

Learning Partnerships against Social Exclusion: Mentoring for Women Entrepreneurs

Report on the results from the conducted inquiry among women entrepreneurs

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Center of Women's Studies and Policies (CWSP), Sofia started a joint project "**Learning partnerships against social exclusion: mentoring for women entrepreneurs**" with two partner organizations from Slovakia and Turkey - Center of Women's Studies and Policies (CWSP), Bratislava and Association for Supporting and Training Women Candidates (KADER), Ankara. The project was financed by the Socrates/Grundtvig 2 Learning Partnerships Subprogram of the European Commission.

The project aimed at to exchange knowledge and good practices in mentoring for women entrepreneurs as an alternative form for training 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 inquiry among women entrepreneurs has been carried out as a complementary to the project.

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Introduction

This report presents the main findings of the inquiry.

The **purpose** of the inquiry is to receive more detailed information about the problems faced by women entrepreneurs in their work, their opinions regarding different opportunities for partnership and development of mentoring training programmes and practices.

The **objectives** of the inquiry are to learn more about:

- The level of awareness of women business owners regarding mentoring as an approach in business training;
- Their attitude to mentoring as a business training tool;
- Whether they consider that women need training in entrepreneurship and what forms of training should be used;
- Whether they consider that women entrepreneurs are willing to partner and share their experience and knowledge with other women;
- Other questions regarding different problems of women entrepreneurs.

The report could serve as a basis for starting mentoring training programmes for women in Bulgaria.

Methodological notes

The inquiry was carried out by the method of “randomized response”, with a questionnaire, as an instrument for collecting the information, prepared according to the suggestions and with the approval of the CWSP Sofia.

Because of the methodological limitations of the inquiry and the limited number of the returned filled in questionnaires (45), the collected data and the analysis could not be consider representative for the whole totality of women entrepreneurs, respectively, the collected data is valid only for the surveyed aggregation.

Of the total women entrepreneurs, who responded and filled in the questionnaire 30 were from Sofia; 8 – from Pernik (a town located near Sofia) and the rest were from other cities (Vidin – 5, Pleven – 2).

Findings

Personal characteristics of the respondent women entrepreneurs

The results showed that the respondents are well educated. 63% of them have completed higher (university) education, 14 have specialized¹ education, and only 3 have secondary education, 2 of which have finished vocational schools. 18 of the women belong to the age group of 36 – 45, which is 40% of the respondents; 12 women are in the age group of 45 – 55, and 10 – in 25 – 35. 5 women are over 55.

Most of the inquired women are married (28) or live in a long-term partnership (4), so they have to reconcile between their family and business responsibilities. The number of single and divorced women (12) represents almost ¼ of the total number of respondents.

Educational and professional background

For most of the inquired women their present occupations are related (fully or partially) to their **education** or to their **previous occupations**. For the rest – their **present activities do not relate to their educational background, or their previous occupation**. They have created their businesses in an entirely new sphere. Before entering the private sector 24 of the respondents used to be full-time employed under a labour contract and 2 of them were managers of other businesses, which represents more than the half of the respondents.

Motivation

Regarding their **motivation** to establish their own businesses, the women most often stated two different by their character motivations: “*to improve their financial status*” (*instrumental*) and “*to be independent*” (of values). This is immediately followed by the reasons as “*use of my own knowledge and skills*” and “*interests in this branch*” being no less important motivation.

When, however, they were asked to rank the three most important reasons which motivated them to start up their business, the ***striving for independence*** was most frequently put on the first place. As a second and third reasons the women stated the ***improvement of their financial status***.

Profile and characteristics of the businesses

11 women entered the private sector after the political changes in 1990-1995 with the transition to market economy. However, most of the respondents started up their business activities during the period of 1996-2005, including 3 quite new businesses.

The business **branch profile** of the respondents shows that the most preferred fields of activities are mainly traditional ones like services and trade – the majority of the women own or run firms in these branches – cafes, snack-bars, foodstuff or dress shops and other similar small establishments. Only a few women operate in the production sector (clothes, ceramics) or deal in more modern spheres of activity like information and communications (publishing and polygraph industry), marketing of works of art, design or in the more “masculine” like construction (construction design) and transport.

All surveyed women are **self-employed**. The most popular **legal form**² of their businesses is the

¹ Qualification degree of “Specialist” attained from colleges at universities or self-dependent colleges.

² The Bulgarian abbreviations are as follows: Sole Proprietor – ET, General Partnership – SD, Limited Partnership – KD, Limited Liability Company – OOD, Single-owner Liability Company – EOOD, Joint-stock Company – AD.

Sole Proprietor – 55% of the respondents; the others are involved in *General Partnerships* as well as *Limited Liability Companies* and *Single-owner Liability Companies*. No respondents participate in co-operatives or joint-stock companies.

The sole proprietors also have employees – most often both men and women. The results showed a variety of male/female ratios of the employees. Thus, in 11 sole proprietorships and partnerships the number of women employees prevailed. In other 7 companies the share of male workers was prevalent. Only in 8 cases the employees were only women (mainly in the trade sector). 13 of the sole proprietorships had no employees.

Women's knowledge about participation in and evaluation of different forms of training

According to the survey results 30 of the respondents have sufficient or partial knowledge about the existing courses and programmes for training women in entrepreneurship. This presupposes their interest in similar programmes and following such programmes. More than half of the women (27) had **participated in some form of training**. The most frequent form of training mentioned by the respondents was a *course* related to management; a course "Basic steps in business", a course in entrepreneurship, organized by NGOs; specialized courses in a given business branch (book-keeping, design). The *business seminar* was another kind of training giving to women business counselling and knowledge for small and medium-sized enterprises and how to develop their own business. There were also mentioned more modern forms of training as *motivation training*, specializations abroad etc. However, the number of women, who are not aware about the existing forms of training opportunities is quite high – 15.

The respondents, who had not participated in any forms of training (17), indicated as a reason on the first place the *too general profile* of the offered courses and programmes, which do not answer their specific needs. Other frequently stated reasons are the *high cost* of the courses and the *low quality of the training programmes*". This indicates that the reason women do not participate in such training programmes is not because they do not like to obtain more knowledge and skills but that they are rather distrustful and doubtful about the quality of the training. Only two women pointed out the *lack of information* as a reason not to attend a training course. It could mean that the difficulties in the access to information and the lack of information for women about conscious learning are almost overcome. *Time consuming* and *no needs of training* were rarely mentioned reasons for not inclusion of women entrepreneurs in any training courses. No matter if women had or had not passed any program or training course, more than half of them consider that there should be **special** training for women in entrepreneurship.

Almost all respondents considered that a short-term training course is not sufficient to prepare them entirely for the world of business; they agreed on the three main things that definitely could be learnt from a training course in entrepreneurship for women, i.e.:

- Acquiring most general knowledge about starting up a business;
- Acquiring concrete knowledge and practical skills;
- Introduction to the legal regulations and standards in the country.

In addition, some women shared the opinion that the training helped them i) to acquire confidence and to get over the fears and risks; ii) to make contacts and to learn from other's experience (positive and negative); iii) to accumulate their own experience.

Mentoring as a form of training

Mentoring as a concept and method is a training tool for transfer of knowledge, skills and experience.

Mentoring is an alternative form of training through which more experienced and skilled persons, called **mentors** suggest advice, assistance, consultation giving their own experience (positive and negative), gained in the course of their business to inexperienced individuals or beginners in business called **mentees**.

Mentoring is an instrument which one can use for 'cultivation' and maturing of people. It can be informal practice or a formal program. Mentors visualize, explain and shape (model)³. Mentoring is a purposive training method through giving advices, tutorship. It often goes along with illustrations, demonstrations, showing of certain rules, techniques, skills, which makes it different from other training methods.

One-third of the respondents admit they **do not understand what “training through mentoring”** is. The rest just get the idea or assume what is hidden behind this type of training. The vagueness and the lack of relevant information are evident in their responses to the question whether they would take part in training for trainers in entrepreneurship through mentoring. Women's views were proportionally arranged between answers 'yes', 'no' and 'can't say'.

Although women are not acquainted with the real meaning of mentoring as an approach and practice, to the question **“Do you consider that women are willing to share their experience and knowledge with other women?”** most respondents answered positively.

“Undoubtedly, women should share their experience, doubts and successes to friends and acquaintances”, confessed a woman.

The reasons they gave are grouped in several types of answers:

➤ **Pragmatic, oriented to business:**

“... more women should run their own business;... to achieve more efficient production; ... sharing experience helps to develop the competition; ...there should be bigger competition; ...experience is always necessary; ...we [women] definitely learn by our own mistakes and failures in the course of creating our own business; ...practice is the best teacher; ...sharing experience helps me overcome the problems through my [own] experience”;

➤ **Emphasizing the communicative skills and sociability of women:**

“...women are generous, open, and communicative; ... by sharing their experience they also learn something useful; ... yes, because they are more talkative than men; ...women are inclined to share their experience; ...the experience makes women more communicative.”

➤ **Emphasizing women's values' characteristics like: talent, care, ambition, positive thinking:**

³ <http://rc.cega.bg/?id=83&lang=bulgarian>

“...women have the talent to take care of others and to train them; ...women have a lot of potential and talent; ...women are more ambitious; ...women think positive; ...women are tolerant; ...women have a sense of responsibility”.

➤ **Bringing women’s solidarity to the front:**

“... [women are willing to share their experience] at least because of women’s solidarity; ...in order to help each other; ...to work in partnership.”

The most frequent opinion in the variety of responses was the women’s identity, and that there are many women who have already developed their own business and cope with it in spite of obstacles. This makes women feel as a community and gives them self-confidence and courage that they are able to continue running their business and to share their experience with other women.

A small number of women expressed the opinion, that women entrepreneurs **are not willing to share** their experience and knowledge with other women, as the most stressed reasons can be divided in two groups of statements:

- Women are envious and are afraid of competition. By sharing their experience they create potential competition. To avoid that, they would not share their knowledge and experience.
- Women entrepreneurs have no free time – they balance between family and business responsibilities.

Other reasons were as follows:

- *„Lack of programmes and money to pay for the time spent by the women-mentors for training”;*
- *„Lack of business culture on the part of the trainees and the attitude that somebody is obliged to train them”;*
- *„Women have complexes.”*

Several women shared the opinion that not every profession or activity could be learned or experienced by mentoring as an alternative form of training, for example, gaining skills and knowledge in construction design and architecture, and other creative professions and specific activities requiring deeper and specialized knowledge and skills.

It is evident from the answers that the majority of the respondents, regardless their experience and scope of training, are quite positive towards mentoring as an option for exchange of information and learning. Only four women answered negatively to the question whether they would become mentors to other women and just one respondent answered she does not want to attend a training course designed for women. All respondents would like to learn more about the experience of successful business women.

The most important conclusions related to the respondents’ opinions towards training and mentoring are:

A) Women entrepreneurs are willing to become mentors of other women through new forms of training like:

- on the job training
- individual coaching

- e-mentoring
- B) They would like to be involved in new forms of training for women like:
- e-training
 - individual coaching
 - on the job training
 - psychotraining
- C) They would like to learn from the experience of other successful business women.

Difficulties and problems

Women entrepreneurs face a number of **difficulties** in establishing and maintaining businesses. Although most of these difficulties are common to both sexes, in many cases they tend to be more significant for female entrepreneurs. The results of the inquiry show that women face more difficulties and obstacles in starting up a business in comparison to men. This was admitted by two-thirds of the respondents.

The main reasons for the difficulties and the problems in starting up a business, women respondents see in the following:

- Responsibilities for the family and the children
- Lack of own financial resources
- Difficult access to credits
- Being a woman (business is for men)
- Passiveness of women

Other reasons pointed out were such as: *“Bulgarian women are indecisive by nature”* or *“Women are not self-confident and courageous enough”*.

The difficulties that the interviewed women entrepreneurs most often encountered during the first stage of setting their business up or the problems which they encounter today are of different nature and character but quite similar (*Table 1*). According to the results, most often were mentioned *financial difficulties* which women suffered in the starting up of their business, while the major concern of the interviewed now is finding *qualified personnel*. *Marketing, raising capital*, as well as *finding of information* were obstacles for the women entrepreneurs at the first steps of their private businesses. At present, financial and marketing difficulties still continue to be obstacles for women in their businesses but the *lack of cooperation and partnership* is now more important for them.

Table 1: Difficulties encountered by women entrepreneurs in their business

During the first stage	At present
1. Financial difficulties	1. Personnel
2. Personnel	2. Financial difficulties
3. Marketing	3. Cooperation, partnership
4. Raising capital	4. Marketing
5. Restricted sources and access to information	
6. Personal /family reasons	

The majority of women entrepreneurs stated that they have never faced **gender discrimination** with respect to their business activities on the part of banks, business organizations, men entrepreneurs, colleagues or subordinates. To the question “*Have you as a woman been subject to discrimination which affected negatively your business?*” the majority of the respondents answered – ‘no’. Nine women admitted that gender discrimination exists in business circles and can identify acts of discrimination in their contacts with businessmen and in some cases in their contacts with banks and other institutions).

Evaluation of business success

Despite all difficulties and obstacles the women entrepreneurs keep on “striving” for the development of their business and realization of their interests. The inquired women were asked to consider major features for the success of their businesses and to range the 5 most important ones out of the 13 listed characteristics, in order of significance. Most of the women did not range the 5 most important characteristics for the success of their business but they only selected 5 of them. The summarized results show that women rely for the success of their business mainly on “female” characteristics such as: 1) *communication skills*; 2) *intuition*; 3) *persistence to achieve goals*, followed by others, like: *flexibility and cooperation skills, imagination and managerial abilities*.

Table 2 illustrates the responses of the women who ranked the 5 most important characteristics for the success of their business. On the first place most frequently was put the ***persistence to achieve goals***, followed by *flexibility and cooperation skills, independence, intuition and communication skills*.

Table 2: The five major characteristics

Characteristics – ranged	Mean rank ⁴
1. Persistence to achieve goals	0.60
2. Flexibility and cooperation skills	0.64
3. Independence	0.66
4. Intuition	0.86
5. Communication skills	0.88

The creative and entrepreneurial potential of women gives them confidence that they can cope with many business activities in most branches of business which gives them the prospects for successful inclusion in the economic life. According to the results, most frequently women entrepreneurs stated such spheres of activity as trade, services (hair-dressing and cosmetics, optics, pharmacy, social services, services in healthcare), education and training, tourist business, marketing, fashion, culture, media and communication, as fields giving women opportunities for self-expression and realization of their interests and needs. Other activities are connected with services in accounting, insurance and finance, other consultant services (brokers), publishing and advertisement etc. – all this indicates a possible strong female presence.

⁴ The mean rank of each of the five characteristics most often stated and arranged in order of significance was calculated. The lower is the figure; the higher is the value of the feature.

Conclusions

On the basis of this inquiry the following conclusions could be drawn:

- Women entrepreneurs are open to gain new experience, knowledge and skills through continuous training.
- Mentoring as an alternative form of training for women in business and its advantages was not completely recognized among the women entrepreneurs. The respondents had no experience in mentoring at all.
- Nevertheless, some women entrepreneurs are willing and feel prepared to be trained as mentors through new training forms for women in business especially through Internet and on the job training. Another great part of women would be attracted to join a learning process as mentees using e-discussion forums, individual coaching etc.
- Although women entrepreneurs meet difficulties in running the business of their own, they tend to the opinion that business is not only for men. They strongly do not support the view that gender discrimination in the field of business exists, even though they indicate the family obligations and childcare as the main reasons for the difficulties and the biggest burden in their work.
- The business profile of the surveyed women is still in the conventional branches as services and trade.

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