IDRC FUNDED PROJECT: "Youth Employment and Women's Economic Empowerment in Africa: The Role of SMEs in the Tourism Sectors of Mauritius, Tanzania and Uganda"

Final Technical Report

Mauritius Chapter

Date: 15 December 2019

Youth Employment and Women's Economic Empowerment in Africa: The Role of SMEs in the Tourism Sector of Mauritius

(Funded by IDRC)

Final Technical Report

Co-Principal Investigators: *B Seetanah & RV Sannassee*

Investigators: *V Teeroovengadum & R Nunkoo*

Assistant Investigators: *S Fauzel, J Matadeen and A Pooloo*

Finance Coordinator & Assistant Investigator: *M Lamport*

University of Mauritius

Date: 17 December 2019

Executive Summary

The major objectives of this research project are to investigate the determinants of financial performance as well as the differences in the performance of SMEs (in the tourism and hospitality sector) by gender and age, that is it assesses potential gender-based (as well as age based) disparities with respect to the generic factors that influence SME development. The study also analyses challenges and potential barriers that women and youth face in operating SMEs in the tourism sector. The research also attempts to identify the institutional set up in place for SME development as well as other specific aspects of the Mauritian success story relating to job creation and women economic empowerment that Tanzania and Uganda can learn.

The first part of the study focuses on the determinants to financial performance of SMEs in the tourism and hospitality sector in Mauritius. A theoretical model was developed based on a review of the existing literature in the field. The model proposes that management capability, autonomy, competence, self-confidence, and skills are the antecedents of SME performance. Based on data were collected using a structured survey (a total of 386 valid responses) administered to the targeted population of SMEs operating within the tourism industry across the whole island, the model was tested using a structural equation modeling approach (SEM). Results indicate that managers' autonomy is a significant determinant of SME performance, suggesting that more autonomous managers leads to improved

SME performance. Our study confirms previous research, suggesting that managers who feel they have enough flexibility to take managerial decisions report better firm's performance (Johansson et al., 2015). The benefits of the execution of managerial discretion for greater performance consequences have been well discussed in the existing literature (Keegan & Kabanoff, 2008). Our results also indicate competence to be a significant determinant of performance. Higher level of managerial competence was positively related to performance. In SMEs, managerial human capital plays an important role in determining the performance of the organisation. Managers' knowledge helps to develop the required capabilities that are essential and decisive in strategic outcomes. In addition, managers are the main factor behind the initiation, development, sustenance, and success of a firm's (Freeman, Edwards & Schroder, 2006). Furthermore, the study also demonstrates that skills of the managers was positively related to managerial competency. The literature identifies skill as an important determinant of competence and indirectly, performance (Yamazaki, 2010). We also demonstrate empirically that skills is positively related to innovation capabilities of the managers, suggesting that more skillful managers demonstrate more capabilities to bring innovation to their SMEs. The role of skill in innovation has been validated across several studies carried out in different context (Thoenig & Verdier, 2003; Compagni, Mele & Ravasi, 2015). This research yet reports a significant positive relationship between management capability and innovation capability. This finding is not surprising given the ample evidence that validate a similar relationship in the existing literature.

The findings provide important managerial implications for improving the performance of SMEs in the sector, including women managed ones. For better performance, it is imperative for SMEs to improve their management capability. Our results indicate that SMEs with more autonomous managers report improved performance. Thus, it is important that managers of SME are empowered to make strategic decision. The concept of empowerment is originally derived from participative management theories and suggest that manager's involvement in decision-making leads to several benefits for the organization. Thus, the organizational structure of SMEs in the tourism sector should encourage managers to participate fully in the decision-making processes. SMEs should be a light organizational structure that reduces bureaucratic decision-making processes involving several layers of management. Improving innovation capabilities in the tourism remains an important consideration for SME to improve their performance. SME should recognize that innovation provides them with a competitive advantage and help them play a dominate role in the industry. SME therefore has to focus on such processes that lead to more efficient production at the lowest possible costs. Furthermore, SME can use process and system innovation to improve productivity. The can, for example, implement lean principles that aim to eliminate 'waste' from production to customer relations, product design, supplier networks and factory management with objective being less human effort, inventory and time to develop products, within minimum space to become highly responsive to customer demand and produce quality products economically. Developing

managerial skills is another path to improve management and innovation capabilities as our findings suggests. The government should recognize the importance of managerial skills for the sustainability of SMEs in Mauritius and should provide incentives or directly support skills development program for SME managers. Such programs should at improving skills of SME managers such as those related to people management, business finance, communication, negotiations, project management, business strategy and planning, leadership, and other fundamental management skills.

The second part of the study attempts to analyse potential gender-based (as well as age based) disparities with respect to the generic factors that influence SME development based data collected from the nation-wide survey. It also assesses the potential barriers and obstacles to Women and young SMEs. While SMEs owned and managed by men tend to perform better than their female counterpart in the Mauritian Tourism context, the study also reveals that SME owners perceived all these factors to be performing only moderately well. Moreover, while slight differences exist between the perception of male and female entrepreneurs, these differences reveal to be not significant on the overall. Potential differences between men and women entrepreneurs' access to finance, one of the most important factor, was studied. The various sources of finance are best represented in a four factor structure namely as start-up finance, formal WCF, bootstrapping finance and owner's equity. The hypothesis test for differences demonstrates that there was a significant difference between men and women entrepreneurs with regards to formal WCF only, while the other three financial sources are found to be equally accessible to both male and female SME owners. The quality of institutional support for SMEs is also assessed and tested for gender influence and the descriptive statistics shows that SMEs owners perceive the quality of institutional support to be quite good, particularly with regards to the advisory and fees and charges components. Potential gender disparity is subsequently tested for and the hypothesis testing reveals that there are no significant differences between male and female entrepreneurs with regards to the quality of institutional support offered to them. Moreover, we focus on a statistical analysis of the effect of Age (youth) on the factors influencing SME performance and conclude that age does not matter in explaining the various determinants of financial performance namely management capabilities, innovation capabilities, skills, self confidence, impact,self determination and competence

The findings from the second part of the study clearly points to the absence of any gender disparity with respect to the generic factors influencing SME development, access to finance in general and the quality of institutional support provided to these SMEs under study. Interestingly, the results demonstrate an above average positive degree of perception with respect to these elements. Nonetheless, through the qualitative empirics gathered during the interviews, there is still room for improvement and in that regard, certain recommendations were made by the SME owners and other stakeholders. For instance, with respect to access to finance, programs that promote and increase joint property registration to benefit women

borrowers may be established. For example, women's lower access to assets can be addressed through changed regulation that will require married women be included in asset registration. This would give them equal rights to property, enabling them to use it as collateral. Similarly, regulations can be changed to address inheritance issues. In addition, more public sector initiatives which encourage private sector lending to women entrepreneur and greater provision of equity funds, to address the constraints women face when starting up a new business, may be fostered. Although there has been a revamping of the key SME government support institution in the country lately, with the establishment of a well-functioning one-stop-shop (SME Mauritius), there is a need to still more efficient coordination between all support institution (the banks, NEWC and Tourism authority among others. This would enable a clear line of communication between SMEs and their stakeholders. Provision of technical capacity to female entrepreneur, although provided to certain extent by a couple of support institutions, is not enough and need to be accelerated. A proper training needs study need to be undertaken to better identify the priority areas of technical training and Universities can also play a good role with respect to that. Finally and interestingly, there is an altogether different line of thinking which propounded the need to demystify innovation and entrepreneurialism in order to encourage female and youth entrepreneurship in the tourism sector. In many ways, the majority of women who are in entrepreneurship do so in basic street-vending food-based or handicraft activities where they are caught competing against one another and over supplying and this calls for a change.

1. The Research Problem

While the tourism sector offers diverse employment opportunities for youths and women, there is a need to increase prospects to absorb the more youths who are leaving educational institutions but cannot find jobs. In order to identify the development strategies of the tourism sector as well as growth of small and micro enterprises and potential job opportunities for women and the youth in the sector, there is need for a systematic study. More importantly, a study that highlights the factors that facilitate the growth of the tourism sector and challenges limiting performance of tourism small and micro enterprises and institutions that facilitate the sector, is important. More importantly, although it is recognized that tourism absorbs more women than men, a study to characterize the actual gender distribution will be insightful of the extent to which small and micro enterprises create jobs for women. Such a study will be useful in providing policy directions on how more jobs can be enhanced and created for both youths and women.

Understanding existing untapped potentials in tourism that youths and women can use to establish SMEs to provide them with a sustainable income is important. This study intends to fill that gap of knowledge that exists. The provision of decent employment for youths and economically empowering women is paramount in these countries if the problem of rising youth unemployment is to be tackled, as well as gender inequality.

Despite the important role played by tourism as an engine to create jobs directly and indirectly and hence reducing poverty, more specifically among women and youths, the available empirical evidence for African countries is scanty. As such, the present study aims at addressing this gap in that it intends to investigate the role played by the SMEs the tourism sector in generating employment for youths and women, and understanding factors that pose a hindrance for creating jobs and economically empowering women.

Objective of the Project

The major objective of this research project is to investigate whether SMEs in tourism can effectively create decent jobs for the youths, and the extent to which tourism can economically empower women in the three countries under study. In addition, the study intends to achieve the following specific objectives:

(i) To investigate the determinants of financial performance as well as the differences in the performance of SMEs (in the tourism and hospitality sector) by gender and age, that is it assesses potential gender-based (as well as age based) disparities with respect to the generic factors that influence SME development This will provide some insights on the specific areas of focus to achieve gender equality through addressing impediments to effective women and youth participation in SMEs in tourism.

(ii) To investigate the untapped opportunities for job creation and economic empowerment of women in tourism. This is will provide areas to focus on for enhancing efforts to create jobs for youths and economically empower women.

(iii) To investigate challenges that women and youth face in operating SMEs in the tourism sector. This will identify the factors that policies can address in creating employment opportunities for youths and empowering women.

(iv) To examine the skill deficiencies among private entrepreneurs of SMEs in tourism that youths and women have. This will provide insights on how to enhance the skill levels to that youths and women can have access to better jobs. It will also help to devise policy for trainers in tourism institutions on the type of skills that are needed or need improving.

(v) The research also attempts to identify the institutional set up in place for SME development as well as other specific aspects of the Mauritian success story relating to job creation and women economic empowerment that Tanzania and Uganda can learn.

2. Recap from Technical Report 1 &2 and Progress towards Milestones

2.1 Recap from Technical Report 2

- The team has engaged itself in further and more detailed analysis of the survey data (see Appendix 2) and started the analysis of the integrated model based on the SME (which was presented at the 2nd Technical workshop in Entebbe earlier this year).
- The 2nd technical meeting was held in August 2019 in Entebbe with each teams presenting at least a couple of papers. The Mauritian team presented the following empirical work (the PPT are attached in the appendix 3)
    - Assessing the Effect of Gender and Age on Factors Influencing SME Performance in the Mauritian Tourism Industry
    - Determinants Of SME Performance In The Mauritian Tourism Industry

- The research team has already visited and discussed 10 women and young entrepreneurs at their place of operation, and case studies will be drafted and analysed subsequently

- The Ugandan and Tanzanian team visited Mauritius for the 3rd Technical workshop and also for a study tour to learn more about the Mauritian case study. After reviewing the progress of work on the first day, the whole research team visited and discussed with high officials of the i) National Women Entrepreneur Council ii) SME Mauritius iii)Ministry of Tourism and iv) the tourism authority. Issues discussed, among others, were related to obstacles facing women and young entrepreneur, government policies, training needs and capacity building, access to finance, specific facilities to women. The delegation were also invited to a women entrepreneur fair in the capital city, Port Louis. Finally, the team visited a women and a young entrepreneur in Grand Baie (in the north) and engaged in some discussions and Q and A with them. (Refer to some pictures in appendix 4)

2.2 Recap from Technical Report 1

- Engaged in a thorough literature search and also hold few focus groups with relevant stakeholders
- On 30th of March 2018, a national workshop session was organized with member of the SME community, representatives of Mauritius Tourism Authority among other key players/organizations in the Mauritian tourism

field. Qualitative data was gathered and processed in order to complete the literature review, improve the conceptual model and devise the Questionnaire.

- After an extant analysis of existing literature on the subject, key determinants and issues were identified. We then proceeded to use this information and materials to proceed with the questionnaire design and administration which was finalized soon after.

- A capacity building workshop has been organized for RAs and enumerators. Participants from other TEIs and PhD candidates were also enlisted. Enumerators and field workers were also fully briefly about the survey and the content of the questionnaire (see appendix 1 for the questionnaire)
- Over 500 questionnaire were administered following a stratified sampling of SMEs and 450 usable responses were retained for the analysis part. Data input has been done and the data base cleaned as well during the period July-September 2018
- As from October 2018, the team started the analysis which was agreed in 3 parts namely i) a descriptive/inferential analysis ii) An analysis based on an Integrated Structural Modelling approach and iii) An analysis based on few case studies of Female and young entrepreneur.

2.3 Progress since Technical Report 2

Since the submission of Technical report 2, the following tasks were achieved

- Finalisation of the write up and discussion of the SEM model analysis of SME performance
- Finalisation of the writing and analysis of the case studies.
- Inputs for a common paper with the rest of the team were sent
- Preparation of the final draft of the Mauritian chapter
- Two draft research papers completed
- Draft policy brief

3. Summary of Deliverables Achieved Thus Far

1) Inception workshop (Mauritius & Tanzania)

2) Focus groups discussion

3) Training of RAs and enumerators

4) Design and Administration of Questionnaires

5) Input and Cleaning of Data

6) Descriptive and inferential Analysis

7) Integrated SEM model of SME performance

8) Research Workshop in Entebee/Presentation of preliminary findings

9) Case studies and indepth interviews with 10 SMEs

10) Study Tour in Mauritius and key stakeholders discussions

11) Finalisation of the write up and discussion of the SEM model analysis of SME performance

12) Finalisation of the writing and analysis of the case studies.

13) Inputs for a common paper with the rest of the team were sent

14) Preparation of the final draft of the Mauritian chapter

15) Two draft research papers completed/ Peer Reviews initiated

16) Draft policy brief

In the light of the above, we are pleased to inform our donor that the have been able to achieve the set milestones and we are presently embarking towards finalizing a couple of research papers for possible publication as well as engaging on the common paper (with the Mauritian experience).

4. Synthesis of research results and development outcomes

4.1 Determinants of Tourism SMEs' Performance in Mauritius

Introduction

Small and medium enterprises (SMEs) are important for economic growth and contributes to tourism development in an economy. They are formed out of existing opportunities and help in satisfying tourism demand and filling the production gaps in the market. For developing countries, SMEs hold particular prominence as they help nurture a culture of entrepreneurship (Huarng & Yu, 2011). The promotion of entrepreneurial attitude and abilities is also believed to make a positive contribution to poverty reduction. Furthermore, SMEs help reinforce industrial relationships and make use of resources in a more productive and efficient manner. These factors together allow the country to be less reliant on overseas help (Todaro & Smith, 2012). Thus, the development of SMEs in a country and economic growth are deeply intertwined. However, in developing countries, SMEs often struggle to sustain, especially during constantly fluctuating economic conditions. Furthermore, the future of an SME relies largely on the entrepreneur. All important decisions, including setting the business direction, its long term strategy, its tactical choices to reach the set destination are all made by that individual (Masurel & Nijkamp, 2004). The quality of those decisions often depends on a number of factors and individual traits of the entrepreneur including technical know-how, past experiences and education level (Onkelinx, Manolova & Edelman, 2016).

Various studies have been carried out by researchers and policy-makers alike on the determinants of the financial performance of SMEs (Kober, Subraamanniam, & Watson, 2012; Ogunyomi, & Bruning, 2016; Saunila, Ukko & Rantanen, 2014). However, most of those studies have been carried out in developed countries and/or those outside the African region. Despite the socio-economic contribution of SMEs to the Mauritian economy, little is known about their performance. At present, policies to support SMEs seem to be implemented on an ad-hoc basis, without a proper understanding of the factors influencing their financial performance. In an attempt to contribute to the very limited research on SME performance in Mauritius, this study develops and tests a structural model that incorporate a number of factors that are likely to influence the financial performance of SMEs in the economy.

Theoretical Background

A common way to assess SME performance quantitatively is through their financial performance. Financial performance measures allow an organization to assess whether its overall strategy and operations are effective in improving the bottom-line. These measures traditionally consist of an evaluations of profitability, growth, shareholder value, and return on investment (Robert S. Kaplan & David P. Norton, 1992). In some cases, both financial and marketing performance is treated as a singular unit of measure for performance (Weerawardena, 2003). Albeit, they can and have also been treated as two distinct units of measure for total performance (Vorhies & Morgan, 2005). Moreover, a third method also exists where both measures are treated as distinct constructs for performance (Hooley *et al.*, 2005).

Determinants of SME Performance

Management Capability

Management capability of SMEs as a determinant of financial performance, is well documented in existing literature, with evidence highlighting its importance in the process and success of innovation within the organization (Pfirrmann, 1995; Soderquist, Chanaron and Motwani, 1997; Cobbenhagen, 2000). Existing research posits that management and innovation capability are closely linked, such that usually the former precedes the latter (Hooley *et al.*, 2005). Furthermore, findings from empirical research lends further support to the idea that superior management capability will usually create conditions ideal to optimize innovation capability. A significant relationship between the two have been observed in various studies (Trott, 1998; Tidd & Bessant, 2013).

Innovation Capability

Innovation can be defined as a process within an organization to adopt change. The changes can be in terms of implementation of a new process, policy, or in the ways of doing things inside the organization (Damanpour, 1987; Garcia & Calantone, 2002). Innovation capability adds value to an organization by always being willing to adopt changes through the use of knowledge (Hult, Hurley & Knight, 2004; Hsu, Lawson & Liang, 2006). When studying performance, innovation cannot be ignored. Over the years, it has received significant attention and is perceived as extremely important for SMEs to develop a competitive edge, often through its contribution to marketing performance (Han, Kim & Srivastava, 1998; Hooley *et al.*, 2005). Hence innovation is regarded as a key determinant of marketing performance. Moreover, innovation has been shown to have a significant role in enhancing the overall performance of an organization (Weerawardena, 2003; Hult, Hurley & Knight, 2004; Weerawardena & O'Cass, 2004; Weerawardena, O'Cass & Julian, 2006). The same has been observed in the Chinese context when comparing SME innovation and large enterprise innovation as well - Innovation has been observed to play a major role (Li & Mitchell, 2009).

In existing literature, there have been various attempts to classify innovation. Generally, innovation has been classified into three categories: service/product innovation, product method innovation, and market innovation (Jenssen & Randøy, 2006). Another approach was to split innovation capability into four distinct dimensions referred to as production innovation, process innovation, position innovation and paradigm innovation (Tidd & Bessant, 2013). Due to the rapid changing nature of technology, technological innovations have also been subject to much attention by academics (Teece, 1986; Damanpour, 1987, 1996; Utterback, 1994; Tuominen & Hyvönen, 2004; Lau & Lo, 2019).

Autonomy

Autonomy can be defined as the extent to which managers feel that they have enough freedom and flexibility to act within a firm (Pratono, Ratih & Arshad, 2018). Under such conditions, entrepreneurial initiatives from individuals with the firm flourishes (Johansson *et al.*, 2015). Past findings have identified autonomy as a key component in the creation of value within enterprises (Lumpkin, Cogliser & Schneider, 2009). The presence of autonomy can bring benefits such as better team working, originality and encourage participation (Kakar, 2018). Finally, autonomy has also been empirically found to have a significant contribution to the performance level of SMEs (Pratono, Ratih & Arshad, 2018).

Competencies

Competencies are the underlying characteristics such as generic and specific knowledge, motives, traits, self-images, social roles, and skills that influence the financial sustainability of SMEs (Li, 2009). It is defined as an individual traits such as knowledge, skills and/or abilities need to perform a particular job (Baum, Locke & Smith, 2001) and includes strategic, conceptual, opportunity, organizing, relationship, technical and personal attributes (Ahmad & Seet, 2009). Strategic competency consists of thinking which reflects the ability of the leader to develop future vision and take action which necessitates them to think beyond day-to-day operations (Stonehouse & Pemberton, 2002). Such a vision helps entrepreneurs to focus their actions and decisions more strategically which in turn provides firms advantages over their competitors. These strategies link firm resources and their ability to gain competitive advantage to overcome organizational uncertainty (Parnell, Carraher & Odom, 2000). Operating in a dynamic environment often results in misfit between firm strategies and external demand which in turn force organizations to change their strategy and business structure when required. Consequently, the ability to make strategic change helps entrepreneurs to adapt and adjust the business operations to meet the current demand in the industry. The ability to think analytically and to cope with uncertainty depends heavily on conceptual abilities (Bird & Beechler, 1995). conceptual competency reflects the conceptual capability of entrepreneurs such analyzing, problem solving, decision making, innovating and risk taking (Man & Lau, 2004; Man, Lau & Snape, 2008).

Conceptual competency includes the mental ability to coordinate all of the organization's interests and activities (Chandler & Jansen, 1992). Being creative, innovative and flexible especially in handling opportunities, risks and uncertainties show the important capability which allow entrepreneurs to make a difference (Thompson, 1999). Entrepreneurs, especially those operating in SMEs, face various situations where they need to make quick decisions, therefore having the abilities to carry out high level of conceptual activities are vital for the survival and success of their business. Opportunity competency relates to the ability of an entrepreneur to recognize and take advantage of opportunities. Recognizing high quality opportunities triggers the creation of organizations and to embrace the various risks needed to turn the opportunities into profitable outcome. The readiness to seize relevant opportunities is a necessary competency for growing companies (Choi & Shepherd, 2004; Snell & Lau, 1994).

Relationship competency refers to an entrepreneur's ability to maintain good relationships with other individuals and organizations so as to be able to have access to information and data. This in line with resource dependency theory, suggesting that entrepreneurs use their social relations to get the resources they need to launch a business (Barringer & Harrison, 2000; Jenssen, 2001). Networks are essential for small firms to obtain advice and support from lawyers, accountants and consultants (Duchesneau & Gartner, 1990; Ramsden & Bennett, 2005) as well as government bodies, research and training institutes and even suppliers and customers (Ritter & Gemünden, 2004).

Methodology

Data Collection and Questionnaire Design

Data were collected using a structured survey that was administered to the targeted population of SMEs operating within the tourism industry across the whole island. Data collection and data input phase for this activity ended in December 2018 with a total of 386 valid responses recorded. Seven-point Likert scales were used to measure the constructs of interest, namely: competence, autonomy, managerial capability, innovation capability and SME performance. The measurement scales were adapted from previously validated scales. Competence was measured using indicators adapted from the study of Omerzel and Antoncic (2008). It comprised of indicators measuring different skills such as teamwork, leadership, communication skills, accounting and time. Autonomy was measured using a set of items adapted from the study of Menon and Hartmann (2002). The latter included items such as "I can influence decisions taken in my department", "I can influence the way work is done in my department", and "I have the authority to make decisions at work". Scales to measure Managerial and Innovation Capability were adapted from the study of Hooley et al. (2005) and Merrilees

et al. (2011). Items used to measure managerial capability included: “My business has better operational management expertise”, “My business has better overall management capabilities”, “My business is able to execute marketing strategies”, “My business manages its supply chain better”; Innovation capability was measured through statements such as: “Better at developing new ideas to help customers”, “More able to fast track new offerings to customers”, “More able to manage processes to keep costs down” and “More able to package a total solution to solve customer problems.” Finally, to measure SME performance, indicators were adapted from the study of Hooley et al. (2005). The measures for SME performance consisted of statements such as “is more profitable”, “has a better return on investment”, “is able to reach financial goals”, “stronger growth in sales revenue”, “better able to acquire new customers”, “has a greater market share” and “able to increase sales to existing customers.''

Data Analysis Procedure

The PLS-SEM technique is used to test the model and the SmartPLS3 software developed by Ringle, Wende and Becker (2015) has been used. Given the present study’s focus on prediction of the outcome variable (SME performance), the PLS-SEM technique is of particular relevance (Richter, Cepeda, Roldán, and Ringle, 2016; Rigdon, 2016; Sarstedt, Ringle, and Hair, 2017). The PLS-SEM algorithm relies on the estimation of composites instead of covariances and this allows for the estimating coefficients having optimum effects on the model’s ability to predict the outcome variable (Rigdon, Sarstedt, and Ringle, 2017).

Analysis and Findings

Analysis of Sample Profile

A valid sample of 384 respondents was obtained, which is a satisfactory number of observations based on the G-Power analysis. The demographic profile of the survey respondents is presented in Table 1. A slight majority of 52.6% is female. With respect to the age profile, the sample was dominated by respondents between the age of 40 and 60 (44.7%). Around 38% of the sample are holders of an undergraduate degree and around 8% holds a post-graduate qualification. The majority does not have formal university education (52.6%). In terms of the legal status of the SMEs, the majority are sole proprietor owned (60.6%). The SMEs are fairly distributed across different sectors. The majority of them are tourism start-ups (56.7%).

Table 1. Sample profile of respondents and SMEs

Variables	Frequency (n)	Percentage (%)
Gender (n = 381)		
Female	214	55.4
Male	167	43.3
Age Group (n = 384)		
18-25	13	3.4
26-35	82	21.2
36-45	149	38.6
46-55	99	25.6
56 and above	41	10.6
Highest level of education (n = 383)		
Primary Level	67	17.4
Secondary Level	169	43.8
Undergraduate degree	46	11.9
Post-Graduate degree	25	6.5
Vocational/Technical	39	10.1
Professional qualification	30	7.8
Non formal qualification	7	1.8
Field within which highest education (n = 308)		
Business management	99	25.6
Economy/Finance	66	17.1
Law	9	2.3
Science and Technology	13	3.4
Engineering	20	5.2
Others	101	26.2
Marital Status (n = 384)		
Single	60	15.5
Married	274	71.0
Divorced	28	7.3
Widow	22	5.7

Legal Status of registered business entity (n = 380)		
Sole proprietorship	234	60.6
Partnership	52	13.5
Cooperative	14	3.6
Limited Private Co.	70	18.1
Society	5	1.3
Others	5	1.3
Sector (n = 383)		
Manufacturing	60	15.5
Transport and Communication	40	10.4
Construction	16	4.1
Services	86	22.3
Wholesale/Retail Trade	113	29.3
Agriculture	33	8.5
Others	35	9.1
Business originated as a result of (n = 379)		
Linkage to an existing business	53	13.7
Inherited family business	68	17.6
Bought an existing business	23	6.0
Managers buying the business	16	4.1
Completely new start-up	219	56.7

Structural Equation Model

We followed a two-stage approach process to test the structural model. First, we assess the psychometric properties of the measurement model (Nunkoo, Ramkissoon and Gursoy, 2013). Table 2 shows the results of the measurement model testing. As shown, performance, management capability and innovation capability that are assessed using a reflective measurement models, have satisfactory reliability and validity scores. In the case of reliability, all observed Cronbach's alpha scores were above the 0.7 threshold value which demonstrate an adequate level of internal consistency. As for the validity all outer loadings were observed to be above the 0.7 value; the AVE scores as well were all observed to be at a satisfactory level above the established threshold value of 0.5. Furthermore, the bias corrected confidence interval of the HTMT values can be observed not to contain 1, hence making it satisfactory to ascertain discriminant validity (Hair *et al.*, 2017).

Conceptual Framework and Hypotheses

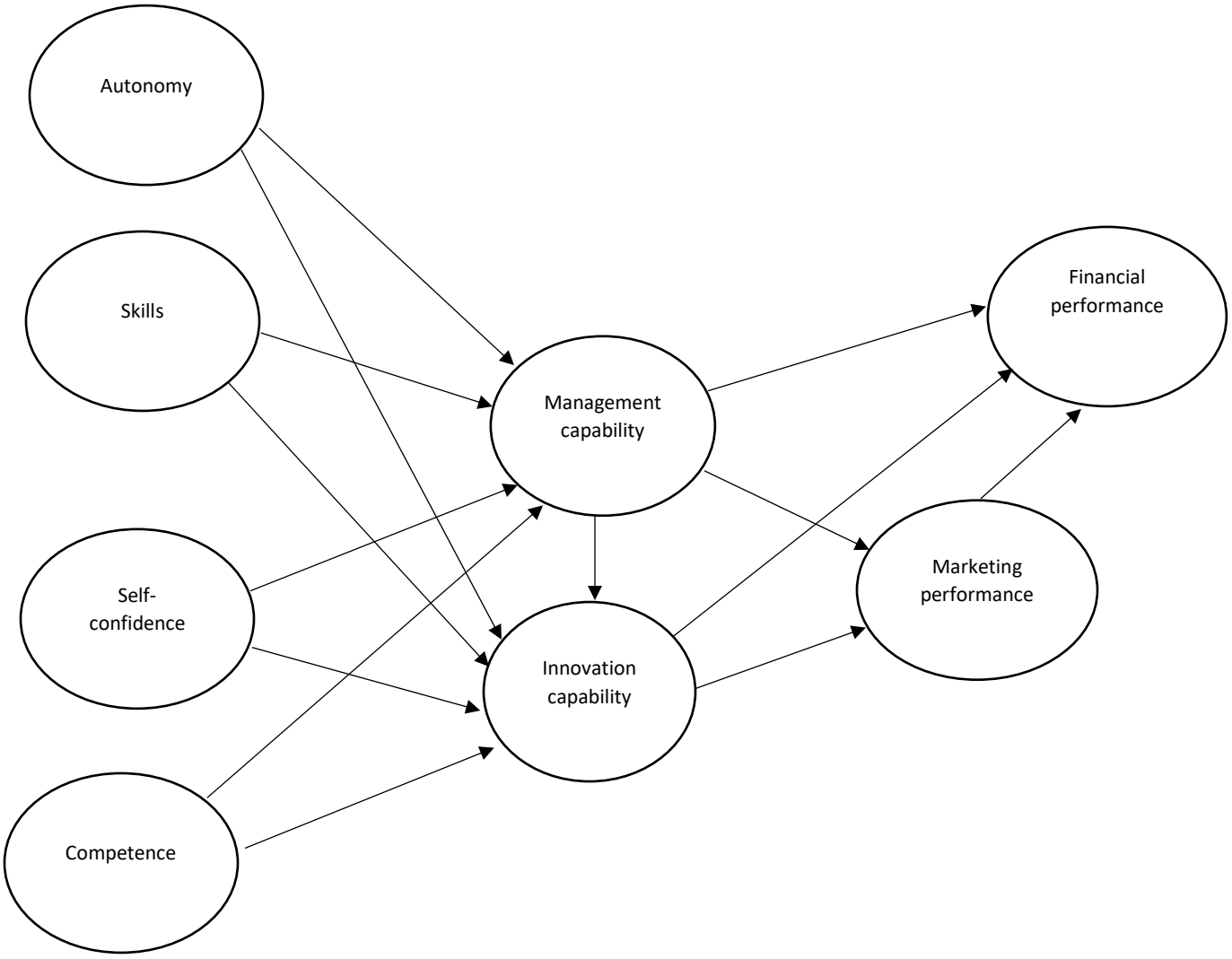


Figure 1: Conceptual Model

Theoretical background and hypotheses

H_1: Autonomy has a direct positive effect on management capability

H_2: Skills has a direct positive effect on management capability

H_3: Self-determination has a direct positive effect on management capability

H_4: Self-confidence has a direct positive effect on management capability

H_5: Competence has a direct positive effect on management capability

H_6: Autonomy has a direct positive effect on innovation capability

H_7: Skills has a direct positive effect on innovation capability

H_8: Self-determination has a direct positive effect on innovation capability

H_9: Self-confidence has a direct positive effect on innovation capability

H_{10}: Competence has a direct positive effect on innovation capability

H_{11}: Management capability has a direct positive effect on innovation capability

H_{12}: Management capability has a direct positive effect on marketing performance

H_{13}: Management capability has a direct positive effect on financial performance

H_{14}: Innovation capability has a direct positive effect on marketing performance

H_{15}: Innovation capability has a direct positive effect on financial performance

H_{16}: Marketing performance has a direct positive effect on financial performance

Table 2: Results of the Measurement Model Testing

Latent Variable	Indicators	Convergent Validity		Internal Consistency Reliability		DV	M	SD
		Loadings	AVE	CR	CA			
		> 0.70	> 0.50	> 0.70	> 0.70	HTMT CI*		
Autonomy	J1	0.871	0.765	0.942	0.923	Yes	4.01	0.923
	J2	0.861					3.95	0.956
	J3	0.897					3.99	1.047
	J4	0.889					4.13	0.948
	J5	0.853					4.23	0.947
Competence	E1	0.717	0.559	0.91	0.887	Yes	4.13	0.756
	E2	0.778					4.14	0.720
	E3	0.752					4.07	0.738
	E4	0.730					4.18	0.813
	E5	0.730					4.23	0.798
	E6	0.708					4.17	0.823
	E7	0.769					4.07	0.775
	E8	0.793					4.12	0.792
Management capability	C1	0.742	0.614	0.864	0.790	Yes	3.65	0.915
	C2	0.843					3.74	0.834
	C3	0.779					3.76	0.839
	C4	0.767					3.75	0.995
Innovation capability	*D1*	0.855	0.681	0.895	0.842	Yes	3.99	0.795
	D2	0.859					3.87	0.836
	D3	0.710					3.70	0.964
	D4	0.867					3.87	0.880
Performance	*P1*	0.834	0.675	0.935	0.919	Yes	3.50	0.935
	P2	0.839					3.52	0.954
	P3	0.866					3.61	0.995
	P4	0.885					3.55	0.969
	P5	0.800					3.80	0.886
	P6	0.787					3.31	1.037
	P7	0.730					3.66	1.012

Convergent Validity		Internal Consistency Reliability		DV	M	SD
Loadings	AVE	CR	CA			

Following the validation of the measurement models, the next step is to test the structural model and evaluate the specific path relationships. It can be observed through the results that 48% (R^2= 0.48) of variation in performance can be explained through management and innovation capability. Additionally, the bootstrapping procedure set at 5000 iteration, at a 95% confidence level resulted in confidence interval ranging in values not including zero implying statistical significance. As presented in Table 3 above, managerial capability has a significant positive direct effect on SME performance (β = 0.634; BCa = [0.523 – 0.737]) while innovation capability does not (β = 0.088; BCa = [-0.030 – 0.194]). Managerial capability is found to be significantly predicted by both autonomy (β = 0.086; BCa = [0.001 – 0.171]) and competence (β = 0.484; BCa = [0.402 – 0.572]). Moreover, the results show that the competence of SME owners has a much stronger effect on overall managerial capability as compared to autonomy. The results also show that innovation capability does not exert a significant effect on SME performance (β = 0.088; BCa = [-0.030 – 0.194]).

Table 3: Results of Structural Model (Assessment of Direct and Total Effects)

	Path Coefficients / Total Effects	t-values	p-values	95% Confidence Intervals		Sig[a]
				2.50%	97.50%	
Autonomy -> IC	0.086	1.958	0.051	0.001	0.171	YES
Autonomy -> MC	0.155	3.022	0.003	0.047	0.247	YES
Competence -> IC	0.357	6.179	0.000	0.241	0.473	YES
Competence -> MC	0.484	11.081	0.000	0.402	0.572	YES
IC -> SME Performance	0.088	1.526	0.127	-0.03	0.194	NO
MC -> IC	0.417	8.016	0.000	0.317	0.517	YES
MC -> SME Performance	0.634	11.496	0.000	0.523	0.737	YES

Note: IC: Innovation Capability; MC: Managerial Capability; [a] *Reference is made to the bootstrap bias-corrected confidence interval*

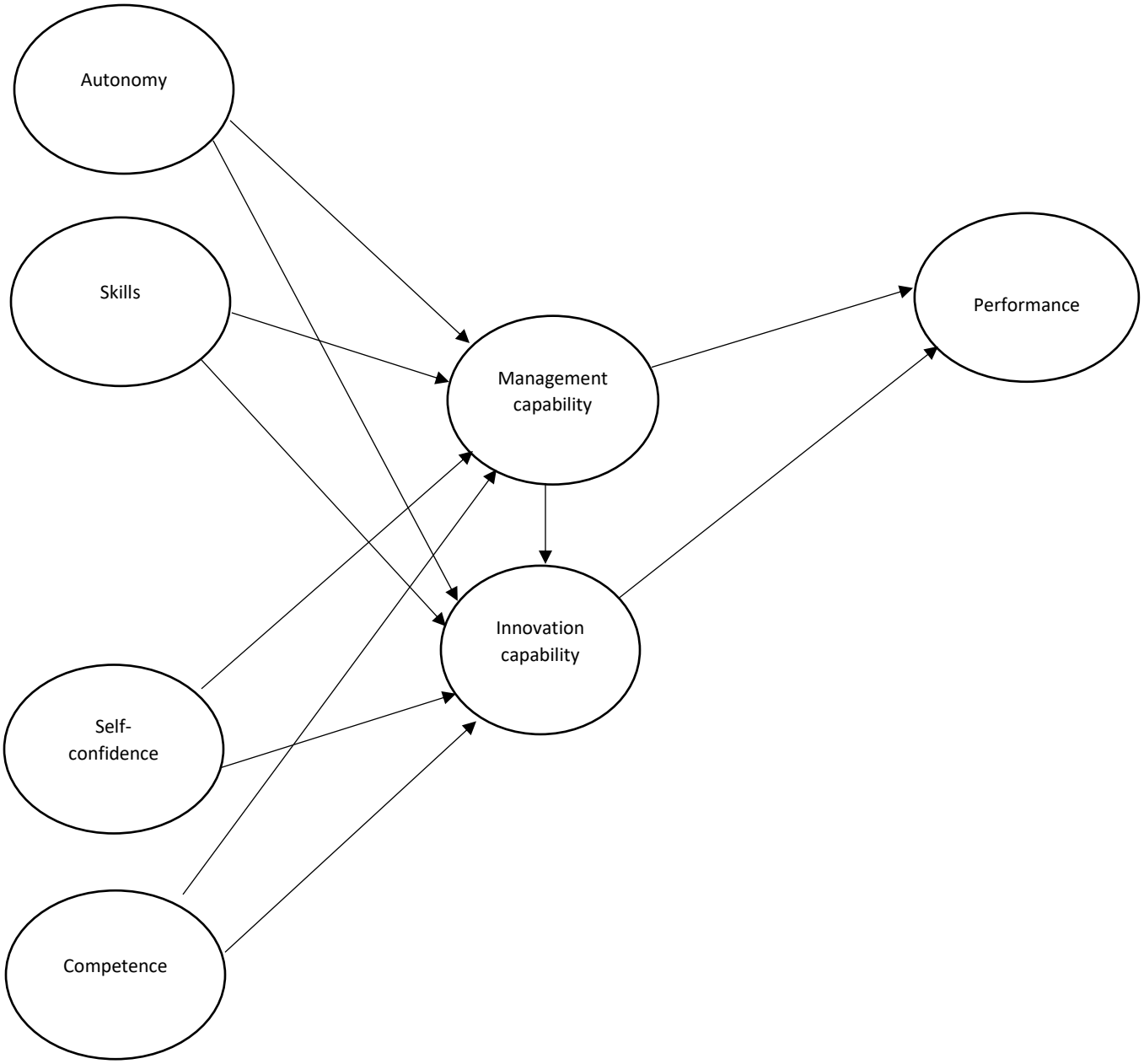


Figure 2: Amended Model

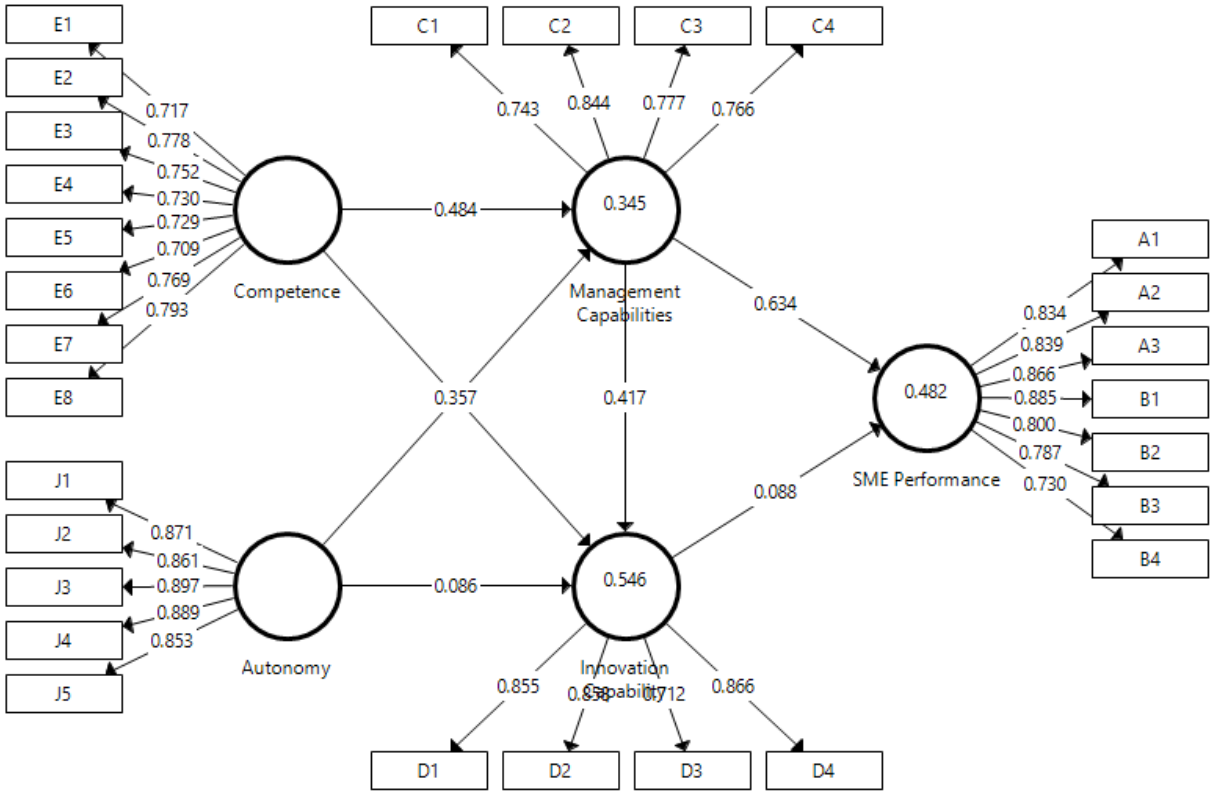


Figure 3: The Structural Equation Model

Discussion and Conclusion

The purpose of this study is to assess the determinants of SEM performance in Mauritius. To this end, a theoretical model was developed based on a review of the existing literature in the field. The model proposes that management capability, autonomy, competence, self-confidence, and skills are the antecedents of SME performance. The model was tested using a structural equation modeling approach. Structural equation modeling (SEM) allows researchers to study real-life phenomenon and "provides a useful forum for sense-making and in so doing link philosophy of science to theoretical and empirical research" (Bagozzi & Yi, 2012). SEM is a statistical procedure for testing measurement, functional, and predictive hypotheses that approximate world realities (Bagozzi & Yi, 2012). Its ability lies in the assessment of latent (unobservable) variables at the observation level (measurement model) and testing hypothesized relationships between latent variables at the theoretical level (structural model) (Hair *et al.*, 2012). SEM has become increasingly popular in social and behavioral sciences and is considered one of the most widely used statistical techniques for testing complex models that involve several dependent and independent variables (MacCallum & Austin, 2000; Heene *et al.*, 2012).

Results indicate that managers' autonomy is a significant determinant of SME performance, suggesting that more autonomous managers leads to improved SME performance. Our study confirms previous research, suggesting that managers who feel they have enough flexibility to take managerial decisions report better firm's performance (Johansson *et al.*, 2015). In the context of this study, autonomy refers to manager's freedom to act and the latitude they have when formulating strategic decision in their organisation and the development of the SEM strategy (Montanari, 1978). The benefits of the execution of managerial discretion for greater performance consequences have been well discussed in the existing literature (Keegan & Kabanoff, 2008).

Our results also indicate competence to be a significant determinant of performance. Higher level of managerial competence was positively related to performance. In SMEs, managerial human capital plays an important role in determining the performance of the organisation. Managers' knowledge helps to develop the required capabilities that are essential and decisive in strategic outcomes. In addition, managers are the main factor behind the initiation, development, sustenance, and success of a firm's (Freeman, Edwards & Schroder, 2006). The main approaches in the social science literature to identify competence build from the scientific principles of rationalistic research tradition that focus on job analysis (Cascio, 1995). Furthermore, the study also demonstrates that skills of the managers was positively related to managerial competency. The literature identifies skill as an important determinant of competence and indirectly, performance (Yamazaki, 2010). Empirical studies have attempted to establish relationships between skills, competence and performance, with the conclusion that performance and competence has to be accompanied by difference types of managerial skills (Black & Mendenhall, 1990; Yamazaki & Kayes, 2004; Seak & Enderwick, 2008).

We also demonstrate empirically that skills is positively related to innovation capabilities of the managers, suggesting that more skillful managers demonstrate more capabilities to bring innovation to their SMEs. The role of skill in innovation has been validated across several studies carried out in different context (Thoenig & Verdier, 2003; Compagni, Mele & Ravasi, 2015). From an economic perspective, skills are considered as an engine for growth and productivity of firms (Nelson & Phelps, 1966). Evidence from both theory and empirical analyses suggest that skills drive the capacity of manager to innovative which consequently influence productivity, growth, and market value of firms.

However, empirical analysis are mainly concentrated with large firms, although from a theoretical perspective, we can extrapolate such evidences to SMEs. The OECD's Innovation strategy report highlights that in some OECD countries firms now invest as much in the intangible assets such as skill improvement to improve the innovation capabilities of managers (*The OECD Innovation Strategy*, 2010). Our study has also established a significant positive relationship between management capability and innovation capability. This finding is not surprising given the ample evidence that

validate a similar relationship in the existing literature. Several firms have improved the management capability in an attempt to improve innovation capability. For example, FedEx adopts an outside-in approach to create innovative products (Battor, Zairi & Francis, 2008).

Managerial Implications

The study provides important managerial implications for improving the performance of SMEs. For better performance, it is imperative for SMEs to improve their management capability. Our results indicate that SMEs with more autonomous managers report improved performance. Thus, it is important that managers of SME are empowered to make strategic decision. The concept of empowerment is originally derived from participative management theories and suggest that manager's involvement in decision-making leads to several benefits for the organization. Thus, the organizational structure of SMEs should encourage managers to participate fully in the decision-making processes. SMEs should be a light organizational structure that reduces bureaucratic decision-making processes involving several layers of management. As Martin and Bush, (2006) argue, "…a participative climate that emphasizes individual contribution and employee initiative accepts and fosters the notion that employee creativity and self-determination are critical success factors in a competitive environment. In turn, as work climate perceptions become increasingly positive, employees likely perceive greater meaning, competence, self-determination, and impact in their work" (p. 420).

Improving innovation capabilities remains an important consideration for SME to improve their performance. SME should recognize that innovation provides them with a competitive advantage and help them play a dominate role in the industry. SME therefore has to focus on such processes that lead to more efficient production at the lowest possible costs. Furthermore, SME can use process and system innovation to improve productivity. The can, for example, implement lean principles that aim to eliminate 'waste' from production to customer relations, product design, supplier networks and factory management with objective being less human effort, inventory and time to develop products, within minimum space to become highly responsive to customer demand and produce quality products economically.

Developing managerial skills is another path to improve management and innovation capabilities as our findings suggests. The government should recognize the importance of managerial skills for the sustainability of SMEs in Mauritius and should provide incentives or directly support skills development program for SME managers. Such programs should at improving skills of SME managers such as those related to people management, business finance, communication, negotiations, project management, business strategy and planning, leadership, and other fundamental management skills.

Despite the value of this study for theory and practice, it is not without limitations. First, the study relied on data collected using self-reported measures. Therefore, common-method bias could have influenced the results, although we took various

measures to limit such biases in the study. Second, the theoretical model contains only a limited number of determinants of financial performance. The literature evidences a number of other determinants such as those related to the macro-economic conditions of a country. It is therefore recommended that future research takes into account additional factors that can enhance the predictive power of the model. Third, the study is based on a survey design which is a non-experimental research approach. Therefore, the findings should be interpreted in the light of the caveats inherent to survey research, commonly referred to as the total survey error (Eckman & de Leeuw, 2017). The latter is defined as "the accumulation of all errors that may arise in the design, collection, processing, and analysis of survey data. In this context, a survey error is defined as the deviation of a survey response from its underlying true value" (Biemer, 2010, p. 817). Survey errors can pose challenges to the reliability and validity of research findings. Finally, the specific socio-economic and political conditions of Mauritius limit the extent to which the findings can be generalized to other economies.

4.2 AN ASSESSMENT OF BARRIERS FACED BY FEMALE & YOUNG ENTREPRENEURS IN THE MAURITIAN HOSPITALITY AND TOURISM SECTOR

INTRODUCTION

The contribution of Small and Medium Enterprises (SMEs) in fostering economic development and inclusive growth is undeniable and has been well documented in the literature (Acs & Armington, 2004; Audretsch & Fritsch,2002; and Bryson, Daniels and Ingram, 1999). Since the late 1980's, there has been a growing interest by researchers in uncovering the consequences of entrepreneurship on growth. The focus of these studies have been centered on firstly, examining the interplay between entrepreneurship and the firm survival (Audretsch,1995; Zahra, Sapienza and Davidsson, 2006) and secondly, from a macro; perspective through the examination of the impact of entrepreneurship on economic growth (Acs & Armington, 2004; Audretsch & Fritsch,2002) while the literature on the barriers to SME growth has been relatively scant. Indeed SMEs face a number of constraints that hinder their growth potential such as lack of access to external finance (Pissarides et al, 2003; Beck et al., 2005), technology, innovation and expertise (Lall and Peedoly, 2006) regulatory and tax constraints (Levy, 1993; Deardorff et al, 2000) and these entail that SMEs face problems of low productivity and competitiveness and often struggle to survive in markets that are increasingly open and integrated within the global economy. Moreover, when viewed through a gender lens, the available - albeit patchy - evidence on gender and entrepreneurship reveals that women are even further disadvantaged in starting up and operating SMEs as a result of the interplay of social, cultural and economic disadvantages within the domestic arena and in wider society (inequitable access to

education and training, collaterals, networking, funding, amongst others). Indeed, institutional and regulatory issues, lack of access to finance, relatively low rates of business education or work experience, risk aversion, confinement of women's businesses to slower growth sectors, and the burden of household management responsibilities are viewed as the major impediments to the rapid expansion of women-owned businesses. In particular, the ability of women to formalize and grow their businesses, to create jobs, to enhance productivity and to promote enterprise development is hampered where legal and institutional barriers exist that affect men's and women's enterprises differently. Furthermore, one could argue that gender disparities not only disadvantage women as entrepreneurs but can also thwart the economic potential of SMEs in national and regional growth. Richardson et al (2004) pointed out that other factors that affect SME entrepreneurship include motivation, determination, abilities, experience, market information and resources. Bardasi et al (2011) argued that an appreciation of gender issues is important when considering strategies to improve Africa's competitiveness in the world and ways to promote private-sector development.

Given the above, the present study attempts to assess the barriers to development faced by women and young entrepreneurs and also to uncover the presence of any potential gender-based inequalities that may prevail among SMEs in Mauritius. Mauritius poses as an interesting case study since the SME sector which already constitutes a very important pillar of the economy is expected to gain in prominence as witnessed by the recent government Budgets which have extensively focused on the development and fostering of SMEs in the country. The government has many time reiterate its reliance on SMEs to turn Mauritius into a high income economy and Government Vision 2030 has identified the SME sector as one of the key propellers and aims to increase the contribution of SME from 40% to 52% of GDP in ten years time. A number of institutions, namely SME Mauritius, the National Women Entrepreneur Council (NWEC)and the Development Bank of Mauritius (DBM), are at the disposition of SME owners. A number of services are being offered in terms of information, counselling, marketing support, training, and exhibition in a view to promote an entrepreneurial culture in Mauritius. Although, the Government has worked towards the promotion of SMEs through the provision of several incentives, especially to women entrepreneurs, however , during the last few years, SMEs have still been facing diverse problems related to labour, technical facilities, raw materials, marketing, and finance.

As at today the authorities has censored around 138000 Small establishments, compared to 1250,000 in 2013 (CEA, 2018, provisional data[1]) and it is believed that SMEs contribute to approximately 40% of the Mauritian economy and 322,000 in terms of employment (as compared to around 282000 in 2013 and representing around 50% of total employment). Unfortunately, there is not much information about further breakdown of the SME owners except that there were approximately 219,200 males and

[1] http://statsmauritius.govmu.org/English/Publications/Pages/CEAS_Yr18.aspx

102,800 females employed in 2018, around 14% higher than the figure of 281,900 (196,300 males and 85,600 females) in 2013. In terms of distribution by sector, the figure below reveals that the 'Wholesale and Retail Trade' is the privileged sector of activity for entrepreneur with 'Agriculture and Fishing', 'Transportation' and 'Manufacturing' being relatively well favoured as well.

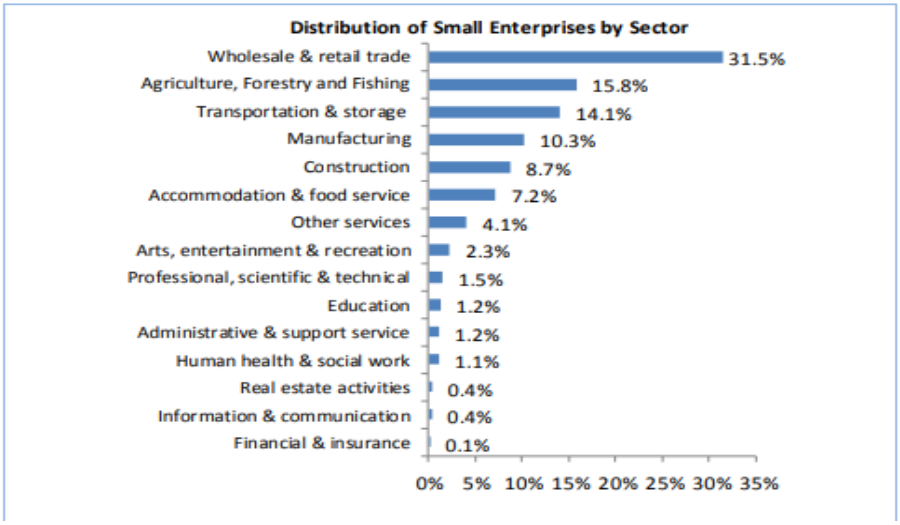


Figure 4: Distribution of Small Enterprise by Sector

Note: The tourism and hospitality SME will be involved in a number of the above classified sectors (mostly in the accommodation and food service, Art, entertainment and recreation, retail trade and transportation)

It is noteworthy that this study focuses on SMEs in tourism and hospitality sector, given the importance of the tourism sector to the Mauritian economy and the contribution of SMEs to the tourism development in an economy as they are formed out of existing opportunities and help in satisfying tourism demand and filling the production gaps in the market. We draw data from country wide survey on SME which was conducted by the authors in 2018, whereby the views of both male and female SME owners were sought with regards to the support they receive in fostering the development of their enterprise, with particular emphasis to access to finance. Our research objective is to analyse the presence of gender bias in the generic factors which SMEs perceive as determinants of their organisations' success and also the views of female SME owners with regards to the different barriers and obstacles to the development of their business. In addition, interviews/focus groups discussions were conducted with various stakeholders including women association, the National Women Entrepreneur Council, SME Mauritius, Ministry of Tourism and Tourism Authority to gather important insights into the intricacies of woman and youth SME development whilst at the same time highlight any deterrents hindering the growth of same.

The rest of the paper is organized as follows: Section 2 discusses the methodology, section 3 dwells in the analysis of the survey as well as provides a synthesis of the focus group with the stakeholders and section 4 concludes.

METHODOLOGY

Data Collection Process

The study made use of a two-stage research design. The first phase of the research comprised of a quantitative research method in the form of a survey conducted among a representative sample of SME's in Mauritius. A stratified sampling technique was used to draw the sample. Population characteristics such as gender of SME owner, geographical location of SMEs, size of SME and main sector of operation were taken into account when choosing the sample. Data was collected by administering surveys. A survey form was designed and administered only to the targeted population of SMEs operating within the tourism industry across the whole island. Data collection and data input phase for this activity ended in December 2018 with a total of 386 responses recorded. The second phase dwelled into a qualitative assessment based on in-depth interviews of dozen of female entrepreneur as well as from key stakeholders including the National Woman Entrepreneur Council, SME Mauritius, Ministry of Tourism, Tourism Authority and Women's Association among others.

As regards to the first phase, a seven-point Likert scales were used to measure the constructs of interest, namely: competence, autonomy, managerial capability, innovation capability and SME performance. The measurement scales were adapted from previously validated scales. Competence was measured using indicators adapted from the study of Omerzel and Antoncic, 2008). It comprised of indicators measuring different skills such as teamwork, leadership, communication skills, accounting and time. Autonomy was measured using a set of items adapted from the study of Menon and Hartmann (2002). The latter included items such as "I can influence decisions taken in my department", "I can influence the way work is done in my department", and "I have the authority to make decisions at work". Scales to measure Managerial and Innovation Capability were adapted from the study of Hooley et al. (2005) and Merrilees et al. (2011). Items used to measure managerial capability included: "My business has better operational management expertise", "My business has better overall management capabilities", "My business is able to execute marketing strategies", "My business manages its supply chain better"; Innovation capability was measured through statements such as: "Better at developing new ideas to help customers", "More able to fast track new offerings to customers", "More able to manage processes to keep costs down" and "More able to package a total solution to solve customer problems." Finally, to measure SME performance, indicators were adapted from the study of Hooley et al. (2005). The measures for SME performance consisted of statements such as "is more profitable", "has a better return on investment", "is able to reach financial goals", "stronger growth in sales revenue", "better able to acquire new customers", "has a

greater market share" and "able to increase sales to existing customers.'' The questionnaire also comprises of elements related to access to finance and quality of institutional support as well as barriers and obstacles to SME development.

Data Analysis Procedure

The views of both male and female SME owners were sought with regards to the support they receive in fostering the development of their enterprise. The analysis comprise of three parts. Part one focuses on generic factors that SMEs perceive to act as determinants of their organisations' success. Phase two looks at the views of SME owners with regards to the different sources of finance which they made use of. Finally, part three concentrates on the quality of institutional support that SMEs receive. Since this study aims at unearthing the potential gender based inequalities that prevail among SMEs in Mauritius, the analysis is mainly of a comparative nature and focuses on male and female SMEs owners. Relevant tests for differences, namely, the ANOVA and Independent Samples T-Test were used.

ANALYSIS

Empirical results from existing literature suggest and support the idea of gender having a moderating effect between the positive relationship that exists between management capabilities and innovation in SMEs (Ruiz-Jiménez, Fuentes-Fuentes and Ruiz-Arroyo, 2014). Furthermore, this result is also supported by another study conducted with SMEs in Bangladesh. After collecting data from 220 SMEs on performance level, it was discovered that gender once again had a moderating effect (Hoque et al., 2018). While gender is most certainly a different criterion to look at, another important one is age. In the context of SMEs, while studying firm performance, the moderating effect of age was observed and reported based on panel data collected from 187 Taiwanese SMEs (Hsu, Chen and Cheng, 2013).

Table 4: Descriptive statistics for each variable

	N		Mean	Median	Std. Deviation	Range	Minimum	Maximum
	Valid	Missing						
Performance	386	0	3.5633	3.5714	.79492	3.71	1.29	5.00
Management Capability	386	0	3.7228	3.7500	.70012	3.00	2.00	5.00
Innovation Capability	385	1	3.8558	4.0000	.71398	3.50	1.50	5.00
Skills	385	1	4.1396	4.1250	.58043	2.63	2.38	5.00
Self-Efficacy	385	1	3.9649	4.0000	.66223	3.00	2.00	5.00
Autonomy	385	1	4.0622	4.2000	.84341	3.80	1.20	5.00
Competence	385	1	4.2691	4.2000	.66888	3.40	1.60	5.00

Competence has the highest mean value of 4.27 and the lowest standard deviation .669 while the lowest mean value reported is performance with a value of 3.56. However it

should be noted that performance also reports the highest standard deviation value of .795 implying the most variance from the mean score.

Table 5: Test for gender equality wrt to Management capability and Skills

					Levene's Test for Equality of Variances		t-test for Equality of Means		
	Gender	N	MEAN	SD	F	Sig.	t	df	sig.
Management Capability	Male	167	3.8099	.72872	2.416	.121	2.117	379	.035
	Female	214	3.6577	.66956					
Skills	Male	167	4.2305	.57430	.001	.972	2.622	378	.009
	Female	213	4.0739	.58058					

After conducting an independent sample t-test, gender was observed to have a statistically significant effect with respect to performance, management capability and skills with p=.037, p=.035 and p=.009 respectively.

Based on the results obtained, it can be observed that for management capability, the independent sample t-test shows a statistically significant effect (p= 0.035). It can be concluded that the mean score of females (m=3.658) was statistically lower than the mean score of males (m=3.810). For skills, a result similar to the last one can be observed with a significant statistical effect on gender (p=0.009). It can be concluded that the mean score of females (m= 4.074) was statistically lower than the mean score of males (m=4.231). The assumption of homogeneity of variance was also tested based on Levene's F test for all three variables. Levene's F test was found to satisfy the assumption of homogeneity of variance for two of the variables namely management capability and skills. However, performance did not meet the assumption of homogeneity of variances. Hence the non-parametric Mann Whitney U Test was carried with results as shown below.

Table 6: : Test for gender equality wrt to Performance

					Levene's Test for Equality of Variances		Mann Whitney U Test		
	Gender	N	MEAN	SD	F	Sig.	Ranks	U	sig.
Performance	Male	167	3.6775	.83946	5.818	.016	205.57	15436	.022
	Female	214	3.4813	.75351			179.63		

The Mann Whitney U Test shows that there is a statistically significant difference between gender with respect to performance (p=0.022). It can be observed that the mean rank of male (m=205.57) is higher than that of females (m=179.63). SMEs owned and

managed by men tend to perform better than their female counterpart in the Mauritian Tourism context.

Table 7: ANOVA Test

	N	Mean	SD	Std. Error	**Test of Homogeneity of Variances**			**Anova**			
					f	df	Sig. P value	Sum of Squares	Mean Square	F	Sig. P value
Performance	383	3.5666	.79528	.04064	1.437	376	.199	16.56	2.76	4.610	.000
Primary level	67	3.4030	.83482	.10199							
Secondary level	169	3.5224	.76837	.05911							
Undergraduate degree	46	3.3416	.85634	.12626							
Postgraduate degree	25	4.0229	.61401	.12280							
Vocational/Technical	39	3.6044	.72359	.11587							
Professional qualification	30	3.9857	.76826	.14026							
Non-Formal Education	7	4.0408	.36621	.13841							
Management Capability	383	3.7278	.70048	.03579	1.272	376	.269	20.126	3.354	7.538	.000
Primary level	67	3.7687	.71815	.08774							
Secondary level	169	3.5340	.63851	.04912							
Undergraduate degree	46	3.6413	.67010	.09880							
Postgraduate degree	25	3.9600	.61526	.12305							
Vocational/Technical	39	3.9615	.73793	.11816							
Professional qualification	30	4.2333	.67573	.12337							
Non-Formal Education	7	4.2857	.50885	.19233							
Self-efficacy	382	3.5438	.52328	.02677	1.772	375	.104	3.412	.569	1.460	.191
Primary level	67	3.5168	.43405	.05303							
Secondary level	169	3.5592	.55603	.04277							

Undergraduate degree	45	3.4556	.44046	.06566							
Postgraduate degree	25	3.6550	.42125	.08425							
Vocational/Technical	39	3.4071	.58329	.09340							
Professional qualification	30	3.6917	.60506	.11047							
Non-Formal Education	7	3.7321	.45316	.17128							
Autonomy	382	4.1743	.62231	.03184	.900	375	.495	3.282	.547	2.528	.021
Primary level	67	4.2060	.51987	.06351							
Secondary level	169	4.1290	.65332	.05026							
Undergraduate degree	45	4.2356	.54820	.08172							
Postgraduate degree	25	4.4640	.56486	.11297							
Vocational/Technical	39	4.0359	.70018	.11212							
Professional qualification	30	4.0800	.62500	.11411							
Non-Formal Education	7	4.7143	.48795	.18443							

After testing the assumption of homogeneity of variance and having them validated, ANOVA test was conducted. The variables performance (p=.000), management capability (p=.000), self-efficacy (p=.191) and autonomy (p=.021) were all found to have a significant p value of below 0.05. One-way ANOVA were conducted in order to test the hypotheses that education level had an effect on performance, management capability, self-efficacy and autonomy. it was observed that the independent between groups ANOVA yielded statistically significant figures. With $\boldsymbol{n}^2$ = 0.06852, it can be stated that 6.85% of the variance in performance was accounted for by education level which is considered a medium effect size. With $\boldsymbol{n}^2$ = 0.10738, it can be stated that 10.74% of the variance in management capability was accounted for by education level which is considered a medium effect size.

With $\boldsymbol{n}^2$ = 0.02033, it can be stated that 2.03% of the variance in self-efficacy was accounted for by education level which is considered a small effect size. With $\boldsymbol{n}^2$ = 0.01216 Hence it can be stated that 1.22% of the variance in autonomy was accounted for by education level which is considered a small effect size. Since, the assumption of homogeneity of variance was tested and not satisfied via Levene's F test for the variable's innovation capability, skills and competence, the Non-Parametric test Kruskall Wallis was conducted next.

Table 8: Education level, Innovation capability, Skills and Competence (Test of difference)

	N	Mean	SD	Std. Error	**Test of Homogeneity of Variances**			**Krukal Wallis Test**			
					f	df	Sig. P value	Sum of Squares	Mean Square	F	Sig. P value
Innovation Capability	382	3.8586	.71539	.03660	3.980	375	.001			*22.567*	*.001*
Primary level	67	3.9216									
Secondary level	169	3.7352									
Undergraduate degree	45	3.8778									
Postgraduate degree	25	3.7200									
Vocational/Technical	39	3.9295									
Professional qualification	30	4.2500									
Non-Formal Education	7	4.8586									
Skills	382	4.1433	.58081	.02972	3.565	375	.002			*22.344*	*.001*
Primary level	67	4.1063	.52866	.06459							
Secondary level	169	4.0592	.55786	.04291							
Undergraduate degree	45	4.2444	.52896	.07885							
Postgraduate degree	25	4.4400	.43169	.08634							
Vocational/Technical	39	4.0353	.74336	.11903							
Professional qualification	30	4.3500	.61972	.11314							
Non-Formal Education	7	4.5357	.59387	.22446							
Competence	383	4.2705	.67035	.03425	4.131	376	.000			*6.987*	*.322*
Primary level	67	4.2388	.58074	.07095							
Secondary level	169	4.2639	.63859	.04912							
Undergraduate degree	46	4.3739	.50175	.07398							
Postgraduate degree	25	4.5360	.59082	.11816							
Vocational/Technical	39	4.0256	.96919	.15519							

Professional qualification	30	4.3000	.79784	.14567
Non-Formal Education	7	4.3429	.61875	.23387

The Kruskall Wallis test indicated that is a statistically significant difference (p= 0.001) between education level with respect to Innovation capability. A statistically significant difference was also observed for skills (p=0.001) with respect to education level.

Descriptive statistics were conducted together with one sample t-test in order to determine whether the population mean is statistically significant using a test value of 3.

Table 9: Is there a similar level of service to women and men wrt the SME/business network/s

Do the SME/business network/s to which you have adhered to offer a similar level of service to women and both same

N				One sample test		Both same	Better for men	Better for women	Total
Valid	Missing	Mean	SD	t	P	Freq.	218	105	29	352
352	34	1.46	.644	-44.78	.000	%	56.5	27.2	7.5	91.2

NIA= Not Important at All, NI= Not Important, N= Neutral, I= Important, VI= Very Important

Table 10: Gender Differences wrt to SME associations

	Mean	Std. Deviation	One sample test t	p		NIA	NI	N	I	VI
Location and associated mobility of female members	3.52	1.099	6.071	.000		7	26	39	62	32
					%	1.8	6.7	10.1	16.1	8.3
Time at which meetings are held	3.32	1.153	3.532	.001		14	22	51	50	26
					%	3.6	5.7	13.2	13.0	6.7
Number of female members	3.16	1.125	1.816	.071		17	23	56	49	17
					%	4.4	6.0	14.5	12.7	4.4
Women are reluctant to demand the services being offered	3.26	1.081	3.044	.003		11	25	59	47	21
					%	2.8	6.5	15.3	12.2	5.4
Women are unaware of the different services being offered	3.31	1.056	3.709	.000		8	29	51	55	20
					%	2.1	7.5	13.2	14.2	5.2

The level of education of women who are members to the association/s is a stumbling block	3.25	1.112	2.818	.005		13	27	49	55	19
					%	3.4	7.0	12.7	14.2	4.9
Services offered do not tally with women's requirements	3.29	1.148	3.304	.001		14	24	54	49	26
					%	3.6	6.2	14.0	12.7	6.7

With the p value less than 0.05 for all the statement except for "number of female members" (p=.071), the null hypothesis is rejected. It can be observed that on average, SMEs reports to location and associated mobility of female members to be important followed by time at which meetings are held.

Table 11: Gender Differences wrt to Access to Finance, Support institutions & Marketing

	Mean	Std. Deviation	One sample test t	p		NIA	NI	N	I	VI
Women and Men have equal opportunities in starting up SMEs	3.55	1.254	8.328	.000		33	49	49	138	87
					%	8.5	12.7	12.7	35.8	22.5
Men tend to have a better access to start-up finance than women	2.93	1.166	-1.138	.256		39	101	97	82	36
					%	10.1	26.2	25.1	21.2	9.3
Men have easier access to start-up finance than women to operate their SMEs	2.95	1.208	-.747	.455		40	103	90	78	44
					%	10.4	26.7	23.3	20.2	11.4
Women and men have equal abilities to manage an SME	3.59	1.087	10.158	.000		22	33	82	151	67
					%	5.7	8.5	21.2	39.1	17.4
Women and men have equal treatment when they seek help from support institutions	3.50	1.082	8.728	.000		17	48	94	132	64
					%	4.4	12.4	24.4	34.2	16.6
Women need more support than men in marketing the products/services of their SMEs	3.14	1.084	2.410	.016		29	61	131	94	37
					%	7.5	15.8	33.9	24.4	9.6

With the p value bigger than 0.05 for the statements "Men tend to have a better access to start-up finance than women" (p=.256) and "Men have easier access to start-up finance than women to operate their SMEs" (p=.455), the null hypothesis is accepted.

The findings uncovered in developing and African countries also demonstrate that women have lower access to equity or start up finance (Niethammer et al., 2007). For example, the study by the IFC in the Middle East and the North Africa (MENA) region demonstrated that women were mainly constrained in access to start-up and growth funds and that more women funded their start-up from personal savings (Niethammer et al., 2007). Gender Growth Assessments (GGA) by GEM IFC which analyzed gender differentiated impact of the largely gender-neutral policies in Africa also postulated that the barriers were higher for women since they were often circumscribed by religious, cultural and social norms.(Doing Business and World Bank Gender Action Plan, 2008, Bardasi et.al. 2007)

The null hypothesis is rejected for the remaining statements. The one statement reported as being most important being that both men and women have equal abilities to manage an SME.

Sources of Finance

Fifteen items were initially proposed to measure usage of the different sources of finance. Results of the Kaiser-Meyer-Olkin measure of sample adequacy test (.79) and the Bartlett's test of sphericity (p = 0.00) indicated that the data were acceptable for factor analysis. Results suggested the existence of four factors comprising of a total of thirteen items and accounting for a total of 56.8% of variance explained.

EFA resulted in the deletion of two items. One item "delay payments to suppliers" was deleted because of double loadings (Chen & Hsu, 2001). The other item "factoring/ invoice discounting" was deleted because it did not make theoretical sense (Hair *et al.*, 2009). An EFA was run on the existing scale each time an item was removed from the analysis.

Table 12: EFA for Sources of Finance

Scale items/Factors	Start Up Finance	Formal WCF	Bootstrapping Finance	Owner's Equity
Equity financing Scheme	.803			
Grants (Ongoing for business expansion)	.797			
Micro-credit/finance	.760			
Start-up grant scheme	.673			
Shareholders/Director loan	.598			
Bank overdrafts		.718		
Short Term loans from commercial banks		.710		
Hire purchase/leasing		.654		
Long Term loans from commercial banks		.633		

Family members			.738	
Trade credit			.598	
Retained profits				.758
Savings				.751
Eigenvalue	4.50	1.92	1.57	1.14
Variance explained (56.84%)	30.02	12.79	10.46	7.61
The Kaiser-Meyer-Olkin measure of sampling adequacy	.796			
The Bartlett's test of sphericity (significance level)	.000			

Factor 1: Start Up Finance

The first factor was labelled "Start Up Finance". Results suggested this factor comprised of five items. These items were: (1) "equity financing scheme", (2) "grants", (3) "micro credit/finance", (4) "start-up grant scheme", and (5) "shareholders/director's loan" (factor loadings of .803, .797, .760, .673, and .598 respectively). This factor explained around 30% of the variance in the scale.

Factor 2: Formal WCF

The second factor extracted explained 12.8% of variance and was labelled "Formal WCF". It comprised of four observed variables. Namely, "bank overdrafts", "short term loans from commercial banks", "hire purchase/leasing" and "long term loans from commercial banks". One item "delay payments to suppliers" was deleted from the scale due to high cross loadings on two factors.

Factor 3: Bootstrapping Finance

The third factor explaining 10.5% of variance was labeled "bootstrapping finance" and included two items "family members" and "trade credit" with factor loadings of 0.738 and 0.598 respectively.

Factor 4: Owner's Equity

Two items related to factor 2 which was labeled "owner's equity". Variables included "retained profits" and "savings" (factor loadings of .758 and .751 respectively). This factor explained 7.6% of variance.

Descriptive Analysis for Access to Finance

Relevant descriptive statistics were calculated for both male and female SME owners with regards to each of the four factors identified, namely, start-up finance, formal WCF, bootstrapping finance and owners' equity. The results are presented in table 5 below.

Table 13: Descriptive Analysis for Sources of Finance

Factors	Mean		Standard Deviation		Skewness		Kurtosis	
	male	female	male	female	Male	Female	male	Female
Start Up Finance	1.6830	1.6139	0.79452	0.78886	1.095	0.897	0.414	-0.871
Formal WCF	3.4243	3.1685	0.98023	1.04096	0.347	-0.110	0.438	-0.517
Bootstrapping Finance	3.2762	3.0303	1.26383	1.16527	0.243	-0.221	1.006	-0.823
Owner's Equity	3.9343	4.0852	1.13207	1.03401	0.821	-0.961	0.284	0.145

In what follows, we have focused on the results pertaining to the different sources of finance including self-financing as well as other sources of finance made available to SMEs and the extent to which they are being used. As shown in the table above, most of the SMEs owners reported that most of the finance was from their own (male: $\bar{x}$ = 3.9343, *SD* =1.13207; female: $\bar{x}$ = 4.0852, *SD* = 1.03401). It can also be pointed out that women SMEs owners were making use of their capital they possess slightly more than male. The next source most used was formal WCF, followed by bootstrapping finance, applicable for both gender. On contrary, the least available source of finance to the SMEs was start up finance (male: $\bar{x}$ = 1.6830, *SD* =0.79452; female: $\bar{x}$ = 1.6139, *SD* = 0.78886). On average, the sources of finance usage available to SMEs were only moderate, with mean values ranging from 1.6830 to 3.9343 for male and from 1.6139 to 4.0852 for female SME owners.

Hypothesis Testing for Access to Finance (Gender Differences)

Table 14 Testing for Gender Differences: Sources of Finance Usage

Scalars/Factors	Sig.(2-tailed)
Start Up Finance	0.476
Formal WCF	0.028
Bootstrapping Finance	0.083
Owner's Equity	0.228

The independent samples t test revealed that no significant differences exist between male and female entrepreneurs with regards to 'start up finance', 'bootstrapping finance' and 'owner's equity' at the 5% level of significance, indicating that both male and female entrepreneurs do not significantly differ in their usage of these various forms of finance. However, a significant difference was observed in the case of 'formal WCF', with a

significance value of 0.028 (< than 5%), indicating that perhaps in the case of formal working capital finance, more trust is levied on male entrepreneurs than female entrepreneurs. This is the case given that when a woman gets married, she has to seek authority from her spouse and if not granted, this pose a problem for them to secure a proper source of finance. That is, why may be the formal WCF discriminates between male and female entrepreneurs. Since a large sample size was utilised, it was deemed important to calculate the effect size as well. The effect size was found to be r = 0.13 which is a small value. 1.6% of variance in formal WCF only is explained by gender. Therefore there seems to be no major discrimination between male and female entrepreneurs with regards to access to sources of finance.

Quality of Institutional Support for SMEs

We further analysed the Quality of Institutional Support for SMEs in the tourism sector and further dwell into an analysis of gender bias in such support. Nineteen items were used to measure the adequacy of services of financial institutions. Results of the Kaiser-Meyer-Olkin measure of sample adequacy test (.74) and the Bartlett's test of sphericity (p = .00) indicated that the data were acceptable for factor analysis. Four items were deleted because they had high cross loadings. These items were (1) "no helpful feedback to SMEs provided from banks when a loan is declined", (2) "excessive requirement with respect to financial information", (3) "frequent change of the contact person", (4) "refusal of additional bank facility". Results suggested the existence of five factors comprising of a total of fifteen items and accounting for a total of 66.9% of variance explained.

Table 15: EFA for Quality of Institutional Support for SMEs

Scale items/Factors	Advisory	Assurance	Responsiveness	Credit Facility	Fees and Charges
Not enough assistance from bank with the formulation of the finance needs of business	.745				
No proper standard reporting format for the preparation of financial statements for SMEs/Business plan	.743				
Not enough guidance for SMEs on how to construct a well-packed viable business plan.	.742				
Not enough guidance from banks on alternative sources of finance (i.e. non-banking finance)	.585				
Lack of flexibility and helpfulness in bank's approach for SMEs		.721			
Banks have a perception problem wrt to SMEs		.708			

Bank does not possess enough relevant knowledge about line of business		.689			
Banks require more knowledge about small businesses and their specific conditions		.677			
Solutions offered do not meet my requirements			.809		
Poor service			.706		
Lengthy process to obtain approval			.629		
Existing credit facility was withdrawn				.915	
Existing credit facility was reduced				.907	
Interest rates too high					.880
Bank charges too high					.861
Eigenvalue	4.19	1.92	1.59	1.23	1.10
Variance explained (66.883 %)	27.95	12.77	10.61	8.22	7.34
The Kaiser-Meyer-Olkin measure of sampling adequacy	. 742				
The Bartlett's test of sphericity (significance level)	.000				

Factor 1: Advisory

The first factor was labeled “advisory”. Results suggested this factor comprised of four items. These items were: (1) “Not enough assistance from bank with the formulation of the finance needs of business”, (2) “No proper standard reporting format for the preparation of financial statements for SMEs/Business plan”, (3) “Not enough guidance for SMEs on how to construct a well-packed viable business plan.”, (4) “Not enough guidance from banks on alternative sources of finance (i.e. non-banking finance)” (factor loadings of .745, .743, .742 and .585). This factor explained around 28% of the variance in the scale.

Factor 2: Assurance

The second factor extracted explained 12.8% of variance and was labeled “assurance”. It comprised of four observed variables with factor loadings ranging from 0.677 to 0.721namely “Lack of flexibility and helpfulness in bank’s approach for SMEs”, “Banks have a perception problem wrt to SMEs”, “Bank does not possess enough relevant knowledge about line of business” and “Banks require more knowledge about small businesses and their specific conditions”.

Factor 3: Responsiveness

The third factor explaining 10.6% of variance was labeled "responsiveness" and included three items "solutions offered do not meet my requirements", "poor service" and "lengthy process to obtain approval" with factor loadings of 0.809, 0.706 and 0.629 respectively.

Factor 4: Credit Facility

Two items related to factor 4 which was labeled "credit facility". Variables included "existing credit facility was withdrawn" and "existing credit facility was reduced" (factor loadings of .915 and .907 respectively). This factor explained 8.2% of variance.

Factor 5: Fees and Charges

The fifth factor was labeled "fees and charges". Results suggested this factor comprised of two items. These items were: "interests rates too high" and "bank charges too high" (factor loadings of .880 and .861 respectively). This factor explained around 7.3% of the variance in the scale.

Descriptive Analysis for Quality of Institutional Support for SMEs

Table 16: Descriptive Analysis for Quality of Institutional Support for SMEs

Factors	Mean		Standard Deviation		Skewness		Kurtosis	
	male	female	male	female	Male	Female	male	Female
Advisory	3.8527	3.9345	0.59624	0.61632	0.116	-0.172	0.143	-0.508
Assurance	3.7510	3.6143	0.62057	0.64210	0.327	0.002	0.590	0.079
Responsiveness	3.4710	3.5256	0.73493	0.78750	-0.31	-0.276	-0.28	-0.034
Credit Facility	2.8734	2.9109	0.85013	0.81054	0.10	0.280	0.464	0.855
Fees and Charges	4.1118	3.9619	0.72452	0.78353	0.660	-0.406	0.279	-0.422

In what follows, we have focused on the results pertaining to problem with services of financial institutions to SME. As shown in the table above, *'fees and charges'* has been found to pose a problem to SMEs for services rendered from financial institutions both for male and female (male: $\bar{x}$ = 4.1118, *SD* =0.72452; female: $\bar{x}$ = 3.9619, *SD* = 0.78353). Yet, it can also be concluded that it is men who borne higher *fees and charges* as compared to women SMEs. In the same way, *Advisory*, occupies the second order, with most of the women found it difficult to seek advisory services from financial institutions (male: $\bar{x}$ = 3.8527, *SD* =0.59624; female: $\bar{x}$ = 3.9345, *SD* = 0.61632). In the same context, *Assurance* also appears to be difficult to seek from financial institutions, where especially male SME owners are mostly affected (male: $\bar{x}$ = 3.7510, *SD* =0.62057; female: $\bar{x}$ = 3.6143, *SD* = 0.64210). On the other hand, concerning *service quality and credit*

facility, it is noted that women often face problems when they negotiate with financial institutions as compared to men.

Hypothesis Testing for Quality of Institutional Support for SMEs

Table 17 Testing for Gender Differences - Quality of Institutional Support for SMEs

Scalars/Factors	Sig.(2-tailed)
Advisory	0.286
Assurance	0.85
Service Quality	0.566
Credit Facility	0.725
Fees and Charges	0.111

Based on the table above, the problems faced with the services provided from the financial institutions, presented in table 5 seem to hold no significant differences for male and female entrepreneurs, given that there is a 0.10 at the most difference in the difficulties borne by male and female entrepreneurs, when it comes to services provided from financial institutions.

Table 18: Other Barriers

	Mean	Std. Deviation	One sample test t	P		NIA	NI	N	I	VI
Shyness/Lack communication skills	3.30	1.108	4.329	.000		16	49	59	97	30
					%	4.1	12.7	15.3	25.1	7.8
Financial institutions reluctant to provide financial help	3.42	1.134	5.902	.000		19	33	62	97	40
					%	4.9	8.5	16.1	25.1	10.4
Not enough collateral due to marital status	3.28	1.182	3.754	.000		23	40	69	78	39
					%	6.0	10.4	17.9	20.2	10.1
Difficult and tiresome to carry out the necessary procedure	3.14	1.150	1.928	.055		21	49	90	52	37
					%	5.4	12.7	23.3	13.5	9.6
Some sources of finance are reserved to one sex type	3.05	1.258	.655	.513		42	33	75	68	31
					%	10.9	8.5	19.4	17.6	8.0
The level of service and support by banks to micro women-driven	3.27	1.154	3.623	.000		23	34	84	70	38
					%	6.0	8.8	21.8	18.1	9.8

enterprises is very poor									

The null hypothesis is rejected for all the statements with a p value lesser than .05 except for the two statements "Difficult and tiresome to carry out the necessary procedure" and "Some sources of finance are reserved to one sex type" with p value being .055 and .513 respectively. Reluctance of financial institution is reported as the most important issue followed by the issues of not having enough collateral due to marital status and poor level of service and support by banks to micro women-driven enterprises.

It is noteworthy that studies have demonstrated that even though both men and women face more or less similar access to finance barriers, these barriers were nevertheless more pronounced for women (Fay and Williams, 1993; Carter and Rosa, 1998; Carter et al., 2006; Shaw, 2005, Hertz, 2011). Reasons for this included amongst others lack of traditional collateral such as land or property which is often registered in husband's name, culture, women's lower income levels relative to men, lack of entrepreneurial history, high cost of funding and financial institutions' inability (or lack of willingness) to design appropriate financial products and outreach strategies to reach women. There were also indirect financial barriers such as social and cultural norms underlying gender biases, as well as the affinity for women-owned SMEs to be smaller in size, and the limited access to business education opportunities and networks and lack of confidence and experience in presenting their business ideas and plan among others (Christopher and Walter, 2011).

Table 19: What should be done to promote Women Entrepreneurship?

	Mean	Std. Deviation	One sample test T	P		NIA	NI	N	I	VI
Need to streamline procedure for loan application	4.02	.988	18.944	.000		8	26	34	151	117
					%	2.1	6.7	8.8	39.1	30.3
Special finance package for micro business run by women	3.80	1.123	13.023	.000		23	23	45	153	92
					%	6.0	6.0	11.7	39.6	23.8
Assist in finding markets for their products and services	3.74	1.110	12.317	.000		19	35	42	158	83
					%	4.9	9.1	10.9	40.9	21.5
Support institutions to provide Bookkeeping and Accounting services	3.67	1.073	11.411	.000		18	25	83	133	76
					%	4.7	6.5	21.5	34.5	19.7
Women entrepreneurs should have access to incubation services	3.71	1.111	11.688	.000		15	36	72	122	91
					%	3.9	9.3	18.7	31.6	23.6

Women entrepreneurs should have access to training on managing SMEs	3.98	1.141	15.700	.000	20	20	43	119	135
					5.2	5.2	11.1	30.8	35.0
					%				

The null hypothesis is rejected for all the statements in this section with all p values being less than .05. Among the various factors, it can be inferred that the need to streamline loan application procedures to be the most important. The second and third most important factors are reported to be for women entrepreneur to have access to management training and to have special finance package for micro businesses run by women respectively. It is also to be noted that female aversion towards finance is well-recorded in the existing literature, which is often attributed to their general risk aversion tendency (Newcomb and Rabow, 1999; Marlow and Swail 2014; Marlow 2013; Barber and Odean, 2001; Jianakopolos and Benasek, 1998). Studies have found that many female entrepreneurs are reluctant to assume a position of debt (Carter and Shaw, 2006). Such risk aversion leads them to the deliberate and strategic decision to opt for smaller businesses that require less debt and equity financing (Marlow and Swail, 2014)

Qualitative Analysis: In-depth Interviews

We further conducted some in depth interviews with major stakeholders in the sector (including SME Mauritius, Women Associations, National Woman entrepreneur Council, Development Bank of Mauritius, Ministry of Tourism and Tourism Authority among others) to gauge their views with respect to challenges and obstacles faced by the women entrepreneurs in the tourism and hospitality sector and their responses are briefly synthesized in what follows.

In terms of challenges, it has been noted from the interviews that women entrepreneurs still face problems to get access to fund. Most of the stakeholders interviewed identified access to funds and the need to provide a security as a major challenge they face in their work. In addition to that, women are found to demonstrated sign of poor decision making in their business. Most of them pointed out that women do face the problem of taking decision independently. They need the help of their husband or other family members to be able to take concrete decision.

Another challenge identified is the lack of technical expertise. The stakeholders highlighted that women are unable to operate machines independently or they do not have the skills required to do so, especially with modern equipment and this affect the business efficiency.

Also, the stakeholders in the business sector identified enclave tourism to be a challenge for their business. While, the number of tourists is increasing in Mauritius, the demand for goods and services provided by these women entrepreneurs is not. In fact, tourists are relying more on tour operators for their outing and they do not really buy items from

small and medium entrepreneurs in the sector. A better coordination among policy makers in the tourism sector is also crucial to for more coherent planning and decision making.

ASSESSING THE EFFECT OF AGE ON THE FACTORS INFLUENCING SME PERFORMANCE IN THE MAURITIAN TOURISM INDUSTRY

In this section, based on the data collected from the national wide survey on SME firms in the tourism and hospitality sector, we focus on a statistical analysis of the effect of Age (youth) on the factors influencing SME performance in the sector

Age Group and Financial Performance

Question: Is there a difference between Age groups with regards to Financial Performance?

H0: There is no significant difference between age with regards to financial performance

H1: The is significant difference between age with regards to financial performance

Table 20: Descriptives

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
18-25	13	3.8205	.68874	.19102	3.4043	4.2367	2.67	5.00
26-35	82	3.6260	.88175	.09737	3.4323	3.8198	1.33	5.00
36-45	150	3.5711	.88852	.07255	3.4278	3.7145	1.33	5.00
46-55	98	3.4524	.82383	.08322	3.2872	3.6175	2.00	5.00
55 and above	41	3.3821	.87102	.13603	3.1072	3.6570	1.67	4.67
Total	384	3.5408	.86418	.04410	3.4541	3.6275	1.33	5.00

Test of Homogeneity of Variances

Levene Statistic	df1	df2	Sig.
.367	4	379	.832

The assumption of homogeneity of variance was tested and satisfied via Levene's F test, F (379) = 0.37, P = 0.83

ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	3.549	4	.887	1.190	.315
Within Groups	282.479	379	.745		

Total	286.027	383			

The ANOVA test had a non-significant value of P = 0.32 which is greater than 0.05. Therefore the null hypothesis is accepted and there is no significant difference between age with regards to financial performance, in other words there is no evidence that age matter in progress of the firm.

In what follows, we shall dwell in an analysis of different determinants (as identified previously) of SME financial performance, filtered by age group (to better understand if there are significant differences with respect to young and more mature SMEs.

Marketing Performance and Age Group

Question: Is there a difference between Age groups with regards to Financial Performance?

H0: There is no significant difference between age with regards to marketing performance
H1: The is significant difference between age with regards to marketing performance

Table 21: Descriptives

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
18-25	13	3.9423	.79158	.21955	3.4640	4.4207	2.75	5.00
26-35	82	3.6738	.77648	.08575	3.5032	3.8444	1.50	5.00
36-45	150	3.6017	.81723	.06673	3.4698	3.7335	1.00	5.00
46-55	98	3.4770	.83580	.08443	3.3095	3.6446	1.50	5.00
55 and above	41	3.3963	.74577	.11647	3.1609	3.6317	2.00	5.00
Total	384	3.5749	.80919	.04129	3.4937	3.6561	1.00	5.00

Test of Homogeneity of Variances

Levene Statistic	df1	df2	Sig.
.424	4	379	.792

The assumption of homogeneity of variance was tested and satisfied via Levene's F test, F (379) = 0.42, P = 0.80

ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	4.910	4	1.227	1.892	.111

Within Groups	245.875	379	.649		
Total	250.785	383			

The ANOVA test had a non-significant value of P = 0.11 which is greater than 0.05. Therefore, the null hypothesis is accepted and there is no significant difference between age with regards to marketing performance.

Management capability and Age Group

Question: Is there a difference between Age groups with regards to Management capability?

H0: There is no significant difference between age with regards to management capability
H1: The is significant difference between age with regards to management capability

Table 22: Descriptives

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
18-25	13	3.8077	.72280	.20047	3.3709	4.2445	2.25	4.75
26-35	82	3.8689	.74455	.08222	3.7053	4.0325	2.25	5.00
36-45	150	3.7350	.67880	.05542	3.6255	3.8445	2.25	5.00
46-55	98	3.6429	.67827	.06852	3.5069	3.7788	2.00	5.00
55 and above	41	3.5549	.71264	.11130	3.3299	3.7798	2.00	4.75
Total	384	3.7233	.70139	.03579	3.6529	3.7937	2.00	5.00

Test of Homogeneity of Variances

Levene Statistic	df1	df2	Sig.
.326	4	379	.861

The assumption of homogeneity of variance was tested and satisfied via Levene's F test, F (379) = 0.33, P = 0.86

ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	3.649	4	.912	1.871	.115
Within Groups	184.765	379	.488		
Total	188.414	383			

The ANOVA test had a non-significant value of P = 0.12 which is greater than 0.05. Therefore, the null hypothesis is accepted and there is no significant difference between age with regards to management capability.

Innovation capability and Age Group

Question: Is there a difference between Age groups with regards to Innovation capability?

H0: There is no significant difference between age with regards to innovation capability

H1: The is significant difference between age with regards to innovation capability

Table 23: Descriptives

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
18-25	13	3.9038	.79411	.22025	3.4240	4.3837	3.00	5.00
26-35	82	3.9909	.68992	.07619	3.8393	4.1424	2.00	5.00
36-45	149	3.8742	.74584	.06110	3.7534	3.9949	1.50	5.00
46-55	98	3.7015	.68268	.06896	3.5647	3.8384	2.00	5.00
55 and above	41	3.8780	.67110	.10481	3.6662	4.0899	2.50	5.00
Total	383	3.8564	.71557	.03656	3.7845	3.9283	1.50	5.00

Test of Homogeneity of Variances

Levene Statistic	df1	df2	Sig.
.698	4	378	.594

The assumption of homogeneity of variance was tested and satisfied via Levene's F test, F (378) = 0.70, P = 0.59

ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	3.928	4	.982	1.937	.104
Within Groups	191.673	378	.507		
Total	195.602	382			

The ANOVA test had a non-significant value of P = 0.10 which is greater than 0.05. Therefore, the null hypothesis is accepted and there is no significant difference between age with regards to innovation capability.

Skills and Age Group

Question: Is there a difference between Age groups with regards to Skills?

H0: There is no significant difference between age with regards to skills
H1: The is significant difference between age with regards to skills

Table 24: Descriptives

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
18-25	13	4.2692	.44443	.12326	4.0007	4.5378	3.50	5.00
26-35	82	4.2088	.58269	.06435	4.0808	4.3369	2.63	5.00
36-45	149	4.1560	.61236	.05017	4.0569	4.2552	2.38	5.00
46-55	98	4.0612	.58223	.05881	3.9445	4.1780	2.75	5.00
55 and above	41	4.0762	.48241	.07534	3.9240	4.2285	3.25	5.00
Total	383	4.1384	.58107	.02969	4.0800	4.1968	2.38	5.00

Test of Homogeneity of Variances

Levene Statistic	df1	df2	Sig.
1.503	4	378	.201

The assumption of homogeneity of variance was tested and satisfied via Levene's F test, F (378) = 1.50, P = 0.20

ANOVA

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	1.418	4	.354	1.050	.381
Within Groups	127.560	378	.337		
Total	128.978	382			

The ANOVA test had a non-significant value of P = 0.38 which is greater than 0.05. Therefore, the null hypothesis is accepted and there is no significant difference between age with regards to skills.

Self Confidence and Age Group

Question: Is there a difference between Age groups with regards to self-confidence?

H0: There is no significant difference between age with regards to self confidence
H1: The is significant difference between age with regards to self confidence

Table 25: Descriptives

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		

18-25	13	3.7115	.51887	.14391	3.3980	4.0251	2.75	4.88
26-35	82	3.5838	.49964	.05518	3.4741	3.6936	2.25	5.00
36-45	149	3.5881	.50640	.04149	3.5061	3.6701	2.00	5.00
46-55	98	3.4362	.53313	.05385	3.3293	3.5431	1.88	5.00
55 and above	41	3.4817	.57525	.08984	3.3001	3.6633	2.63	5.00
Total	383	3.5411	.52250	.02670	3.4886	3.5936	1.88	5.00

Test of Homogeneity of Variances

Levene Statistic	df1	df2	Sig.
.350	4	378	.844

The assumption of homogeneity of variance was tested and satisfied via Levene's F test, F (378) = 0.35, P = 0.84

ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	2.079	4	.520	1.922	.106
Within Groups	102.211	378	.270		
Total	104.290	382			

The ANOVA test had a non-significant value of P = 0.11 which is greater than 0.05. Therefore, the null hypothesis is accepted and there is no significant difference between age with regards to self-confidence.

Impact and Age Group

Question: Is there a difference between Age groups with regards to Impact?

H0: There is no significant difference between age with regards to Impact
H1: The is significant difference between age with regards to Impact

Table 26: Descriptives

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
18-25	13	4.4462	.47013	.13039	4.1621	4.7303	3.80	5.00
26-35	82	4.2122	.68734	.07590	4.0612	4.3632	2.40	5.00
36-45	149	4.2201	.56028	.04590	4.1294	4.3108	2.60	5.00
46-55	98	4.0551	.69150	.06985	3.9165	4.1937	2.00	5.00
55 and above	41	4.0829	.51570	.08054	3.9202	4.2457	3.20	5.00
Total	383	4.1692	.62142	.03175	4.1068	4.2316	2.00	5.00

Test of Homogeneity of Variances

Levene Statistic	df1	df2	Sig.

1.577	4	378	.180

The assumption of homogeneity of variance was tested and satisfied via Levene's F test, F (378) = 1.58, P = 0.18

ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	3.116	4	.779	2.039	.088
Within Groups	144.400	378	.382		
Total	147.516	382			

The ANOVA test had a non-significant value of P = 0.09 which is greater than 0.05. Therefore, the null hypothesis is accepted and there is no significant difference between age with regards to impact.

Self Determination and Age group

Question: Is there a difference between the age groups with regards to Self-determination?

H0: There is no significant difference between the age groups with regards to Self determination

H1: The is significant difference between the age groups with regards to Self determination

Table 27: Descriptives

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
18-25	13	3.6000	1.05830	.29352	2.9605	4.2395	2.00	5.00
26-35	82	4.0268	.89705	.09906	3.8297	4.2239	1.20	5.00
36-45	150	4.0997	.82638	.06747	3.9663	4.2330	1.40	5.00
46-55	98	4.0673	.89302	.09021	3.8883	4.2464	1.60	5.00
55 and above	41	4.1073	.53310	.08326	3.9391	4.2756	2.60	5.00
Total	384	4.0598	.84314	.04303	3.9752	4.1444	1.20	5.00

Test of Homogeneity of Variances

Levene Statistic	df1	df2	Sig.
3.698	4	379	.006

The assumption of homogeneity of variance was tested and not satisfied via Levene's F test, F (379) = 3.70, P = 0.006

The Non-Parametric test Kruskall Wallis was conducted next. The Kruskall Wallis test indicated that is no statistically significant difference between age group with respect to self-determination.

Ranks

	Age group:	N	Mean Rank
SelfDetermination	18-25	13	143.46
	26-35	82	190.37
	36-45	150	198.31
	46-55	98	196.89
	55 and above	41	180.57
	Total	384	

Test Statistics[a,b]

	SelfDetermination
Chi-Square	3.653
df	4
Asymp. Sig.	.455

a. Kruskal Wallis Test
b. Grouping Variable: Age group:

Competence and Age Group

Question: Is there a difference between Age groups with regards to competence?

H0: There is no significant difference between age with regards to competence
H1: The is significant difference between age with regards to competence

Table 28: Descriptives

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
18-25	13	4.4154	.47932	.13294	4.1257	4.7050	3.80	5.00
26-35	82	4.2902	.73445	.08111	4.1289	4.4516	1.60	5.00
36-45	150	4.3040	.64203	.05242	4.2004	4.4076	2.00	5.00
46-55	98	4.1918	.70047	.07076	4.0514	4.3323	2.20	5.00
55 and above	41	4.2195	.60466	.09443	4.0287	4.4104	3.00	5.00
Total	384	4.2672	.66871	.03412	4.2001	4.3343	1.60	5.00

Test of Homogeneity of Variances

Levene Statistic	df1	df2	Sig.
.905	4	379	.461

The assumption of homogeneity of variance was tested and satisfied via Levene's F test, F (379) = 0.91, P = 0.46

ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1.182	4	.295	.658	.621
Within Groups	170.085	379	.449		
Total	171.267	383			

The ANOVA test had a non-significant value of P = 0.62 which is greater than 0.05. Therefore, the null hypothesis is accepted and there is no significant difference between age with regards to competence.

CONCLUSIONS AND IMPLICATIONS

The study first analysed potential gender-based disparities with respect to the generic factors that influence SME development using a nation wide survey conducted in 2018. It also assessed the potential barriers/obstacles to Women SMEs. While SMEs owned and managed by men tend to perform better than their female counterpart in the Mauritian Tourism context, the study also revealed that SME owners perceived all these factors to be performing only moderately well with mean values ranging from 2.8 to 3.5. Moreover while slight differences were found to exist between the perception of male and female entrepreneurs, these differences revealed to be not significant on the overall. Potential differences between men and women entrepreneurs' access to finance was studied. The list of attributes related to access to finance was subjected to an EFA which suggested that the various sources of finance could be best represented in a four factor structure. These were labeled as start-up finance, formal WCF, bootstrapping finance and owner's equity. The hypothesis test for differences demonstrated that there was a significant difference between men and women entrepreneurs with regards to formal WCF, while the other three financial sources were found to be equally accessible to both male and female SME owners. The quality of institutional support for SMEs was also assessed and tested for gender influence. Exploratory factor analysis showed that the items could be categorized in five dimensions, namely, advisory, assurance, responsiveness, credit facility and fees and charges. The descriptive statistics showed that SMEs owners perceived the quality of institutional support to be quite good, particularly with regards to the advisory and fees and charges components with mean values of 3.8 and 4.1 respectively. Potential gender disparity was then tested for. The hypothesis testing showed that there were no significant differences between male and female entrepreneurs with regards to the quality of institutional support offered to them. Moreover, we focus on a statistical analysis of the effect of Age (youth) on the factors influencing SME performance in the sector and concluded that age does not matter in explaining the various determinants of financial performance namely management capabilities, innovation capabilities, skills, self confidence , impact , self determination and competence

Implications

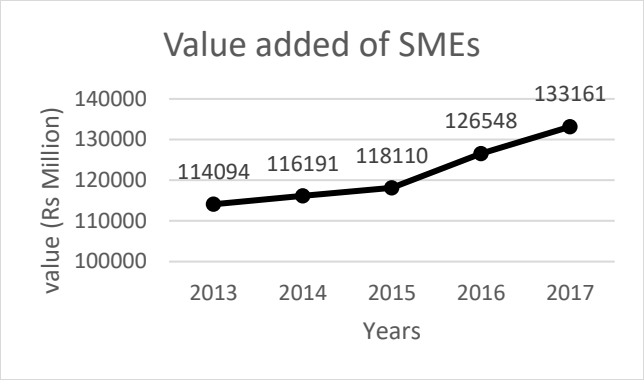
The above findings clearly points to the absence of any gender disparity with respect to the generic factors influencing SME development, access to finance in general and the quality of institutional support provided to these SMEs under study. Interestingly, the results demonstrate an above average positive degree of perception with respect to these elements. Nonetheless, through the qualitative empirics gathered during the interviews, there is still room for improvement and in that regard, certain recommendations were made by the SME owners and other stakeholders.

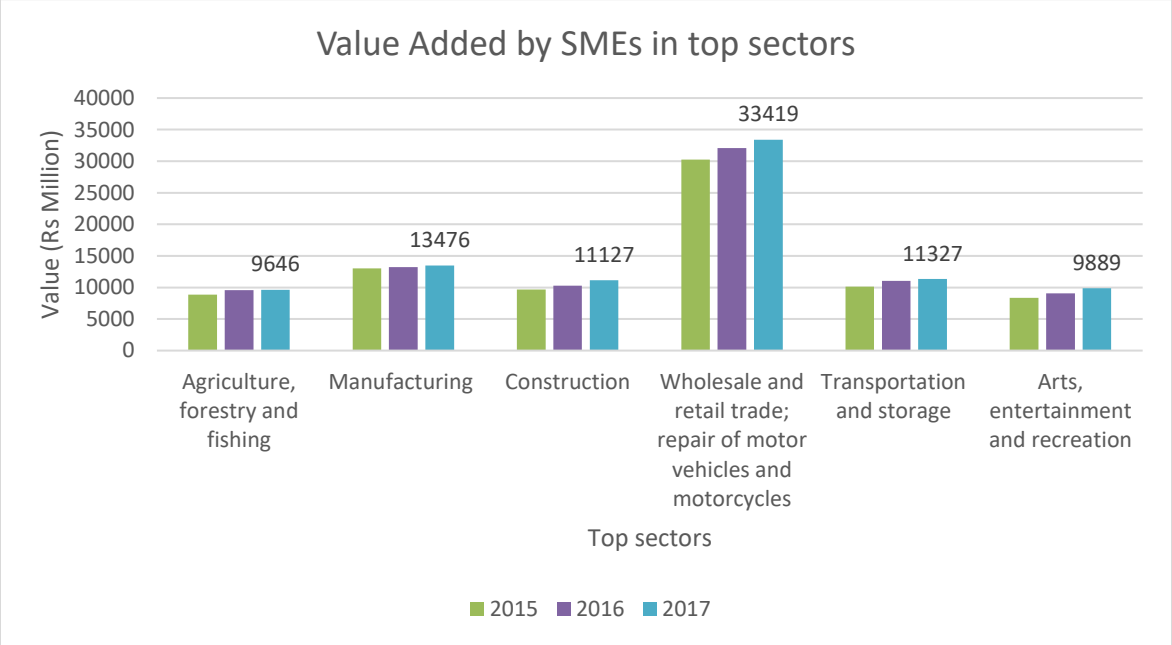
For instance, with respect to access to finance, programs that promote and increase joint property registration to benefit women borrowers may be established. For example, women's lower access to assets can be addressed through changed regulation that will require married women be included in asset registration. This would give them equal rights to property, enabling them to use it as collateral. Similarly, regulations can be changed to address inheritance issues. In addition, more public sector initiatives which encourage private sector lending to women entrepreneur and greater provision of equity funds, to address the constraints women face when starting up a new business, may be fostered.

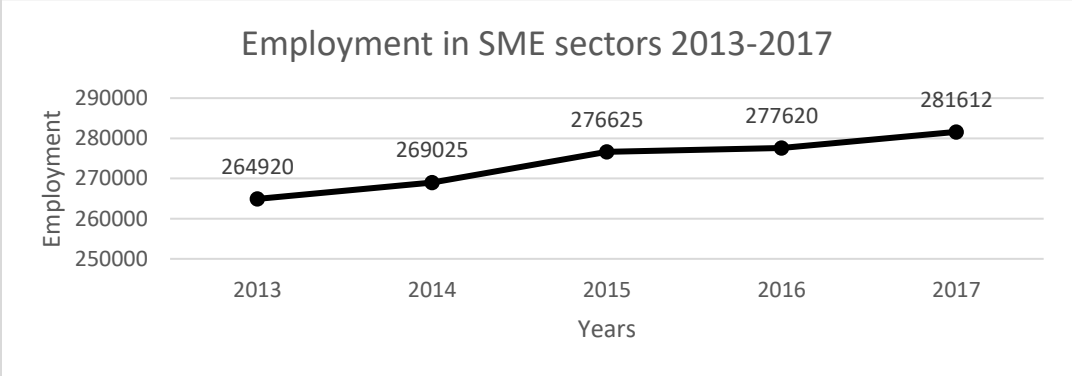
Although there has been a revamping of the key SME government support institution in the country lately, with the establishment of a well-functioning one-stop-shop (SME Mauritius), there is a need to still more efficient coordination between all support institution (the banks, NEWC and Tourism authority among others. This would enable a clear line of communication between SMEs and their stakeholders.

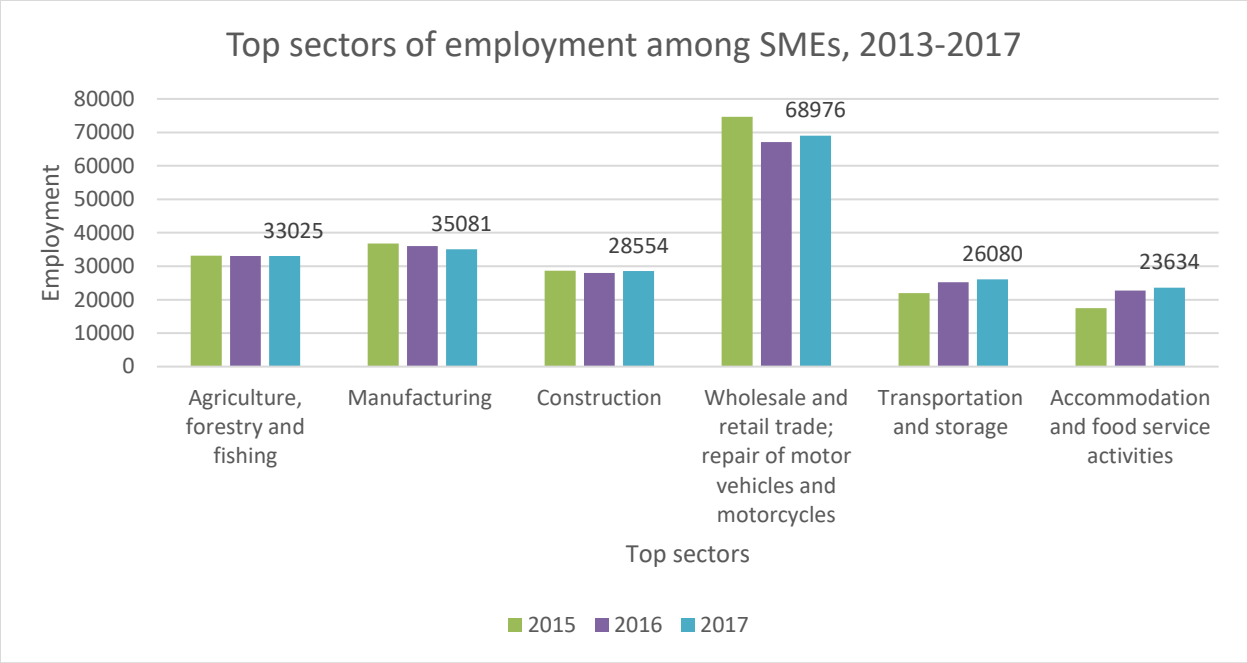
Provision of technical capacity to female entrepreneur, although provided to certain extent by a couple of support institutions, is not enough and need to be accelerated. A proper training needs study need to undertaken to better identify the priority areas of technical training and Universities can also play a good role with respect to that.

Finally and interesting, there was an altogether different line of thinking which propounded the need to demystify innovation and entrepreneurialism in order to encourage female youth entrepreneurship. In many ways, the majority of women who are in entrepreneurship do so in basic street-vending food-based or handicraft activities where they are caught competing against one another and over supplying and this has to change.


Value added of SMEs
value (Rs Million)
140000
130000
120000
110000
100000
114094
116191
118110
126548
133161
2013
2014
2015
2016
2017
Years


Value Added by SMEs in top sectors
Value (Rs Million)
40000
35000
30000
25000
20000
15000
10000
5000
0
9646
13476
11127
33419
11327
9889
Agriculture, forestry and fishing
Manufacturing
Construction
Wholesale and retail trade; repair of motor vehicles and motorcycles
Transportation and storage
Arts, entertainment and recreation
Top sectors
2015
2016
2017


Employment in SME sectors 2013-2017
Employment
290000
280000
270000
260000
250000
264920
269025
276625
277620
281612
2013
2014
2015
2016
2017
Years



References

Acs, Z. and Armington, C. (2004). Employment Growth and Entrepreneurial Activity in Cities. *Regional Studies*, 38(8), pp.911-927.

Ahmad, N. and Seet, P. (2009). Dissecting Behaviours Associated with Business Failure: A Qualitative Study of SME Owners in Malaysia and Australia. *Asian Social Science*, 5(9).

Asian Development Bank; International Labour Organization (2011). *Women and Labour Markets in Asia: Rebalancing for Gender Equality*. [online] Indonesia: International Labour Organization and Asian Development Bank. Available at: http://hdl.handle.net/11540/977 [Accessed 9 Dec. 2019].

Audretsch, D. (1995). Innovation, growth and survival. *International Journal of Industrial Organization*, 13(4), pp.441-457.

Audretsch, D. and Fritsch, M. (2002). Growth Regimes over Time and Space. *Regional Studies*, 36(2), pp.113-124.

Bagozzi, R. and Yi, Y. (2011). Specification, evaluation, and interpretation of structural equation models. *Journal of the Academy of Marketing Science*, 40(1), pp.8-34.

Barringer, B. and Harrison, J. (2000). Walking a Tightrope: Creating Value Through Interorganizational Relationships. *Journal of Management*, 26(3), pp.367-403.

Battor, M., Zairi, M. and Francis, A. (2008). Knowledge-based capabilities and their impact on performance: a best practice management evaluation. *Business Strategy Series*, 9(2), pp.47-56.

Banerjee, A. and Duflo, E. (2014). Do Firms Want to Borrow More? Testing Credit Constraints Using a Directed Lending Program. *The Review of Economic Studies*, 81(2), pp.572-607.

Barber, B. and Odean, T. (2001). Boys will be Boys: Gender, Overconfidence, and Common Stock Investment. *The Quarterly Journal of Economics*, 116(1), pp.261-292.

Bardasi, E., Sabarwal, S. and Terrell, K. (2011). How do female entrepreneurs perform? Evidence from three developing regions. *Small Business Economics*, 37(4), pp.417-441.

Beck, T., Demirgüç-Kunt, A. and Maksimovic, V. (2005). Financial and Legal Constraints to Growth: Does Firm Size Matter?. *The Journal of Finance*, 60(1), pp.137-177.

Baum, J., Locke, E. and Smith, K. (2001). A Multidimensional Model of Venture Growth. *Academy of Management Journal*, 44(2), pp.292-303.

Biemer, P. (2010). Total Survey Error: Design, Implementation, and Evaluation. *Public Opinion Quarterly*, 74(5), pp.817-848.

Bird, A. and Beechler, S. (1995). Links Between Business Strategy and Human Resource Management Strategy in U.S.-Based Japanese Subsidiaries: An Empirical Investigation. *Journal of International Business Studies*, 26(1), pp.23-46.

Black, J. and Mendenhall, M. (1990). Cross-Cultural Training Effectiveness: A Review and a Theoretical Framework for Future Research. *Academy of Management Review*, 15(1), pp.113-136.

Bryson, J., Daniels, P. and Ingram, D. (1999). Evaluating the impact of business link on the performance and profitability of SMEs in the United Kingdom. *Policy Studies*, 20(2), pp.95-105.

Cascio, W. (1995). Whither industrial and organizational psychology in a changing world of work?. *American Psychologist*, 50(11), pp.928-939.

Carter, S. and Rosa, P. (1998). The financing of male and female–owned businesses. *Entrepreneurship & Regional Development*, 10(3), pp.225-242.

Carter, S. And Shaw, E. (2006). *Women's business ownership: recent research and policy developments*. Recent Research And Policy Developments. [online] Glasgow:

University of Strathclyde. Available at: https://strathprints.strath.ac.uk/8962/ [Accessed 9 Dec. 2019].

Chen, J. and Hsu, C. (2001). Developing and validating a riverboat gaming impact scale. *Annals of Tourism Research*, 28(2), pp.459-476.

Chen, J. and Hsu, C. (2001). Developing and validating a riverboat gaming impact scale. *Annals of Tourism Research*, 28(2), pp.459-476.

Christopher, G. and Peer Benno Walter, S. (2011). *Strengthening access to finance for women-owned SMEs in developing countries*. [online] Washington, D.C: World Bank Group. Available at: http://documents.worldbank.org/curated/en/101351468156252909/Strengthening-access-to-finance-for-women-owned-SMEs-in-developing-countries [Accessed 9 Dec. 2019].

Chandler, G. and Jansen, E. (1992). The founder's self-assessed competence and venture performance. *Journal of Business Venturing*, 7(3), pp.223-236.

Choi, Y. and Shepherd, D. (2004). Entrepreneurs' Decisions to Exploit Opportunities. *Journal of Management*, 30(3), pp.377-395.

Cobbenhagen, J. (2000). *Successful innovation*. 1st ed. Cheltenham, UK: Edward Elgar.

Compagni, A., Mele, V. and Ravasi, D. (2015). How Early Implementations Influence Later Adoptions of Innovation: Social Positioning and Skill Reproduction in the Diffusion of Robotic Surgery. *Academy of Management Journal*, 58(1), pp.242-278.

Damanpour, F. (1987). The Adoption of Technological, Administrative, and Ancillary Innovations: Impact of Organizational Factors. *Journal of Management*, 13(4), pp.675-688.

De Mel, S., McKenzie, D. and Woodruff, C. (2008). Returns to Capital in Microenterprises: Evidence from a Field Experiment*. *Quarterly Journal of Economics*, 123(4), pp.1329-1372.

Deardorff, A. and Djankov, S. (2000). Knowledge Transfer Under Subcontracting: Evidence from Czech Firms. *World Development*, 28(10), pp.1837-1847.

Demirguc-Kunt, A., Beck, T., Honohan, P. and Winters, L. (2008). *Finance for all? Policies and Pitfalls in Expanding Access*. 1st ed. Washington, D.C.: World Bank.

Doing Business and World Bank Gender Action Plan (2008). *Women in Africa*. [online] World Bank Group, pp.1-52. Available at:

https://www.doingbusiness.org/en/reports/thematic-reports/women-in-africa [Accessed 10 Dec. 2019].

Duchesneau, D. and Gartner, W. (1990). A profile of new venture success and failure in an emerging industry. *Journal of Business Venturing*, 5(5), pp.297-312.

Eckman, S. and de Leeuw, E. (2017). Editorial – Special Issue on Total Survey Error (TSE). *Journal of Official Statistics*, 33(2), p.301.

Ellis, A., Blackden, M., Cutura, J., MacCulloch, F., Siebeens, H., Ramim, Z. and Agboli, M. (2007). *Tanzania gender and economic growth assessment*. [online] Washington, DC: International Finance Corporation and The World Bank Group. Available at: http://documents.worldbank.org/curated/en/160731468117544950/Tanzania-gender-and-economic-growth-assessment [Accessed 9 Dec. 2019].

Ellis, A., Cutura, J., Dione, N., Gillson, I., Manuel, C. and Thongori, J. (2007). *Gender and economic growth in Kenya : unleashing the power of women*. Directions in development; private sector development. [online] Washington, DC: World Bank Group. Available at: http://documents.worldbank.org/curated/en/665991468285651926/Gender-and-economic-growth-in-Kenya-unleashing-the-power-of-women [Accessed 9 Dec. 2019].

Fay, M. and Williams, L. (1993). Gender bias and the availability of business loans. *Journal of Business Venturing*, 8(4), pp.363-376.

Freeman, S., Edwards, R. and Schroder, B. (2006). How Smaller Born-Global Firms Use Networks and Alliances to Overcome Constraints to Rapid Internationalization. *Journal of International Marketing*, 14(3), pp.33-63.

Garcia, R. and Calantone, R. (2002). A critical look at technological innovation typology and innovativeness terminology: a literature review. *Journal of Product Innovation Management*, 19(2), pp.110-132.

Gamser, M., Iskenderian, M. and Koenitzer, M. (2015). WOMEN-LED SMES AND THE FINANCE CHALLENGE. *Journal of Sustainable Finance & Banking*. [online] Available at: https://cornerstonecapinc.com/women-led-smes-and-the-finance-challenge/ [Accessed 9 Dec. 2019].

Gomezelj Omerzel, D. and Antončič, B. (2008). Critical entrepreneur knowledge dimensions for the SME performance. *Industrial Management & Data Systems*, 108(9), pp.1182-1199.

Hair, J., Sarstedt, M., Pieper, T. and Ringle, C. (2012). The Use of Partial Least Squares Structural Equation Modeling in Strategic Management Research: A Review

of Past Practices and Recommendations for Future Applications. *Long Range Planning*, 45(5-6), pp.320-340.

Hair, J., Sarstedt, M., Ringle, C. and Gudergan, S. (2017). *Advanced issues in partial least squares structural equation modeling*. 1st ed. Thousand Oaks [etc.]: SAGE.

Han, J., Kim, N. and Srivastava, R. (1998). Market Orientation and Organizational Performance: Is Innovation a Missing Link?. *Journal of Marketing*, 62(4), p.30.

Hertz, N. (2011). *Women and banks: Are female customers facing discrimination?*. Promoting growth and shared prosperity. [online] London: Institute for Public Policy Research. Available at: https://www.ippr.org/publications/women-and-banks-are-female-customers-facing-discrimination [Accessed 9 Dec. 2019].

Hooley, G., Greenley, G., Cadogan, J. and Fahy, J. (2005). The performance impact of marketing resources. *Journal of Business Research*, 58(1), pp.18-27.

Hoque, b., Siddiqui, B., Awang, Z. And Baharu, S. (2018). Exploratory factor analysis of entrepreneurial orientation in the context of bangladeshi small and medium enterprises (SMES). *European Journal of Management and Marketing Studies*, 3(2), pp.81-94.

Heene, M., Hilbert, S., Freudenthaler, H. and Bühner, M. (2012). Sensitivity of SEM Fit Indexes With Respect to Violations of Uncorrelated Errors. *Structural Equation Modeling: A Multidisciplinary Journal*, 19(1), pp.36-50.

Hooley, G., Greenley, G., Cadogan, J. and Fahy, J. (2005). The performance impact of marketing resources. *Journal of Business Research*, 58(1), pp.18-27.

Hsu, R., Lawson, D. and Liang, T. (2007). Factors affecting knowledge management adoption of Taiwan small and medium-sized enterprises. *International Journal of Management and Enterprise Development*, 4(1), p.30.

Huarng, K. and Hui-Kuang Yu, T. (2011). 'Entrepreneurship, process innovation and value creation by a non-profit SME', *Management Decision*. 49(2), pp. 284–296. doi: 10.1108/00251741111109160.

Hult, G., Hurley, R. and Knight, G. (2004). Innovativeness: Its antecedents and impact on business performance. *Industrial Marketing Management*, 33(5), pp.429-438.

Jenssen, J. (2001). Social Networks, Resources and Entrepreneurship. *The International Journal of Entrepreneurship and Innovation*, 2(2), pp.103-109.

Jenssen, J. and Randoy, T. (2006). The performance effect of innovation in shipping companies. *Maritime Policy & Management*, 33(4), pp.327-343.

Jianakoplos, N. and Bernasek, A. (1998). ARE WOMEN MORE RISK AVERSE?. *Economic Inquiry*, 36(4), pp.620-630.

Johansson, M., Keränen, J., Hinterhuber, A., Liozu, S. and Andersson, L. (2015). Value assessment and pricing capabilities—how to profit from value. *Journal of Revenue and Pricing Management*, 14(3), pp.178-197.

Johansson, M., Keränen, J., Hinterhuber, A., Liozu, S. and Andersson, L. (2015). Value assessment and pricing capabilities—how to profit from value. *Journal of Revenue and Pricing Management*, 14(3), pp.178-197.

Kakar, A. (2018). Engendering cohesive software development teams: Should we focus on interdependence or autonomy?. *International Journal of Human-Computer Studies*, 111, pp.1-11.

Kaplan, R. and Norton, D. 1992. *The balanced scorecard*. 1st ed. Boston, Mass.: Harvard Business Review Press, pp.p71-79.

Keegan, J. and Kabanoff, B. (2007). Indirect Industry-and Subindustry-Level Managerial Discretion Measurement. *Organizational Research Methods*, 11(4), pp.682-694.

Klapper, L., Laeven, L. and Rajan, R. (2004). *Business Environment and Firm Entry: Evidence from International Data*. [online] Cambridge: NATIONAL BUREAU OF ECONOMIC RESEARCH. Available at: https://www.nber.org/papers/w10380.pdf [Accessed 9 Dec. 2019].

Klapper, L., Laeven, L. and Rajan, R. (2006). Entry regulation as a barrier to entrepreneurship. *Journal of Financial Economics*, 82(3), pp.591-629.

Kwong, C., Jones-Evans, D. and Thompson, P. (2012). Differences in perceptions of access to finance between potential male and female entrepreneurs. *International Journal of Entrepreneurial Behavior & Research*, 18(1), pp.75-97.

Kober, R, Subraamanniam, T & Watson, J (2012), 'The impact of total quality management adoption on small and medium enterprises' financial performance' *Accounting and Finance*, vol. 52, no. 2, pp. 421-438.

Lau, A. and Lo, W. (2019). Absorptive capacity, technological innovation capability and innovation performance: an empirical study in Hong Kong. *International Journal of Technology Management*, 80(1/2), p.107.

Lal, K. and Peedoly, A. (2006). Small islands and the adoption of ICTs: comparative study of SMEs in Jamaica and Mauritius. *International Journal of Environmental Technology and Management*, 10(2), p.206.

Levy, B. (1993). Obstacles to Developing Indigenous Small and Medium Enterprises: An Empirical Assessment. *The World Bank Economic Review*, 7(1), pp.65-83.

Li, X. 2009. *Entrepreneurial Competencies as an Entrepreneurial Distinctive: An Examination of the Competency Approach in Defining Entrepreneurs*. MSc. Singapore Management University.

Li, X. and Mitchell, R. (2009). The Pace and Stability of Small Enterprise Innovation in Highly Dynamic Economies: A China-Based Template. *Journal of Small Business Management*, 47(3), pp.370-397.

Lumpkin, G., Cogliser, C. and Schneider, D. (2009). Understanding and Measuring Autonomy: An Entrepreneurial Orientation Perspective. *Entrepreneurship Theory and Practice*, 33(1), pp.47-69.

MacCallum, R. and Austin, J. (2000). Applications of Structural Equation Modeling in Psychological Research. *Annual Review of Psychology*, 51(1), pp.201-226.

MAN, T. and LAU, T. (2000). Entrepreneurial Competencies of SME Owner/Managers in the Hong Kong Services Sector: A Qualitative Analysis. *Journal of Enterprising Culture*, 08(03), pp.235-254.

Man, T., Lau, T. and Snape, E. (2008). Entrepreneurial Competencies and the Performance of Small and Medium Enterprises: An Investigation through a Framework of Competitiveness. *Journal of Small Business & Entrepreneurship*, 21(3), pp.257-276.

Marlow, S. (2013). Why can't a Woman be More Like a Man? Critically Evaluating Contemporary Analyses of the Association between Gender and Entrepreneurship. *Regions Magazine*, 292(1), pp.10-11.

Marlow, S. and Swail, J. (2014). Gender, risk and finance: why can't a woman be more like a man?. *Entrepreneurship & Regional Development*, 26(1-2), pp.80-96.

McKinsey & Company (2011). *Assessing and Mapping the Global Finance Gap for Women-owned MSMEs*. [online] Washington, DC: Aspen Network of Development Entrepreneurs. Available at: https://cdn.ymaws.com/www.andeglobal.org/resource/dynamic/blogs/20111212_151426_19862.pdf [Accessed 10 Dec. 2019].

Martin, C. and Bush, A. (2006). Psychological Climate, Empowerment, Leadership Style, and Customer-Oriented Selling: An Analysis of the Sales Manager-Salesperson Dyad. *Journal of the Academy of Marketing Science*, 34(3), pp.419-438.

Masurel, E. and Nijkamp, P. (2004). Differences between First-Generation and Second-Generation Ethnic Start-ups: Implications for a New Support Policy. *Environment and Planning C: Government and Policy*, 22(5), pp.721-737.

Menon, S. and Hartmann, L. (2002). Generalizability of Menon's Empowerment Scale. *International Journal of Cross Cultural Management*, 2(2), pp.137-153..

Merrilees, B., Rundle-Thiele, S. and Lye, A. (2011). Marketing capabilities: Antecedents and implications for B2B SME performance. *Industrial Marketing Management*, 40(3), pp.368-375.

Montanari, J. (1978). Managerial Discretion: An Expanded Model of Organization Choice. *Academy of Management Review*, 3(2), pp.231-241.

Nelson, R; Phelps E. (1966). Investment in Humans, Technological Diffusion, and Economic Growth. *The American Economic Review*. 56 (1/2), pp. 69–75.

Newcomb, M. and Rabow, J. (1999). Gender, Socialization, and Money1. Journal of Applied Social Psychology, 29(4), pp.852-869.

Niethammer, C., Saeed, T., Mohamed, S. and Charafi, Y. (2007). Women entrepreneurs and access to finance in pakistan. *Women's Policy Journal Women's Policy Journal*, [online] 4, pp.1-11. Available at: https://www.academia.edu/10797382/Women_Entrepreneurs_and_Access_to_Finance_in_Pakistan [Accessed 10 Dec. 2019].

Nunkoo, R., Ramkissoon, H. and Gursoy, D. (2013). Use of Structural Equation Modeling in Tourism Research. *Journal of Travel Research*, 52(6), pp.759-771.

OECD 2010. The OECD Innovation Strategy: Getting a Head Start on Tomorrow. Paris: OECD Publishing.

Ogunyomi, P. and Bruning, N. (2016). Human resource management and organizational performance of small and medium enterprises (SMEs) in Nigeria. *The International Journal of Human Resource Management*, 27(6), pp.612-634.

Onkelinx, J., Manolova, T. and Edelman, L. (2016). The human factor: Investments in employee human capital, productivity, and SME internationalization. *Journal of International Management*, 22(4), pp.351-364.

Parnell, John A; Carraher, Shawn; Odom, Randy. (2000). Strategy and performance in the entrepreneurial computer software industry. *Journal of Business and Entrepreneurship*. 12 (3), p49

Pfirrmann, O. (1995). Path Analysis and Regional Development: Factors Affecting R & D in West German Small and Medium Sized Firms. *Regional Studies*, 29(7), pp.605-618.

Pissarides, F., Singer, M. and Svejnar, J. (2003). Objectives and constraints of entrepreneurs: evidence from small and medium size enterprises in Russia and Bulgaria. *Journal of Comparative Economics*, 31(3), pp.503-531.

Pratono, A., Ratih, R. and Arshad, D. (2018). Does Entrepreneurial Autonomy Foster SME Growth Under Technological Turbulence? The Empirical Evidence from Indonesia. *Journal of Technology in Behavioral Science*, 3(3), pp.170-178.

Ramsden, M. and Bennett, R. 2005. The benefits of external support to SMEs. *Journal of Small Business and Enterprise Development*, 12(2), pp.227-243.

Rajan, R. and Zingales, L. (2003). *Saving capitalism from the capitalists: unleashing the power of financial markets to create wealth and spread opportunity*. 1st ed. Princeton, N.J: Princeton University Press.

Richardson, P., Howarth, R. and Finnegan, G. (2004). *Challenges of Growing Small Businesses*. International Labour Organization.

Richter, N., Cepeda, G., Roldán, J. and Ringle, C. (2016). European management research using partial least squares structural equation modeling (PLS-SEM). *European Management Journal*, 34(6), pp.589-597.

Rigdon, E. (2016). Choosing PLS path modeling as analytical method in European management research: A realist perspective. *European Management Journal*, 34(6), pp.598-605.

Rigdon, E., Sarstedt, M. and Ringle, C. (2017). On Comparing Results from CB-SEM and PLS-SEM: Five Perspectives and Five Recommendations. *Marketing ZFP*, 39(3), pp.4-16.

Ringle, Christian M., Wende, Sven, & Becker, Jan-Michael. (2015). SmartPLS 3. Bönningstedt: SmartPLS. Retrieved from http://www.smartpls.com

Ritter, T. and Gemünden, H. (2004). The impact of a company's business strategy on its technological competence, network competence and innovation success. *Journal of Business Research*, 57(5), pp.548-556.

Ruiz-Jiménez, J., Fuentes-Fuentes, M. and Ruiz-Arroyo, M. (2014). Knowledge Combination Capability and Innovation: The Effects of Gender Diversity on Top Management Teams in Technology-Based Firms. *Journal of Business Ethics*, 135(3), pp.503-515.

Sarstedt M., Ringle C.M., Hair J.F. (2017). *Partial Least Squares Structural Equation Modeling*. Homburg C., Klarmann M., Vomberg A.: Springer 1st ed. Handbook of Market Research.

Saunila, M., Ukko, J. and Rantanen, H. (2014). Does Innovation Capability Really Matter for the Profitability of SMEs?. *Knowledge and Process Management*, 21(2), pp.134-142.

Seak, N. and Enderwick, P. (2008). The management of New Zealand expatriates in China. *The International Journal of Human Resource Management*, 19(7), pp.1298-1313.

Shaw, K. (2005). Women's Contribution to Productivity: Women Have Been Key in Raising the Nation's Growth Rate. *Regional Review*, Volume 14(3), pp.44-48.

Snell, R. and Lau, A. 1994. Exploring Local Competences Salient for Expanding Small Businesses. *Journal of Management Development*, 13(4), pp.4-15.

Soderquist, K., Chanaron, J. and Motwani, J. (1997). Managing innovation in French small and medium- sized enterprises: an empirical study. *Benchmarking for Quality Management & Technology*, 4(4), pp.259-272.

Stonehouse, G. and Pemberton, J. (2002). Strategic planning in SMEs – some empirical findings. *Management Decision*, 40(9), pp.853-861.

Teece, D. (1986). Profiting from technological innovation: Implications for integration, collaboration, licensing and public policy. *Research Policy*, 15(6), pp.285-305.

The Africa competitiveness report 2007. (2007). World economic forum. [online] Washington, DC: World Bank, pp.69-85. Available at: http://documents.worldbank.org/curated/en/598041468192554149/The-Africa-competitiveness-report-2007 [Accessed 9 Dec. 2019].

Thoenig, M. and Verdier, T. (2003). A Theory of Defensive Skill-Biased Innovation and Globalization. *American Economic Review*, 93(3), pp.709-728.

Thompson, J. (1999). The world of the entrepreneur – a new perspective. *Journal of Workplace Learning*, 11(6), pp.209-224.

Tidd, J. and Bessant, J. (2013). *Managing innovation*. 5th ed. London: John Wiley and Sons.

Todaro, M; Smith, S (2012). *Economic Development*. Boston: Pearson Education, Inc

Trott, P. (1998). Growing businesses by generating genuine business opportunities: A review of recent thinking. *Journal of Applied Management Studies*. 7 (2), p211-222.

Tuominen, M. and Hyvönen, S. (2004). Organizational Innovation Capability: A Driver for Competitive Superiority in Marketing Channels. *The International Review of Retail, Distribution and Consumer Research*, 14(3), pp.277-293.

Utterback, J. (1994). *Mastering the dynamics of innovation*. 1st ed. Boston, Mass.: Harvard Business School Press.

Vorhies, D. and Morgan, N. (2005). Benchmarking Marketing Capabilities for Sustainable Competitive Advantage. *Journal of Marketing*, 69(1), pp.80-94.

Weerawardena, J. (2003). The role of marketing capability in innovation-based competitive strategy. *Journal of Strategic Marketing.* 11 (1), pp.15-35

Weerawardena, J. and O'Cass, A. (2004). Exploring the characteristics of the market-driven firms and antecedents to sustained competitive advantage. *Industrial Marketing Management*, 33(5), pp.419-428.

Weerawardena, J., O'Cass, A. and Julian, C. (2006). Does industry matter? Examining the role of industry structure and organizational learning in innovation and brand performance. *Journal of Business Research*, 59(1), pp.37-45.

World Bank.(2008). Finance for all?: Policies and Pitfalls in Expanding Access.

Yamazaki, Y. and Kayes, D. (2004). An Experiential Approach to Cross-Cultural Learning: A Review and Integration of Competencies for Successful Expatriate Adaptation. *Academy of Management Learning & Education*, 3(4), pp.362-379.

Yoshitaka Yamazaki, (2010). *Impact of Learning Styles on Learning-skill Development in Higher Education, Working* Papers EMS_2010_09, Research Institute, International University of Japan.

Zahra, S., Sapienza, H. and Davidsson, P. (2006). Entrepreneurship and Dynamic Capabilities: A Review, Model and Research Agenda*. *Journal of Management Studies*, 43(4), pp.917-955.

APPENDIX 1: THE QUESTIONNAIRE

Thank you for giving your time and effort to contribute to this study. Your help is highly appreciated. Please answer honestly and with due diligence. All your answers will be kept strictly confidential and anonymous.

SURVEY INSTRUMENT

Title of Study:
YOUTH EMPLOYMENT AND WOMEN EMPOWERMENT IN TOURISM SMEs

SECTION A: FINANCIAL PERFORMANCE

This section measures the financial performance of your business compared to other businesses offering the same products and services. Please indicate your level of agreement with each statement (1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree 5 = Strongly Agree)

	Thinking about your competitors offering similar services/products, how far do you agree with the following?	Scaling				
		Strongly Disagree	**Disagree**	**Neutral**	**Agree**	**Strongly Agree**
1	My business is more profitable	1	2	3	4	5
2	My business has better return on investment	1	2	3	4	5
3	My business is better able to reach financial goal	1	2	3	4	5

SECTION B: MARKETING PERFORMANCE

This section measures the marketing performance of your business compared to other businesses offering the same products and services. Please indicate your level of agreement with each statement (1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree 5 = Strongly Agree)

	Thinking about your competitors offering similar services/products, how far do you agree with the following?	**Strongly Disagree**	**Disagree**	**Neutral**	**Agree**	**Strongly Agree**
1	My business has stronger growth in sales revenue	1	2	3	4	5
2	My business is better able to acquire new customers	1	2	3	4	5
3	My business has greater market share	1	2	3	4	5
4	My business is able to increase sales to existing customers	1	2	3	4	5

SECTION C: MANAGEMENT CAPABILITIES

This section measures the management capabilities of your business compared to other businesses offering the same products and services. Please indicate your level of agreement with each statement (1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree 5 = Strongly Agree)

	Thinking about your competitors offering similar services/products, how far do you agree with the following?	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	My business has better operational management expertise	1	2	3	4	5
2	My business has better overall management capabilities	1	2	3	4	5
3	My business is able to execute marketing strategies	1	2	3	4	5
4	My business manages its supply chain better	1	2	3	4	5

SECTION D: INNOVATION CAPABILITY

This section measures the innovation capability of your business compared to other businesses offering the same products and services. Please indicate your level of agreement with each statement (1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree 5 = Strongly Agree)

	Thinking about your competitors offering similar services/products, how far do you agree with the following?	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	Better at developing new ideas to help customers	1	2	3	4	5
2	More able to fast track new offerings to customers	1	2	3	4	5
3	More able to manage processes to keep costs down	1	2	3	4	5
4	More able to package a total solution to solve customer problems	1	2	3	4	5

SECTION E: SKILLS

This section measures the Skills level within the organisation. Please indicate your level of agreement with each statement (1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree 5 = Strongly Agree)

	how far do you agree with the following?	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	I have the ability to see the big picture	1	2	3	4	5
2	I possess good leadership skills	1	2	3	4	5
3	I possess good analytical skills and am able to think critically	1	2	3	4	5
4	I am able to work well in teams and foster good relationships	1	2	3	4	5
5	I posess excellent communication skills	1	2	3	4	5
6	I am good at influencing and convincing others	1	2	3	4	5
7	I have the ability to manage others and own time productively	1	2	3	4	5
8	I possess good presentation skills	1	2	3	4	5

SECTION F: Self Confidence

This section measures the level of self confidence within the organisation. Please indicate your level of agreement with each statement (1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree 5 = Strongly Agree)

	how far do you agree with the following?	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	I am willing to face new challenges	1	2	3	4	5
2	My company is successful	1	2	3	4	5
3	I am efficient at solving problems in the company	1	2	3	4	5
4	I am successful at preparing and implementing plans	1	2	3	4	5
5	I am persistent when faced with unpleasant tasks	1	2	3	4	5
6	If I am not successful in this company, I will set up a new one	1	2	3	4	5
7	I face difficulties in making decisions about important matters	1	2	3	4	5
8	I am quickly discouraged when faced with problems	1	2	3	4	5

SECTION I: Impact

This section measures the impact level within the organisation. Please indicate your level of agreement with each statement (1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree 5 = Strongly Agree)

	how far do you agree with the following?	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	I am enthusiastic about working toward the organization's objectives.	1	2	3	4	5
2	I am inspired by the goal of the organization.	1	2	3	4	5
3	I am inspired by what we are trying to achieve as an organization.	1	2	3	4	5
4	I am keen on our doing well as an organization.	1	2	3	4	5
5	I am enthusiastic about the contribution my work makes to the organization.	1	2	3	4	5

SECTION J: SELF DETERMINATION

This section measures the determination level. Please indicate your level of agreement with each statement (1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree 5 = Strongly Agree)

	how far do you agree with the following?	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	I can influence decisions taken in my department	1	2	3	4	5
2	I can influence the way work is done in my department	1	2	3	4	5
3	I have the authority to make decisions at work	1	2	3	4	5
4	I have the authority to work effectively	1	2	3	4	5
5	Important responsibilities are part of my job	1	2	3	4	5

SECTION K: COMPETENCE

This section measures the competence level. Please indicate your level of agreement with each statement (1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree 5 = Strongly Agree)

	how far do you agree with the following?	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	I have the capabilities required to do my job well	1	2	3	4	5
2	I have the skills and abilities to do my job well	1	2	3	4	5
3	I have the competence to work effectively	1	2	3	4	5
4	I can do my work efficiently	1	2	3	4	5
5	I can handle the challenges I face at work	1	2	3	4	5

SECTION L: GENDER

1 Do the SME/business network/s to which you have adhered to offer a similar level of service to women and men?

Both same

Better for men

Better for women

If No (better for men)

	If women are not offered equal service, why is this the case?	Not important at all	Not important	Neutral	Important	Very Important
1	Location and associated mobility of female members	1	2	3	4	5
2	Time at which meetings are held	1	2	3	4	5
3	Number of female members	1	2	3	4	5
4	Women are reluctant to demand the services being offered	1	2	3	4	5
5	Women are unaware of the different services being offered	1	2	3	4	5
6	The level of education of women who are members to the association/s is a stumbling block	1	2	3	4	5
7	Services offered do not tally with women's requirements	1	2	3	4	5

Comments:

……

……

From you experience, to what extent do you agree with the following statements?

		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	Women and Men have equal opportunities in starting up SMEs	1	2	3	4	5
2	Men tend to have better access to start-up finance than women	1	2	3	4	5
3	Men have easier access to start-up finance than women to operate their SMEs	1	2	3	4	5
4	Women and men have equal abilities to manage an SME	1	2	3	4	5
5	Women and men have equal treatment when they seek help from support institutions	1	2	3	4	5
6	Women need more support than men in marketing the products/services of their SMEs	1	2	3	4	5
	Others (specify)					

……

	If you agree that one of the main obstacles for women entrepreneur is access to finance, indicate the reasons why you believe it is more difficult for women to have access to finance	Not important at all	Not important	Neutral	Important	Very Important
1	Shyness/lack communication skills	1	2	3	4	5
2	Financial institutions reluctant to provie financial help	1	2	3	4	5
3	Not enough collateral due to marital status	1	2	3	4	5
4	Difficult and tiesome to carry out the necessary procedure	1	2	3	4	5
5	Some sources of finance are reserved to one sex type	1	2	3	4	5
6	The level of service and support by banks to micro women-driven enterprises is very poor	1	2	3	4	5
	Others (please specify)……	1	2	3	4	5

	What should be done to promote Women Entrepreneurship?	Not important at all	Not important	Neutral	Important	Very Important
1	Need to streamline procedure for loan application	1	2	3	4	5
2	Special finance package for micro business run by women	1	2	3	4	5
3	Assist in finding markets for their products and services	1	2	3	4	5
4	Support institutions to provide Bookkeeping and Accounting services	1	2	3	4	5
5	Women entrepreneurs should have access to incubation services	1	2	3	4	5
6	Women entrepreneurs should have access to training on managing SMEs	1	2	3	4	5

SECTION M: OBSTACLES AND POLICY RECOMMENDATIONS

1 What are the Main Obstacles that you i)encountered while setting your business ii) encounter during the day to day running of your business?

……

……

2 According to you what can the Government and Authorities do to improve the performance of institutions that support SMEs?

……

……

SECTION N: DEMOGRAPHICS

1 In which year was the business set up …….. and what is your financial year end ……

2 Tick the legal status of your registered business entity

Sole Proprietorship	
Partnership	
Cooperative	
Limited Private Co.	
Society	
Others	

3 Which of the following best describes the sector in which you operate? *Only one answer is permissible*

Manufacturing	
Transport and Communication	
Construction	
Services	
Wholes / Retail Trade	
Agriculture	
Other (*Please specify*): …….	

4 Your business originated as a result of:

Linkage to an existing business	
Inherited family business	
Bought an existing business	
Managers buying the business	
Completely new start-up	
Other (*Please specify*): …….	

5 What has been your i) profit margin for the past 2 years: 2016 : 2017:

ii) Sales growth for the past 2 years:2016 : 2017:

6 Please state your sex:

Male	
Female	

7 Which is your highest Level of education?

Primary level	
Secondary level	
Undergraduate degree	
Postgraduate degree	
Vocational/Technical	
Professional qualification	
Non Formal Education	
Other (specify) ……	

8 Within which field is your highest education?

Business management	
Economy/Finance	
Law	
Science and Technology	
Engineering	
Others (*Please specify*) …….	

9 What is your main role in the business? …….

10 Please tick the age group in which you belong:

18-25	26-35	36-45	46-55	55 and above
1	2	3	4	5

11 What is your marital status?

Single	Married	Divorced	Widow
1	2	3	4

APPENDIX 2

Assessing the effect of Gender and Age on the factors influencing SME performance in the Mauritian Tourism Industry

Table A2.1: DESCRIPTIVES FOR EACH VARIABLE

	N		Mean	Median	Std. Deviation	Range	Minimum	Maximum
	Valid	Missing						
Performance	386	0	3.5633	3.5714	.79492	3.71	1.29	5.00
Financial Performance	386	0	3.5440	3.6667	.86319	3.67	1.33	5.00
Marketing Performance	386	0	3.5777	3.5000	.80811	4.00	1.00	5.00
Management Capability	386	0	3.7228	3.7500	.70012	3.00	2.00	5.00
Innovation Capability	385	1	3.8558	4.0000	.71398	3.50	1.50	5.00
Skills	385	1	4.1396	4.1250	.58043	2.63	2.38	5.00
Self conf (Efficacy)	385	1	3.9649	4.0000	.66223	3.00	2.00	5.00
Self Determination	384	2	4.1714	4.0000	.62206	3.00	2.00	5.00
Autonomy Impact	385	1	4.0622	4.2000	.84341	3.80	1.20	5.00
Competence	385	1	4.2691	4.2000	.66888	3.40	1.60	5.00

Table A2.2:Financial Performance and Gender

Group Statistics

	Sex:	N	Mean	Std. Deviation	Std. Error Mean
FinPerf	Male	167	3.6826	.88480	.06847
	Female	214	3.4408	.84004	.05742

Independent Samples Test

	Levene's Test for Equality of Variances	t-test for Equality of Means

		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
FinPerf	Equal variances assumed	1.574	.210	2.724	379	.007	.24182	.08879	.06724	.41641
	Equal variances not assumed			2.706	347.621	.007	.24182	.08936	.06607	.41758

H0: There is no significant difference between financial performance and gender
H1: There is a significant difference between financial performance and gender

The male student group (N = 167) had a score of M = 3.68 with regards to financial performance. By comparison, the mean score for the female student group (N = 214) was lower M = 3.44.
The assumption of homogeneity of variance was tested and satisfied via Levene's F test, F (379) = 1.57, P = 0.21
The independent sample t-test associated with a statistically significant effect, t (379) =2.72, P = 0.007. Thus, the mean score of females was statistically lower than the mean score of males.

Table A2.3: Marketing Performance and Gender

Group Statistics

	Sex:	N	Mean	Std. Deviation	Std. Error Mean
MarPerf	Male	167	3.6737	.86460	.06690
	Female	214	3.5117	.75750	.05178

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
MarPerf	Equal variances assumed	6.877	.009	1.946	379	.052	.16197	.08324	-.00169	.32564
	Equal variances not assumed			1.914	331.685	.056	.16197	.08460	-.00445	.32840

The assumption of homogeneity of variance was tested and **NOT satisfied via Levene's F test, F (379) = 6.88, P = 0.009

The Non-Parametric test Mann Whitney U Test was conducted next. The Mann-Whitney test indicated that is no statistically significant difference between gender with respect to marketing performance with p = 0.06.

Test Statistics[a]

	MarPerf
Mann-Whitney U	15876.000
Wilcoxon W	38881.000
Z	-1.878
Asymp. Sig. (2-tailed)	.060

a. Grouping Variable: Sex:

Table A2.4: Management Capability and Gender

Group Statistics

	Sex:	N	Mean	Std. Deviation	Std. Error Mean
ManCap	Male	167	3.8099	.72872	.05639
	Female	214	3.6577	.66956	.04577

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
ManCap	Equal variances assumed	2.416	.121	2.117	379	.035	.15217	.07187	.01085	.29349
	Equal variances not assumed			2.095	341.320	.037	.15217	.07263	.00932	.29502

H0: There is no significant difference between management capability and gender
H1: There is a significant difference between management capability and gender

The male student group (N = 167) had a score of M = 3.81 with regards to management capability. By comparison, the mean score for the female student group (N = 214) was lower M = 3.66.
The assumption of homogeneity of variance was tested and satisfied via Levene's F test, F (379) = 2.42, P = 0.12
The independent sample t-test associated with a statistically significant effect, t (379) =2.12, P = 0.035. Thus, the mean score of females was statistically lower than the mean score of males.

Table A2.5: Innovation Capability and Gender

Group Statistics

	Sex:	N	Mean	Std. Deviation	Std. Error Mean
InnovCap	Male	167	3.9147	.70057	.05421
	Female	213	3.8110	.72751	.04985

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
InnovCap	Equal variances assumed	.035	.852	1.401	378	.162	.10364	.07398	-.04183	.24911
	Equal variances not assumed			1.407	362.477	.160	.10364	.07365	-.04119	.24846

H0: There is no significant difference between innovation capability and gender
H1: There is a significant difference between management capability and gender

The male student group (N = 167) had a score of M = 3.91 with regards to innovation capability. By comparison, the mean score for the female student group (N = 213) was lower M = 3.81.
The assumption of homogeneity of variance was tested and satisfied via Levene's F test, F (378) = 0.35, P = 0.85

The independent sample t-test had a significance value of P = 0.16 which is greater than 0.05. Therefore, the mean score of females was **NOT** statistically lower than the mean score of males.

Table A2.6: Skills and Gender

Group Statistics

	Sex:	N	Mean	Std. Deviation	Std. Error Mean
Skills	Male	167	4.2305	.57430	.04444
	Female	213	4.0739	.58058	.03978

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Skills	Equal variances assumed	.001	.972	2.622	378	.009	.15660	.05972	.03916	.27403
	Equal variances not assumed			2.625	358.418	.009	.15660	.05964	.03930	.27389

H0: There is no significant difference between Skills and gender
H1: There is a significant difference between skills and gender

The male student group (N = 167) had a score of M = 4.23 with regards to management capability. By comparison, the mean score for the female student group (N = 213) was lower M = 4.07.

The assumption of homogeneity of variance was tested and satisfied via Levene's F test, F (378) = 0.001, P = 0.97

The independent sample t-test associated with a statistically significant effect, t (378) =2.62, P = 0.009. Thus, the mean score of females was statistically lower than the mean score of males.

Table A2.7: Self-Confidence and Gender

Group Statistics

	Sex:	N	Mean	Std. Deviation	Std. Error Mean
SelfConfidence	Male	167	3.5876	.53042	.04105
	Female	213	3.5129	.51751	.03546

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
SelfConfidence	Equal variances assumed	.559	.455	1.381	378	.168	.07466	.05408	-.03167	.18100
	Equal variances not assumed			1.377	352.502	.170	.07466	.05424	-.03201	.18134

H0: There is no significant difference between self-confidence and gender

H1: There is a significant difference between self-confidence and gender

The male student group (N = 167) had a score of M = 3.59 with regards to self-confidence. By comparison, the mean score for the female student group (N = 213) was lower M = 3.51.

The assumption of homogeneity of variance was tested and satisfied via Levene's F test, F (378) = 0.56, P = 0.46

The independent sample t-test had a significance value of P = 0.16 which is greater than 0.05. Therefore, the mean score of females was **NOT** statistically lower than the mean score of males.

Table A2.8: Impact and Gender

Group Statistics

	Sex:	N	Mean	Std. Deviation	Std. Error Mean
Impact	Male	167	4.1509	.66892	.05176
	Female	213	4.1887	.58557	.04012

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Impact	Equal variances assumed	2.326	.128	-.587	378	.558	-.03783	.06445	-.16456	.08889
	Equal variances not assumed			-.578	331.652	.564	-.03783	.06549	-.16667	.09100

H0: There is no significant difference between Impact and gender

H1: There is a significant difference between Impact and gender

The male student group (N = 167) had a score of M = 4.15 with regards to Impact. By comparison, the mean score for the female student group (N = 213) was higher M = 4.19.

The assumption of homogeneity of variance was tested and satisfied via Levene's F test, F (378) = 2.33, P = 0.13

The independent sample t-test had a significance value of P = 0.56 which is greater than 0.05. Therefore, the mean score of females was **NOT** statistically higher than the mean score of males.

Table A2.9: Self-Determination and Gender

Group Statistics

	Sex:	N	Mean	Std. Deviation	Std. Error Mean
SelfDetermination	Male	167	4.0716	.85879	.06645
	Female	214	4.0626	.83064	.05678

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
SelfDetermination	Equal variances assumed	.348	.556	.103	379	.918	.00894	.08705	-.16222	.18010
	Equal variances not assumed			.102	351.040	.919	.00894	.08741	-.16297	.18085

H0: There is no significant difference between self-determination and gender

H1: There is a significant difference between self-determination and gender

The male student group (N = 167) had a score of M = 4.07 with regards to self-determination. By comparison, the mean score for the female student group (N = 214) was lower M = 4.06.

The assumption of homogeneity of variance was tested and satisfied via Levene's F test, F (379) = 0.35, P = 0.56

The independent sample t-test had a significance value of P = 0.92 which is greater than 0.05. Therefore, the mean score of females was **NOT** statistically lower than the mean score of males.

Table A2.10: Competence and Gender

Group Statistics

	Sex:	N	Mean	Std. Deviation	Std. Error Mean
Competence	Male	167	4.3114	.68604	.05309
	Female	214	4.2402	.66068	.04516

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Competence	Equal variances assumed	.508	.477	1.026	379	.305	.07119	.06938	-.06522	.20760
	Equal variances not assumed			1.021	350.253	.308	.07119	.06970	-.06589	.20827

H0: There is no significant difference between competence and gender

H1: There is a significant difference between competence and gender

The male student group (N = 167) had a score of M = 4.31 with regards to competence. By comparison, the mean score for the female student group (N = 214) was lower M = 4.24.

The assumption of homogeneity of variance was tested and satisfied via Levene's F test, F (379) = 0.51, P = 0.48

The independent sample t-test had a significance value of P = 0.31 which is greater than 0.05. Therefore, the mean score of females was **NOT** statistically lower than the mean score of males.

APPENDIX 3

GENDER AND FINANCIAL PERFORMANCE

Group Statistics

	Sex:	N	Mean	Std. Deviation	Std. Error Mean
FinPerf	Male	167	3.6826	.88480	.06847
	Female	214	3.4408	.84004	.05742

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
FinPerf	Equal variances assumed	1.574	.210	2.724	379	.007	.24182	.08879	.06724	.41641
	Equal variances not assumed			2.706	347.621	.007	.24182	.08936	.06607	.41758

GENDER AND SKILLS (ATTRIBUTE LEVEL)

Independent Samples Test

		Levene's Test		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean D	Std. Error	95% Confidence	
Strategic Management Skills	Equal variances assumed	.569	.451	2.497	378	.013	.194	.078	.041	.347
	Equal variances not assumed			2.510	363.595	.012	.194	.077	.042	.346
Leadership Skills	Equal variances assumed	.975	.324	1.398	378	.163	.104	.074	-.042	.250
	Equal variances not assumed			1.400	358.316	.162	.104	.074	-.042	.249
Analytical skills	Equal variances assumed	.890	.346	2.753	378	.006	.209	.076	.060	.358
	Equal variances not assumed			2.761	368.572	.006	.209	.075	.061	.357
Team-working skills	Equal variances assumed	.016	.901	1.901	378	.058	.159	.084	-.005	.324
	Equal variances not assumed			1.931	372.999	.054	.159	.083	-.003	.322
Communication Skills	Equal variances assumed	.046	.833	3.243	377	.001	.263	.081	.104	.423
	Equal variances not assumed			3.295	371.413	.001	.263	.080	.106	.421
Supervisory Skills	Equal variances assumed	.235	.628	1.838	377	.067	.157	.085	-.011	.325
	Equal variances not assumed			1.860	368.319	.064	.157	.084	-.009	.323
Time Management Skills	Equal variances assumed	3.900	.049	.231	377	.817	.019	.080	-.140	.177
	Equal variances not assumed			.226	322.171	.821	.019	.082	-.143	.180
Negotiation Skills	Equal variances assumed	4.285	.039	1.793	377	.074	.147	.082	-.014	.309
	Equal variances not assumed			1.780	344.446	.076	.147	.083	-.015	.310

YOUTH AND CAPABILITIES

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
									95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
ManCap	Equal variances assumed	.699	.404	2.209	382	.028	.18233	.08253	.02005	.34460
	Equal variances not assumed			2.126	150.675	.035	.18233	.08576	.01288	.35178
InnovCap	Equal variances assumed	.007	.935	1.932	381	.054	.16298	.08436	-.00298	.32895
	Equal variances not assumed			1.954	163.639	.052	.16298	.08342	-.00174	.32769

DETERMINANTS OF MC AND GENDER

Coefficients[a]

Sex:	Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
			B	Std. Error	Beta		
Female	1	(Constant)	.187	.361		.517	.606
		Self-Efficacy	.183	.105	.133	1.742	.083
		Autonomy	.191	.090	.175	2.111	.036
		Skills	.514	.113	.405	4.553	.000
Male	1	(Constant)	.765	.324		2.362	.019
		Self-Efficacy	.273	.091	.210	2.994	.003
		Autonomy	.024	.094	.021	.250	.803
		Skills	.450	.095	.390	4.731	.000

a. Dependent Variable: ManCap

Recommendations

- Tailor-made training for women to enhance their management capabilities to improve their skills and competence
- Such training program should take into account the work-family challenges face
- Empower women to take decisions
- Re-educating men in the context of women empowerment

IDRC | CRDI
International Development Research Centre
Centre de recherches pour le développement international

ICSTH

DETERMINANTS OF SME PERFORMANCE IN THE MAURITIAN TOURISM INDUSTRY

Research Findings Workshop 2019

The Theoretical Model of the Study

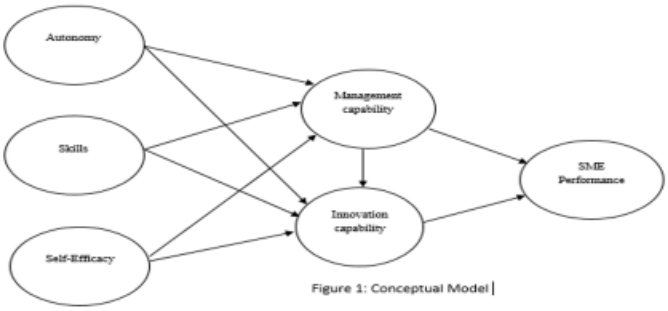


Figure 1: Conceptual Model

METHODOLOGY

- The targeted population being SMEs
- The survey was designed and self-administered to owners of SMEs operating in Mauritius.
- The data collection and data input phase ended in December 2018 with a total of 386 records.

METHODOLOGY

- In order to test the formulated hypothesis from the conceptual mode, partial least squares structural equation modelling (PLS-SEM) was adopted.
- Since the data set consisted of latent variables that was to be measured via formative measurement models, the software SmartPLS (Ringle, Wende, & Becker, 2015) was deemed appropriate and consequently used to analyse the collected data.
- A two-phase method was applied as per the suggestion from existing literature (Hair et al., 2017). The first phase consisted of testing the measurement model and consequently the second phase consisted of testing the path model.
- Since the study is dealing with reflective measurement models, appropriate metrics to ensure reliability and validity were adopted as per recommendations (Hair et al., 2017).

METHODOLOGY

- In order to test the formulated hypothesis from the conceptual mode, partial least squares structural equation modelling (PLS-SEM) was adopted.
- Since the data set consisted of latent variables that was to be measured via formative measurement models, the software SmartPLS (Ringle, Wende, & Becker, 2015) was deemed appropriate and consequently used to analyse the collected data.
- A two-phase method was applied as per the suggestion from existing literature (Hair et al., 2017). The first phase consisted of testing the measurement model and consequently the second phase consisted of testing the path model.
- Since the study is dealing with reflective measurement models, appropriate metrics to ensure reliability and validity were adopted as per recommendations (Hair et al., 2017).

MEASUREMENT MODEL (Autonomy)

Latent Variable	Indicators	Convergent Validity			Internal Consistency Reliability		DV	M	SD
		Loadings	Indicator Reliability	AVE	CR	CA			
		> 0.70	*> 0.50*	*> 0.50*	*> 0.70*	*> 0.70*	*HTMT CI**		
Autonomy	*J1*	0.871		0.765	0.942	0.923	Yes	4.01	0.923
	J2	0.861						3.95	0.956
	J3	0.897						3.99	1.047
	J4	0.889						4.13	0.948
	J5	0.853						4.23	0.947

MEASUREMENT MODEL (Performance)

Latent Variable	Indicators	Convergent Validity		Internal Consistency Reliability			DV	M	SD
		Loadings	Indicator Reliability	AVE	CR	CA			
		> 0.70	*> 0.50*	*> 0.50*	*> 0.70*	*> 0.70*	*HTMT CI**		
Performance	***A1***	0.834						3.5	0.935
	A2	0.839						3.52	0.954
	A3	0.866						3.61	0.995
	B1	0.885		0.675	0.935	0.919	Yes	3.55	0.969
	B2	0.8						3.8	0.886
	B3	0.787						3.31	1.037
	B4	0.73						3.66	1.012

Structural Model

Structural Model

Results of Structural Model (Assessment of Direct and Total Effects)

	Path Coefficients / Total Effects	t-values	P-values	95% Confidence Intervals		Sig*	f^2	q^2
				2.50%	97.50%			
		Outcome:						
Autonomy → Management capability	0.129	2.469	0.014	0.028	0.245	YES		
Competence → Management capability	-0.275	4.158	0.000	-0.415	-0.151	YES		
Self-confidence → Management capability	0.422	5.622	0.000	-0.111	0.142	NO		
Skills → Management capability	0.342	5.009	0.000	0.200	0.466	YES		
Autonomy → Innovation capability	0.062	1.259	0.208	-0.021	0.160	NO		
Competence → Innovation capability	0.101	1.909	0.056	0.001	0.207	NO		
Self-confidence → Innovation capability	0.125	1.871	0.061	-0.008	0.255	NO		
Skills → Innovation capability	0.293	4.721	0.000	0.172	0.409	YES		
Management capability → Innovation capability	0.411	8.136	0.000	0.320	0.515	YES		
Management capability → Performance	0.634	10.876	0.000	0.510	0.758	YES		
Innovation capability → Performance	0.088	1.483	0.138	-0.024	0.207	NO		

Recommendations

- Improve managerial capabilities within Mauritian SMEs
- Skills and self-efficacy are the two main contributors of both managerial capabilities and performance and therefore need to be enhanced.
- Self-efficacy to be improved through self-development seminars and workshops.
- Offer affordable executive programmes to the SMEs so as to equip SME owners with required skills.

Future Work...

- Through a multiple case study method, we aim to:
- Identify practical constraints faced by SME owners with regards to skill development.
- Develop tailor-made strategies for future enhancement of skills and self-efficacy of SME owners which shall lead to increasing managerial capabilities of SMEs and ultimately their performance.

APPENDIX 4

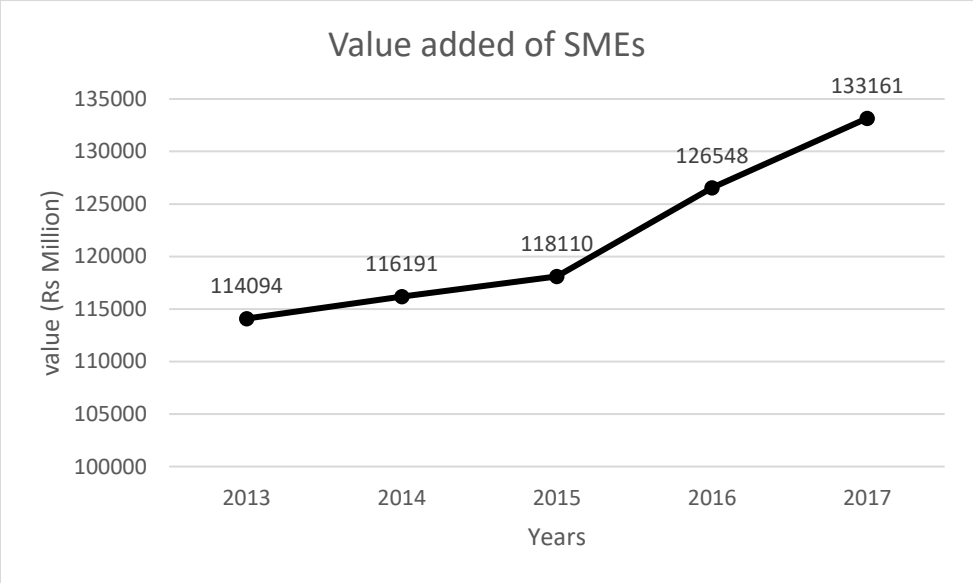
The table and figures below highlight the contribution of SMEs to various sectors in Mauritius and how they are helping to provide employment.

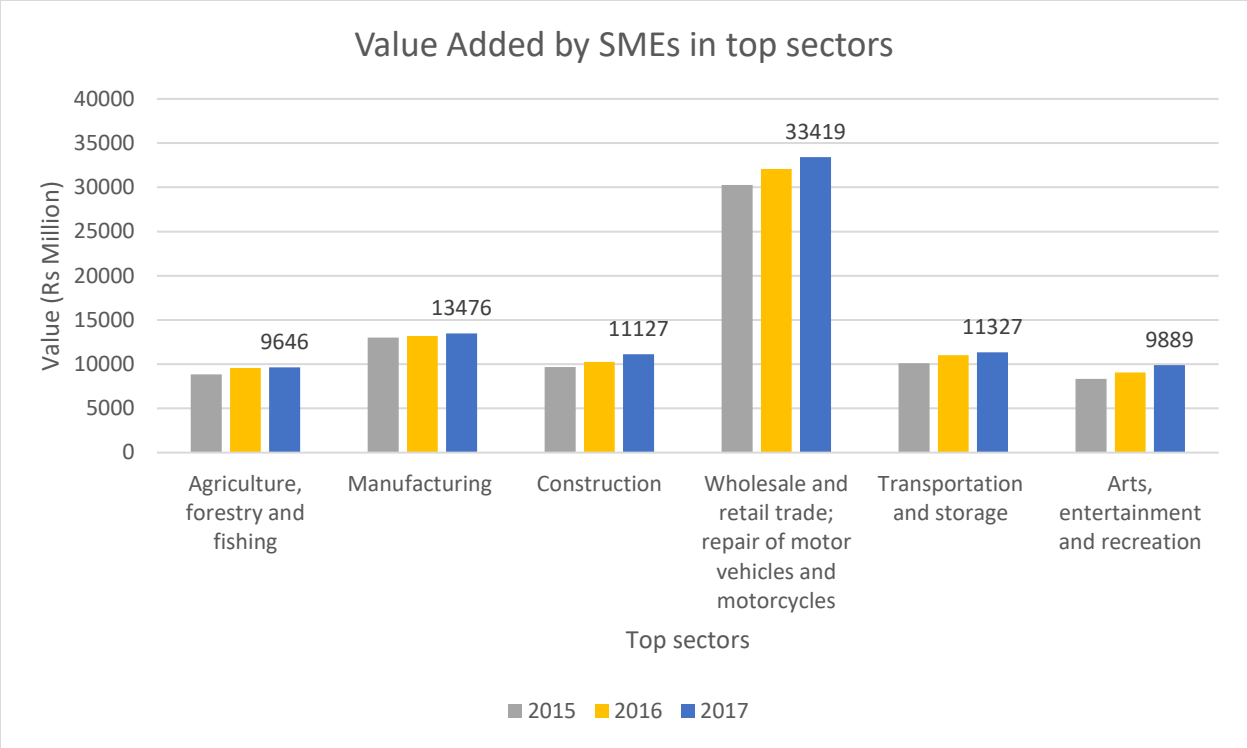
Table A4.1: Value added of SMEs by industry group, 2013 – 2017 (Rs Million)

Industry group	2013	2014	2015	2016	2017
Agriculture, forestry and fishing	8,726	8,759	8,857	9,556	9,646
Mining and quarrying	257	110	80	27	29
Manufacturing	14,570	13,011	13,010	13,198	13,476
Electricity, gas, steam and air conditioning supply	0	0	0	0	0
Water supply; sewerage, waste management and remediation activities	0	0	0	0	0
Construction	7,730	9,437	9,673	10,262	11,127
Wholesale and retail trade; repair of motor vehicles and motorcycles	30,058	30,786	30,276	32,089	33,419
Transportation and storage	9,216	9,402	10,105	11,022	11,327
Accommodation and food service activities	5,468	6,652	7,160	8,333	8,436
Information and communication	2,062	1,718	1,645	2,190	2,293
Financial and insurance activities	2,048	2,144	1,843	1,962	2,052
Real estate activities	2,126	2,252	2,330	2,419	2,815
Professional, scientific and technical activities	8,960	7,346	7,519	8,067	8,867
Administrative and support service activities	3,676	3,304	3,383	4,169	4,563
Pubic administration and defence; compulsory social security	0	0	0	0	0
Education	4,806	5,034	5,382	5,170	5,430
Human health and social work activities	4,517	4,527	4,950	5,335	5,869
Arts, entertainment and recreation	6,568	8,218	8,345	9,070	9,889
Other services activities*	3,306	3,490	3,553	3,676	3,922
Value added of SMEs	**114,094**	**116,191**	**118,110**	**126,548**	**133,161**

Gross Value Added (GVA) at basic prices	**329,009**	**348,011**	**363,547**	**385,902**	**402,998**
Contribution of SMEs to GVA	**34.7%**	**33.4%**	**32.5%**	**32.8%**	**33.0%**

(Statistics Mauritius, 2017b)





It was estimated that all the sectors when combined together contributed to the considerable amount of 118,110 million rupees in terms of value added in 2015. The top contributor in terms of both employment and value addition in that particular year has been Wholesale and retail trade; repair of motor vehicles and motorcycles sector with a value addition of 30,276 million rupees and 74,610 employments generated.

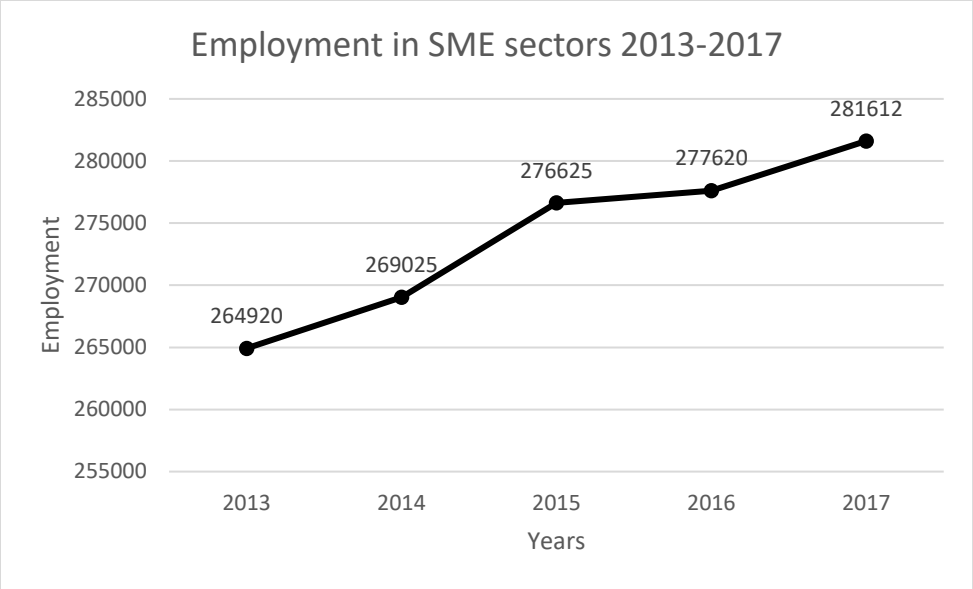
Table A4.2: Employment in SMEs by industry group, 2013 – 2017

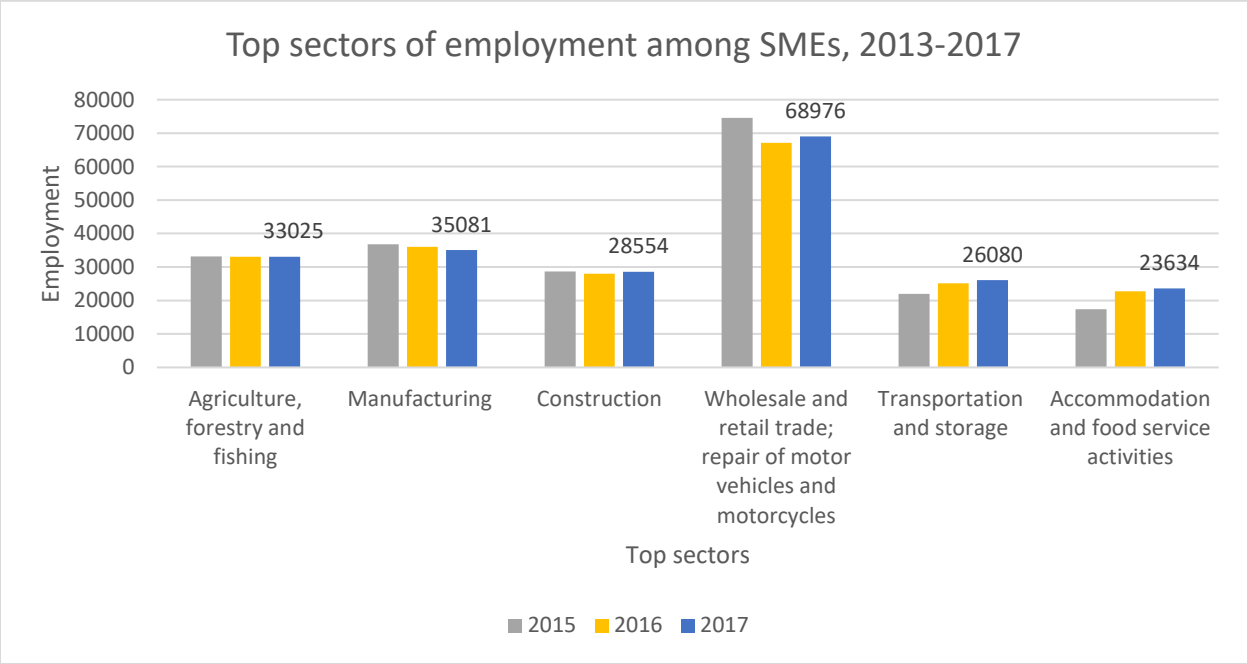
Industry group	2013	2014	2015	2016	2017
Agriculture, forestry and fishing	31,600	32,650	33,175	33,075	33,025
Mining and quarrying	1,240	1,250	1,250	1,249	1,251
Manufacturing	34,255	35,930	36,790	36,064	35,081
Electricity, gas, steam and air conditioning supply	0	0	0	0	0
Water supply; sewerage, waste management and remediation activities	0	0	0	0	0

Construction	31,040	28,820	28,640	28,020	28,554
Wholesale and retail trade; repair of motor vehicles and motorcycles	72,140	72,830	74,610	67,076	68,976
Transportation and storage	19,860	20,290	21,970	25,168	26,080
Accommodation and food service activities	15,775	16,660	17,430	22,706	23,634
Information and communication	6,930	6,970	6,990	6,933	7,054
Financial and insurance activities	1,025	1,145	1,170	1,404	1,466
Real estate activities	820	860	860	822	819
Professional, scientific and technical activities	6,795	6,800	7,080	7,694	7,540
Administrative and support service activities	12,330	12,880	13,180	13,277	13,552
Pubic administration and defence; compulsory social security	0	0	0	0	0
Education	10,260	9,940	10,040	10,201	10,095
Human health and social work activities	3,550	3,460	3,580	3,568	3,523
Arts, entertainment and recreation	7,450	8,420	9,350	9,854	9,950
Other services activities*	9,850	10,120	10,510	10,509	11,012
Employment in SMEs	**264,920**	**269,025**	**276,625**	**277,620**	**281,612**
Total Employment	**552,000**	**559,200**	**566,600**	**567,200**	**573,500**

Share of SMEs in total employment	**48.0%**	**48.1%**	**48.8%**	**48.9%**	**49.1%**

(Statistics Mauritius, 2017b)





Unsurprisingly the top sector where SME workers could be found in 2013 was 'Wholesale and retail trade; repair of motor vehicles and motorcycles' with 27% followed by 'Agriculture, forestry and fishing', 'Construction' and 'Transportation and storage' with 13%, 12%, 11% and 7% respectively.

SME sectors that generated the most of values in terms of activities in 2013 were 'Wholesale and retail trade; repair of motor vehicles and motorcycles', 'Manufacturing', 'Transportation and storage', 'professional, scientific and technical activities' with 26%, 13%, 8% and 8% respectively out of the overall estimated value generated of Rs114,094 million.

APPENDIX 5

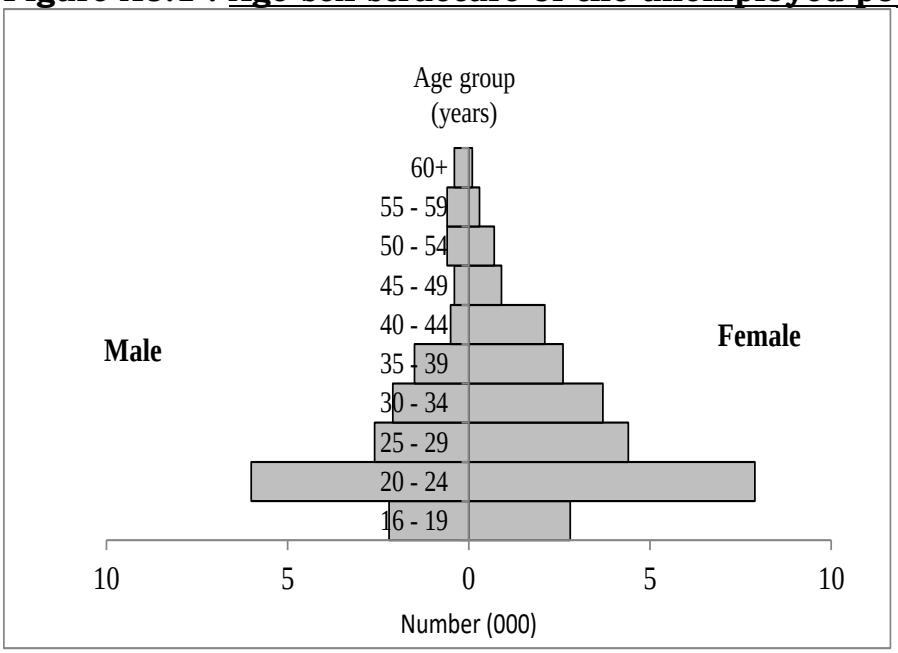
TABLE A5: Existing Institutions for SME

INSTITUTION	SERVICES	SPECIFIC SERVICES FOR WOMEN
Development Bank of Mauritius (DBM)	• Micro, Small and Medium Enterprises Financing: o *provides a maximum loan of Rs5 million to MSME in the Manufacturing, Service, Tourism, Agro Business & ICT sectors* o *provides up to 90% of financing.* • Micro Credit Scheme o *provides loans to MSMEs with turnover of less than Rs 2M (limited to individuals).* o *maximum loan amount of Rs 500, 000 is provided to individuals in the Manufacturing, Agriculture & Other Sectors of Value Addition.* o *90% of the project cost is financed*	• Startups & Women Entrepreneurs Scheme - loans specifically to the Young & Women Entrepreneurs - up to 90% of the project cost is financed - a maximum of Rs 1 million is given. - No specific security is demanded - targets sectors in Manufacturing, Agriculture & Other Sectors of Value Addition.
MAUBANK	• Maubank SME Financing Scheme as from 2.35% o *provides loans to SMEs in ICT and other Export Services, Manufacturing, Bio-Farming and other value added Agri-Business activities, Renewable and Green Energy, Handicraft, Aqua-culture and other value added Ocean economy related activities.* o *finances up to 90% of the project value* o *maximum project value up to Rs20 million.* o *no processing fees and Security will be restricted to fixed and floating charge on the entity and the promoter/s (excluding his/her matrimonial house to that of his/her spouse properties)*	
NWEC		• provides support and assistance to both potential and existing women entrepreneurs in Mauritius - *Information Dissemination and Sensitisation Programmes* - *Counselling* - *International linkage Development (Trade Fairs, Workshop)* - *Training* - *Marketing* - *Local Fairs* - *entrepreneurship training programmes.* - *targeted training programmes and other types of assistance for women.*
Mauritius Commercial Bank (MCB)	• MCB Microfinance Scheme o *provide small businesses and self-employed access to micro loans without guarantee from Rs 15,000 to Rs800,000 to run their businesses and to grow*	
SMEDA (Small and Medium Enterprises Developme	• The Business Counselling and Facilitation Services unit: provides various help to SMEs. o *provide information on how to start a business to entrepreneurs, plan their business and minimize failure.* o *Counsell on a specific business idea using profit and loss forecast*	

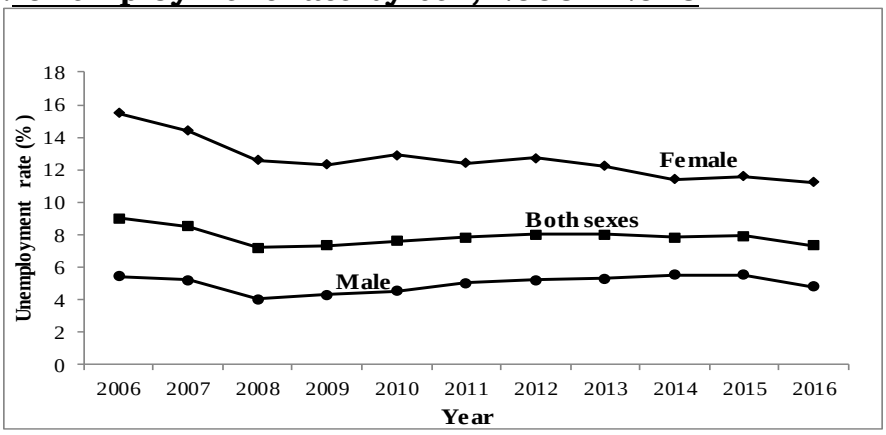
nt Authority) – Taken over now by SME Mauritius LTD	○ *assist entrepreneurs to find appropriate technical information for their business* ○ *Give appropriate information on Permits and Clearances required to start a business to SMEs* ○ *disseminate information on other financial facilities available.* ○ *Assist in the improvement of the SMEs- Advise about expansion, diversification or modernisation of projects* ○ *Monitor new and existing businesses*	
SME MAURITIUS LTD	• General Services: ○ *Promote a conducive business environment and empower MSME's to emerge and grow* ○ *Devise and implement development support programmes and schemes for MSMEs* ○ *Promote technological and managerial capabilities of MSMEs* ○ *Organise and encourage participation of MSMEs in fairs* ○ *Coordinate initiative of public sector agencies and of the private sector relating to MSMEs* • SME Graduate Scheme ○ *provides skills to SMEs* ○ *boosts the employability of young graduates* ○ *triggers a culture of entrepreneurship in the youth* ○ *supports SMEs financially to retain the services of a graduate* ○ *monthly stipend of Rs 14,000 (Degree Holders) and Rs 10,000 (Diploma Holders)* ○ *employer pays only the monthly traveling costs* • SME Productivity Improvement Scheme: ○ *provides SMEs with technical expertise to improve their internal value creation functions* ○ *provides an audit of the internal functions and in-plant improvement proposals* ○ *implement proposals & close monitoring by SME* • Foreign Expertise & Technical Assistance ○ *prop the Handicraft sector by bringing in foreign experts to address multiple challenges the sector faces, with regard to capacity building, product and process re-design, and local raw materials sourcing and usage* • Communication & Visibility: ○ *assist SMEs in developing and implementing the various tools and means for online presence and marketing* • Inclusive Business: Techno & Skills Transfer ○ *encourage established enterprises to enable smaller businesses to integrate into their efficient value chains in a productive way, thereby increasing income and creating a more competitive value chain* • Access to Market – Barcode Registration ○ *provide financial assistance to SMEs to upgrade their products and facilitate access to new markets. Under this scheme, SMEs are encouraged to adopt the Barcode Certification and use barcodes for their products.*	

APPENDIX 6

Figure A6.1 : Age-sex structure of the unemployed population, 2016



FigureA6.1: Unemployment rate by sex, 2006 – 2016

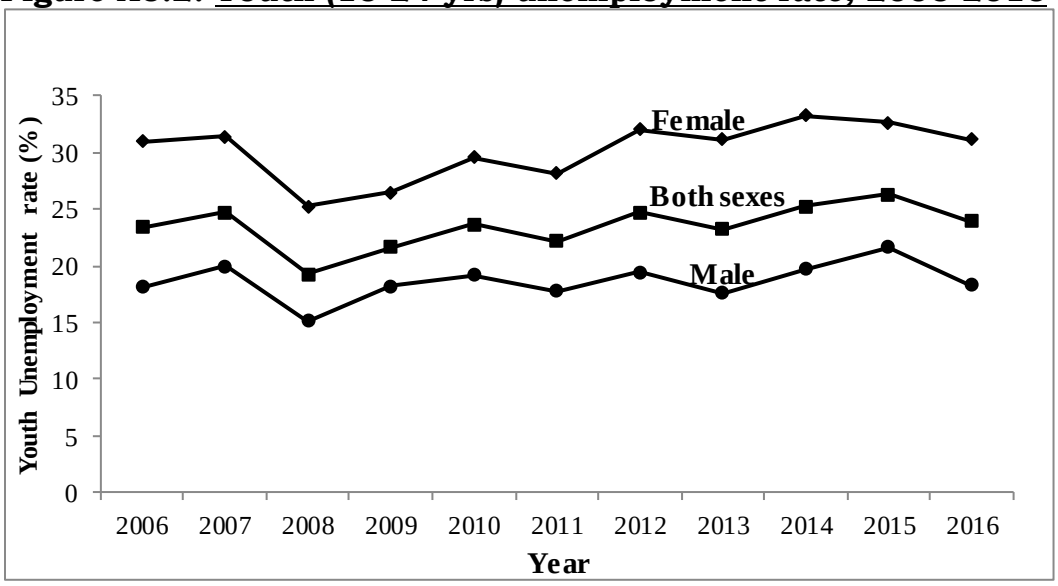


Trend in youth unemployment, 2006 to 2016

From a rate of around 23.4% in 2006, youth unemployment rate dropped to 19.3% in 2008. It then rose to around 26.3% in 2015 and then dropped to 23.9% again in 2016 (Figure 3). Youth unemployment rate for women has been consistently higher than that of men. During the period 2006 to 2009, the gap between male and female youth unemployment rate decreased as a result of a sharper decline in female unemployment rate. The gap then widened due to a

higher increase in female unemployment rate. The young unemployed in 2016 numbered 18,900 of whom 8,200 were men and 10,700 women compared to 8,600 men and 10,200 women in 2006.

Figure A6.2: Youth (16-24 yrs) unemployment rate, 2006-2016



APPENDIX 7 : CASE STUDIES OF WOMEN ENTREPRENEURS IN THE TOURISM & HOSPITALITY SECTOR

Case Study 1: Supplier of T-Shirt for Tourists
Mrs Umanee Daginee is registered as a small and medium entrepreneur in the tourism sector. She is from Port Louis and started her business of sewing t-shirts for a shop which prints and does embroidery of various designs related to Mauritius such as the DODO, Shells, beaches, coconut trees and the Mauritian Map. She launched her business in 2005. With time she expanded it and supplied good quality t-shirts to other shops related to the printing and embroidery of similar designs for tourists. Actually she employs one lady. While she believes in the success of her business, she however highlighted that there are various constraints affecting her commerce. For instance, initially capital was the biggest problem. She needed finance to buy her machineries and equipment. The government helped her to obtain finance without the requirement of guarantees which she found to be very helpful for SMEs like her. Another constraint is the cost of material which is already high and keep increasing with time. She also pointed out that there were no help coming from other institutions. However, she is a strong lady and believes in the capacity of succeeding and further expanding her business. She advices other women who are willing to start a small business, to do so without hesitation. They should as well persevere towards their goals and should not be discouraged to earn even a very small profit at the beginning.

Case Study 2:Produits de Rodrigues/ Young Entrepreneur
Mr Botsar from produits de Rodrigues started his business in 2013 on a very small scale. He sell craft products and food items from Rodrigues in Mauritius targeting tourists mainly. Among the items sold are hats, jewellery boxes, bags, artisanal products, pickles, lemons and chillies from Rodrigues as well as honey. He actually has a shop where these items are sold and he also sell them in food fairs and market fairs in Mahebourg and Baie du Tombeau. He employs one lady

who works mainly in the shop. His motivation of selling Rodrigues products in Mauritius is due to the high demand of same in the country. Every three months he goes to Rodrigues to buy these products to sell in Mauritius. He has been able to expand with time. Initially he was selling the products at home and now has various point of sales in Mauritius. He highlighted that poor climatic conditions at times is the major constraint he faces as it affect supply of the products he sell and prices fluctuate widely. His advice to the the youths is to be determine in launching their own businesses and to analyse well the market before choosing their business area.

Case Study 3: Supplier of Raw Chinese Noodles for Hotels

In 2006, Mrs Devi Autaram, started a small business selling raw Chinese noodles in Chemin Grenier. With time she became famous in her locality and start getting significant orders from hotels. She is in fact registered as a small and medium entrepreneur in the tourism sector. Presently she is a main supplier of raw noodles to various hotels and has expanded her business significantly. To be able to do so, she needed finance to buy machineries and thus contracted a loan from the MauBank. She admitted that there are fluctuations in sales but on average she is able to run her business. She employs one person on a part time basis and does not face difficulties to manage it even if she is a woman. Apart from finance, there are no further help that she really needed from the government or other institutions. She believes in her capacity to further expand her small business and advices other women like her to be strong and to take initiatives without fearing losses.

Case Study 4::

1. **Business name**
   Calais Bougies Co Ltee
2. **Can you give a brief description of your business?**
   Small candle making business (family members only)
   Manufacture scented, coloured candles of different shapes (based on requirements)
   Dodo shape and Mauritius shape for tourists
   Mostly seasonal (Christmas/divali…)
3. **How long have you been in business? In this business? In other businesses?**

Since 2007- part time business/first business as entrepreneur

4. **How did you come up with this idea of business?**
   Passionate about candles and candle making
5. **When and how did you get started in this business?**
   An acquaintance sold 2 big candle machines to me in 2007. Learned at a workshop by SMEDA
6. **Does your business have a stated mission statement, the reason that this business exists? If yes, what is it?**
   None
7. **How many employees do you have?**
   two
8. **What service(s) or product(s) do you offer/manufacture?**
   Scented coloured candles of different shapes and sizes

Start up

1. **Did you require any training before you started the business?**
   Yes from the person who sold the machine to me and SMEDA
2. **How much was your start up capital?**
   Rs 200 000 for machines
3. **Do you need a permit?**
   Yes from district council

Benefits as a woman entrepreneur

1. **What are the benefits you get as a woman entrepreneur? (Finance, training, etc …)**
   NWEC, SMEDA- help women in terms of training, financing and sales
   Banks provide SME schemes

Evolution of business

1. **What is the growth rate of your business?**
   Slow at the start, increased when we moved from classic candle manufacturing, started participating in SMEDA fairs, deliver to hotels, sell to tourists.
2. **How much turnover/ profit do you make on average per month?**
   Rs 100 000-150 000 per year (some months no business)

Constraints and Challenges you face as a woman entrepreneur.

1. **Do you have any financial constraints?**
   Yes- lack of finance and can't innovate or evolve much
2. **As a woman, do you encounter problems to manage your employees?**
   No family business- easy to manage
3. **Do you experience any other management problems?**
   When we have big orders, need more people in the business

Assessment of actual position

1. **Do you get help from the government or any other organisations?**
   Yes, from the schemes provided to SMEs.
2. **What factors do you think would enable you to develop your business further?**
   Guidance in terms of packaging, marketing

3. **Whom do you seek advice from for your business?**
   SMEDA, NWEC and other entrepreneurs

Can you suggest two actionable points needed for a woman to launch her own business?

- Must have a business plan before launching business (seek help from authorities and analyse the market before investing)
- Get financial and marketing information before starting

Case Study 5:

1. **Business name**
   Cafrine Doll de I'Ille Maurice
2. **Can you give a brief description of your business?**
   Make dolls wearing sega dresses that reflect Mauritian culture/ on client request
3. **How long have you been in business? In this business? In other businesses?**
   1995 (started by my parents)- they also made souvenirs made with rattan, bouquets. I started the dolls.
4. **How did you come up with this idea of business?**
   Was making normal dolls with Mauritian dress (did not work) and then switched to black dolls 20 years ago 20 years ago in Caudan. Needed financial security for my children as I was a widow
5. **When and how did you get started in this business?**
   Was crafting for my parents since I was 15 and then started doing my own doll creations
6. **Does your business have a stated mission statement, the reason that this business exists? If yes, what is it?**
   none
7. **How many employees do you have?**
   Alone but my son, daughter and daughter in law help when demand is high
8. **What service(s) or product(s) do you offer/manufacture?**
   Sega dolls – caudan + souvenir boutiques in Grand Baie and Troux aux Biches

Start up

1. **Did you require any training before you started the business?**
   Yes- but started by helping my parents
2. **How much was your start up capital?**
   Back then I started with Rs 1000
3. **Do you need a permit?**
   Yes for Caudan- but can display only one product here

Benefits as a woman entrepreneur

1. **What are the benefits you get as a woman entrepreneur? (Finance, training, etc …)**
   Free time when needed for family
   Express myself through work

Evolution of business

3. **What is the growth rate of your business?**
   Don't know
1. **How much turnover/ profit do you make on average per month?**
   Rs 30 000 but depends on sales (sell about 50-60 per month)

Constraints and Challenges you face as a woman entrepreneur.

1. **Do you have any financial constraints?**
   None
2. **As a woman, do you encounter problems to manage your employees?**
   Employees are family members- easy to manage
3. **Do you experience any other management problems?**
   No

Assessment of actual position

1. **Do you get help from the government or any other organisations?**
   No- own start up capital, no loans ever taken
2. **What factors do you think would enable you to develop your business further?**
   Would like to know about the exportation process
3. **Whom do you seek advice from for your business?**
   Family

Can you suggest two actionable points needed for a woman to launch her own business?

- Find something unique and that you are passionate about
- Learn to face setbacks

APPENDIX 8 :STUDY TOUR

IDRC FUNDED PROJECT: "Youth Employment and Women's Economic Empowerment in

Africa: The Role of SMEs in the Tourism Sectors of Mauritius, Tanzania and Uganda"

PLAN OF WORK – MAURITIUS VISIT

DAY 1: WEDNESDAY 2ND OCTOBER 2019

TIME	ACTIVITY
1000 → 1200	Report on progress on work by each teams
1200 → 1245	Lunch
1245 → 1400	Discussion on the final consolidated draft report + common paper
→ 1400	Depart for meeting at SME Mauritius
→1430-1600	Meeting with CEO & Senior Officers

DAY 2: THURSDAY 3RD OCTOBER 2019	
TIME	**ACTIVITY**
→ 845	Depart to national women entrepreneur council SME Mauritius office
→ 945	Meeting with the NWEC secretary General and Minister's adviser
→ 1100	Meeting with Senior Tourism Planner, Ministry of tourism
→ 1145	Meeting with the Director of the Tourism Authority (+Lunch)
1300 → 1400	Visit of Market fair organized by NWEC in Port-Lo
1400 → 1430	Discussion with a woman entrepreneur
1430 → 1500	Discussion with a young entrepreneur
1500 → 1600	Observation of SMEs at work in Grand Baie