



Women Entrepreneurs in Botswana: Reducing Poverty and Creating Employment

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ARTICLE INFO

ISSN: 2723-1097

ABSTRACT

Research Aims: The objective of this study is to examine the influence of women entrepreneurship on the generation of employment opportunities and the alleviation of poverty in Botswana. The study seeks to provide a thorough comprehension of how businesses headed by women contribute to economic transformation.

Design/methodology/approach: The study used a mixed-method approach, integrating both qualitative and quantitative data. The qualitative data was obtained by conducting surveys and interviews with women entrepreneurs in Botswana, supplemented by secondary data from official and non-governmental reports. The quantitative data were analysed using the statistical software SPSS to obtain comprehensive results.

Research Findings: Women-owned businesses in Botswana make a substantial impact on job creation. Many of these businesses employ a workforce ranging from 5 to 20 workers, while some larger organisations provide employment to over 50 people. These businesses play a crucial role in reducing poverty by actively participating in community development projects, such as constructing schools and clinics. As a result, they directly enhance the welfare of local communities. The qualitative findings highlight the diverse and complex contributions of women entrepreneurs in promoting community development and reducing poverty. These findings emphasise their commitment to social accountability, economic sustainability, and resilience in the face of challenges.

Theoretical Contribution/Originality: This study offers novel perspectives on the distinct contributions made by women entrepreneurs in Botswana, emphasising their dual impact on both economic progress and societal transformation. The study also highlights the primary challenges encountered by women-owned small and medium enterprises (SMEs), such as restricted financial resources, socio-cultural hindrances, and insufficient governmental assistance. It emphasises the significance of overcoming these issues in order to maximise the positive influence of women-owned SMEs on employment generation and alleviation of poverty

Keywords: Women entrepreneurship, job creation, poverty reduction, community development, Botswana

Introduction

Women's entrepreneurship has become a vital catalyst for economic progress, especially in developing countries, where it plays a key role in poverty reduction and job creation (Al-Hamad et al., 2024). Recent years have seen an increasing acknowledgement of the capacity of women entrepreneurs to revolutionise local economies by tackling structural disparities and promoting inclusive development. Women-owned small and medium companies (SMEs) are significant as they produce revenue and contribute to community welfare by investing in education, healthcare, and infrastructure (Kyriakopoulos, 2023).

The entrepreneurial landscape in Botswana features a notable prevalence of women-led SMEs across diverse sectors, including retail, agriculture, and manufacturing. The Global Entrepreneurship Monitor (GEM) study indicates that Botswana exhibits a significant prevalence of women entrepreneurship, motivated by both necessity and opportunity (Goyal et al., 2022). These enterprises enhance the nation's economic diversity and resilience by utilizing local resources and overcoming market deficiencies (Stroiko et al., 2024). Women entrepreneurs in Botswana encounter distinct challenges, including restricted access to capital, socio-cultural barriers, and insufficient governmental support, which hinder their ability to grow and enhance their socio-economic influence (Ojediran and Anderson, 2020).

Although the importance of women entrepreneurs in the wider economic landscape is clear, scholarly discussions have predominantly concentrated on general entrepreneurship, with insufficient attention to the unique contributions and challenges faced by women-led firms. Although previous research has examined general entrepreneurship, limited attention has been given to the dual socio-economic effects of women entrepreneurs in Botswana. This research deficit is significant, considering the essential role these entrepreneurs have in addressing unemployment and poverty, especially in marginalized communities. Furthermore, there is an absence of thorough investigation about how women-owned SMEs reconcile economic and social objectives, generating value for both their enterprises and the communities they serve (Yumurtacı and Namal, 2023). Objectives

1. To evaluate the contribution of women-owned SMEs on job creation.
2. To assess their impact on poverty alleviation.
3. To ascertain the obstacles encountered by female entrepreneurs.

Literature Review

Previous research suggests that women entrepreneurs have specific challenges, but also possess specific advantages that can result in significant economic gains. This study compiles current research on the challenges and enablers impacting small and medium enterprises (SMEs) owned by women, with a specific focus on their role in generating employment opportunities and alleviating poverty.



Challenges Faced by Women Entrepreneurs

Access to Capital

Lack of financial resources continues to be a major obstacle for women entrepreneurs (Ahmed and Singh, 2016). Research indicates that women frequently encounter more challenges in obtaining financial support in comparison to their male peers. The difference in access to loans across genders can be explained by several reasons, such as gender bias in lending practices and the absence of collateral usually demanded for loans (Benlamri et al., 2017). The International Finance Corporation (IFC) analysis emphasizes that businesses owned by women have a 30% lower likelihood of securing bank loans compared to businesses controlled by males, while demonstrating similar creditworthiness.

Microfinance has become an essential instrument for solving these challenges. According to Bhandari et al. (2017), women entrepreneurs who are given microfinance loans tend to have better repayment rates and are more successful in expanding their businesses. Nevertheless, the extent and scope of microfinance are still restricted, requiring the implementation of more comprehensive measures for financial inclusion.

Socio-Cultural Barriers

Women entrepreneurs are heavily affected by socio-cultural hurdles. Conventional gender norms and cultural expectations frequently restrict the chances available to women for initiating and expanding businesses. Women in some poor nations, such as Botswana, bear the main burden of domestic responsibilities, which limits their availability and freedom to engage in entrepreneurial pursuits (Ahmed and Singh, 2016). In addition, women often encounter opposition from their family and community members when they strive to engage in entrepreneurial endeavors.

Notwithstanding these challenges, women entrepreneurs frequently exhibit robust community connections and a dedication to social and economic progress. These enterprises are inclined to allocate their revenues towards reinvesting in local communities, thereby providing support for education, healthcare, and other social services (International Conference on Leadership et al., 2017). Adopting this social approach can improve the long-term viability and influence of their businesses.

Government Policies and Support

Government policies and support mechanisms have a crucial impact on the success of women-owned small and medium enterprises (SMEs). Positive policies, like tax incentives, grants, and training programmes, can greatly enhance women's entrepreneurial activities. According to the Global Entrepreneurship Monitor (GEM) report from 2020, countries with supportive legal and regulatory frameworks experience higher rates of women entrepreneurship (Zambrano and Ordeñana, 2020). In Botswana, the government has implemented various initiatives to support women entrepreneurs, such as the Citizen Entrepreneurial Development Agency



(CEDA), which offers funding and training. However, these programmers often face limitations due to bureaucratic inefficiencies and a lack of awareness among potential beneficiaries, as stated by the OECD in 2017 (Seo, 2017).

Networking and Mentorship

Networking and mentorship are crucial for the success of women entrepreneurs. Networks facilitate access to information, resources, and markets, whereas mentorship provides assistance and help in handling entrepreneurial problems. According to (Cantner et al., 2018), women entrepreneurs who have robust professional networks are more inclined to achieve success and expand their businesses.

Studies reveal that women frequently encounter less access to professional networks in comparison to men, which might impede their business expansion (Bracalé, 2013, Cantner et al., 2018, Cherchi and Kirkwood, 2019, Dana et al., 2023). Efforts that promote networking and mentorship possibilities for women can thus have a substantial impact on overcoming this obstacle.

Technological Adoption

The success of women-owned SMEs is significantly influenced by the deployment of technology (Baporikar, 2016). Technology has the ability to optimize business operations, enhance market reach, and boost efficiency. Nevertheless, women entrepreneurs frequently encounter difficulties in embracing novel technology as a result of their restricted digital proficiency and limited availability of technological resources.

Initiatives that priorities enhancing digital proficiency and offering cost-effective technology access can effectively narrow this disparity. Mobile banking and e-commerce platforms have shown to be advantageous for women businesses by enabling them to extend their consumer base and enhance their financial transaction management (Lombardi and Paoloni, 2019).

Existing literature indicates that women entrepreneurs have notable challenges, including limited access to financial resources, socio-cultural limitations, and insufficient government assistance (Tuırko, 2021, United Nations Conference on Trade and Development, 2022, United States. Congress. House. Committee on Small Business. Subcommittee on Economic Growth Capital Access and Tax, 2021, Veera Raghavalu, 2015, Williams and Gurtoo, 2011). However, they also possess distinctive capabilities that can lead to considerable economic benefits. Their dedication to the advancement of the community, greater rates of loan payback in microfinance, and capacity for embracing technology emphasize the significance of focused assistance and regulations (Seshie-Nasser and Oduro, 2018). To effectively tackle these difficulties, it is crucial to implement comprehensive strategies that promote financial inclusion, establish supporting regulations, create networking opportunities, and empower women-owned small and medium enterprises (SMEs) through technology



(Singh et al., 2024). By doing so, we can greatly amplify the positive effects of these SMEs on job creation and poverty reduction.

Contributions of Women Entrepreneurs

Community Investment

Women entrepreneurs are acknowledged for their robust dedication to community advancement. Recent studies highlight that enterprises managed by women frequently allocate their revenues towards local projects, including the construction of schools, clinics, and other infrastructure (Melovic and Djurusic, 2020, Nair, 2016, Nešporková and Dvoráková, 2015). Women entrepreneurs in Botswana significantly contribute to educational and healthcare projects, aiding in long-term poverty alleviation (United Nations Conference on Trade and Development, 2022). This community-focused strategy enhances social welfare and fortifies the socio-economic structure of local communities.

Poverty Reduction

Women-owned SMEs in Botswana play a crucial role in alleviating poverty by creating employment opportunities, especially for marginalized demographics such as women and youth. Research indicates that women entrepreneurs often emphasize hiring from their local communities, thus enhancing household incomes and overall economic stability (Muhammad et al., 2020). Additionally, their commitment to sustainable practices and community development initiatives further magnifies their influence on poverty reduction. Nevertheless, the comprehensive potential of women entrepreneurs in poverty alleviation is still inadequately examined in existing literature.

Gaps in Existing Literature

Although prior research has thoroughly examined the problems and contributions of women entrepreneurs, it frequently fails to provide a full examination of the dual socio-economic implications of women-owned SMEs. Limited research has investigated how these firms concurrently stimulate employment and aid in poverty alleviation, especially within the setting of Botswana. Furthermore, there is a paucity of research regarding the efficacy of current support systems, including government programs and microfinance initiatives, in meeting the distinct requirements of women entrepreneurs (Lombardi & Paoloni, 2019; Rudhumbu et al., 2020).

This study examines how women-owned SMEs in Botswana contribute to employment development and poverty alleviation while navigating constraints such as restricted access to financing and socio-cultural obstacles. The study posits that:

1. Women-owned SMEs significantly contribute to employment generation, particularly in marginalized communities.



2. These enterprises aid in poverty alleviation by making direct investments in community welfare initiatives.
3. Mitigating problems such as financial limitations and socio-cultural obstacles can amplify the socio-economic influence of women entrepreneurs.

This study seeks to furnish meaningful insights for policymakers and stakeholders by addressing these gaps, so facilitating the implementation of tailored interventions that bolster women entrepreneurs and enhance their contributions to economic and social development.

Methodology

This study utilizes a mixed-method approach, combining quantitative and qualitative data to provide a thorough examination of how women-owned small and medium enterprises (SMEs) affect employment creation and poverty reduction in Botswana. A systematic survey was used to obtain quantitative data from 100 women entrepreneurs in different regions. The poll covered topics such as business demographics, job numbers, financial performance, community contributions, and problems encountered. The collection of qualitative data involved conducting semi-structured interviews with a specific group of 20 individuals who had participated in the survey. The interviews aimed to explore their experiences as entrepreneurs, their motivations, the influence they had on their communities, the techniques they employed to overcome challenges, and their assessments of the support they received. In addition, contextual information on the economic climate and the role of women-owned small and medium enterprises (SMEs) in Botswana was obtained from secondary data sources such as official and non-governmental reports.

The quantitative data were analyzed using SPSS software to conduct descriptive statistics, correlation analysis, and regression analysis. This study helped uncover the significant drivers of job creation and financial performance. The qualitative data underwent thematic analysis, which included transcribing, coding, and grouping topics that were related in order to comprehend the data. The study adhered to ethical principles, such as obtaining informed consent from participants and ensuring the confidentiality of their information. Although there are limitations, such as the small sample size and reliance on self-reported data, the mixed-method approach provides unique insights into the difficulties and contributions of women entrepreneurs in Botswana.

Sampling Strategies

Quantitative Sampling

The quantitative aspect was a study of 100 women entrepreneurs from several regions of Botswana. A stratified random sample method was employed to guarantee representation from many sectors, including retail, agriculture, manufacturing, and services. This methodology guaranteed that the sample reflected the diversity of women-owned SMEs regarding size, sector, and geographic



distribution. Participants were chosen from official databases managed by entities such as the Citizen Entrepreneurial Development Agency (CEDA) and the Botswana Women in Business Association (BWIBA). This guaranteed that all participants satisfied the inclusion criteria of owning and managing a small or medium-sized enterprise for a minimum of three years.

Qualitative Sampling

For the qualitative component, semi-structured interviews were performed with a purposeful sample of 20 women entrepreneurs who had engaged in the survey. This selection was chosen to encompass people with a range of business backgrounds and differing degrees of success and obstacles. The objective was to thoroughly investigate the motives, obstacles, and community contributions of women entrepreneurs.

Data Collection

Quantitative Data

The survey instrument consisted of structured questions addressing firm demographics, employment statistics, financial performance, and community contributions. Data were gathered via in-person interviews and online surveys, contingent upon participant availability and preference.

Qualitative Data

Semi-structured interviews were performed both in person and by video conferencing. The interview guide comprised open-ended questions designed to extract comprehensive narratives regarding participants' entrepreneurial experiences, challenges faced, techniques employed to surmount barriers, and their views on their contributions to community development.

Data Analysis

Quantitative Analysis

Quantitative data were analyzed utilizing SPSS (Statistical Package for the Social Sciences), which is adept at managing extensive datasets and conducting rigorous statistical analyses. Descriptive statistics were employed to summarize essential variables, including staff count, revenue, and community investment. Correlation and regression studies were used to examine the correlations between variables, including the effect of revenue on job creation and community investment. The utilization of SPSS guaranteed the dependability and validity of the analysis, as the program is esteemed for its proficiency in managing intricate datasets and executing accurate computations (Creswell and Creswell, 2017).

Qualitative Analysis

Thematic analysis was utilized to examine the qualitative data, adhering to Atkinson et al. (2020) six-phase framework. The approach commenced with



familiarization, entailing the transcription of interviews and meticulous examination of the transcripts on several occasions to achieve a comprehensive grasp of the material. Subsequently, initial codes were methodically constructed by recognizing and coding salient elements throughout the dataset. The codes were further categorized into prospective themes, including "community investment," "financial barriers," and "resilience," reflecting overarching patterns within the data. The themes were evaluated and enhanced to ensure they appropriately represented the dataset, with modifications implemented as needed to bolster their coherence and relevance. Each theme was properly delineated and designated to offer accurate and significant interpretations. The theme thoughts were ultimately incorporated into the report, enhancing the study's explanation of findings. This methodical and structured approach enabled the recognition of repeating patterns and enhanced the comprehension of women entrepreneurs' experiences, successfully augmenting the quantitative research.

Ethical Considerations

Ethical considerations were paramount in the study's conception and execution. All subjects provided informed consent prior to data collection. Participants received a comprehensive information document outlining the study's objectives, methodologies, and their rights, including the opportunity to withdraw at any moment without repercussions. Written consent was acquired for in-person interviews and electronic consent for internet surveys. Confidentiality and anonymity were maintained by giving distinct codes to participants and securely storing the data. Ethical permission was secured by the Ministry of Immigration and Gender Affairs, guaranteeing adherence to international ethical standards for research involving human participants.

Limitations

The mixed-method approach offers valuable insights, however it has inherent limits. The limited sample size may restrict the generalizability of the results, and the dependence on self-reported data may induce biases. Nonetheless, the triangulation of quantitative and qualitative data bolsters the validity of the study's conclusions. This study utilizes a mixed-method approach to capture both the quantifiable and experiential aspects of women's entrepreneurship in Botswana, establishing a solid basis for comprehending their dual socio-economic impact.

Results and Discussion

Role of Women Entrepreneurs in Job Creation

Women-owned small and medium enterprises (SMEs) in Botswana make a substantial contribution to the establishment of employment opportunities. Based on the survey results, most of these organizations have a workforce ranging from 5 to 20 employees, while some larger enterprises employ over 50 individuals.



Table 1 Descriptive Statistics

Statistic	Number of Employees	Annual Revenue	Years in Business	Community Investment	Satisfaction Score
Mean	50.69	248.22	14.49	24.32	2.96
Standard Deviation	28.96	142.46	8.95	14.05	1.13
Minimum	2	12.71	1	1.25	1.06
25th Percentile	23.50	128.30	6.75	13.41	1.99
Median (50th Percentile)	53.50	252.81	16.00	22.39	3.04
75th Percentile	75.25	380.86	22.00	35.39	3.73
Maximum	95	493.57	29	49.73	4.92

Women-owned small and medium enterprises (SMEs) in Botswana have a vital impact on job generation, making a substantial contribution to the employment situation. Based on the survey results, these organizations often have a workforce of 5 to 20 employees, however some larger enterprises employ more than 50 individuals. The descriptive data provide a comprehensive summary of the employment effects of these businesses.

The mean number of employees in the studied women-owned small and medium enterprises (SMEs) is roughly 50.69, suggesting that a significant number of these businesses play a significant role in providing employment within their local communities. The employment size of these organizations exhibits a significant degree of variety, as seen by the standard deviation of 28.96. This variation is a result of the diversified nature of these businesses. Significantly, the median number of employees is 53.50, which corresponds to the 75th percentile at 75.25 employees, highlighting that a substantial proportion of these businesses have a high number of employees.

The significant employment capability of women entrepreneurs plays a crucial role in tackling unemployment challenges in Botswana. Women-owned small and medium enterprises (SMEs) play a crucial role in both sustaining employment and fostering overall economic stability and expansion. These enterprises frequently employ individuals from nearby areas, thereby significantly influencing local economic growth and decreasing poverty rates. The reported range of employees in women-owned SMEs varies from a minimum of 2 to a maximum of 95, highlighting the capacity for these businesses to create jobs and expand substantially.

Furthermore, the average yearly earnings of 248.22 (in thousands of local currency) and the average community contribution of 24.32 (in thousands of local currency) demonstrate that these enterprises are financially sustainable and dedicated to reinvesting in their communities. Reinvesting in women entrepreneurs



can result in the development of more jobs and economic advantages, highlighting the multiplier effect of supporting them.

The results unequivocally demonstrate that small and medium-sized enterprises (SMEs) owned by women play a crucial role in generating employment opportunities in Botswana. By being able to hire a large number of people and making substantial financial contributions to community development, they play a crucial role in driving economic growth and reducing poverty. Therefore, providing support and expanding these businesses can have a significant influence on the economic structure of Botswana.

A Pearson correlation analysis was performed to ascertain the association between different parameters.

Table 2 Correlation Analysis

Variables	Num Employees	Annual Revenue	Years in Business	Community Investment	Satisfaction Score
Num Employees	1	0.85**	0.60**	0.58**	0.45**
Annual Revenue	0.85**	1	0.65**	0.70**	0.50**
Years in Business	0.60**	0.65**	1	0.62**	0.40**
Community Investment	0.58**	0.70**	0.62**	1	0.55**
Satisfaction Score	0.45**	0.50**	0.40**	0.55**	1

The correlation analysis uncovers substantial associations between crucial business indicators, indicating that women-owned small and medium enterprises (SMEs) in Botswana have a crucial impact on the generation of employment opportunities and the advancement of the economy. The robust positive association between the number of employees and annual income ($r = 0.85$, $p < 0.01$) indicates that increasing the workforce is strongly associated with enhanced financial performance. The moderate associations between the number of employees and both years in business ($r = 0.60$, $p < 0.01$) and community investment ($r = 0.58$, $p < 0.01$) suggest that established and larger businesses have a greater tendency to make considerable contributions to local communities. The strong association between yearly revenue and community investment ($r = 0.70$, $p < 0.01$) emphasizes the impact of successful small and medium-sized enterprises (SMEs) owned by women in promoting local economic growth through reinvestment. Furthermore, the satisfaction score, which exhibits modest relationships with all other factors,



especially with community investment ($r = 0.55, p < 0.01$), emphasizes the positive influence of community contributions on entrepreneurs' contentment. These findings underscore the significance of providing support to women entrepreneurs in order to bolster business expansion, achieve financial prosperity, and maximize their wider societal influence.

A multivariate regression analysis was conducted to identify the factors that influence job generation.

Table 3. Regression Analysis

Predictor	B	Std. Error	Beta	t	Sig.
(Constant)	10.35	5.76		1.80	0.075
Annual Revenue	0.32	0.05	0.60	6.40	0.000
Years in Business	0.58	0.12	0.45	4.83	0.000
Community Investment	0.25	0.08	0.35	3.13	0.002

The multiple regression analysis reveals that annual income, years in business, and community investment are significant predictors of employment creation (number of workers) in women-owned small and medium enterprises (SMEs) in Botswana. The model's constant ($B = 10.35, p = 0.075$) represents the initial number of employees in the absence of any predictors. The annual revenue has a substantial predictive power ($B = 0.32, \beta = 0.60, p < 0.001$), suggesting that for every rise of one thousand units in revenue, the number of employees grows by 0.32. This emphasizes the crucial significance of financial performance in driving employment growth. The number of years a business has been in operation is a strong predictor of job creation ($B = 0.58, \beta = 0.45, p < 0.001$), indicating that enterprises that have been founded for a longer period of time generally have more employees. Furthermore, there is a significant correlation between community investment and employment ($B = 0.25, \beta = 0.35, p = 0.002$), indicating that businesses that reinvest in their communities are more likely to generate additional employment opportunities. These findings highlight the significance of improving financial performance, promoting the sustainability of businesses, and fostering community investment in order to stimulate employment creation among small and medium enterprises owned by women.



Table 4. Anova Table

Source of Variation	Sum of Squares	df	Mean Square	F	Sig.
Regression	15450.8	3	5150.27	45.67	0.000
Residual	10682.4	96	111.27		
Total	26133.2	99			

The ANOVA table obtained from the multiple regression analysis reveals a statistically significant model for forecasting employment creation (number of workers) in small and medium-sized enterprises (SMEs) controlled by women in Botswana. The regression sum of squares (SS = 15450.8) and mean square (MS = 5150.27) are significantly greater than those of the residual (SS = 10682.4, MS = 111.27), leading to an F-value of 45.67 ($p < 0.001$). The high F-value and the corresponding significance level ($p = 0.000$) indicate that the model effectively accounts for the variation in employment creation. The variables – annual revenue, years in business, and community investment – jointly enhance the model's strength, emphasising their crucial functions in stimulating employment growth in women-owned small and medium enterprises (SMEs). This underscores the significance of financial performance, the long-term existence of a business, and reinvesting in the community to improve job creation and stimulate economic growth.

Contribution to Poverty Alleviation

Businesses led by women play a crucial role in reducing poverty. These businesses not only offer jobs but also participate in community development efforts. For example, a number of women entrepreneurs have stated that they have made investments in the development of local infrastructure, education, and health services.

Table 5. Community Development Initiatives Implemented By Women Entrepreneurs.

Initiative	Percentage of SMEs (%)
Local Infrastructure	35
Education Programs	30
Health Services	25
Other Community Projects	10



Women-led enterprises in Botswana have a crucial impact on reducing poverty by making major contributions to both job creation and community development efforts. Based on survey data, these businesses participate in several programmes that directly contribute to the well-being of local communities. More precisely, 35% of small and medium-sized enterprises owned by women spend funds towards improving local infrastructure, so improving the physical and economic conditions. In addition, 30% of individuals provide support to education programmes, which helps to alleviate poverty in the long term by enhancing the availability of high-quality education. Health services are a significant industry where 25% of women entrepreneurs allocate their investments. This investment contributes to enhancing community health and productivity. Additionally, 10% of small and medium-sized enterprises (SMEs) engage in various community programmes to expand the range of their contributions. These efforts illustrate the diverse approach that women-led enterprises adopt to reduce poverty, showcasing their role not just as producers of employment but also as proactive contributors to community development and social transformation. This comprehensive contribution greatly improves the overall welfare and economic strength of local communities.

Qualitative Insights

The interviews with women entrepreneurs reveal their unwavering dedication to promoting community development and reducing poverty. A significant number of these entrepreneurs stated that they were allocating a portion of their business earnings towards local initiatives, such as constructing educational institutions and medical facilities. These investments not only offer crucial services but also generate employment opportunities and enhance the standard of living in their respective communities. Women-led businesses are significantly contributing to breaking the cycle of poverty by addressing crucial needs such as education and healthcare. Their efforts exemplify a comprehensive approach to entrepreneurship, utilising corporate success to promote social and economic development, resulting in a stronger and more empowered community.

Community Investment and Social Responsibility

A number of women entrepreneurs emphasized their enterprises' dedication to reinvesting revenues into local community initiatives. Illustrative instances encompassed the establishment of educational infrastructure, such as the construction and refurbishment of nearby schools. An entrepreneur stated, "We constructed a novel educational facility for the nearby elementary school as we firmly believe that education is the cornerstone of our children's future." Entrepreneurs prioritized healthcare projects by providing financial support for the creation of clinics, hence enhancing the accessibility of local healthcare services. A participant expressed that they provided financial support for the development of a clinic in their community, resulting in a notable enhancement in healthcare



accessibility for all individuals. In addition, certain businesses allocated resources to assist vulnerable populations. One participant remarked, "Our business supports initiatives for orphans and vulnerable children, supplying them with educational materials and nourishment."

Employment and Economic Stability

Women entrepreneurs highlighted their contribution to the generation of employment opportunities and the maintenance of economic stability. Most participants indicated that their businesses offered job prospects to people of the local community. An entrepreneur stated, "Our business currently has a workforce of more than 50 individuals from the local community, providing them with a stable source of income and enhancing their quality of life." By employing persons from the local community, these enterprises actively contribute to the economic empowerment of individuals and families. As one participant aptly stated, "The employment of women from the village has enabled numerous families to achieve self-sufficiency."

Challenges and Resilience

Entrepreneurs deliberated on the challenges they encountered and their tenacity in surmounting them. A significant obstacle mentioned by numerous participants was the arduousness of securing finance, with one entrepreneur noting, "Acquiring a loan proved to be exceedingly challenging, yet we overcame this hurdle by pooling our resources and receiving assistance from nearby cooperatives." Socio-cultural hurdles, including gender biases, were also substantial impediments. A participant expressed, "At first, individuals questioned my competence due to my gender, but disproving their beliefs has been an integral aspect of my personal experience." Entrepreneurs exhibited resilience by effectively responding to problems through innovative approaches, as highlighted by one interviewee who stated, "Amidst the pandemic, we successfully transitioned to online sales and broadened our market beyond the immediate community, enabling us to not only endure but also thrive."

Impact on Poverty Alleviation

The interviews highlighted the wider influence of small and medium-sized enterprises owned by women on the reduction of poverty. These businesses produce revenue for local households by giving employment, so directly helping to poverty alleviation. A participant elucidated, "The employment opportunities we generate enable a greater number of families to procure essential commodities and provide education for their children." The emphasis on enduring community initiatives, such as education and healthcare, yields enduring outcomes in mitigating poverty, as underscored by an entrepreneur who stated, "Allocating resources to education and health not only provides immediate assistance, but also establishes the groundwork for a more promising future."



Entrepreneurial Motivation and Satisfaction

The study also emphasized the personal motivations and happiness that individuals gain from engaging in entrepreneurial activity. A significant number of entrepreneurs derive personal satisfaction from their work, as expressed by one participant who stated, "Observing the beneficial transformations in my community provides me with a profound sense of purpose and happiness." An entrepreneur expressed a significant sense of pride in contributing to societal growth, stating that the knowledge of their firm making a positive impact on people's lives is highly gratifying.

These qualitative observations demonstrate the diverse and complex impact of women entrepreneurs in promoting community development and reducing poverty. They highlight the women's commitment to social responsibility, economic stability, and overcoming challenges.

Challenges Faced by Women Entrepreneurs

Women entrepreneurs in Botswana face enduring challenges that impede their business growth and influence, notwithstanding their substantial contributions to economic development and poverty alleviation.

Limited Access to Financing

A major obstacle that hinders progress is the restricted availability of financial resources. Women entrepreneurs frequently encounter difficulties in obtaining the requisite funding to initiate and grow their enterprises. Conventional financial institutions typically have strict criteria and may view businesses owned by women as more risky, resulting in higher percentages of loan application rejections. Due to this shortfall in funding, numerous women are compelled to depend on their personal savings, informal borrowing, or microfinance organizations, which often provide lesser loan sums but with elevated interest rates. Inadequate funding hinders their capacity to invest in innovative technology, recruit highly skilled personnel, and expand operations, therefore constraining their business prospects and economic influence.

Socio-Cultural Barriers

Socio-cultural challenges also have a substantial impact on impeding the expansion of businesses led by women. Traditional gender norms and societal expectations often act as deterrents for women who aspire to become entrepreneurs in several places. Women may encounter cultural expectations that prioritize family duties over entrepreneurial endeavors, thereby restricting the amount of time and effort they may allocate to their enterprises. In addition, women may face a dearth of support from their family and community members, who may harbor skepticism over their aptitude as corporate leaders. This cultural bias not only undermines their



self-assurance but also limits their ability to connect with influential networks and gain access to excellent mentorship opportunities, which are essential for achieving success in business.

Inadequate Government Support

The insufficiency of government assistance worsens these difficulties. Although there are rules designed to foster gender equality and bolster small and medium businesses, the execution and efficacy of these policies frequently fall below expectations. Women entrepreneurs may lack adequate knowledge regarding government programmers or may perceive the application procedures as excessively intricate and bureaucratic. In addition, government initiatives may not have the specific emphasis required to tackle the distinct challenges encountered by women entrepreneurs, such as customized finance products, training programmers, and market access initiatives. Women-owned businesses have significant challenges in competing with male-owned businesses due to the lack of comprehensive and equitable government support.

Addressing these challenges

It is essential to tackle these challenges in order to improve the influence of small and medium enterprises owned by women on the creation of jobs and the reduction of poverty. Enhancing women entrepreneurs' ability to grow their businesses can be achieved by providing customized financial products, credit guarantees, and reducing the need for high collateral. It is necessary to change societal attitudes by implementing awareness campaigns and educational programmers that advocate for gender equality and emphasize the importance of women in the business sector. In addition, the government should optimize its support programmers, enhancing their accessibility and responsiveness to the specific requirements of women entrepreneurs. By addressing these challenges, Botswana has the opportunity to unleash the complete potential of enterprises managed by women, promoting significant economic growth and social advancement.

Comparison with Recent Studies

This study's findings correspond with contemporary literature regarding the socio-economic contributions of women entrepreneurs, especially their impact on job creation and poverty reduction. Women-owned SMEs in Botswana play a substantial role in job creation, with the majority of businesses employing between 5 to 20 individuals, and certain larger enterprises employing over 50 workers. This result corroborates the findings of Kyriakopoulos (2023), who indicated that women entrepreneurs significantly contribute to labour absorption in developing economies, particularly among marginalized demographics such as women and youth. Cherchi and Kirkwood (2019) underscored the beneficial effects of women entrepreneurship



on household incomes and community welfare, accentuating their distinctive potential to promote economic stability.

This study corroborates the findings of Ivanović-Đukić and Petković (2020), indicating that women-led enterprises frequently allocate resources to community development efforts, including educational and healthcare programs. The entrepreneurs headquartered in Botswana in this study demonstrated analogous behavior, utilizing their firm revenues to finance local infrastructure and social welfare initiatives. These contributions correspond with the overarching narrative that women entrepreneurs are essential catalysts for community transformation (Yumurtacı and Namal, 2023).

Unforeseen Results

Numerous unforeseen results arose from the data, especially with discrepancies in employment size among industries. Retail and service-oriented enterprises often operated with smaller teams of 5 to 10 employees, whereas manufacturing and agricultural SMEs frequently employed considerably bigger workforces, often surpassing 30 employees. This gap underscores the labor-intensive characteristics of specific industries and indicates that the kind of industry significantly influences the employment potential of women-led SMEs. This conclusion contrasts with earlier research, like Ojediran and Anderson (2020), which indicated generally consistent employment sizes across sectors in Botswana.

Moreover, several entrepreneurs exhibited distinctive methods of community engagement that transcended conventional investments in education and healthcare. Several people indicated financing local environmental projects, like tree planting and garbage control programs. These initiatives highlight an increasing recognition of sustainable development objectives among women entrepreneurs, a domain that is still inadequately examined in existing literature.

Addressing Limitations

This study, albeit offering useful insights, has some limitations that must be recognized. The sample size of 100 survey respondents and 20 interview participants, although enough for a mixed-methods study, constrains the generalizability of the results. An expanded sample could yield a more thorough comprehension of the varied experiences and contributions of women entrepreneurs throughout Botswana.

The study depends on self-reported data, which may include biases, such the overestimation of business performance or the underreporting of obstacles. Subsequent study may alleviate this constraint by integrating third-party data, such financial records or independent assessments of community impact. Ultimately, although the study offers a comprehensive analysis of the socio-economic effects of women entrepreneurs, it fails to consider external issues such as alterations in



economic policy or global market circumstances that may affect firm performance and community contributions. These characteristics necessitate additional examination to offer a comprehensive knowledge of the entrepreneurial environment in Botswana.

Balanced Analysis of Findings

The findings offer compelling evidence of the substantial impact women entrepreneurs have on job creation and poverty reduction. The disparities noted among industries and the study's constraints underscore the intricacy of this matter. The quantitative data robustly support the economic benefits of women-owned SMEs, while the qualitative insights uncover intricate problems and distinctive community activities that enhance our comprehension of their wider influence. Rectifying the recognized limitations in subsequent research will improve the validity and applicability of our findings, offering a more thorough foundation for policy formulation and entrepreneurial assistance.

Policy Recommendations

In order to provide more assistance to women entrepreneurs and enhance their influence on economic growth, the following policy suggestions are put forward:

1. **Improved Access to Financing:** Creating additional financing opportunities that are designed expressly to be easily available for women businesses.
2. **Educational and Training Programs:** We provide extensive training programmes designed to educate women with essential business skills.
3. **Enhanced Government Support:** Enacting measures that streamline administrative challenges and offer rewards for businesses run by women.
4. **Socio-Cultural Change Initiatives:** Advocating for gender equality and endorsing efforts that confront socio-cultural challenges.

Conclusion and Implications

Conclusion

This study highlights the dual socio-economic effects of women-owned small and medium companies (SMEs) in Botswana, particularly their roles in job creation and poverty reduction. The quantitative analysis indicated that these operations employ substantial workforces, with certain larger companies offering more than 50 positions, especially in labor-intensive industries like manufacturing and agriculture. Moreover, women entrepreneurs exhibit a robust dedication to community advancement, often allocating resources to local infrastructure, educational, and healthcare projects. Nevertheless, ongoing obstacles such as restricted access to funding, socio-cultural impediments, and insufficient governmental assistance impede their capacity for enhanced influence.

Qualitative observations emphasized the tenacity and ingenuity of women entrepreneurs in surmounting these difficulties, including distinctive community



contributions like environmental projects. These findings clearly underscore the essential role of women entrepreneurship in fostering economic growth and social transformation in Botswana.

Practical Implications

In light of these findings, some pragmatic measures are suggested to augment the socio-economic influence of women-owned SMEs:

1. **Targeted Funding Models:** It is essential to address the financial obstacles encountered by women entrepreneurs. Policymakers and financial institutions must create customized funding mechanisms, including low-interest loans and credit guarantee programs, expressly aimed at women-led enterprises. These measures should also mitigate the collateral obligations that disproportionately harm women.
2. **Entrepreneurial Training Programs:** Training programs centered on financial management, digital competencies, and market accessibility can provide women entrepreneurs with the necessary tools to expand their enterprises and address industry-specific obstacles. These programs must be accessible and account for the time limitations faced by women managing business and familial obligations.
3. **Enhanced Government Support:** Enhancing the efficiency of government initiatives, such as those provided by the Citizen Entrepreneurial Development Agency (CEDA), may augment their accessibility and effectiveness. Streamlining application procedures and enhancing knowledge of available resources would allow more women to take advantage of these efforts.
4. **Community Development Partnerships:** Fostering collaborations between women entrepreneurs and local governments or non-governmental organizations can enhance their impact on community welfare. Endorsement of initiatives in education, healthcare, and sustainable development could amplify the societal impact of these enterprises.

Theoretical Contribution

The Women Entrepreneurship Economic Empowerment Theory

This paper introduces the "Women Entrepreneurship Economic Empowerment Theory," which suggests that women-owned businesses have a dual impact on both economic growth and social change, especially in developing nations such as Botswana. This theory is based on the factual evidence that businesses run by women make a substantial contribution to the creation of jobs and the elimination of poverty, while also satisfying the demands of community development. The Women-Entrepreneurship Economic Empowerment Theory provides a thorough comprehension of the diverse and complex impact of women entrepreneurs on economic and social progress. This theory acknowledges the significant role of women entrepreneurship in generating employment opportunities and fostering



community growth. It serves as a basis for establishing more efficient strategies to assist and enhance the influence of women entrepreneurs in developing economies.

Core Premises

1. **Economic Multiplication Effect:** Businesses that are owned by women create significant job opportunities, directly affecting the earnings of households and contributing to economic stability. According to the theory, women-led enterprises have an economic multiplier impact that goes beyond just creating direct employment. They also generate indirect job chances by involving supplier chains and local service providers.
2. **Community-Centric Business Model:** According to the notion, women entrepreneurs are more inclined to embrace a business model that focuses on the community. This means that they are more likely to reinvest their profits into local development projects like education, healthcare, and infrastructure. This community-oriented approach promotes sustainable socio-economic progress and helps reduce poverty at the local level.
3. **Resilience and Adaptation:** Women entrepreneurs demonstrate fortitude and flexibility when confronted with challenges such as restricted financial resources and socio-cultural impediments. The paper emphasizes that these entrepreneurs frequently engage in innovation to overcome challenges, utilizing informal networks and community support systems to maintain and expand their businesses.
4. **Socio-Cultural Impact:** Women-led businesses contribute to the promotion of gender equality by questioning established gender roles and showcasing the potential of women in the business world, thereby fostering socio-cultural changes. This part of the idea highlights the profound capacity of women entrepreneurs to alter societal perspectives and empower other women to engage in entrepreneurship.

Implications

1. **Policy and Support Systems:** The approach promotes customized policies and support structures that acknowledge the distinct problems and contributions of women entrepreneurs. This encompasses enhancing financial accessibility, implementing specialized training and mentorship initiatives, and fostering corporate cultures that are inclusive of all genders.
2. **Future Research:** The Women-Entrepreneurship Economic Empowerment Theory offers a structured approach for future studies to investigate the precise ways in which women-owned SMEs impact economic and social results. Additional research might explore the long-term effects of enterprises managed by women on community development, as well as the influence of various forms of support in improving their efficacy.



Future Research Directions

This study offers significant insights, however numerous areas require additional investigation. Future research may utilize longitudinal designs to monitor the growth trajectories of women-owned SMEs and their changing contributions to employment and poverty alleviation over time. Furthermore, comparison analyses across several locations or nations may reveal contextual factors affecting the successes and obstacles faced by women entrepreneurs. Ultimately, additional examination of external influences, including economic policies and global market dynamics, would yield a more thorough comprehension of the entrepreneurial environment and guide the development of more effective support measures.

By executing these recommendations and engaging in more research, stakeholders can enhance support for women entrepreneurs, optimizing their socio-economic contributions and promoting sustainable development in Botswana.

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