

Matrix of Recommendations

Consultative Forums Addressing Challenges of Women Entrepreneurs

Issues	Recommendations	Impact/Timing
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Challenges Facing Small and Medium Enterprises Owned by Women Entrepreneurs in Selection and Acquisition of Commercial & Industrial Premise		
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Lack of appropriate premises tends to force many women to operate their businesses from home or resort to unsuitable and sometimes unsanitary working conditions	Local governments should be encouraged to set aside land for the business location of women entrepreneurs	High/medium term
Limited supply of new leasehold land, high price of land leases and rents and long time taken to acquire land leases	Develop clusters and business incubators	High/medium term
Inability to pledge land-use rights as collateral	Develop packages to build the capacity of WEs in site selection and layout planning	High/immediate
A WE with disability will face another challenge because she has to get the right location or building which needs to be convenient for her and her business	Assess the viability of real estate developers, encourage them to engage in providing business premises for WEs	High/medium term
Over 40% of WEs cited lack of working space as their overall major constraint to growth	Instruments and legal frameworks have to be in place to pledge land use rights as collateral	High/Immediate
	Various stakeholders should take into account the issue of disability when designing buildings and developing projects	High/medium term
	Existing facilities have to be adjusted wherever possible to become disability friendly	High/medium term
	Encourage and support WEs to use professional tools in site selection, acquisition and layout planning	High/medium term
	Information technology can be used to minimize the information gap that WEs are facing	High/medium term

<p>People consider women as weak, easy to convince, uninformed especially when it comes to informal brokers they tend to exploit women</p> <p>Male entrepreneurs have the advantage to socialize and get together and can easily access information whereas this is not the case to WEs. Male are better positioned to get access to information and sometimes finance from relatives, friends to start and expand their business</p>	<p>To change the attitudinal problem, there is need to have practical interventions which will upgrade the capacity and bargaining power of WEs</p> <p>Develop packages/interventions to capacitate WEs to overcome the attitudinal challenges which they are facing while doing business</p> <p>Need to analyze and study the issue of finance in relation to overall business growth and acquisition of working and commercial premises</p> <p>Assessing the viability of establishing financial instruments which cater the needs of WEs</p> <p>Develop mechanism to provide business and other information to WEs to upgrade their competitiveness</p> <p>Develop mechanism to enable WEAs deliver BDS to WEs</p>	<p>High/medium term</p> <p>High/medium term</p> <p>Moderate/medium term</p> <p>High/medium term</p> <p>High/short term</p> <p>High/short term</p>
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Women Entrepreneurs Associations in Ethiopia: Opportunities and Challenges

<p>Weak Governance</p> <p>Lack of systems for transparency and accountability, danger of "elite capture"</p> <p>Competition between personal business and association roles which might create conflict of interest</p> <p>Lack of trust among members and leadership</p>	<p>Leadership</p> <p>Empowering members and establishing and capacitating advisory boards</p> <p>Encouraging new generation of entrepreneurs to the leadership positions and develop succession plan. Young and educated leaders are needed because of the need for competency</p> <p>Audit and annual reports need to be preconditions for support by donors</p> <p>In order to ensure clarity, responsibility and accountability, associations need to have bylaws and code of conduct</p>	<p>High/medium term</p> <p>Moderate/medium term</p> <p>High/medium term</p> <p>High/short term</p>
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<p>Organization and Membership</p> <p>Very weak organizational, HR and financial capacity including organized secretariat staff</p> <p>Too much dependence on individual leadership for day to day management</p> <p>Weak systems , plans and processes</p> <p>Very weak membership base because of awareness, lack of benefit and multiple membership</p> <p>Not inclusive of women with disabilities</p>	<p>Building Systems and Processes</p> <p>Sustained capacity building support to WEAs</p> <p>Recruitment of key staff for associations with autonomy i.e. strong professional and support staff</p> <p>Form advisory group from prominent personalities, professionals and women advocates (lawyers, bankers, economists, etc)</p> <p>The membership database of associations has to be disaggregated to address the needs of the different member categories</p> <p>Formulate packages to address issues of disabilities through the WEAs</p>	<p>High/short term</p> <p>High/short term</p> <p>High/short term</p> <p>High/short term</p> <p>High/short term</p>
<p>Weak Financial Capacity</p> <p>High donor dependency</p> <p>No clear strategy for financial sustainability</p> <p>Low membership base with low membership fee payment</p>	<p>Financial Sustainability</p> <p>Develop capacity for sustainable source of finance</p> <p>Identify short term and long term sources of finance and strategies for resource mobilization</p> <p>Lobby with government for supporting sustainable source of income</p> <p>Financial sustainability can come through membership fee and contributions</p>	<p>High/short term</p> <p>High/medium term</p> <p>High/medium term</p> <p>High/short term</p>
<p>Services to Members</p> <p>Overambitious plans and little performance</p> <p>Skewed services to few members because of diversity of membership</p> <p>Services are not demand driven</p>	<p>Services for Members</p> <p>Clear articulation of purpose and focus</p> <p>Survey and identify members needs and expectations</p> <p>Identify services that could best be provided by the associations.</p>	<p>High/short term</p> <p>High/medium term</p> <p>High/medium term</p>

Limited capacity to work at policy level	Integrate gender dimensions tailor it to the needs of WEAs and build the capacity of WEAs to analyze and give feedback to policy issues	High/medium term
Absence of strong national representation of WEAs nationally and internationally	There is a need for an umbrella association which includes micro, small and medium companies so that linkage can be established	High/medium term
Lack of awareness and participation in policy advocacy issues at national and African levels such as EPAs, the draft CSOs law, etc	Build the capacity of WEAs to gain skill and knowledge on international agreements and create network with relevant international and national organizations	High/medium term
Weak networking and collaboration with other associations and networks	Develop modality to have clear system, objective for the association membership in terms of management, by-laws, accountability, duties and responsibilities and representation	High/medium term
Under developed private sector low growth, low skill, suffering from financial and other resources, etc	Focus on entrepreneurship development , outline ways to upgrade entrepreneurial talents of WEAs	Moderate/medium term
Negative perception about the role of associations	Need to have diversified associations and also strong platforms and networks for WEAs	Moderate/medium term

Challenges in Financing Women's Businesses

Structural problems arising from the low level of economic development of the country restrict availability of infrastructural facilities that are essential ingredients for business growth and expansion	Financial institutions need to be encouraged to initiate affirmative actions targeting WEAs like establishment of women's desk	High/medium term
	Establish women's desk in financial institutions	High/medium term
Constraints to access vital facilities, such as communication facilities, working premises, raw materials and inputs, choice of appropriate technology, etc impede the ability of a large number of entrepreneurs to develop their capital base which in turn imply that they can rarely meet the conditions set by the financial institutions	Reduce the current entry barriers	High/short term
	Support women through providing information and advise on how to proceed with loan requests and serve as business mentors for women clients	High/short term

<p>Underdevelopment of the financial industry in delivering new customized loan products</p>	<p>Financial institutions need to design and provide more innovative financial products that would enhance the gender inclusiveness of their services</p>	<p>High/medium term</p>
<p>Coverage of banks is restricted to major urban centres and is restricted to a few segment of the urban society</p>	<p>Encourage banks to open branches and set up revolving funds to provide soft loans</p>	<p>High/medium term</p>
<p>One implication of the low financial institutions development is their limited reach to the society as a result the ability of the sector to mobilize financial resources is not that robust</p>	<p>Easing collateral requirements, i.e. introducing leasing facilities</p>	<p>High/short term</p>
<p>The other implication is associated with the risk aversion attitude of financial institutions, which reduces the responsiveness of banks to loan requests from smaller enterprises</p>	<p>Government interventions, through establishment of capital market and introduction of fiscal monetary incentives, would also encourage banks to address the specific needs of WEs and other disadvantaged groups of society</p>	<p>Moderate/medium term</p>
<p></p>	<p>Policy measures that would encourage financial institutions to change their current framework and start addressing the practical needs of good potential customers owning and operating growth oriented small enterprises</p>	<p>High/short term</p>
<p>Negative internal factors within the enterprises themselves, such as low management capacity, weak marketing skill and low technological absorptive capacities</p>	<p>Donors can also help in setting up loan guarantee funds with partner banks to ease the collateral problems WEs face in accessing loan finance</p>	<p>High/short term</p>
<p>High informal entry barrier to the services of financial institutions</p>	<p>Establishment of women's bank <i>may be</i> the other measure that would solve the challenges facing WEs in accessing loan finance</p>	<p>Moderate/medium term</p>
<p></p>	<p>Building the capacity of enterprises to increase their financial absorptive capacity</p>	<p>High/short term</p>
<p>Socialization is one of the mechanisms employed to facilitate business transactions in Ethiopia, which is said to be more so in the financial sector. In a male dominated society</p>	<p>It would be prudent to emphasise the need to identify practical issues like how it would differently address the needs of women, geographical coverage, etc.</p>	<p>High/medium term</p>
<p></p>	<p>Promotion of business linkages between women and big companies, provision of training and advisory services like business mentoring so as to develop the managerial and</p>	<p></p>

<p>women find it difficult to easily socialize. As a way out, women would tend to depend on male kin to facilitate issuance of loan through socialization</p>	<p>marketing skills of WEs would be other non finance related measures that would contribute to solving internal impediments of enterprises</p>	<p>High/medium term</p>
<p>Banks trust entrepreneurs with whom they have long business relationships much more than the soundness of the business ideas and have limited financial products</p>	<p>Banks need to take into account the viability and innovativeness of business ideas in addition to the long customer relationship. Financing mechanisms have to be identified and developed in the form of financial packages</p>	<p>High/medium term</p>
<p>The nature of the businesses most women are engaged in, do not encourage them to seek bank finance</p>	<p>Encourage and capacitate WEs to engage in growth oriented business activities through BDS</p>	<p>High/medium term</p>
<p>In most cases women's businesses are not only found in the informal micro enterprise sector, but the types of business activities they are engaged in are also relatively less capital intensive</p>	<p>Women are careful to take loan, as well as to timely pay loans. They take what they require and pay promptly when compared to their male counterparts. Financial institutions have to capitalize on this opportunity and develop loan products customized to WEs</p>	<p>High/medium term</p>
<p>WEs capacity for capital accumulation is affected by their tendency, as mothers and wives, to spend what ever income they earn on the welfare of their families and to avert risks so as to make provisions for the future</p>	<p>Empowering women to run their businesses professionally and enable them to build their capability to efficiently manage their households</p>	<p>High/medium term</p>
<p>Low level of education of women perpetuates their limited capacity for growing their businesses beyond the informal micro enterprise sector. As a result the businesses of most WEs are constrained by weak managerial and marketing skills, finance and technology absorptive capabilities</p>	<p>Supports by various actors have to be coordinated to bring maximum impact on WEs' enterprises to make them competitive both in the local and international markets</p>	<p>High/medium term</p>

<p>Most banks are not accessible to persons with physical disabilities using wheel chairs. Those entrepreneurs with hearing impairments can not effectively communicate with banks as banks do not have interpreters among their staff. While such clients can come with personal interpreters, it can not substitute the implicit trust that could have otherwise been the case if the communication is done with the assistance of staff interpreters</p> <p>The banking system forces them to bring a witness every time they go to banks for business transactions. Bank brochures are not user friendly for persons with visual impairments, thus even the educated ones have to rely upon other people if they need information</p>	<p>Banks have to address the needs of persons with disabilities, develop and render services which are disability friendly</p>	<p>High/short term</p>
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Barriers Faced by Women Entrepreneurs in Developing Products and Establishing Services for Export Marketing

<p><i>Marketing Related Impediments</i></p> <p>Lack of target group need assessment (fashion, design, color specification, etc) as a result market & financial risks are occurring because the entrepreneur and the customer did not meet in the market</p> <p>Lack of analyzing tariff and non-tariff issues when exporting</p> <p>Lack of appropriate sampling, pricing and packaging Limited pricing approaches and not forwarding price timely</p> <p>Lack of market testing (not knowing accepted or rejected items, modification requirements maximizes market failure)</p>	<p><i>Upgrade Marketing Capabilities</i></p> <p>Developing marketing capability by studying consumers' behavior, pattern of consumption, indication of price, market size, transaction systems</p> <p>Develop a mechanism that will enable WEs become knowledgeable about national and international trade issues</p> <p>Upgrade the capability of mainly exporting companies to develop counter samples and products according to international buyers' requirements</p>	<p>High/medium term</p> <p>High/medium term</p> <p>High/short term</p>
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Inappropriate decisions on the overall marketing mix (distribution, agents, promotion, non tariff barriers) i.e. low competitiveness in export market	Involving Ethiopian Embassies abroad and other international institutions to facilitate market matchmaking with international buyers	High/medium term
	Facilitate international trade fair participation with appropriate planning, desk research, participation and follow up	High/medium term
Weak networking both among WEs and with other men colleagues	Strengthening professional and sectoral associations for data, information and experience sharing	Moderate/medium term
Low availability of current and forecasted information on business environment, global regulations, quality requirements, as a result entrepreneurs are doubtful to enter export markets	Support web sites and trade journals development and conducting market researches	High/medium term
Market Research	Develop Market Research Capability	
Lack of awareness on the importance of market research	Develop and implement mechanism which will support WEs get access to market research	High/medium term
Budget constraints for formal market research		
Inadequate focus of research institutions for product development	Develop institutional capability for product development and marketing	High/medium term
Planning finance only for the development of the new product/service but failing to plan for further market introduction & general growth of the business	Planning finance not only for product/service development but also for entering markets and for continuous growth	High/medium term
No effective promotional programs (quality brochures, trade fair, foreign visits, agents, display/show rooms, etc.)	Develop websites, magazines and other promotional tools professionally	Moderate/medium term
Fear of Taking Risks	Facilitate Market Linkages	
Entrepreneurs are doubtful on whether there will be international market (uncertain demand)	Conducting survey/research on marketing, technology, finance, production organization, staffing, management, competition, etc.	High/medium term
Lack of experience in international market and business environment of foreign countries differing from each other, which makes it challenging	Facilitate market penetration by using twinning arrangement with international organizations engaged in arranging business linkages	High/medium term

<p>Doubt whether it is economical to transform the idea to product/service</p> <p>Unwillingness to take risk to penetrate new markets with new products using their scarce capital</p>	<p>Use international expertise and benchmarks to reduce production cost to become competitive in international markets</p>	<p>High/medium term</p>
<p>Limitations Related to Working on Customized Products</p>	<p>Training</p>	
<p>Entrepreneurs find difficulty to process customized/on order products (high cost of raw materials & accessories which results in development costs at the initial stage)</p>	<p>Develop training packages for product development and enable WEs participate in targeted training programs and encourage self learning (trade journals, web sites, foreign countries business practices, etc)</p>	<p>High/medium term</p>
<p>Challenges in having the right design, color and size</p>	<p>Organize continuous experience sharing forums</p>	<p>High/medium term</p>
<p>Shortage of Raw Material</p>	<p>Raw Material Supply</p>	
<p>Customers willing to pay only after trying the product/service</p> <p>WEs' capital is scarce and can not purchase huge amount</p>	<p>Lobbying through associations or other relevant organizations to buy/order raw materials in bulk to become cost efficient and ensure timely delivery.</p>	<p>High/medium term</p>
<p>Obstacles Related to Knowledge/Skill/Technology</p>	<p>Avail Knowledge/Skill/Technology</p>	
<p>Lack of focused trainings such as basics of product/service development, focused marketing topics, handling international vis a vis domestic business, potential risks that arise during new product/service development; international business environment, etc</p>	<p>Formulate frameworks and strategies to facilitate adaptation and transfer of technology from other countries and formulate tailor made trainings</p> <p>Ensure strengthening university-industry linkage in product development and technology transfer.</p>	<p>High/medium term</p> <p>Moderate/medium term</p>
<p>Limited facilities of training institutions</p>	<p>Encourage the private sector to engage in delivering customized trainings in product development</p>	<p>High/medium term</p>
<p>Lack of Technical Resource</p>	<p>Upgrade Technical Capability</p>	
<p>Not getting the required facilities (equipment, organizing production process, timely maintenance) because of the unavailability of technology & finance (technology has big role in product development)</p>	<p>Develop technology business incubation centers which will serve entrepreneurs engaged in export business</p>	<p>Moderate/long term</p>

<p>Absence of the required technology (in some operations), It impacts scaled operation & waste in raw material input</p>	<p>Facilitate access to technology database in an institutionalized manner</p>	<p>High/medium term</p>
<p>Obstacle in shifting from old technology to modern when need arises</p>	<p>Avail knowledge and financial facilities to acquire or adapt new technologies which will contribute to international competitiveness of companies.</p>	<p>High/medium term</p>
<p><i>Hindrances Related to Gender & Disability</i></p>		
<p>Misconception that men can do the job better than women and existing bias against WEs with disabilities</p>	<p>Educating the society to improve attitude towards gender and disability</p>	<p>High/medium term</p>
<p>Limited networking with WEs</p>	<p>Empowering women and particularly the disabled socially and economically</p>	<p>High/medium term</p>
<p>Doing activities outside the country is more difficult (family commitment & physical limitations)</p>	<p>Giving emphasis to gender issues in policies and making focused practical intervention</p>	<p>Moderate/medium term</p>
<p>Consumers expect to buy products/services of women and the disabled at lesser price</p>	<p>Exposing WEs, in particular the disabled to different market situations (to participate in national and international trade fairs)</p>	<p>High/medium term</p>
	<p>encouraging the disabled to come up & work hard within their capacity</p> <p>Develop promotional support programs for women with disability by the relevant and concerned organizations</p>	<p>High/medium term</p>

The Perspectives of Women Business Owners in Trade in Services

<p>Domestic and foreign market oriented services are not considered as important economic factors that contribute to growth and services were by and large considered as not tradable</p>	<p>Trade capacity building programs have to be formulated and implemented to encourage the development of trade in services</p>	<p>High/medium term</p>
<p>Most of the time trade in service are found fragmented, repetitive, redundant and also not very competitive</p>		

<p>No major and distinct perspectives along gender lines and disability revealed - might indicate existence of strong shared values and norms in trade in services</p>	<p>In order to achieve the millennium development goals in relation to trade and services, gender and disability issues have to be considered in a holistic manner and by mainstreaming gender in trade policies & agreements</p>	<p>High/medium term</p>
<p>There is no comprehensive study made so far which can tell which sub-sector is the most important within the service sector. Generalizing the trade in services may not give the appropriate picture</p>	<p>Further research and studies to analyze trade in services should be organized</p>	<p>High/medium term</p>
<p>Most of those who are engaged in trade in services establish their businesses simply because they heard it from a friend, there is no feasibility study which guides the businesses</p>	<p>Capacity building of WEs in services with a focus on viable business ventures has to be considered by the relevant institutions</p>	<p>High/medium term</p>
<p>In the Ethiopian context there is a culture of leaning back, and most of the times men take the entire step forward and women tend to be submissive and humble</p>	<p>Improve emotional intelligence & leadership capability of WEs through practical experience sharing and trainings</p>	<p>Moderate/medium term</p>
<p>The legal and regulatory requirements for both international and local markets for trade in services have to be clearly understood</p>	<p>Develop mechanisms to regularly provide information on international and national legal frameworks with a focus to trade in services.</p>	<p>High/medium term</p>
<p>There is lack of initiative to overcome challenges in businesses by consolidating individual efforts. There is lack of trust and confidence among people engaged in business. Most of them don't stay out of their business by delegating their employees. As reality shows, the business owners want to do all by themselves and always be at the centre of the day to day routine of the business</p>	<p>It is very important for WEs to network among themselves and also with both international and local networks so that they can learn and create certain synergy.</p>	<p>High/medium term</p>
<p>Lack of experience sharing and weak networking in trade in services</p>	<p>Capacitate WEs to manage their business professionally</p>	<p>High/medium term</p>
<p>WEs have to be part and parcel of the modern and growing sectors and not only focus on micro enterprises</p>	<p>Encourage WEs to engage in growth oriented businesses by availing various supports</p>	<p>High/medium term</p>

<p>Disability has been one of the forefront charity agendas to ask aid but not to develop trade which could have benefited disabled people</p>	<p>Make services friendly to people with disabilities</p>	<p>High/medium term</p>
	<p>Build the capacity of WEs with disability to be engaged in trade in services</p>	<p>High/medium term</p>
<p>Most of the time people doing business don't think that customers with disability do have a power to purchase. Most service businesses do not give attention to accessibility to customers with disabilities</p>	<p>After practically seeing the results, people will believe women with disability can be successful in conducting service business</p>	<p>High/medium term</p>
<p>Many entrepreneurs don't have information on how to improve and upgrade their trade in services</p>	<p>Entrepreneurial capacity upgrading initiatives should be expanded to address the challenges that WEs engaged in trade in services are facing</p>	<p>High/medium term</p>
<p>Most of the business people seem to be content with the capacity that they have and also the education level they have reached. It is disadvantageous when people are just content with whatever capital and knowledge they have, which is really hampering entrepreneurs from becoming competent in the world</p>	<p>Capacity building interventions have to be formulated to address the issues of WEs because most businesses in Ethiopia are performed by trial and error and are not based on research and actual risk assessment</p>	<p>High/medium term</p>
