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SUMMARIZING THE KEY CHARACTERISTICS,
ENABLING ENVIRONMENT AND NEEDS OF
WOMEN-OWNED BUSINESSES



ACKNOWLEDGMENTS

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[GroFin](https://report.grofin.com/wp-content/uploads/2019/07/Integrated-Report-2018.pdf): Since its inception in 2004, GroFin has established a wide network of local offices in 15 countries throughout Africa and the Middle East. They have supported over 700 SMEs and have sustained over 90,900 jobs across healthcare, education, agribusiness, manufacturing and key services (water, waste & energy). They have the support of 34 international development finance institutions, development organizations, foundations, large companies and private funders with committed funding of nearly US\$ 500 million. <https://report.grofin.com/wp-content/uploads/2019/07/Integrated-Report-2018.pdf>

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Commonalities Across Women-Owned Businesses



Limited access to resources including collateral and other sources of financing

Slow to moderate business growth orientation

Limited knowledge of financing options and financial management

If married and/or have children, added pressure of requiring spousal support and balancing childcare

Low self-confidence to grow their business and seek investment support

Risk averse to investment and fast growth

Underestimate performance

Childcare & community responsibilities

Introduction

This report outlines the key characteristics, influencing environment, and needs of Women-Owned Businesses (WBEs)¹ in order to support investors² and technical assistance or business service providers in Africa to adopt a gender lens within their current practices and policies.

The findings and strategies presented in this report were collected through research conducted by Mennonite Economic Development Associates (MEDA) as part of a consultancy for GroFin, a private development finance institution specializing in debt financing and support to small and growing businesses throughout Africa and the Middle East. The scope of this consultancy included research and analysis of both the demand and supply of financial and non-financial services for WBEs in order to develop an in-depth understanding of WBEs' experiences and context around access to finance, business support services, and gender equality issues.

Primary data was collected through both qualitative and quantitative methods including surveys and focus group discussions (FGDs) with WBEs and in-depth interviews with industry experts in four countries; Egypt, Ghana, Kenya and South Africa.³ Industry experts included fund managers, business development service providers, accelerators, and other investors and organizations working with WBEs. To provide an overview of the types of businesses met with, a list of some of the WBEs interviewed and surveyed is included in Annex 1. These four countries were chosen as they represent different regions in Africa (north, west, east and south) in order to get a sense of WBEs experience in each region of the continent. Further, secondary data was gathered through extensive desk research and included both academic papers and industry reports in order to bring together the best insights from both literature and practice.

This paper starts with a review summarizing the characteristics of a women-owned business and the enabling environment for WBEs. The second part of this paper summarizes findings from the primary field research conducted in three areas: technical assistance and business support; financial support; and gender-specific considerations. Each of these areas includes considerations for investors and technical assistance or business service providers to adopt a gender lens within their current practices and policies.

1 A women-owned business enterprise is defined in this technical report as $\geq 51\%$ owned by woman/women.

2 Investors include private equity and debt funds, development finance institutions, venture capital funds, foundations, etc

3 Approximately 80 WBEs and industry experts from 27 organizations were consulted during the research process.

Characteristics of and Enabling Environment for Women-Owned Businesses

Small and Medium Enterprises (SMEs) are undeniably an engine of economic growth providing more than 50% of total employment and contributing up to 40% of GDP globally.ⁱ Notably, a reported 33 to 38% of SMEs globally are led by womenⁱⁱ and almost 50% of women in the non-agricultural labor force in Africa are entrepreneurs.ⁱⁱⁱ The 2019 Mastercard Index of Women Entrepreneurs (MIWE)^{iv} reports Ghana with the 2nd highest percentage of women business owners (37.94%) beaten by Uganda with the highest percentage (38.2%); South Africa ranked at 39th with 21.5% and Egypt lagging behind at 2nd lowest with only 4.1%.⁴

The literature reveals that in addition to creating employment, successful WBEs demonstrate benefits for their households as women tend to spend mostly on their family's welfare, health and education. Industry research reveals that when women are able to earn, they tend to invest 90% back into their families and communities compared to 35% for men.^v This has implications for economic progress both at community and national levels as well as at the investment portfolio level for risk, return and impact.

Despite the research and industry-wide recognition, numerous constraints and challenges continue to restrict business growth and expansion for WBEs. Studies in the last decade done by the IFC and Global Partnership for Financial Inclusion continue to confirm that factors contributing to the lagging growth of women-owned businesses are regulatory, institutional challenges, lack of access to finance, low levels of business education and work experience, in addition to women being risk averse and tending to limit their businesses to sectors with slow growth. This section highlights five key factors that influence the enabling environment for women-owned businesses.



⁴ Note that Kenya is not included in the MIWE.

Business Segment – Informal, Micro to Small

Women own approximately half of the firms in Africa, but many are in the informal economy. Only a third of formal firms with five or more employees have women owners; even fewer (17%) have at least 50% women ownership.^{vi} This indicates differences in business-formalization rates, which are likely associated with the gaps measured in the size of the businesses. Although Ghana far outstrips all of its peers with the 2nd highest percentage of WBEs, at 37.94% of total (MIWE 2019), the majority are home-based and not considered in official statistics compared to those owned by men.^{vii} Women-owned businesses account for 48% of all micro, small and medium enterprises in Kenya, the majority of which are in the informal sector where 85% of women-owned businesses are found.^{viii}

Women-owned businesses tend to be small (less sales/receipts and fewer employees), hence their funding requirements are also less. They are concentrated in industry sectors characterized by businesses that are smaller in size and in sales/receipts, such as in personal or retail services that require little capital for start-up and operation and specialized design services. Men on the other hand, are more likely to own businesses in manufacturing or construction which require huge capital for start-up and operation.^{ix}

Business Sectors – Services, Agriculture, Design

Women tend to be concentrated in less profitable sectors. In developing countries, women entrepreneurs are concentrated in the sales, retail, and service sectors, with little participation in high-growth or high-technology sectors.^x For the sub-Saharan Africa region, women are more likely to operate in traditional, informal and lower value-added sectors.

The research sample of WBEs revealed specific sector trends by country, confirming trends in the existing literature. Overall, WBEs dominate in the services, fashion and agricultural sectors. In Egypt for instance, WBEs largely dominate in the creative industries of interior design, jewellery, and fashion, or in the services industry of childcare/education and event management – areas in which women feel *'there was more space and acceptance for them.'* In Ghana, women are dominant in the agriculture, food sub-sectors, fashion and services sectors particularly in processing, value addition, retailing and distribution. In Kenya, women are dominant in education, health, food processing, horticultural and services sectors whereas in South Africa, women are largely in the services sector with some spread in other sectors.

Women are more heavily concentrated in informal micro to small business segments.

WBEs are found in sectors specific to each country; however, they are highly concentrated in the services sector.

The socio-cultural environment impacts the success of WBEs.

Socio-cultural Environment

Social norms exert a strong influence over the strategic choices that women entrepreneurs make and as noted above can constrain their ability to grow their businesses. They can shape how women view themselves, perceive their abilities, impact their aspirations, and can lead to discriminatory treatment by others.^{xi} Despite a great deal of legislation surrounding women's rights in multiple African countries and a push to support women in business, women still face societal constraints that hinder their business potential. Women entrepreneurs face gender stereotypes as men remain dominant in the ranks of entrepreneurs with entrepreneurship and masculinity being closely associated thus downplaying women's real potential and viewing women as less suited for it,^{xii} including negative perceptions of women entrepreneurs whose work is perceived to be in conflict with the roles they play in their families.^{xiii} This tends to impact WBEs in the type of economic activities they can be involved in, the places they can visit, the time they have available and the control they can employ over their own capital. It is estimated that on average, women work 12.9 hours per day, which is 4.7 hours more than men, with women conducting 60% of unpaid family work in addition to their business activities.^{xiv} This pressure on women's time is said to impact their ability to network effectively, as well as limiting their ability to attend to other needs of the business. The tendency of WBEs to be located at home also impacts the perception of the legitimacy of the businesses by their potential customers and creditors.^{xv}

Results from the Global Entrepreneurship Monitor study and 2019 Mastercard Index reveal that the determination of women in Ghana and similar economies to make a living for themselves and their families is profound, even given the highly unfavorable underlying entrepreneurial, social, economic and financial conditions. In spite of the many socio-cultural barriers, it is not uncommon to find women taking on entrepreneurship as a necessity, with most of them operating two businesses at a time. Higher levels of women's participation as entrepreneurs could "be driven by positive cultural norms and the desire to improve one's income and financial independence but also because these businesses or entrepreneurial activities are less risky, small-scale, and do not require large amount of funding."^{xvi}

Legal and Regulatory Requirements

The complexity of legal and regulatory barriers remains a huge challenge for WBEs, including business registration, obtaining licenses and adherence to other regulatory requirements and contracting. Although many African countries have made progress in removing legal barriers – including laws that deny women the same rights as men to register a business, sign a contract, open a bank account, or own and inherit property – only three African countries have formal laws that prohibit gender discrimination.⁵

Interviewed WBEs in all four countries added that the corruption in many institutions when it came to approvals was a barrier and depended on “who one knew” – an issue linked to WBEs’ limited access to networks and ‘connected people’ partly related to socio-cultural barriers mentioned above. In addition to the legal and regulatory requirements challenges, some countries have an added constraint of inadequate infrastructure support for business. This is particularly true for rural Africa, where the majority of WBEs are located and where poor infrastructure, including working premises, roads, cold rooms, warehouses, power, water, industrial parks, communications and telecommunications, adversely affect the growth and development of micro and small businesses. In Egypt, a USAID Gender Assessment indicates that women are far more likely than men to encounter difficulties in accessing land, electricity, and in resolving legal issues; and, therefore they are more likely to incur higher costs for establishing the business and suffer higher losses during the initial stages.^{xvii}

Access to Finance and Financial Literacy

WBEs receive a disproportionately small percentage of the already limited financing available for SMEs. The IFC estimates a financing gap for women entrepreneurs in formal sector SMEs in developing countries of \$320 billion^{xviii} and an estimated \$20 billion for sub-Saharan Africa alone.^{xix} The gender finance gap as measured by the 2017 MSME Finance Gap Report^{xx} is \$8 billion for micro enterprises and \$42 billion for SMEs in sub-Saharan Africa. This gap between micro and SMEs is less prominent however for the Middle East and North Africa with \$16 billion for women-owned micro enterprises and \$22 billion for women-owned SMEs. This gap in finance has contributed to women-owned businesses not fulfilling their growth potential and being more likely to close operations within the first five years.^{xxi}

Legal and regulatory requirements and lack of infrastructure impact WBEs even more than men-owned businesses.

Access to finance and low financial literacy are barriers to the growth of WBEs.

⁵ This is as measured by the World Bank Group’s Women, Business and the Law. These countries are South Africa, Zimbabwe, and Rwanda.

Women also face particular challenges in accessing the limited financing available for various reasons related to culture, collateral, and capacity.^{xxii} Self-employed women in Africa often have lower levels of financial literacy and technical skills than self-employed men. In both developed and developing economies, women on average have lower levels of financial knowledge than men^{xxiii}, which impacts their success as an entrepreneur. Women continue to control/own fewer assets than men and therefore struggle to access loans of the same size, affecting their capacity to invest in their business.^{xxiv}

Studies show that women are less likely than men to venture into entrepreneurship mainly due to the inability to acquire bank loans, angel investment and venture capital attributed to several factors such as smaller loan amounts offered to women entrepreneurs compared to their men counterparts. This also includes higher interest rates and stiffer scrutiny from banks/financing officers, attributed to discrimination by financial providers who are perceived to not take women seriously.

There is limited knowledge of and action on Gender Lens Investing (GLI) and its benefits to investors and investees. Some industry stakeholders highlighted the low risk appetite of investors (especially for small and start-up businesses) and the need for networking and knowledge sharing, such as a gender financing platform where information on financiers, products and qualifying criteria can be shared and potential partnerships identified that can be communicated to WBEs. Other factors inhibiting GLI include: immediate commercial pressures and disproportionate expectations on returns; competition among investors for the same limited WBEs and overall SME market, resulting in duplicated efforts and wasted resources; and lack of appropriate investment products to address segments of WBEs, i.e. missed financing for smaller SMEs that are too big for microfinance institutions but too small for investment firms and banks.

The Needs of Women-Owned Businesses

This section outlines what was shared during preliminary research by the WBEs and industry experts in the four countries of focus. The needs have been categorized into three inter-dependent areas: technical assistance and business support; financial support; and gender-specific considerations.



Technical Assistance and Business Support

When asked about business support as it related to WBE's capacity to grow their business and their business acumen, the WBEs reported the following as the most important: 1) strategic and business planning, 2) financial management and accounting (including taxation), 3) sales and marketing, 4) human resources management and 5) networking and mentorship.

The need for business support in financial management was also mentioned in FGDs and by industry stakeholders. Financial management had widely ranging definitions, from basic financial literacy (e.g. basic book-keeping, knowing the difference between debt vs. equity, knowing how a loan works) to advanced

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Women entrepreneurs want to take a journey with their investor
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financial management (business planning/costing for growth, taxation accounting, etc.). Many married WBEs in Ghana and Egypt confirmed that they refer all financial matters to their husbands, and that 'women are better at the creative and technical aspects of the business.'

WBEs indicated that they have accessed business support either through private organizations (including consultants and investment funds) and/or non-governmental organizations (including donor or government-funded business incubators). Almost all had initially received these services at no cost and were initially hesitant to pay for business support. WBEs that benefitted from good business support accepted the importance of such and were willing to pay for these services if the consultant or firm was very good. That being said, there was a general consensus that many had received poor to mediocre business support, hence their reluctance to pay for such. Many talked about the need for specialized business support tailored to their sector or industry, e.g. agriculture or clothing/fashion, and the importance of business support providers also offering capital. On business support providers who don't provide financing options, one woman commented: "They will date you for a long time but won't marry you."

Most WBEs reported having challenges accessing business support services, with the majority reporting not knowing where/what/how to access it as the main reason – they lacked information on all the support services available to their businesses and/or within their sector. Other reasons included high costs of accessing support, attitudes of business support staff, unsuitable content (i.e. irrelevant services or knowledge) and the absence of women support staff.

Meetings with venture capital fund managers also alluded to the need for a gendered approach to business support for WBEs. A fund manager in Egypt explained that as a woman and an entrepreneur, she is not only attracted to investing in women entrepreneurs, but she is also able to provide them better business support because she understands their needs and fears. Hand-holding WBEs through their business support journey proves essential because most women have limited to no knowledge of their business support needs and have limited experience in managing experts/business support providers.

Almost all respondents preferred one-on-one mentoring for business support delivery, with no significant preference of timing (during or after work hours) or location (i.e. either at their place of business or elsewhere) and appreciated having direct access to mentors and business service providers/trainers.

Accessing relevant mentors and business support providers was a challenge, and most mentors and trainers were generalists who did not know enough about their industry or business to provide practical support and advice. This

was particularly critical for specialized sectors such as agricultural processing, where business support providers do not necessarily understand crop cycles and farming businesses. Industry stakeholders also highlighted the importance of: tailor-made business support for women entrepreneurs from start-up to maturity; diversity in technical assistance teams (both in terms of gender and sector knowledge); female role models and mentors in entrepreneurship; and increased access to markets including trade fairs/expositions.

Questions on challenges to business growth elicited largely external responses and factors not within their control. The most prevalent areas hindering their growth included lack of high quality labour; high cost of inputs/raw materials; limited access to markets; and unsupportive government policies and regulations.

Strategies for Consideration

It is clear that WBEs need more – they need more time to build trust, they need more time to share their apprehensions and concerns (beyond their business life), and they need patience from investors and other service providers to better master financials. Research found the WBEs deal differently with fund managers and business support providers in that they are upfront about their vulnerabilities, personal issues that affect their businesses and areas they require further support; they expect more guidance and a more personalized relationship. A woman's risk aversion also means that she often needs step-by-step guidance on business matters, which can only be effective with one-on-one business support and mentoring. The research also showed that women do not receive adequate education, support or training in financial management, which leads them to defer the management of their business' finances to others – usually men – thereby relinquishing significant control over and knowledge of their businesses. All this has implications on the business support approach and content.

Recommendations for more effective business support and technical assistance to WBEs include:

- ☑ Revise business support for both content and approach using a gender lens. Include content to improve financial literacy knowledge and confidence, and source specialized business support experts for specific sectors, such as fashion.
- ☑ Build partnerships with existing business support providers or businesswomen's networks to develop tailored group or individualized support programs (possibly even mentorship programs) on common topics for WBEs, such as financial management, strategic planning and human resources.

- ☑ Connect WBE clients with one another and explore linkages for them to other women-owned business networks as WBEs stated the need to discuss both business and personal challenges with one another.
- ☑ Ensure more transparency in the 'offer' and set expectations regarding repayment or returns from the onset of a relationship.
- ☑ Invest more staff time and resources to build trust with and capacity of WBEs before investing in them.
- ☑ Enable and improve tracking of and follow-up with WBEs after an initial interaction or request, including those that may require intensive pre-investment support and/or 1-2 years to reach investment readiness.



Financial Support

WBEs highlighted limited access to and/or lack of sufficient finance as one of their major challenges to business start-up and growth. The majority, if not all of them, reported having used personal savings to start their businesses. This is in line with the literature that reports that the majority of WBEs use personal savings. Less than 25% of surveyed WBEs have ever taken a loan from a formal lending institution for their business, whereas 55% have taken financing from a spouse or family member, with some having taken this as equity or a zero-interest loan; however, most received this as a one-time grant. Only a handful reported using inventory on credit or consignment, and advance payments from customers as additional financing options. Many WBEs expressed a desire to have external investors support business strategy/growth, as well as having external investors who get shares in the business.

The most prioritized issues for debt financing⁶ for the WBEs were:

- Reasonable interest rates
- Appropriate and more flexible payment terms
- Longer payment terms
- Improved conditions for collateral

The information gathered in-country and from the literature confirms that obtaining loan products at lower interest rates than those currently offered by the commercial banks and other financial institutions is the main support required by WBEs. It's worth noting that the desire for lower interest rates can be associated with WBEs' business growth expectations, which are typically slower, more realistic and rely on growing the company organically through

⁶ Since the research was centered around debt financing (to address GroFin's business model), the majority of responses on financial support speak to debt financing more than equity financing.

retained earnings. Insufficient collateral is another key challenge - exacerbated by the fact that, land/property titles are often in the man's name. Even if a woman's name is on the title, it is typically shared with a spouse or male family member, thereby restricting her ability to secure external financing. Coupled with this is the fact that women are generally risk averse in terms of pledging their assets in return for financial support.

In some countries, the role of personal connections and relations with funders/ investors is also a factor. The research team met WBEs who have benefitted from loans because they have either previously taken a loan (so have good credit history) or they 'know someone' within the system who would process their application.

Survey questions around investment needs in terms of specific amounts required, interest rates desired, repayment terms, etc. did not yield enough quantitative data. Nonetheless, limited data available and information gathered during the interviews strongly suggest that the majority of WBEs in all four countries require smaller investment amounts than what is currently being offered by banks and investors. The small amounts demanded by WBEs, which is connected to their smaller business size, in part explains the disinterest and low uptake of financing WBEs by financiers. Moreover, the lack of specific data on capital needs also points to the WBEs' lack of experience with formal financial institutions and generally low level of financial literacy around debt financing.

Financial amounts referenced during the survey and interviews include:

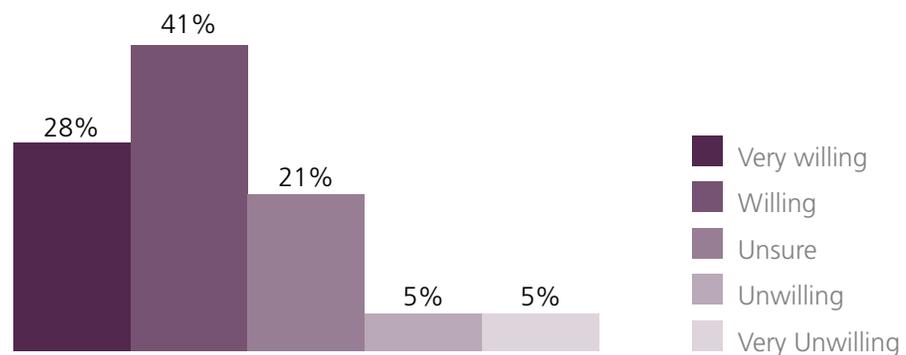
- In Ghana, respondents sought loans ranging from USD 15,000 to 700,000, with the median amount being USD 68,500. Some WBEs require even less.
- In Kenya, respondents required loans starting at USD 30,000 up to 1M.
- In South Africa, estimated loan amounts ranged from USD 14,000 to 550,000.
- In Egypt, only two WBEs responded to the loan amount needed (ranging from USD 600 – 750K) indicating that WBEs in Egypt lack financial analysis and business planning skills more than in the other countries. Industry stakeholders pointed to a range of USD 10,000 to 50,000.

These smaller loan sizes demanded by WBEs restrict the financing choices available to them, as they require amounts that are larger than microfinance loans but smaller than commercial bank loans or typical equity investments. Although this gap applies to SMEs led by both men and women, women face

particular challenges in accessing financing of this size for reasons related to culture, collateral, and capacity.

Equity also featured as a financial need of respondents (with differences across the countries) but it was evident that most women did not fully understand the concept of equity financing and the potential benefits of such. The majority of respondents in Ghana perceived favorable debt conditions to be better for business compared to equity or other kinds of financial support. The opposite was evident in Egypt where most WBEs wanted to explore equity versus debt financing support. In Kenya and South Africa, the majority expressed a willingness to take on an equity investor with a high preference that they retain majority shareholding.

To what extent are you willing to sell a portion of your company shares (an ownership stake) in exchange for access to long-term, patient capital to grow your business?



Strategies for Consideration:

Ultimately, typical WBE characteristics of greater prudence, caution and risk-aversion than their male counterparts have a bearing on their business and can result in slow to moderate growth, financed through personal savings. Women entrepreneurs do not see the value of rushing towards rapid expansion as this poses a risk to not only their business but also to other household, childcare and extended family responsibilities. These characteristics have implications on investment products and criteria.

Recommendations for more appropriate and relevant financial support for WBEs include:

Adapt investment size depending on country context, business sector and local currency, ideally between USD 50K – 200K.

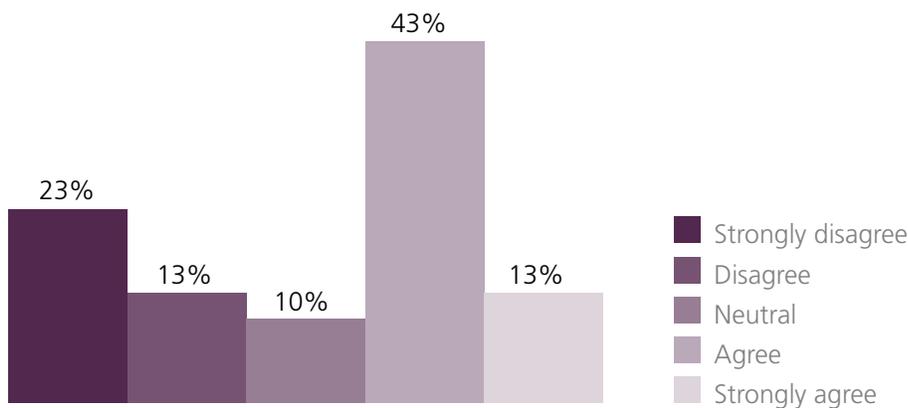
- Explore investment vehicles for start-up and early phase businesses (0-3 years) where many WBEs are active.

- ☑ Revise investment criteria regarding business registration to include sole proprietorships (especially start-ups) willing to grow into more formal entities.
- ☑ Revise investment criteria to include sectors where WBEs are operating, e.g. services, design, value-addition in agriculture, etc.
- ☑ Explore equity financing and other flexible cash flow-linked financing vehicles such as invoice financing for WSGBs. Considering the strong interest among WBEs for equity, explore future revenue share agreements and alternatives to debt financing models.
- ☑ Differentiate risk and adapt due diligence processes to client (i.e. new vs. existing/previous client) incorporating local context challenges such as obtaining taxation forms or other documents.
- ☑ For debt financing, position a specific WBE-focused product with reduced deal size, collateral requirements, lower interest rates, and a streamlined application. Provide WBEs with specialized support such as financing the cost of registering collateral, providing moratoriums or a bridge loan to perfect collateral before actual loan disbursement. Provide shorter terms (e.g. 1 to 2 years loan tenors) to support WSGBs requiring smaller amounts and wanting to pay back quicker.

Gender-Specific Considerations

A series of gender-specific statements were asked of all WBEs to get more detailed information on gender inequalities that may exist in the industry.

Statement: *"I face discrimination in my business interactions because I am a woman"*
 – Over 50% of the respondents agreed or strongly agreed with this statement.



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 Women want to be taken seriously as businesswomen and be treated as equals in the business world
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“When a man’s business goes bankrupt, it’s the economy’s fault; but if a woman’s business goes bankrupt, it’s because she’s a woman who didn’t know how to run a business.”

“My suppliers expect me to go on a date with them or flirt with them.”

“A nature of the business requires dealing with land and property that was traditionally done by men, that is why I am often discriminated against. Men at the property and government offices are not used to having women come into these spaces.”

“Women aren’t taken seriously at the bank, at government offices, in the home, at suppliers, etc. Sometimes you need to hire a male manager or get your husband involved to get the work done or to be ‘heard’.”

The FGDs revealed similar results. Not all WBEs reported having experienced some form of gender discrimination in the course of running their businesses, with occurrence being higher in traditionally male dominated industries and professions (e.g. construction or manufacturing). For those that had experienced it, themes included being perceived and/or treated as less capable than their male counterparts and often needing to go with men to meetings to be taken seriously. A number of respondents also shared that investors/lenders spoke about financing in vague terms and did not provide specific costing information, as they would to male counterparts. This has created an impression among women entrepreneurs that the investors were not serious about them and they were wasting their time, leading to a general mistrust with investors thereby halting further conversations.

Another interesting experience shared was the lack of confidence among WBEs to sell their goods, and their inability to access the same markets as their male counterparts. Several women also referenced the importance of peer-to-peer networking among WBEs to help them focus on their business growth, share ideas, build their confidence and discuss business issues – they specifically referenced groups that do not make them feel ‘irresponsible’ for not ‘attending to their household responsibilities.’

In all countries, women highlighted instances of being sexualized and subject to verbal sexual harassment, e.g. “do you want to be my second wife, will you go for dinner with me”, etc. Almost all respondents also stated that bank officials prefer to speak to their husbands/fathers or male business partners as opposed to them and that women were not taken seriously by bank staff. Sexual harassment was cited more at the micro-enterprise level - “men want to take advantage of women who are selling produce especially in open market or informal market which is also an intimidation to scare you if you are a competitor”. This type of harassment impacts the growth and expansion of WBEs as it creates fear and societal pressure to remove oneself from such situations and from doing business.

Women not only face gender constraints but also constraints based on age or social class. For example, care and household responsibilities are more prevalent with the younger cohorts of women and among the less privileged classes that cannot afford household help. In addition to the care burden, younger women entrepreneurs face ageism and are looked upon by service providers (banks and suppliers) with more skepticism than their male counterparts. Younger women entrepreneurs are also perceived as an especially risky investment and many felt this perception was due to failures on the part of younger male entrepreneurs who are inherently riskier than their female counterparts.

The other survey statements responded to by respondents alluded to limited to no gender inequality with regard to decision-making and spousal/family support. The majority of married women surveyed felt their spouse supported their business and they did not require their approval in business decisions.

Strategies for Consideration:

Most WBEs from the study have experienced some form of gender discrimination. Most also feel that financing entities and business service providers do not tailor to their needs. Many women were also unsure of where to go and who would take them seriously, for business support and financing. Some ways in which investors and business support providers can respond to the gender-specific experiences of WBEs include the below:

- ☑ Develop gender responsive outreach strategies and marketing materials that specifically target WBEs
 - Messages and materials should clearly outline the value add of your investment to WBEs; be geared towards WBE priority sectors of business and specific financial preferences; and be easily understandable and translated into local languages.

- Partner with local intermediaries and business support providers who already work directly with women and/or leverage existing businesswomen networks to reach WBEs. Utilize these partnerships to build trust with WBEs and seek WBE and partners' input on how to better market, communicate and reach WBEs.
- ☑ Gender diversity in fund management and business support provider teams and governance bodies are needed to widen networks for sourcing WBEs, ensure more inclusivity in product development and investment decisions, and improve access to WBEs themselves. Industry stakeholders shared the importance of having women on investment teams as WBEs tend to prefer working with and approaching women fund managers and business support staff.
- ☑ Provide gender equality training to ensure all staff (men and women, at all levels) are more sensitive to the differences and needs of men versus women. This is imperative to ensure better sourcing of and business support to WBEs which will lead to increased client satisfaction and referrals.
- ☑ Incentivize the number of WBE deals rather than total deal amounts per country or portfolio by exploring flexibility and innovation in investment criteria, such as collateral and interest rates (i.e. providing lower amounts to deserving WBEs and those with a good reputation).

In Closing

Those who act upon these findings and integrate a gender lens in their investing and business support activities will reap dividends and stand to gain access to an underserved market segment that can be both a source of business growth and competitive advantage. Moreover, they will benefit from increased access to gender lens investor capital, a market which has grown remarkably in recent years. According to the [GIIN's 2019 Annual Investor Survey](#), 50% of investors target gender equality in their investments. Meanwhile development finance institutions have championed GLI through committing three billion via [the 2X Challenge](#). Ultimately, taking a gender lens is not just good for business but also gets us closer to achieving Sustainable Development Goal #5 Gender Equality, a goal which is foundational to attaining progress on all other SDGs.

“ It is no exaggeration to say that women’s entrepreneurship has the power to change the world—and the benefits go far beyond boosting global GDP. Closing the gender gap in entrepreneurship and fueling the growth of women-owned enterprises will unleash new ideas, services, and products into our markets. And ultimately, those forces may redefine the future”

- Shalini Unnikrishnan and Cherie Blair^{xxv}

Annex 1

List of Select Women Entrepreneurs Interviewed as Part of Research

EGYPT

1. Amina Hassaan, Nour El Sadat & Soraya Abou El Nasr, The Cookery Co., <https://www.facebook.com/thecookeryco/>
2. Dina Maghawry, DINA MAGHAWRY JEWELRY, www.dina-maghawry.com
3. EConSult - environmental consultancy and green building architects www.econsultarch.com
4. MuBun - Furniture made from waste Mubun ECOFurniture www.mubuneco.com
5. Shewekar Elgharably & Salma Elnashar, SHEWEKAR, www.shewekar.com
6. Dr. Yomna El Sheridy, SFII Company, www.sfi-egypt.com

GHANA

7. Priscilla Impraim, Ab Ovo Confectionery Limited, <https://www.facebook.com/abovoconfectionery/>
8. Awura Abena Agyeman, WEAR Ghana, <https://wearghana.com/>
9. Lady-Omega Hammond, Ampersand Technologies Limited, <https://ampersandllc.co/>
10. Judith Agbenyega, Sugarland Limited Horticulture, <https://www.facebook.com/sugarlandlimited/>
11. Debbie J. A. Ajei-Godson, Farminista Africa Limited, www.farministafrica.com

KENYA

12. Genevieve Ndeithi, Black Butterfly Salon, <https://www.facebook.com/Black-Butterfly-Hair-Salon-300267186691518/>
13. Victoria Musyoki, Kiddieworld, <https://kiddieworld.co.ke/en/>
14. Joan Karanja, Music in Color, <https://musicincolor.info/>
15. Rosemary Kirimi, RockMix International, <https://www.rockmix.co.ke/>

SOUTH AFRICA

16. Thobile Nyawo, Nyawo Construction, <https://www.facebook.com/nyawocivilconstruction/>
17. Veronica Shezi, Vero's Cakes, <https://veroscakes.co.za/>
18. Maeshibe Marema, Maeshibe Coffee, www.maeshibe.co.za

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Priscilla Brookman-Amissah Impraim
Founder and C.E.O of Ab Ovo Confectionery Limited



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