

# Challenges and Barriers to Women's Entrepreneurship Experience from Morocco

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**Abstract—** In the national marketplace, women's entrepreneurship is a vibrant and a growing contribution to the labour force. As the number of women self-employment is becoming a refuge in most countries and Morocco is no exception, particularly women entrepreneurs are still a small proportion of the total population. The present article highlights women's entrepreneurial work, typically in feminine cooperatives. It discusses the major triggers to choose this type of work as well as the main challenges they face in this sector of work. Barriers Moroccan women entrepreneurs are also surveyed. The conclusion drawn from the article includes the objective of increased self-autonomy as a central goal of women's entrepreneurial work regardless of the gendered, structural and socio-economic stumbling blocks confronted. Strong actions and policies to develop the situation of this proportion of society must be of any strategy of empowerment.

**Keywords:** women, entrepreneurship, socioeconomic development, challenges, barriers.

## I. INTRODUCTION

As the country moves towards economic development, important issues that influence the socioeconomic well-being of all Moroccans, with particular reference to women who are living in an unprivileged situation, need to be scrutinized. This portion of the Moroccan society relies on the creation of their own entrepreneurship and conduct small business activities in order to develop their socioeconomic situation. Development practitioners listed poverty reduction as one of the pillars of development objectives. They stressed on the fact that the women's creation of job opportunities is a means towards achieving development. In this regard, women's entrepreneurial work is considered as a tool of household poverty reduction. It is also reported that

many of the women's small businesses contribute to the welfare of the household, the family and offer opportunities of employment for other workers.

However, their contribution to the quality and direction of the economic and social development of the region and the country in general is not achieved easily. The present paper provides an understanding of the situation of women entrepreneurs and the multiple barriers to investment and doing business that may be common for all investors and those that affect women entrepreneurs disproportionately.

The aim of the present research is to conduct an exploratory study to present the situation of women entrepreneurs in the region of Draa- Tafilalt-Morocco, particularly those working in feminine cooperatives. The results of the survey will allow us to identify the profile of women owned enterprises in the region, the main factors and motivational reasons to create their own businesses, and the barriers they face before, during the start-up and after the creation of their businesses added to the other factors outside the business environment that might affect women's entrepreneurship.

To achieve these objectives, the study tries to address the following questions:

- 1) What is the profile of women entrepreneurs in the region of Draa- Tafilalt- Morocco?
- 2) What are the factors contributing to the decision to become an entrepreneur?

3) What are the gendered, structural, and socioeconomic barriers that women face while choosing entrepreneurship as a career?

## II. THEORETICAL FRAMEWORK

### A. Definition of Entrepreneurship

In the last decades, so much pressure on national governments to promote women's economic participation and to alleviate women's poverty generated from different bodies such as the United Nations, global conventions and women's organisations worldwide. In all these, the focus of many schools of thought has been on women's economic empowerment. The discussions tended to result in the promotion of income generating projects for women, especially those in vulnerable situations and in rural areas. This initiative has triggered the use of the new terminology "promoting women's entrepreneurship."

The word 'entrepreneur' is defined by the *Oxford Complete Wordfinder* as 'a person who undertakes an enterprise or business with the chance of profit or loss, person in control of commercial undertaking, a contractor acting as an intermediary' (Tulloch 1993). Although this definition shows that it is neutral in terms of gender, in fact one may suggest that the social context in which men and women live may influence their ability to become an entrepreneur. For economists, the entrepreneur is a principal player in process of capitalist accumulation and expansion (Hebert & Link, 1988). Other scholars defined the term entrepreneur differently. For example, Hisrich & Brush (1985) viewed entrepreneurship as "the process of creating something different of value by devoting the necessary time and effort, by assuming the accompanying financial, psychological, and social risks, and by receiving the resulting rewards of monetary and personal satisfaction" (p.4). We adopt this definition which, as we demonstrate later in the article, is based on the idea of the establishment of businesses to assert the empowerment of women.

The silhouette of entrepreneurship for decades was masculine, and researchers have traced the contours of such gendered area (Fielden &

Davidson, 2005). The nature of entrepreneurship is also argued by Bird and Brush (2002) as being gender neutral, but in fact based on the experiences of male entrepreneurs. However, regardless of these views of the masculine nature of the field of research, entrepreneurship is also seen as a form of empowerment for women.

### B. Emergence of Women's Entrepreneurship

A definition of the concept of women's entrepreneurship in the literature is not easy to be found. For instance, in a study by Lavoie (1988), female entrepreneur is also called the owner-head of company is describes as "a woman who alone or with partners has founded, bought or inherited an enterprise, who assumes the risks and financial, administrative and social responsibilities and participates in its day to-day management." From this definition, one can assume that both buying and inheritance are acceptable means of establishing a self-employed economic activity. According to Fatimatou (2009), women's entrepreneurship can also be defined as "the process by which a woman or group of women creates or develops predominantly an economic and social structure comprising material and financial means and one or more persons working in an organized manner to provide goods or services. Services for the market (customers) in order to make a profit. Thus, a woman entrepreneur establishes her own business in order to gain a particular position in her community and society at large.

Women heads of companies are divided into different categories. According to Denieuil (2005), there are three types of this proportion of society:

- Women entrepreneurs: this category of women represents those who generally belong to wealthy families and possess of financial capital and/ or have a professional training. They are entrepreneurs because they have the capacity to own a business by taking over or transmission.
- Women working in income-generating activities: this category of women engages in individual economic activities to generate revenue to support themselves and their families due to their disadvantaged situation. The main aim behind their

self-employment is to promote their financial independence and self-autonomy.

- Women who are economically active with limited professional training: women belonging to this category do not become entrepreneurs by choice but rather out of necessity in response to a social breakdown (divorce or widowhood) and/ or economic precariousness. The aim to do this type of work is obtain and fulfil the basic family needs.

### *C. Role of Women's Entrepreneurship on the Socio-economic Development*

Female entrepreneurship has experienced significant growth in recent years. Women broke with their former role as a good housewife. The woman tends to assert her identity in the workforce. Her role has shifted from being a wife-mother to being an associate, self-reliant and career-oriented woman (BENZAZZI. K, 2016). Currently, women entrepreneurs are found in all sectors of activity. Efforts are being made by the state and other actors to allow women entrepreneurs to leave the state of timidity in which they were in order to fully play their role as a lever for economic growth.

There has been a renewed interest in the women's entrepreneurship sector because of the important role and the increasing place of women in the socio-economic life of our country. It is now recognized worldwide that there can be no development without the full participation of women in the process. Women entrepreneurs play an important economic role in their ability to create jobs for themselves and others. Regardless of the country or type of economy, self-employment is an important employment option for many women, and perhaps more particularly for women living in the developing world (OCDE, 2004).

### III. METHODOLOGY

The paper is based on a qualitative method research. We focused exclusively on women entrepreneurs as heads of feminine cooperatives. We have just retained women who have created along with other members their small businesses or taken over a legally registered cooperative and who

participated in strategic decisions and day to day operations.

The regional Chamber of Commerce listening women's cooperatives in the region of Draa Tafilalt was used as a basis for the sample of our study. We were able to create a list of 80 potential respondents working in the following provinces: Midelt, Errachidia, Zagoura, Tenghir, and Ouarzazat.

Prior the fieldwork, potential respondents were contacted by telephone to make sure their willingness to participate in the survey and to count the total sample. A total of 50 women entrepreneurs accepted our solicitation.

Data collection was conducted using interviews based on an interview guide. Recorded semi-structured interviews lasted about one hour. They covered business information and life story information of these women. Questions were open-ended, which focused on different areas: motivation for becoming an entrepreneur, challenges, and barriers, The qualitative data collected from interviews, based on techniques of overlap, were interpreted using an in depth gender and socioeconomic analysis.

### IV. RESULTS

#### *A. The Socio-Demographic Profile of Women Entrepreneurs*

The following section describes the socio-demographic profile of women entrepreneurs working in the region of Draa-Tafilalt in our survey. The main variable identified was age, civil status, educational level and professional training.

##### *1) Age:*

By examining the structure of women workers in cooperatives in Draa Tafilalt by age (see figure 1 below), a relatively high rate of women aged between 34-40 years 45% is observed. Old women aged more than 40 years are involved in the market of cooperative employment with an estimated 30% share. Respectively, 25% is allocated to women whose age belongs to 26-33 years age group.

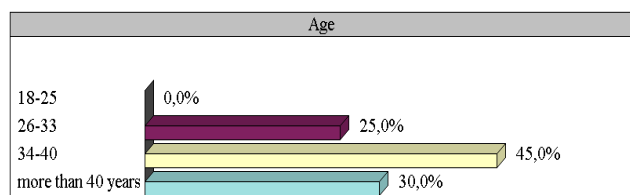


Fig1: Age group of the participants.

Data retrieved from the findings reveal the predominance of the adult active population. Most respondents consider the creation of job opportunities within the entrepreneurial sector as a viable solution regardless of their ages. Thus, age remains an important variable. It determines the major differences between women's age groups and their participation in this segment of work.

## 2) Civil Status:

With regard to the marital status, data from the region of Draa Tafilalt reveal that 25% are single, and the big majority has family responsibilities with a share of 60% for married women, 15% for divorcees.

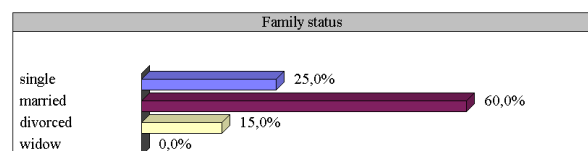


Fig2: Family status of the participants

Examining the distribution of women based on their marital status, it can be noticed that the issue of marriage is a significant factor. It determines women's participation in the entrepreneurial work. For instance, responses of the participants reveal that the highest rate is allocated to married women. They created cooperatives, possibly because they cannot rely only on a source of income provided by their partners or other male family members.

Analysis of the situation of women also shows the participation of single women in the entrepreneurial work in the region of Draa Tafilalt. Obviously, this category exercises different activities. These young females face often a difficult daily reality. The everyday problems are also affected by the residence of these women with their parents. This situation pushes most of them to exercise any activity to support them and help their

families. For this reason, the parental home remains a productive place of work for these young ladies performing entrepreneurial activities, which are characterized by their fragility, uncertainty, scarcity of benefit, and absence of guarantee of permanence. Apart from the uncertainty of economic activities, fear of the future, the situation expresses obviously a certain inability to realize their own home and secure their own life outside their family circle.

Furthermore, responses show that divorced women consider the issue of "no husband" as a major cause for their involvement in such a type of work. Indeed, women who experienced divorce or separation from their spouses, generally, create their own units of living. Moreover, based on their unsuccessful experiences with marriage and cohabitation, the majority of divorced informants, regardless of their cultural backgrounds, declared that they would rely on their own resources to support themselves and their families.

The findings of the present empirical research cannot be complete without a discussion of the educational level of women workers in feminine cooperatives. Indeed, the data demonstrate that the only educational level is secondary among the target population in this region of Morocco.

## 3) Educational Level:

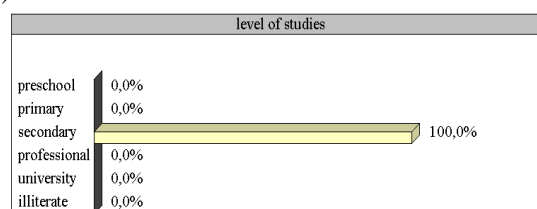


Fig3: Educational level of the participants

The educational level of women in this study is generally miserable. All the respondents did not complete formal schooling. The education level for those involved in the cooperatives work in the research area is not higher than secondary school level. These statistics indicate that the cooperatives are by so far the largest employment absorber of poorly educated women.

Statistical data indicate that most respondents are trained outside the formal system. This happens either at professional associations or via traditional

ways with the help of a teacher who is mostly available in the craft's sector. These women transmit their expertise from one generation to another.

#### 4) Professional Training:

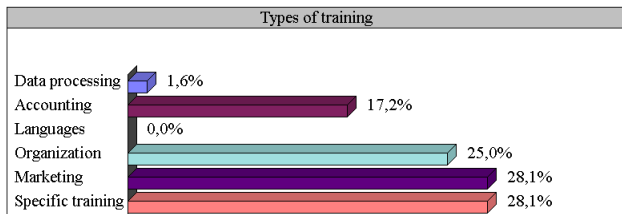


Fig4: Types of trainings women benefited from

The share of respondents who have access to vocational training is quite recognizable in the research area. Their main purpose is to improve their skills as reported by most workers as well as to improve their productions. For instance, most of the participants obtained certificates of participation in trainings related to marketing, accounting and specific trainings on how to manage their businesses. Others declared that they benefited from organization training sessions to better their managerial and organisational skills with an aim to develop the cooperatives and its members. This means that access to training may be effective at raising women's chances of work because women may be trained for the suitable kinds of jobs.

The subsequent section attempts to discuss the main reasons and motives that pushed women in the region of Draa Tafilalt to end up working as entrepreneurs, especially in feminine cooperatives.

#### B. Triggers of Women's Entrepreneurship

The entrepreneurial sector is being flued by women in the last few decades in Morocco. Women become active agents in creating businesses. However, there is little understanding of why this proportion of society chooses entrepreneurship as a career. The present section provides the main factors leading women work in cooperatives as a form of entrepreneurship.

As clearly demonstrated in figure 5, women's motivations to perform an entrepreneurial activity may be classified into different categories. Indeed,

most respondents in the survey 31.2% stated that financial autonomy is the main reason for choosing to work in cooperatives. Moreover, 26.2% of them considered that the main reason simply lies in self-achievement while those who do not want to work with others represent 24.6% of the total number of workers. However, 9.8% saw that the need to finance the household expenses represent a reason behind their choice to select a job in cooperatives. This is followed by 8.2% of respondents who want local development as a main reason to practice their productive work in cooperatives.

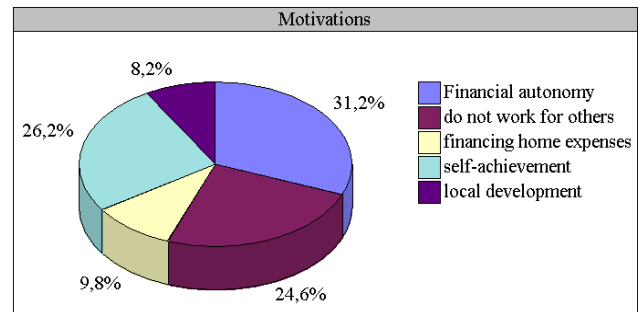


Fig 5: Motivational Aspects

Most participants selected various factors as their main reasons to work in cooperatives. They might be grouped as follows:

##### 1) Autonomy

Women often lack the training and skills needed for employment in the formal sector, which push them to end up working in cooperatives. In other words, according to the findings, the respondents' participation in cooperatives is triggered by various factors, which are mostly relative to the rising of unemployment rates and lower wages in the formal economy. In this regard, women's autonomy is assumed to be achieved via women's access to the labor market. The findings show a certain level of autonomy cherished by the participants though it was after a long strike against traditions and cultural beliefs. As a vivid example, many respondents claimed that benefited from greater autonomy in economic decision making, ability to take care of self when sick and freedom of mobility when they became heads of the feminine cooperatives. In the same line of argument, one may assume that those women with higher levels of autonomy in their entrepreneurship work may have

positive effects on their overall well-being and higher level of job satisfaction.

## 2) Financial Independence:

The economic reasons are the omnipresent in the research area. For instance, money represents a factor of prominent importance affecting women's choice of entrepreneurship activities. Moreover, unemployment and the need to earn money represent the most recognizable key factors with which women justify their choices of entrepreneurship in the research area.

## 3) Local development

8.2% of women aim, through the creation of their cooperatives, the development of their territories, ensuring a decent and stable income to the members, and consequently that of their families. Improved income levels enable members (and their families) to access education and health care. Cooperatives using local resources also participate in the development of their territories through the valorization of local products, the improvement of the intrinsic and extrinsic conditions of the product, the protection of the environment and the fight against the degradation of the environment and recycling (the case of cooperatives whose main activity is basketry by recycling the leaves of the palm trees.)

In sum, the main conclusions reached so far demonstrate different reasons behind women's work in cooperatives. On the one hand, the financial necessity pushes them to choose to work in this domain. That is to say, this is driven by women's own resort or their best option to gain a source of revenue. In other words, the materialistic reasons behind their work demonstrate the strong desire to satisfy their fundamental human needs. This finding is validated by the same argument in Benjelloun (1993, 96): "la motivation économique constitue la motivation general retenue par la grande majorité des femmes quelque soit leur catégorie socioprofessionnelle." » [The economic motivation constitutes the general motivation maintained by the vast majority of women, regardless of their socio-professional category.] Thus, women's economic necessity and self-achievement are crucial elements behind the

women's search for a refuge in cooperatives in particular and in the entrepreneurial work in general. However, their access to the laborforce does not come easily. Many women in the sample experienced barriers before and after the establishment of their cooperatives.

## C. Barriers Experienced

Data based on the fieldwork in the region of Draa Tafilalt demonstrate that women working in cooperatives suffer from various obstacles both at the time of the establishment of their businesses and during their operation. The following section summarizes the major barriers reported by women that function as stumbling blocks to the women's development as well as their careers. These obstacles are divided into formal and informal ones. The former is linked to the difficulties women face so as to have access to decent work, and the unclear future threatening them in this type of activities. The latter is related to traditional principles and values, which are present in the social order and influence the woman entrepreneurship participation in the labor market.

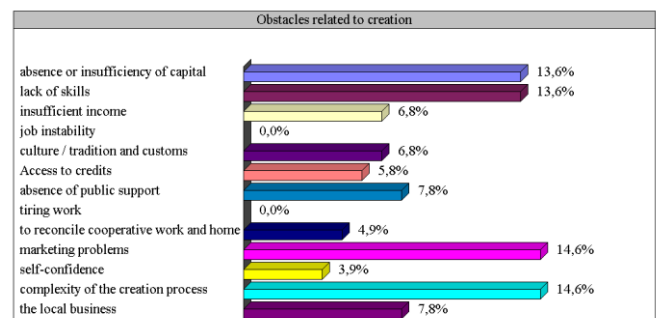


Fig 6: Barriers women face before the creation of the enterprise

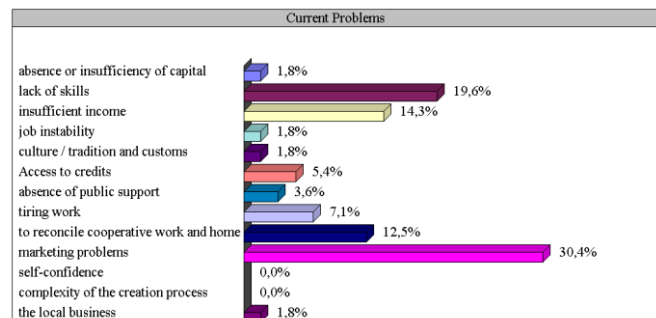


Fig 7: Barriers women face after the establishment of the enterprise

Both types of barriers can be grouped as the following:

### 1) *Socio-cultural Obstacles*

The role women play in the economic development of Morocco meets several structural problems that block the advancement of women entrepreneurs. This reality can be explained mainly by the socio-cultural factors. For example, in the Moroccan culture, the role of women is supposed to be limited to the family unit often associated with reproduction. This notion is based on the socialization process and the inequalities based on gender tolerated in the Moroccan context.

In the present article, the gender inequalities refer to the socially and culturally fabricated differences between men and women. By this inconsistency, the interest is in how-as the sociologists put it: “*gender inequalities are structurally determined, not natural outcomes*” Strangleman and Warren (2008, 160). This means that at the heart of the sociological approach to gender is the conviction that men and women do not just face difference between them, but rather these differences show power imbalances. According to Strangleman and Warren: “*the idea of hierarchy is thus the core of [gender inequalities], with its categories of masculine and feminine reflecting hierarchical notions of strength/ domination and weakness/ subordination respectively*” (2008, 160). This means that discriminatory practices towards women are a prominent barrier to women’s entrepreneurship. Approximately half of the participants felt that they directly experienced gender based discrimination.

Family circle also seems to be an obstacle although, Moroccan women are no longer obliged to ask permission from their father or husband, as for example in case of repetitive trips abroad or in case of meetings with customers. Many respondents revealed that they experience sexual harassment, lack of credibility and the reluctance of the various partners such as clients and product suppliers, especially during the periods of establishing the business.

### 2) *Access to Finance and raw materials:*

Based on the nature of their work, many of the respondents in the study experience other types of occupational difficulties when they initially want to establish their businesses. Most importantly, access to financial resources and raw materials are the major limitations confronted by these workers. In other words, the absence of a source of finance and difficulties in gaining credits from financial institutions weakens the chances of women’s work in cooperatives and being an entrepreneur. A respondent in the research area claimed that banks are sometimes reluctant to support women who want to set-up their businesses and provide uncomfortably conditions that discourage them. In this respect, one may assume that the banking institutions are penalizing women either because of the gender based prejudices about the female entrepreneurs or due to the lack of financial skills in the female enterprise. Other informants justify the lack of access to finance by the absence of a guarantee that is required by the banking institutions in Morocco. They claim that the banks’ decisions are not fair since they focus on the obligation of having a guarantee and ignoring other elements such as the degrees and professional experiences.

Moreover, interviewees who work as seamstresses declare that they face problems relative to the provision of raw materials such as sewing machines, thread, tissue, sewing accessories, to name but a few. Others women, especially those working in pastry or food industry require baking equipment, refrigerators to start or to continue the performance of their economic activities.

### 3) *Professional Obstacles*

One of the most important obstacles reported by respondents in the research area is related to professional problems. For instance, accessing the market demonstrates a crucial barrier to women’s performance in the labor market. Indeed, according to our respondents, the access to the economic market remains a challenge to the majority of them due to various reasons. For example, some of them reported gender based discrimination as a source of this problem. In other words, entrepreneurial opportunities by women are confronted by

discriminatory forces that decrease women's chances to access different markets.

The complexity in marketing the products produced by women in cooperatives remains a serious difficulty facing most of the respondents in the region of Draa- Tafilalt. Thus, sometimes the problem is not only attributed to the lack of marketing products, but also to the lack of information on ways of marketing. In this respect, lack of marketing skills and training was found out in the research area to be another serious impediment of business development for those women working as entrepreneurs.

#### *4) Reconciliation between Private and Professional Life*

Another obstacle faced by women workers in cooperatives in the region of Draa-Tafilalt is linked to their double work responsibilities. They suffer from a dual burden. All of them agreed that they never get rid of their domestic work responsibilities and their traditional gender based roles while working in the cooperative. The combination of work and household responsibilities, especially when children are young, represents a double burden for the women. Those women's situations may be in part due to widely shared beliefs that women are the responsible for child-rearing and are innately better than other persons at looking after them. Consequently, as it was argued by Bernadette, Allegra and Correll (2010) that both men and women may believe that any sacrifices in their careers for the sake of family benefits and the focus on the family's demands should primarily be made by mothers, especially to the extent that they associate women and family. Thus, a mother of young children may feel that she is not an adequate mother and opts to work less to have more time for her children. However, expectations that mothers should stay at home to take care of their children, as well as the traditional view that women are more responsible for child care than men, may lead to decisions such as to lessen their work time or to leave their productive work although a continuous employment history would develop women's earning opportunities and increase their potential and work progress. All in all, balancing home

responsibilities and work represent a clear tension to the participants.

#### V. CONCLUSIONS

The present paper shows the extent to which women's entrepreneurship can function as a channel for the promotion of mechanisms that provide protection and security to women workers. It also demonstrates how the promotion of women's entrepreneurship contributes to productive employment and decent work for women they face uncountable stumbling blocks such as lack of benefit from the business development services, access to finance opportunities and scrutiny of awareness of economic opportunities for women. Hence, for better socioeconomic well-being of women entrepreneurs in Morocco, especially in the region of Draa- Tafilalt, which the Moroccan government grapples with, cannot be achieved without having a comprehensive policy for women's entrepreneurship and its workers.

Since the private sector is considered to be a refuge for many people deteriorating economic and employment problems, policy makers and stakeholders must come up with realistic policies and positive actions for small business activities and self-employment workers. In other words, the role of women in entrepreneurship must be taken seriously from support institutions in order to promote entrepreneurship and women as they are active contributors to the economy. Otherwise, a fundamental and vibrant sector of the Moroccan society with great potential could be excluded from the economic activity and development in general.

#### ACKNOWLEDGMENT

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