Education and SMME business growth: a gender perspective from South Africa

Ricardo Peters, Pradeep Brijlal and Visvanathan Naicker University of the Western Cape, South Africa

Keywords

Entrepreneurship; educational levels; business success factors; SMMEs; South Africa.

Abstract

Entrepreneurship is becoming an increasingly important source of employment for women across many countries. Policymakers and other stakeholders typically fail to differentiate between the needs of different SMME sectors when designing support programs. Using survey data obtained from SMME owner managers in the Western Cape the article attempts to identify whether the level of education and gender has an impact on business growth. 369 face-to-face interviews were conducted across the Western Cape. The chi-square analyses proved to be significant (p < 0.05) indicating that there is a positive relationship between the level of education of business owners and their respective businesses ability to increase turnover. This however did not correlate into the same outcome in terms of the owner's level of education and the businesses ability to increase its labour pool.