Women Entrepreneurs A Cross-Cultural Study of the Impact of the Commitment Competency on the Success of Female-Owned SMMEs in South Africa

Irene, B. N. O.

Published PDF deposited in Coventry University’s Repository

Original citation:

ESSN 2307-4531

Publisher: Global Society of Scientific Research and Researchers

Open Access licensed under a Creative Commons Attribution License

Copyright © and Moral Rights are retained by the author(s) and/ or other copyright owners. A copy can be downloaded for personal non-commercial research or study, without prior permission or charge. This item cannot be reproduced or quoted extensively from without first obtaining permission in writing from the copyright holder(s). The content must not be changed in any way or sold commercially in any format or medium without the formal permission of the copyright holders.
Women Entrepreneurs: A Cross-Cultural Study of the Impact of the Commitment Competency on the Success of Female-Owned SMMEs in South Africa

Bridget N.O Irene*

Doctoral Candidate, Cardiff Metropolitan University, Cardiff, United
Email: obyden@yahoo.com

Abstract

There are substantial theories and case studies linking culture and the development of entrepreneurial competencies. The commitment competency domain and its link to business success has also been identified in previous studies by various researchers. In a recent cross-cultural study of South African female entrepreneurs conducted by the researcher, the importance of commitment was highlighted by more than half of the participants. This paper reviews and reports the cultural differences in the development and application of the commitment competency among female entrepreneurs of the four government identified racial groups in South Africa (Black, White, Asian and Colored). A qualitative approach is utilized comprising semi-structured interviews and focus group discussions. The core of the interviews was a list of behaviors identified under the commitment competency domain from previous theoretical and empirical studies. Entrepreneurs were asked open-ended questions for exploratory purposes. Samples were drawn from female SMMEs operators in different cultures in South Africa. The data was analyzed qualitatively using thematic content analysis.

Whilst all participants from the four government identified racial groups agreed that the commitment competency is important for business success, only participants from one of the racial groups considered it vital to business success.

* Corresponding author.
Arguably, the commitment competency is valued more highly by female entrepreneurs in this racial group (White) than participants from the other groups. The data also revealed that some female entrepreneurs could be regarded as “serial entrepreneurs”, giving up entrepreneurship and taking up paid employment when they encountered difficulties, only to return to entrepreneurship again and again. Inferences can also be made from the findings on the “inability” of South African female SMMEs operators to sustain their businesses.

This study is the first to offer a comprehensive analysis of the cultural differences in the development and application of the commitment competency of South African female entrepreneurs. By identifying these cultural differences, the research provides a basis for an agenda for focus on training and development of female entrepreneurs in South Africa.

**Keywords:** Business success; Commitment; Culture; Entrepreneurial competencies; Female entrepreneurs.

1. Introduction

The South African government has, to a certain degree, recognized the importance of developing a strong Small, Medium and Micro Enterprise sector (SMME as they are referred to in South Africa), which could promote and achieve economic growth, wealth creation and the creation of jobs. To this end, the government has focused on the development of individuals considered to be previously disadvantaged (PIDs), especially female entrepreneurs [1, 2]. These female entrepreneurs are considered as late comers to the “game” of entrepreneurship and therefore thought to be lacking the adequate skills and competencies required to start and grow a business [3]. Though this gap is closing, women are still significantly outnumbered in the pursuit of higher education in business, engineering and sciences [4].

While education is not a requisite for the creation of new ventures, it provides the individual with the skills and training that are crucial to the success of the business. In 2003, [5] carried out a survey of South African entrepreneurs and published the results in the Global Entrepreneurship Monitor. The report revealed that a lack of training and education was a recurrent weakness in entrepreneurial activity in South Africa. Cultural and social norms were also identified as hindrances to the development of entrepreneurship in the country. The report of [6, 7] like other previous reports, identified two types of entrepreneurs: opportunity and necessity entrepreneurs. Opportunity entrepreneurs are those who discover or identify an opportunity or gap in the market place and embark on the entrepreneurial journey to fill that gap. The necessity entrepreneurs, on the other hand, embark on the journey out of a need to survive because they can no longer find jobs, have reached the peak of their careers (a glass ceiling), have just been made redundant with few prospects of procuring another job, or have few or no qualifications to get the kinds of jobs that can give them enough resources to take care of their family needs etc. The report by [6] further shows that men were more often opportunity entrepreneurs and women were more frequently found to be necessity entrepreneurs. Although government and non-governmental organizations have developed various strategies to promote and develop female entrepreneurs with the aim of tackling socio-economic issues, studies show that the participation of South African women in entrepreneurship remains low (see Table below: women’s participation by culture or race). Although women make up 51.3 per cent of the South African population (i.e. over 26 million), only 2.21 percent are actively involved in
entrepreneurship, with more female entrepreneurs giving up entrepreneurial activities for regular paying jobs yearly.

While it is recognised that there are ethical issues in categorizing South Africans by the racial groupings first used under Apartheid regime, these groupings are still used by the South Africa government to collect and report on economic activity. This researcher adopts a realist approach and utilizes this data in these categories.

**Table 1:** Occurrence in Business Activity by race, Source: Stats SA (2011)

<table>
<thead>
<tr>
<th>Race/Culture</th>
<th>Established Business Activity (male and female) (%)</th>
<th>Prevalence in South African Population (male and female) (%)</th>
<th>Female participation in entrepreneurial activities (N)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Africans</td>
<td>66</td>
<td>79.2</td>
<td>1,021,059</td>
</tr>
<tr>
<td>White</td>
<td>21</td>
<td>8.9</td>
<td>119,671</td>
</tr>
<tr>
<td>Coloured</td>
<td>2</td>
<td>8.9</td>
<td>21,535</td>
</tr>
<tr>
<td>Asian</td>
<td>8</td>
<td>2.5</td>
<td>10,354</td>
</tr>
</tbody>
</table>

2. Literature review

2.1 Culture

There is a relatively new but developing literature on the influence of culture on entrepreneurship, suggesting that culture is at the heart of many factors that trigger entrepreneurial behavior [8]. Thus, researchers like [9] contend that culture is a vital variable in the understanding of entrepreneurial behavior because entrepreneurship is bound by culture. To this end, Berger [10] posits that “because entrepreneurship is embedded in culture, such dynamics must be incorporated into our studies of it… modern entrepreneurship is a distinctly new variant of a timeless species, created and sustained by culture.”

Therefore various researchers have made attempts to reveal and expound upon this link between culture and entrepreneurship. Previous studies also have attempted to answer the questions like:

1. “Are there similarities or differences in the entrepreneurial motives across cultures”? [11]
2. “What is the effect of national culture on national innovation”? [12]

In all aspects addressed by the questions above, the findings indicate that culture plays an important role in entrepreneurship. However, some other studies suggest that there are more similarities than differences among entrepreneurs globally and that the differences that exist are between entrepreneurs and non-entrepreneurs. For example, [14], found that Israeli and American entrepreneurs were more similar in their attitudes regarding issues of accomplishment, association, independence, and power/control than non-entrepreneurs in their
respective countries. Also, McGrath, et al. [15] discovered that entrepreneurs share a set of “entrepreneurial values” regardless of nationality and cultural milieu which differentiates them from non-entrepreneurs. These arguments seem to suggest that entrepreneurs have the same values universally and their behavior transcends cultures.

In spite of these findings, entrepreneurial behaviors that are culturally specific cannot be overruled. Which is why, according to [14:592], “culture remains a powerful determinant of attitudes and explains key differences across entrepreneurs.”

Taking all these findings into consideration, it can be seen that although some characteristic traits and attributes among entrepreneurs appear to be universal, there still exist some culture specific traits and attributes. This has led to the fear of Marino, et al. [17] that failing to consider culture in the framework of entrepreneurial research, could lead to the biased conclusion that entrepreneurs in certain countries are more successful than others. He states, “The personal attributes of entrepreneurs may be the same in two different settings (countries) but entrepreneurial competency-mix will need a different portfolio for each context” [15:276].

According to [16] culture has an impact on a wide range of human behaviors, meaning that individuals react differently to the same situation. He also argues that the impact is also significant and consistent with societal values, and is peculiar and developed early in an individual’s life through socialisation. Researchers, such as Hofstede [18] and Triandis [19], argue that culture (national or individual level), can best be measured by behaviors of people with similar life experiences (socio-cultural environment). Therefore in this study, the cultural orientation of South African female entrepreneurs are examined with a view to understanding the effects of culture on the behavior that reflects entrepreneurial competencies.

Geletkanycz [19] conducted a study comprising of 1540 top managers across 20 countries on the effects of four cultural values (Hofstede’s dimensions) and on “openness to change.” It was discovered that a manager’s views of the organisation and the external contingencies they are faced with, as well as their choice of action, were informed by cultural values. The author in [19] also discovered that their “openness to change” was influenced by their cultural values, which in turn was reflected in their behavior and actions.

These findings have led researchers to develop measures to examine culture at the individual level, due to the fact that the Hofstede model is at the national level. The focus on the individual level has many advantages, especially for organizations [21, 22]. This is because, according to the author in [18], there is an advantage in linking individual cultural orientation with individual outcomes (i.e. job performance, satisfaction and commitment) to organizational outcomes (i.e. organizational performance and success). This, he argues, could provide a vital model for the study of entrepreneurship through understanding the impact of individual cultural values and beliefs on the behaviors that influence entrepreneurial competencies (in this instance, the commitment competency).

The present study is a cross-cultural study of female entrepreneurs across the four government identified groupings present in South Africa, and requires an understanding of the close link between cultural values and
individual behavior in order to understand how cultural values influence entrepreneurs differently (Black, White, Asian and Colored). According to [18:5], culture can be defined as the “collective programming of the mind which distinguishes the members of one group from another.” Culture can be studied from a national or an individual level because, as Singelis and Brown [23] are quick to point out, culture affects a person’s behavior and personality. They also argue that an individual’s attitude, values, and self-image are influenced by culture. Therefore, understanding culture at the individual level could enhance the understanding of the link between culture and behavior (individual).

2.2 Business success in female-owned SMMEs

Business success in the context of SMMEs can be defined simply as the ability to survive and remain in business according to Lussier and Pfeifer [24]. Generally, there is a lack of consensus among scholars over what is the best measure for business success, with some advocating the use of only financial indicators, such as profitability, turnover, ROI (return on investment), as a measure of business success [25], and others, such as Ramana, et al. [26], arguing that entrepreneurial success can be measured financially or non-financially. To this end, in their study of the influence of socio-demographic factors on entrepreneurship, the authors in [26], used growth in total sales and employment as a financial measure, while work experience and competencies were used as a non-financial measurement.

Accordingly, Walker and Brown [27] argue that as the motivation for some entrepreneurs does not include job provision (only the need to provide for immediate family) and business growth is therefore not a vital factor for these entrepreneurs. Also, most SMEs do not have financial statements and accurate records; consequently business success is determined through self-reporting and perceptions [28]. To this end, researchers such as Beaver and Jennings [29] propose the use of non-financial indicators to measure business success, because, according to them:

“Contrary to popular belief and a great deal of economic theory, money and the pursuit of personal financial fortune are not as significant as the desire for personal involvement, responsibility and the independent quality and life-style which many small business owner-mangers strive to achieve. Consequently, the attainment of these objectives becomes one of the principal criteria for success, as defined by the entrepreneur/owner-manager”. [29:63].

Other researchers, like Wiklund [30], contend that financial and non-financial indicators are complementary and should both be used in success/performance measurements. This is a view that is also supported by Buttner and Moore [31]. They argue that favoring one indicator over another in the measurement of success could lead to bias. To this end Murphy, et al. [32] caution that:

“Organisational performance is composed of multiple dimensions. Financial measures are necessary but not sufficient to capture total organisational performance. Thus, future studies should continue to include financial measures, but non-financial needs to be emphasised as well….closer attention to these performance measurement issues will allow empirical studies to be more precise and their results to be more meaningful. As
a result, a more reliable and consistent basis will be provided for theory building” [32:22].

While financial success affords a business sustainability and growth, non-financial indicators, such as achievement, accomplishments, and attainment of personal goals and objectives, are factors to be considered according to the authors in [24]. They proposed some non-financial indicators such as job satisfaction, greater independence, opportunity creation, encouraging new challenges and pursuit of personal interest, in measuring business success of female-owned SMMEs in South Africa. These are factors that have also been identified as women’s motivational factors for entrepreneurial activities.

Given the arguments presented above, both financial and non-financial factors were used in this study to measure success in female-owned and managed SMMEs in South Africa. The financial indicators used for the purpose of measuring the success of the female entrepreneurs operating in the context of SMMEs in South Africa included sales turnover, growth, ROI and market share. The non-financial indicators included customer satisfaction, retention, the entrepreneur’s satisfaction, reputation and goodwill of the business, employee satisfaction and good working environment/relations.

2.3 Commitment competency

According to Man, et al. [33], commitment competency refers to the behaviors that propel entrepreneurs to move ahead with their business. The clusters of behavior that reflect commitment competency include: (1) staying focused even in the face of failure and refusing to let the business fail; (2) committing to personal goals, for example, personal development which will in turn impact the business; (3) committing to hard work; (4) committing to good business practices; (5) committing to employees, customers and other stakeholders; (6) committing to the strategies of the business; and (7) committing to the long term goals of the business.

Mitchelmore and Rowley in 2013 argue that the success or failure of a SME depends largely on the capabilities of the entrepreneur. Researchers like [34], [35], and [36], have suggested refocusing attention on the individual behaviors that influence business outcomes (entrepreneurial competencies). It is also believed that business direction is determined by the decisions of the entrepreneur [37], decisions which are fashioned by their individual characteristics, knowledge, skills and capabilities (competencies).

According to [35], the entrepreneur needs to have personal strengths and to be committed. Previous characterisation of successful entrepreneurs seem to attest to the fact that successful entrepreneurs believe in themselves and their abilities to achieve set goals. Researchers like Timmons [38] have referred to them as individuals with remarkably high levels of strength, energy and drive, with the ability to work longer hours than their employees or people in paid employment. Thompson, et al. [39] also describes them as highly determined while [28] describe them as having the will to overcome obstacles and the drive to pursue goals and objectives.
Table 1: Examples of behaviors that delineates the commitment competency

<table>
<thead>
<tr>
<th>Clusters</th>
<th>Examples of Behaviour</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stay focused even in the face of failure*</td>
<td>An ability to stay focused and not be distracted by difficulties encountered in the course of running the business. An ability to restart the business again if it fails due to inability to plan commit to goals</td>
</tr>
<tr>
<td>Commit to personal goals*</td>
<td>An ability to commit to personal goals of self-development and the achievement of personal goals as a reflection of An ability to commit to achieving business goals.</td>
</tr>
<tr>
<td>Commit to hard work*</td>
<td>An ability to sustain one’s effort and commitment to the business even during internal and external crisis and tough competitive environment. Devote time to the business.</td>
</tr>
<tr>
<td>Commit to good business practices and belief/values*</td>
<td>Commit to the business for fulfilling personal values and beliefs regardless of competitor’s behaviours or pressure.</td>
</tr>
<tr>
<td>Commit to employees*/customers</td>
<td>An ability to commit to the business by being responsible for employees and ensuring their wellbeing. Committing to customers.</td>
</tr>
<tr>
<td>Commit to the long-term goals*</td>
<td>An ability to commit to long term goals rather than short term goals.</td>
</tr>
<tr>
<td>Commit to the business strategy*</td>
<td>An ability to commit to the business strategy and follow through to implement it.</td>
</tr>
</tbody>
</table>

Note: * refers to clusters identified in existing models for example, Man’s (2001) model, the model of Thompson et al. (1997) and the clusters identified by Noor [40].

3. Research methodology

The primary motivation for this qualitative study was to identify the behaviors that reflected the commitment competency among female South African entrepreneurs, and to investigate any cultural differences in these behaviors among the four dominant races in South Africa (Black, White, Asian and Colored). Therefore the sample was purposively targeted toward experienced female entrepreneurs considered to be successful in managing their businesses in order to gather a rich data. 50 interviews and 10 focus group discussions were conducted. The method of data collection for the first part of this study was mostly based on communication by means of face-to-face interaction with participants. Personal interviews were conducted with female entrepreneurs over a period of five months, following which focus group discussions were conducted. The entire data set was collected over a period of 10 months (March 2014-Dec 2014).

In choosing a data analysis method, the theoretical or analytical areas of interest in the study have been taken into consideration. Given the objectives of the study, a thematic approach was chosen to analyze the qualitative data because, according to Braun and Clarke [41], this form of data analysis tends to provide a more detailed analysis of some aspects of the data and less description of the overall data; it organizes and describes data sets in rich, minimal detail [41:6]. Also, coming from the constructionist paradigm of this research framework, thematic analysis cannot be separate from ‘discourse analysis’ or ‘thematic discourse analysis’ which allows for
broader assumptions, structures/meanings to be theorized behind what is actually expressed in the data [41].

Firstly, the transcripts from the interviews and focus group discussions were studied for evidence of behaviors that could be classified under the commitment competency domain. The transcripts were read several times to ensure that the researcher was familiar with the data before attempting to organize (or code) the themes [42]. According to the authors in [41], it is important to become familiar with the depth and breadth of the data through ‘repeated reading’ of the data in an active way to search for meanings and patterns. The behaviors that reflected commitment competency were highlighted from the transcripts and assigned codes based on the competency domains proposed for this study (i.e. commitment).

4. Findings and discussions

4.1 Participants Profile

All respondents participating in the current research were female. The personal demographic variables for which the information for this study was obtained included age, level of education, cultural orientation, prior work experience, prior management experience, business training and business motivation. An effort was also made to obtain responses from entrepreneurs in different business sectors to increase the richness of the data gathered and to identify a range of competencies that could inform the subsequent validation of existing models of entrepreneurial competencies.

Given that this study is a cross-cultural study, all four government identified racial groups in South Africa (Black, White, Coloured and Asian) were included in the sample.

![Cultural Orientation of Participants](image)

**Figure 1:** cultural orientation of participants

4.2 Discussions

4.2.1 Commitment competency

The data shows that 78 (61%) of the 128 responses in this qualitative study considered the commitment competency as vital to business success and all 128 of the respondents believe that business success requires a strong commitment from the entrepreneur.
Although the behaviors that reflect commitment took different forms, the data shows that the focus of the respondents was on “being patient and serious about the business.” According to some of the respondents:

“-----having patience and holding your conviction to know where you want to be is very difficult, but you need to have that in order not to be overcome by the events happening around you” (Renewable energy consultant).

“Really, her enthusiasm to get out of bed every day and do what she is doing and keep on doing it is what makes the difference in the life of a woman in business” (Retailer).

“-----And it's those qualities that I think helps one in business because you go through tough times and if I just learned to take the nice times out of life and give up when things are hard, I wouldn't be here today.”

“Also what I think is very important is to understand your own personal maturity and your ability to bounce back, because if you are not mature enough, if something were to go wrong in the business and you were hit with setbacks, coming back would be very difficult. And also it is very important to understand the nature of the people trying to assist you” (Life coach).

It is worth noting, however, that the notion of commitment was found mostly among the White female entrepreneurs (40%) and the Black female entrepreneurs (36%) who participated in this study. Only 4 per cent of the Asian respondents highlighted the commitment competency as important to business success, while 20% of the Colored respondents considered the commitment competency as important.

As stated earlier in the literature, previous studies suggest that female entrepreneurs in South Africa enter and exit the market at a 20% annual rate. Whilst the fact that only 78 (61%) out of 128 respondents identified with behaviors that reflected the commitment competency in running a business, it does not provide any explanation for the female entrepreneurs’ inability to sustain their businesses over a long period of time, as the failure rate for female owned businesses has been shown to be high. However, when it came to the behavior “Stay focused even in the face of failure,” Only 25 (20%) of female entrepreneurs out of the 128 who participated in this qualitative study identified with this behavior. The data also showed that more than half of the participants (92) could be regarded as “serial entrepreneurs” having started and managed two or more failed businesses. About 31 had been involved in business on more than five occasions, giving up businesses when it got tough and taking up paid employment (only to start again at a later date). As explained by some of the entrepreneurs, a business needs:

“Basically someone who is always solidly behind his company” (Restaurant owner).

“Someone that looks out for their customers and their employees” (Beauty products importer).

“I reflect back on where I've come from, why I started this business, and what I’d like to achieve with it. I don't believe that hardship is what should make us fall but rather what should make us stronger, and that is what I think when I speak about tenacity to rise above challenges” (Building contractor).
The last statement mentioned above is a reflection of behavior that shows a willingness not to give up on a business or a willingness to restart the business if it fails. It also speaks to the passion of the entrepreneur, which most female entrepreneurs agree is essential for success. Passion according to one entrepreneur “will make someone do things whole-heartedly.” This confirms the assertions by Timmons and Spinelli [4] that passion is important in entrepreneurship and gives the entrepreneur the ability to face uncertainties with a degree of calmness. The entrepreneur also highlighted staying committed to business goals allows them to remain focused on set goals and what they set out to accomplish.

In summary, the findings demonstrate a strong cultural undertone to the commitment competency. While White entrepreneurs (40%) confidently believe that a strong commitment to their businesses plays a positive role to outcome, Asian entrepreneurs did not attach much importance to the commitment competency nor did they consider it to be crucial to business success, with only 6.4% identifying with this competency. For Coloured entrepreneurs, only 17.6% attached some form of importance to the commitment competency, while Black entrepreneurs (36%) considered the commitment competency to be important to their success in business. The summary of the responses for commitment competency is found in table 2 below.

Table 2: Commitment Competency

<table>
<thead>
<tr>
<th>Commitment Competency</th>
<th>Cultural Orientation (SA Govt. Identified Groups)</th>
<th>Total Respondents N = 128</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clusters of Behaviors</td>
<td>Black N = 64</td>
<td>White N = 38</td>
</tr>
<tr>
<td>Base: All respondents</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stay focused even in the face of failure</td>
<td>10</td>
<td>8</td>
</tr>
<tr>
<td>Commit to the business strategy</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Commit to employees/ customers</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td>Commit to hard work</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Commit to good business practices and belief/values</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Commit to personal goals</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Commit to the long-term goals</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Total Responses (N)</td>
<td>28</td>
<td>31</td>
</tr>
</tbody>
</table>

4.2.2 Business success

Measuring business success in relation to SMEs has been a controversial issue, as stated in the literature review earlier. While some researchers propose measuring business success using only financial indicators (such as profit, sales turnover, increase in market share and return on investment), more recent studies suggest that non-financial indicators (such as personal satisfaction, personal growth and development, skills acquisition and
improvement, flexibility with time and lifestyle, business survival, staff and customer retention, as well as career progress) can be used to measure business success [27]; [43]; [44].

Participants in the interviews and focus groups discussions (in this present study) were asked “How do you measure business success?” The responses from the participants were compared with the propositions in the literature (such as examples proposed by [31]; [45]; [27]; [44]. The responses were further grouped into four sub-categories proposed by the authors in [27] and [46]: (1) financial measures; (2) lifestyle conditions; (3) social responsibility criteria; and (4) customer retention. Table 1 is a summary of business success indicators identified by the respondents. Business success was summarized by two of the entrepreneurs as:

“Success means freedom for me to express who I am and also for me to uplift and support others” (Renewable energy consultant).

“Success means having a venture that I can be proud of, so then it has to be a venture that has integrity and is sustained by my values and those of my partners” (Legal practitioner).

Table 1: Business Success Indicators Identified by Respondents

<table>
<thead>
<tr>
<th>Business Success</th>
<th>Cultural Orientation</th>
<th>Total Respondents N = 128</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer retention and goodwill****</td>
<td>Black N = 64</td>
<td>White N = 38</td>
</tr>
<tr>
<td></td>
<td>Coloured N = 16</td>
<td>Asian N = 10</td>
</tr>
<tr>
<td>Financial stability*</td>
<td>1</td>
<td>14</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Bringing value to other people around**</td>
<td>0</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>9</td>
<td>0</td>
</tr>
<tr>
<td>Contentment/ self-satisfaction**</td>
<td>1</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Work and family life balance**</td>
<td>2</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Growth*</td>
<td>1</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Bottom-line/ profit*</td>
<td>0</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Job creation***</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Staff Retention***</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Ability of the entrepreneur to develop</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>skills/competencies**</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Promote integrity and good values**</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Creating a lasting legacy**</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>Increased Market share*</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total Responses (N)</td>
<td>9</td>
<td>75</td>
</tr>
<tr>
<td></td>
<td>12</td>
<td>0</td>
</tr>
</tbody>
</table>

Notes: * financial indicators; ** lifestyle criteria; *** social responsibility criteria; **** customer retention criteria proposed by [47] and [27].
5. Conclusions and direction for future studies

This study was focused on understanding the impact of the commitment competency on the business success of female-owned and managed SMMEs in South Africa. More than half of the participants who participated in this qualitative study identified with behaviors classified as commitment competencies. The behavior that had the least common response under this domain was “Commit to long-term goals.” This could be linked to the literature that suggested that female-owned and managed businesses enter and exit the market at a 20% annual rate.

Notwithstanding the differences between the different cultural groups, the predictive strength of the relationship between commitment competency and business success carry a very strong message to all female SME operators in South Africa about the importance of developing commitment skills as critical to business success.

Given that the focus of this current study was not only to understand the effect of individual cultural orientations/values on the commitment level of female entrepreneurs in South Africa and its link to business success (but also to understand some business success measures for female entrepreneurs), it is recommended that future studies focus on cultural orientations as well as the “fit” between the cultural values of the entrepreneurs and the cultural values of the society in which they operate. The approach would explore whether or not the degree of similarity or difference between individual and societal values mediated the link between the commitment competency of female entrepreneurs and business success.

Business success, when viewed through the lens of entrepreneurial competencies provides female entrepreneurs with knowledge about the way they should run their businesses. Commitment competency on the other hand, draws awareness to the potential effects of their positive or negative behaviors, such as “commit to business strategy, long term goals, hard work and personal beliefs.” By identifying the behaviors that reflect commitment competency and their relationships with business success, the female entrepreneur can realize the necessity for the commitment competency and seek appropriate training. South African female entrepreneurs with the intention of expanding their businesses or operating in the national market have important and practical implications to consider regarding their differences in behavior. A good understanding of the importance of the behaviors associated with the competencies necessary for business operation enables female entrepreneurs to adequately prepare for entry into areas that are culturally different from their own.

A major limitation of this study is the generalizability of the results given that South Africa is a culturally diverse country. There are also many cultural groups within the Black population, and this study did not captured the diversity. It was a comparative study of four major governments identified racial groups and did not attempt to determine the generalizability of the results to other cultural settings within the races. Future studies, however, could explore this diversities within the races in order to validate culturally-based differences.
References


