Chapter 2

Women entrepreneurs in construction in a development context

What and where? (market niches)

2.1 Introduction

In the previous chapter the background, research design, demarcations, constructs, propositions and hypotheses were described. This chapter focuses on women entrepreneurs in construction in South Africa and the United States of America, briefly describing the wider international scene in context and referring to women entrepreneurs in general as not much has been published on women entrepreneurs in construction as such. This can be viewed as a limitation of the study. Indeed, other scholars have coined the phrase "the invisible entrepreneurs" to describe the lack of media coverage of women business founders and their companies (Langowitz 2004:1).

When it comes to the policy implications of women’s entrepreneurship, ‘one size does not fit all’. Therefore to be effective in enabling strategies the context of SA and of USA has to be considered respectively because one of the main findings of the GEM 2004 report on Women and Entrepreneurship is that women’s entrepreneurship tend to be more sensitive than men to conditions in their local environment (Arenius, Langowitz and Minniti 2005:13).

Even so a good start has been made by beginning to analyse the SA home situation in comparison to the United States of America and hopefully this thesis will ‘trigger’ similar studies in other countries so that more meaningful comparisons and analysis can be made in future studies. The empirical section of the study mainly deals with 'why' women entrepreneurs in construction entered this field endeavouring to establish if the success rate is linked to those reasons.

2.2 Entrepreneurship: America’s secret weapon

South African women in construction can learn a lot from the USA. Small businesses, especially those owned by women are changing the face of America’s economy. Timmons (1999:4) describes entrepreneurship as "America's Secret Economic weapon" and states that over 95% of the economic wealth in America today has been created by the 'Entrepreneurial Generation' of revolutionaries since 1980 and one of every three
households includes someone who has had a primary role in a new emerging business. Hisrich & Peters (1998:9) agree that "Entrepreneurship is the dynamic process of creating incremental wealth".

Compared with South Africa, American women entrepreneurs took the gap sooner in the market. According to Wickham (2001:71) women now lead half of all new businesses in the USA. Hisrich & Peters (1998:78) finds that “Women entrepreneurs tend to be more motivated by the need for achievement.” Wickham (2001:9) describes an opportunity as a gap in a market where the potential exists to do something better, enhance effectiveness and create value. The most important gap that women entrepreneurs in construction in the USA took was the development funds earmarked for gender equity. The World Bank spends approximately $40 billion on development projects per annum. A large percentage of these funds find their way to the construction sector, and is earmarked for qualifying women entrepreneurs. The World Bank's President, (Wolfersohn 2002) justified this approach and stated that family assets can be better used when they are made available to women especially where women can take the lead in terms of education of their children. Wolfersohn (2002) continues to state "I've seen that in the poorest countries, women have the worst deal, and so it's hardest to advance their cause." In 1970 women-owned USA businesses employed less than one million persons, and increased in 1991 to 12 million (Timmons 1999:5).

2.3 Uniqueness of women entrepreneurs

Women are unique. They have a "different touch", a "different point of departure" and a different "view of affairs", according to the Commission on Gender Equality report (CGE Mpumalanga 1998:53). "Because we are different yet striving for the same ideals ... we must play a decisive role on constitutional, political and community levels" (CGE Mpumalanga 1998:53). Women do not want to become like men as "...we need to liberate ourselves but without losing our gentle touch and femininity" (CGE Northern Province 1997:26,27). "We already have everything by just being women" (CGE Mpumalanga 1998:54).

A successful woman professor of Business Ethics at Auckland’s Unitec said: “Passion is what gets you up in the morning” (Smith 2000:97). Entrepreneurial ventures stem more from prior jobs with men, as compared with women where their ventures stem more
from hobby or interest (Kuratko 2001:152), “… patience and attention to detail, says the U.S. Small Business Administration, also contribute to the high success rate of women-owned businesses” (Davis & Long 1999:26).

According to The Women's Watch, "women are people too." "Every woman is a citizen of some country, an individual whose human rights and potential are as important as those of her brother, her father or her husband" (Women's Watch 1993:1).

Doman (1997:5) links this to empowerment: "Women all over the world have a lot to offer, ... it is time that better use of their talents and special leadership be made. Women's Empowerment will also lead to men's empowerment. When men realise this, there will be less resistance."

Baroness Jay highlighted that "... access to capital is one of the main stumbling blocks preventing women from starting their own businesses in greater numbers" (Wickham 2001:71). According to this source, Hillary Clinton mentioned that women lead half of all new businesses in the US, whilst in Britain this is only 30%.

A serious handicap preventing women from realising their entrepreneurial potential, is reliable, affordable and conveniently situated day care facilities for children operating on flexi hours to suit the entrepreneurial work situation of the mother. According to Berger & Buvinic (1989:1), "Women entrepreneurs seem to be invisible in Latin America". Their specific characteristics and needs are often overlooked and only "passing reference" is given to the importance of women's contribution.

"Women may be in the labour force but they are certainly not achieving their full potential" (Wickham 2001:71). High numbers of educated women are found in part-time jobs. A United Kingdom (UK) survey revealed that 18% of British mothers with a tertiary education work less than 20 hours a week. "There is a widespread general mismatch between women's skills and what they are actually doing, which means that, for the government, there is a serious issue about skilled, highly educated women dropping out of the labour force completely or working in jobs where their talents cannot be used to the full" (Wickham 2001:71).

This is contrary to the fact that “…female executives tend to lead in non-traditional ways, by sharing information and power" (Lumsdaine & Lumsdaine 1995:104).

Women inspire good work by “interacting with others, by encouraging employee participation, and by showing how employees' personal goals can be reached as they
meet organizational goals” (Lumsdaine & Lumsdaine 1995:104). This social leadership style is particularly relevant for sectors like the building industry where teamwork is important.

Women have difficulties getting financing “partly because of discrimination” (Dollinger 1999:217). “Clawing your way to the top without nails” is the phrase as mentioned in Chapter 1 that Sharon McCollick used to describe the scratching at the doors of banks to secure financing for her now successful business (Dollinger 1999:205). “Women usually rely solely on personal assets or savings” (Hisrich & Peters 1998:78).

Women are vulnerable because their support groups are spouse, family, women's professional groups and trade associations, as opposed to men who lean on friends, professional acquaintances and business associates (Hisrich & Peters 1998:78).

Socially, women are more "whole-brain oriented, more intuitive, more open to ideas and more people-oriented than thing-oriented" (Lumsdaine & Lumsdaine 1995:79). That leads to asking the question that if women are unique, what tendencies are there for women entrepreneurs in construction?

### 2.4 Women in non-traditional work (What?)

To answer the 'what?' the international scene is viewed firstly and then the African and local South African pictures and that of the United States of America are painted in context. According to the non-governmental organisation ‘Family Economic Self-Sufficiency’ (FESS 2003:1) Non-traditional Occupations (NTOs) are jobs often thought of as "men's jobs." For the United States (US) Department of Labour NTOs include "any occupation in which less than 25% of the workforce is female."

#### 2.4.1 International scene

Luxton’s paper on the politics of love and care (IICW 2002) highlighted ways in which women carry increasing burdens "reconfiguring the meaning of women’s work in a context of formal gender equality." The organisation ‘Internet System for Education and Employment Knowledge’ (ISEEK 2003:2) agrees with this view by stating that it is a myth that women cannot do hard or messy jobs, because many traditional female jobs like mothering and nursing babies are sometimes very "dirty and messy!"
Creating business opportunities for women in so-called NTOs "speeds economic development by raising productivity and promoting the more efficient use of resources; it produces significant social returns, improving child survival and reducing fertility; and it has considerable intergenerational payoffs" (UNDAF 2000). There is a worldwide shortage of project managers to take up development projects in construction, and according to ISEEK (2003:1) it is a myth that women are in NTOs as women only work "because of economic need."

This is a career development process and many researchers suggest that as more women enter the NTO labour force, "they will behave more like men in their career development. Others suggest that women's careers are different and likely to remain so in the near future" (Anna et al 1999:282).

The Development Bank of Southern Africa (DBSA) agrees with this as the economic need might be true for women in some construction jobs, but on a higher level, project management provides a window of opportunity for women (DBSA 2003).

For Reinhold (2003a:2) "this is not the age of Cinderella." Women can no more wait passively until their skills are discovered by a so-called NTO. They should open the window of opportunity and demonstrate what they could do. Droste (2003:1) notes, "Traditionally male-dominated fields are now drawing more women." Her-Own-Words™ (2003:1) presented a range of videos where women are involved in building construction, engineering, architecture, welding, highway construction and many other NTOs, with great success.

It can therefore be safely stated that women get involved in non-traditional occupations worldwide. The 8th International Interdisciplinary Congress on Women (IICW 2002) focussed on the links between "global shifts in production and the reorganization of women's work in the local context."

### 2.4.2 USA scene

The USA NAWIC Image November/December 2004 lists current non-traditional jobs as follows: detectives, architects, chefs, barbers, clergy, computer and office machine repairers, construction and building inspectors, machinists, truck drivers, fire-fighters, aircraft pilots, various construction occupations and small engine mechanics. As more women enter jobs previously dominated by men, many jobs once considered non-
traditional for women in the 1980’s were no longer non-traditional for women in 2002. Some of these non-traditional occupations are insurance sales, purchasing managers, photographers, physicians, chemists, postal service mail carriers, lawyers, athletes and protective service administrators (Overman 2004:15).

According to ISEEK (2003:1) during World War 2 "over 6 million women entered the labour force to build ships, airplanes and factory goods" and "many non-traditional jobs are less physical demanding than housework."

Weiler (2001:85) argues that the US National Association of Women Business Owners (NFWBO) reported 7.7 million women owned businesses employing 15.5 million people and generating $1.4 trillion in sales.

2.4.3 African scene

The Economic Commission for Africa (UNDAF 2000) reports that women are no more regarded as "dependent, vulnerable and disadvantaged, but as a category of people who are capable of taking control of their own lives by defining their needs and the strategies to fulfil them." UNDAF (2000) studies have shown that investing in women's education, health, family planning, access to land, inputs, extension and business opportunities, are "an important part of development strategy as well as a matter of social justice." Women's economic participation is essential not only for achieving social justice but also for reducing poverty (UNDAF 2000).

The term 'non-traditional sector' is also used in the literature to describe wider entrepreneurial opportunities. The term ‘wider’ business opportunities involves occupations other than teaching, nursing, secretarial, etc previously regarded as suitable occupations for females (ISEEK 2003:1).

2.4.4 South African scene

In the southern African sense this might be a contradiction as women in Africa have for centuries built their own homes. Many women in South Africa regard their involvement in construction as a natural return to what they did for centuries. This was said at the Housing Awards Ceremony held on 10 May 2002 by the Minister of Housing. "Women must take back the share in construction that is rightfully theirs. For centuries women in
Africa built their huts, houses and homes, clayed floors, thatched roofs, cultivated the land, made money and raised their kids, while men were busy with more important things elsewhere" (Mthembe-Mahanyele 2002). Those who call construction a non-traditional career for women in Africa, have short-term memories about African traditions.

The Global Entrepreneurship Monitor (GEM) South African Executive Report (Fox et al 2003:27) states that cultural and social norms have a significant role to play in reinforcing stereotypical perceptions of women and their role in entrepreneurship and should be challenged in order to stimulate female participation in entrepreneurial activity.

Moreover, "In the overwhelming majority of GEM countries the rate of entrepreneurial activity among men is far higher that among women. South Africa is no exception, with men being twice as likely as women to be new firm entrepreneurs and one and a half times more likely to be owner-managers of an established firm... On average, male owner-managers employ 3.5 people in comparison with female owner-managers who employ 1.7 people" (Fox et al, 2003:27).

Unfortunately the Global Entrepreneurial Monitor (GEM) report does not interpret this positively. Positively viewed, taking into account those women entrepreneurs came from a more disadvantaged and discriminatory background than men, their employment of 1.7 people on average is a significant achievement and in reality indicates entrepreneurial flair to have narrowed the gap to this extent.

2.5 International and USA tendencies of women in the construction industry

Firstly it should be stated that the building industry in both the United States of America and South Africa is cyclical (Choo 2004:19) and vulnerable to economic up- and downswings and environmental factors. A ten year review in the US (EPA 2004) reports a 40% growth in employment figures as against dropping employment figures for the building industry in South Africa the past five years (van Wyk 2003:1).

2.5.1 International tendencies

Several studies agree that when women take up 'men's work' they do it with proper planning and with the aim to increase profitability. Anna, Chandler, Jansen & Neal
(1999) used a MANCOVA (Multivariate analysis of co-variance) to assess the differences between women business owners in traditional businesses versus women in non-traditional businesses. They found that women owners of non-traditional businesses had a higher venture efficacy for planning and higher expectations for profit than women owners of traditional businesses, while women in traditional businesses had a higher career expectation and expectation for security than the non-traditionals (Anna et al 1999:293). In contrast with Anna et al (1999) Cliff (1998: 523) as well as Allen and Truman (1992) found that female entrepreneurs are more concerned about risk than male entrepreneurs. Women entrepreneurs also tend to set thresholds to where their businesses should grow. These thresholds represent the size that they are comfortable managing, and to "balance work and personal life."

Against that background women's participation in this industry can be viewed through the literature to detect possible tendencies. The UN Trends and Statistics of the World's Women (United Nations 2000:109) indicated that women comprise an increasing share of the world's labour force, the informal sector is a larger source of employment for women than for men, and self-employment for women increased. Women pursue entrepreneurial careers in the informal sectors because they need to balance their labour-market work with their household responsibilities, as explained by the United Nations (2000:115).

According to ISEEK (2003:1) the vast majority of new "job requirements are unrelated to sex." The tendency is that women also make an increasing contribution to construction the same way they already do in agriculture. Women produce as much as 80% of the food in some African countries (UNDAF 2000).

2.5.2 USA tendencies

Weeks 2004:4 relates that for the USA, construction is the fastest growing non-traditional industry in terms of women entrepreneurship, quoting a 35,5% increase in number of women-owned firms from 1997 and 2002, a 69,9% increase in employment of women and 94,3% increase in revenue. It is fair to say that the economic clout of women-owned construction firms is increasing in the USA. The same tendency is implied in SA from the growth in membership of South African Women in Construction from 80 in 1998 to 508 in 2003 (Verwey 2003). FESS (2003:2) notes that for the US
District of Columbia "Construction is one of the employment sectors that have been identified as a growth sector for the region." In order to benefit from this tendency they proactively developed a comprehensive training program for women entrepreneurs in construction. In California non-traditional training programmes were developed for women entrepreneurs to benefit from business opportunities in the booming construction industry (FESS 2003:2).

The following figures and tables will give an indication of the industry in total for US:

**Figure 2.1** U.S. Construction Market, 1995-2004 (Starts, Bil $)

![Figure 2.1 U.S. Construction Market, 1995-2004](image)

(Young 2004:10)

**Table 2.1:** US Total Construction for 2000-2004

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Construction</td>
<td>473.1</td>
<td>495.9</td>
<td>501.7</td>
<td>505.6</td>
<td>508.9</td>
</tr>
<tr>
<td></td>
<td>+6%</td>
<td>+5%</td>
<td>+1%</td>
<td>+1%</td>
<td>+1%</td>
</tr>
<tr>
<td>Single Family Housing</td>
<td>177.0</td>
<td>186.9</td>
<td>214.2</td>
<td>230.5</td>
<td>226.0</td>
</tr>
<tr>
<td></td>
<td>+8%</td>
<td>+6%</td>
<td>+15%</td>
<td>+8%</td>
<td>-2%</td>
</tr>
<tr>
<td>Public Works</td>
<td>77.8</td>
<td>83.5</td>
<td>87.6</td>
<td>78.9</td>
<td>80.5</td>
</tr>
<tr>
<td></td>
<td>+5%</td>
<td>+7%</td>
<td>+5%</td>
<td>-10%</td>
<td>+2%</td>
</tr>
<tr>
<td>Electric Utilities</td>
<td>13.5</td>
<td>23.6</td>
<td>12.0</td>
<td>9.3</td>
<td>7.5</td>
</tr>
<tr>
<td></td>
<td>+43%</td>
<td>+75%</td>
<td>-49%</td>
<td>-23%</td>
<td>-19%</td>
</tr>
<tr>
<td>Income Properties</td>
<td>112.3</td>
<td>103.1</td>
<td>92.9</td>
<td>92.9</td>
<td>100.9</td>
</tr>
<tr>
<td></td>
<td>+4%</td>
<td>8%</td>
<td>-10%</td>
<td>0%</td>
<td>+9%</td>
</tr>
<tr>
<td>Institutional Buildings</td>
<td>83.6</td>
<td>90.7</td>
<td>89.7</td>
<td>88.6</td>
<td>88.1</td>
</tr>
<tr>
<td></td>
<td>+4%</td>
<td>+9%</td>
<td>-1%</td>
<td>-1%</td>
<td>- 1%</td>
</tr>
<tr>
<td>Manufacturing Buildings</td>
<td>8.9</td>
<td>8.1</td>
<td>5.3</td>
<td>5.5</td>
<td>6.0</td>
</tr>
<tr>
<td></td>
<td>-22%</td>
<td>-8%</td>
<td>-35%</td>
<td>+5%</td>
<td>+9%</td>
</tr>
</tbody>
</table>

(Young 2004:10)
The trades magazine the NAWIC Image (NAWIC 2004:29) relates for the USA that according to Zweigwhite’s 2004 Principals, Partners & Owners survey of Environmental Architectural Engineering and Property Consulting Firms the percentage of leaders predicting improvement in the business environment over the next year is on the rise. Survey data shows that the majority of architectural and engineering consulting firm leaders (68%) believe that the business environment will improve over the next year. Zweig goes on to say that multiple signs show things are improving in many sectors and that the demand for what the construction industry is doing is going to be there finally after having suffered a few tough years. This is confirmed by NAWIC (2004:10) quoting the McGraw-Hill Construction source that states that for the first three months of 2004 total construction contract values were up seven percent compared to a year ago.

### 2.6 SA tendencies of women in the construction industry

In contrast to the USA the SA building industry battles with a mismatch in available and required skills and a high rate of enterprise failure related to overregulation, poorly drafted regulations or poor implementation of good regulations according to John Orford of the Centre for Innovation and Entrepreneurship at the University of Cape Town (Ueckermann 2004: 7). The ‘cidb’ (2004: 17) concurs with this view predicting that medium- to long term investment growth is indicated for the SA Construction industry. In addition to market criteria that determine investment decisions, constraints according to the construction industry development board (cidb) include capacity and the perception of construction as a high-risk, low-reward sector. The industry is being expected to grow in a low-profit, over-competitive environment characterised by business failure. Lawless (2005:1) summarises the industry as paradoxical with dilemmas faced being too many of some skills, too few of others, some are too young and inexperienced and others too old, retired or immigrated and the chicken and egg situation of ‘no job-no experience, no experience-no job!’ She concludes to say that projections show an increase of work, but not in skilled people. The industry is challenged to grow and deliver, to improve its performance and capacity, and to achieve empowerment objectives.

Even so government and private sector are working jointly to create an enabling environment for the industry and the progress made by putting a construction transformation charter in place united the industry in a pledge to jointly take up the challenge in SA.
Table 2.2: SA Total Construction for 1999-2004  
(Format adapted to match the format of US as far as possible)

<table>
<thead>
<tr>
<th>INVESTMENT IN YEAR</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>R million</td>
<td>10734</td>
<td>11035</td>
<td>11841</td>
<td>12066</td>
<td>12090</td>
<td>12453</td>
</tr>
<tr>
<td>% change</td>
<td>-1.2%</td>
<td>2.8%</td>
<td>7.3%</td>
<td>1.9%</td>
<td>0.2%</td>
<td>3.0%</td>
</tr>
<tr>
<td>Non-Residential</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>R million</td>
<td>13752</td>
<td>14183</td>
<td>13843</td>
<td>14327</td>
<td>15187</td>
<td>16554</td>
</tr>
<tr>
<td>% change</td>
<td>-5.6%</td>
<td>3.4%</td>
<td>-2.4%</td>
<td>3.5%</td>
<td>6.0%</td>
<td>9.0%</td>
</tr>
<tr>
<td>Total in Buildings</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>R million</td>
<td>24486</td>
<td>25219</td>
<td>25684</td>
<td>26393</td>
<td>27277</td>
<td>29007</td>
</tr>
<tr>
<td>% change</td>
<td>-3.7%</td>
<td>3.2%</td>
<td>1.8%</td>
<td>2.8%</td>
<td>3.3%</td>
<td>6.3%</td>
</tr>
<tr>
<td>Construction works*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>R million</td>
<td>17532</td>
<td>17885</td>
<td>18937</td>
<td>20338</td>
<td>21660</td>
<td>22310</td>
</tr>
<tr>
<td>% change</td>
<td>-5.6%</td>
<td>2.0%</td>
<td>5.9%</td>
<td>7.4%</td>
<td>6.5%</td>
<td>3.0%</td>
</tr>
<tr>
<td>Total construction</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>R million</td>
<td>42018</td>
<td>43104</td>
<td>44621</td>
<td>46731</td>
<td>48937</td>
<td>51317</td>
</tr>
<tr>
<td>% change</td>
<td>-4.5%</td>
<td>2.6%</td>
<td>3.5%</td>
<td>4.7%</td>
<td>4.7%</td>
<td>4.9%</td>
</tr>
</tbody>
</table>

(Brooke 2001:9)

Figure 2.2 The SA Construction Industry Development Board Status Report 2004

From the tables and figures 2.1, 2.2 and figure 2.3 it is clear that the different types of construction in SA and USA significantly differ in value, scope and tendencies. The USA performed better overall, but percentages shows larger negative movements in 2002.
compared to SA, probably as a result of the Sept 11 shock, in income properties and manufacturing buildings.

**Figure 2.3 SA Contractual Environment per quarter for Contract Types 2002-2004**

(SAFCEC 2004:13)

When it comes to women entrepreneurs in construction, research done by the SA Department of Public Works cited by Minister Stella Sigcau in her 2004 message published in the 2004 Annual Report of South African Women in Construction (SAWiC), ‘women constitute just over 10% of emerging contractors registered on our database. By comparison in North America of the 9.5 million participants in the construction industry, about 934000 (10%) are women. This says we are in line with the pace of the developed world…’ (Sigcau 2004:5). Looking at management profiles in the construction sector, women amount to only 8% (‘cidb’ 2004:36).

Unfortunately the SA Construction Education Training Authority (CETA) (2002:8) reported that the tendency in the SA construction sector is that skills in technical expertise and traditional craftsmanship are still declining at an alarming rate, and where people are still active in these trades, the high average age causes concern. Opportunely WCEs should view this as a window of opportunity to fill the gap.

According to Ntsika (1999:27) there were nearly 4000 women self-employed in construction. This represents only 5% of the construction sub-sector. In 1996 women were predominant in Education and Related activities (69%); followed by Textile and clothing (50%); Health and social work (46%) and Catering (45%).
The number of women involved in construction is also related to the size of the firms. Ntsika (1998a: 7) found that "women's businesses tend to be smaller; with fewer assets and smaller profit margins... women tend to concentrate on the micro and survivalist categories of enterprises... This allows women to combine productive activities and family responsibilities." These findings might be outdated as women entrepreneurs in construction enter the industry also because of 'positive pull factors'.

Contrary to Ntsika's 1998 findings, Stats SA (2003:vii) found that the percentage employed in Construction grew from 5.0% in February 2000 to 5.2% in September 2002. Interesting to note that of the people involved in "Formal Construction" 8% were women against the 12% women in "Informal Construction" (Stats SA 2003:2.4.2, 2.4.3). The above-mentioned Ntsika studies of 1999 and 1998 came to the conclusion that women entrepreneurs find their niche in the informal sector, but failed to mention the tendency that the employment in the informal sector more than doubled in any case for males and females due to the decline in job opportunities in the formal economy since 1994.


Also diverging from the Ntsika findings, women entrepreneurs do enter the world of big business. At the signing of the Memorandum of Understanding MoU between the South African Women's Entrepreneurial Network- Department of Trade and Industry (SAWEN-DTI) with the Johannesburg Stock Exchange (JSE) on 29 April 2003 Newton-King (2003:2) noted SAWEN has great potential to create a new body of entrepreneurs. Deputy Minister Lindiwe Hendricks (2003:3) stated that co-operation with the JSE will fill the gaps in women's knowledge of how stock markets work.

Busi Mabuza (2003:1) of the Women's Private Equity Fund concurrently demonstrated how the DTI JSE MoU could lead to increase the participation of women in the economy. Having been informed of the magnitude of women involvement in the industry leads to the next question: Where are the niche markets for women in construction?
2.7 Women's market niches as construction entrepreneurs

Regarding niches in business Ntsika (1998:79) reported that "even though women tend to dominate certain sub-sectors and industries (for example, clothing manufacturing, arts and crafts, and trading) their position in the survivalist category means they cannot access niche upper end markets." Ntsika (1998:80) states that women are not free to take up any business niche because "the reality is that there are many societal practices based on cultural beliefs, customs and religion, which still discriminate against women ... to be minors in the eyes of the law ... wife's capacity to contract, inherit or own property and to litigate are not fully recognised ... Instead their male counterparts remain guardians and heads of the household."

Due to the lack of skills and experience women and youths in Africa do not have a variety of choices where to work. The Federation of African Women Educationists (FAWE 1995) estimated that youth unemployment rates in Africa are about three to four times higher than for older workers. Among women it is two to three times higher than among men, partly through gender biases, but also because about 60 per cent of African women over 15 are illiterate. In such poverty situations women thus do not have any preferences regarding niches in construction, but take what they get.

The National Women’s Business Council (NWBC) 2002 brochure reports for the USA that an estimated 10,1 million privately-held businesses in which women own 50% or more of the company. The 10,1 million women- and equally-owned firms employ 18,2 million people and generate $2,32 trillion in sales. Majority women-owned firms employ 9,2 million workers and generate $1,2 trillion in sales. An estimated one in five women-owned businesses is owned by a woman or women of colour. The number of majority-owned, privately-held women-owned business grew by 14% between 1997 and 2002, compared to 7% of all US businesses. Employment increased by 30% compared to 18% nationally and revenues rose by 40%, the same as the increase among all US business.

The NWBC brochure 2002 relates about the US that the fastest growth rates among women-owned firms are in 'non-traditional industries’, including construction (36% increase in the number of women-owned firms between 1997 and 2002). The USA National Association for Women in Construction (NAWIC) memberships increased since 1998. The South African sister association SAWiC's female membership also showed a growth tendency from 80 in 1998 to 508 in 2003 (Verwey 2003).
It is of significance to note that according to the NAWIC database, of the 2227 NAWIC members that listed an occupational code on their database, 50% of their members are working in big companies and corporations, 32% falls within the service provider category and 1% are in the trades. Only 15% of their members are owners of a construction enterprise (Naybor 2004).

This is in contrast to the SAWiC database of 508 women entrepreneurs in construction that indicated where they found niches (Verwey 2003). The SAWiC membership makes provision for four categories of members. Of the 508 women on the database 392 or 77% indicate that they are contractors (business owners and entrepreneurs); 82 or 16% service providers; 25 or 5% trades persons and only 9 or 1.8% employees or from the corporate environment. Contractors and service providers are regarded as entrepreneurs, while the 25 trades persons can either be entrepreneurs or employees (Verwey 2003). The 508 women entrepreneurs in construction found their niches mainly as building contractors 392 or 65.4%; project managers and developers 15.1%; Contracting service providers 10.7%; Trades 5.0%; Civil contractors 4.0%; Financiers and capacity builders 1.5%; Architects and drafting services 1.5%.

According to the Annual Report of the Construction Education and Training Authority (CETA 2002:7) "the nature of the business within the construction sector, such as physical demands, long hours, remote sites, and 'nomadic' life style, very few women find the employment prospects attractive." On the other hand women are getting involved in all construction entrepreneurial activities at an increased rate according to the SAWiC and NAWIC databases and for them gender equality is not only "a matter of social justice; it is also good economics" (UNDAF 2000).

### 2.8 Comparison of women and men entrepreneurs

GEM 2004 Report on Women and Entrepreneurship found that in every country of their study, men are more active in entrepreneurship than women. The gap is 33% in high-income countries (USA) and 41% in low-income countries (SA).

Overall, opportunity is the dominant motivation for women’s entrepreneurship, similar to men. Nonetheless, many more women than men are involved in entrepreneurship because of the lack of alternative job opportunities.
Necessity entrepreneurship is much more widespread among women in low-income countries such as South Africa where the opportunity to necessity ratio is 1.7, as opposed to high-income countries such as the USA where the ratio is 6.

• As mentioned in the introduction to this chapter, women’s entrepreneurship tends to be more sensitive than men to conditions in their local environment (Arenius, Langowitz and Minniti 2005: 13).

• In low income countries such as SA, the peak years to become involved in entrepreneurial activities for women are ages 25-34. In high income countries, on the other hand, the peak years for women are ages 35-44.

• In low income countries such as SA, the majority of entrepreneurially active women (54%) have not completed a secondary degree. In high income countries such as the USA, on the other end, women with post secondary education are the most likely (34%) to start a new business.

• As in the case of men, and regardless of per capita income, the largest majority of women involved in starting a new business hold other jobs.

• Regardless of per capita income, a strong positive and significant correlation exists between knowing other entrepreneurs and a woman’s involvement with starting a new business. These results indicate that employed women who know other entrepreneurs are the most likely to start a new business. These women tend to be older and better educated in high-income countries (USA) than in low-income countries (SA).

The majority of businesses started by women employed less start-up capital as compared to men, used known technology, and targeted existing markets. This suggests that women entrepreneurs may take a more conservative approach to business formation, perhaps because of their higher involvement in necessity driven entrepreneurship.

• On average, businesses started by men used more capital than those started by women (US$65,010 vs. US$33,201 respectively). One reason for this discrepancy may be because women are more likely than men to start consumer-oriented businesses rather than service-oriented enterprises, where startup costs tend to be higher. Consistent with overall GEM results for both genders, the majority of women entrepreneurs provide all the required start-up capital themselves.

• Women tend to have slower early growth trajectories. The vast majority of women involved in starting a new business expect to create 5 or fewer additional jobs within a 5
year period. In low and middle income countries, only 1% of women’s new businesses qualify as having high employment potential. The percentage increases to only 1.6 in high income countries.

- Further, women entrepreneurs tend to start businesses with known technology and in established markets. On average, at least 70% of the female respondents involved in starting a new business reported that the technology they adopted was available at least one year prior to the survey. Most also reported a known set of existing competitors. Overall, at inception, women’s businesses tend to be smaller and less expensive to operate than those of men. Women entrepreneurs also face immediate competition and tend to bear the full cost of starting their businesses (Arenius, Langowitz and Minniti 2005: 13).

Looking at the historic situation from another source, there has been a significant growth in female self-employment, with women then starting new ventures at three times the rate of men, according to Hisrich & Peters (1998:78). Although there are some similarities in characteristics of both male and female entrepreneurs, female entrepreneurs differ in terms of motivation, business skills, and occupational backgrounds.

Hisrich and Peters continues to say that factors in the start-up process of a business for male and female entrepreneurs also differ, in such areas as support systems, sources of funds and problems. Men are often motivated by the drive to control their own destinies, to make things happen, stemming from disputes with their bosses or a feeling that they can run things better themselves. In contrast, women are motivated more by the need for achievement (nAch), by previous performance and growth (Hisrich & Peters (1998:78). With start-up financing men often list investors, bank loans or personal loans in addition to personal funds as sources of start-up capital, while women usually rely solely on personal assets or savings.

Personality-wise, men are more confident and less flexible and tolerant than women, which can result in very different management styles. Hisrich and Peters concur with the GEM 2004 Report on Women and Entrepreneurship that women in the US embark on their ventures at an older age, 35 to 40 versus 25 to 35 for men.
In terms of educational backgrounds, men have often studied in technical or business-related areas, while women more often have a liberal arts education. Men usually list outside advisors as their most important supporters, with the spouse being second. Women list spouses first, close friends second and business associates third and rely heavily on a variety of sources for support and information, such as trade and women's associations. Occupationally, men seem to have more experience in manufacturing, finance or technical areas. In contrast, women usually have administrative experience, limited to middle-management level and often in service-related areas.

The nature of men's and women's ventures differs. Women are more likely to start a business in a service-related area such as retail public relations or educational services, men are most likely to enter manufacturing, construction or high-technology fields. The result is often smaller women-owned businesses with lower net earnings.

2.9 Comparative summary table between women and men entrepreneurs

In comparing male and female entrepreneurs in SA, Van der Merwe (2003:13) found that in starting a business, male entrepreneurs laid the foundations in the business environment for women to follow and women are the latecomers to the entrepreneurial game. Male entrepreneurs are mainly in manufacturing while women tend to be more in service related businesses. In terms of relationship building, men are more short-term oriented as against women who build strong relationships before closing a deal. Access to finance is only a barrier to male entrepreneurs if they do not have collateral, but it is a most severe barrier for women. In considering support groups male entrepreneurs make use of friends, professional acquaintances, business partners and spouse as opposed to women entrepreneurs in SA using spouses, network groups and associations.

Opportunities for women are, however, greater than before, with women starting businesses at a faster rate than men in the fastest growing area of the economy - the service area (Hisrich & Peters 1998:78). The major differences between male and female entrepreneurs in the United States of America (US) are summarised in Hisrich & Peters (1998:79) as follows:
Table 2.3: Comparison between Men and Women Entrepreneurs

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Male entrepreneurs</th>
<th>Female entrepreneurs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motivation</td>
<td>Achievement - strive to make things happen. Personal independence - self-image as it relates to status through their role in the corporation is unimportant. Job satisfaction arising from the desire to be in control.</td>
<td>Achievement - accomplishment of a goal. Independence - to do it alone.</td>
</tr>
<tr>
<td>Occupational background</td>
<td>Experience in line of work. Recognised specialist or one who has gained a high level of achievement in the field. Competent in a variety of business functions.</td>
<td>Experience in area of business. Middle management or administrative-level experience in the field. Service-related occupational background.</td>
</tr>
<tr>
<td>Background</td>
<td>Age when starting venture: 25-35. Father self-employed. College-educated - degree in business or technical area (e.g. engineering). First-born child.</td>
<td>Age when starting venture: 35-45. Father self-employed. College-educated - degree in liberal arts. First-born child.</td>
</tr>
<tr>
<td>Types of business started</td>
<td>Manufacturing or construction</td>
<td>Service related - educational services, consulting, or public relations.</td>
</tr>
</tbody>
</table>

(Hisrich & Peters 1998:79)
2.10 Conclusions

Regarding the question what women are doing, where and on which level to find women entrepreneurs, Reinhold (2003:2) states that organisations need to be "women-friendly organisations." Where women are in top positions in organisations the spread of women through the organisation will be more equal and will be promoted easier. This is the only way to resolve the "yes she can/no she cannot" dilemma.

Historically the more "lucrative sectors seem to have been reserved for the entrepreneurial male especially in Manufacturing and Construction" (Ntsika 1999:27). Ntsika (1999:51) states that the women entrepreneurs in South Africa are mainly involved in the informal sector and "made her mark in the self-employment sector... Successful women have identified a niche through their own sustainability."

The SA Dept of Public Works concludes through their research that women constitute just over 10% of emerging contractors registered on our database. By comparison in North America of the 9,5 million participants in the construction industry, about 934000 (10%) are women. This says we are in line with the pace of the developed world…” (Sigcau 2004:5).

Hisrich & Peters 1998:78 found that women are motivated more by the need for achievement (nAch), by previous performance and growth.

The GEM 2004 Report on Women and Entrepreneurship concludes that support policies by themselves are not sufficient to increase women’s involvement in entrepreneurship. Mentoring and network support, especially at the local level, are at least as crucial in boosting women’s attitudes with respect to business leadership and new venture creation. Regardless of per capita income, some of the most successful policies and programmes world wide are those able to increase women’s awareness about entrepreneurship and provide them with role models and networking possibilities.

Although much female entrepreneurship in low-income countries such as SA is motivated by necessity, starting a new business represents an effective and flexible way for women from all groups to emancipate themselves and provide for their families. Areas of importance for policy makers should include literacy, financial assistance, management assistance, and training. High-income countries such as the USA need to sustain innovation rates and encourage the involvement of women in entrepreneurship,
especially when faced with an aging labor force. Areas of importance for policy makers should include promoting entrepreneurial education at the college and post-graduate level and encouraging more women to pursue technical degrees and to commercialize their ideas. Coordinating policy to encourage equal benefits for women in the workforce, whether in traditional or entrepreneurial business roles, is vital (Arenius, Langowitz and Minniti 2005: 13-14).

After having discussed where the WCEs find their niches, logically the next question is why did they enter into the complex and harsh construction industry?