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Men, women offer different strengths as franchisees

Men and women have different characteristics and different attitudes to business, which means that a blend of the two delivers more consistent growth than would a majority of one gender over the other.



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Sandwich Baron founder and CEO, Sally J'Arlette-Joy says having a mix of women and men franchisees has been one of the most important ingredients in expanding her franchise business. This experience would tend to justify the current government strategy to facilitate more women entering the business world.

Women are starting up small businesses in South Africa in record numbers. According to a White Paper on Female Entrepreneurship from the Centre for Entrepreneurship at the Wits Business School, 38% of all established businesses in South Africa are owned by women.

This compares well with the US, where a report from the Institute of Women's Policy Research (IWPR) shows that about 29% of America's business owners are women, up from 26% in 1997. In both countries, the number of women-owned firms is growing at a faster pace than the overall business growth rate – and accelerating.

Challenge to rise above survivalist economy

However, one challenge in South Africa is that women are concentrated on the bottom end of the market, or survivalist economy. The Small Enterprise Development Agency (SEDA) notes that 72% of micro-enterprises and 40% of small enterprises are currently owned by women.

J'Arlette-Joy says one possible explanation for the skewed ownership profile of smaller businesses by women may be that among some LSM segments there remains a lingering traditional view of the role of South African women in society. "Many women are still stereotyped into being family-orientated. Men still often expect their wives to be at home rather than at work – though this is rapidly changing.

"While my most successful stores are run by men, all my long-term franchisees are women. The latter have all the characteristics of long-term endurance and fortitude. However, what tends to keep their businesses smaller is that they generally cannot grow their business beyond a certain size. They cannot invest the same level of commitment to the store when it gets busy, as they are juggling business responsibilities with family responsibilities. Many women will tend to put their family before the business and may even sell the business if it interferes with their family responsibility."

Combination is successful

There are many instances when a combination works best. "Women typically are more compassionate and have good customer service skills. Men on the other hand easily get impatient with difficult customers. This would suggest that a woman should logically manage customer service. On the other hand, I find men have an edge in dealing with staff. Women can be too sympathetic. While they often have a lower staff turnover – they may also be stuck with incompetent staff. Sometimes, they also employ too many staff.

"While each gender has its own strengths, and offers different facets to successful business ownership, franchising is an industry that caters to most individuals. They, however, need to be willing to take some risk in investing in themselves and their new business, but often want that risk to be as small and as controlled as possible. Successful franchisees have strong people skills; a hard working ethic; are systems oriented, coachable and understand that they're in business for themselves and not by themselves," concludes J'Arlette-Joy.

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