Women Entrepreneurs in the Global Economy

Susanne E. Jalbert, Ph.D.

March 17, 2000
Women Entrepreneurs in the Global Economy

Table of Contents

Preface by Phyllis Bonanno:
  Women: The Emerging Economic Force 3
Executive Summary 7
Introduction 9
Section 1: Review and Analysis of Current Literature 14
  Women Business Owners 15
  Women Business Owners Active in NGOs 17
  Women’s Participation in the Economy 18
  General Literature 19

Section 2: What Women Entrepreneurs Bring to the Global Economy 22
  Why Women Start Businesses 22
  Female Contributions to the Global Market 24
  Barriers Faced by Women Doing International Business 25
    A. Credit Barriers 26
    B. Technology, Education, Training 28
    C. Double Shift, Double Burden 30
  Characteristics of Women Entrepreneurs 31
  Entrepreneurs Functioning as Role Models 32
  Economic Impact of Women Entrepreneurs 33

Section 3: Women’s Business Associations 38
  The Impact of Business Associations 39
  Role of Women’s Business Associations 42
  Role of Women’s Business Associations in Promoting International Trade 44

Section 4: Global Data on the Status of Women Entrepreneurs 48
  International Trade Impact 48
  An Action Agenda 49
  Conclusions 58

References 60
As technology speeds up lives and the new millennium is now upon us, it is useful to take time to reflect on what will surely be one of the driving forces of the global economy of the 21st century. Women are an emerging economic force that policymakers cannot afford to ignore. What are the implications of this for businesswomen throughout the world? How can women’s business associations best channel this potential and maximize it to improve the status of women in the world economy?

The world’s modern economy, and in fact democracy, depends on the participation of both sexes. Wouldn’t it be ideal to envision as normal a global international order based on democracy, free enterprise, and international law? Since no such system has ever existed, this system looks utopian, if not naive. However, governments and institutions promoting democratic values make a real difference in women’s business organizations in newly emerging market democracies.

In the global economy of the 21st century, international trade will be a key source of economic growth and development. Recent surveys conducted in several countries by the National Foundation of Women Business Owners (NFWBO) indicate that women-owned firms involved in the global marketplace
have greater revenues, are more optimistic about their business prospects and are more focused on business expansion than women-owned firms that are domestically oriented. Obviously, expanding into international trade can pay off for women-owned firms. However, it is not clear that smaller enterprises are benefiting from this potential as much as larger firms.

Women's business associations can and should ensure that their members—large and small—are equipped to reap the rewards of expanding into the international arena. Women must learn how to play the international trade game, and a global network of women's business associations can help them do that. Information technology can help identify markets, provide industry information and spotlight trends about what the role of women in national economies can be. More information about women-owned business enterprises is sorely needed to force policymakers to realize that women are an economic force to be reckoned with. Part of this process is to document the economic significance of women-owned enterprises in order to establish a constructive dialogue. What women’s business organizations (WBOs) can provide may be summed up in three words: access, organization, and advocacy.
Women Entrepreneurs in the Global Economy

❑ Access. WBOs can offer access to contacts for sources of credit, access to training in international trade issues, access to mentoring, as well as access to the more basic skills of operations management and marketing.

The importance of access to information technology cannot be underestimated. Information technology can help identify markets, provide important industry information, spotlight trends, and highlight potential niches.

❑ Organization. WBOs can advance women within the business community, identify their interests, and advocate for them. CIPE's upcoming June 2000 conference for directors of women's business associations and women entrepreneurs is designed to deliver valuable practical information on how these groups can expand their capacity and better serve the needs of the women's business community worldwide.

❑ Advocacy. WBOs can demonstrate how successfully targeted advocacy is critical if women are to overcome the institutional and informal constraints that continue to hamper them in many parts of the world. Advocacy can increase access to education, foster the growth and dynamism of women-owned firms, spur reform of laws, raise the awareness of international
development organizations, and alert trade negotiators to consciously communicate ramifications of trade pacts. Most importantly, advocacy can change attitudes.

One thing is certain. The national business associations and policymakers of the world can no longer ignore the burgeoning power of women in the world economy. Encouraging that realization and helping it take root sooner rather than later must be our major goal for the new millennium.

Phyllis O. Bonanno is a CIPE board member, and an independent international consultant.
Executive Summary

Today’s world is changing at a startling pace. Political and economic transformations seem to be occurring everywhere—as countries convert from command to demand economies, dictatorships move toward democracy, and monarchies build new civil institutions. These changes have created economic opportunities for women who want to own and operate businesses. Today, women in advanced market economies own more than 25% of all businesses and women-owned businesses in Africa, Asia, Eastern Europe, and Latin America are growing rapidly.

In some regions of the world, transformation to a market economy threatens to sharpen gender inequality. Some of these changes are simply the legacy of a gender imbalance that existed prior to political and economic reforms. Other changes reflect a return to traditional norms and values that relegated women to a secondary status. As countries become more democratic, gender inequalities lessen; thus, offering a more productive atmosphere for both sexes. This paper examines how women entrepreneurs affect the global economy, why women start businesses, how women’s
business associations promote entrepreneurs, and to what extent women contribute to international trade.

Women’s business associations play a vital role in identifying appropriate and/or emerging sectors where women entrepreneurs can succeed. The areas that are likely to take off quickly during a nation’s market revitalization are public relations, transport, delivery, producing and marketing consumer goods, commercial banking, financial services, insurance, and other service-related industries. In this process, women business owners are innovators, job creators, and providers of economic security. As owners of small and medium-sized enterprises (SMEs) women can also supply multinational companies with ideas, inventions, technology, raw materials, supplies, components, and business services. Ultimately, female business owners will be recognized for who they are, what they do, and how significantly they impact the global economy. Change is afoot in the global economy and it is bearing a woman’s face.

1 National Foundation of Women Business Owners. Women entrepreneurs are a growing trend. 1998.
Women Entrepreneurs in the Global Economy

Introduction

“Global markets and women are not often used in the same sentence, but increasingly, statistics show that women have economic clout—most visibly as entrepreneurs and most powerfully as consumers.”

Irene Natividad,
1998 Summit Director, The Fifth Global Summit of Women and Chair Woman, US National Commission on Working Women

Worldwide, many women are entrepreneurs. Entrepreneurship emerges from an individual’s creative spirit into long-term business ownership, job creation, and economic security. Women bring commitment and integrity because they care about economic empowerment, entrepreneurial development and innovation. Female entrepreneurs seek the professional and personal support that is found in business associations. Economic globalization has encouraged the expansion of female business ownership. “. . . The growing economic power and influence of women-owned businesses are changing the shape of the global economy,” remarked Sakiko Fukuda-Parr, director of the UN Development Program’s Human Development Report.²

The global impact of women entrepreneurs is just beginning to gain intensity. Worldwide, the number of female business owners continues to
Women Entrepreneurs in the Global Economy

increase steadily. For example, women produce more than 80 percent of the food for Sub-Saharan Africa, 50-60 percent for Asia, 26 percent for the Caribbean, 34 percent for North Africa and the Middle East, and more than 30 percent for Latin America. Female entrepreneurs are active at all levels domestically, regionally, and globally.

A recent United Nations report concluded that economic development is closely related to the advancement of women. In nations where women have advanced, economic growth has usually been steady. By contrast, in countries where women have been restricted, the economy has been stagnant. According to the 1995 UN survey, “two changes have occurred over the past 10 years in the enabling environment for women in the economy. One is the establishment of legal equality for women. The other is granting women equal access to education and training.” Women entrepreneurs are significantly affecting the global economy (see box 1).

<table>
<thead>
<tr>
<th>Box 1. Ownership Facts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Women in advanced market economies own more than 25% of all businesses</td>
</tr>
<tr>
<td>In Japan - 23% of private firms are established by women</td>
</tr>
<tr>
<td>In Russia - women own 64% of firms employing 10 people or more</td>
</tr>
<tr>
<td>In China - women founded 25% of the businesses since 1978</td>
</tr>
<tr>
<td>In Germany - women have created one-third of the new businesses since 1990 representing more than one million jobs</td>
</tr>
<tr>
<td>In Europe and Newly Independent States Transition Economies - women are 25% of the business owners</td>
</tr>
</tbody>
</table>
Women Entrepreneurs in the Global Economy

- In Hungary - women started more than 40% of all businesses since 1990
- In Poland - women own 38% of all businesses
- In Mexico - 32% of women-owned businesses were started less than 5 years ago
- In France - women head one in four firms
- In Swaziland - Women account for about 70% of micro, small, and medium enterprises
- In USA - women own 38% of all businesses (8 million firms), employ 27.5 million people (or 1 in 5 workers), and generate $3.6 trillion in annual sales
- In Great Britain - Women are one-fourth of the self-employed sector
- In the EU - one-third of new businesses are started by women


Growth in many countries, whether developed, developing, or transitional, has been driven by trade. Evidence suggests a gender dimension to trade development, which the UN’s International Trade Centre (ITC) has addressed. Three factors galvanized the ITC to focus on female entrepreneurship and trade. First is the expanding private sector, where small and medium-sized enterprises (SMEs) are playing an increasingly large role in developing and transitional countries. Second is the shift in general economic policy from inward-looking, import-substitution policies to outward-looking, market-oriented strategies. Third is that an increasing number of SMEs are female owned and engage in international trade. This has enhanced the visibility of women business owners around the globe.
Entrepreneurship, the act of business ownership and business creation, is a relatively new concept in many developing and transitional economies. In the Southern African Development Community (SADC) region, the demise of dictatorships such as in Malawi as recently as 1994, has spurred female entrepreneurial activity. In Eastern Europe, Russia, and Central Asia the catalyst for entrepreneurship was the end of the Cold War. Dr. Zoya Khotkina, a senior researcher at Moscow’s Russian Academy of Sciences Gender Centre, trains and consults potential entrepreneurs. Dr. Khotkina stated, “The economic effect has yet to be seen, since there are no statistics on [women entrepreneurs] as yet, and the process of women setting up small enterprises, firms, foundations and associations, which began so recently, is so dynamic that even information a month old is out of date.”

Dr. Khotkina’s remarks could easily pertain to other regions of the world as well. A highlight of CIPE’s 1997 conference “Organizing for Success” was Jehan Sadat’s opening address titled Women: Preparing for the Future. Mrs. Sadat noted, “in the most developed countries, business women are off and running, while those in the less developed ones are taking small steps . . . and there are those who yet realize that they too can enter
Women Entrepreneurs in the Global Economy

the race.”

Khotkina and Sadat concur that female entrepreneurship is catching on with great rapidity.

The purpose of this paper is the following:

• To survey the current literature concerning women business owners,
• To explore the role of women entrepreneurs in a global economy,
• To examine how women’s business associations can strengthen women’s position in business and international trade, and
• To indicate areas in need of further research so that our understanding of economic contributions by female enterprise owners is more comprehensive.

2 Ibid.
"Entrepreneurship offers tremendous opportunities for women across the world by opening doors to greater self-sufficiency, self-esteem, education, and growth - not only for the women themselves, but also for their families and their employees. And women are changing the face of business ownership internationally; between one-quarter and one-third of the world’s businesses are owned by women. As their numbers grow and as their businesses prosper, they will change the way the world does business."

Julie R. Weeks, Director of Research  
National Foundation for Women Business Owners

Material for this paper was gathered through field work (surveys, focus groups, and interviews) and through examining the existing published research. Most of the available literature on women’s business ownership has concentrated on entrepreneurial development in industrialized countries at the national level and within the less developed informal sector. Very little is available on the role of women entrepreneurs in a global economy.

The available literature fell into four broad categories.

1. Women business owners—demographics, characteristics, strengths, and weaknesses
Women Entrepreneurs in the Global Economy

2. Women business owners active in non-governmental organizations (NGOs) and their networking activities

3. Women’s participation in developing and transitional economies

4. General literature on poverty alleviation; microenterprises; small and medium-sized enterprises (SMEs); microcredit; barriers to entering business; feminist perspectives; and women’s business management issues, styles, and techniques.

Women Business Owners

Many people have observed that self-employed women are contributing in significant ways to economic health and competitiveness in countries around the world. While specific theories about women entrepreneurs have not been fully developed, theories about business ownership in general are well advanced and accessible. This segment of the paper synthesizes a variety of perspectives based on the general literature about women business owners. The literature review touches upon assets, barriers, characteristics, and economic impact. These topics are expanded upon in Section 2: Women Entrepreneurs in a Global Economy.

Cultural and social traditions play a large role in determining who within a society becomes an entrepreneur. For example, social conditions in some
societies inhibit women from starting their own businesses. For a female business owner, the process of starting and operating a new enterprise can be difficult because often they lack the skills, education, and support systems that can expedite their business pursuits. Women’s motivations for starting a business are related to their need to be independent, achieve job satisfaction, attain personal accomplishment and fulfillment, be creative and economically self-sufficient.

Men and women entrepreneurs are found in two distinct sectors: the formal or traditional mainstream sector, and the informal or marginalized sector. An informal sector that operates outside the formal sector is very active in developing and transitional economies. Informal economic activities and their related incomes and outlays often escape statistical reporting; yet self-employment is an important economic opportunity for women. OECD’s Bernard Ducheneaut added that the challenges facing women’s businesses are common to all small and mid-sized enterprises, such as financing, globalization of social and economic environments, marketing, and management. There are even more difficult barriers, like banking, legal aspects, political contacts, customs tariffs, bureaucracy, and extortion that must be overcome in developing and transitional countries. In order to
mitigate these marketplace challenges and gain a sense of community, women actively seek out and participate in business associations.

**Women Business Owners Active in NGOs**

Literature about women business owners often discusses the supportive role that women’s business associations perform. The NGO approach, as the West defines it, is a relatively new concept in many developing economies. A recent handbook, published by the Center for International Private Enterprise, notes:

Though associations are not new phenomena in most parts of the world, their operations and methodologies have historically differed depending on their existing economic underpinning. Associations in governmental-planned and -controlled systems customarily performed public functions and were not involved in efforts to expand job opportunities in their nations’ private sectors. In contrast, associations in market-based economies have always played a significant role, not only in shaping investment and performance decisions for free enterprises, but also in determining public policy decisions affecting private business interests.  

Why are NGOs important in a developing or transitional economy? Women organize NGOs to overcome isolation, achieve goals, gain support, educate, train, market products and services, promote one another’s interests, and expand their businesses. Women’s business organizations offer a venue and resources for females seeking to set up a business. Andrina Lever,
Women Entrepreneurs in the Global Economy

President of Women Entrepreneurs of Canada, noted “It is a source of considerable comfort to know that you are not the first or only person to have ever experienced cash flow problems, growth challenges, balancing family, and career obligations or just being overwhelmed...” NGOs are vitally important to the health of budding enterprises and can help women achieve access to the building blocks of a successful business—finance, markets, information, training, influence on policymakers, support, role models, and mentors. While NGOs are important for many reasons, perhaps the key one is that they provide a collective voice to advocate for public policies that benefit members.

**Women’s Participation in the Economy**

Unemployment and underemployment looms large for women in the Newly Independent States (NIS) and Central and Eastern Europe. Gail Lapidus delineated three features of the former communist system (which generally apply to other regions) that deserve emphasis for their role in shaping women’s economic position:

1. Women must overcome sexual stereotyping of occupations which is sustained by governmental policies and societal attitudes.
2. Female occupational choices are profoundly influenced by men’s authority.
Women who pursued demanding careers encountered subtle but widespread societal prejudices.

3. Because women are expected, culturally and at times legislatively, to assume household responsibilities, they are subject to a double-shift burden.

General Literature

The fourth category of literature was the most difficult to review and synthesize primarily because of its sheer volume and diversity. Topics concerning poverty alleviation, microenterprise, microcredit, barriers to entering business, feminist perspectives, business management, organizational and/or enterprise structure, and training issues tend to overlap so much that singling out one is difficult. Four subjects were completely intertwined: poverty alleviation, microenterprise, microcredit, and barriers to entering business. The literature concerning poverty alleviation cited numerous cases where microcredit significantly improved the well-being of women and their families.

One recurrent theme is women’s difficulty in obtaining credit as a key stumbling block to starting a business. “Why is it assumed that a street-seller must grow into a restaurant to be worthy of credit, or that a weaver
Women Entrepreneurs in the Global Economy

of fine fabrics must start employing up to five helpers to be considered a success?"\(^4\) Credit is not the only barrier to entering business. The literature indicates that feminist or anti-feminist perspectives, management skills, understanding organizational structures, and training/re-training issues are hurdles as well.

Setting up microenterprises, small and medium-sized enterprises in both formal and informal economic sectors is now being proposed as a way to achieve sustainable socio-economic development and eliminate poverty. “Where the poor and unemployed are clustered, micro, small and medium-scale enterprise projects support a variety of enterprises in all sectors including manufacturing, trade and service . . .”\(^5\) There is a discernible difference between large free-market enterprises that focus on profit-making, growth, and market expansion as opposed to microenterprises that focus on family subsistence.

The literature review revealed how women entrepreneurs affect and are affecting political, economic, cultural and social spheres. The shape, scope, and perception of the current global entrepreneurial movement cannot be understood without directly observing, surveying, and interviewing women entrepreneurs at work. While it has become easier to find information about poverty alleviation, microenterprise, micro-finance,
barriers to entering business, business management, enterprise structure, and training issues, the crucial missing link is basic information about women business-owners. One specific suggestion is to incorporate gender categories when collecting data on SMEs. The world will never know the true impact of women entrepreneurs upon the global economy or a country’s economy without nationally gathered, statistically accurate, and timely data.

1 Weeks, Julie. Personal communication. 2000.
Women Entrepreneurs in the Global Economy

SECTION 2

WHAT WOMEN ENTREPRENEURS BRING TO THE GLOBAL ECONOMY

“More women than men in this country know where there is a market in places as far as Mauritius, South Africa, Hong Kong, and London.”

Liz Chitiga, Chief Executive,
Minerals Marketing Corporation

In the United States, entrepreneurship among women has passed the test of time. It has, in fact, survived and grown significantly the past three decades. Globally, evidence is mounting that business ownership by women is on the rise. The defining feature of entrepreneurship in today’s global economy is the focus on change in women’s lives, particularly for political and economic empowerment that translates into access to financial resources, increased opportunity for education and training, power to affect decisions in their communities, and autonomy in personal life choices.

Why Women Start Businesses

D. P. Moore and E. H. Buttner suggest that women started their own businesses from a desire for self-determination and for career challenge, and that they expect the corresponding respect, recognition, and self-
Women Entrepreneurs in the Global Economy

esteem that both self-determination and challenge provide. Primarily, entrepreneurship is a survival instinct that motivates women to start a business. Around the world, dismal economic conditions, high unemployment rates, and divorce catapult women into entrepreneurial activities. Desperate to put food on the table for their children, women are defying societal norms in order to survive.

Entrepreneurship is a highly personal, subjective process. Becoming an entrepreneur is an evolution of encountering, assessing, and reacting to a series of experiences, situations, and events produced by political, economical, social, and cultural change. These diverse circumstances prompt individual entrepreneurs to modify their personal living conditions.

Women who own and operate a business are not a homogeneous group. Cultural and social patterns prescribe whether a woman can become an entrepreneur within her society or not. Some constraints are obvious; others are disguised in patriarchal heritage within cultures that preclude female entrepreneurship. As Jehan Sadat said referring to business ownership, there are those who yet realize that they too can enter the race. But in spite of many obstacles, women somehow find a way to engage in entrepreneurial activities. When the issue of entrepreneurship is at stake,
the question should not be a matter of “can she” or “why does she” but “how does she” and “where can she go for help.”

For the woman entrepreneur, the process of starting and operating a new enterprise can be tremendously difficult in both the formal and informal sector because she often lacks the skills, education, and societal support system to facilitate her efforts. Although women’s efforts may be thwarted in many ways “entrepreneurship among women is a vibrant and growing trend internationally,” noted NFWBO Director of Research Julie R. Weeks. Today female business owners are making significant contributions to global economic health, national competitiveness, and community commerce.

Female Contributions to the Global Market

Women business owners bring many assets to the global market. Female entrepreneurs have demonstrated the ability to build and maintain long-term relationships and networks, to communicate effectively, to organize efficiently, to be fiscally conservative, to be aware of the needs of their environment, and to promote sensitivity to cultural differences.

Women’s enterprises are qualitatively different from men’s. Studies indicate that women business owners create a clear culture of their own. Female enterprises tend to center on the delivery of services responding to
Women Entrepreneurs in the Global Economy

traditionally unsatisfied needs. Author Sally Helgesen commented that women managers liberally seek information, exchange ideas with others, and let information crystallize before making a final decision. Women entrepreneurs show a tremendous willingness to seek business guidance and education to compensate for perceived weaknesses.

Barriers Faced by Women Doing International Business

Obstacles that women face in international business include limited international business experience, inadequate business education, and lack of access to international networks. Challenges common to all enterprises include securing funding, developing marketing and management skills, and devising suitable business strategies to thrive in globalized social and economic environments. Other impediments for women are societal, cultural, and religious attitudes. In revitalizing economies they may also face intractable infrastructure problems.

In reviewing the NFWBO 1998 surveys from Argentina, Mexico, Brazil, Ireland, Russia, and Latin-and Iber-American countries, the uppermost business concerns are making profits, hiring and keeping qualified employees, acquiring state-of-the art technology, complying with government laws and policies, obtaining business management training, securing adequate credit,
and improving the overall state of the economy. These obstacles parallel concerns of women business owners in the US, Canada, and Britain. Other researchers in developing and transitional economies point out the problems of gender discrimination under patriarchal traditions, double-shift syndrome, and corruption.

Credit Barriers

The importance of access to credit is identified as a major barrier to entry into self-employment throughout the world. Women setting up microenterprises, SMEs, or formal large-scale businesses all encounter varying degrees of difficulty in obtaining capital, collateral, and fair lending terms. In fact, according to a study by Peggy Clark and Amy Kays, 41% of entrepreneurs report that lack of money is the greatest obstacle to starting a business, and 47% cite lack of capital as the greatest barrier to business growth.

Women in particular tend to seek small personal loans because, in general, they tend to start small firms. The banking world has thus far shown little interest in small loans or microcredits, given the relatively high handling costs, with the result that institutionalized banking practices remain, for the most part, rigidly opposed to microcredit concepts.
Women Entrepreneurs in the Global Economy

Conversations with Bank of America, NationsBank, Key Bank, and Norwest loan officers indicate that profit margins are too narrow for traditional banks to enter the microcredit market. Banks, not surprisingly, are inclined toward low-risk ventures. Women were more likely to observe that they were not given due respect by financial institutions; they did not think their account managers were easy to talk to; they reported that they were not made to feel comfortable by financial institutions; and they perceived that bank employees discriminated against women. Bankers’ pessimistic view of women’s creditworthiness fosters a reluctance to grant credits. This constitutes another obstacle to female entrepreneurship.

On the positive side, however, the number of groups offering microenterprise credit had grown to an estimated 3,000 worldwide by 1998, reaching some 8 million people. The popularity of the microcredit strategy propelled a global movement toward making micro-loans available to people all over the world. Advocacy groups, existing banks, NGOs, and alliances such as the International Coalition on Women and Credit, RESULTS Education Fund (USA), Women’s World Bank, Grameen Bank (Bangladesh), Accion International (USA), FINCA (USA), SEWA (India), VOICE (Africa) and many others promoted the idea of microcredit microenterprises in policy circles. The 1997 Microcredit Summit was a high point in mainstreaming the
microcredit approach by bringing together leaders of governments and development organizations. In 1997, the Microcredit Summit launched its “global campaign to reach 100 million of the world’s poorest families, especially the women of those families by the year 2005.” Increasingly, development agencies including USAID and the UN are making microenterprise programs part of their tool chest (see box 2).

<table>
<thead>
<tr>
<th>Box 2. Credit Programs</th>
</tr>
</thead>
<tbody>
<tr>
<td>• In Georgia, women make up 30% of the borrowers at the Microfinance Bank of Georgia with an average loan size of $7,000.</td>
</tr>
<tr>
<td>• In Ukraine, women obtained 38% of EBRD Small Business Fund loans and women represent 35% of the entrepreneurs purchasing newly privatized land parcels.</td>
</tr>
<tr>
<td>• In Malawi, a microfinance regulatory framework and strategy were launched in 1998.</td>
</tr>
<tr>
<td>• In Bangladesh, Grameen Bank reports a loan repayment rate of 95-98% from women entrepreneurs.</td>
</tr>
<tr>
<td>• USA based Accion International disbursed 270,000 loans to entrepreneurs in 14 countries disbursing $330 million with a payback rate of 98%.</td>
</tr>
</tbody>
</table>

Sources: Accion International, 1997; Counts, 1996; Estes, 1999; Shawa, 1999.

Technology, Education, Training

Creating educational tactics for improving technical skills is fundamental for entrepreneurial growth. Technology, education, and training issues are tightly interwoven and can prevent women entrepreneurs from
reaching their profitability potential. The World Bank President, James Wolfensohn, mentioned in a 1995 address to the Bank’s Board of Governors, “we have learned that investing in people, particularly through education programs, is the principal engine of social and economic progress. We have seen the power of the contributions of women, as the main agents for change in their families and communities.” Secretary Madeline Albright echoed Wolfensohn, “focusing on women is not simply the right thing to do; it is the smart thing to do.” The focus these days should be on technology, education, and training.

Training is the essential component for producing an able corps of entrepreneurs who not only survive but thrive and contribute to the local, and ultimately, the global economy. Skill-based training, technical training, technology training, and delivery of management skills are necessary to strengthen not only entrepreneurs, but also associations. Technical assistance, in other words, is especially valuable in developing and transitional economies where business and managerial skills are often completely lacking.

According to a survey of Russian women entrepreneurs, women business owners strongly desire training, management, and technical assistance. In fact, the survey noted that 59% specifically asked for
training in finance, marketing, and related business topics. Interestingly, NFWBO’s surveys of women entrepreneurs in Argentina, Latin and Iber-American countries, Mexico, Ireland, Brazil, and Canada reflect strikingly similar percentages. Women worldwide recognize that they cannot grow without the right tools.

Double Shift, Double Burden

The combination of two jobs, one at work and one at home, is difficult for a woman in any country, but it is doubly taxing for a woman in a developing or transitional economy where poverty and lack of infrastructure can make the most basic tasks harder and more time-consuming. Yet, what choice do women have? Goscilo said society “exhorted women to be both producers and reproducers. As a consequence, they [bear] the double load of full-time work and all domestic responsibilities.” 6 In many ways the “double shift, double burden” stems from patriarchal traditions that are still followed in the majority of the world’s countries. Yet, change is happening as countries modernize and integrate with the global economy.
Characteristics of Women Entrepreneurs

Women entrepreneurs tend to be highly motivated and self-directed. They also exhibit a high internal locus of control and achievement. Researchers contend that women business owners possess certain specific characteristics that promote their creativity and generate new ideas and ways of doing things (see box below).

Box 3. Characteristic Tendencies of Women Business Owners

- Risk-taking propensity,
- focus,
- high energy level,
- personal motivations,
- married, first born,
- self-employed father,
- general business management skills,
- social adroitness,
- interpersonal skills, competence in finance, and in managing relationships.

One of the qualities that women business owners cite as key to their success is the ability to focus intensely. For example authors Neff and Citrin note, as the former head of the Red Cross, one of the world’s largest NGOs, Elizabeth Dole managed 1.3 million volunteers, revenues of $2.1 billion, and supplied relief to victims of more than 60,000 natural and man-made disasters each year. According to Dole, focus was key for “the management of inner resources.” Other women business owners also cited
focus as a principal characteristic enhancing their successes. Women business owners’ opinions are supported by a comparative study in Estonia, Russia, and Scandinavia by Kauppinen-Toropainen (1993) and by interviews conducted by Neff and Citrin (1999).

In sum, women entrepreneurs share these characteristics: 1) sharp communication skills, 2) intuitive people skills, 3) consensus building competencies, and 4) nurturing, integrating abilities. Women need to use all these skills as they strive to make appropriate decisions for their families and for themselves.

**Entrepreneurs Functioning as Role Models**

For some entrepreneurs, role models and mentors played a key role in carving out paths for them to follow. As revealed in interviews and discussions, some role models were historic figures or fictional characters who overcame adversity; more often they were admired and respected members of NGOs. Mentors included business men and women, family members, women with a high public profile, and an occasional consultant. “Women are changing the conventional role of mentoring at a time when the practice is enjoying a rebirth,” remarked author Susan Caminiti. What Caminiti means is that there is benefit to being mentored and to being a
Women Entrepreneurs in the Global Economy

mentor. She professes that human nature dictates a propensity for giving advice and that doing so is an ego payoff for all the years spent acquiring know-how. Mentors often view mentoring as a responsibility, a way of ensuring entry for the next generation of women.

Association members, community trainers, and foreign consultants are acting as role models by instructing women, not only on the technical issues of starting a business, but also by modeling professional behavior and demonstrating how to broaden one’s outlook. Within women’s business associations, business management, economic empowerment, and advocacy techniques combine with the more humanistic skills of fostering mutual respect, improving ethical standards, and improving health in order to equip female entrepreneurs to succeed in a competitive business environment.

**Economic Impact of Women Entrepreneurs**

What is the real economic impact of women entrepreneurs? How many women-owned businesses are there in the world? While no exact data are available on the number of entrepreneurs, there is a worldwide pool of economically active persons, known as the Women’s Indicators and Statistical Data Base (WISTAT), from which one can extrapolate the general number of women entrepreneurs. WISTAT titles the category “employers
and own-account workers,” but the category could be termed as well as self-employed or business owners. The category describes those who are economically independent and who could be entrepreneurs (see chart 1). The number of women to 100 men in each region is represented for three decades spanning 1970 to 1990.

Chart 1 - Ratio of women to men of total business owners by region, 1970-90 (number of women per 100 men)

<table>
<thead>
<tr>
<th>Region</th>
<th>1970</th>
<th>1980</th>
<th>1990</th>
</tr>
</thead>
<tbody>
<tr>
<td>Africa</td>
<td>35</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>Asia and the Pacific</td>
<td>16</td>
<td>9</td>
<td>22</td>
</tr>
<tr>
<td>Eastern Europe</td>
<td>67</td>
<td>47</td>
<td>56</td>
</tr>
<tr>
<td>Latin America and the Caribbean</td>
<td>22</td>
<td>33</td>
<td>48</td>
</tr>
<tr>
<td>Western Europe and other</td>
<td>22</td>
<td>37</td>
<td>38</td>
</tr>
<tr>
<td>World</td>
<td>26</td>
<td>39</td>
<td>40</td>
</tr>
</tbody>
</table>


Data from the OECD in 1998 parallel available figures from the UN.

Chart 2 shows the proportion of women business owners in selected OECD countries. The two charts present an interesting similarity evidencing the growth of women’s business ownership in five regions (chart 1) and in 19
Women Entrepreneurs in the Global Economy

individual countries (chart 2). The growth of women entrepreneurs in many countries has been driven by international trade, and if the global boom predictions are to be believed, then there is no end in sight.

It is important to note that the gap between men and women business owners has narrowed significantly. In 1970 women numbered 26 for each 100 men, but by 1990 women numbered 40 for each 100 men who were self-employed during the periods indicated below. Although largely absent from the decision-making positions in multinational corporations, women are advancing as major actors in entrepreneurial activities.
Chart 2 - Percent of women employers to total self-employed in selected OECD countries (excluding farm sector and family workers)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>26.0</td>
<td>30.9</td>
<td>32.8</td>
<td>0.49</td>
<td>0.19</td>
<td></td>
</tr>
<tr>
<td>Belgium</td>
<td>28.3</td>
<td>28.4</td>
<td>28.7</td>
<td>0.01</td>
<td>0.03</td>
<td></td>
</tr>
<tr>
<td>Canada</td>
<td>n.a.</td>
<td>n.a.</td>
<td>41.6</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>n.a.</td>
<td>n.a.</td>
<td>27.4</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
</tr>
<tr>
<td>Finland</td>
<td>34.8</td>
<td>36.1</td>
<td>30.5</td>
<td>0.14</td>
<td>-0.56</td>
<td></td>
</tr>
<tr>
<td>Germany</td>
<td>34.3</td>
<td>26.6</td>
<td>27.9</td>
<td>-0.77</td>
<td>0.13</td>
<td></td>
</tr>
<tr>
<td>Greece</td>
<td>18.2</td>
<td>16.4</td>
<td>19.7</td>
<td>-0.20</td>
<td>0.37</td>
<td></td>
</tr>
<tr>
<td>Hungary</td>
<td>n.a.</td>
<td>n.a.</td>
<td>30.7</td>
<td>n.a.</td>
<td>n.a.</td>
<td></td>
</tr>
<tr>
<td>Italy</td>
<td>27.4</td>
<td>22.4</td>
<td>23.7</td>
<td>-0.50</td>
<td>0.13</td>
<td></td>
</tr>
<tr>
<td>Japan</td>
<td>33.0</td>
<td>35.9</td>
<td>32.2</td>
<td>0.29</td>
<td>-0.37</td>
<td></td>
</tr>
<tr>
<td>Korea</td>
<td>n.a.</td>
<td>n.a.</td>
<td>30.7</td>
<td>n.a.</td>
<td>n.a.</td>
<td></td>
</tr>
<tr>
<td>Mexico</td>
<td>n.a.</td>
<td>n.a.</td>
<td>36.1</td>
<td>n.a.</td>
<td>n.a.</td>
<td></td>
</tr>
<tr>
<td>Norway</td>
<td>23.9</td>
<td>23.4</td>
<td>30.3</td>
<td>-0.05</td>
<td>0.69</td>
<td></td>
</tr>
<tr>
<td>Poland</td>
<td>n.a.</td>
<td>n.a.</td>
<td>30.7</td>
<td>n.a.</td>
<td>n.a.</td>
<td></td>
</tr>
<tr>
<td>Spain</td>
<td>26.2</td>
<td>24.8</td>
<td>27.7</td>
<td>-0.14</td>
<td>0.29</td>
<td></td>
</tr>
<tr>
<td>Sweden</td>
<td>22.6</td>
<td>31.2</td>
<td>25.9</td>
<td>0.86</td>
<td>-0.53</td>
<td></td>
</tr>
<tr>
<td>Turkey</td>
<td>n.a.</td>
<td>n.a.</td>
<td>5.3</td>
<td>n.a.</td>
<td>n.a.</td>
<td></td>
</tr>
<tr>
<td>United Kingdom</td>
<td>21.0</td>
<td>25.7</td>
<td>30.6</td>
<td>0.47</td>
<td>0.61</td>
<td></td>
</tr>
<tr>
<td>United States</td>
<td>26.9</td>
<td>33.3</td>
<td>39.2</td>
<td>0.64</td>
<td>0.59</td>
<td></td>
</tr>
</tbody>
</table>

Source: OECD, 1998
As demonstrated by NFWBO, UN, OECD, and other studies, it is apparent that women’s entrepreneurship has grown significantly in the past decades. Various national estimates indicate surprisingly high regional increases of women entrepreneurs. In fact, 10 percent of the new enterprises in North Africa, 33 percent in North America, and 40 percent the former German Democratic Republic states were started by women. The OECD in 1998 estimated that 75 to 80% of new enterprises in the United States are created by women. Canadian research shows a 172% increase in the number of self-employed women between 1975 and 1990. The increasing percentages reveal that women business owners are decidedly the new economic actors.

3 Micro Credit Summit Draft Declaration. 1995.
SECTION 3
WOMEN’S BUSINESS ASSOCIATIONS

“In many countries, women entrepreneurs do not use the existing networks or the existing resources. Governments can more effectively work with associations of women entrepreneurs, so that they are not re-inventing the wheel, but basically buying and tying pre-existing resources.”

Virginia Littlejohn¹
President, Global Enterprise Group

Voluntary organizations are an important agent in the process of economic empowerment of women. Women’s grassroots organizations have played a valuable role throughout the world in improving the socioeconomic status of their members and attempting to lessen gender-based discrimination against them. Now, women’s business associations need to erect and implement their own agendas for increased economic protection. The following section highlights women’s business associations that have garnered national success, the expected purposes of women’s business associations, and the role of women’s businesses associations in international trade.
Women Entrepreneurs in the Global Economy

The Impact of Business Associations

Women’s business associations are increasing steadily in developed, developing, and transitional countries. Approximately 700 women’s business organizations are registered in the US alone, representing over 8 million women-owned businesses. A vital link to economic decision-making processes, these associations have made their members’ visions and priorities a part of the national political and economic agenda. Around the globe many more organizations are contributing in similar ways.

In Russia’s transition economy numerous women's business associations have taken root, such as the Novgorod Women’s Parliament, Perm Business Women's Club, the St. Petersburg Institute for International Entrepreneurship Development, Archangelsk Women Entrepreneurs, Novosibirsk Association of Women Entrepreneurs, and so many more. There are also affiliates to several US-based business organizations, including the Alliance of American and Russian Women, Business and Professional Women, and National Association of Women Business Owners (NAWBO). One of the strongest associations is the Union of Russian Women. Long established, the Union has a history of acknowledging the contributions of working women. With the advent of a market economy, the Union is providing training and individual support for entrepreneurial women.
In Malawi, which became a democracy in 1994, the National Association of Business Women (NABW), led by the visionary Joyce Banda, provides a voice for women entrepreneurs. Registered in 1990, NABW is a multifaceted NGO that encourages and promotes women business owners through advocacy, business and technical skills training, and microcredit loans. NABW’s principal goal is to improve the economic status of Malawian women through developing programs that promote and expand productivity and profitability of women-owned businesses thereby increasing employment opportunities for women. Founded in 1990, its membership has reached about 15,000 people by 1999.

In Nepal, the Women Entrepreneurs Association of Nepal (WEAN) is a decade old. WEAN is an autonomous association formed for, and by, Nepalese women entrepreneurs with the goal of drawing and encouraging them to work toward excellence in their businesses. WEAN assembled a network to enable women business owners from all regions of Nepal to meet, exchange expertise, distribute information, and help each other discover their own potential and capabilities. WEAN’s mission of empowering women through entrepreneurship evolved under Yangzi Sherpa, its founding president who led WEAN for eight eventful, struggling years. Her goal, and
that of her cofounders—Rita Thapa, Renchin Yonjan, Nilam Panday—was to build an organization on a solid institutional base with clear legal validity.

Women’s business associations are especially well-placed to offer training in fields where women have expressed special interest, including technical training and business skills. Associations provide the moral and psychological advocacy required to start a small business by creating a safe and growth-oriented atmosphere that is ideal for incubating new businesses. Associations in Brazil, Canada, Ireland, Malawi, Mexico, Nepal, Russia, the United Kingdom, and many other countries have provided a strong voice and vision for their entrepreneurial members.

In many countries there is still some resistance to joining organizations and other networks. One legacy of the Soviet period is an antipathy toward collective actions and organizations—after years of being pushed and prodded into collectivism by the Communist Party people resist efforts to persuade them to join associations. However, as women watch one another, learn from one another, and communicate more freely, these networks expand. Typically, women who are surveyed report that mutual support is the primary reason they decide to join business associations.
Role of Women’s Business Associations

Associations cover a wide spectrum of activities encompassing credit, business skills training, technical and technology training, employment creation, marketing services, legal assistance, psychological counseling, and some social welfare programs. Some organizations, like the Grameen Bank in Bangladesh, specialize in providing microcredit. The New York-based Women’s World Bank offers business training and credit. Others, such as NABW in Malawi and Nepal’s WEAN, take a more holistic approach, addressing country-wide problems such as hunger and lack of health care, in addition to credit, education, and business resources.

Since associations encourage solidarity and collective action between the groups they help organize and among the members who join, the increasing contact between associations and other institutions can help create a commanding web of alliances dedicated to the political and economic empowerment of women. Partners in these new social pacts should build on the survival strategies devised by grassroots associations. Grassroots tactics have proved successful in many regions: in poor women’s cooperatives, in businesswomen’s organizations, and in associated movements.
There has long been an argument whether women should join a male-dominated organization such as trade associations or chambers of commerce. Billie Lee, an international writer on workplace issues based in US, has written persuasively that women should join only mainstream chamber or business groups. Lee believes that women are be most likely to meet those who can demonstrate and coach powerful business techniques only in male-dominated organizations. Lee asks, “Why splinter off and declare that you are women first, business people second?”

While Lee’s question is logical, it ignores the fact that in many societies, women’s ability in gaining access to mainstream organizations is limited. Creating and growing women’s not-for-profit organizations is a way of exercising freedom, and a key to building a civil society. By forming and joining an association, one can demonstrate economic clout and force larger organizations and governments to pay attention to a specific cause. In addition business associations provide a system of bonding. “Women certainly do seek out opportunities to assist other women” Sharon Hadary, executive director of NFWBO asserted, “So many of the issues and problems are the same. The bond of being a woman business owner supersedes the cultural differences.” Without women’s business organizations,
entrepreneurs say they feel isolated. “Isolation is a dream killer,” and it is most certainly a business killer as well.

Role of Women’s Business Associations in Promoting International Trade

In a recent focus group held for women entrepreneurs in Zimbabwe, all participants expressed eagerness about the possibility of entering the international trade arena, yet only five of twenty-seven surveyed reported engaging in international activity. NFWBO\textsuperscript{3} research on the involvement of women business owners in trade showed the following percentages: 38% in Ireland; 30% in Canada; 25% in Brazil; 21% in Mexico; and 13% in the US. However, these surveys are based on women attending conferences, and may not be indicative of the country as a whole. This points again to the need for more gender disaggregated data for the purposes of measuring national and international economic activity.

The Zimbabwean entrepreneurs readily admitted that they were unprepared to dive into the global arena. They wanted more marketing analysis, industry sector information, linkages to networks, and technological equipment and training. Further, they indicated that training in international trade would be extremely valuable for their women’s business associations.
Training topics that held the greatest appeal were globalization, export promotion, import rules, and foreign direct investment as related to joint ventures. The main concern was how to convert an initial short-term training program offered by international consultants into a long-term association service program for members. As Mary Banda from Mozambique, said, “I don't think our associations right now have the funding or the capabilities of [experts] to impart knowledge. Who would train members after an inaugural training program was concluded by an expert?” None of the participants felt that the local women’s business associations had enough expertise to implement a training program in international trade. This issue leads directly to what can be done to strengthen not only women’s business associations in Africa, but also other associations globally.

Global surveys reveal strong opinions from women entrepreneurs on what their associations should do to help grow their businesses. Most participants indicated that they needed some form of assistance. When asked what kind of specific assistance they wanted their associations to supply, entrepreneurs responded with a broad array of suggestions, as listed below.

- Technology (members need hardware, software, and training; the most frequent request is access to the Internet)
Women Entrepreneurs in the Global Economy

- International trade training
- International linkages via trade shows and trade missions
- Business plan development
- Market identification, partner identification, strategic alliance identification
- Negotiation assistance
- Industry information, trends, niches
- Contacts for sources of credit, letters of credit, finance counseling
- Mentoring and professional peer counseling
- Skill development in operations, management, and marketing
- Advocacy (understanding what it is and how to implement it)
- Legislative pressure techniques
- Policymaking assistance

The major threats that women entrepreneurs face in the global marketplace are competition from foreign products arising from trade liberalization, technological advancements outpacing current technology now used within one’s business, and insufficient skills to conduct business in the global marketplace. To combat these obstacles, the role of women’s business associations in every region of the world should be to prepare aggressively and meticulously their members for future participation in the
global economy by providing access to intensive training on how to shape
niche markets and develop agile and innovative interactive marketing skills.

1 Littlejohn, Virginia. as quoted from OECD. Women entrepreneurs in small and medium
enterprises. 1998.
2 Lee, Billie. Women’s groups still don’t understand power. San Diego business journal. 1996.
p. 7a.
3 Chun, Judy. Equal access: women business owners find their place in the world. Entrepreneur
Sections 4: Global Data on the Status of Women Entrepreneurs

“Economic issues and trade will be the principal diplomatic mediums of the 21st century.”

Charlene Barshefsky
Chief US Trade Negotiator

This section addresses four topics: women business owners’ impact on international trade, current analytical and statistical data about women entrepreneurs involved in international trade, predictions for the future, and a summary.

International Trade Impact

According to the UN Development Program’s Human Development Report, a survey showed that four out of ten women business leaders are currently involved in the international marketplace. Of the women surveyed, about half became involved only within the past year. Moreover, nearly half of those surveyed who were not yet involved in trade say they planned to do so within the next three years. However, accurate data about the number of women entrepreneurs involved in international business are sketchy at best.
Box 4. International Trade Facts

- Ireland - 38% of women surveyed are involved in international trade
- Canada - 30% of women surveyed are involved in international trade
- Brazil - 25% of women surveyed are involved in international trade
- Mexico - 21% of women surveyed are involved in international trade

Sources: NFWBO, 1998; WIIT, 1998

An Action Agenda

To promote women entrepreneurs, the UN International Trade Center’s (ITC) Women in Trade Development Program defined three areas where intervention is needed: 1) grassroots level as an individual entrepreneur, 2) operational level in cooperation with women’s business associations, and 3) policy and institutional level to systematize governmental efforts. The suggestions below are based on best practices that have proven successful for female entrepreneurs and their business associations. There are five broad categories.

1. Research, Analysis, Statistical Data Gathering

The consistent lack of data about women entrepreneurs is a barrier not only because women are undercounted but also because they are not taken into account when public policies are formulated.
ACTION - Compile local and national directories on women entrepreneurs at all levels (micro, small, medium-sized, and large), in all sectors, and include international trade activity.

Examples - NAWBO’s local, state, and national directories.

2. Technology, Education, Training

Provide management, marketing, business planning, technology, and technical assistance to women entrepreneurs. Every country report NFWBO compiled indicated that training was a top concern for women business owners. Ducheneaut at OECD remarked that women running SMEs are quite frequently handicapped by lack of management training; further, he criticized higher education for not sufficiently emphasizing SMEs. With high-speed technology blurring an entrepreneur’s market edge, technology skills and business ownership education must be made available and constantly updated.

ACTION - Survey women entrepreneurs through existing associations to establish a baseline for technology, education, and training needs; then generate the supporting training structures and/or partnerships to expand businesses and overcome obstacles.
Examples - New Opportunities for Women provided by the European Commission to promote women’s enterprise creation and strengthen existing enterprises through specialized training programs.

3. Access to Credit

A major impediment to starting and later expanding a business is finance. Access to credit for women can be improved by linking women’s business associations’ awareness campaigns and public policy platforms to government and institutional policies.

ACTION - Identify, define, and explain the common problems women experience in obtaining credit. Research credit schemes that have worked in other countries that would be applicable to your community; assess transferability and adaptability. Organize, lobby, and campaign for funds that women’s business associations can disburse to members.

Examples - African Development Bank has listened to the requests of women’s associations. It now has a “Women in Development” division advising the Bank.

United Republic of Tanzania set up the Small Industries Development Organization which has established a women’s desk that surveys the needs
of female entrepreneurs and designs programs to assist them in obtaining loans. In just two years loans increased from 35 to 129.

4. Legal Issues

Prescribing necessary policies and institutional reforms to improve the business environment facing women entrepreneurs is tied into the regulatory and legal framework governing competition, investment, commercial transactions, contractual laws, labor regulations, taxes, property rights, and procurement procedures.

**ACTION** - Turn the obstacles, challenges, and problems into legitimate policy papers. Advocate using public forums, media targeting, and direct lobby pressure upon legislators to change laws that are discriminatory toward women entrepreneurs.

**Example** - The South African National Congress’ Land Manifesto specifically mentions equal rights in all land-related issues. The manifesto has been taken to task collectively by South African women’s business associations who are monitoring its appropriate application after decades of abusing women’s land rights.

Enforcing women’s rights to land has always been difficult in India. The Self-Employed Women’s Association (SEWA), Working Women’s Forum
Women Entrepreneurs in the Global Economy

WWF, Mahila Mangal Dal (MMD), and Comprehensive Rural Operations Service Society (CROSS) are raising the issue of securing land and other rights for women, underscoring the close relationship between economic and social oppression.

5. Association Leadership

Business women’s associations can disseminate information, explain change, and provide services to help members handle economic and political shifts effectively. In this last section, the actions and examples are tied together as follows:

**ACTION AND EXAMPLE**

- Seminars in legal literacy - Ukrainian business women’s association.
- Public policy platform - Malawi’s NABW designed an advocacy program to improve the economic status of Malawian women.
- Technology transfer - Women’s Technology Cluster is a business incubator for women-owned technology start-ups based in San Francisco, CA with connections to venture capital.
- Training and credit - WEAN in Nepal offers a substantial number of training packages, networking activities, advocacy initiatives, a fully staffed retail cooperative, savings programs, and a formal credit
Women Entrepreneurs in the Global Economy

program molded by assistance from and affiliation with Women's World Bank.

- Trade fairs, shows, and events - The MERCOSUR Women’s Forum: A Challenge for the Third Millennium held in 1997. The SADC Women’s regional trade show is being organized by 14 women’s business associations located in Africa’s Sub-Saharan region. Plan to attend in September 2000.

- Workshops and conferences on gender discrimination - Business and Professional Women (BPW) International in St. Petersburg, Russia offers expert counseling on combating societal gender indifference and discrimination.

- Research, Data Collection, and Statistical Repository - The NFWBO is a premier source of information on women business owners in the US. It supports the growth of women business owners by conducting research; then sharing and disseminating data collected.

- International Trade Training - Ghana Association of Women Entrepreneurs (GAWE) hosted the First Global Women Entrepreneurs’ Trade and Investment Forum in 1996 drawing 504 participants from 44 countries and 30 international organizations. GAWE offered participants a variety
of conference sessions dealing with international trade. GAWE plans another conference in May 2000.

How can a women’s business organization advocate cooperatively and efficiently to influence policymakers? The OECD outlined a number of effective suggestions from a recent study of policies that foster entrepreneurship in five countries—Australia, The Netherlands, Spain, Sweden, and the United States. The following chart presents some of its broad policy guidelines that can be applied to developing and transitioning countries as well. Each country and each businesswomen’s association needs to examine how these policies could best be applied within its own situation. Broad policy guidelines must examine the overall institutional framework within which economic activity takes place in order to establish whether it provides maximum scope for entrepreneurship to flourish (see box 5).

<table>
<thead>
<tr>
<th>Box 5. Selected Policy Options to Promote Entrepreneurship by OECD</th>
</tr>
</thead>
<tbody>
<tr>
<td>* Examine whether current regulations governing financial institutions and/or financial markets inhibit or facilitate the availability and optimal allocation of finance for entrepreneurial activities.</td>
</tr>
<tr>
<td>* Allow scope for flexible employment contracts to be negotiated, with remuneration arrangements and working conditions that are well adapted to the needs of dynamic enterprises. Relax employment protection measures that inhibit restructuring or discourage entrepreneurs from taking on new workers.</td>
</tr>
</tbody>
</table>
* Examine the costs of complying with government-imposed administrative or regulatory requirements and identify where reductions could be made.

* Examine the overall effects of the tax system on entrepreneurship.

* Review and simplify the registration procedures required to create a business.

* Advocate to government to widen the target population for entrepreneurship programs, where possible, to attract the participation of women, the young and minorities.

* Ensure that resources for programs to foster entrepreneurship are decentralized.

* Provide regular opportunities to exchange information at a national level on the experiences of local authorities in designing and implementing entrepreneurship programs.

* Promote public awareness of entrepreneurship and examine the role the education system could play in developing entrepreneurial skills and attitudes.

* Increase opportunities for the unemployed to create their own jobs through self-employment schemes.

* Facilitate networking among firms in order to foster a culture of mutual cooperation and risk-taking.

* Promote the entrepreneurial nonprofit sector by contracting-out where possible the delivery of public services that meet pressing demands in economic and social development.

Two final recommendations:

1. Report successes. New as well as established entrepreneurs want to hear success stories. What are the best practices? Describe your best management training course or your best export initiative or your best enterprise links initiative. Are there regional differences in best practices? If yes, explain why doing business in South Africa is different from doing business in Zambia. What advocacy efforts have been successful? Explain your most advantageous advocacy approaches like meeting one-on-one with legislators or holding legislative issues breakfast meetings, focus groups, or press conferences. What is the most valuable membership service that could be shared? Describe how members can act as ambassadors to attract in prospective members or how trade shows might best draw attention to your organization. Ascertain all methods that reflect your accomplishments and pass them along to the world by analyzing, reporting, distributing, and disseminating what has been learned in a written format. Broadcast generously.

2. Track and summarize association member details. For example, practice crafting member surveys such as needs assessment questionnaires or legislative issues polls or training program evaluations. Also, categorize member’s demographics such as their types of business, number of years in
Women Entrepreneurs in the Global Economy

operation, obstacles, characteristics, economic impacts, credit concerns, and business needs. Summarize your findings and submit your discoveries to government officials, banking institutions, and other entrepreneurial support organizations. At the same time, use the members’ input to assess your organization’s products, services, training programs, printed materials, newsletters, and staff. Continue to research, collect data, and record statistics pertinent to the member entrepreneurs needs and goals. Non-governmental organizations aren’t doing it. Governments claim they haven’t the money to do it.

Conclusions

In a world of rapid change, all entrepreneurs must have the flexibility and creativity to meet the changes they face. The importance of a strong, mindful vision that can lead toward a better world is often underestimated. Recently, a participant from the Russian Far East who was attending a US Department of Commerce business planning seminar remarked that she really appreciated the vision/mission portion of the day. She said that she thought the vision process was just to generate a meaningless slogan. What she realized after the visioning exercise was the importance of using an
effectively articulated mission as a driving force to propel her company to
what she wanted it to achieve.

Without directly tracking, observing, surveying, and interviewing
individual enterprise owners it is difficult to understand with clarity and
assurance the current entrepreneurial movement or women’s economic
opportunities. Even the data we have collected over the past 10 years are
insufficient and hardly correlate with the growing number of women
entrepreneurs. As female entrepreneurs, as members of active, effective
women’s business associations, we are responsible for producing the
literature, research, and statistics that are currently missing. This is
essential for assessing women’s financial contributions to the global
economy. We can do better.

Individually, business ownership provides women with the independence
they crave and with economic and social success they need. Nationally,
business ownership has great importance for future economic prosperity.
Globally, women are enhancing, directing, and changing the face of how
business is done today. Ultimately, female business owners must be
recognized for who they are, what they do, and how significantly they impact
the world’s global economy.

REFERENCES


Women Entrepreneurs in the Global Economy


Women Entrepreneurs in the Global Economy


Women Entrepreneurs in the Global Economy


Women Entrepreneurs in the Global Economy