

**Tracking the Pathways: Explaining Gender Differences in
Performance among Small Business Owners in a Transition
Economy**

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DECLARATION

I certify that the substance of this thesis has not already been submitted for any degree and is not currently submitted for any other degree or qualification.

I certify that any help received in preparing this thesis, and all other sources used, have been duly acknowledged in this thesis.

.....
Rosemond Aboagyewa Boohene

Some parts of this thesis have already been presented as conference papers, or have been published in conference proceedings, or yet to be submitted for review in international journals.

Conference papers and proceedings

Boohene, R, B Kotey, and A Sheridan. 2006. Why do male owner-managers perform better than female owner-managers? An investigation in a transition economy context. Proceedings of the 51st World Conference of the International Council for Small Business, June, Melbourne, Australia.

Boohene, R. 2005. Gender differences in performance among small business owners in Ghana. Paper presented at the 28th Annual Conference of African Studies Association of Australia and Pacific (AFSAAP), November, Armidale, Australia.

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Papers under review or yet to be submitted for review in international journals

Boohene, R., A Sheridan and B Kotey. Gender, personal values, strategies and small business performance: A Ghanaian case study. Equal Opportunities International (Forthcoming).

Boohene, R. and B. Kotey. Barriers to performance of female owner/managers in developing economies: A comparative study based on Ghana (Under review, Journal of Developmental Entrepreneurship).

Boohene, R. and B Kotey. Co-alignment between personal values, business strategies and firm performance of women-owned firms in Ghana.

DEDICATION

This thesis is dedicated firstly, to the Almighty God for the courage and strength He gave me during the period of writing this thesis and secondly, to my loving, caring and understanding husband Kwame Akonnoh Boohene and children; Kwame Awuradeaseda Boohene, Awura Ama Asiedua Boohene and Nana Ama Otubea Boohene for their unwavering support and sacrifices while I embarked on this journey.

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ABSTRACT

There is growing confidence among researchers in the ability of small businesses to play a vital role in economic development. This role is manifested through their contribution to innovation, job creation, and income generation. In transitional economies such as Ghana, small businesses comprise about 90 per cent of all registered enterprises and are recognised as a crucial and integral component of economic development policies aimed at sustained poverty reduction. The ability of the small business sector to contribute to economic development is influenced by the performance of individual firms, which is in turn influenced by their strategic capabilities. Strategic capabilities are determined by the owner-manager's personality and demographic and environmental characteristics. Owner-managers' personality characteristics originate from the prevailing cultural and socialisation processes to which they are exposed. In Ghana, women form the majority of operators in the small business sector, but their educational levels and managerial experiences are lower than those of their male counterparts. There are also gender differences in the socialisation of girls and boys in Ghana. It is expected that these differences in personality and demographics between men and women affect their strategic capabilities, and ultimately the performance of their businesses. This study accordingly examines the direct and indirect effects of gender on owner-managers' characteristics, strategic capabilities, and performance of small retail firms in Ghana.

A multi-method approach employing both quantitative and qualitative research methodology was utilised. Face-to-face interviews using structured questionnaires were employed to collect information from 674 owner-managers of small retail shops in the Accra Metropolis in Ghana. In all, 600 useable responses were obtained. In addition, focus group discussions were used to support the findings obtained from face-to-face interviews on issues relevant to business success. Structural equation modelling using partial least squares was employed to examine the relationships between gender, owner-managers characteristics, strategic capabilities, and firm performance. Results revealed that the gender of the owner-manager has a direct influence on performance, firm resources, business owner's skills, personal values, business experience, and education. In addition, a partial influence was observed for business strategies, but not for owner-manager's age.

Whilst existing studies stop short of exploring the direct effects of gender on one or the other of the variables that determine performance, this study breaks new ground by examining not only the direct effects of gender on all variables but also the indirect effects of firm resources, business owner's skills, personal values, experience, education, age, and strategies on differences in performance between the genders.

The findings suggest that assistance programs aimed at addressing differences in business performance between the genders should target differences in resources, personal values, education, and managerial experiences associated with strategic orientation. Furthermore, in addition to macro-level reforms, policies and programmes that address problems at the micro or grass root levels are necessary to improve the performance of the small business sector. Micro-level reforms require firstly identifying and defining problems, determining if government intervention is required and then designing and implementing programs to address them.

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