Securing Women’s Livelihoods: COVID-19 and Female Entrepreneurship

Introduction

The world, in recent months has witnessed the outbreak of the coronavirus. This has led to a global crisis as several activities in various countries have come to a standstill. Of all these activities that have been halted or affected, the economic freeze has been of key concern to people globally, to the extent that some citizens in some countries like United States of America and Brazil have openly demonstrated against lockdown measures employed to curb the virus. The situation is not different in Ghana as there was an outcry by citizens, especially entrepreneurs, during the lockdown period to be allowed to continue with business activities. Aside this, several businesses, especially those in the hospitality industry, have had to close due to government directive and low patronage even before the restriction on the movement of people was instituted.

The entrepreneurship landscape in Ghana is vibrant and females dominate according to formal reports. Although most female owned businesses are in the informal economy, the significant contributions of their entrepreneurial activities to Ghana’s economic growth cannot be overlooked. Considering the dominance and noteworthy contributions of female entrepreneurs, coupled with the nature of their businesses, it is imperative that the implications of the coronavirus outbreak on their entrepreneurial activities and orientation be brought to the fore. Therefore, this paper considers the negative impact of coronavirus on the activities of female entrepreneurs and the arising entrepreneurial opportunities for females in view of the cultural setting of Ghana.


The Negative Impact of Coronavirus Outbreak on Female Entrepreneurship

The outbreak of coronavirus in Ghana, aside the health risk it presents, has had some negative effects on the enterprises owned by females. These include low sales, and the inability to restock due to border closure. These are digressed in subsequently.

The sharp plummeting of sales of female owned ventures is worrisome. Sales have mainly reduced due to reasons such as the reduction in the disposal income of the general public, and the fact that several individuals prefer to stay at home to protect themselves from the virus. The Ghanaian economy in general is largely informal and private. Several people make a living out of daily income. Some work with firms in the private sector which are also heavily hit by the coronavirus crisis and finding it tough to pay employees. This has progressively lessened the amount of money available to a larger proportion of the population to spend, especially on goods that are not necessities. Although the reduction in sales can be seen across board, irrespective of the gender of the enterprise owner, female entrepreneurs should be given special consideration because the nature of their ventures and their prevalence in entrepreneurial enterprise make them the most vulnerable in times of economic activity stagnation. Studies on female entrepreneurship in Ghana establish that female entrepreneurs generally operate small and micro businesses in low value-adding sectors. Thus, the decreasing sales are precarious to them. On the flip side, female entrepreneurs in the food value-chain are cashing in on the coronavirus situation. Attention has been tuned to patronizing and stocking food items for the fear of food shortage and in preparation for lockdown. As a result, prices of food items generally have skyrocketed. For example, the price of an “olonka” (bowl for measurement) of “gari” (grains made from cassava) has increased by a hundred percent. In summary, it is evident that the focus on buying food items has enabled female entrepreneurs in the food value-chain precisely, to experience less of the decreasing sales.

Further, the coronavirus outbreak has impacted the restocking need of female owned ventures. This is particularly with enterprises that deal in food items and fast-moving consumer goods that involve importation. As stated in the preceding paragraph, the focus of consumers now is to stock foodstuff, creating the need for the female entrepreneurs to replenish their inventory. Some of the foodstuff are perishable goods and cannot be stocked beyond a certain limit. Most of the female entrepreneurs as a result of the closure of various borders, cannot restock goods that come from neighboring countries. A typical example is tomatoes, a staple in the Ghanaian diet, which is supplemented by importation from Burkina Faso. In the initial stages of the boarder closure, immigration officers at the entry points in the Upper East region had to battle with female entrepreneurs in the tomato business as they were bent on getting stock and had found new routes to entering Burkina Faso. They were, however, intercepted and returned. Suffice to say, the frustrations of female entrepreneurs have been brought to light. The contention has been between dying from coronavirus or “hunger virus”.

From the foregoing discussion, it is apparent that coronavirus has presented some challenges to female entrepreneurs in Ghana.

Entrepreneurial Opportunities Presented by Coronavirus

Despite the challenges facing female entrepreneurship space in this period, there are some entrepreneurial opportunities that have arisen. Several female entrepreneurs have diverted focus to the production of essential materials that are needed in the fight against the coronavirus, mainly hand sanitizers and nose masks. Majority of the female entrepreneurs who have ventured into the production of these items had no prior skill in producing them. The coronavirus outbreak saw several female entrepreneurs organizing online tutorials for people who wish to learn how to produce hand sanitizers, either for personal use or commercial, for a fee. Also, the production of nose masks has witnessed a heave, to the extent that it is fast becoming a fashion item. Several female entrepreneurs have come up with innovative face masks designed with the African print, giving people, especially women, the chance to still be fashionable whilst protecting themselves.

Another opportunity presented by the coronavirus outbreak resides in the food value-chain. In Ghana, due to cultural issues, there seems to be more women than men involved in the food


chain business. There has been a massive focus on the patronage of food items and other fast-moving consumer goods than in any other value-chain as indicated previously. As a result, some female entrepreneurs have diverted their business focus to the sale of foodstuff. Some have been innovative to rely on technology and delivery services in the transaction of business. A new business model has been created in the sale of foodstuff in Ghana. This is because, traditionally, the sale of foodstuff has mainly occurred via the face-to-face interaction between the sellers and buyers.

People have had to embrace the patronage of foodstuff through online platforms and delivery services due to lock-down issues and safety concerns. The question, however, is if this current entrepreneurial opportunity will be sustainable after the coronavirus outbreak. Will the average Ghanaian build a preference for buying foodstuff through technology-aided means without the physical interaction with vendors?

The key issue is that the outbreak of the virus has ignited the innovativeness of female entrepreneurs in Ghana. The spontaneous evolvement of new business models in already existing sectors is recommendable.

Outlook of Female Entrepreneurship in Ghana: Post Coronavirus

The happenings in the Ghanaian environment due to the coronavirus outbreak has some implications for female entrepreneurship in Ghana. The outlook of female entrepreneurship in Ghana is double-edged (negative/positive).

First, more female owned enterprises will risk failure and undercapitalization of ventures. The need for financial support of these businesses will be rife, but the bane to obtaining this funding for several of these female-owned businesses is their level of informality. As noted in previous sections, several of the female entrepreneurs are in the informal sector (unregistered businesses), thereby reducing the chances of attracting business loan from formal financial intuitions.

Second, the number of female entrepreneurs is likely to witness a significant rise. A reason for this is the threat of job losses that accompanies the virus outbreak. Most females that have already lost jobs or will lose jobs as a result of the coronavirus outbreak, will attempt entrepreneurship, considering that there has been increasing encouragement for people, especially, women, to be entrepreneurial rather than remain unemployed. The ventures of these potential female entrepreneurs are, however, likely to be the usual small enterprises that characterize female entrepreneurship. But there is likely to be a shift of focus from operating in less value-adding sectors to a concentration on value addition. This will be ignited from the lessons learnt from the happenings in recent times that there needs to be more value addition activities, especially in the food-chain. The current challenges present new frontiers on the need for the discovery of innovative ways of adding value to perishable goods, especially in view of the current need for food storage now more than ever. Innovative ways of food packaging that makes it possible for the easy delivery or foodstuff will also emerge.

Last but not least, due to the fact that the educational sector has been the hardest hit as schools have had to close prematurely, private schools could begin adopting innovative business models that allow the students to participate in class without necessarily having to be present. This innovation is likely to receive acceptance from parents judging from its current revolution in the educational sector sparked by the coronavirus outbreak. Prior to the pandemic, most students had no idea of the online resources that can be leveraged on for better academic work. This new model could be explored by female entrepreneurs since it is commonplace to find female owners of schools than male owners in Ghana.

Way Forward/ Policy Implications

The current state of female entrepreneurship and the predicted post-coronavirus outlook of female entrepreneurship in Ghana are useful for policy implementation. In this period of the outbreak, governmental regulation on the innovative products rolled out is necessary. Several locally made hand sanitizers and nose masks have been made and commercialized. They need to meet specified standards before commercialization. The neglect of this need could aggravate Ghana’s count of the people infected with the coronavirus. Citizens may end up buying substandard hand sanitizers and nose masks; thinking they are

safe; they may be exposed to dangers of contracting the disease. Consumers should not be left to their fate to protect themselves with unregulated products that do not meet safety standards simply because they have no other options.

Also, since there is likely to be an influx of female entrepreneurs in the entrepreneurship space, incentives could be put in place to encourage them to register their businesses or make efforts to formalize their businesses. This may increase the likelihood of obtaining business financing either through debt or equity financing. Government cannot be the only support for the envisioned new businesses unaided. Hence, private entities and individuals can support in this cause. Without this support, Ghana stands the risk of losing its strides in being one of the topmost ranking countries with the highest number of female entrepreneurs worldwide.