

# EFFECT OF AWARD, INCENTIVES AND COMPETITION ON ENTREPRENEURIAL DEVELOPMENT AMONG FEMALE FARMERS IN NORTH-WEST PROVINCE, SOUTH AFRICA: A REVIEW

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## ABSTRACT

*The terms "entrepreneur" and "entrepreneurship" are used by people interchangeably, hence the need to differentiate between an entrepreneur and an entrepreneurship. An entrepreneur is a person who starts and owns a business in the society be it a man or a woman, while entrepreneurship is defined as the driving factor that brings land, labor, capital all together in production. The development of entrepreneurial spirits among women in the society is of a great importance because the role women play in the society cannot be overemphasized. Discrimination between genders in the community tends to lead to less rapid economic growth. Women are a powerful economic driver and their inclusion in the economy could be a potion to reduce unemployment, poverty, and inequality. The aim of the paper is to fill the gap gender inequality and biasness have created identifying what the introduction and awards and incentives can contribute to making women relevant in policy and decision making, job creation, food security in the country and particularly in the province.*

**Keywords:** Award, Competition, Entrepreneurial Development, Female Farmers, Incentives.

## INTRODUCTION

In the African continent, the role women play in development cannot be overemphasized. Five of the world's estimated twenty female bank governors come from Southern African's countries and these are Botswana, Lesotho, Seychelles, Madagascar and South Africa. By occupying such positions in the economy of a country, it is evident that the gap created by gender inequality is slowly being bridged. A society that discriminates by gender tends to experience less rapid economic growth and poverty reduction than societies that treats both genders equally (Bradshaw et al., 2013). Bush (2015) stated that "by providing women with equal rights, improved education, opportunities for labour force participation and an increase in earning the opportunity, socioeconomic development in the community and country is boosted".

The 1995 Beijing conference as reported by the United Nations (2002) stated the importance of gender as an issue in developing countries which has led to the full implementation of the human rights for women, furthermore, the equal rights between women and men were declared. United Nations (2002) highlighted that the conference led to the empowerment and advancement of women, including the right to freedom of thought, conscience, religion and belief. Equal division and availability of resources have made it possible for women to own businesses and operate their own franchise. This development is seen as a means of job creation, poverty reduction and the menace of unemployment gradually been faced out in the economy has a result of their entrepreneurial spirit.

According to Nayab (2011), an entrepreneur is a person who starts and owns a business in the society be it a man or a woman. The terms "entrepreneur" and "entrepreneurship" are used by people interchangeably. Cantillon (1680-1734) defined an entrepreneur be it a man or a woman as an agent who buys means of production at certain prices to combine them into a new product. According to Nayab and Scudder (2011) and Say (1767-1832) improved Cantillon's definition by adding that an "entrepreneur brings people together to build a productive item". Furthermore, Knight (1885-1972) first introduced the dimension of risk-taking as a central characteristic of entrepreneurship and adds the dimension of risk-taking to earlier concepts. It considers uncertainty as a factor of production and holds the main function of the entrepreneur as earning a profit as a reward for taking such risks. Furthermore, Nayab and Scudder (2011) continued that Alfred Marshall (1890) "held land, labour, capital and considered entrepreneurship as the driving factor that brings these four factors of production together".

According to Nayab and Scudder (2011) "the characteristics of a successful entrepreneur include a thorough understanding of the industry, good leadership skills, and foresight on demand and supply and the willingness to act on such risky foresight". Mandipaka (2014) stated that "the success of an entrepreneur, however, depends not on possession of these skills, but on the economic situations in which they attempt their endeavours". Accordingly, Kirabira (2015) further discussed that for entrepreneurship to thrive in the rural communities an enabling environment is a necessity, the existence of such environment depends on policies promoting rural entrepreneurship. Furthermore, Petrin (1994) discussed that the effectiveness of such policies, in turn, depends on a conceptual framework, awards and incentives among other means of encouragement for more participation and production among women farmers.

Petrin (1994) stated that rural development is now being linked with entrepreneurship, institutions and individuals promoting rural development now see entrepreneurship as a strategic development intervention that could accelerate the rural development process. Mujuru (2014) stated that "agriculture is viewed as the main economic activity which contributes to the overall creation of wealth in the country" as such it then calls for both small-scale and large-scale farmers to practice entrepreneurial agriculture. Kahan (2012) defined entrepreneurship as a key factor for the survival of small-scale farming and increasing global economy. The entrepreneurial process involves encouraging small-scale subsistence farmers to become commercial farmers on a large-scale in the long run. Some farmer-entrepreneurs face many challenges during the process of growing their business such as market-related risk, access to finance and credit, access to information, low bargaining power, vulnerability to economic shock and access to training and related challenges.

However, entrepreneurship has been considered a new phenomenon in the development and the growth of developing economies and countries including South Africa. There is the need to harness all skills the farmers can render in order to increase productivity and also be able to withstand harsh conditions because of environmental changes. Agriculture is not only an engine for

growth in the developing economies but also a key factor in alleviating poverty and promoting family dignity, recognition, sense of belonging, self-respect and self-fulfilment in the community. Gülçubuk (2016) indicated that the fall in agricultural income returns has led men to abandon agricultural sector and this has resulted in women participating more into agriculture. Furthermore, he highlighted that in spite of the decrease in agricultural employment, it is still the sector that women employment remains the highest. Women have a higher level of joining the labour force in rural areas than in urban areas because the rural populace of women involved in agriculture is higher than in the urban areas. According to Fries (2015) women play a central role in the global economy hence the role of women in agriculture and entrepreneurship cannot be overemphasized. Frazier (2016) explained that "studies argue that the empowerment of women in agriculture, with full support and equal resources with men, will boost the total agricultural output in developing countries from 2.5% to 4% which is enough to reduce the number of undernourished people in the world by between 100 and 150 million while increasing wealth throughout the value chain". He further stated that in sub-Saharan Africa, only 15% of landowners are women, less than 10% access credit and credit facilities and about 7% access extension services.

Some ways and strategies have been brought into the agricultural sector to encourage more females to join, participate and also create their own businesses, which will ultimately create more employment and help more people both men and women to be able to provide for their families and in addressing food security. The Department of Agriculture, Forestry, and Fisheries (DAFF) launched the female entrepreneur scheme in 1999 (DAFF, 2013). According to DAFF (2013) the triple challenges of poverty, unemployment and inequality that the country is faced with, and as a sector have their origin in the promulgation of the Native Land Act of 1913. These challenges of poverty, unemployment, and inequality that are faced in the country and the sector prompted the women to think deep, create and own businesses despite the harsh consequences of the Native Land Act of 1913. It should be noted that despite this harsh consequences, South African women in agriculture like anywhere else in the world remained steadfast producers. The creation of awards, incentives, and competition are major means of celebrating the success of the women in agriculture that have helped in playing a role in building the country's agricultural sector and assisting to curb food insecurity.

The introduction of incentives as a means of motivation and encouragement to the commercialization of subsistence farmers in countries such as South Africa has led to different levels of production and consumption changes for both men and women (Drafor, 2014; Adenegan, Adams & Nwauwa, 2013). It can be noted that the lack of promoting entrepreneurship in South Africa has decremented the benefits of having SMEs contribute in terms of creating jobs, delivering innovations and raising productivity. According to Lekhanya (2015), South Africa has relatively low level of entrepreneurship with Small, Medium Enterprises (SMEs) accounting for only about 55% of employment. It was also noted that this high failure rate of SMEs is estimated at 70-80% in South Africa and including agriculture.

In the bid to encourage and increase the participation of women, Department of Agriculture, Forestry, and Fisheries (DAFF), female entrepreneurship programme was initiated. The North-West provincial government, in particular, the Rural, Environment and Agricultural Development (READ) in partnership with the National Department of Agriculture, Fisheries and Forestry (DAFF) and other key partners recognized the continued exclusion of women from the edge of agricultural development, thereby introducing the Awards, Competition, and Incentives in 1999 to encourage subsistence female farmers into becoming commercial farmers which will ultimately boost the mainstream agriculture and the country's food security. The introduction of the programme was to balance the economic gap created between the men and women in whom female

farmers are recognized and rewarded according to their effort through awards and incentives.

There has not been any effort to assess the effect of the introduction of this AIC programme on female farmers. DAFF encourages competition among female farmers to accelerate production, job creation and food security with the awards in the form of monetary value and infrastructure investment to better their farming practices. Women entrepreneurs create jobs among other things by being able to provide solutions to business, management and organizational problems in the society as well as the exploitation of business opportunities. The minority report of the number of female farmers graduating from subsistence farming to commercial farming is still at a low proportion hence the economic impact of women cannot be overemphasized, though there is no specific and reliable picture describing in detail the specific impact.

Policies and programmes tend to be "men streamed" and do not often times take into considerations the specific needs of female farmers. As a result in order to create an equal opportunity for men and women entrepreneurship, programmes and schemes were created to incorporate women into commercial farming. The AIC programme introduced by DAFF in partnership with the READ is to foster, support and encourage female entrepreneur farmers.

The success of women entrepreneurship is a major source of development and knowledge management. Rural economic empowerment programmes are helping women farmers increase their yield, earn more and give their children a better education and healthier food. Improving the position of women in the society and promoting entrepreneurship generally will have significant benefits to women. Monetary values placed as rewards and given to female farmers will ensure that there is the availability of food and reduction of rural poverty among female farmers and female-headed households.

Clearly, on the broader level, the need for more studies to provide empirical evidence for informed policy intervention in agriculture and in female entrepreneurship is imperative. Awards, Incentives, and Competitions will play an integral part in improving the lives of the female farmers who are migrating into commercial farming and further encourage other female farmers. This review will sought to answer what the contribution of award and incentives is to female entrepreneurial development and add to the existing literature on empowerment of female farmers through understanding the benefits of the scheme, help integrate mainstream women, young women and women with disabilities in the sector through food security, job creation, economic growth and poverty alleviation in promoting awareness to the female farmers in the province.

## **Background on "Entrepreneurs" and "Entrepreneurship"**

An entrepreneur can be defined as an individual who runs a small business and takes all the risk associated with running such a business than being the employee. The entrepreneur is commonly seen as a leader and an innovator of new ideas, methods and service rendering.

The reward of taking the risk as an entrepreneur is to make a profit and this individual has the skills and initiative to take these new ideas to the market and then make the right decisions that will lead to profitability. An entrepreneur creates business plans and then is known to have the ability to combine land, labour and capital into a venture that will ultimately make an economic profit.

According to Carton et al. (2004) the term entrepreneurship is derived from the French verb "Entreprendre" which means "to do something" and the German word "Unternehmen" both of which is translated to "undertake". Furthermore, Carton et al. (2004) opined that there are two distinctly different approaches to defining entrepreneurship and the first is to define what entrepreneurs are and then observe them and based on the results of the observations,

entrepreneurship could then be defined as what the individuals who are entrepreneurs do. And the second approach is to define entrepreneurship and therefore define entrepreneurs as those who engage in entrepreneurial activity.

This review focuses on entrepreneurship within the context of rural South Africa and its development among female farmers in the North-West Province. The strategy that is used to encourage entrepreneurship among female farmers is the introduction of Award, Incentives and Competition (AIC). This is aimed at creating and building something from practically nothing by creating value through pulling together a unique package of resources to exploit and unlock opportunities available (Bahl, 2012). Entrepreneurship has been gaining popularity and attention across the globe as an important source of economic growth and employment creation. Entrepreneurial initiatives have the potential to enhance competitiveness and growth of the economy (GEM Report, 2011; Kuckertz & Wagner, 2010)".

## **THEORETICAL AND CONCEPTUAL FRAMEWORK ON ENTREPRENEURSHIP IN AGRICULTURE**

### **Application of the Innovation Theory to Agricultural Entrepreneurship**

Agriculture is the benchmark to the physical and economic survival of every human being, in which the dependence on innovation and innovation systems of humans in agricultural development is highly important. Generally, innovation is seen as the major source of improved productivity and economic growth. Rakshit (2015) stated that "agricultural innovations are becoming increasingly important to make a sustainable, profitable and competitive agricultural enterprise.

Agricultural innovations usually come forth from the different entrepreneurial stages which include growing, processing, packaging, distribution and consuming agricultural products. Schumpeter (1952) from Thierer (2017) discussed that "the function of the entrepreneur is to revolutionize the pattern of production by exploiting an invention through untried technological method or producing an old commodity in a new way". In agriculture, the entrepreneur requires the existence of technical knowledge in order to produce new things and the power of disposal over the factors of production in the form of credit. Chand (2015) stated that agricultural entrepreneurs are innovators and for them to carry out their innovative function, they need two things. Firstly, agricultural entrepreneurs must have the technical knowledge to produce new products or new services and secondly they must also possess the power of disposal over the factors of production.

However, his theory faced some criticisms that induced that the theory is based on:

- The innovator whom he regards as an ideal person;
- Economic development being the result of the cyclical process;
- The cyclical changes due to innovation cannot be correct;
- Regarding innovation as the main cause of economic development and giving too much importance and emphasis to bank credit.

### **Risk Bearing and Agricultural Entrepreneurship**

Long (1983) discussed that the emergence of risks and uncertainty of entrepreneurial activity enables Cantillon to define entrepreneurship as a self-employment venture of uncertainty. No entrepreneurial effort is possible without the element of risk, if an entrepreneur is not willing to take the risk; the enterprise continues to be in the same situation. Dissatisfaction with existing

situation leads an individual to attempt changing it. To what extent the individual would go depends on is the ability to take a risk and cope with the outcomes. Mubina (2013) stated that the main function of the agricultural entrepreneur is to bear the risk and that production involves various kinds of risks, nobody will bear risk unless there is an expectation of profit thus it can be said that profit is the fundamental of taking the risk. According to Mubina (2013), this theory highlighted that profits are the rewards for uncertainty-bearing rather than risk taking and these are further divided into two which are Insurable risks and Non-insurable risk.

By taking the risk of investment for the purpose of job creation and economic upliftment, an agricultural entrepreneur thinks further for the security of his business to insure his ideas from natural hazards like fire, theft and so on. Bates (1993) discussed some important feature of this theory as follows:

- Risk creates profit that is entrepreneurs earns profits because he undertakes risks
- More risk more gain that is according to the risk theory, the riskier the nature of a business, the greater must be the profit earned by it;
- Profit as reward and cost that is profit has the reward of entrepreneurs for assuming risks, hence it is also treated as a part of the normal cost of production and
- Entrepreneur's income is uncertain.

In summary, the business environment is largely affected by the factors of uncertainty; hence Knight (1942) stated that the individual entrepreneur is referred to as "the specialist who bears risks and uncertainty".

### **Agricultural Entrepreneur and the Exposure Theory**

Exposure to new ideas and opportunities towards creativity and innovation will lead to the creation of new ventures in the agricultural sector, which will ultimately boost the economic growth of a country (Bates, 1993). Agricultural education has played very significant role in exposing the Indian female entrepreneurs to western ideas leading them to entrepreneurship. Agricultural educational has indeed contributed a lot through classroom teaching, experimental learning and through leadership training from extension workers. Exposure and access to education is an important factor in ensuring that farmers in particular females have some level of exposure to resources.

### **Agricultural Entrepreneurship Growth In The Political System Theory**

The role of the government in the agricultural entrepreneurial process is the provision of resources and enabling environment. Bates (1993) suggested that creation of adequate infrastructures, favourable laws and taxation system, provision of incentives and subsidies, security to entrepreneurs will encourage people towards agriculture. Governments can also build supporting systems for potential entrepreneurs. Agricultural industries will flourish better when the political system and structure is proper and put in place. Thus, it can be said that political structure is the prominent factor in the entrepreneurial growth of the nation. Furthermore, Holt (2004) highlighted the importance and success which the Japanese entrepreneurs recorded as a result of their political system being able to properly integrate with various other sectors such as the industrial and agricultural sectors, large, small and handicraft industries, labour intensives and capital intensive technology, traditional and modern social structure.

### **Conceptual Framework**

By contrast, the economic function of an innovation is to disrupt the market through the introduction of new combinations of methods, products and services thereby creating a new market. In this case, an entrepreneur is defined as an individual who innovates and creates new methods and ideas to destabilize the already existing market through his/her idea. Therefore an entrepreneur is one that is innovative, willing to take the risk, also an individual that is exposed to new or improved methods of service and product rendering. The end goal of an entrepreneur is to show development, experience growth in his/her enterprise and finally be productive hence contributing to the reduction of unemployment, food insecurity and also contributing to the necessary improvement of the economy.

For agricultural entrepreneurship to thrive, a proper and stable environment must be created and put into place. The role the government plays is to create and provide the resources and an enabling environment for agricultural entrepreneurship. According to O'Connor (2013), the three economic objectives for entrepreneurs are development (exogenous entrepreneurship), growth (expansionary entrepreneurship) and productivity (endogenous entrepreneurship).

### **Lessons on Women Entrepreneurship Globally from Other Countries**

From the Reynolds et al. (2000) South Africa was not even listed among the lowest level of female entrepreneurship development. This is a concern which has spawned up the Department of Agriculture, Forestry and Fisheries together with the provincial departments of agriculture into the dark end of the sea to buckle up think deep on ways of improving this negative record. The thought of creating incentives to reward and motivate female farmers was a welcomed idea. The report took into cognizance 21 countries with the high and top level of entrepreneurial development and the annual economic growth. The report then provides evidence that promoting entrepreneurship and entrepreneurial spirit in the country should be an imperative act of any government's commitment to boosting economic well-being. It can be said that the future of entrepreneurship in a developing country like South Africa and particularly the North-West. Province is bright as a result of the welcomed initiative of rewarding and motivating female farmers through Awards and Competition.

It can then be said that we are living in the age of entrepreneurial development, educational institutes and cooperate bodies are joining forces together with the government to establish a conducive environment and basic infrastructures to make entrepreneurship a continuous activity of the nation.

Apo (2007) reported that in India, agricultural women entrepreneurship is being undertaken by Non-Profit Organizations (NPOs) whose focus majorly is on counseling, training, hand-holding, giving guidance on finance and peer group support. WEI (2016) agricultural women entrepreneurs in India are now an innovative platform that helps women entrepreneurs to be more independent and goal oriented and are becoming frontiers in job creation, poverty reduction and a powerhouse of economic growth. In Malaysia, Mutalib, Arshad, Ismail and Ahmad (2015) highlighted that women entrepreneurship in agricultural promotion is facilitated by the Ministry of Women and Social Affairs and the Women's Small-Medium Enterprise Association of Malaysia (WSMEAM). Malaysian government continues to spend a huge allocation on women entrepreneurship yearly which includes agriculture.

As a result of this investment, the number of women in agriculture in Malaysia has increased in the past three decades due to the emphasis on industrialization and growing interest in privatization, self-employment, and business oriented employment. Rashid, Ngah, Mohamed and Mansor (2015) stated that the government of Malaysia provides incentives because of the growth recorded in the female entrepreneurial sector in which they encourage as a nation to reduce import

and increase export thus creating a favourable economic growth.

According to the 2014 Global Gender Gap Report by the Economic Forum, Philippine is the ninth most gender-equal nation in the world (Balea, 2015). The report highlighted that it is important to empower women entrepreneurs, access to ideas, opportunities, and resources to promote entrepreneurship. The importance of this is the Women Employment and Entrepreneurship Development (WEED) scheme of the Department of Labour and Employment (DLE) which aims at providing programmes that include Entrepreneurship Development Training (EDT) and Appropriate Skills Training (AST) amongst women. Hani, Rachmania, Setyaningsih and Putri (2012) stated that the aim of entrepreneurship in Indonesia is to improve the role of small industry and increase business and working opportunities. Women in Indonesia are growing the SME sector very rapidly and their ability to run businesses has also led them to succeed in their careers. As a result, women see opportunities to innovate and participate in the mainstream economy.

The Women Entrepreneurship Association of Nepal (WEAN), a Non-Governmental Organization (NGO) empower women through training, marketing assistance, credit and other extension services. Bushell (2008) stated that in the capital city (Kathmandu), increasing numbers of women entrepreneurs are promoting economic growth through their individual efforts and this has led to the contribution of women towards addressing food security. Apo (2007) highlighted that women entrepreneurship has received much attention. According to the Trade Development Authority of Pakistan (TDAP, 2016), the facilitation of agricultural women entrepreneurship has been instrumental in promoting entrepreneurship for many years. The main aim of women entrepreneurial development by Trade Development of Pakistan is to support women in meeting the requirements of local and international marketing through promotions and opportunities for aspiring women to expand and grow. A large number of the SMEs in Ghana are female-owned and this enterprise has been faced with different challenges despite their contribution to the economy of the country. Women in Ghana play a vital role in the creation management of SMEs. Abor and Quatey (2010) stated that 90.9% of the SMEs are located in the informal sector and about 70% of these businesses are female-owned. Hence, the importance of women contribution to the Ghanaian economy and the country's growth cannot be understated.

OECD (2004) showed that in the USA, 6.4 million self-employed women provide employment for about 9.2 million people and create significant sales. The estimate is that with the number of self-employed females in the USA, they could contribute to alleviating unemployment stigma by an additional 15 million persons they can employ. Stengel (2016) highlighted that 36% of all businesses in the USA are owned by women and this was recorded as a jump of about 30% from the record of 2007. Furthermore, women-led businesses in the USA grew by 4% between 2008 and 2014 and the number of firms has increased by 32%. In Canada, the prime minister's task force on women entrepreneurship (2003) showed that there are more than 821 000 Canadian women entrepreneurs and they contribute to an excess of CAD 18 109 million to the economy annually.

This contribution has a general effect on the improvement of the country through employment and more job creation. There are a total of 1.03 million women-owned businesses in Germany. Women-owned business has made an average turnover of about 522 000 Euros. This record shows that they have contributed and provided for about 2 million employees (Kay et al., 2003). Women entrepreneurship represents a great economic strength in the UK. Women represent a growing part of the self-employed populates with about 26% of them recorded. This percentage also represents an important growing part of the small business population. Therefore, it can be concluded that women are able to generate both substantial sales and employment for themselves

and others (OECD, 2004).

Yan and Yan (2015) stated that individual entrepreneur's pursuit market opportunities in order to start up a small business and the behaviours of the small business often reflects the wills and intentions of the individual entrepreneurs. Agbenyegah (2013) in summary discussed that the entrepreneur stands at the centre of new business creation, thus entrepreneurs capitalize on knowledge to create potential wealth through opportunities that are unique and also through innovative processes. Liang and Dunn (2008) highlighted that establishment of new business by entrepreneurs creates and builds renewed innovative values and perceived business opportunities. According to Thindisa (2014) "Entrepreneurship is a continuous process".

### **Characteristics of the Entrepreneurs**

Although there is no "one size fits all" theory of entrepreneurship, a few guidelines may help as well as give some insights. These include: being a passionate and motivated individual, risk taker, adaptable and flexible, hard-working disciplined, dedicated and always have a strong belief, understands what the product is offering and its market and are good at money management. Furthermore, entrepreneurs are about building a business from the scratch while managing limited resources. They are also known for having networking abilities including experienced mentors as the key characteristics of successful entrepreneurs. The AIC programme gives rise to mentoring and encouragement.

### **Entrepreneurship in Developing Countries**

Mubina (2013) highlighted an entrepreneur the one who is a business leader that looks for ideas and then puts them into effect in the development of the economic growth. For an economic development of a country to be seen, entrepreneurship is one of the most important pillars of this growth and development. Economic development of a country is the outcome of the purposeful human activity. It is essential for a developing country to have entrepreneurs who are competent to perceive and discover new opportunities and are ready to incur the necessary risk in developing and exploiting them. A developing country is known to be plagued with unemployment, low income, and poverty. Mubina (2013) continued that for a developing country to come out of the vicious cycle, entrepreneurs can come into play to help break the cycle and together with the help from the government can change a developing economy into a developed economy.

Entrepreneurs contribute direct and indirect employment for many people in any given country. A country's path towards economic development can be made clear with entrepreneurs playing an important role in reducing the problem of unemployment in the country. Because unemployment is a chronic problem associated with most of the developing and under-developed countries, entrepreneurial development acts as a vehicle for employment generation through promotion of small businesses.

Luizl and Mariotti (2011) identified that South Africa has one of the highest unemployment rates recorded internationally in 2010 which was recorded at 25.3%. Kingdon and Knight (2004) highlighted that the large percent of this surplus unemployed are meant to be absorbed by the informal sector but unfortunately South Africa cannot boast of having a large sector that is capable of absorbing this quantity because the country has a relatively small informal sector. Rodrik (2008) stated that South Africans lack entrepreneurial spirit; this has led the government to implement various strategies to encourage entrepreneurship and small businesses without much success.

According to Luizl and Mariotti (2011), South Africa with enormous socioeconomic

problems faces an immense challenge because jobs are not being created in the South African labour market because there is an expectation from school-leavers that they must find work in a corporate world with scant attention being given to creating their own businesses and enterprise. Furthermore, they noted that Small, Medium and Micro-Enterprises (SMMEs) are an important source of employment and also economic growth in most countries and South Africa is lagging behind on this front. Timmons and Spinelli (2009) highlighted that sustainable entrepreneurship means sustainable and stronger economy because more opportunities for employment will be created.

In South Africa, a serious deficiency in skill training is the major responsibility for low entrepreneurial activity. According to Herrington and Kew (2016/2017) Global Entrepreneurship Monitor, South Africa's perceived opportunities about entrepreneurship is ranked 44 out of 64 countries with 35% in value, the perceived capabilities is 37.9% in value and ranked 54 out of 64 countries, individuals undeterred by fear of failure is 31.2% and those with entrepreneurial intentions are 10.1%. It is also recorded that the rate of established business ownership is 2.5% and entrepreneurial employee activity-EEA is just 0.7%. Furthermore, the report shows that the impact of entrepreneurship in job expectations, innovation and industry creation are 27.6%, 22% and 13.6, respectively.

### **Roles of Entrepreneurs in the Economy**

Mtetesha (2016) highlighted and discussed the following roles that entrepreneurs play in the economy and the development of a given society.

#### **Drivers of Production Process and Economic Development**

Entrepreneurship is not only a primary factor of production but also the driving factor in both production and development. Without entrepreneurs, resources remain dormant and inactive, therefore the main role entrepreneurs' play in development is the mobilization of the resources, driving the resources into production and finally making sure the resources are sustained for continuous production. It is stated that entrepreneurs can take advantage of the abundance in nature and human resources in developing countries in order to increase production of quality goods for both local and international markets, and then economic development is visible and possible. This also has to consider the different roles that are played by women as entrepreneurs in economic development. It can then be said that the more entrepreneurs locally grow and develop, the greater the opportunities for economic growth and development.

#### **Entrepreneurs Raise National Income**

Granovetter (2000) stated that low levels of production results in lower levels of income in poor nations. Hence when entrepreneurs are involved from the grassroots level in production, exportation and importation of farm goods are visible which will contribute to the national income of the country and will, directly and indirectly, give the economy a prospect of growth. The incentives that entrepreneurs bring to the countries national income serves as the motivating factor to encourage women farmers to participate in the development programme.

#### **Value addition and Industrialization**

The role entrepreneurs play in the economic growth and development is very important,

furthermore, entrepreneurs are very vital in the process of structural change or industrialization. Naudé (2013) stated that entrepreneurial innovation leads to the reallocation of resources from the traditional (agricultural) sector to the modern (manufacturing/industrial) sector. Agricultural industrialization opens the door for job creation, employment and poverty reduction. Gries and Naudé (2010) stated that entrepreneurs play three key roles in industrialization which are "creation of new firms outside the household, offering new products and introducing new processes, they increase the size of firms by clustering specialized firms which will give rise to the economy".

### **Promoting Capital Formation**

Todaro and Smith (2003) in Mtetesha (2016) stated that creation of increased capital in an economy through capital investment will result in reduced inflation and increased production capabilities thus capital formation can then be the driver of economic growth in the long run.

### **Employment Creation and Reduced Income Disparities**

Increased employment levels will reduce poverty levels and increase the per-capita income and improve generally the quality of life.

### **Improved Standards of Living**

With increased employment comes reduced poverty which will allow more individuals to be able to afford the basic necessities of life.

### **Major Source of Government Finance for Development**

Entrepreneurship through taxations on goods helps provide funds for the government to provide operations such as healthcare, education, road network and so on. It thus contributes greatly to the production of goods and services.

### **Social Corporate Responsibility**

Mtetesha (2016) concluded that entrepreneurship is a major key and linking ingredient to production and eventual development. It is then encouraged that many countries with great capital, mass lands blessed with rich resources and labour reserves should tap into entrepreneurship in order to develop their economy.

### **Impact of Entrepreneurship on Economic Development**

Seth (2015) highlighted that entrepreneurs are frequently thought of as national assets to be cultivated, motivated and remunerated to the greatest extent. Wealth creation through their entrepreneurial ventures creates jobs and in reply contributes to a prosperous society. New businesses created by entrepreneurs in the form of new goods and services results in new employment which can have an effect on the economy. Entrepreneurs add to the national income through the generation of new wealth.

Swanepoel et al. (2010) highlighted that the "South African economy is severely engulfed with multiple socioeconomic challenges of growing unemployment, economic decline and poorer entrepreneurial activities". It is very critical and imperative for entrepreneurship to put into motion

major economic tasks of creating new economic opportunities for business purpose and the general society (Arenius & Kovalainen, 2006). Seith (2015) stated that new and improved technologies from entrepreneurs enable new markets to be developed and as a result, there is the creation of wealth in the process. As a result of this creation of wealth through their unique goods and services, entrepreneurs break away from tradition and indirectly support freedom by reducing dependency on old technologies. Entrepreneurship adds to community development in investing in community projects and financially supporting local charities which enable further development beyond their own ventures.

Agbenyegah (2013) and Herington et al. (2010) highlighted that entrepreneurship is seen as a vital economic force that helps to shape the global economic performance. This is further corroborated by Naudé (2011) that entrepreneurship plays a vital role in creating job opportunities which will contribute to any countries economic development.

Schumpeter (1934) and Bird (1989) stated that globally, economic development is associated with the extent and the presence of entrepreneurial activities around. The overall economic outlook for South Africa has declined because of poor entrepreneurship and entrepreneurial performance (Agbenyegah, 2013). As a result of this, Nieman and Niewehuizen (2010) stated that it is very important to encourage small businesses through good leadership and management practices, innovation, research and development to contribute to the small business success and then contributing to the economy. Nwokike (2015) stated that entrepreneurship can go a long way to stabilizing the economy of a nation as well as generate massive returns for the government.

### **Daff Female Entrepreneur Awards**

In South Africa, DAFF (2013) highlighted that female entrepreneur awards are divided into categories as shown in Table 1.

According to the guide of the Department of Agriculture, Forestry and Fisheries (DAFF, 2013/2014-2015/2016) it is expected and intended to provide a common framework for the coordination, implementation, and management of the DAFF Female Entrepreneur Awards programme for both DAFF and the provincial agricultural departments. The background of the programme is intended to acknowledge, encourage and increase the participation of women, young women, and women with disabilities in the sector. It is important to underline the fact that women play a significant role in food security, job creation, economic growth and poverty alleviation. The basic intention of the programme is to integrate subsistence women entrepreneurs or farmers and smallholder producers to commercial entrepreneurs who will ultimately go into exportation of farm produce. This vision coincides with the National Development Plan which is to empower women and also encourage their involvement in the country's economic transformation.

The expansion of Department of Agriculture now known as DAFF also had a significant effect on the award that was initially known as the Female Farmer of the Year competition and hence in 2010, the programme was renamed the DAFF Female Entrepreneur Awards. DAFF (2013/2014-2015/2016) stated that the programme has both the annual competition and its development elements and this programme (FEA) since its inception has been sponsored by Total South Africa. In the different nine provinces, the participants of the DAFF Female Entrepreneur Awards (FEA) go through a rigorous adjudication process whereby selected winners from the provinces compete at national level and are awarded their contributions at a Gala dinner hosted by DAFF in conjunction with the provinces, sponsors and different stakeholders.

The award ceremony at provincial and national levels takes place during Women's Month

in August to highlight the sector's input towards the broader gender transformation agenda of the country (DAFF, 2013/2014-2015/2016). The programme has since been an empowerment platform that recognized the entrepreneurial skills of older women, young women and women with disabilities in the agricultural sector. According to DAFF (2013/2014-2015/2016), the National Organizing Committee (NOC) was then established to work with DAFF to oversee, facilitate and help monitor the implementation of the DAFF Female Entrepreneur Awards programme through:

- Creation of appropriate coordinating sub-committees at the national level
- Development and reviewing of the guiding document for the DAFF FEA programme;
- Identification, development and maintenance implementation of protocol with the key stakeholders;
- Receiving, discussing reports, tracking progress as well as monitoring and evaluation of the DAFF FEA programme; and
- Influence policy development, review policy documents and mobilize resources with a view to strengthening the programme to maximize the participation and empowerment of women in agriculture, forestry and fisheries.

The following terms and conditions serve as prescript to the programme. To be able to participate or be eligible for the FEA programme, the Department of Agriculture, Forestry and Fisheries indicated the terms and conditions which entrants or participants have to adhere and which states that the entrants of the competition must be involved in agriculture, forestry and fisheries enterprises on a full-time basis. It is highly imperative that winners and nominees of the competition must be willing to participate in all media-related activities that the coordinators of the programme may arrange. To encourage other women to participate in agriculture, forestry and fisheries enterprises, winners of the competition must be willing to act as mentors and participate in development programmes (DAFF, 2013/2014-2015/2016).

Government employees are not allowed to enter or participate in the programme as this will be in bridge with the terms and condition of the programme. Eligibility to partake in the programme is only opened to the citizens of the Republic of South Africa and furthermore, previous winners of categories cannot enter the competition in the same categories in subsequent years, and the overall winner cannot re-enter the competition in any other category. A panel of adjudicators verifies all documents of the entrants before the respective interested entrants of the competition are invited and must be present for the interview process. Assess to video footage recording which will be a support to information provided on the forms filled must be granted by the entrants of the competition. The final decision is made by the executive committee on which participants have qualified and met the criterion as set on the programme framework.

**Table 1**

**DAFF FEMALE ENTREPRENEUR AWARD AND CATEGORY**

<b>Provincial Category</b>	<b>Cash Prizes (Rand)</b>	<b>National Category</b>	<b>Cash Prizes (Rand)</b>
Best female worker in the sector Agriculture, Forestry, and Fisheries	50,000	Best female worker of the sector	1,00,000
Best subsistence producer (winner and runner-up). Agriculture, Forestry and Fisheries runner-up).	75,000	Best subsistence producer	1,50,000
Forestry and Fisheries	25,000		
Top entrepreneur small-holder (winner and runner-up). Agriculture, Forestry and Fisheries	1,25,000	Top entrepreneur small-holder	2,50,000
	32,000		
Top entrepreneur processing (winner and Forestry and Fisheries runner-up). Agriculture	1,25,000	Top entrepreneur processing	2,50,000
	32,000		
Top entrepreneur commercial (winner and runner-up). Agriculture, Forestry and Fisheries	1,25,000	Top entrepreneur commercial	2,50,000
	32,000		
Top entrepreneur export markets (winner and runner-ups). Agriculture, Forestry and Fisheries	1,25,000	Top entrepreneur export markets	2,50,000

	32,000		
MEC's special award: Young woman and/or woman with disability	50,000	Minister's special award: Young woman and/or woman with disability	1,00,000
			1,00,000
Overall Winner	2,50,000	Overall Winner	5,00,000

Source: DAFF (2015)

### CONCLUSION

According to Van Vuuren and Groenewald (2007), the promotion of the small business sector is likely to reduce the current surge in unemployment as the small business sector form about 95.7% of all the businesses across the country. Luiz (2002) reiterates that the unemployment crisis in South Africa can be solved through the establishment of small businesses and entrepreneurial activities. Entrepreneurs are those who engage in entrepreneurship, while entrepreneurship is the means of wealth and job creation. Women obviously play an important role in the growth and development of any sector especially in the agricultural sector of the economy as an individual entrepreneur or a group of entrepreneurs. All an entrepreneur need to succeed is a suitable environment and the right motion. Networking with other entrepreneurs will help create more and better opportunities for female entrepreneurs. In recent years, the South African agricultural sector has recorded an increase in growth in the number and percentage of women interested in agriculture. The introduction of the award, incentives and competition in the North-West province has also recorded improvement in the number of female farmers who are now commercial farmers as to being subsistence farmers. Some of the indications for entrepreneurial development in the province by the female farmers as a result of benefiting from the programme included growth in the number of employment/staffs, commitment from staffs and skill acquisition.

### RECOMMENDATION

This paper uses a cross-sectional linkage approach of entrepreneurship through the discussion of necessary theories in relation to entrepreneurship in agriculture. It is, therefore, recommended that for agricultural entrepreneurship to continue to thrive in North-West province among female farmers, the government of the day should provide relevant environmental conditions, agricultural infrastructures and policies to encourage more women to become self-sustained. The space in which entrepreneurship occupies in the economy cannot be exaggerated, thus it is imperative for more programmes like the Awards, Incentives and Competition is created as a means of reward and motivation for female farmers in the province.

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