

Unlocking the trillion-dollar women-led economy starts with us

By [Erin Louw](#)

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If more than half of the South African population are women, why then do we represent only 34% of small and medium enterprise founders?



Source: www.pexels.com

Women-led business success is still hampered by role stereotyping, gender inequality, cultural norms and societal pressures. Together with the 'inner voice of doubt', these challenges often become the barriers to success. Despite these challenges, there has been a significant increase in South African women-led businesses over the past decade with the expectation that the women-led economy will deliver around R175bn in revenue and create one million jobs by 2022.

This trend is not unique to the African context. There is a global movement towards the rise of a women-led economy, and according to a conference that I attended in Amsterdam in 2019, it is also true for most developing countries. McKinsey and Company reported that equal opportunities for women entrepreneurs could lead to a \$12trn growth in global GDP by 2025.

Many women have entered the formal business and informal entrepreneurship space. However, to unlock their full potential, women need support, access to networks and business literacy to formalise this shift.

Throughout the pandemic, I witnessed how quickly women-run businesses were closing. This observation was echoed by the 2021 MasterCard Index of Women Entrepreneurs findings. It found that 87% of women business owners were adversely affected by the pandemic. The International Monetary Fund and World Bank reported similar findings. The closure of these businesses could, at large part, be because women tend to operate in retail, restaurants, food shops, beauty and domestic services - industries that have been the hardest hit by the pandemic. Due to the less formal nature of their operations, they tend to have far less runway for a catastrophe of this magnitude, while men tend to have more formalised financial structures and liquidity in their businesses.

Furthermore, the driver or motivation to start their business often stems from the need to supplement an income or provide for the basic needs of a family unit. These businesses often start as a side-hustle, with personal accounts which mostly operate in cash instead of formal channels. Cash transactions limit access to finance, in turn suppressing women's ability to grow and scale. Given the huge opportunity that women-run businesses present to our economic growth and recovery, more needs to be done to unlock fem-preneurs' ability to grow and create jobs.



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It starts with us

Together we can unlock the women-led economy and leave a legacy that inspires future generations of young women to venture into this space. Let's teach the generation that will come after us that it is okay to say what you want confidently. To own your successes and celebrate your victories. To be comfortable to chase your dreams instead of the dreams and passions of others.

Unapologetically and boldly pursue your ambitions. Even if the narrative has been carved throughout millennia for women to carry the cultural responsibility and family obligations as mothers, caregivers, and homemakers, we are so much more. We are the keepers of the community and the custodians of the future. By giving ourselves the right to be successful and share the responsibility, we earn that right for future generations.

We must change the narrative

The 'Rewrite Her Story' initiative by actor turned activist Geena Davis (part of the 'Girls Get Equal' research campaign) reports that the world's most popular films send messages to girls and young women that leadership is primarily for men. It is not about being an activist or being part of a movement. It is about writing your own story and playing the lead.

It is important to note that we still have a long way to go despite numerous efforts to do so – even though 26 years ago, Xena, the Warrior Princess, took to our screens as the first woman lead of an action-adventure series. Action's new heroine, Xena single-handedly changed our view of the woman protagonist in the mid-90s and together with Wonder Woman & co in the 70s, the shift to women portrayed as capable, confident and independent was clearly described in the opening narration, "a land in turmoil cried out for a hero".

Today, we need more Xenas – both in the media and business. Unlocking our potential starts internally and through creating a community where women entrepreneurs can empower one another and build a network of like-minded businesswomen that uplift, share and mentor each other. Working together to unlock potential is the impetus behind the Xena app-based platform, a network of businesswomen created by women for women. Through its launch, we hope to play our role in changing the narrative. Together we share the economic potential to change the course of history.

ABOUT THE AUTHOR

Erin Louw is the founder of Xena, an initiative that exists to unlock the full potential of the woman-led economy.

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