

Overview of the experience in training women entrepreneurs and mentoring practices in Turkey

This overview was developed within the joint project: Learning Partnerships against Social Exclusion: Mentoring for Women Entrepreneurs¹, aiming at exchange of knowledge and good practices about mentoring for women entrepreneurs as an alternative learning form, and promoting mentoring for women entrepreneurs as a way to overcome gender disparities, social exclusion and poverty by empowering women to participate more actively in national economy.

The overview was prepared as a result of a desk research conducted in June 2006 by Ceren Isat. It answers some key question in order to analyse the existing gender disparities and/or inequalities in Turkey, concerning the economic activity of men and women by preparing three overviews of the different experience in training women in entrepreneurship in these countries, which will be used for exchange of experience and good practices in mentoring for women entrepreneurs and serve as a basis for starting mentoring training programs in Turkey.

Part One: Introduction

It is really hard to say that there has been activities done and measures taken to prevent the gender decomposition in the employment sector. Two major problems of the employment sector in Turkey are the high unemployment and low employment of women. These two problems have a close relationship with each other and policies to solve the problem of unemployment must also consider low employment of women. However, the insufficiency and gender blindness of the macro-economic policies in Turkey deepens the problems of women both during their entry to, and after their participation in the labour market. According to the statistics of the Turkish Statistical Institute (Turkstat), for December 2005, the employment rate of women in Turkey is 20.6% and 16.3% of this employment is in the urban areas while 27.5% of it is in rural areas. The unemployment rate of women is 11.4% of which 5.1% in the rural areas and 17.1% in the urban. Also, there is a division according to the position in the employment sector for women like, salaries, daily-waged, employer and self-employed. In addition, most women in the rural areas work as unpaid family workers.

The employment and unemployment rates for women changes depending on the education of women. According to the Turkstat statistics, for December 2005, for illiterate women, the rate of employment is 14.8% and, the rate of unemployment is 1.6% while for under-graduate and graduate women the employment rate is 71.6% and the unemployment rate is 13.6%.

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The high unemployment of women is also the cause of the increase in home-based labour and high numbers of women who are working in the informal sector. Besides, there is a gender division in the formal employment sector. According to the statistics of December 2005 of Turkstat, 45.1% of women work in agriculture while 35.1% works in the service sector and 14.8% in industry. For enterprises, the same division also can be said. Since women do not have enough time and money because of their traditional social roles, women's entrepreneurship is also very low in Turkey. Of all entrepreneurs in Turkey only 12.5% are women.

Developing and supporting women's entrepreneurship as a process has started with the candidacy of Turkey to the European Union. Both the state and the NGO sector pay special attention to the issue in their programs and projects.

Part Two: State policies, programs and projects focused on training women entrepreneurs

Women's entrepreneurship is reflected as a specific issue in the National Action Plans for Employment. According to the Plan, a review of the sectoral employment data indicates that the rate of women's entrepreneurship is very low – nearly 1%.

Turkey has made some commitments on the issue, at the 4th World Conference on Women such as developing projects to increase female employment and find international sources of finance to support these projects; providing special bank credit facilities to help women to establish their own businesses and increase the already existing level of provided credits; encouraging women and raise their awareness about these possibilities by the support of the mass media, educational campaigns, conferences, and seminars.

To reach these aims some actions which will be taken by the government have been determined, such as developing projects to create appropriate communication channels to eliminate the cultural norms and attitudes which are against female employment, and promote new and positive attitudes to support working women to eliminate occupational segregation and all forms of employment discrimination; empowering women working outside of the public and private sectors and earning income in their homes by doing various kinds of work, by establishing a communication network to improve their self confidence, to give them bargaining power, and to inform them about their right to organise, employment rights, and social security to strengthen women's economical capacity and commercial networks; supporting research and action oriented projects which will show the dimensions of women's contribution to the economy in the private and public sectors, disseminating effectively the research findings from *Improving the Female Employment Project* supported by the World Bank and encouraging micro enterprises by establishing cooperation between the Labour and Social Security Ministry, the Small and Medium Industries Development, the Turkish Employment Institute, and various banks to provide information and documents to all relevant individuals and institutions about credit accessibility, marketing opportunities, and legal procedures to make women's labour visible.

Measures like encouraging mentoring activities for women's entrepreneurship to support it and to improve the culture of entrepreneurship are envisaged. For these measures, state institutions implementing projects by themselves and also together with NGOs, universities and other institutions. It can be said that there is an increase of projects on women's entrepreneurship. Various public agencies have taken the lead to design and implement these projects. These public agencies are KOSGEB (Small and Medium Industry Development Organization), KSGM (General Directorate of Women's Status), and İŞKUR (Turkish Employment Institute). KOSGEB is undoubtedly an important player in supporting SMEs in the manufacturing sector. The Institute for Promotion Entrepreneurship of KOSGEB recognises women entrepreneurs as one of its target groups to benefit from its training (in motivation and business ideas, preparation and presentation of business plans) as well as its consultancy and financing programs. Mostly used training methods are seminars, consultancy, awareness-raising and career guidance.

Mentoring has the broadest implementation in all projects and programmes which are carried out by state institutions for supporting and improving women's entrepreneurship and, it is recognised as a successful and efficient approach for training women entrepreneurs. Inside these mentoring applications two types of support seem most relevant: mentoring women entrepreneurs on facilitating the formal process to establish a company, and increasing the access to institutional credits.

KOSGEB is implementing a project called *Supporting Women's Entrepreneurship - İŞGEM* (Centre for Work Improvement) funded by EU with the specific objectives of supporting women's entrepreneurship by training and consultancy; improving the culture of entrepreneurship and giving information to entrepreneurs on "work plan" which is necessary for establishing a well-worked up enterprise. Expected outcomes of the Project are establishing *Work Improvement Centres* at four different places and providing services like equipment holding in common, secretariat, consultancy on enterprise improvement. At every Centre, it is predicted to give place at least twenty enterprises.

İŞKUR is implementing a project called *Water Drops* which has the specific objective of awareness-raising about women's entrepreneurship. At the scope of the project, career guidance for 49 women entrepreneurs will be provided. İŞKUR is also implementing a programme called *Improving Entrepreneurs*. Specific objectives of the programme are spreading widely the culture of entrepreneurship and supporting new entrepreneurs by guidance. As the outcome of the programme, 24 young entrepreneurs trained for 120 hours on work planning, law, human resources, tax management, accounting, informatics and market research.

Mostly NGOs are responsible for the implementation and the state institutions are the monitoring bodies. For example, for the projects and programmes mentioned above the responsible organisation for establishing *Work Improvement Centres* is TESK (The Confederation of Turkish Craftsmen and Tradesmen) and the monitoring body is KOSGEB. The *Water Drops* project is being implemented by KAGİDER and the mentoring body is İŞKUR. Improving Entrepreneurs Programme is implemented by KAGİDER and Sabancı University and İŞKUR was the mentoring body.

There is no information about their budget. Women's NGOs which are specifically working on entrepreneurship are the main partners of these institutions. They also work with the media and local governments and municipalities. By now, there is no survey or research conducted among the women who have passed such trainings in order to have feedback from the beneficiaries for the efficiency of these activities.

In Turkey, the attention given to women's entrepreneurship has close links to Turkey's candidacy to EU. With the EU programmes promote women's small and micro enterprise initiatives; the issue comes to the agenda of the government. It is also seemed as a source of business and job creation. However, there is a lack of research in the matter so that the results of the existing programmes in implementation are not clear. Also, as the implementation of these programmes goes through the projects, the heavy bureaucratic process of implementation of projects excludes many women organizations and initiatives mostly grassroots. Therefore, women also need mentoring in project application and implementation procedures.

Part Two: The activities of the civil sector in training women entrepreneurs

There are some national and international women's organizations which give training to women on enterprising and support them at this area in Turkey. The most active and well-known are: KAGIDER (Association of Women Entrepreneurs) and the Working Group of Homebased Working Women (Homenet), operating at the national and international level, KEDV (Fund for Apprising Women's Work) – at the national and regional level, ABIGEM (European Union Job Development Centre) and KA-MER (Women's Centre) at regional level and local organizations like KADAV (Women's Solidarity Foundation) and the Contemporary Women and Youth Foundation. These NGOs do not need a license or certificate from a state agency for vocational training but these NGOs need an approval from the state agency for their organization statutes in which they have to clarify kinds of activities and trainings they will implement. So that we can talk about an indirect approval of the state agency for these trainings but they do not need a special certificate for doing them.

Mostly they work in partnership other women's NGOs both working on women enterprising and on different issues. Also these NGOs work in partnership with local government agencies and municipalities. There is a special condition that one of these NGOs – KAGIDER, also funds other women's organizations, thus, on the one hand, "they work with" other women's NGOs and on the other, "they help other women's NGOs in their work" by funding them.

The activities encompass:

- Trainings,
- Consultancy
- Informing
- Encouraging women for enterprising,
- Developing new job opportunities

- Mobilising local sources for women's enterprising
- Helping women to increase their enterprise's capacity

Based on the analysis of those women's NGOs activities we can reach the conclusion that mentoring is recognised as a successful and efficient approach. For example;

KAGIDER: in the year 2005, via its projects the organization reached 2500 women who have occupational training and law consultancy from the organization. 45 women graduated from the workshops on film making and now they are continuing to make their own films which are providing to promote the women's standpoint in Turkey both at the national and international levels. 15 women in Mardin, a city in the South East part of Turkey, established their own enterprises after this NGO's trainings. There is a Day Care Center established by the organization. Also, at this writing (mid-2006), in Samsun – a city at the north side of Turkey, 150 women are still having training to become entrepreneurs.

KEDV: with the support of the organization a number of women trained by KEDV started working together in establishing cooperatives. These "Women Service Cooperatives" reached the number of eleven till today. KEDV also helped these cooperatives by preparing their establishment statutes. At these cooperatives, women carry out activities from production to marketing.

ABIGEM: the Centre has implemented a project called "I want to have my own enterprise" targeting 200 entrepreneurs. The Centre gives trainings on research, evaluation, planning and implementing a business activity. Since the project had successful results, the same project will be implemented in three different cities in Turkey this year. At this activity which will take approximately three and a half months, trainings on awareness raising, establishment of own enterprise, marketing and marketing research, financial planning will be carried on.

Homenet: this organization has established local workshops in six cities and still continuing on. These local workshops are established by women who mentored by homenet.

Contemporary Women and Youth Foundation: the Foundation gives training to women and young people to make them have their own enterprise and find occupation. Till now, 480 women attended the empowerment trainings provided by the organization and got their certificates. 320 of these women attended the occupational trainings and 160 of them attended entrepreneurship trainings. 11 women who attended to entrepreneurship trainings were given microcredits, so these women have their own business now. The organization still provides microcredits and at the end of the project (in 2006) 20 women will have these credits. At the same time, 20 women attended occupational consultation trainings and 10 of them are now working as mentors. In the scope of a new project, mentors on developing products will start to work in the organization.

KADAV: the Foundation established a centre in Kocaeli and conducted a needs analysis to evaluate the status of women on the labour market, to prepare women for working life in

the best way and to increase the variety of offered occupational trainings. This study is important since it is the first one in Kocaeli which aims at supporting women in working life. Also the Foundation is in contact with employers and by this it becomes a bridge between employers and women employees who are seeking for a new job.

As the mentoring activities takes the most important and big part of these NGOs, also there are some other services like day care centres for children whose mothers are attending these trainings or have just started their business.

The trainings discussed above are financed through project grants, so the trainees do not have to pay for attending them. There is a variety of donors which are providing financial support to those projects like the Open Society Institute, the Turkish Employment Organization (Iskur), UN, the EU Commission, the Global Fund for Women, Bernard van Leer Foundation (Holland), some banks, newspapers and foreign embassies to Turkey.

As said before developing women's entrepreneurship is a new area in Turkey. It is mainly the NGOs and other organizations that focus their activities on this process, which started mostly with the Turkish candidacy to the EU. Therefore, we cannot talk about projects during the last ten years but some successfully implemented projects in the last few years.

The Social Service Project implemented by KADAV

Location: Kocaeli (the city which was mostly destroyed by the earthquake)

Duration: February 15th, 2005- February 15th, 2006

Aim: Social and economic empowerment via trainings on occupational skills and consultancy on issues which requires expertise.

Activities: A building was built for trainings and 2500 women attended these trainings, divided into two parts – occupational trainings and informing (awareness raising) trainings. Office management, marketing, hairdressing and skin care trainings can be given as examples of the first kind and trainings on environment, hygiene and literacy are the examples of the latter.

Support for Women Entrepreneurs Project implemented by KA-MER

Location: Mardin (the city at the south east part of Turkey)

Duration: February 15th, 2005- February 15th, 2006

Aim: economic empowerment and defence from the violence against women. For this aim, the project targeted to empower women by support in entrepreneurship that started to examine the traditional status of women via other programmes and projects of KA-MER.

Activities: During the project five enterprises were established for and with women. One hairdresser, one trousseau house, one wine and liqueur filling house, one traditional food house and one flooring workshop were opened. For establishing those enterprises, women were trained in business skills. Preparation meetings were organised with the participation of businesswomen and women, who wanted to establish their own businesses, for sharing of experience and conducting feasibility studies.

Women's Entrepreneurship Programme implemented by ABIGEM

Duration: 2004-2005

Aim: Supporting women's entrepreneurship and awareness-raising about entrepreneurship.

Activities: During the program were implemented trainings attended by 1643 women. 27 of these women established their own enterprising after the trainings.

The main approach for achieving the aims of those projects is *mentoring*. But this approach becomes successful only when women are also supported by credits.

There are some reports of KAGIDER about project results which can be found at www.kagider.org and also there are some publications like *Cooperative Handbook for Women* by KEDV. In addition, some reports on the projects of Contemporary Women and young Foundation can be found at www.w4w.nl

All NGOs listed above have their surveys and researches about their activities but these researches and surveys are not comprehensive since they are bounded by the aim and the scope of the project they have implemented.

Currently, KEDV is implementing a project in Mardin by which 200 women will take trainings on production, service and marketing for establishing individual or communal enterprises. Women will receive special support for the production of local products.

Also, there is another project of the same NGO which is still under implementation called *Reducing the Social Risk*. As the activities of the project, trainings on job and marketing possibilities in the cities of İzmit, Bolu and Diyarbakır. It is targeted to reach 200 women by the trainings and after meeting these women with *Maya Micro-Credit Programme* through which approximately 100 women will have their own enterprise.

Since the issue of women's entrepreneurship is a new one in Turkey, it is hard to talk about an experience poll and data broad in scope. But still we can mention some best practices which bring together the mentoring activities with the local resources. As mentoring seems the most efficient way of increasing women's entrepreneurship, its power depends on mobilising the local resources.

Part Three: Mentoring women entrepreneurs as an approach of business associations

Although women's entrepreneurship is a new phenomenon in Turkey, the civil sector is very active in promoting it by providing training for women entrepreneurs. In that aspect mentoring or similar activities are very much preferred.

As it could be seen from the previous part a number of civil associations have already gained public recognition and popularity with their work in encouraging women's entrepreneurship. They try to fill in a niche not covered by a number of very strong business associations in Turkey who focus their efforts in other directions. Such organizations are:

- TUGIAD – Young Businessmen Association of Turkey is established in 1986 as the first national and sole international young businessmen association of Turkey, with the perspective of young entrepreneurs, TUGIAD defended the fact that Turkey’s success depended on younger generation. TUGIAD believes that industrialists and business people perform a leading role in Turkish society and acts on this conviction.
- Turkish Industrialists' and Businessmen's Association is located in Istanbul and has a representative office in Brussels. Committed to the universal principles of democracy and human rights, together with the freedoms of enterprise, belief and opinion, TUSIAD seeks to promote the development of a social structure which conforms to Ataturk's principles and reforms, and strives to fortify the concept of a democratic civil society and a secular state of law in Turkey.
- MÜSİAD – is a “Businessmen’s Association” founded on May 5, 1990, in Istanbul, Turkey, by concerned businessmen dedicated to the realisation of a Turkey where human rights and supremacy of the law, justice and equality, peace and security and the welfare and happiness of the people are guaranteed; where community and universal values that are adopted historically by the people are protected; and where the country is effective in the region and respected in the world.

The most important business organisation which is fully dedicated to working for women entrepreneurs is KAGIDER – Women Entrepreneurs Association of Turkey, which was chartered in September 2002 as a non-profit and non-governmental organization by 37 prominent Turkish female entrepreneurs and expanded since then to 135 members. It has grown steadily over the past three years as other successful businesswomen have joined its ranks from various sectors, including textile, communication, human resources, tourism, chemicals, mining and health. The average age of KAGIDER members is 42. KAGIDER is the most widely organised women entrepreneurs association in Turkey. It aims to support women’s entrepreneurship in the country and, provides training, consultancy, credit guarantee, and political and economic network services for its members, thereby contributing to the improvement of the conditions of women’s entrepreneurship in Turkey.

Since its establishment it has been involved in several major projects targeting women in business and promoting women’s entrepreneurship:

- *Women Entrepreneurs Business Development Center* (KAGIDER Incubator Project): Within the context of the EU Active Labour Market Program, KAGIDER has opened a business development centre with the support of the Turkish Employment Exchange. The mission of this centre is described as being to serve as an incubator in order to consolidate technical, technological and business bases of micro and small enterprises. This centre has provided entrepreneurship training for 60 women and selected 5 business projects of women entrepreneurs to open their business in the KAGIDER office. These five businesses project, maturing through strategic partnership with KAGIDER member businesses, are reported to be showing in turning into independent enterprises.
- UNDP and SAP-ESC “Women’s entrepreneurship Programme”: KAGIDER has implemented a project in cooperation with the South-eastern Anatolia Project Entrepreneurship Support Centre and UNDP based on providing the opportunity for

18 female students to receive *apprenticeship in KAGIDER enterprises*. The student also received training concerning the realisation of business ideas. The project started in 2004 and was completed in the summer of 2005.

- *Water Drop Project*: The water drop project, founded by the EU and sponsored by several public and private sector organizations, aims to train and support women's entrepreneurship in human resources consultancy and the personal training area. It has been announced by KAGIDER that 50 women candidates would be selected and establish their own companies, and will be encouraged to take consultancy and training services in seven provinces.

Part Four: Conclusion

Entrepreneurship seems to be an important solution against insufficient employment capacity and difficulty of creating new job opportunities. Developing and supporting entrepreneurship is a very new process which has started with the candidacy of Turkey to European Union. Recently, there has been an increase in the number and the efficiency of the organizations which work on women's entrepreneurship. These organizations carry out some mentoring activities like training, consultancy and occupational training. However, these mentoring activities are not enough to cover the need because of the lack of sources. The deficiency of skills and training of women in the area of entrepreneurship is an important issue which is emphasised by those women organizations.