WeTour

2019 Survey Results:

Women Tourism SMEs and MSMEs in Ghana
# Table of Contents

Summary of key findings and policy implications 6

1. Introduction 9

2. Literature Review 11
   2.1. Determinants of MSME performance 12
   2.2. Gender differences in firm characteristics 12
   2.3. Gender gaps in MSME performance 13
   2.4. Characteristics of the tourism industry and of MSME environment in Ghana 13

3. Data and Methodology 15
   3.1. Sampling considerations 16
   3.2. Sampling frame 17

4. Results and Analysis 18
   4.1. Profile and general characteristics of tourism MSMEs in Ghana 19
   4.2. Gender differences in firm characteristics 20
   4.3. Gender differences in entrepreneur characteristics 23
   4.4. Gender specific external (contextual) constraints 25
   4.5. Firm performance 29

5. Concluding Remarks 33

References 35

Annex 1. Map of Survey Location 38

Annex 2. Summary Tables 40
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## List of Figures

<table>
<thead>
<tr>
<th>Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Figure 1</td>
<td>Tourism MSMEs by size and ownership gender in Ghana</td>
<td>19</td>
</tr>
<tr>
<td>Figure 2</td>
<td>Average size of the full-time workforce by enterprise size and ownership gender</td>
<td>19</td>
</tr>
<tr>
<td>Figure 3</td>
<td>Formality rates by firm size and ownership gender</td>
<td>19</td>
</tr>
<tr>
<td>Figure 4</td>
<td>Top obstacles to MSMEs in Ghana (percent who rank obstacle as part of top 3)</td>
<td>20</td>
</tr>
<tr>
<td>Figure 5</td>
<td>Main markets served by tourism MSMEs, SMEs and microenterprises in Ghana</td>
<td>21</td>
</tr>
<tr>
<td>Figure 6</td>
<td>Female share of the full-time workforce of tourism MSMEs, by enterprise size and ownership</td>
<td>21</td>
</tr>
<tr>
<td>Figure 7</td>
<td>Human resource practices of tourism MSMEs in Ghana</td>
<td>22</td>
</tr>
<tr>
<td>Figure 8</td>
<td>Networking practices of tourism MSMEs</td>
<td>22</td>
</tr>
<tr>
<td>Figure 9</td>
<td>ICT use by tourism MSMEs</td>
<td>23</td>
</tr>
<tr>
<td>Figure 10</td>
<td>Share of correct answers to business knowledge questions</td>
<td>24</td>
</tr>
<tr>
<td>Figure 11</td>
<td>Average Self-Efficacy Index (SEI)* score, by enterprise size and gender</td>
<td>24</td>
</tr>
<tr>
<td>Figure 12</td>
<td>Motivations of tourism entrepreneurs in Ghana</td>
<td>25</td>
</tr>
<tr>
<td>Figure 13</td>
<td>Greatest obstacles faced by tourism MSMEs in Ghana, by ownership gender</td>
<td>26</td>
</tr>
<tr>
<td>Figure 14</td>
<td>Access to information: awareness of support programs</td>
<td>27</td>
</tr>
<tr>
<td>Figure 15</td>
<td>Share of MSMEs who received public support for training in the past three years</td>
<td>27</td>
</tr>
<tr>
<td>Figure 16</td>
<td>Corruption: bribery incidence for tourism MSMEs in Ghana</td>
<td>28</td>
</tr>
<tr>
<td>Figure 17</td>
<td>Women entrepreneurs have more difficulties than men in completing transactions</td>
<td>28</td>
</tr>
<tr>
<td>Figure 18</td>
<td>Gender discrimination (share of MSMEs who agree with the following statements)</td>
<td>29</td>
</tr>
<tr>
<td>Figure 19</td>
<td>Average sales and profits (2017-2018), in USD</td>
<td>30</td>
</tr>
<tr>
<td>Figure 20</td>
<td>Gender gaps (ratio of M/F) in performance</td>
<td>30</td>
</tr>
<tr>
<td>Figure 21</td>
<td>Share of profitable tourism enterprises</td>
<td>31</td>
</tr>
</tbody>
</table>
List
of Tables

Table 1  Main Findings  
Table 2  Main Policy Implications  
Table 3  Sampling Composition  
Table 4  Summary of findings, with corresponding predictions based on literature  
Table 5  Difference in firm and entrepreneur characteristics between Top 10 percent Performing tourism W-MSMEs

Acronyms

BESTIN-OPM  Benchmarking Strategy and Innovation – Operations, People, Money questionnaire  
BKII  Business Knowledge Index  
COVID-19  2019 Novel Coronavirus  
EEC International  Economic Expertise & Consulting International  
ES  Enterprise Survey  
GBV  Gender-based Violence  
GDP  Gross Domestic Product  
HR  Human Resources  
ICT  Information Communications Technology  
M-MSMEs  Men-owned and managed Micro, Small and Medium Enterprises  
MSMEs  Micro, Small and Medium Enterprises  
OECD  Organisation for Economic Co-operation and Development  
SEI  Self-Efficacy Index  
SMEs  Small and Medium Enterprises  
SSA  Sub-Saharan Africa  
TTL  Team Task Lead  
WB  World Bank  
We-Fi  World Bank’s Women Entrepreneurs Finance Initiative  
W-MSMEs  Women-owned and managed Micro, Small and Medium Enterprises  
WTO-ILO  World Trade Organization – International Labor Organization  
WTTC  World Travel & Tourism Council  
UN  United Nations  
UNWTO  United Nations World Tourism Organization  
USD  United States Dollar
Summary of Key Findings and Policy Implications
Summary of Key Findings and Policy Implications

The results presented in this report are based on a targeted enterprise survey of tourism micro, small and medium enterprises (MSMEs) in Ghana. The work was funded by the World Bank’s Women Entrepreneurs Finance Initiative (We-Fi), led by the World Bank WeTour Project Team, and implemented by Economic Expertise & Consulting International (EEC International) in February and March 2019.

The report analyses whether systematic differences exist between the firm characteristics and business performance of male and female owned and managed MSMEs in tourism and tourism-related industries in Ghana. The survey aimed to identify de facto barriers faced by women-owned and managed tourism MSMEs (W-MSMEs) in order to inform the design of gender-tagged tourism operations in Ghana (P164211). The report is designed for project teams, project clients, and other interested regional counterparts. The survey collected data on i) general characteristic of tourism MSMEs Ghana and Sierra Leone, ii) gender differences in firm characteristics, iii) gender differences in entrepreneur characteristics, iv) gender specific external constraints, and v) gender performance gaps and drivers of performance.

The findings of the survey confirmed the existence of major performance gaps in tourism and tourism-related businesses, partly attributable to gender-specific constraints. Specifically, women entrepreneurs in tourism face greater constraints than men in terms of access to finance and are more affected by business environment challenges (e.g. corruption, difficulties completing transactions, limited access to infrastructure). Entrepreneur characteristics (skills, and self-confidence, as well as goals and motivations) are also found to play a major role in the performance of W-MSMEs.

For the purpose of this report, and based on the definitions adopted for the WeTour enterprise survey, small and medium enterprises (SMEs) are firms that employ between 5 and 99 full-time employees, while microenterprises are firms with less than 5 full-time employees.

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1 For the purpose of this report and based on the definitions adopted for the WeTour enterprise survey, SMEs are firms that employ between 5 and 99 full-time employees (both male and female), while microenterprises are firms with less than 5 full-time employees.

2 The WeTour Project team comprised Louise Twining-Ward (TTL), Abhishek Saurev (Sr Economist), Souleima El Achkar Hilal (Economist), and Wendy Li (Analyst).

3 Tourism and tourism-related activities comprise the following: accommodation and food service activities (L); travel agency, tour operator, and other reservation services and related activities (N); sports activities and amusement and recreation activities (R); wholesale and retail trade (-G) ISIC codes. UNWTO also includes transport services, cultural services, and country-specific tourism goods and services and services in its list of tourism industries (UNWTO, 2008).
Table 1 Main findings

1. Microenterprises account for three-quarters of tourism MSMEs, and for more than 80 percent of tourism W-MSMEs in Ghana. Women own nearly half of Ghana’s tourism MSMEs.

2. In Ghana, only 55 percent of tourism MSMEs are formally registered. The formality rate is much higher for SMEs (94 percent) than Micros (40 percent). There is a significant gender gap in formality rates between M-Micros and W-Micros, but not within the SMEs subgroup.

3. Most tourism MSMEs in Ghana mainly serve the local market, one quarter mainly serves the national market, and over 10 percent of firms target the international market.

4. There are no significant differences in the average size of the workforce of tourism MSMEs in Ghana. W-MSMEs have a significantly higher share of females in their workforce and are more likely to actively seek to employ, retain, develop, and promote female employees, and promote gender equality in the workplace.

5. Seasonal or temporary workers, part-time workers, and foreign workers account for a small share of the tourism MSME workforce.

6. Tourism M-MSMEs have on average larger sales volumes and profits than W-MSMEs, but this is mainly due to the larger share of microenterprises in W-MSMEs, and to gender differences in performance within the microenterprise group. Among SMEs, gender differences in performance are smaller and less significant.

7. Women entrepreneurs are much more motivated by social objectives (such as providing employment for their family and community), while male entrepreneurs are primarily driven by profit motives. W-MSMEs are also more environmentally conscious.

8. In Ghana, the most widely listed most serious obstacles to operations for tourism MSMEs are access to finance, and to a lesser extent, cost of finance, as well as electricity, access to land, and the practices of competitors in the informal sector. Many SMEs also list tax rates and the macroeconomic environment as top obstacles, while many microenterprises highlight corruption and telecommunications as well.

9. Access to finance is the most serious obstacle for most W- and M-MSMEs in Ghana, and even more so for W-MSMEs than M-MSMEs, both in terms of access (e.g. collateral) and cost of finance (e.g. interest rates).

10. W-MSMEs in Ghana are generally more affected than M-MSMEs by corruption (request of informal payments), are more often victims of deliberate damage/vandalism or theft, and face more challenges in completing many transactions.

11. In Ghana, W-MSMEs, regardless of firm size, perceive networking as conferring them a comparative advantage along many dimensions significantly more than M-MSMEs did.

12. There is a gender gap in the use of ICT by tourism MSMEs in Ghana, although it is largely attributable to firm size (SMEs much more likely to use ICT than Micros).

13. There is a major gap in self-efficacy, not knowledge, between W-MSMEs and M-MSMEs in Ghana.
<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Table 2: Main Policy Implications</strong></td>
<td></td>
</tr>
<tr>
<td>1. <strong>W-micros need more support to address the constraints that disproportionately affect their performance, (e.g. skills, motivations, self-efficacy) and indirectly by affecting their firm characteristics (contextual constraints).</strong></td>
<td>4. <strong>Skills training may have a positive impact on performance directly, but also through a mutually reinforcing effect between entrepreneurs’ business knowledge and self-efficacy.</strong></td>
</tr>
<tr>
<td>2. <strong>Key obstacles in this regard include access to finance, addressing corruption and access to infrastructure and services</strong></td>
<td>5. <strong>Entrepreneurship training may be useful to help female tourism entrepreneurs meet their double bottom line targets (social good and profitability).</strong></td>
</tr>
<tr>
<td>3. <strong>Specifically, there is a need to support women entrepreneurs in scaling-up their enterprises and transitioning to formality</strong></td>
<td></td>
</tr>
</tbody>
</table>
1. Introduction
This report presents the findings from a study of male and female owned and managed micro, small and medium enterprises (MSMEs) in tourism and tourism-related industries in Ghana. The study aimed to find out whether systematic gender differences exist in terms of firm characteristics and performance.

The results, based on the analysis of an enterprise survey funded by the Women Entrepreneurs Finance Initiative (We-fi), confirmed the existence of major gender gaps in performance, partly attributable to gender-specific constraints. Though much of the differences were due to the overrepresentation of women in microenterprises, and their underrepresentation in the relatively larger small and medium enterprises, women were also found to face additional hurdles to business growth. Specifically, women entrepreneurs in tourism in Ghana face greater constraints than men in terms of access to finance and are more affected by business environment challenges than male-owned firms (e.g., corruption, difficulties completing transactions, limited access to infrastructure). Entrepreneur characteristics (skills and self-confidence, as well as goals and motivations) were also found to play a major role in the performance of women-owned micro, small and medium tourism enterprises.

This report is structured as follows: section 2 summarizes the relevant literature, section 3 presents the methodology in brief, section 4 presents the detailed results and section 5 presents concluding remarks and briefly discusses policy implications.
2. Literature Review
The three main areas of literature that were reviewed for this study included: literature on the determinants of MSME performance; literature on gender differences in performance; and literature pertaining to the business environment and characteristics of tourism MSMEs in Ghana or more generally in West Africa or Sub-Saharan Africa (SSA) that could influence firm characteristics and performance.

### 2.1. Determinants of MSME performance

The determinants of firm performance discussed in the literature fall into two categories: firm characteristics and entrepreneur characteristics. Contextual factors (e.g., access to finance, ease of doing business, macroeconomic environment, etc.) play the role of intervening variables, or variables that interact with firm or entrepreneur characteristics to determine performance.

The main enterprise characteristics noted in the literature as positively associated with performance are larger firm size, and longer duration of operation (e.g., McMahon, 2001; Wood, 2002; Islam et al., 2011; Kristiansen, Furuholt, and Wahid, 2003). The main entrepreneur characteristics include demographics (age, gender, marital status), prior work experience, technical skills (e.g., level of education, business knowledge or management skills), networking or access to networks, and ‘soft skills’ or ‘entrepreneurial skills’ (including concepts such as ‘entrepreneurial mindset’, ‘entrepreneurial orientation’ or ‘entrepreneurial readiness’, or different dimensions of these concepts, such as risk aversion, motivation, self-confidence, perseverance, or ‘self-efficacy’ (e.g., Yusuf 1995; Islam et al. 2011; Lumpkin and Dess, 2001; Kinyua, 2014; Toluyemi et al., 2016).

The main entrepreneur characteristics positively associated with performance are self-efficacy and the motivation for owning the business. Self-efficacy, defined as the entrepreneur’s self-confidence or belief in his or her own capabilities, has been shown to play an important role in the performance of tourism entrepreneurs, particularly as it interacts with the concept of ‘place identity’ or the extent of attachment or sense of identity that the entrepreneur has with their town of residence (Hallak et al., 2015). Studies have shown that often tourism entrepreneurs are driven by lifestyle choices and social motives, rather than strictly by profit making objectives, and that this may impact their performance. For instance, studies have shown that owners/managers whose objective is to be their own boss’ tend to perform better than tourism entrepreneurs motivated by lifestyle choices (Wood, 2002). In Uganda, a study showed that the motivations of women tourism entrepreneurs extended beyond subsistence to control of their livelihood (Katongole et al., 2013). In Cameroon women tourism entrepreneurs were found motivated by social transformation goals (their own economic empowerment and that of others around them, poverty alleviation, etc.). The desire to fill a community need around tourism in their area (needs of marginalized community members, as well as of affluent visitors) was also a driver, in addition to commercial goals (financial independence, enterprise sustainability, etc.) These can all be described as “vectors of social entrepreneurship” (Ngosong and Kimbu, 2016a).

### 2.2. Gender differences in firm characteristics

There is a general agreement in the literature that W-MSMEs have distinct characteristics from men-owned enterprises. These are either a direct result of gender constraints or are outcomes of entrepreneurs’ strategic decisions, which are constrained by gender-specific factors. Specifically, females tend to own and manage smaller firms than males, start their businesses as sole-proprietors or work alone (Aidis 2002, Campos and Gassier 2017), and are more likely to concentrate on more traditional and less capital intensive service sectors, or those sectors where they face lower barriers to entry, including with respect to access to finance (OECD, 2004; Joekes and Kaminski 2017). A number of studies have found that when these firm characteristics—in particular industry or sector, size of the enterprise, and capital intensity— are controlled for, little gender performance gaps remain (Hallward-Driemeier, 2013; Rosa and Sylla, 2016; Johnson and McMahon, 2005). This suggests that assisting women’s firms to grow and for women to enter non-traditional gender sectors may be the most effective way to improve W-MSME performance.

In the context of SSA, Campos and Gassier (2017) categorize gender constraints to MSME performance under three groups: a) contextual
2.3. Gender gaps in MSME performance

Literature on gender differences in academic journal publications focus on firm and entrepreneur characteristics. Some papers are based on case studies and qualitative methods, but most use a mix of descriptive statistics and regression analysis, dividing their samples into two regression groups, or by including a gender dummy variable in the pooled regressions. Most studies define business performance, or business success, in terms of profits, revenues, and productivity. Contextual or business environment factors, including government policy and social/cultural norms and practices are often treated as intervening variables, or controlled for in regressions (Muthini 2015).

Studies by international and non-governmental organizations often use random control trials and evaluation methods to identify specific gender barriers to performance, in order to improve the targeting and effectiveness of policy interventions (e.g. Bardasi et al., 2017; McKenzie and Woodruff, 2013). In this group of studies, differences in business characteristics (e.g. size, sector) are either a direct result of gender constraints or are outcomes of entrepreneurs’ strategic decisions, which are constrained by gender-specific factors as described above. Whether the resulting characteristics ultimately affect firm performance (i.e. whether the gender constraints are binding) depends on the specific constraints and context. Studies have suggested that a limited impact may be due to certain aspects of the constraints on women not being addressed, for instance women may have different “mindset constraints” than men, including “culturally-imposed constraints that psychologically and physically impede their independence, aspiration, and priorities” (Siba, 2019). For example, Campos et al. (2017) demonstrated that personal initiative training to promote a proactive or entrepreneurial mindset was more effective than traditional training approaches for both males and female entrepreneurs alike.

In sum, policy prescriptions depend on the constraints identified as most binding (e.g. microfinance to lessen access to capital barriers, business and entrepreneurship training to bridge gaps in hard and soft skills), and the success or effectiveness of the interventions depends on whether the gender-specific constraints have been properly identified and targeted (Campos and Gassier, 2017).

2.4. Characteristics of the tourism industry and of MSME environment in Ghana

Tourism is an important emerging economic sector in Ghana. Prior to COVID-19, tourism and travel accounted for 5.5 percent of Gross Domestic Product (GDP) and 4.7 percent of total employment in Ghana. The tourism industry is comprised of several segments or subsectors, the largest of which is hotels and restaurants, broadly referred to as the ‘hospitality’ sector (e.g. UNWTO, 2011). In addition to its contribution to GDP and tax revenues for the government, the hospitality industry has been shown to employ relatively more women, provide

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4 A gender dummy variable is a binary variable included as an explanatory variable in regressions, that takes on the value ‘1’ for women, and ‘0’ for men, allowing for a different intercept for the two groups; therefore, the coefficient of the dummy variable can be interpreted as an impact attributable to gender, when other factors have been taken into account (controlled for). The gender dummy can be interacted with other independent (explanatory) variables to capture a differential impact of these variables on the dependent variable.
above-average wages, create more productive jobs, and contribute to the development of local supply chains (Motta, 2017). Tourism MSMEs in particular, are more likely to be locally-owned and managed than larger tourism enterprises, and to rely on local labor and inputs, and therefore have more linkages with other sectors of the economy (see for example, Mshengal et al. 2010 in the context of Kenya). As a result, the tourism industry has a high employment multiplier, and has positive impacts on agriculture development and rural diversification.

Despite low absolute numbers of visitors and challenging image issues, the government of both Ghana and Sierra Leone have both been investing in tourism development, determined to recover from COVID-19 and previous health and political crises. Ghana’s tourism offering is more focused on the Slave Castles and Diaspora US market, as well as a strong business tourism offering. Ghana attracts an increasing number of domestic, intre-regional, and international visitors and is investing in new products, improved marketing, better planning, and sustainable tourism activities. Ghana’s 2019 campaign for the Year of Return to commemorate the 400th anniversary of the arrival of African slaves in America attracted over half a million Diaspora to visit. Ghana still has a quite underdeveloped tourism sector with limited connectivity to international distribution channels and digital platforms.

Tourism is a key sector from the perspective of generating decent work opportunities for women, through both employment and entrepreneurship (UNWTO, 2019). Because of factors that include low entry barriers, the preponderance of family-owned businesses, as well as high value chain linkages, “employment in the tourism industries involves a disproportionately high degree of employers/owner/proprietors, as well as own-account workers (self-employed)” and provides “entry points for women’s employment and opportunities for creating self-employment in small- and medium-size income generating activities” (WTO-ILO 2014).

In the context of West Africa, MSMEs operate in both the formal (organized, registered businesses) and informal (unorganized, few or no paid employees) sector. In rural areas, firms tend to be made up of family groups. Small businesses have been found to be more labor intensive than their larger firm counterparts and are more regionally dispersed, and therefore contribute to a more equitable distribution of income than large businesses, which tend to be geographically clustered (Kusi et al., 2015). Challenges faced by MSMEs include complex legal and regulatory frameworks, bureaucratic hurdles, limited access to markets, poor transportation infrastructure, and weak demand or purchasing power (e.g. Kusi et al, 2015). Many tourism firms therefore rely on microfinance institutions, whether formal or informal, for access to finance (Ngoasong and Kimbu, 2016b).

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3. Data and Methodology
The survey instrument was developed by Economic Expertise & Consulting International (EEC International) using the firm’s BESTIN-OPM (Benchmarking Strategy and Innovation - Operations, People, Money) questionnaire (see supporting Annex 3).

For the purpose of the survey and study, tourism and related industries were defined as accommodation, restaurants, tour operators, travel agencies, passenger transport; crafts, souvenirs, vendors, and retail of tourism-related products; recreational or cultural activity providers, attraction sites, and tourism-related ICT.

The extensive dataset obtained for both countries was used to examine the following research questions, along with a set of hypotheses based on the literature review presented above:

1. Are there any systematic gender differences in the characteristics of tourism MSMEs in Ghana and Sierra Leone? Specifically, are W-MSME smaller, less likely to be formal, segregated in lower-productivity subsectors? Along what dimensions do they differ from M-MSMEs?

2. Are there any major gender differences in entrepreneur characteristics? Specifically, do women entrepreneurs differ from their men counterparts in terms of experience, technical skills, soft skills or motivations?

3. Are there any gender-specific constraints affecting decisions of women entrepreneurs with respect to their firm characteristics?

4. Are there any systematic gender differences in performance, and are these related in any way to the characteristics of the firms, to entrepreneur characteristics, or to both?

5. What key factors are associated with higher performance of tourism W-MSMEs?

To answer the first four questions, a difference-in-means approach was used to identify statistically significant gender differences, with respect to firm and entrepreneur characteristics, obstacles to their performance, as well as various performance measures. To answer the fifth question, the top performing W-MSMEs were compared to the rest of the W-MSMEs subgroup, to identify key characteristics of top performing women-owned firms and women entrepreneurs. Additionally, findings for tourism MSMEs were compared, whenever possible, to corresponding averages over the entire private sector from the World Bank’s latest available Enterprise Survey (ES) for both countries (Ghana, 2013; Sierra Leone, 2017).

This study emphasized differences in firm and entrepreneur characteristics found to be correlated with performance, or associated with gender differentials in performance, but refrained from regression analysis and inferring direct causality. This is because the survey sample was not stratified to account for the different tourism subsectors, which were all included as one large sector (i.e. no subsector variable was available), and that controlling for subsector in addition to firm size has been generally established as a starting point for the analysis of performance gaps (Hallward-Driemeier, 2013).

3.1 Sampling Considerations

The sampling considerations were based on those used for WB G Enterprise surveys. The WB G has generally considered that for enterprise surveys, a sample size computed (and then randomly drawn) at a level of precision of 7.5 percent for a 90 percent confidence interval, provided statistically robust and representative results.

Four factors intervene in the determination of the size of a sample:

- The desired range around which the estimated parameter will fluctuate (the ‘error’ or level of precision – for instance + or - 7.5 percent);
- The desired or acceptable confidence level for the estimate (the confidence level – for instance 90 percent, meaning that if the survey were to be repeated 100 times, it will produce, 90 times out of a hundred, the same estimation in the range of precision desired);

Note that WcTour ES and WB ES results are not entirely comparable, because the former covers microenterprises as well as SMEs, while the latter excludes microenterprises, but covers large enterprises in addition to SMEs. Nevertheless, WB ES provide useful insights regarding the baseline private sector environment in each country.
• The dispersion factor of the characteristic measured (the population variance: the greater this dispersion, the greater the sample size needed to provide a given quality of representation – in the case of an unknown variance, using .25 represents the highest variance possible);

• The population size, when it is known.

3.2 Sampling Frame

There are few available rosters listing SMEs in the tourism and tourism-related sectors in Ghana, and nothing for micro firms or gender characteristics (ownership or management) of the universe of MSMEs. The sampling frame was therefore constructed using the methods described below.

• The original sample frame of SMEs in the tourism and tourism-related sectors for Ghana resulted from previous sample frames developed for World Bank enterprise surveys by EEC International. This was augmented from other sources collated from business associations and other publicly available sources of tourism-related information portals, namely: travel agent reservation systems such as Amadeus and Sabre, tourism and tourism-related websites such as Expedia and TripAdvisor, as well as establishments referenced on Google Maps and appearing on Google Street View. This SME frame was validated in the field prior to sample draw.

• The sample frame for micro enterprises was developed from systematic block enumeration in the targeted locations (Freetown and the Western Area). During the block enumeration, entities were identified by a number on a list and a geographical reference, activity (tourism or tourism-related), and visible gender composition (no apparent female, no apparent male, mix presence). A key aspect of an adequate block enumeration approach is the traceability of results. Care was taken to ensure that in each case it would be possible to return to and identify any specific entity on the list if it was randomly selected for sampling, piloting, training or frame verification callback for quality control proposes, or post interviews.

• Once in the field, EEC International was provided with two additional sources for SMEs in one from the Ghana Statistical Service (GSS), that did not seem to be recent or exhaustive, and a tourism directory from the Ghana Tourism Authority (GTA), which seemed more complete, and was significantly larger than expected, but neither list contained size or gender characteristics.

As a result of this work, the sample frame in Ghana for the targeted locations consisted in a list of 2,677 entities, of which 1,920 micros and 757 SMEs. Each of the 2,677 entities could be specifically located and was either an SME or a Micro enterprise.

As gender composition of the sample frame was unknown, a screener was then conducted in order to identify the appropriate number of targeted male and female entities to sample. As the survey targeted a minimum of 120 male and 120 female entities, the non-response was anticipated at a maximum of 15 percent, and the gender composition was likely to be skewed in favor of male entities, 271 entities were randomly drawn in order to screen them. The draw produced 199 Micros and 72 SMEs. The screening produced 132 female entities and 139 male entities. The entire group of 132 female entities and 139 male entities were directed for interview, with an expected minimum 120 respondents by gender.

The full sampling strategy, survey methodology and dataset can be accessed from the World Bank’s Microdata Library.7

4. Results and Analysis
4.1. Profile and general characteristics of tourism MSMEs in Ghana

The universe of tourism MSMEs in Ghana, in the main tourist areas of Accra, Elmina and Secondi-Takoradi, consists of 2,700 establishments. Out of these, three quarters are microenterprises, defined as firms with less than 5 full-time employees, and one quarter are SMEs (firms that employ between 5 and 99 full-time employees). Tourism MSMEs in Ghana have on average 7 full time workers (17 for SMEs and 3 for micros) (Figure 2).

The share of women in ownership, management and full-time permanent employment are higher than average in the tourism sector. Women own nearly half (49 percent) of tourism MSMEs in Ghana (Figure 1). In comparison, based on the World Bank Enterprise Survey (ES) data for the private sector as a whole, the share of enterprises with any female participation in ownership is 32 percent for Ghana, and lower if only majority ownership, or top-manager gender, are considered instead. The large difference between the female ownership share of tourism MSMEs in the WeTour survey and the corresponding private sector average from the ES is partly due to the inclusion of micros in the WeTour Survey and dominance of large enterprises in the ES (see footnote 6). By firm size, women own 54 percent of tourism microenterprises in Ghana, but only 35 percent of tourism SMEs.

Overall, 55 percent of tourism MSMEs are formally registered in Ghana. The share is higher for SMEs (94 percent) compared to microenterprises (40 percent) (Figure 3). These results suggest that tourism enterprises in Ghana have lower formality rates than average, although this is partly due to the inclusion of microenterprises. In comparison, 77 percent of private sector firms (SMEs and large enterprises) are registered when they start operating (WB ES, 2013).

Tourism MSMEs in Ghana have an average duration of operation of 9 years, which is lower than the overall private sector average for SMEs and large enterprises from the ES (15 years). The average years of experience of top managers of tourism firms (11 years) is lower than the overall private sector average (16 years). Tourism SMEs in Ghana have a longer average duration of operation (12 years) than microenterprises (8 years), and their top-managers also have on average more experience.

Regarding gender difference in firm duration, overall, M-MSMEs have an average duration of
operation of 10 years, compared to 8.5 for W-MSMEs. The average conceals differences across subgroups, however. Although women-owned microenterprises have been in operation for an average of 7 years, compared to 9 years for men-owned ones, the opposite is true for SMEs: W-SMEs have longer average duration of operation (13 years) than their M-SMEs counterparts (11 years).

Among the top five obstacles that tourism MSMEs most commonly cited are access to finance (61 percent), electricity (37 percent), access to land (29 percent), cost of finance (26 percent), practices of competitors in the informal sector (26 percent), telecommunications (21 percent) and corruption (20 percent) (Figure 4). This is consistent with ES results, where the share of all private sector firms (SMEs and large enterprises) in Ghana that identify access to finance as a major constraint (62 percent) is considerably higher than the Sub-Saharan Africa average (40 percent). Tax rates and the macroeconomic environment are also major obstacles for tourism SMEs in Ghana, but less so for microenterprises.

4.2. Gender differences in firm characteristics

Size and Gender
Consistently with the literature on MSMEs, women tourism entrepreneurs in Ghana tend to have counterparts, although the difference is not significant (7 full-time workers for W-MSMEs compared to 8 full-time workers for M-MSMEs). This difference is attributable to the larger share of microenterprises among W-MSMEs (83 percent, compared to 69 percent for M-MSMEs). Indeed, among the SMEs subgroup, women-owned firms have a larger average workforce (20 full-time workers) than men-owned firms (16 full-time workers) (Figure 2).

Legal status and ownership
Most tourism MSMEs in Ghana have sole proprietorship (93 percent), while the remaining 7 percent are partnership including limited liability companies. The share of sole proprietorship is higher for microenterprises (94 percent for M-micros and 97 percent for W-micros) than for SMEs (88 percent for M-SMEs and 77 percent for W-SMEs). Nearly all MSMEs are privately owned by a national (i.e. individual, company or organization from Ghana); 98 percent of M-MSMEs and 99 percent of W-MSMEs. There are no major gender differences in legal ownership status.

Similarly, there are few gender differences in the source of funding of tourism MSMEs (98 percent of M-MSMEs and 99 percent of W-MSMEs are privately owned by a national, i.e., an individual, company or organization from Ghana).
Figure 5 Main markets served by tourism MSMEs, SMEs and microenterprises in Ghana

Market served
Most tourism MSMEs in Ghana are serving the local market (62 percent). One quarter (26 percent) cater to the national market, while 12 percent of firms target the international market. Among SMEs, nearly half (48 percent) mainly serve a local market, another 37 percent a national market and 16 percent the international market. Microenterprises mainly serve the local market (68 percent), but 22 percent of them also serve a national market, and another 10 percent serve an international market.

Overall, there are no major differences in the markets served by tourism enterprises in Ghana by gender of the firm owner: 65 percent of W-MSMEs and 60 percent of M-MSMEs mainly serve a local market, 22 percent of W-MSMEs and 30 percent of M-MSMEs mainly serve a national market and 13 percent of W-MSMEs and 11 percent of M-MSMEs mainly serve an international market (Figure 5). Tourism microenterprises are more likely to serve mainly a local market than SMEs. Interestingly, however, among tourism SMEs, women-owned firms are far more likely to serve an international market (27 percent compared to only 10 percent for M-SMEs).

Employment profiles and HR practices
Women entrepreneurs in tourism are much more likely to employ other women. W-MSMEs are also more likely to have pro-female policies (e.g. maternity leave), promote equal pay, and actively seek to employ, retain, develop and promote female employees. The female share of the full-time workforce is much higher for tourism W-MSMEs (80 percent) than for M-MSMEs (23 percent) (Figure 6). These results are consistent with ES data for Ghana, where 51 percent of firms with a female top-manager have higher female shares of their workforce, compared to 20 percent for firms with a male top-manager.

Figure 6 Female share of the full-time workforce of tourism MSMEs, by enterprise size and ownership

The gender difference in the female share in employment is particularly stark for tourism microenterprises (88 percent of the full-time workforce of W-micros are female, compared to only 13 percent for M-micros) because these firms represent own-account workers, or employers with a very limited number of employees. Nearly half (48 percent) of the full-time workforce of W-SMEs is female, compared to 41 percent for M-SMEs.

W-SMEs are also far more likely to actively seek to employ, retain, develop and promote women than M-SMEs (Figure 7). Overall, 44 percent of W-SMEs actively seek to employ, retain, develop and promote women, compared to 17 percent of M-SMEs, and women entrepreneurs were more likely to consider that promoting gender equality confers their firm a major or very strong competitive advantage, specifically in terms of workplace policies and programs that involve positive discrimination (90 percent of W-SMEs vs. only 22 percent M-SMEs), and that facilitate work/family responsibilities balance (93 percent of W-SMEs vs. 23 percent of M-SMEs). W-SMEs are more likely to give maternity leave to their employees (55 percent of W-SMEs compared to 39 percent of M-SMEs). On the other hand, M-SMEs were more likely to offer health and insurance coverage to their employees (18 percent vs. 12 percent of W-SMEs).
Reinvestment strategies
There are no significant gender differences in the shares of entrepreneurs who systematically reinvest profits when profits occur (23 percent of M-MSMEs, and 22 percent of W-MSMEs), but there are important differences in where they invest: M-MSMEs tend to reinvest profits in physical assets (6.5 percent, compared to 10 percent for W-MSMEs), whereas W-MSMEs invest considerably more in human capital (48 percent vs. 0 percent for M-MSMEs). This partly reflects a greater labor intensity of female-owned enterprises, but also further supports the importance for W-MSMEs of providing employment for family and community members for female tourism entrepreneurs (see below).

Networking
In Ghana, W-MSMEs, regardless of firm size, perceive networking as conferring them a comparative advantage along many dimensions. More W-MSMEs consider that: networking to support market development, networking to maintain good supply relationships, networking to maintain access to financing, and networking to maintain access to human resources confers their establishment a major or very strong competitive advantage (Figure 8). Despite the major differences in their perceived importance of networking, there are no major differences in the share of firms that tried to make business alliances with other suppliers or clients over the last two years (46 percent of W-MSMEs and 42 percent of M-MSMEs).

Marketing
There are no gender differences in the shares of firms that have a marketing department among Ghana’s tourism MSMEs, however, W-SMEs spent almost twice as much on marketing in terms of percentage of sales in the last fiscal year.
(23 percent) than their M-SME counterparts (12 percent). A larger share of M-MSMEs dedicated efforts to marketing tasks such as product development, market intelligence and market penetration than their W-MSME counterparts.

**Digital technologies/ ICT**

Nearly all tourism MSMEs in Ghana use mobile phones for their operations, 24 percent use email to communicate with clients or suppliers, 18 percent use social media and 19 percent use a website. There is a gender gap in the use of ICT by tourism MSMEs, although it is largely attributable to firm size: W-MSMEs were less likely to use email to communicate with clients or suppliers (16 percent vs. 31 percent for M-MSMEs), and to use social media (13 percent vs. 22 percent M-MSMEs) but these differences were mainly due to the greater use of technology by SMEs compared to microenterprises (Figure 9).

![Figure 9 ICT use by tourism MSMEs](image)

**4.3. Gender differences in entrepreneur characteristics**

**Experience**

There are few statistically significant gender differences in the years of experience of the top manager of tourism MSMEs in Ghana. On average, the top manager of W-MSMEs has 10 years of experience in the sector, compared to 11 years for M-MSMEs. The years of experience of the top manager correlate with the duration of operation of the firm: slightly higher for W-MSMEs (14 years) than M-SMEs (13 years), and conversely, for M-Micros (11 years) than W-Micros (9 years).

**Skills and knowledge**

W-MSMEs understanding of business knowledge areas in Ghana is slightly higher than men’s. However, a larger share of women entrepreneurs described their own understanding of these concepts as “limited”. When tested, W-SMEs seemed to have a better understanding of marketing, operations management and strategy, than their M-SMEs counterparts, though they had a lesser understanding of finance and accounting (Figure 10). Women micro-entrepreneurs however tended to have less knowledge than their male counterparts, except on marketing questions. Both M-MSMEs and W-MSMEs had very limited knowledge of HR concepts.
Self-efficacy

For each of the business knowledge areas, W-MSMEs in Ghana expressed less confidence in their own abilities than their M-MSMEs counterparts, revealing a gender gap in ‘self-efficacy’ (Figure 11).

Motivation

A major gender difference in entrepreneur characteristics among Ghana’s tourism MSMEs was identified in respect to motivation. Women tourism entrepreneurs in Ghana are primarily driven by social motives or the desire to provide stable employment and income for themselves, their family, and others in their communities, while men are primarily driven by profit-making and growth/expanding operations.

Figure 11 Average Self-Efficacy Index (SEI)* score, by enterprise size and gender

This is consistent with the literature defining women entrepreneurs in tourism as “vectors of social entrepreneurship” (Ngoasong and Kimbu, 2016a). Whether they own SMEs or microenterprises, female entrepreneurs were much more likely to define their firm’s success as still being in business in 10 years, providing employment for family, and providing employment for others outside the family. On the other hand, male entrepreneurs were much more likely to define their establishment’s success as attaining a pre-established level of profits, gaining market share, and expanding operations (Figure 12). However, women tourism entrepreneurs in Ghana were equally as likely as male entrepreneurs to have as objectives expanding the range of products and services offered and expanding their customer base, and were even more likely to aim to enter a new market. This suggests that women entrepreneurs also have a growth orientation, and an innovative spirit; they want to grow their businesses, but this is considered as a means of achieving their objectives rather than an end in and of itself.

Note: The SEI reflects the score on the six knowledge self-assessment questions included in the survey. Little knowledge = 1, Fair = 2, Expert = 3. Therefore SEI is score (in percentage) out of the maximum of 18 points.
Women entrepreneurs also appear to be more environmentally conscious: all of the sampled W-MSMEs consider that integrating environmental sustainability when designing business strategy brings their establishment a comparative advantage, compared to only 14 percent for M-MSMEs. A total of 86 percent of W-MSMEs have attempted to reduce their environmental impact, over the last two years, compared to 43 percent of M-MSMEs. Gender differences in this regard also hold regardless of firm size.

4.4 Gender specific external (contextual) constraints

The literature review identified that contextual or environmental factors also constrain MSME performance and can have a differential impact across genders. These include access to finance, access to information, access to support programs, access to infrastructure and services, crime and the rule of law, and corruption.

Access to finance

Access to finance (e.g. availability of suitable financial products, or collateral or other requirements) comes across as the most significant challenge for tourism enterprises in Ghana, particularly for W-MSMEs (Figure 13). The cost of finance (e.g. interest rates) is also among the major obstacles, and also affects W-MSMEs more than M-MSMEs. W-MSMEs were significantly more likely to consider access to finance a) a major or very serious obstacle (88 percent vs. 47 percent for M-MSMEs), b) the most serious obstacle (46 percent vs. 19 percent for M-MSMEs), and c) among the top 3 most serious obstacles (74 percent vs. 48 percent of M-MSMEs). The cost of finance was cited in the top 3 obstacles for 28 percent of W-MSMEs and 24 percent of M-MSMEs, however, 60 percent of W-MSMEs consider it as a major or very severe obstacle to their operations, compared to 35 percent of M-MSMEs.

Access to finance is more challenging for microenterprises than SMEs, while cost of finance seems to affect SMEs more than micros (Figure 13). Specifically, access to finance is among the three most serious obstacles for 90 percent of W-micros and 49 percent of M-micros, compared to 77 percent of W-SMEs and 44 percent of M-SMEs. Conversely, the cost of finance is more likely to be among the top 3 most serious obstacles for SMEs than for micros (73 percent of W-SMEs and 39 percent of M-SMEs, compared to 57 percent of W-Micros and 32 percent of M-Micros). One explanation is that cost of finance may be higher for SMEs that borrow from formal sector banking institutions, compared to microenterprises that have access to lower cost providers, whether formal or informal microfinance institutions. The greater difficulty accessing finance for microenterprises and for women entrepreneurs likely reflects the limited ownership of assets that can be collateralized, in
comparison with SMEs, and with male entrepreneurs. Access to finance barriers may also be related to other dimensions such as limited access to information regarding available products. Indeed, only 56 percent of women entrepreneurs were aware of at least one of the financial services listed in the survey, compared to 80 percent of male entrepreneurs. However, the gender difference in that regard was not significant for the SME subgroup.

Figure 13 Greatest obstacles faced by tourism MSMEs in Ghana, by ownership gender

Access to information

There are important gender differences in terms of access to information among tourism MSMEs in Ghana. W-MSMEs are generally less aware of training and assistance programs available in their country and less likely to have received financial or other types of assistance. In particular, regardless of firm size, women entrepreneurs were significantly less aware of the availability of training programs for employees, tax credits for innovation, entrepreneurial support programs, export promotion programs and even gender equality support programs (Figure 14).
Access to financial or other type of assistance for training provision

Tourism W-MSMEs in Ghana seem to have more limited access to financial or other assistance for training provisions than M-MSMEs: 13 percent of M-MSMEs received public support for training-related activities over the last three years, compared to only 1 percent of W-MSMEs (Figure 15). The difference is particularly stark for SMEs: no W-SME received such support while 27 percent of M-SMEs did.

Figure 15 Share of MSMEs who received public support for training in the past three years

Ownership of land and assets

The literature emphasizes the importance of asset ownership as a gender-specific constraint to MSME performance in Sub-Saharan Africa (Hallward-Driemeier, 2013). In Ghana, there seems to be no major gender differences in ownership of land or assets among tourism MSMEs. Nevertheless, access to land is among the top 3 major obstacles to operations for 32 percent of M-MSMEs and 27 percent of W-MSMEs in Ghana.

Access to infrastructure, services, corruption and discrimination

Electricity, telecommunications, and transportation are also among the top obstacles to operations for both women and men entrepreneurs in Ghana. Access to infrastructure and to services, compounded by corruption and gender discrimination, disproportionately affects women, however. W-MSMEs need to wait much longer for service than M-MSMEs and are far more consistently expected to make an informal gift or payment to obtain a service (Figure 16). Out of the establishments who submitted an application for an infrastructure service: W-MSMEs had to wait three times as long for a water connection, nearly twice as long for an electrical connection, nearly four times as long to obtain a telephone connection, and more than six times as long for an internet connection. In the last fiscal year, W-MSMEs also incurred higher losses (as percentage of sales) from power outages and interruptions of water for production.
On average, W-MSMEs estimate that establishments like theirs pay on average a larger percentage of total annual sales (3 percent) in informal payments or gifts to public officials to “get things done” with regard to customs, taxes, licenses, regulations, services, etc. than their M-MSME counterparts (1 percent). For the SMEs subgroup, informal payments represent a slightly higher percentage of sales (5 percent for W-SMEs and 2 percent for M-SMEs).

Data for SMEs and large enterprises across all sectors in the World Bank’s ES for Ghana reveal that the incidence and depth of corruption as measured, respectively, by the incidence of bribery, and the share of public transactions where a gift or informal payment was requested, were slightly lower in Ghana than the Sub-Saharan Africa average (Figure 16). Although ES data suggests that female and male owned enterprises are equally affected by corruption in Ghana, results for the tourism and tourism related industries suggest otherwise. Corruption was identified as one of the top three major obstacles to operations by 29 percent of W-MSMEs, compared to only 11 percent of M-MSMEs, and is considered a major or serious obstacle to operations for 55 percent of W-MSMEs, compared to 15 percent of M-MSMEs.

W-MSMEs are not only disproportionately affected by corruption, but they also lack confidence in the judiciary system in enforcing their rights and also face more challenges in completing many transactions, as a result of actual or perceived gender discrimination. Further, among the establishments inspected by tax officials over the past year, the shares of those where an informal payment or gift was requested was far greater for women than for men: 51 percent vs. 11 percent for MSMEs, 70 percent vs. 19 percent for SMEs and 44 percent vs. 7 percent for MSMEs.
Larger shares of W-MSMEs believe that female owners or managers have more problems than their male counterparts obtaining licenses; dealing with taxes and tax collection, labor inspections, the courts and the police; obtaining credit; and obtaining government contracts (Figure 18). Over 90 percent of W-MSMEs consider that men pay less in bribes than women; that banks are more likely to lend to men than to women other things being equal, or charge lower interest rates on loans to male run businesses than they do on loans to female-run businesses; that men are more likely to get trade credit (supplies on credit) than women and that men are more likely to get favorable treatment in the courts compared to women (Figure 18).

Crime and vulnerability

Crime, theft and disorder are considered a major or very severe obstacle to operations for 37 percent of W-MSMEs, compared to 12 percent for M-MSMEs; for 27 percent of W-MSMEs compared to 5 percent of M-MSMEs; and for 40 percent of W-micros compared to 16 percent of M-micros. In the last fiscal year, M-MSMEs were more often victims of attempted burglary and robbery than W-MSMEs, while W-MSMEs were more often victims of deliberate damage/ vandalism or theft. The shares of enterprises, which have been victims of crime, are generally greater for SMEs than for microenterprises. Gender differences in these shares are therefore larger and more significant for SMEs (e.g. 50 percent of W-SMEs reported being victim of theft, compared to 17 percent for M-SMEs; 27 percent of W-SMEs reported being victims of deliberate damage/ vandalism or theft compared to 5 percent for M-SMEs).

Male entrepreneurs are more concerned that their operations could be interrupted by natural or human caused disaster than female entrepreneurs, particularly M-SMEs. The share of those concerned by such a risk was 83 percent for M-SMEs compared to 55 percent for W-SMEs, and 71 percent for M-Micros compared to 34 percent for W-Micros.

Gender-based violence, as measured by the incidence of observed sexual harassment, is higher in SMEs compared to microenterprises, but there seem to be no significant gender differences in that regard: 2 percent of both W-MSMEs and of M-MSMEs, 5 percent of M-SMEs and W-SMEs, and less than 1 percent of microenterprises have observed sexual harassment at their establishment.

4.5. Firm performance

Tourism M-MSMEs in Ghana have on average larger sales volumes and profits than W-MSMEs, but this is mainly due to the larger share of microenterprises in W-MSMEs, and to gender differences in performance within the microenterprise group. Among SMEs, gender differences in performance are smaller and less significant.
Sales

Sales were on average approximately 60 percent higher for M-MSMEs than for W-MSMEs over the last two fiscal years. However, this difference is largely driven by a greater share of microenterprises among W-MSMEs. The average sales of tourism SMEs (2017-2018) were 10 times those of tourism microenterprises. The difference in sales is considerably smaller within the SME and microenterprises subgroups: M-SMEs sales were on average approximately 5 percent higher than W-SMEs sales, while the sales of M-micros were on average 20 percent greater than for W-micros.

Figure 19 Average sales and profits (2017-2018), in USD

Profits

Firm size in terms of the number of employees or sales volumes are sometimes considered performance measures. Beyond these measures, however, key performance indicators from the data reflect profitability (average profits and return-on-sales) and productivity (value added per employee).

When the overall MSME sample is considered, there are important gender gaps in performance with respect to all performance indicators. Overall, M-MSMEs are more profitable than W-MSMEs, although this is in part attributable to size (as women are underrepresented in the higher sales and profitability SME subgroup).

Specifically, over the last two fiscal years: average profits of M-MSMEs were 5 times those of W-MSMEs, average return-on-sales were nearly three times as high (22 percent for M-MSMEs compared to 8 percent for W-MSMEs), and value-added per employee was 70 percent higher for M-MSMEs than for W-MSMEs (Figure 20). In 2017, 68 percent of M-MSMEs were profitable, compared to only 48 percent of W-MSMEs; in 2018, the share of profitable enterprises had grown to 87 percent for

Figure 20 Gender gaps (ratio of M/F) in performance
M-MSMEs and 69 percent of W-MSMEs (Figure 21).

Figure 21 Share of profitable tourism enterprises

Gender differences were statistically significant and b for micro firms. The average profits of M-micros were 3.5 times those of W-micros, value-added per employee was 70 percent higher for M-micros than for W-micros. The share of profitable microenterprises was 67 percent for M-micros and only 45 percent for W-micros in 2017, and 82 percent for M-micros and 68 percent for W-micros in 2018.

In the SMEs subgroup, the differences were generally not statistically significant but average profits of M-SMEs were three times those of W-SMEs. Average profits are a function of average sales however, and therefore largely depend on firm size. When relative measures that account for firm size and sales volumes are used, the gender gap narrows: average return-on-sales were 22 percent for M-SMEs compared to 18 percent for W-SMEs, and value-added per employee was 25 percent higher for M-SMEs than for W-SMEs. In 2017, 71 percent of M-SMEs were profitable, compared to 59 percent of W-SMEs. In 2018, the share of profitable firms had grown to 95 percent for M-SMEs and 73 percent for W-SMEs. Only in 2018 was this difference statistically significant.

Drivers of W-MSME performance

If W-MSMEs have lower sales volumes and profitability, on average, because of their firm characteristics (specifically, overrepresentation within the micro group, and underrepresentation within the SMEs subgroup), determining the constraints that result in women entrepreneurs having smaller firms, or preventing them from scaling up is critically important.

The previous sections provided insights regarding constraints related to entrepreneur characteristics (e.g. skills) and external factors (e.g. access to finance and other obstacles), that may result in the segregation of women tourism entrepreneurs in microenterprises, and possibly in lower productivity subsectors or market segments. These factors would therefore be linked to performance, either directly, or through their impact on firm characteristics. Going beyond this to identify the high performing W-MSMEs can provide complementary insights on drivers of W-MSME performance.

Although W-MSMEs are on average less profitable, W-MSMEs represent nearly one out of four (24 percent) of the top 10 percent performing tourism MSMEs in Ghana. Therefore, what factors (firm or entrepreneur characteristics) distinguish the top-performing women entrepreneurs, from the rest of their group (the other W-MSMEs)?

The following firm characteristics were considered:

- **First, size**: In Ghana, although the share of W-SMEs in the top 10 percent W-MSMEs (35 percent) is higher than for the overall W-MSMEs (20 percent), the majority of top 10 percent performing W-MSMEs are actually microenterprises (65 percent). There is no difference between the average size of the full-time workforce of top-performing W-MSMEs in comparison with all W-MSMEs (7 workers in both cases).

- **Market segment**: In Ghana, consistently with the large proportion of microenterprises among the top W-MSME performers, the top 10 percent most performing firms are more likely to be serving a local market than average (84 percent top 10, versus 65 percent overall).

- **Formality**: In Ghana, 64 percent of top 10 percent W-MSMEs are formally registered, compared to 46 percent overall.

- **Duration of operation**: In Ghana, there is little difference between the average firm duration of top performing W-MSMEs and other W-MSMEs (around 8.5 years average for both).
The following entrepreneur characteristics are also considered:

- **Experience**: In Ghana, managers of the top 10 percent W-MSMEs have slightly more experience than average (11 years compared to 10).

- **Business knowledge/skills**: There is a gap between the top 10 percent W-performers and the rest with respect to business knowledge. Of the top 10 percent performers, 58 percent answered that they had ‘expert’ or ‘fair’ knowledge of business subjects compared to only 22 percent for the rest.

- **Self-efficacy**: There is an important positive correlation between knowledge and self-efficacy of W-MSMEs, and between these two variables and performance. In Ghana, the average Self-Efficacy Index (SEI) was 63 percent for the top 10 percent W-MSMEs compared to 42 percent for all W-MSMEs. A strong correlation between self-efficacy and business knowledge suggests that the two may jointly influence or have a mutually reinforcing effect on performance.

- **Networking**: In Ghana, all top W-MSMEs consider that the following confers them a major or very strong competitive advantage (compared to 90 percent of other W-MSMEs): Networking to support market development, networking to maintain good supply relationships, networking to maintain access to financing, and networking to maintain access to human resources. The top 10 percent W-MSMEs were also more likely to have tried over the past two years to make business alliances with other suppliers or clients (62 percent compared to 44 percent of the other W-MSMEs; although this difference was not statistically significant).

- **Motivation**: In Ghana, the top 10 percent W-MSMEs are as likely – or at least as likely – to be motivated by social objectives (providing employment for family and providing employment for others outside the family) as other W-MSMEs. However, top W-performers are indeed more likely to be also motivated by profit making than the rest of the W-MSMEs: 77 percent of top W-MSMEs define success as attaining a pre-established level of profit, compared to only 44 percent for the rest (bottom 90 percent of W-MSMEs).

In sum, among the firm characteristics that distinguish top performing tourism W-MSMEs in Ghana from the rest of their group, although formality seems to play a role, the key factor is that top-performing female entrepreneurs are more likely to have profit motives in addition to their social ones, and to making efforts to network and build alliances with other suppliers and clients. The top-managers of high performing women-owned firms also have much higher than average business knowledge and self-efficacy. These factors are therefore likely to increase the chance of high performance, although they may not be necessary preconditions for high performance.

Among the constraints faced by tourism entrepreneurs in Ghana, top performing W-MSMEs were less likely to consider electricity, tax administration, and an inadequately educated workforce as major or very severe obstacles, compared to the rest of W-MSMEs, and they were less likely to consider electricity and access to land for expansion as being among the top 3 obstacles to their operations.

In terms of access to information, the top performing 10 percent of W-MSMEs did not appear to be more aware of support programs available in their country. Although there are no statistically significant differences with respect to awareness of finance between top 10 percent performers and others, the top 10 percent W-MSMEs were far more likely to have used the different modes of finance than the rest of the W-MSMEs (86 percent vs. 30 percent).
5. Concluding Remarks
The results presented in this report confirm that there are major gender specific constraints or factors that disproportionately influence/constrain women tourism entrepreneurs’ choices with respect to their firm characteristics. The most tangible consequence of these constraints is the overrepresentation of women among tourism microenterprises and underrepresentation among tourism SMEs. This has implications in terms of performance, as SMEs in general have higher revenues, profitability, and productivity than microenterprises, and gender gaps in performance are narrower among tourism SMEs than among microenterprises and overall. Furthermore, among the factors identified in the literature, formality stands out as a key firm characteristic associated with higher performance of tourism W-MSMEs in Ghana.

W-MSMEs and M-MSMEs were found to differ significantly in terms of entrepreneur characteristics. Specifically, W-MSMEs in tourism had less overall business knowledge, and less confidence in their own abilities than their M-MSME counterparts. However, gender gaps in both knowledge and self-efficacy were much narrower among the SME subgroup. Top performing W-MSMEs also generally scored higher than average on the business knowledge and self-efficacy. There is a strong correlation between actual knowledge and self-efficacy among tourism entrepreneurs, suggesting that self-efficacy is not merely a function of performance (i.e., while there is likely to be a two-way relationship between performance and self-efficacy, there is less likely to be reverse causality in the skills-performance relationship).

Entrepreneur motivations also differed considerably between W-MSMEs and M-MSMEs, with the former being primarily motivated by social motives (consistent with the findings in the literature describing them as ‘vectors of social entrepreneurship’) and the latter by profit making. The most successful women entrepreneurs give more importance to profit maximizing, but not at the expense of social objectives: they are at least as likely as other W-MSMEs to be motivated by social objectives, while also giving more importance to profit motives than the other W-MSMEs do, and are therefore keeping their focus on a double-bottom line: profitability and social good.

Based on these findings, there is a need to address the constraints that disproportionately affect women tourism entrepreneurs’ performance, directly (e.g., skills, motivations, self-efficacy) and indirectly by affecting their firm characteristics (i.e., contextual constraints e.g., access to finance, corruption, etc.). Specifically, more work is needed to target the factors that prevent women entrepreneurs from scaling up their businesses – in particular from micro to SME, but also from small to medium enterprises. Access to finance seems to be a major barrier in this regard, as well as corruption and access to infrastructure and services. Supporting W-MSMEs, and women microenterprises in particular, in registering their enterprises may also be particularly beneficial. Moreover, it seems clear that skills training can go a long way in improving performance, including by boosting entrepreneurs’ self-confidence, and entrepreneurship training can help women entrepreneurs shape their objectives and strategies in a way as to balance both bottom line targets.


Annex 1. Map of Survey Location
### Table 3 Sampling Composition

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<th>CATEGORY</th>
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<th>SME TAKORADI</th>
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<td>442</td>
<td>442</td>
<td>186</td>
<td>186</td>
</tr>
<tr>
<td>Restaurants</td>
<td>134</td>
<td>43</td>
<td>14</td>
<td>191</td>
<td>390</td>
<td>390</td>
<td>192</td>
<td>192</td>
</tr>
<tr>
<td>Tour operations</td>
<td>111</td>
<td>3</td>
<td>1</td>
<td>115</td>
<td>286</td>
<td>286</td>
<td>139</td>
<td>139</td>
</tr>
<tr>
<td>Travel agencies</td>
<td>200</td>
<td>2</td>
<td>0</td>
<td>202</td>
<td>412</td>
<td>412</td>
<td>206</td>
<td>206</td>
</tr>
<tr>
<td>Passenger transport</td>
<td>42</td>
<td>2</td>
<td>1</td>
<td>45</td>
<td>96</td>
<td>96</td>
<td>47</td>
<td>47</td>
</tr>
<tr>
<td>Crafts, souvenirs, vendors, and retail of tourism-related products</td>
<td>12</td>
<td>3</td>
<td>1</td>
<td>16</td>
<td>35</td>
<td>35</td>
<td>18</td>
<td>18</td>
</tr>
<tr>
<td>Recreational activity providers</td>
<td>60</td>
<td>5</td>
<td>0</td>
<td>65</td>
<td>135</td>
<td>135</td>
<td>67</td>
<td>67</td>
</tr>
<tr>
<td>Cultural activity providers</td>
<td>14</td>
<td>3</td>
<td>4</td>
<td>21</td>
<td>45</td>
<td>45</td>
<td>23</td>
<td>23</td>
</tr>
<tr>
<td>Attraction sites</td>
<td>4</td>
<td>3</td>
<td>1</td>
<td>6</td>
<td>14</td>
<td>14</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>Tourism-related ICT</td>
<td>4</td>
<td>0</td>
<td>0</td>
<td>4</td>
<td>12</td>
<td>12</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>575</td>
<td>189</td>
<td>31</td>
<td>757</td>
<td>1292</td>
<td>1292</td>
<td>442</td>
<td>186</td>
</tr>
</tbody>
</table>
Annex 2. Summary Tables
Table 4 Summary of findings, with corresponding predictions based on literature

<table>
<thead>
<tr>
<th>Firm Characteristic</th>
<th>Ghana Tourism MSMEs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Size</strong>: Women firms are smaller on average</td>
<td>Yes, both in terms of employees and sales</td>
</tr>
<tr>
<td><strong>Sector (sub-sector) segregation</strong>: Women are overrepresented in lower productivity subsectors where entry barriers are lower</td>
<td>No evidence supporting or disproving this</td>
</tr>
<tr>
<td><strong>Formality</strong>: W-MSMEs are more likely to be informal</td>
<td>No gender differences for SMEs, but W-micros are more likely to be informal</td>
</tr>
<tr>
<td><strong>Duration of operation</strong>: W-MSMEs have lower duration of operation than M-MSMEs</td>
<td>Yes overall, but not for SME subgroup</td>
</tr>
<tr>
<td><strong>Market served</strong>: W-MSMEs are more likely to be geared to the local market, have less access to international markets</td>
<td>No statistically significant gender differences</td>
</tr>
<tr>
<td><strong>Workforce composition</strong>: W-MSMEs employ more women</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>HR practices</strong>: W-MSMEs are more likely to have pro-female employment policies in place</td>
<td>Yes</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Entrepreneur Characteristic</th>
<th>Ghana Tourism MSMEs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Experience</strong>: Managers of W-MSMEs are less experienced</td>
<td>No, overall, but yes within microenterprises subgroup</td>
</tr>
<tr>
<td><strong>Skills</strong>:</td>
<td></td>
</tr>
<tr>
<td>Business Knowledge: W-MSMEs have less business knowledge than M-MSMEs</td>
<td>Yes, but not in the SME subsample</td>
</tr>
<tr>
<td>Networking: W-MSMEs have less networking skills than M-MSMEs</td>
<td>No evidence for or against this, only that W-MSMEs give more importance to networking, and are more likely to try to build alliances than M-MSMEs</td>
</tr>
<tr>
<td>ICT: Women are less likely to use ICT than men</td>
<td>Yes, but gender differences not statistically significant</td>
</tr>
<tr>
<td><strong>Self-efficacy</strong>: Women are less confident in their abilities than men</td>
<td>Yes, but less so among SMEs</td>
</tr>
<tr>
<td><strong>Motivation</strong>: Women entrepreneurs are more likely to be driven by social objectives, while men are more driven by profit-seeking</td>
<td>Yes</td>
</tr>
<tr>
<td>Constraint with differential gender impact</td>
<td>Ghana Tourism MSMEs</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------------------------------------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>Access to finance*: Access to finance is more of a constraint for W-MSMEs than M-MSMEs, both in terms of:</td>
<td>Yes</td>
</tr>
<tr>
<td>Access (e.g. collateral requirements)*</td>
<td>Yes</td>
</tr>
<tr>
<td>Cost (e.g. interest rates)*</td>
<td>Yes</td>
</tr>
<tr>
<td>Access to information: Informational asymmetries with relatively more limited access to information by W-MSMEs</td>
<td>Yes</td>
</tr>
<tr>
<td>Program awareness: W-MSMEs are less aware of training and support programs available to them</td>
<td>Yes</td>
</tr>
<tr>
<td>Finance awareness: W-MSMEs are less aware of financial services available to them</td>
<td>Yes for micros, but not SMEs</td>
</tr>
<tr>
<td>Access to support programs: W-MSMEs have less access to support programs than M-MSMEs</td>
<td>Yes</td>
</tr>
<tr>
<td>Ownership of land and assets*: W-MSMEs have more limited ownership than M-MSMEs</td>
<td>No</td>
</tr>
<tr>
<td>Business environment*:</td>
<td></td>
</tr>
<tr>
<td>Access to infrastructure/ services*: Women entrepreneurs have more constrained access to infrastructure than men</td>
<td>Yes</td>
</tr>
<tr>
<td>Corruption*: W-MSMEs are more affected by corruption than M-MSMEs</td>
<td>Yes</td>
</tr>
<tr>
<td>Crime*: Women entrepreneurs are more affected by crime</td>
<td>Yes</td>
</tr>
<tr>
<td>Gender discrimination*: Women face more challenges in completing various transactions, and in dealing with different institutions</td>
<td>Yes</td>
</tr>
</tbody>
</table>

* Characteristics most often associated with performance measures, or considered as having a differential gender impact on performance in the literature
Table 5 Difference in firm and entrepreneur characteristics between Top 10 percent Performing tourism W-MSMEs

<table>
<thead>
<tr>
<th>Firm Characteristics</th>
<th>Ghana</th>
</tr>
</thead>
<tbody>
<tr>
<td>Size*: Higher performing firms are larger</td>
<td>Not necessarily</td>
</tr>
<tr>
<td>Sub-sector (or market segment) segregation*: Higher performing firms serve different market segments</td>
<td>No</td>
</tr>
<tr>
<td>Formality*: Higher performing firms are more likely to be formal</td>
<td>Yes</td>
</tr>
<tr>
<td>Duration of operation*: Higher performing firms have longer duration of operation</td>
<td>No</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Entrepreneur Characteristics</th>
<th>Ghana</th>
</tr>
</thead>
<tbody>
<tr>
<td>Experience*: Managers of top performing firms have more experience</td>
<td>Yes, but marginally</td>
</tr>
<tr>
<td>Skills*: Top performers have more business management knowledge</td>
<td>Yes</td>
</tr>
<tr>
<td>Networking: Top performers make more use of networking opportunities</td>
<td>Yes, somewhat</td>
</tr>
<tr>
<td>Self-efficacy*: Top performers have more confidence in their own abilities</td>
<td>Yes</td>
</tr>
<tr>
<td>Motivation*: Top performers are more likely to be driven by profit-motives</td>
<td>Yes, but they are equally motivated by social objectives as well</td>
</tr>
</tbody>
</table>

* Characteristics most often associated with performance measures in the literature