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# Minority Status and Self-Employment: The Mediating Role of Personal Initiative



## RESEARCH PAPER

# Minority Status and Self-Employment: The Mediating Role of Personal Initiative

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## ABSTRACT

**PURPOSE:** To examine the mediating role of personal initiative in the relationship between minority status and self-employment among self-employed women in Uganda.

**METHODS:** The paper adapts a cross-sectional survey design to collect data from 203 self-employed women, and tests the hypothesis using partial least square structural equation modelling (PLS-SEM).

**FINDINGS:** Findings indicate a partial mediating role of personal initiative in the relationship between minority status and self-employment.

**IMPLICATION:** Results provide useful insights into the role of personal initiative in self-employment as well as enhancing the ability of minority women to start enterprises for their survival.

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**LIMITATIONS:** The study was cross-sectional, therefore imposing a limitation on changes in perception over time. In addition, this study only considers minority status and personal initiative in explaining self-employment; however, there are other factors that could be explored.

**ORIGINALITY/VALUE:** This paper examines the mediating role of personal initiative in the relationship between minority status and self-employment in the context of minority women in Uganda, against the auspices of middleman minority and personal initiative theory.

**KEYWORDS:** *Self-employment; Minority status; Personal initiative; PLS-SEM*

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## INTRODUCTION

Throughout the world, self-employment is appreciated as an alternative to unemployment in the labour market (Fossen, 2021). This is because the global recession, worsened by the COVID-19 pandemic, has caused a scarcity of job opportunities (Victor *et al.*, 2021), the most affected category being women minorities (World Bank, 2019). For example, 38.8% of women globally participate in the workforce while 5.6% are rendered unemployed (Gomis *et al.*, 2020). This has been worsened by social-economic hindrances, traditional beliefs and stereotypes that push more women out of formal employment into domestic work (Kuhn *et al.*, 2018). Consequently, more women opt for self-employment, not only as an alternative to unemployment but also to balance between work and family (Kuhn *et al.*, 2018). Evidence indicates that 14% of the female workforce in Uganda is unemployed (UBOS, 2019), while of those working, 85% are self-employed (World Bank, 2019). To alleviate this situation, the government of Uganda introduced labour intervention strategies; equal access to employment (Ameratunga Kring, 2017), skilling policy, and promoting access to higher education by adding 1.5 points to every girl child joining a state-owned tertiary institution to enable them qualify for a government scholarship. Despite these strategies, female unemployment is still high in Uganda (Ameratunga Kring, 2017), leaving questions on what matters for self-employment among women.

Scholarly effort has explained self-employment in terms of learning behaviour and business self-efficacy (Kusemererwa *et al.*, 2020) and search for autonomy (Maguire and Winters, 2020). Additionally, extant scholarship on minority self-employment is mainly concentrated on ethnic and racial minorities who are forced into self-employment because of discrimination in the primary labour market (Fisher and Lewin, 2021), with little emphasis on the role of minority status and personal initiative. However, anecdotal evidence shows that minority status combined with individual personal initiative can help gender minorities to be self-employed. Since gender minorities, especially women, suffer similar discrimination when accessing waged employment, forcing them to start small businesses as an alternative survival strategy, they need a behavioural syndrome where individuals take actions without being instructed. In addition, there exists scant literature regarding the role of personal initiative as a behavioural trait in influencing minorities' entry into self-employment.

We contribute to the literature by establishing the relationship between minority status, personal initiative and self-employment, and the mediating role of personal initiative between minority status and self-employment. This is achieved by analysing data collected from 203 self-employed women in Mukono municipality, using partial least square structural equation modelling (PLS-SEM). Results suggest that minority status and personal initiative are associated with self-employment. Additionally, personal initiative plays a partial mediating role between minority status and self-employment.

The rest of the paper is structured as follows: the next section contains a theoretical review and hypothesis development, followed by sections on methodology, results, discussion, conclusions, implications, and limitations.

## **THEORETICAL REVIEW AND HYPOTHESIS DEVELOPMENT**

### **Theoretical Underpinning**

The study is underpinned by middleman minority and personal initiative theories. The middleman minority theory posits that individuals with limited access to labour market opportunities survive by seeking alternative survival mechanisms, such as self-employment (Bonacich, 1973). The self-employment concept is embedded in middleman minority theory because marginalised groups join self-employment as an alternative livelihood strategy in a hostile environment created by discrimination (Fisher and Lewin, 2021). Minority status alone might not help someone to be self-employed without considering their individual personal initiative, where the theoretical gap is bridged by the personal initiative theory (Frese *et al.*, 2016). This theory assumes that individuals with limited access to opportunities do not wait for the environment to favour them, but change such situations by being pro-active, self-starting and persistent; as being necessary to enable them to start small businesses to earn a living (Frese, 2020). This theory is useful in explaining self-employment among women because those who exhibit personal initiative have been found to be successful in running their small businesses (Nsereko *et al.*, 2021). Therefore, minority status and personal initiative as explained above are precursors for self-employment among women.

## **HYPOTHESIS DEVELOPMENT**

### **Minority Status and Self-Employment**

Minority status is referred to as limited access to economic opportunities, productive resources and political influence by some individuals (Bonacich, 1973), while self-employment refers to individuals who do not depend on wages but earn a living by starting an enterprise (Fossen, 2021). Fisher and Lewin (2021) and Opute *et al.* (2021) indicate that minority status and self-employment are related. According to Opute *et al.* (2021) and Fisher and Lewin (2021), the environment in which minorities live deprives them of access to formal employment, compelling them to start small enterprises for a livelihood. This study examines the role of minority status and self-employment among women as gender minorities, as opposed to Fisher and Lewin (2021) and Opute *et al.* (2021)

who focused on minority self-employment among individuals whose minority status was a result of race and ethnicity, in developed countries as opposed to a developing country perspective. From the foregoing, it can be hypothesised that:

H1: Minority status is positively related to self-employment.

## **MINORITY STATUS AND PERSONAL INITIATIVE**

Based on theory and practice, it is argued that individuals with limited access to economic opportunities are forced to be creative so as to find alternative sources of survival (Light, 2021), because the environment surrounding them forces them to be innovative (Frese, 2020). This process of finding alternative sources of survival requires someone with initiative traits such as self-starting, proactiveness and persistence (Frese *et al.*, 2016). Innovativeness helps minorities to adapt to such environments by creating something new, such as starting small businesses using limited resources available to them (Rae, 2021). According to Opute *et al.* (2021), their shared identity and cultural predisposition also influence their level of initiative activities. However, in instances when these minorities obtain and continue to expect assistance from government and non-governmental organisations, their personal initiative is usually eroded. From the above, we deduce that the environment surrounding minorities leads them to develop personal initiative behaviours. Therefore, we contribute to academic debate by examining the relationship between minority status and personal initiative among self-employed women in a developing country context.

H2: Minority status is significantly related to personal initiative among self-employed women.

## **PERSONAL INITIATIVE AND SELF-EMPLOYMENT**

Personal initiative is related to self-employment (Nsereko *et al.*, 2021): it not only helps individuals to identify and make use of business opportunities, it also enables them to overcome business growth barriers (Oliva *et al.*, 2021). When faced with economic hardships, such individuals do not wait for governments to give them jobs but instead create their own survival alternatives, such as starting small businesses (Nsereko *et al.*, 2021). In addition, their proactiveness enables them to develop innovative ways that help them to survive in a competitive business environment (Hamdan and Alheet, 2020). On the other hand, the legal, social cultural and social economic environment where an individual operates may inhibit their personal initiative. For example, unlike in developed countries such as the US where small scale business owners are exempted from paying taxes until they attain a certain level of operation, in Uganda, all businesses start paying taxes from their inception, therefore limiting some individuals from starting business ventures. Notwithstanding the above, we hypothesise that:

H3: Personal initiative influences self-employment among women.

## **MINORITY STATUS, PERSONAL INITIATIVE AND SELF-EMPLOYMENT**

We hypothesised that minority status relates with self-employment through personal initiative. Scrutiny of the literature reveals that personal initiative may enable minorities to become self-employed (Nsereko *et al.*, 2021). Personal initiative enables minorities to be innovative and utilise meagre resources efficiently to make savings and start small businesses for survival (Rae, 2021). Additionally, self-starting behaviour enables minority entrepreneurs to create the social network ties necessary for venture formation and survival (Opute *et al.*, 2021). Similarly, individuals with personal initiative have the capacity to use their prior knowledge, proactively and innovatively, to create ventures that solve societal related challenges (Nsereko *et al.*, 2021). We contribute to literature and theory by exploring the mediating role of personal initiative between minority status and self-employment. Therefore, we hypothesise that:

H4: Personal initiative plays a significant role in the relationship between minority status and self-employment.

## **METHODOLOGY**

### **Research Design, Population and Sample Size**

A cross-sectional quantitative research design was used because it enables collection of data to make inferences at a particular point in time (Zangirolami-Raimundo *et al.*, 2018); it does this by testing pre-existing theories and hypotheses to establish relationships among study variables (Neuman, 2014). A sample size of 203 out of 3,750 estimated self-employed women in Mukono municipality was used following the procedure for implementing power analysis in PLS-SEM (Hair *et al.*, 2014). The unit of inquiry and analysis is self-employed women.

### **Sampling Design and Procedure and Data Collection**

This study used a snowball sampling technique to select self-employed women to participate in the study. As recommended by Allen (2017), we first identified some self-employed women who met the required criteria; they were later asked to recommend other self-employed women in the same locality that were willing to participate in the study. This sampling design was chosen because the researcher and his team could not generally access records about self-employed women in Mukono municipality. Mukono municipality was chosen as a study area because it is one of the growing municipalities with the highest populations and among those with the highest number of micro-businesses (UBOS, 2018). To collect data, all necessary permissions were obtained from the Faculty of Graduate Studies and Research, Makerere University Business School and Mukono municipality authorities before the researcher and his research assistants administered the questionnaires.

## Instrument Design and Operationalisation of Study Variables

We conceptualised and operationalised the study variables based on previous scholarly works, see Table 1 below.

**Table 1: Operationalisation of Study Variables**

Study Variable	Operationalisation	No. of Items	Sample Items
<b>Self-employment</b>	Business premises and Customer management (Linan and Chen, 2006)	12 items (Linan and Chen, 2006)	I arranged business premises I analyse available business opportunities I get information on competitors' prices
<b>Minority status:</b>	Solidarity and frugality (Bonacich, 1973; Zenner, 1987)	13 items (Lastovicka <i>et al.</i> , 1999; Janmaat and Braun, 2009)	I am willing to provide financial and non-financial assistance to business associates who are in need I put aside some money for emergencies I follow a budget when spending money
<b>Personal initiative</b>	Self-starting, proactiveness and persistence (Frese <i>et al.</i> , 2016)	15 items (Frese <i>et al.</i> , 2016)	When something goes wrong in business, I search for a solution immediately I am always looking for better ways of doing business

Source: Constructed by authors from literature review

Study items were assessed by five professors in behavioural economics and five self-employed practitioners to appropriately tap the phenomena and improve on item content validity in the study context. Their suggestions improved on item wording, readability and clarity in the final data collection instrument. All the study measurement items were anchored on a 6-point Likert scale where 1 = strongly disagree and 6 = strongly agree; this avoided neutral responses and increased Heterotrait-monotrait reliability and validity coefficients (Chang, 1994).

## MEASUREMENT VALIDATION

Both measurement and structural model were assessed in terms of reliability (Cronbach alpha coefficient and composite reliability above 0.7) and validity (item loadings >0.708 and average variance extracted (AVE) >0.5). The results in Table 2 indicate that these thresholds were met, as recommended by Hair *et al.* (2019).

**Table 2: Reliability, Convergent Validity Test**

Variable	Dimension	Item Codes	VIF	Item Loadings	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
Minority Status	Frugality	FR14_1	2.083	0.894	0.822	0.866	0.840
		FR15_1	1.713	0.813			
		FR7_1	1.644	0.834			
	Solidarity	SD12_1	1.698	0.771			
		SD13_1	1.654	0.745			
		SD14_1	1.477	0.724			
		SD2_1	1.661	0.772			
SD5_1	1.601	0.724					
Personal Initiative	Proactiveness	PA10_1	1.562	0.708	0.905	0.920	0.721
		PA4_1	1.615	0.724			
		PA6_1	2.297	0.821			
		PA7_1	3.769	0.893			
		PA8_1	3.102	0.812			
		PA9_1	2.885	0.853			
	Persistence	PS10_1	2.365	0.759			
		PS12_1	2.083	0.759			
		PS5_1	1.891	0.732			
		PS6_1	2.616	0.803			
		PS7_1	2.898	0.798			
		PS8_1	3.772	0.814			
	Self-start	PS9_1	2.514	0.772			
ST4_1		1.359	0.778				
ST5_1		1.334	0.844				
Self-employment	Customer management	ST7_1	1.410	0.729	0.695	0.804	0.678
		SE11_1	1.190	0.713			
		SE12_1	1.279	0.760			
	SE23_1	1.290	0.803				
	Business premises	SE7_1	1.298	0.850			
SE8_1		1.298	0.870				

Source: Constructed by authors from primary data

## DISCRIMINANT VALIDITY

The Heterotrait-monotrait (HTMT) ratio was used to assess discriminant validity. HTMT values less than 0.85 imply existence of discriminant validity (Henseler *et al.*, 2015). The results in Table 3 meet the criteria and therefore signify that our study constructs are different from each other.

**Table 3: Heterotrait-Monotrait Ratio (HTMT) Results**

Study Variables	1	2	3
Minority Status (1)	0.714		
Personal Initiative (2)		0.474	
Self-employment (3)			0.443

Source: Constructed by authors from primary data

### COMMON METHOD BIAS

Procedural and statistical remedies were used to minimise variations in responses (Podsakoff *et al.*, 2012). Procedural remedies included using simple language, avoiding double-barrelled questions and altering verbal anchors (for self-employment and personal initiative 1 = agree completely without any doubt while 6 = completely disagree without doubt, while minority status 1 = this is very much like me and 6 = this is not like me at all). Statistically, a Harman single factor test was conducted by loading all study variable items in exploratory factor analysis using un-rotated principal component analysis. The results revealed that one factor emerged accounting for 15.26% of the variance, which is less than 50%, implying that common method bias does not exist in this study (Sharma *et al.*, 2009).

### NON-RESPONSE BIAS TEST

To overcome non-response bias between early and late responses caused by careless responding and social desirability that could affect the validity of the researcher's conclusion, a Mann-Whitney U test was carried out across all study variables (Wetzel *et al.*, 2016). The results in Table 4 below yielded non-significant Z scores for all study variables, indicating that response bias was not an issue in this study.

**Table 4: Test Statistics**

	Self-employment	Minority Status	Personal Initiative
Mann-Whitney U	49.00	64.00	62.00
Wilcoxon W	545.00	560.00	558.00
Z	-1.304	-0.618	-0.709
Asymp. Sig. (2-tailed)	0.192	0.537	0.478
Exact Sig. [2*(1-tailed Sig.)]	0.207 <sup>b</sup>	0.563 <sup>b</sup>	0.504 <sup>b</sup>

Note: <sup>b</sup>Grouping Variable: Response timing (early and late)

Source: Constructed by authors from primary data

## DATA ANALYSIS

Partial least square structural equation modelling (PLS-SEM) was performed using Smartpls software Version 3.3.6. PLS-SEM was chosen because of its capacity to produce robust results for both small and large samples, and its high statistical power in explaining relationships in both exploratory and confirmatory research (Sarstedt and Mooi, 2019; Hair *et al.*, 2019).

## RESULTS

### Individual Characteristics

The results in Table 5 below show that the majority of the respondents were in the age groups 30-33 and 34-37, accounting for 29.6% and 17.2% respectively, signifying Uganda's demographic structure. Those aged 18-21 account for 2.5% of the total; this is because, in Uganda, most people at this age are either in school or still under the care of their parents. In terms of education, 36.5% attained ordinary level education while 22.2% acquired advanced level education. These women could not easily find formal employment because many employers in Uganda prefer workers with tertiary qualifications since labour productivity is often associated with level of education. Only 5.9% of the sample did not attain any formal education. This could be attributed to the free universal primary and universal secondary education in Uganda. In addition, 46.8% were married while 24.1% were not.

**Table 5: Individual Characteristics**

Age	Frequency	%	Educational Level	Frequency	%
18-21 years	5	2.5	Non-formal	12	5.9
22-25 years	31	15.3	Primary	34	16.7
26-29 years	29	14.3	O-Level	74	36.5
30-33 years	60	29.6	A-Level	45	22.2
34-37 years	35	17.2	Tertiary	38	18.7
38-40 years	19	9.4	Total	203	100
41+ years	24	11.8			
Total	203	100			

Source: Constructed by authors from primary data

In addition, the results in Table 6 show that 87.2% of the women who participated in the study were operating as sole proprietors, 7.9% registered companies with 5.9% as partners. This indicates that sole proprietorships are easier to start compared to partnerships and registered companies.

Regarding the business category, 33% dealt in general merchandise, 20.2% market vendors, 10.8% operating salons, 9.9% fashion and design, 8.9% accounted for both restaurants and street vending while 8.4% for mobile money. In terms of daily sales, the majority of the self-employed women made daily sales of less than 100,000 Uganda shillings followed by those who made between 100,000 and 200,000 Uganda shillings; these account for 46.8% and 35% respectively. However, only 3% of the respondents made sales of more than 400,000 Uganda shillings per day. In respect to the source of start-up capital, the majority of respondents used their own savings followed by those who obtained from family and friends, constituting 57.6% and 24.6% respectively. This could be attributed to a lack of collateral security that prevented many of them from acquiring loans from financial institutions.

**Table 6: Business Characteristics**

Category of Business	Frequency	%	Business Ownership	Frequency	%
Market Vending	41	20.2	Sole proprietor	177	87.2
Salon	22	10.8	Partnership	12	5.9
General merchandise	67	33	Registered company	16	7.9
Fashion & design	20	9.9	<b>Total</b>	<b>203</b>	<b>100</b>
Mobile money	17	8.4	<b>Duration in business</b>	<b>Frequency</b>	<b>%</b>
			<1yr	131	64.5
Restaurant	18	8.9	1-2	60	29.6
Street Vending	18	8.9	3-4	9	4.4
			5-6	3	1.5
			<b>Total</b>	<b>203</b>	<b>100</b>
<b>Total</b>	<b>203</b>	<b>100</b>	<b>Daily sales</b>	<b>Frequency</b>	<b>%</b>
<b>Source of start-up capital</b>	<b>Frequency</b>	<b>%</b>	<100,000 Ugx	95	46.8
Own savings	117	57.6	100,000-200,000 Ugx	71	35
Saving group	25	12.3	201,000- 300'000 Ugx	19	9.4
Family and friends	50	24.6	301,000-400,000 Ugx	12	5.9
Microfinance Loan	11	5.4	>400,000 Ugx	6	3
<b>Total</b>	<b>203</b>	<b>100</b>	<b>Total</b>	<b>203</b>	<b>100</b>

Source: Constructed by authors from primary data

## DESCRIPTIVE AND CORRELATIONS

The results in Table 7 reveal that study variables have means of 4.59, 4.82, and 4.53, with associated standard deviation of 0.79, 0.80 and 0.71 for minority status, personal initiative and self-employment respectively. These figures indicate that these women perceived themselves as having high frugality and solidarity behaviours, and that they exhibit personal initiative, which helps them to participate in meaningful self-employment. Additionally, results indicate that there is a positive relationship between minority status and personal initiative, minority status and self-employment, personal initiative and self-employment, implying that we could proceed to test our study hypotheses.

**Table 7: Descriptive and Bivariate Correlations**

Study Variables	Descriptive		Correlations		
	Mean	Std. Deviation	1	2	3
Minority Status	4.59	0.79	1		
Personal Initiative	4.82	0.80	0.628**	1	
Self-employment	4.53	0.71	0.360**	0.347**	1

Note: \*\*P<0.01

Source: Constructed by authors from primary data

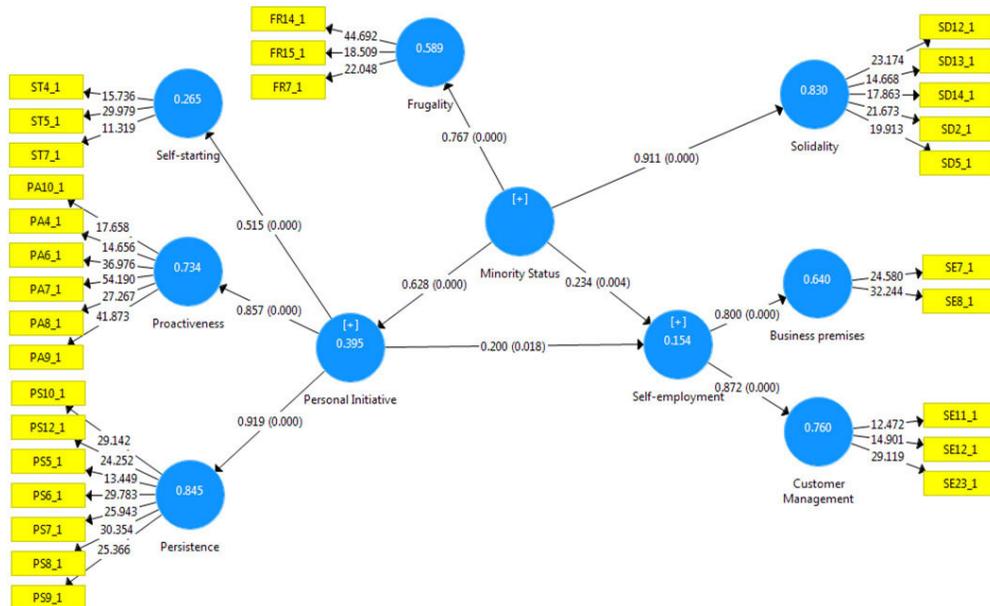
## DIRECT AND MEDIATION HYPOTHESES TEST RESULTS

We used PLS-SEM to test the relationship among the study variables using bootstrapping, with 5,000 sub-samples with no sign significant option at 95% significance levels and bias corrected confidence interval (BCa CI). Results reveal that there is a positive significant relationship among minority status, personal initiative and self-employment ( $\beta = 0.234$ ,  $p = 0.004$ ;  $\beta = 0.200$ ,  $p = 0.01$ ) with lower and upper boundaries at 95% BCa CI (0.067 and 0.386; 0.039 and 0.369) respectively. In addition, minority status and personal initiative have a positive significant relationship ( $\beta = 0.628$ ,  $p = 0.000$  within lower and upper boundaries at 95% BCa CI (0.530 and 0.730)). The  $R^2$  value of 0.154 for self-employment and 0.395 for personal initiative further support the in-sample model-fit as Shmueli *et al.* (2019) recommends. Additionally, positive values of Stone (1974)  $Q^2$  statistics indicate that the PLS path model's prediction error is smaller, hence the predictive relevance of the model (Shmueli *et al.*, 2019). In addition, following Carrión *et al.*'s (2017) recommendation, we established the mediating role of personal initiative in the relationship between minority status and self-employment. Results indicate that personal initiative has a positive significant complementary mediating effect between minority status and self-employment ( $\beta = 0.126$ ,  $p = 0.020$ ; with lower and upper boundaries 0.024 and 0.236 at 95% BCa CI) as both the direct and indirect paths are in the same direction (Carrión *et al.*, 2017), see Table 8.

**Table 8: Mediation Results**

Direct Hypothesis	$\beta$	$\delta$	T Stat	P Values	Confidence Intervals Bias Corrected
Minority Status -> Personal Initiative	0.628	0.043	14.465	0.000	0.530-0.730
Minority Status -> Self-employment	0.234	0.081	2.883	0.004	0.067-0.386
Personal Initiative -> Self-employment	0.200	0.085	2.372	0.018	0.039-0.369
Indirect Hypothesis	$\beta$	$\delta$	T Stat	P Values	
Minority Status -> Personal Initiative -> Self-employment	0.126	0.054	2.319	0.020	0.024-0.236
Total Effect	$\beta$	$\delta$	T Stat	P Values	
Minority Status -> Personal Initiative	0.628	0.043	14.465	0.000	0.530-0.703
Minority Status -> Self-employment	0.360	0.059	6.149	0.000	0.235-0.466
Personal Initiative -> Self-employment	0.200	0.085	2.372	0.018	0.039-0.369
Model criteria	R <sup>2</sup>	Adj R <sup>2</sup>	Q <sup>2</sup>		
Personal initiative	0.395	0.392	0.652		
Self-employment	0.154	0.145	0.039		

Source: PLS-SEM in Figure1



**Figure1: PLS-SEM for Self-employment**

Source: Constructed by authors from primary data

## DISCUSSION

This study set out to investigate the mediating role of personal initiative in the relationship between minority status and self-employment.

We observed a significant and positive relationship between minority status and self-employment. This result means that socially and economically disadvantaged individuals are more likely to start small businesses to earn a living. This is because they suffer discrimination in the labour market that compels them to employ themselves. Further, results show that the self-employed women studied save resources for starting business through frugal behaviour, such as repairing and reusing items instead of buying new ones. In addition, findings reveal that self-employed women thrive by identifying and befriending their customers and suppliers. This finding resonates with the findings of scholars such as Opute *et al.* (2021) and Fisher and Lewin (2021), who established that individuals with limited access to formal jobs are compelled to start small enterprises as a livelihood strategy. Consistent with their argument, self-employed women in this study repaired and reused items instead of buying new ones to raise start-up capital demonstrates innovativeness, a finding that renders support to the personal initiative theory (Frese *et al.*, 2016) that postulates that individuals with limited access to opportunities do not wait for the environment to favour them, but rather change such situations by being pro-active and self-starting in order for them and their businesses to survive.

Results also reveal that minority status is significantly and positively related with personal initiative. This implies that people who suffer social and economic disadvantage in society are likely to survive through taking an active and self-starting approach to achieve their goals by exhibiting persistence in overcoming barriers and setbacks. In the context of this study, self-employed women were found to exhibit behaviours such as actively identifying business opportunities, taking advantage of them and, when business challenges occurred, they sought ways to fix them. This finding is concomitant with Opute *et al.* (2021) who found that individuals with minority status exhibit high personal initiative by taking up entrepreneurial activities that help them to survive. This view is also shared by Rae (2021) who noted that self-starting behaviour helps minorities to adapt to unfavourable environments.

Our results further demonstrate that personal initiative is a likely key antecedent of self-employment. This result implies that women with self-starting, proactive and persistent behavioural traits can easily employ themselves by starting small businesses. This result supports the earlier finding by Oliva *et al.* (2021) who established that starting enterprises depends on the individual's ability to overcome obstacles that may inhibit the achievement of their goals. Contextually, through personal initiative, self-employed women identified business opportunities, exploited them and, when business challenges arose, they did not give up but sought for ways to overcome them.

The study also established that there is an indirect effect of minority status on self-employment among women that is partially mediated by personal initiative. This result indicates that being self-driven enables minorities to employ themselves. In this respect, even though minority status and self-employment are directly related, the effect of minority status on self-employment may also be indirect, implying that it could be through personal initiative. We found that the indirect effect of minority status on self-employment through personal initiative accounts for 35% variation. This result collaborates well with Nsereko *et al.* (2021) who argued that personal initiative helps minorities to survive by starting businesses without being instructed.

## CONCLUSIONS

In this study, we sought to advance theory and research in behavioural economics by developing a parsimonious model of minority status and self-employment and how personal initiative enables the occurrence of this relationship. Empirical findings in support of the hypothesised relationships are in line with the theoretical assertions that minority status affects self-employment. Additionally, the study concludes that personal initiative is an important enabler of minority status and can be considered as key to enhancing self-employment. The current study contributes to existing knowledge by offering significant information about the relationship between minority status, personal initiative and self-employment, which is sparse.

## IMPLICATIONS

### Practical Implications

This study reveals that minority status positively influences individuals to earn a living by starting an enterprise. Results suggest that women in Uganda, because of their social and economic disadvantage, can only survive by starting an enterprise through exhibiting frugal behaviours, such as repairing and re-using items rather than buying new ones; this helps them to save money to inject into a business. Further, results imply that for minority women to continue surviving in business, they have to identify and befriend customers and suppliers. Additionally, for minorities such as women to join self-employment, their personal initiative is key in identifying business opportunities, exploiting them and being resilient in overcoming business challenges.

### Policy Implications

Based on our results, women as gender minorities in Uganda can earn a living by starting small businesses. This therefore calls for government to provide extension services for mentoring minority women in self-employment on the use and management of resources in their ventures as these were found to be necessary in boosting their operational capital. We add that since personal initiative is an enabler of self-employment, policy-makers should develop a policy package to provide personal initiative training to women in self-employment or who intend to employ themselves.

## Limitations and Future Research

First, our study respondents were located in Uganda, particularly in Mukono municipality. Therefore, this study needs further validation in other parts of the country. Second, the study used a cross-sectional study design; however, self-employment needs to be studied over time. Therefore, future studies on self-employment among women should use a longitudinal design that is more capable of capturing changes in the ability to start and operate an enterprise. Further, case research could be used to validate the research results.

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