

THE STRUGGLES AND INEQUALITIES OF WOMEN ENTREPRENEURS IN THE TOWNSHIP ECONOMY OF SOUTH AFRICA

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ABSTRACT

Women entrepreneurs in township economies face persistent challenges due to socio-economic, cultural, and historical barriers. despite policies and initiatives promoting gender equality in entrepreneurship, women in Hammarsdale struggle with financial exclusion, market access limitations, and entrenched social norms that hinder their business growth.

The purpose: This study explores the barriers women entrepreneurs face in Hammarsdale, South Africa, focusing on structural impediments, cultural expectations, resilience strategies, and policy support.

Methodology: Using qualitative purposeful sampling methods, with a sample size of 15 participants, the study provides insights into how women navigate obstacles, leverage community support, and advocate for more effective policy interventions. their women entrepreneurs' operational needs in Hammarsdale township.

Findings: The findings contribute to the broader discourse on township economies, emphasizing the need for gender-sensitive policies, financial inclusion, and infrastructural development to unlock the full potential of women entrepreneurs.

Originality/value: The study's originality lies in its focus on women's lived experiences, highlighting their resilience strategies and the gaps in policy implementation. This research provides valuable insights into fostering gender-inclusive economic development in township economies by offering practical, evidence-based recommendations for policymakers, investors, and local stakeholders.

Keywords: Financial Assistance, Policy support, Township economy, Women Entrepreneurship

INTRODUCTION

Women entrepreneurs in township economies face unique challenges from a complex interplay of socio-economic, cultural, and historical factors (Ahmed et al., 2019). These challenges often manifest as limited access to financial resources, restricted market opportunities, and deeply entrenched social biases (Ahadu et al., 2020). Overcoming these barriers is crucial for women's economic empowerment and township communities' overall development and prosperity. It has been shown that women's entrepreneurship plays a considerable role in economic development and that governments and non-governmental organizations have focused on women's empowerment (Ahadu et al., 2020). Despite policies, financial assistance, and organisations designed to assist female entrepreneurs in many countries, studies reveal that the same challenges remain (Madhuri et al., 2025). It is crucial to conduct more research to determine why these challenges still exist, as there is only a limited amount of literature on women entrepreneurs overcoming obstacles, and researchers should also concentrate on what can be done to assist women entrepreneurs in overcoming these obstacles (Madhuri et al., 2025).

Women entrepreneurs frequently encounter difficulties in obtaining loans and financing,

gaining access to markets, owning land and inheritance, and obtaining raw materials, which are all economic challenges (Ahadu et al., 2020). These financial constraints can stifle their ability to start, sustain, and expand their businesses, limiting their potential for growth and job creation (Ahadu et al., 2020).

In recent years, there has been growing interest in unlocking the economic potential of townships like Hammarsdale to address broader national issues such as poverty, inequality, and unemployment (National Treasury, 2019). Townships are increasingly being recognized as critical nodes for economic transformation, particularly in developing economies where urbanisation and informal settlements are on the rise (Turok, 2016). Hammarsdale's unique blend of industrial heritage, cultural diversity, and geographic advantage presents a compelling case study for exploring the prospects and challenges of township economic development (Khanyile & Mchunu, 2021).

This research paper seeks to examine the untapped economic potential of Hammarsdale Township, identifying key opportunities for growth while addressing the systemic barriers that have historically constrained its development. By analysing the interplay between infrastructure, policy frameworks, private sector investment, and community engagement, the study aims to provide actionable insights for policymakers, investors, and local stakeholders (Rogerson, 2019). Furthermore, the paper will explore how innovative approaches, such as digital transformation, sustainable development, and inclusive economic models, can be leveraged to foster a more resilient and dynamic local economy (World Bank, 2020). The findings of this research are expected to contribute to the broader discourse on township economies, offering a nuanced understanding of the factors that drive or inhibit economic growth in such contexts (Turok & Borel-Saladin, 2018). Ultimately, the study aspires to provide a roadmap for unlocking the latent potential of Hammarsdale Township, ensuring that it becomes a catalyst for regional prosperity and a model for sustainable urban development in South Africa and beyond (UN-Habitat, 2021).

Aim of the Study

This study explores the barriers women entrepreneurs face in Hammarsdale, South Africa,

Objectives of the Research

- To identify and analyze the key socio-economic, cultural, and structural barriers that hinder women entrepreneurs in Hammarsdale from starting, sustaining, and expanding their businesses.
- To assess the effectiveness of existing financial support mechanisms, government policies, and business development programs to empower women entrepreneurs in township economies.
- To explore the resilience strategies and coping mechanisms employed by women entrepreneurs to navigate barriers and sustain their businesses in Hammarsdale

Research Context: Historical and Economic Context of Townships

Hammarsdale Township, located in the eThekweni Metropolitan Municipality of KwaZulu-Natal, South Africa, has long been a hub of industrial and economic activity. Historically known for its strategic location along major transport routes and its vibrant manufacturing sector, Hammarsdale has played a significant role in the regional economy (Mkhize, 2018). However, despite its potential, the township faces many socio-economic challenges, including high unemployment rates, inadequate infrastructure, and limited access to essential services (Stats SA, 2021). These challenges have hindered the full realisation of its economic capabilities, leaving a gap between its current performance and its potential for growth and development (Ndlovu & Dube, 2020).

The township was historically established as segregated residential areas for non-white populations during the apartheid era. Despite its origins in systemic inequality, townships have

evolved into dynamic spaces with significant economic potential (Turok, 2016). Hammarsdale, for instance, has emerged as an industrial hub due to its proximity to Durban and major transport routes, attracting manufacturing and logistics industries (Mkhize, 2018). However, the legacy of apartheid spatial planning continues to hinder equitable development, with townships often characterised by inadequate infrastructure, limited access to services, and high levels of poverty (Stats SA, 2021).

LITERATURE REVIEW

The research is grounded in the Feminist Theory.

Feminist Theory

Feminist Theory is a broad framework that seeks to understand and challenge the systemic inequalities and power imbalances that disproportionately affect women. It emerged from the feminist movement and has evolved to address various dimensions of gender-based oppression, including economic, social, cultural, and political disparities. The theory was developed by Kimberlé Crenshaw (1989). The theory emphasises how multiple axes of identity—such as gender, race, class, and location—intersect to create unique experiences of marginalization and privilege (Crenshaw, 1989). This theory helps analyze women entrepreneurs' layered challenges in marginalized contexts like townships. Feminist Theory also critiques patriarchal systems that perpetuate gender inequalities, such as limited access to resources, unequal power dynamics, and cultural norms that restrict women's roles in society (hooks, 2000). It advocates for systemic change to empower women and promote gender equity, making it a suitable framework for studying the struggles of women entrepreneurs in Hammarsdale.

Feminist Theory can be used to examine how patriarchal norms and systemic inequalities in Hammarsdale's township economy limit women's access to resources such as capital, markets, and training. For example, cultural expectations may prioritize men as breadwinners, leaving women with fewer opportunities to start or grow businesses (Brush et al., 2009). Intersectionality further highlights how race, class, and geographic location exacerbate these challenges for women in townships. The theory provides a lens to explore power imbalances in the entrepreneurial ecosystem. For instance, women entrepreneurs may face discrimination when seeking loans or negotiating with male-dominated supply chains (Ahl, 2006). Feminist Theory helps uncover these dynamics and advocates for equitable access to economic opportunities. In addition, the Feminist Theory emphasises the importance of agency and empowerment. The context of this study can guide the exploration of how women entrepreneurs in Hammarsdale navigate barriers and assert their agency to sustain their businesses. It also aligns with the study's aim to propose strategies that empower women economically and socially. By applying Feminist Theory, the study can advocate for structural changes that address gender inequalities. For example, policies that provide targeted support for women entrepreneurs, such as access to affordable credit, mentorship programs, and gender-sensitive training, can be recommended (Brush et al., 2014). By grounding the study in Feminist Theory, the research can critically analyse the structural and cultural barriers faced by women entrepreneurs in Hammarsdale while advocating for transformative solutions that promote gender equality and economic empowerment.

Gender-Based Barriers to Entrepreneurship

Women entrepreneurs globally face systemic barriers, including limited access to financial resources, networks, and markets (Brush et al., 2019). In South Africa, these challenges are exacerbated by historical inequalities rooted in apartheid and patriarchal norms (Naudé, 2020).

Women in townships often struggle to access formal credit due to discriminatory lending practices and a lack of collateral (Ngwenya & Khumalo, 2021). Cultural expectations also play a significant role, as women are often expected to prioritize household responsibilities over business activities (Mago & Toro, 2021).

Intersectionality and Township Economies

Intersectional Feminist Theory (Crenshaw, 1989) provides a helpful framework for understanding how multiple identities—such as being a Black woman in a low-income township—compound the challenges faced by women entrepreneurs. Research by Dassah (2020) highlights that women in South African townships face unique barriers due to their geographic location, which limits their access to infrastructure, markets, and support services. Additionally, racial and gender biases further marginalize women entrepreneurs, particularly in male-dominated industries (Malebana & Swanepoel, 2015).

Economic Empowerment and Agency

Despite these challenges, women entrepreneurs in townships demonstrate remarkable resilience and agency. Studies have shown that women often rely on informal networks and community-based support systems to sustain their businesses (Ngwenya & Khumalo, 2021). However, the lack of formal training and mentorship programs limits their ability to scale enterprises (Mago & Toro, 2021). Interventions that focus on capacity building, such as business skills training and access to digital tools, have been shown to improve the sustainability of women-owned businesses (Naudé, 2020).

Policy and Structural Interventions

Current literature emphasizes the need for targeted policy interventions to address the structural barriers women entrepreneurs face. For example, gender-sensitive policies that provide access to affordable credit, mentorship, and market linkages have been successful in other developing contexts (Brush et al., 2019). In South Africa, initiatives like the Women Empowerment Fund have shown promise but require broader implementation and monitoring to ensure effectiveness (Dassah, 2020).

The Role of Digital Transformation

The COVID-19 pandemic has accelerated the adoption of digital tools among small businesses, including those owned by women in townships. Research by Mago and Toro (2021) highlights the potential of digital platforms to expand market access and improve business efficiency. However, the digital divide remains a significant barrier, as many township women lack access to affordable internet and digital literacy training (Ngwenya & Khumalo, 2021).

METHODOLOGY

This study adopted an exploratory research design to investigate women entrepreneurs' struggles and inequalities in Hammarsdale's township economy. The research is grounded in a qualitative approach, allowing an in-depth understanding of women entrepreneurs' lived experiences, challenges, and perspectives (Creswell & Poth, 2018). The interpretative philosophy underpins the

study, emphasising the subjective meanings and social contexts that shape these experiences (Lincoln & Guba, 1985). Exploratory research design was appropriate for investigating under-researched areas, such as the specific challenges faced by women entrepreneurs in Hammarsdale. It allows flexibility in exploring complex social phenomena and generating new insights (Yin, 2018).

A qualitative approach was used to capture the nuanced experiences of women entrepreneurs. This approach is well-suited for understanding the social, cultural, and economic factors influencing their entrepreneurial journeys (Bryman, 2016). The research is guided by an interpretative philosophy, which focuses on understanding participants' subjective meanings and social realities (Tracy, 2020). This aligns with the study's aim to explore the lived experiences of women entrepreneurs and the barriers they face.

The target population comprises women entrepreneurs operating small and medium-sized businesses in Hammarsdale's township economy. This includes women from diverse industries, such as retail, services, and manufacturing. The sampling frame includes women entrepreneurs registered with local business associations, community cooperatives, and informal networks in Hammarsdale. The frame ensures representation across different sectors and business sizes (Saunders, Lewis, & Thornhill, 2019). This non-probability sampling method is used to select participants who meet specific criteria, such as women entrepreneurs with at least one year of business experience in Hammarsdale. Purposive sampling ensures the sample is relevant and rich in information (Patton, 2015). The study used a sample size of 15 participants to achieve data saturation in qualitative research while allowing for in-depth analysis of each participant's experiences (Creswell, 2014).

The data was collected through semi-structured interviews, which provide flexibility to explore participants' experiences while ensuring key topics are covered (Nieuwinheuis, 2020). Interview questions focused on barriers to entrepreneurship, cultural norms, resilience strategies, and policy support. An interview guide with open-ended questions was used to facilitate discussions (Charmaz, 2014). Interviews were conducted in person or via digital platforms, depending on participants' preferences and accessibility.

The study used narrative analysis to interpret participants' stories and identify emerging themes. This method involves coding and categorizing data to uncover patterns and insights related to the research objectives (Creswell & Poth, 2018). Transcripts were coded thematically using manual coding techniques. Codes were grouped into categories and themes: structural barriers, cultural norms, resilience, and policy support (Tracy, 2020).

The study adhered to ethical research practices, including obtaining informed consent, ensuring confidentiality, and allowing participants to withdraw at any time (Saunders, Lewis, & Thornhill, 2019). Ethical approval was sought from the DaVinci institution.

RESULTS

The study explores the lived experiences of women entrepreneurs in Hammarsdale through four key themes: structural barriers, cultural norms, resilience, and policy support. The participants' verbatim responses are presented below:

Structural Barriers

The first emerged theme was structural barriers. Many women entrepreneurs highlighted financial and infrastructural challenges as significant obstacles to their business growth. The lack of access to funding, high rental costs, and inadequate business infrastructure were commonly mentioned.

"Banks always demand collateral, but as women, we often do not own property or land. It feels like the system is designed to exclude us from accessing financial support." Participant 3

"The township infrastructure is poor. We struggle with electricity cuts, water shortages, and bad roads, making running a smooth business difficult." Participant 7

"We are charged high rental fees, yet our businesses do not generate as much as those in the city. There are no subsidies for small businesses in the township." Participant 12

Cultural Norms

Social expectations and traditional gender roles emerged as major challenges for women entrepreneurs. Many participants shared experiences balancing business responsibilities with household duties and facing stereotypes about women in business.

"People still believe a woman's place is in the home. When I started my business, my family thought I was neglecting my duties as a wife and mother." Participant 5

"Male suppliers and customers often do not take us seriously. They assume we are running businesses as a hobby, not a means of survival." Participant 9

"If a woman is too ambitious in business, she is seen as aggressive or disrespectful. Society expects us to be submissive, even in entrepreneurship." Participant 14

Resilience

The other emerging theme was resilience. Most of the following participants had to say:

"I started with no capital, so I used stokvel savings and informal lending groups to fund my business. We, as women, find ways to survive." Participant 1

"Even when business is slow, I do not give up. I try different marketing strategies, like using WhatsApp groups to sell my products." Participant 6

"I have faced many setbacks, but I always push forward. I have learned that resilience is the key to success in business." Participant 11

Policy Support

Most participants expressed concerns about the lack of effective government support and policies tailored to the needs of women entrepreneurs in townships. While some acknowledged the existence of funding programs, accessibility remained a major issue.

"The government talks about funding, but the application process is complicated. We do not always have the right documents or business plans to qualify." Participant 2

"There are training programs, but they do not address real challenges. We need practical solutions, not just workshops that do not lead to real change." Participant 8

"I have applied for business grants several times but never get any feedback. It feels like these opportunities are for a select few." Participant 13

DISCUSSION

Structural barriers significantly impact women's ability to operate sustainable businesses. As seen in prior studies (Bryman, 2016; Creswell & Poth, 2018), access to financial resources is often restricted due to collateral requirements. Additionally, infrastructural challenges make business operations difficult, reinforcing inequalities in township economies. Cultural norms shape the entrepreneurial experiences of women by reinforcing gender roles that limit their economic independence. Previous research (Tracy, 2020) highlights that women in business often struggle with societal perceptions that undermine their capabilities. These norms restrict access to networks and business opportunities. Despite these barriers, participants demonstrated strong resilience, using innovative strategies to sustain their businesses. Many entrepreneurs relied on community support, alternative financing, and personal determination to overcome challenges. Women entrepreneurs in

Hammarisdale exhibit remarkable resilience, leveraging informal financial systems and digital platforms to sustain their businesses. This aligns with Patton (2015), who emphasizes that entrepreneurship in constrained environments requires adaptability and persistence. The ability to create support networks is a crucial survival mechanism. The findings suggest a gap between policy initiatives and their implementation. Women entrepreneurs in Hammarisdale struggle to access government support due to bureaucratic hurdles and a lack of targeted interventions. This is consistent with Saunders, Lewis, and Thornhill (2019), who argue that small businesses often fail to benefit from policies due to inefficient execution and accessibility challenges.

CONCLUSION

The findings highlight the complex realities of women entrepreneurs in Hammarisdale, shaped by structural and cultural barriers, resilience, and inadequate policy support. Addressing these challenges requires simplifying loan requirements and creating township-specific funding models, Addressing cultural barriers through education and awareness, Improving township facilities to support business growth, and Ensuring government initiatives are accessible and impactful. Women entrepreneurs continue to push through adversity, but systemic changes are necessary for equitable and sustainable economic participation.

Based on the findings of this study, the following recommendations are proposed to address the challenges women entrepreneurs face in Hammarisdale's township economy. The recommendations are below.: Township-specific funding models with relaxed collateral requirements to accommodate women who lack property ownership; Expand microfinance initiatives and informal lending groups (e.g., stokvels) with government-backed support; Simplify loan and grant application processes to ensure accessibility for small business owners with limited formal documentation; Establish monitoring and evaluation mechanisms for government support programs to improve accountability and ensure resources reach intended beneficiaries; Implement gender-sensitive policies that consider the specific barriers women face in township economies; Invest in basic infrastructure improvements, such as reliable electricity, water supply, and better roads, to create a conducive business environment; Support the formalization of informal businesses to help women entrepreneurs gain legitimacy and access to markets; Promote gender awareness campaigns to challenge societal perceptions that limit women's entrepreneurial potential; Establish mentorship programs linking experienced entrepreneurs with aspiring women business owners and providing skills development and capacity-building programs tailored to township business challenges.

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