Assessment Task: Women as Entrepreneurs

Women as entrepreneurs (Individual activity)

Read the information below and answer the questions that follow.

Quite a number of businesses owned by women are registered. Women-owned registered or formal businesses generally dominate over informal businesses in the finance and investment, ICT, minerals and energy, construction, services and transport sectors. 65.5% of the women entrepreneurs who disclosed their turnovers generated revenues of over R100 000. A significant portion of these had turnovers of between R1 million and R5 million. The youth tend to run businesses with turnovers of more than R100 000. If one looks at the turnovers from a sector perspective one finds that:

- A large number of agriculture and construction businesses generate between R100 000 and R600 000.
- Minerals, energy and transport companies tend to generate over R1 million.
- ICT and service companies generate more than R100 000, with a large proportion generating more than R1 million. The same is true for retail companies as well as manufacturing businesses.
- A high proportion of finance and investment companies generate between R400 000 and R600 000 and over R1 million.
- Tourism and hospitality companies are widely spread with respect to turnover – from low-turnover companies generating below R100 000 to high-turnover companies. This also applies to arts and crafts type businesses. Very few of these companies generate turnovers beyond R1 million.
- Textile and clothing businesses generally generate less than R100 000.

Businesses with turnovers less than R100 000 generally originate from the Eastern Cape, Free State, Mpumalanga, North West and Northern Cape. Such businesses tended to be businesses that were:

- run by African women
- run by women between 50 and 64 years of age
- not registered, thus making it difficult to identify them for support purposes
- located in the rural areas and townships
- in the textile and clothing sector.

69% of women entrepreneurs are in operation for less than 5 years. A large proportion of women operated from their homes. The trend is for the premises to follow the type of sector that the women operate in. For example, women in the manufacturing sector operate from a factory, plant or industrial park. Women in the ICT and financial sectors tend to operate from office blocks.
Women business owners do contribute positively to our economy, with most employing between five and 10 people. Both formal and informal businesses contribute significantly towards employment with the slight dominance of formal businesses. Finance and investment, as well as manufacturing, agriculture and construction companies tend to employ more than 10 people. The arts and crafts sector is a high contributor to employment, since businesses in this area employee between five and 10 people.

(Source adapted from: Survey of women entrepreneurs. www.sawen.co.za)

| a) Name one positive way in which women entrepreneurs contribute to the economy. | 1 mark |
| b) Name five of the areas in which women entrepreneurs are active. | 5 marks |
| c) Name four features of the businesses that were surveyed with turnovers of less than R100 000. | 4 marks |

[Total: 10 marks]
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<th>Question number</th>
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| 1               | 20             | a) They create jobs; they earn an income and become active in the economy; they contribute to supply in various sectors. [1 mark]  

   b) Tourism; events management; financial sector; ICT; manufacturing; agriculture; construction; minerals; energy; transport; arts and crafts; clothing and textile. (any five) [5 marks]  

   c) These businesses were run by African women; run by women between 50 and 64 years of age; not registered; located in the rural areas and townships and in the textile and clothing sector. (any four) [4 marks]  |