

## **Indigenous Women Social Entrepreneurship; Poverty Alleviation Tool Used by Development NGOs in Ghana**

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*This research paper examines the role of Non-Government Organizations (NGO) in the use of indigenous women social entrepreneurship as a means of reducing poverty in Northern Ghana. The study focused on an Estonian NGO working in significantly poor-rural districts of Northern Ghana. The study employed case study design where face to face semi-structures interviews were used to gather data from local women entrepreneurs, NGO staff and local government officials. A sample of twenty-one (21) respondents was gathered purposefully to achieve the aim of the study. The study found out that, most poor communities in Northern Ghana are endowed with resources needed for production. What are however lacked are managerial training, financial and technical support as well as market access. Development NGOs connect indigenous resources such as raw materials, human capital and social capital together through provision of equipment and skills training to produce internationally certified products for both local and international market. The study found out that producing local products for international market increases the rate of poverty alleviation since many local people get involved and the financial returns is higher than producing for the local market. The study also identified the creation of new macro-micro international relations between the NGO's home country and the indigenous communities.*

**Keywords:** *Indigenous Social entrepreneurship, Women, Poverty alleviation, Development NGOs, Northern Ghana.*

### **Introduction**

This paper explores the contribution of non-government organizations (NGO) through indigenous social enterprises in local communities to reduce poverty in Northern Ghana. The case study of rural communities with indigenous enterprises with significant support from an Estonian NGO have been investigated and the results have been discussed in this paper. Social entrepreneurship has proven to be one of the best ways to solve long existing and difficult problems (Kostetska and Berezyak 2014, Ribeiro-Sorino and Mas-Verdu 2015, United Nations Development Project 2006). The African Development Bank also admits that for sub-Sahara Africa to achieve and maintain sustainable development, entrepreneurship needs to be accorded critical attention (AfDB 2016, Philips and Knowles 2012).

The subject of indigenous entrepreneurship in Ghana has been part of literature since the late 1960s. Researchers such as Poly Hill (1970), Roger Genoud (1969) and Keith Hart (1973) have written about the socio-economic influence of entrepreneurship in Ghana. The relationship between poverty in

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indigenous communities and the role of entrepreneurship has however received less attention in literature over the years. People in communities that could be classified as indigenous have experienced acute poverty, low literacy rate and less quality if not non-existent health care (Peredo et al. 2004, Briggs 2009). Most rural communities in Northern Ghana could be counted as indigenous if Foley's (2003) definition is used. According to Foley (2003), an indigenous person is someone who is the original or foremost owner of resources within its geographical area due to the fact that they come from the area and have accepted values of the people over many generations without much external meddling or adulteration. Most communities in northern Ghana are still dwelled by people whose forefathers started the settlements. Their housing, languages or dialects, food, occupations and other cultural values are still kept the same way over the years.

Northern Ghana has consistently been the poorest part of the country over the years, though the incidence of poverty in the south has been reducing steadily. Between 1991/1992 and 2005/2006, poverty rate fell from 52% to 28.5% (Ghana Statistical Service [GSS] 2007). This has however shown a continuous trend of income inequality between rural-urban and north-south. GSS (2014:14), Cooke et al (2016) estimate that more than half (52.7%) of the national population counted among the extreme poor category are in the northern regions. In its recent report, the Ghana Living Standards Survey [GLSS] 7 (GSS, 2018) placed the poverty population of north at 50.2%. Poverty is very high whereas education and literacy rate are low as compared to the national average. Rural areas share significant majority of the northern poor. Rural population in the north alone accounts for about 41% of the total poverty incidence in the entire country (GSS 2014). This confirms Peredo et al. (2004) assertion on the relationship between indigenous communities and poverty.

Many indigenes of the north, especially in the rural areas find it convenient to travel to southern cities and towns in pursuit of labourer and other menial jobs rather than to stay in their homes and suffer from poverty. A typical example is found in Hart (1973) study of Frafra people who migrated from the Upper East region of the north to the national capital in the south to seek better jobs. The findings of that study, though almost half a century ago, is still relevant today because the pace of north-south migration is still dominant due to the unchanging poverty situation. This draws research attention to the use of the resources of the north for the betterment of the indigenes. Northern Ghana is endowed with natural resources and dedicated citizens. It is therefore mind boggling why poverty situation in the area is so dominant and almost chronic.

The study area for this paper, the Nabdam District in the Upper East Region of Ghana, is a 100% rural municipality. Rural district or municipality means that all towns and communities within the district have a population less than five thousand inhabitants and lack major infrastructure such as motorable roads, portable water, electricity, good schools and health centers. The main occupation of residence in the study area are crop farming, animal rearing, shear butter extraction, production of handicraft like straw baskets and leather bags as well as petty trading. The petty trading is done either in small makeshift shops in front of housing near main roads or on market days which rotate every three days in two

main towns, Kongo and Nangodi. Trading items are usually from small scale farms, local handmade products and some products imported from the south. The district authority therefore receives less taxes from the villages because the people are engaged in less profitable economic activities. This results in a cycle of poorly funded local authority who provide less social support. This consequently creates poor government with citizens drenched in poverty. In bridging the funding gap of the district government, reliance on grants and donation form over 80% of the assembly's budget (Nabdam District Assembly 2016: 15).

To reduce prevalence of poverty, majority of NGOs and aid organizations settle in the regions of the north (Adjei Osei-Wusu et al. 2012). The programs launched by these organizations include agricultural practice improvements, vocational training, non-formal and formal education supplements and micro-finance schemes. This study focuses on development activities of an Estonian NGO, MTÜ Mondo [NGO Mondo], which engages in economic empowerment of local women in entrepreneurship in the Nabdam District. Mondo is the largest and oldest Estonian NGO. It is the largest because it is the only NGO in Estonia with more operational countries, and projects and it is the oldest because it is the only active Estonian NGO that has been in existence since 2007 and still counting. Mondo's development cooperation focuses on education and economic empowerment of women and disabled people. Mondo works in countries such as Kenya, Uganda, Afghanistan, Burma, Jordan, Ukraine, Estonia and Ghana.

In order to reduce poverty in the northern regions of Ghana and to ensure sustainable development, the use of local resources could not be overlooked. Various studies in poverty reduction in Ghana have concentrated less on the contribution of indigenous businesses ran by local women with the support of development NGOs. This paper therefore researches how NGOs support could be used to reduce poverty situation in Northern Ghana through improving indigenous women entrepreneurship. This research is timely because it falls within current study trend in the field across Africa. For instance, Gichuki et al (2014) and Eyben et al (2008) have acknowledged that most developing countries have had an astronomical increase of women engaging in entrepreneurship. If entrepreneurship is a panacea for poverty alleviation in the developing world (United Nation Development Project 2006) and women are increasing in the number of entrepreneurs in developing countries like Ghana, then this study seeks to examine the role of NGOs in strengthening indigenous women entrepreneurship in Northern Ghana and how it helps to reduce poverty in communities.

## **Literature Review and Theoretical Framework**

This section defines the main theoretical themes of the study. The study builds its framework from social innovation theory, the relationship between entrepreneurship and social entrepreneurship as well as the topic of women in entrepreneurship. These theories have been used because of the relationship between social innovation and social entrepreneurship theories which set to effect

changes in society. The section sets the ground for the empirical analysis and discussion.

### **Social Innovation Theory**

Social innovation theory has been defined differently by various theorist and academicians. Davies and Simon (2013) define the concept of social innovation as a newly evolved idea that creates products, services or systems and procedures that is used to satisfy social need and at the same time, bridge social relations and collaborations in the process. On similar grounds, Conrad (2015) has defined social innovation as a process of collaborative action which involves co-creation and co-production among stakeholders such as community members and institutions to tackle unsolved social problems. This is in line with Lessa et al. (2016) explanation that social innovation is the creation of products that aspire to meet and satisfy necessities of society through societal creativity. The authors point out the factor of societal needs and satisfaction through collaboration. Social innovation is therefore the use of multiple approaches to mitigate societal challenges and ensure satisfaction at the end. Therefore, social innovation would have no value if it does not result in impacting on society. The impact should be an improvement on existing solutions, if any, for the same or similar social challenge (Gilwald 2002). For its application in everyday life, Davies and Simon (2013) through the TEPSIE research program have claimed that the theory could be applied in product development, social entrepreneurship and new models of local economic development.

The theory could be well understood when it is evaluated in different frameworks. Tardif and Harrison (2005) and Loogma et al (2012) frameworks for social impact analysis have been examined to form a theoretical framework for this study. To start with, Tardif and Harrison (2005) CRISES framework provides five dimensions of social innovation. These are transformation, innovation, innovative character, actors and process. Transformative trait in the framework combines micro and macro factors to influence any initiative. Reducing poverty requires creative actors to respond with innovative strategies that will result in greater impact than previously implemented projects. The actor dimension is the people involved in the social innovations. Besides, this dimension also focuses on the collective learning process that evolves among the actors. Tardif and Harrison believe that starting and keeping an innovation on its wheel is a process that includes the dynamic, complication and vague relationships between actors and institutions.

Loogma, Tafel-Viia, and Ümarik (2012) on the other hand, also analyse social innovation through intersected characteristics: triggers, goals, mechanism, implications and social gain. Triggers are the social need of the innovation, in this case, the need to nurture indigenous enterprises to fight poverty (the “why should there be an action?”) Secondly, the goals mean the result that society wants to achieve (“what is the expected result of the action?”) Thirdly, the mechanism of social change is the strategy or the process that leads to social innovations; (“what

should be done at which time in order to achieve the expected outcomes?") Fourthly, the social implications looks into how the specific action will affect the societal outlook. Finally, the social gain or social benefit is considered as the impact of social innovations and its sustainability among society. Key features for social innovation have been compared in Table 1 below.

**Table 1. Social Innovation Frameworks**

Tardif and Harrison (2005)	Loogma, Tafel-Viia, & Ümarik (2013)
Transformation (the context/the cause)	Triggers (the need to change)
Innovative Character (the novel action)	Goals (the purpose)
Innovation (the scale)	Implications (the outcome)
The Actor (the people involve)	Social Gain (the impact)
Process (the coordination and the restriction)	Mechanism (the process)

*Source:* Adopted from Tardif and Harrison (2005) and Loogma et al (2013).

The social innovation framework from both authors have many things in common. From Table 1 above, credence has been placed on factors that call for the commencement of the innovation. In most cases, the need arise from persistent social problem that affect many people. Both frameworks also acknowledge the process of effecting the change. The process must be traceable and repeatable in order to fit into the framework. Therefore, social innovation from an indigenous entrepreneurship approach with an idea of reducing poverty at the end must have a process that goes beyond the everyday local way of doing the same thing. There is the need for record keeping and other mechanisms that will make an activity demonstrable to or implemented by other community members. The distinction between the two frameworks is that, Tardif and Harrison (2005) emphasize more on innovative players who are in the whole process whereas Loogma et al (2013) focus on the general benefit of the innovative process for the society.

Social entrepreneurship as a vehicle for poverty alleviation could take pieces from each of the frameworks discussed above. This study takes a holistic approach in bringing innovative indigenous ideas and resources together with development actors (NGO) to produce a bigger social impact (poverty reduction). This paper has adopted triggers, goals, actors, mechanisms, implications and social gain as its main framework based on existing theoretical frameworks.

## **Entrepreneurship and Social Entrepreneurship**

Entrepreneurship has become a constant factor in many social change discourse in social science research. However, the definition of entrepreneurship has become fluid. The definition dates back to Schumpeter (1934) who described entrepreneurs as people who use innovation to improve market changes by the introduction of new improved goods and opening new markets. The same definition could be applied to the activity itself, entrepreneurship. Kao and Stevenson (1985) have defined entrepreneurship as the attempt to create value through harnessing available business opportunities. Opportunity recognition and

bearing the risk in order to receive certain type of rewards are the reasons to run entrepreneurship.

Introducing 'social' before 'entrepreneurship' muddies the understanding of the definition. Mair and Marti (2005) have argued that social entrepreneurship is often phenomenon-driven. Researchers (Dees 1998, Brinckerhoff 2009, Zahra et al. 2008, Thompson et al. 2000, Abu-Saifan 2012) have highlighted key traits of social entrepreneurship. One of the elements is taking reasonable risk on behalf of a bigger population (Brinckerhoff, 2009). Zahra et al. (2008) hammer on opportunity-taking characteristics whereas Dees (1998) emphasizes on traits such as creating social value, serving larger societal good through innovation and being accountable to a bigger community.

There are common yet differences in the definitions of entrepreneurship and social entrepreneurship. In analysing the definitions of both entrepreneurship and the one prefixed with social, common characteristic include innovations, dedication, opportunity-taking, commitment and initiative taking. These features run for all sort of entrepreneurship driven activities. However, if the main aim of the entrepreneurship is focused on making more social impact (Loogma et al. 2012), then there should be social value creation, accountability, social alertness, change agents, community engagement and the vision to see better future.

For the purpose of this study, Abu-Saifan's (2012) definition somehow best describes the kind of social entrepreneurship that goes on in Northern Ghana. Abu-Saifan defines social entrepreneurship as "a mission driven by individual[s] who use[s] a set of entrepreneurial behaviours to deliver a social value to the less privileged, through an entrepreneurially oriented entity that is self-sufficient or sustainable". The main features of this definition are the driving forces of the activities, work with entrepreneurial minded organization and sense of independence to attain the expected social gain.

### **Women in Indigenous Entrepreneurship in Africa**

Entrepreneurship has become an attractive research field across Africa over the last two decades. Dzisi (2008) studied women in entrepreneurship in southern Ghana. Bekele and Worku (2008) investigated the survival and viability of Ethiopian women in micro, small and medium enterprises. Briggs (2009) researched factors affecting indigenous entrepreneurship in Uganda over a six year period. Gichuki et al (2014) have also examined the performance of women owned businesses and their access to credit from village savings and credit associations in Kenya. In another example from Zimbabwe, Maphosa (1998) has researched the sociology of indigenous entrepreneurship in that country.

Entrepreneurship could be divided into two components; the enterprise and the entrepreneur (Mohanty 2006). In the views of Mohanty, the enterprise is an object and the entrepreneur is the one who nurtures the enterprise by adding value to already existing resources for societal use with a vision for growth, committing to the cause of change and mobilizing resources to effect the change. For indigenous entrepreneurship to succeed, Briggs (2008) advocates that it should in itself be able to serve as a role model and mentor for other prospective enterprises

and also become a reinventing wheel for strengthening income generating products for reviving economic conditions of local communities. Briggs (2008) further raises a point that for the direct effect of indigenous entrepreneurship, there must be the existence of specific factors such as political environment, economic situation, socio-cultural elements, environment, legal systems and technology. The role of these factors could be cemented by the long term capacity building programs of entrepreneurs, recognition from government agencies, ease at accessing credit from lending institutions, and partnering with development agencies.

Placing indigenous entrepreneurship in theoretical perspective, Hills (1970) has defined indigenous enterprises as those *"with such economic activities as the production of /../ cash crops, subsistence farming, cattle raising, fishing /.../, internal trading, transportation /./ indigenous and credit-granting systems..."* (p. 3). The role of women in most of these indigenous businesses in Ghana and other West African countries are significant. The socio-cultural structure of most West African countries place women in the core of businesses though they have to hide behind their men to execute them. In agricultural production, even though women may not own their own land due to culture and customary constraints, they are mostly the visible people in the cultivation, harvesting and marketing of the produce. Therefore, Hills' indigenous economic terminology for West Africa cannot be complete without discussing the role of women in the entire process.

The role of women in growing family and local businesses have been very significant in many Ghanaian cultures. Adom and Asare-Yeboah (2016) evaluated the human capital readiness of women in entrepreneurship in Ghana. They concluded that most female entrepreneurs have less education and are also lower on the social structure in the indigenous socio-political system. These female entrepreneurs however accumulate educational qualities in the practice they find themselves. Their research discovered that, most of these social entrepreneurs use 'try and error' from everyday transactions and activities to gain experience in their work. Dzisi (2008) found same in her study of indigenous women in southern Ghana. In a study of the Nabdam District of Northern Ghana for example, Anambane and Adom (2018) discovered that the role of cultural practices on women in social entrepreneurship is special in the viability of the enterprise. The general conclusion is that entrepreneurship has become the reserve of non-educated women in rural communities across Africa (Bekele and Worku 2008; Dzisi 2008; Anambele and Adom 2018). The educational levels therefore influence which kind of activity the practitioners engage in. There is higher tendency for less educated women to invest their time and resources in locally sourced businesses because they will not have much challenges adapting. Most indigenous businesses end up producing the same and similar products like other household in the same community.

The theory of social innovation is diagnosed and implemented in order to fix significant social problems. Anambane and Adom (2018) have reiterated the contribution of women entrepreneurship to their societies, whether educated or not. Bekele and Worku (2008) admit that women businesses also serve as means of livelihood for majority of impoverished rural and urban dwellers who attract

little support. They assert that, notwithstanding their challenges, indigenous women entrepreneurs are more profitable to their families. Therefore, if there are more women engaged in social businesses, then there is higher chances of causing social change.

The effect made by indigenous women entrepreneurs are challenged by many factors. In their research of businesses owned and ran by women in Ethiopia, Bekele and Worku (2008) found out that women entrepreneurs are 2.3 times likely to fail as compared to their male counterparts. Some of the causes of the challenges remarked by researches are lack of technical knowhow and lack of business management training. In a similar study of challenges facing indigenous entrepreneurship in Uganda, Briggs (2009) claimed that over 70% of indigenous entrepreneurs acknowledge business skills and experience as constraint after access to funding. In this sense, most indigenous entrepreneurs have gone beyond attributing their failures and challenges only to financial and material factors. Human development and business knowledge have consistently been seen as deficiency to social entrepreneurship. Among other locally sourced support, the support of external bodies would be required in diverse ways to ensure growth and subsequent sustainability. The contribution of international development organizations which NGOs form a bigger size, could be used to boost indigenous social initiatives. Hill (1970) propagated that since western economic systems do not exist in developing countries especially in rural areas, he recommends export of management skills from the developed world to engage themselves in development interventions in entrepreneurship. Therefore, this study looks into NGO Mondo's response to this call in reducing poverty through social entrepreneurship initiatives started and operated by local women.

## **Methodology**

The study focuses on NGO involvement in indigenous women businesses that are driven at reducing poverty and improving quality of life. Nabdam District is one of the local authorities in the Upper east region with a dependency ratio of 91% and illiteracy rate more than 65% (Nabdam District Assembly, 2016). Respondents in the study were purposefully sampled from locals living and working on projects directly connected to NGO interventions in the district. The social entrepreneurs were local shea butter makers and basket weavers who receive diverse forms of support from NGO Mondo. The heads of the local institutions related to poverty reduction and social welfare of the people were also involved in this study. Finally, staff and management members of the NGO being investigated were also interviewed for their input into the research.

The study used qualitative case study design. Data was collected through face-to-face interviews (Cresswell 2009) conducted with women entrepreneurs in the Nabdam District from June to July 2018 and staff of NGO Mondo in Tallinn, Estonia in September 2018. In all, twenty-one (21) respondents participated in the study. The selected participants were included in the study because they had all been part of the poverty alleviation activities of NGO Mondo either as support

beneficiaries, collaborators or the NGO's workers assigned to the Ghana operations. They were deemed as reliable and competent source of data for the study.

According to Saldaña (2009), data collection and analysis are not exclusive of each other. Therefore, the time between when data is collected through an interview and when it is analysed stand blurred. The interviews were audio recorded and transcribed; afterwards, there was thorough read through for coding purposes and also to identify mistakes to ensure validity of the data. All the gathered data were coded based on Charmaz's (2006) constructivist grounded theory principles. During the analysis process, similar responses were grouped into themes and common themes merged together. The codes were intended to identify themes associated with the research through open coding. New themes that came up were sub-coded under the main questions and were finally grouped for easy referencing and cross referencing analysis in relation to the main questions and objectives by using key words. The themes were interpreted using hermeneutic approach (Newman 2014). Hermeneutics permit interpretation of text into details without losing its relevance.

## **Findings**

### *Running Indigenous Businesses in Northern Ghana and its Challenges*

The study identified major challenges of doing locally driven economic ventures in the study area. One major challenge identified was the sizes of the businesses. All the women entrepreneurs who participated in the study acknowledge that though they were all into one sort of business or another, their businesses were very small in size and in terms of working capital. The majority of them were only working with resources they could assemble from their homes, farms or from their families. Women who sold on the market usually sold produce from the farms or items they had produced from materials collected from their farms such as shear nuts, fire wood, vegetables, straw, livestock and poultry.

The small sized enterprises were as the results of less or no working capital. Access to funds from financial institutions and credit union is almost nil in the Nabdram District. Unlike Ethiopia where Bekele and Worku (2008) found out that access to finance was largely against women, in the Nabdram District, women and men are both disadvantaged. The entire Nabdram District had no bank nor savings and loans institution that could provide credit facility. In this case, if any of the local people wanted credit facility to expand and grow their businesses then they would have to travel to other districts for same. Even if anyone tried this option, they would not be able to meet the collateral or security guarantee needed for such a loan. Therefore, farmers remain within small scale as their family size could and climatic conditions would permit since they cannot afford fertilizers and other farm inputs. Local shear butter extractors also relied only on nuts they could collect from their farms or backyards for processing. Since most households produce the same kind of products, there is always less raw material for each

producer. This results in less production per head and less income after sales. This creates a cycle of household poverty across the district.

Furthermore, quality of products and access to market were repetitive challenge faced by women entrepreneurs. Most people in the district are less educated. They only apply the knowledge acquired from their parents at home in producing or trading in the products. The traditional way of production is an advantageous value for the products but lack of modernized skills to improve its quality make it attract less price or market value. Also, the rural nature of the district makes it less accessible to potential business partners from other parts of the country. The few buyers who make it to local markets pay less for the products. Women in this study bemoaned the difficulty to sell products below its production cost considering intensive labor power invested in it. They are however left with limited options to sell to the buyers or send it to the regional capital, Bolgatanga market about 25 kilometer away with anticipation of getting better prices. The latter option comes with extra cost for transportation, and selling at higher prices is not guaranteed.

Interviews with women entrepreneurs and local government and institutional heads produced a consistent trace of distress in doing any kind of business in most part of the study area. Human and natural resources are available in bountiful folds. There is however a wider absence of coordinated development plans or initiatives to overturn the poverty spell in the communities. Institutions are trapped in limited options and people are blocked by low education and financial strength. This has resorted in duplication of substandard household businesses that yield close to nothing for family support.

#### *What NGOs do better with Indigenous Women Entrepreneurs?*

In order to ascertain the real impact of international development NGOs' participation in indigenous women social entrepreneurship as a vehicle to reduce poverty in northern Ghana, the study inquired about the work done by NGO Mondo in particular in the study area. The NGO's management members and participants in the Nabdam District were interviewed about what have been done to improve the poverty prevalence in the district through indigenous entrepreneurship. Mondo's activities with local women entrepreneurs in Nabdam District focuses on shear butter extractors and basket weavers.

Respondents from Mondo provided time series data of different skilled people they had sent from Estonia to Ghana to support in training local women in modernizing their businesses since 2013. One group of personnel sent were designers who trained the basket weavers in how to blend different colours to make attractive baskets which are different from the traditional raw straw coloured baskets produced within the area. The NGO also supported the shear butter makers to join a professional shear butter makers association, "Shear Network". This group provided professional training workshops for the women over a period of time. These trainings and skill transfers were set to make the indigenous women entrepreneur groups outstanding in their work in order for them to be competitive on the market. The initial training is also to enable the women to teach new

entrants into the group. The interviews together with field observations revealed that the NGO has provided funding support for the entrepreneurs' training workshops and production equipment. Mondo officials made it clear that they have created a social enterprise unit in their Tallinn Office where they market products produced by people they support around their operational countries. Then send the proceeds back to the same communities to expand their operations. Therefore, the NGO provides European market access for the indigenous entrepreneurs. In order for the products to meet international standards, the NGO supported the shear butter producers to get quality certification from Ghana's Food and Drugs Authority. With this certificate, women working with Mondo are able to market their shear butter anywhere in the world.

The impact of the NGO seems appreciated quickly by the participating entrepreneurs.

“...we now have one hundred women working here at the shear butter shed. Most of us are widows. [...] You see quick improvement in the life of any woman who joins to work with us here [.....] We gain the respect of the community all of a sudden [...] and our children can proudly go back to school” (42 year old member of the shear butter extractors association in Kongo).

Respondents acknowledge the role of the NGO in creating bigger teams (actors) by encouraging individual women to come together to form a group in order to produce more products. The shear butter makers were a group of one hundred women and the basket weavers were thirty-six. These women rely on the social capital and the financial benefit to improve their lives. Community members begin to consider the poor women engaged in the social business as the new middle class and address them as such. It was visible through the research that most of the participants valued the social recognition as important as the financial benefits they got from it. This was profound when some of them spoke about meeting with the Estonian Prime Minister in November 2017 in Accra, the national capital. A participant had the following to say:

“When they (Mondo) told us we were going to Accra to meet the Estonian Prime Minister, I didn't believe. I have never met the President of Ghana so how can I meet the one from another country. I didn't believe until I was on the plane and when we finally met him in Accra. That was my first time on an airplane and my first time of going to Accra. [...] We gave him a specially made basket and the shear butter people gave him some of the shear butter [...]. We spoke about our business here in the village and the work Mondo has been doing with us to him. [.....] He assured to support us more” (58 year old basket weaver).

Indigenous women entrepreneurs through the support of the NGO had broken the barriers of remaining in a remote village to meeting the premier of a country due to working relationship they had built with an organization from that country (Estonia). The assurances made by the Prime Minister could be an affirmation of satisfaction of the project done by the women, hence, his government's willingness to continue to provide funding to Mondo to continue its international development activities. For the women, the subject of poverty goes beyond the use of United

Nations 2 US Dollar per day benchmark (Gordon, 2005). Inclusion and social recognition is a major part of noticing poverty. Women entrepreneurs supported by Mondo have obtain the recognition, hence could be said to be fighting poverty in that regard.

## **Discussions**

### *Abundant Indigenous Resources without Structures for Innovation*

Analyzing data from the field revealed a clear phenomenon of untapped resources that has led to a severe poverty situation in most parts of Northern Ghana. Most women in the area have recognized the triggers (Loogma et al. 2012), the first step to social innovation. The women are quick to find the need to take action in building the fortunes of their homes, especially, when most of them are widowed and the entire household responsibilities fall on them. The cause to effect transformation through the use of local entrepreneurship arises from this need. There is however a disjoint in the remainder of the innovation process towards achieving social impact at the end. In the frameworks of social innovations and social entrepreneurship, the end results should be a solution, or at least, a partial solution to a social problem. There is no effective social good if the process is not well organized. The kind of entrepreneurship practiced by women of Nabdum falls into the one described by Hall (1970). In his conclusion, Hall made a strong case that, starting an indigenous enterprise is not enough to cause change. It requires some sort of modernization which would not necessarily change the indigenousness but lead to bigger impact in development.

Indigenous women entrepreneurs have abundant natural raw materials within their localities. They also have the people, the labour, for production. These two factors of production alone have not been able to make significant changes for many years. Anytime entrepreneurship focuses only on raw materials without adding much value to the production process, they get less profit. This is what has been the case of indigenous women entrepreneurs of Northern Ghana. The study found out that sociological factors such as networks, role models and teams that will push indigenous women entrepreneurs of the north are nonexistent. This therefore reduces their innovation to achieve more, take risk and to be more creative.

Furthermore, the results showed a broken implementation plan to reduce poverty. State institutions and organizations lack proper support plan for indigenes who want to work with local resources. The people themselves are not skilled and resourced enough to create incubators or attract credit from financial institutions. Therefore, the study realized that without an external intervention as proposed by Hall (1970) or a pragmatic approach from the local entrepreneurs themselves, the end results of the whole process which is the impact of reducing poverty, will be difficult to achieve. This study supports the former, involvement of external bodies like NGOs since indigenous people and the local government have failed to make

impact over the years. This however will take away the self-sufficiency factor of Abu-Saifan's (2012) definition of social entrepreneurship.

#### *NGOs Support as binding Agent for Local Entrepreneurship Growth*

The success or otherwise of an indigenous entrepreneurial venture largely depends on the traits of the entrepreneurs and existing environmental conditions (Briggs 2008). What was obviously lacking for local entrepreneurs being it handicraft makers, cosmetics producers or shop keepers, was business management skills. The groups of women entrepreneurs have shown limited or non-existing business management characteristics. This could be attributed to the educational system and cultural structure. Most girls and for that matter women, in the north have little or no education. Therefore, their entrepreneurial skills hinge on passed-on traditions. The characteristics of social entrepreneurs (Abu-Saifan 2012) are blurred by the informal nature of the Ghanaian society (Hart 1973) and higher illiteracy rate. Moreover, the cultural system of the north that places women below the social ladder, sometimes even below their male children, makes it difficult for them to have the confidence in themselves.

What NGO Mondo has been successful at has been to support indigenous women businesses to form teams to make them competitive, identify innovative opportunities to add value to their products, expand their market networks, acquire business management skills, and to acquire social and institutional recognition. The NGO has tried in the process not to take the lead role but to follow the local women. Mondo has followed the same triggers that made the women begin their respective businesses in the first place. The main objective has been to improve their lives and that of their children. This study has identified that the NGO has used different measures to push the women to do more. For instance, though Mondo is not the entrepreneur in this study, they prompt the women to chase social value creation as proposed by Abu-Saifan (2012). Also, the NGO has used its international experience and influence to broaden the meaning of leadership for the women. Traditionally, women are supposed to wait for their men before they take any move. Through the growth of their entrepreneurship skills, however, they have become recognized opinion and mission leaders themselves. They have influenced the trajectories and hierarchies of their families.

Furthermore, selling certified products to international organizations for the international market means that there is more income coming as compared to selling in local markets. This has made most of the women entrepreneurs strong and financially independent as compared to other women entrepreneurs within the district who are not part of the NGO supported groups. The study revealed evidence of school aged children of the participants' ability to go to school now as compared to few years earlier, when the children would also have to help in working to support the family. This is an affirmation of the theory that, when women entrepreneurship are successful, improves the lives of households (Bekele and Worku 2008, Dzisi 2008, Anambane and Adom 2018).

*Win-Win for International Cooperation*

The study has revealed a bigger bond that could exist between countries that do not have official bilateral cooperation. The Republic of Estonia where NGO Mondo comes from and the Republic of Ghana where the support is given, do not have official bilateral relations at government levels. However, there is a new relationship drawn from the development support provided by the Estonian organization to the Ghana villages. There is a win-win outcome derived from the cooperation. From the Estonian side, their NGO's support for a small group of women in rural parts of Ghana is setting a stage for them to be well recognized in a region the country is less known. That is a marketing for the country, Estonia. The study revealed how the Estonian Prime Minister made a stop in Ghana just to meet the members of the group Mondo works with. This proves how significant the government of Estonia sees the contribution of the relatively small NGO from its country in reducing impoverishment far away from home. The NGO-indigenous entrepreneurs relationship has created a Macro (state level)-Micro (local community level) relationship.

Again, majority of products produced by the local enterprises supported through the development support are sold to the Estonian Market. This provides Estonia the opportunity to get the supply of those exotic products without much competition. This makes average Estonians who patronize the products in Estonia enjoy a bit of Ghanaian culture since the products, shear butter and straw baskets are part of the special indigenous heritage of the villages where they are hand-made.

For the people of Northern Ghana where indigenous businesses have been given external production support, there are various 'wins'. First of all, the support received by the women has enabled the defeat of the definition of poverty on the mere basis of consuming 2 US Dollar per day (Gordon 2002). There is a sense of recognition for the local women whose products are sold on the international market in Europe. Most of them admitted that they may never travel out of the country but to have their products sold on a foreign land is enough for them. It is an acceptance of the globalization as a trending discourse in international relations. These are mostly uneducated widows who were originally only concerned about fending for their children. Suddenly, they have realized that their local products are making significant penetration on the European market. In this sense, Bekele and Worku (2008) assertion that globalization comes not only with threats but also opportunities for small enterprises is affirmed. In the same vain, NGOs can fast tract the globalization of indigenous businesses as Zahra et al (2008) wants it to be. There is however a potential for NGOs to use such platforms to pass western ideas onto indigenous people which later take away the sanctity of their cultures. This issue has been discussed in another paper.

## **Conclusion**

This paper has presented an approach to reducing poverty through international NGO supported indigenous social entrepreneurship. The study has shown how little support from development organizations towards building local brands could improve multiple lives and at the same time foster development cooperation even as a 'second level' diplomatic arrangement between an organization from a country and the people of another. The study has also affirmed the use of face-to-face interview data collection as a workable data collection tool in NGO supported-indigenous social entrepreneurship poverty alleviation research.

Analysis of the study revealed significantly positive relationship between; skills and material support from development NGOs in strengthening women indigenously run businesses and poverty alleviation. The interpretation of this finding is that to accelerate poverty reduction in chronically impoverished societies, there is the need to apply some social innovation. This innovation could be far reaching if different actors with converging social goals work together through indigenous social entrepreneurship activities. Extrapolating these findings, as many women are empowered to improve their local craft and business for a wider market, the level of poverty and impoverishment reduces exponentially. Poverty reduction activities of NGOs make greater impact when local trades are the focus in the process. Women who get trained to improve their indigenous trades for larger market are able to pass on the knowledge to others within the community. They then come together to produce quality products for larger markets. The price per item produced in this process is higher than if it had been done in the known local way. The higher selling prices for larger and sometimes international markets means that women entrepreneurs get more profit and hence are able to provide more basic needs for themselves and their families. This is the strategy used in reducing poverty in communities in which NGO Mondo has been working. Immediate priority should therefore be placed on improving the skills and understanding of indigenous entrepreneurs on how to produce the same local product with emphasis on quality in order to attract higher sales price and obtain more profit which will transform into disposable household income.

This empirical study focused only on a small sample from a relatively small district in a wide geographical area of Northern Ghana. Therefore, the study results may be particularly applicable to the study district and probably, neighboring districts that receive support from other NGOs in building their local products. It is however not out of order to mention that considering the commonalities such as culture, economic factors and raw materials of the entire northern part of Ghana, the study could be applicable and duplicable in the entire northern Ghana. Further research will assist in providing broader understanding of the working relationship between international NGOs and indigenous women social entrepreneurs and how it influences poverty reduction efforts. Efforts of local institutions responsible for development and poverty reduction could also be paralleled against the strategies of NGOs in developing local businesses to be profitable and to accelerate poverty reduction.

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