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Deconstructing the Binding Constraints on Women's Entrepreneurial Success in Accra Municipalities

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ABSTRACT

This article examined the multifaceted challenges that constrain women's entrepreneurial success in the Accra Metropolitan Assembly, the Ablekuma South Municipal, and the Ga South Municipalities of Ghana's Greater Accra Region. Drawing on empirical data from a mixed-methods study of 378 women entrepreneurs, six credit officers, and five district assembly staff, we identify four interconnected categories of constraints: intra-household resource dynamics, financial system exclusion, infrastructural and market barriers, and socio-cultural impediments. The analysis challenges simplistic narratives of individual capacity deficits, arguing instead that women's entrepreneurial trajectories are profoundly shaped by structural inequities embedded within households, financial institutions, and the physical environment. Key findings reveal that while 85% of women entrepreneurs possess post-secondary education, fewer than 20% have accessed formal credit, and only 7.1% have benefited from institutional infrastructure support. Logistic regression analysis demonstrates that entrepreneurial training significantly predicts business longevity ($p < 0.05$) when age and education are controlled, yet such training remains systematically unavailable to most women. We conclude with actionable recommendations for policy and practice that move beyond access-focused interventions toward strategies that systematically dismantle systemic barriers through gender-responsive procurement, lifecycle-sensitive training programmes, and institutional reforms that recognize women entrepreneurs as central agents of inclusive development.

INTRODUCTION

Women-owned micro, small, and medium enterprises (MSMEs) constitute the backbone of Ghana's economy, accounting for approximately 44 percent of all MSMEs and playing a pivotal role in household livelihoods and community development (Abor & Quartey, 2010; Ghana Statistical Service, 2022). In the Greater Accra Region, particularly within the Accra Metropolitan Assembly, Ablekuma South Municipal, and Ga South Municipalities, women entrepreneurs operate at the nexus of opportunity and constraint, driving economic activity while navigating a complex web of obstacles that systematically undermine their potential for growth and sustainable success.

The imperative to understand these constraints has never been more urgent. Ghana's commitment to the Sustainable Development Goals, particularly SDG 5 (Gender Equality) and SDG 8 (Decent Work and Economic Growth), demands evidence-based interventions that address the root causes of gender disparities in entrepreneurship (UNSDG, 2025). Yet, as this analysis will demonstrate, prevailing policy approaches often focus on increasing women's access to resources without adequately addressing the structural and relational dynamics that determine how those resources are deployed and controlled.

LITERATURE REVIEW

Conceptualising Women's Entrepreneurship

The study of women's entrepreneurship has changed significantly over time, because women entrepreneurs were rendered "practically invisible" in academic and policy discourse (Saeed, 2020). Contemporary scholarship research shows that women-owned businesses comprise between one-quarter and one-third of formal economy enterprises globally, with even greater representation in informal economies (Kiran, 2022; Elam *et al.,* 2024). However, this number hide the persistent structural inequalities: women's enterprises tend to be smaller, concentrated in lower-value sectors, and more likely to operate informally (OECD, 2025; Ebewo, 2025).

The theoretical framing of this study draws on strategic choice theory, and goal theory. Liberal feminist theory, as articulated by (Henry *et al.,* 2023) and (Poggesi *et al.,* 2023), posits that gender inequalities are embedded in social structures and legal frameworks, and that women's entrepreneurial outcomes are shaped by discriminatory practices that can be addressed through policy reform.

Strategic choice theory, rooted in the work of Miles *et al.* (1978) and Bourgeois (1981), suggests that entrepreneurial outcomes are determined by the strategic decisions of key actors. These women entrepreneurs

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navigate environmental conditions through proactive decision-making. This perspective informs our analysis of the factors that can improve women's entrepreneurial participation and this can be relate to Goal theory (Helfat & Martin, 2023) which posits that human behaviour is purposeful and goal-directed, and that self-efficacy, the belief in one's capacity to execute behaviours necessary to produce specific performance attainments, is a critical mediator between entrepreneurial intention and action. This perspective illuminates why women's entrepreneurial decisions are not merely responses to external constraints but are also shaped by internalized beliefs about their capabilities.

Constraints on Women's Entrepreneurship in Developing Economies

The empirical literature documents a consistent pattern of constraints facing women entrepreneurs in developing economies. Financial exclusion is the most frequently cited barrier, with women facing higher collateral requirements, discriminatory lending practices, and limited access to formal credit (World Bank, 2023; Ackah *et al.,* 2024). However, recent research has problematized this narrative, demonstrating that financial exclusion is often compounded by intra-household dynamics that redirect resources away from women's businesses (Campos *et al.,* 2024; Friedson-Ridenour & Pierotti, 2024).

Infrastructural deficits, including inadequate market spaces, poor sanitation, and unreliable utilities, disproportionately affect women entrepreneurs who operate in informal urban markets (Akuamoah Boateng, 2025). Socio-cultural norms further constrain women's entrepreneurial agencies through gendered expectations about caregiving responsibilities, mobility restrictions, and limited decision-making authority within households (Vlasenko, 2023; Koshulko, 2018). These constraints are not merely additive but interact to create cumulative disadvantage (Marlow & Patton, 2005).

The Ghanaian Context

In Ghana, women's entrepreneurship is particularly significant given that women constitute 51% of the population and dominate the informal sector, which contributes nearly 70% of non-agricultural employment (Ghana Statistical Service, 2022). However, approximately 80% of women-owned businesses remain at the "micro" level, unable to expand due to limited access to credit, new technologies, and coordinated support (Dovi, 2016; Britwum *et al.,* 2016). The Greater Accra Region, as Ghana's most urbanised and economically dynamic area, represents both the highest concentration of women entrepreneurs and the most acute manifestation of these constraints.

MATERIALS AND METHODS

This study employed a sequential explanatory mixed-methods design (Creswell, 2017), with quantitative data collection preceding qualitative interviews. The target population comprised women entrepreneurs aged 18 and above operating businesses across the Accra Metropolitan Assembly, Ablekuma South Municipal, and Ga South Municipalities. Using Yamane's (1967) formula, a sample of 389 participants was determined: 378 women entrepreneurs, six credit officers from financial institutions, and five district assembly staff. Quantitative data were collected through structured questionnaires and analyzed using descriptive statistics and logistic regression in Python (pandas, scipy, statsmodels). Qualitative data from interviews and focus group discussions were transcribed and analyzed thematically using NVivo. Ethical clearance was obtained from Africa Research University, and informed consent was secured from all participants.

RESULTS AND DISCUSSIONS

The Role of Women Entrepreneurs in National Development

The findings demonstrate that women entrepreneurs in the Greater Accra Region make substantial contributions to national development through employment creation, revenue mobilization, and profit reinvestment as captured in the table below.

Table 1: Demographic Profile of Women Entrepreneurs (N = 378)

Variable	Category	Frequency (%)
Age	18–30	51.7
	31–45	40.0
	46–60	8.3
Education	SHS Only	1.7
	SHS/TVET	8.3
	Diploma/Degree	85.0
	Postgraduate	5.0
Sector	Trading	45.0
	Trading/Services	30.0
	Education	15.0
	Others	10.0

Years in Business	0–5	52.5
	6–10	16.9
	11–15	5.1
	15+	25.4
Employees	0–2	5.0
	3–5	7.0
	6–10	53.0
	10+	36.0

Source: Field Data (2025)

Approximately 70% of respondents reported employing others, with 89% of businesses employing six or more workers. This level of employment generation positions women-led enterprises as de facto labour market institutions that absorb excess labour and mitigate economic vulnerability at household and community levels. This finding is consistent with Abor and Quartey's (2016) argument that SMEs, particularly those led by women, are critical drivers of employment in developing economies.

The high rate of profit reinvestment (73.6%) further underscores the developmental impact of women's entrepreneurship. Women reported reinvesting profits into inventory procurement, equipment upgrades, and employee training, creating multiplier effects in local economies. This reinvestment behaviour aligns with the theoretical proposition that women allocate a greater share of their income to the health, education, and welfare of their families and communities, thereby enhancing the social returns on economic activity (World Bank, 2023).

Additionally, a significant proportion of respondents reported regular tax payments and engagement with public institutions through the provision of goods and services to schools, hospitals, and government offices. However, the absence of formal contracts and organised procurement processes constrains the scalability and stability of these partnerships, highlighting the need for institutional reforms.

Challenges Facing Women Entrepreneurs

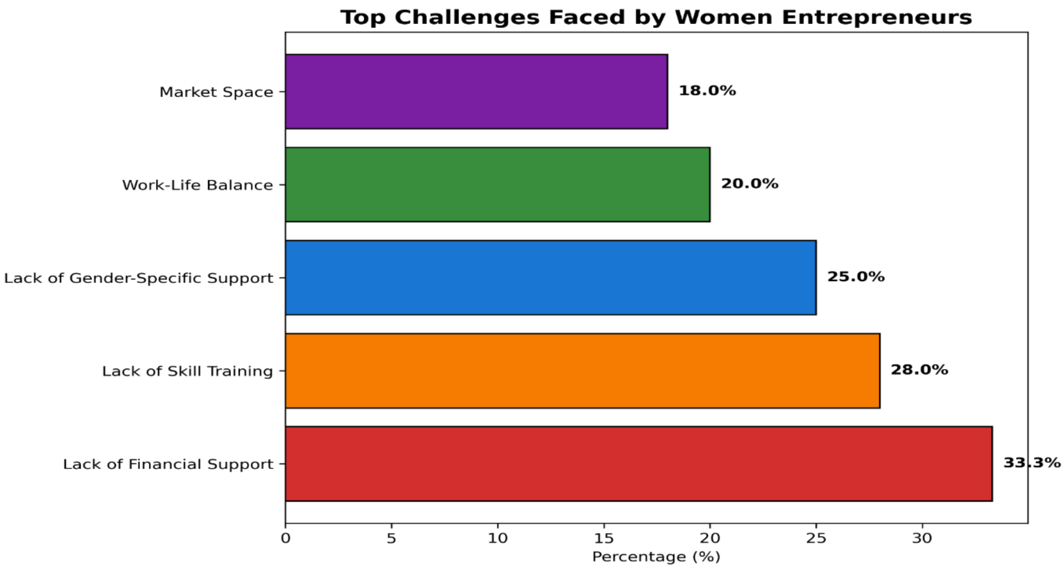

Figure 1: Challenges Facing Women Entrepreneurs
Source: Author's Construct (2026)

The most frequently cited challenge was lack of financial support (33.3%), with only 20% of respondents having accessed formal loans. This financial exclusion is not merely a matter of creditworthiness but is rooted in gender-biased property and inheritance laws that deprive women of collateral (Marlow & Swail, 2014). The absence of gender-responsive financial products such as flexible repayment periods, group lending structures, or collateral alternatives exacerbates this exclusion.

Lack of skill training (28.1%) emerged as the second most significant barrier. Despite 85% of respondents possessing post-secondary education, most lacked formal business training in financial literacy, digital tools, and strategic planning. This gap between academic education and entrepreneurial proficiency represents a critical policy deficiency.

Table 2: DLogistic Regression of Business Longevity (5+ Years)

Variable	Coefficient	Std Error	Z	P > |Z|
Constant	-1.3050	0.482	-2.709	0.007
Training	0.0225	0.240	0.094	0.925
Education	0.0098	0.301	0.033	0.974

Source: Author's Construct (2026)

The lack of gender-specific support systems (17.8%) reflect the absence of mentorship networks, peer learning platforms, and policy advocacy mechanisms tailored to women's constraints. Many women operate in isolation, without access to peer networks or institutional frameworks that could facilitate business scaling and formalisation.

Socio-cultural norms (12.2%) and infrastructure deficits (8.6%) further compound these barriers. Women reported difficulty balancing business and household responsibilities, facing discrimination from customers and suppliers, and operating in crowded, unhygienic, and insecure market environments. These findings align with the broader literature on gender and entrepreneurship in developing economies (Marlow & Patton, 2005; Vossenberg, 2013).

Factors That Can Improve Women's Entrepreneurial Participation

The study identified five key factors that can enhance women's entrepreneurial participation: mentorship and networking opportunities, targeted entrepreneurial training, access to markets and procurement contracts, gender-responsive financial products, and institutional support for formalisation. Notably, the most cited factor was the creation of business opportunities access to markets, procurement contracts, and value chain integration, rather than passive financial assistance. This finding is pivotal: it indicates that women's priorities demand-side support over supply-side credit interventions, a distinction that has significant policy implications (Sallah & Caesar, 2020).

Logistic regression analysis (see table 3) reveals that training, education, and age collectively influence women's entrepreneurial engagement. Importantly, age functions as a confounding variable: when age is excluded from the model, the effect of training dissipates, indicating that the efficacy of training depends on life stage and accumulated experience.

Table 3: Logistic Regression of Entrepreneurial Engagement

Variable	Coefficient	Std Error	Z	P > |Z|
Constant	-2.0849	0.464	-4.49	0.000
Training	0.7309	0.238	3.07	0.002
Education	0.2834	0.296	0.957	0.338
Age	0.0374	0.009	4.16	0.000

Source: Author's Construct (2026)

This finding supports lifecycle-sensitive intervention design: younger women may benefit more from confidence-building and digital literacy programmes, while older, more experienced women may require support for business scaling and market access (Marlow & Swail, 2014).

Discussion

The Binding Constraints: An Integrated Analysis

The findings reveal a pattern of binding constraints and systemic barriers that interact to create cumulative disadvantage for women entrepreneurs. Financial exclusion, skill deficits, and socio-cultural norms do not operate in isolation but reinforce one another: without collateral, women cannot access credit; without credit, they cannot invest in training or technology; without training, they cannot formalize their businesses; without formalisation, they remain excluded from public procurement and institutional support.

This interconnectedness has important policy implications. Single-intervention approaches such as providing credit without training, or training without market linkages are unlikely to generate sustained impact. As Campos *et al.* (2024) demonstrate in their Accra-based randomized controlled trial, unconditional cash grants to women entrepreneurs often fail to yield improvements in business outcomes precisely because resources are redirected within the household. This highlights the need for bundled interventions that simultaneously address financial access, capacity building, and market integration.

Theoretical Implications

The findings contribute to theoretical debates on women's entrepreneurship in three ways. First, they challenge the narrative that women entrepreneurs in developing economies are primarily subsistence-level actors. The high rates of employment generation and profit reinvestment documented in this study indicate that women-led enterprises are not merely survivalist endeavours but substantive contributors to economic development. This finding aligns with the strategic choice theory perspective that women entrepreneurs are making deliberate, growth-oriented decisions within constrained environments (Miles *et al.,* 1978; Child, 1997).

Second, the study demonstrates that human capital, while necessary, is insufficient for entrepreneurial success. Despite high educational attainment, women face systematic exclusion from financial markets and institutional support. This finding supports liberal feminist theory's emphasis on structural barriers rather than individual deficits (Ahl, 2006; Calas *et al.,* 2009).

Third, the lifecycle-sensitive relationship between training and entrepreneurial engagement, whereby training effectiveness depends on age and experience, adds nuance to goal theory (Locke & Latham, 2006). It suggests that self-efficacy and goal-directed behaviour are shaped by life stage and accumulated capital, necessitating differentiated policy interventions for different cohorts of women entrepreneurs.

Policy Implications

First, establish a Women's Entrepreneurship Development Fund offering low-interest, collateral-free loans through decentralized district-level offices. This directly addresses the financial exclusion documented in the study, where 33.3% of respondents cited lack of financial support as a major barrier.

Second, integrate practical entrepreneurship modules covering financial literacy, digital tools, tax compliance, and business planning into post-secondary and TVET curricula. This addresses the gap between academic education and entrepreneurial proficiency.

Third, implement gender-responsive public procurement quotas allocating a minimum of 30% of non-complex government contracts to certified women-owned enterprises. This responds to women's preference for demand-side support over passive financial assistance.

Fourth, invest in gender-inclusive market infrastructure, modern, secure market centres with electricity, water, sanitation, childcare amenities, and security personnel. This addresses the infrastructure deficits documented in Ablekuma South and Accra Metro.

Fifth, reform national entrepreneurship programmes (MASLOC, YEA, NABCO) from temporary job schemes to sustainable enterprise development initiatives with lifecycle-sensitive programme design.

CONCLUSION

This article has demonstrated that the challenges constraining women's entrepreneurial success in the Accra Metropolitan Assembly, Ablekuma South Municipal, and Ga South Municipalities are multiple, interconnected, and deeply embedded in structural inequities. The constraints are not merely financial or infrastructural; they are relational, normative, and institutional. Women entrepreneurs in these municipalities navigate a complex terrain where household resource dynamics, financial system barriers, infrastructural deficits, and socio-cultural norms collectively shape their entrepreneurial trajectories. Understanding these constraints as systemic rather than individual failures is essential for effective intervention. The empirical evidence demonstrates that women entrepreneurs are not peripheral actors but central agents of inclusive growth, whose activities generate employment, expand the tax net, and stimulate local economies. Yet their contributions remain under-recognized in national policy narratives, often overshadowed by a focus on formal sector employment and foreign investment.

The imperative for systemic reform is clear as women-owned businesses account for 44% of Ghana's MSMEs and constitute a vital engine of economic growth and household welfare. Supporting these businesses to thrive rather than merely survive is essential for Ghana's economic transformation. Achieving this vision requires a fundamental reimagining of how we conceptualize and address the constraints on women's entrepreneurship moving beyond simplistic narratives of access to a more sophisticated understanding of systemic transformation. Investing in women's entrepreneurship is not merely a matter of equity; it is a strategic imperative for national development.

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