related to sales.*

Results in Table 4 indicate that only 30.4% of SME owned by women show an employment growth and 55% show sales growth. In Bukavu town, women entrepreneurs usually use family workforce. That is why it observed the low rate of job creation in SME owned by women. Thus, 62.7% of women entrepreneurs in Congo are married and their age is between 20 and 45 years. Smith-Hunter and Joshua (2010) find the same reality about the marital status of women entrepreneurs in Brazil. Following to this high rate of married women in entrepreneurship and their age that is between 20 and 45 years, it is considered that women are moving into entrepreneurship to bring contributions and solutions to their household income and expenses and then to be independent. This one completes research done by Balemba, Lukuitshi and Muhindo (2014). These results also indicate that 40.8% of SME owned by women entrepreneurs show a stagnation of employment, and 30.2% a stagnation of sales. This high rate of stagnation is explained by the fact that during the period of our study (2011-2016), job creation and sales growth are not proportional in different sectors due to cyclical fluctuations. There are activities sectors that are more developed than others and SMEs that are located in those sectors are experiencing rapid growth in sales compared to the others (Teurlai, 2004). Reasons why the present study focused in some activities sectors, for example, in Congo especially in Bukavu town, general trade is the most activity sector developed and dominated by the export-import activities (Balemba et al., 2013; Makunza, 2000; Mufungizi and Teimann, 2012). Some studies (for e.g. Bouazza, 2015; Bouazza et al., 2015; CGPME., and KPMG, 2012; Davidsson, 2006; Haibo and Gerrit, 2009) indicates the predominance of the general trade sector in countries under development. Therefore, 57.8% of women entrepreneurs act in the general trade sectors in Bukavu town. This high rate of women entrepreneurs in the general trade sector is justified by the fact that this sector is much more developed and does not require a lot of skills to enter. Those results are confirmed by some studies (for example, Malika 2001; Robichaud and Egbert 1992; Sedina and Orpha, 2013).

Table 5 shows the relationship between some variables related to female entrepreneurship and SME growth. The age of a woman entrepreneur has a positive relationship with sales growth and that relationship is significance at the 5% level. This means that when a woman entrepreneur is advanced in age, her firm is disposed to show a better sales growth as she acquired skills and abilities with age (Janssen, 2011; Hassan and Mugambi, 2013). Therefore, when a woman entrepreneur is advanced in age, she acquires loyal customers, controls market and entrepreneurial process. This can allow her to get sales growth. The same results were found by Janssen (2002), Janssen (2011), Teurlai (2004) and Bouazza et al., 20015.

The results in this table indicate also that the activity sector has a negative relationship with sales growth and that relationship is significance at the 5% level. Being in an activity sector negatively affect the sales

growth. It is based on the presence of little developed and competitive activities sectors in Bukavu town. Most of the women entrepreneurs work in the general trade sector which is more developed and show a high competitiveness level that do not allow a better sales increasing because it is staturated. Thus, 57.8% of women entrepreneurs work in the general trade sector. Teurlai (2004) showed that sales and employment growth in an activity sector depend on the sector’s competitiveness, in fact that activities’ sectors are developing differently. The logistic regression shows a positive relationship between the age of firm and sales growth and employment growth at the 5% and 1% significance level. This implies that the more the firm owned by women is advanced in age (year of creation), the more it is disposed to grow in employment and sales. With time, firms acquire loyal customers, control their environment, develop and grow activities and thus, create jobs to face that firm growth. These results contradict the one find by Janssen (2002) and Teurla (2004).

Table 5: Logistic Regression of Different Variables Related to Female Entrepreneurship and SME Growth

Variables	Sales Growth		Employment Growth	
	Coefficient	Sign.	Coefficient	Sign.
Age of woman entrepreneur	1.251981	(0.013)**	0.1552885	
Marital status	-0.4734802		-0.7337654	
Activity sector	-0.7172804	(0.032)**	0.463212	
Firm age	0.1133182	(0.011)**	0.1390018	(0.003)*
Used mixed capital	0.6466161		0.219495	
Education level	-0.3764879		-0.3092288	
Experience	0.1030412		0.0939386	
Idea of firm creation	-0.3998303	(0.032)**	-0.3253733	(0.045)**
Reason of firm creation	0.1601677		0.4667545	
Family history	0.9622394		-0.0949488	
Being associated	0.7346895		-0.0004201	
Constant	-3.017288		-2.038628	
Number of obs.	102		102	
LR chi2(11)	49.09		24.87	
Prob > chi2	0.0000		0.0095	
Pseudo R2	0.3593		0.2042	
Log likelihood	-43.764423		-48.459306	

*This table shows the relationship between some variables related to female entrepreneurship and SME growth. The first column presents different variables related to female entrepreneurship. The second column reports the logistic regression of sales growth and these different factors and then, the third column reports the logistic regression of employment growth and these different factors related to female entrepreneurship. Therefore, \*, \*\* and \*\*\* indicate significance at 1, 5 and 10 percent levels, respectively.*

The findings in the table also show the negative relationship between the idea of firm creation and sales and employment growth. This relationship is significance at the 5% level. This negative relationship between the origins of the idea of firm creation and sales and employment growth is explained by the fact that most women entrepreneurs are themselves interested to enter entrepreneurship, 53.9% of these women because of the lack of support. Therefore, they have insufficient social capital needed to grow their business. That is why having at least one family member who is an entrepreneur significantly increases the probability of 20% to grow sales.

Individual regression results presented in Table 6 reports that the age of women entrepreneurs influences positively and significantly the employment growth. The more a woman entrepreneur is advanced in age, the more she is predisposed to create jobs for other people. It is justified by the fact that most of the developed firms are owned by women advanced in age. That is why, the age of the firm also influences positively and significantly the employment growth. it is supposed that when a firm is advanced in age, it grows its activities and then needs additional workforce to improve its activities. The idea of firm creation

influences negatively and significantly the employment growth. Individual regression results of different independent variables and sales growth show that the majority of these variables influences individually and significantly the sales growth.

Table 6: Individual Regressions Results of Independent Variables and SME Growth

Variables	Coefficient	Sign.	Khi-Chi-Deux
<b>Panel A: Employment Growth</b>			
Age of woman entrepreneur	0.534	(0.050) **	4.044
Marital status	0.168	(0.644)	0.214
Activity sector	0.160	(0.475)	0.501
Firm age	0.105	(0.002)*	12.386
Used mixed capital	0.265	(0.572)	0.316
Education level	-0.397	(0.214)	1.633
Experience	-0.072	(0.877)	0.024
Idea of firm creation	-0.242	(0.054) ***	3.731
Reason of firm creation	0.311	(0.154)	2.084
Family history	-0.184	(0.681)	0.169
Being associated	-0.009	(0.985)	0.000
<b>Panel B: Sales Growth</b>			
Age of woman entrepreneur	1.119	(0.000) *	18.244
Marital status	0.716	(0.044) **	4.307
Activity sector	-0.751	(0.007) *	9.224
Firm age	0.133	(0.001) *	17.257
Used mixed capital	0.163	(0.710)	0.138
Education level	-0.445	(0.128)	2.444
Experience	0.249	(0.567)	0.331
Idea of firm creation	-0.334	(0.006) *	7.906
Reason of firm creation	0.422	(0.040) **	4.422
Family history	0.775	(0.076) ***	3.279
Being associated	0.420	(0.370)	0.810

*This table presents individual regression results of each independent variable separately and the two dependent variables which are sales growth and employment growth. Panel A shows individual regression results of each independent variable separately and the employment growth. Then, Panel B presents individual regression results of each independent variable separately and sales growth. The third column reports significance of all these individual regressions and, \*, \*\* and \*\*\* indicate significance at 1, 5 and 10 percent levels, respectively.*

## CONCLUDING COMMENTS

Most of the scholars in female entrepreneurship tried to understand the place and role of women entrepreneurs in a society, different barriers they face to develop their business and the determinants of female entrepreneurship. We have tried in this study to enrich these studies by analyzing SME growth owned by women and thus, raise up the relationship between female entrepreneurship and SME growth. It is a quantitative and exploratory study and used descriptive statistics and logistic regression to realize these objectives.

Findings indicate that SMEs owned by women show a better sales growth and a low employment growth. It is because women usually use family workforce (labor). This implies that the rate of job creation by women entrepreneurs is still low. The results of logistic regression indicates a positive relationship between the age of a woman manager and sales growth, negative relationship between activity sector and sales growth, positive relationship between firm's age and sales and employment growth and also, the negative relationship between idea of firm creation and sales and employment growth. Those findings imply that women entrepreneurs are still facing the lack of important financial and social capital necessary to develop their businesses and the gender issues in Congo. Because of this, they still struggle with inadequate financial

resources, significant social capital, and "gender" issues in the exercise of their activities, which constrain their businesses' growth. However, it becomes important to encourage women entrepreneurs by creating more training associations, financial and entrepreneurial education centers, trades training and financial support to allow them to improve their activities and thus contribute significant value added to their environment and GDP by creating employment.

Indeed, having captured sales on scales of a specified amount can constitute the first limit and can lead to subjective results. This choice is related to the fact that entrepreneurs in Bukavu town did not deliver real information related to the financial situation of their enterprises. The second limitation is related to the lack of using some important variables such as motivation, proactivity, innovation, risk taking and husband's occupation. A more comprehensive approach considering those limitations such as survival, access to credit, risk-taking, innovation, proactivity, the role of leadership, vision and growth of SMEs and cause of women entrepreneurial failure may contribute to complete results obtained in the present study.

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