



**CARE Ethiopia**

**Women for Women Project**

**Rapid baseline survey report**

**Addis Ababa,  
Ethiopia  
February 2017**

**Credit: CARE Ethiopia field office LDM Managers, H&M team & Gov. Representatives & Senior Impact Measurement Advisor**

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## II. Executive summary

This report presents process and results of the H&M/W4W project rapid baseline survey. The report is organized in to four sections as introduction, methodology, key findings and conclusion. Introduction section of the report presents the objective of the study and also the context/challenges that poor women experience in the city of Addis Ababa. Section two presents methodology used to acquire information and generate evidences. Section three and four present findings of the study and conclusion.

This rapid baseline study was conducted in the targeted intervention areas of the city. It has an objective of identifying and setting baseline values for the expected outcome indicators to track and measure the desired change at the end of the project period. The baseline survey focused on H&M/W4W project intermediate result (IR 1.2), 500 women led enterprises organized and developed which is the economic empowerment of the women who are involved in the project. Information presented in this report are acquired though deploying quantitative and qualitative methods where primary and secondary data were gathered. Reason for using quantitative and qualitative methods was to acquire relevant information in both methods to enhance our understanding and enable us measure changes accordingly. Total of 282 small scale entrepreneur women participated in the survey where 208 women took part in an individual interview and 72 women participated in the FGD discussions.

The survey has been completed by the successful facilitation/coordination of the H&M project staff from CARE Ethiopia & MCDP. CARE Ethiopia field offices (Afar, NPO, EH &WH) LDM managers have been the integral part of designing tools, administering KII & FGDs, transcribing qualitative data, administering quantitative data entry and statistical analysis. Experts from government signatory office have been actively involved in all the survey process including data collection and public relation with respective sector offices in their respective sub-cities and in the city administration. CARE Ethiopia Senior Impact Measurement Advisor has led the survey design, implementation and developed the final report.

The study was a focused attempt towards identifying baseline value for some key areas such as women access to and control over income from household perspective, balance between women productive task and leisure time, women autonomy in decision making and leadership capacity. The findings are outlined in this accord.

### III. Introductions

#### 1.1. Background

The capital Addis Ababa, with 2.9 million inhabitants, is the largest city in the country and the fourth largest in Africa. Fast population growth combined with the absence of an adequate capacity to accommodate the related demand for services, infrastructure and employment, has contributed to poverty, unemployment, and other socioeconomic problems in the city. Unemployment rates in 1976, 1984, and 1994 were 9.6, 10.5, and 34.5% respectively. The rapid urbanization and the insufficient capacity of the formal sector to absorb the increasing demand for employment has led a large amount of people to depend on informal economic activities. About 40% of employment in the city is estimated to be informal. Informal urban employment (self-employment or wage employment in informal enterprises) generally takes place without secure contracts, worker benefits, or social protection. The majority of the urban poor earn their income in the informal sector. The urban poor possess little human capital and almost no physical capital that can be sold or consumed at the time of a sudden dip in their earnings. Besides, they have no asset that can be used as collateral and hence lack access to credit markets.

Especially women are affected by these circumstances. Apart from the fact that about 60% of the population engaged in informal activities is female, women are subject to discrimination in labor, credit and a variety of other markets and they own less property than men. Related to that, poverty is higher in female-headed households than in the male-headed ones. In Addis Ababa a high 39.7% of households is female-headed, and 73% of these households live in poverty. For women it is often more difficult to transform their capabilities into income, as they tend to specialize in unpaid reproductive or caring labor while men specialize in paid productive activities. Women on top of that, because of their reproductive tasks, are relatively time-poor and much of their work is socially unrecognized since it is not paid for. They tend to be concentrated in informal labor activities such as home working, as these activities allow them to combine paid work with unpaid reproductive labor. And even when they do paid work, the return is lower than the return to men's labor, while the job is often part-time and insecure. On top of that, women often have less command within the household over income and assets.

MSEs are considered particularly important for women since they offer a more flexible, less restrictive form of employment. However, MSE development requires access to capital, licenses, skills, market linkages, working space, access to quality raw material, awareness and information about institutions and service providers. Current conditions, as indicated above, often represent constraints for the start-up and the growth of especially women-operated enterprises. In addition to that, women face the fact that they typically have lower levels of education, less access, ownership and control of productive assets, and different social

networks than men, leading to lower economic productivity and a weaker bargaining position in the household. Women's power in the household is often as limited as their time.

The Government of Ethiopia is implementing an MSE development strategy, with particular emphasis on female beneficiaries as part of a strategy for poverty reduction and employment creation. Furthermore, different national and international organizations support programs to build the capacity of women entrepreneurs by providing access to credit, training, and related assistance.

In spite of these efforts, a gender gap persists in enterprise development. Women are much more likely to be driven by necessity than men when starting a business. The vast majority of women are engaged in entrepreneurial activity driven by pure survival - out of necessity rather than opportunity - because there are no jobs or any other options for income generation. This means that on top of the barriers women face in access to capital, skills and time, their business does not respond to a real income or market opportunity. According to an MSE sample survey conducted in 2012, the main sectors of MSE operation in Addis Ababa are: retail (26.3%), agro-processing (20.6%), construction (15.3%), textile and garment (12.8%), metal and wood work (12.1%) and food preparation (7.6 %). Women participation is growing in the sectors of construction (production of tiles and bricks), textile and garment, and services – most likely because the threshold to enter these sectors is low in terms of skills and capital, or the work can be easily be done from home and thus combined with reproductive tasks. Competition however is high, and prices or reward for added value in terms of quality – and therefore income – are low. This explains why women are not only less likely than men to start a business, their businesses also tend to be smaller, have fewer staff and less growth expectations. Therefore, women generate relatively lower revenues than men, and earn less income from entrepreneurial activity. Finally, maintaining and growing the business beyond start-up is a serious challenge for all women entrepreneurs. Even though the exit rate of new businesses is high everywhere (40 – 50 %), exit rates of women-owned businesses are even higher, especially in developing countries. Some reasons mentioned for high exit rates among women entrepreneurs are lack of financing, insufficient profitability, and family responsibilities.

The women for Women project see an opportunity not only in motivating and supporting women in setting up and developing their own business through access to skills and capital, but also in addressing the gender-related barriers women face and that are related to: 1) the balance between productive and reproductive tasks and availability of time; 2) leadership qualities required to persist in the effort of developing a business and capacities to achieve profitability of the business; and 3) autonomy in decision

making over production process and revenues. These needs to be combined with the creation of enabling conditions, related to access to services and capital as well as to regulatory and policy frameworks.<sup>1</sup>

## 1.2. Objective of the baseline survey

The objective of the baseline survey was to identify and set baseline values for the expected outcome indicators to track and measure the desired change at the end of the project period. The baseline survey focused on the H&M/W4W project intermediate result (**IR 1.2); 500 women led enterprises organized and developed** which is about the economic empowerment of the women who are involved in the project. Accordingly, the baseline survey is outlined in to areas as:

1. Women access to income and control over their income
2. Balance between women productive task and leisure
3. Access and control over resources(necessary input for production/enterprises)
4. Autonomy in decision –making on the production process-related to their enterprise
5. Leadership capacities(such as negotiation capacity & confidence)
6. Existing structures and supports to the women entrepreneurs

## 2. Methodology

### 2.1. Location of the baseline survey

This rapid baseline survey was conducted in six woredas of three sub cities in Addis Ababa City Administration. These includes Woreda 5 and 10 in Arada Sub City, Woreda 9 and 10 in Kirkos Sub City and Woreda 5 and Woreda 10 in Lideta Sub City.

### 2.2. Baseline survey design

For this baseline survey, both quantitative and qualitative methods were applied. Reason for deploying both the quantitative and qualitative method was to acquire relevant information in both methods to enhance understanding and to measure changes accordingly. Generally, the quantitative method provides facts and figures whereas the qualitative method helped to acquire broader perceptions, opinion and understanding of individuals which led to a more comprehensive analysis and drawing broader conclusion. In addition, choosing these two methods helped to acquire the intended information that is logically acceptable both internally (project & CARE) and externally and to enhance credibility of the information through triangulating evidences obtained from different sources.

### 2.3. Sampling

#### 2.3.1. Interview & FGD participants

The total population relevant to this survey was the 5000 women in which the project attempts to reach directly or indirectly in the coming years whereas the sample frame was the 500 women entrepreneurs whom the project seeks to impact during the life of the project. Total of 282 women respondents were

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<sup>1</sup> Women for women project proposal, 2015

randomly selected from six woredas and participated in the individual interview and FGD. 70 women from Arada, 74 from Lideta and 64 from Kirkos sub-cities took part in the individual interview whereas the rest took part in the FGD. The sampling distribution was proportional where all woredas got represented on the basis of the number of beneficiaries in each woredas. The 282 sample size was determined with the confidence level of 95% with expected 5% occurrences of error.

### 2.3.2. Key Informants Interview

Key informant's interviews were administered at stakeholder's level from Addis Ababa City Administration to Woredas level. More specifically, relevant individuals participated in the KII who represents the Micro and Small Scale Enterprise Development offices, MFIs, and Women, Youth and children Affairs offices in each respective Woredas, sub-cities and the city administration as well. Total of 40 KIIs were undertaken where the gender ratio is 50% for each.

### 2.3.3. Tools for data collection and analysis

The data was collected by using individual interview questionnaire, semi-structured interview/topic list for the FGD and KII. Table was used to gather required secondary data that are relevant to support the expected evidences and support credibility of the information. The collected data were analyzed by using descriptive and content data analysis. The Statistical Package for Social Science (SPSS) Version 20 was used to perform data entry, analysis and to create tables and graphs.

### 2.3.4. Survey Team and deliverables

PQL unit led the entire survey where by the field office level LDM managers and government signatory office experts from project operation sub-cities and the city administration took part in designing the research tools, data collection, clearing and in the facilitation of the process. The H&M team (MCDP & CARE) facilitated/coordinated the scheduling of survey times, communication, and logistic arrangement and led some FGDs and also collected relevant secondary data. The specific responsibilities of the field office LDM managers included entering quantitative data in to the SPSS system and transcribing the qualitative data gathered from the FGD & KII. The East Hararge field office LDM manager played greater role in managing the entire SPSS system and did a significant level of statistical analysis. The Country office Senior Impact Measurement Advisor led the study team and played the role of designing, implementing the baseline study and developing the final report.

### 3. Description of baseline results

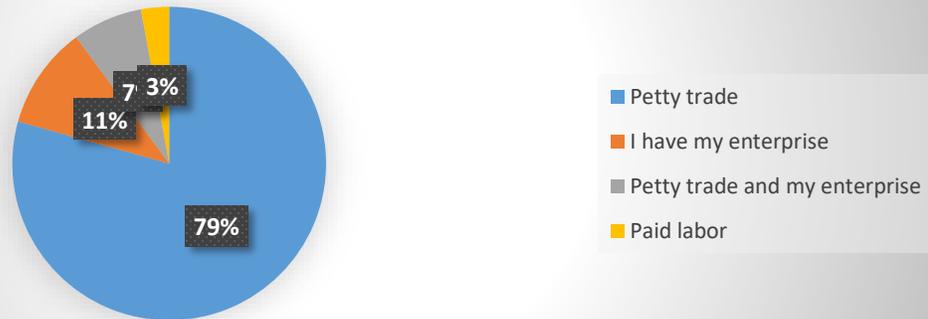
#### 3.1. General information

Total of 282 (208 of them took part in the individual interview and 72 of them joined the FGD discussion) small scale businesswomen partaken in this rapid baseline survey. The Average number of women who participated as respondents in each Woredas is 35 where a person with age of 18 is the youngest and 61 is the oldest. With regard to their marital status, 55.8% are married, 15.9% single, 14.4% widow and 29% are divorced. As per the study, 92(44.2%) of the respondents are household heads whereas 55.8% respondents are from the male headed households. Concerning education status, 37% are from 5-8 grade, 18.8% don't read and write, 15.9% are grade 1-4, 13% are 9-10 grade and only 1.4% completed vocational education and training. The baseline study didn't consider relationships in between age, marital status, education and being household head of those respondent women with their enterprise operation however it has been captured to give their brief profile to the respective readers.

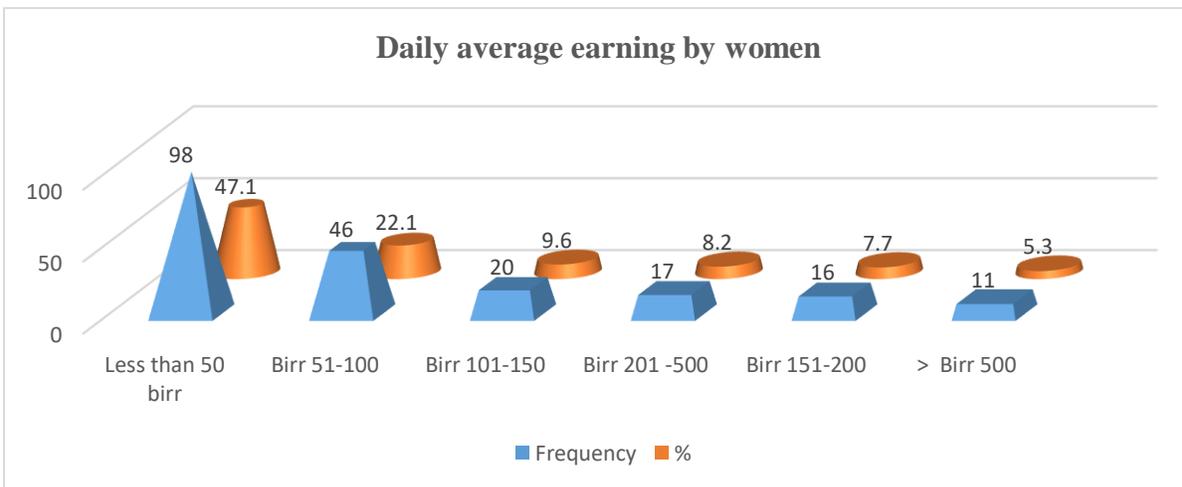
#### 3.2. Women access to income and control over their income

**Livelihood strategies:** Petty trade is a predominant livelihood activity that accounts for 79% of the available livelihood strategies for the survey population in general and the respondents in particular. According to the finding, petty trade encompasses retailing of vegetables, herbs, processed foods (bread, enjera, powdered red pepper, spices, roasted barely, tea and coffee) and other consumable goods. Formal enterprise activities accounted 7% of the livelihood strategies for the sample and it includes small scale dairy farm, beauty salon, selling of cloths at open markets, processed food items, beverages and bottled water, restaurant and cafe services. See the below chart which presents the proportion of livelihood strategies.

## Livelihood strategies



**Daily average earning:** According to the individual interview finding, 47.1% of the respondents earn less than or equal to an average revenue of Br. 50 in a day whereas only 5.5% of the respondent earn a revenue greater than Br. 500 per day. The FGD findings revealed that, women who ran a combined petty trade activities earn Birr 51-100 whereas those who have their own enterprises earn  $\geq$  Birr 500 of revenue in a daily basis. According to the individual interview finding, respondents that earn birr 500 and above accounts 5.5%; this means only this percentage of women have enterprises but majority doesn't have formally established enterprises. See the below graph about earning.



As stated by the FGD participants, level of earning varies on basis of the types of commodity that individual woman sale. See the below where products/services and amount of earning is presented:

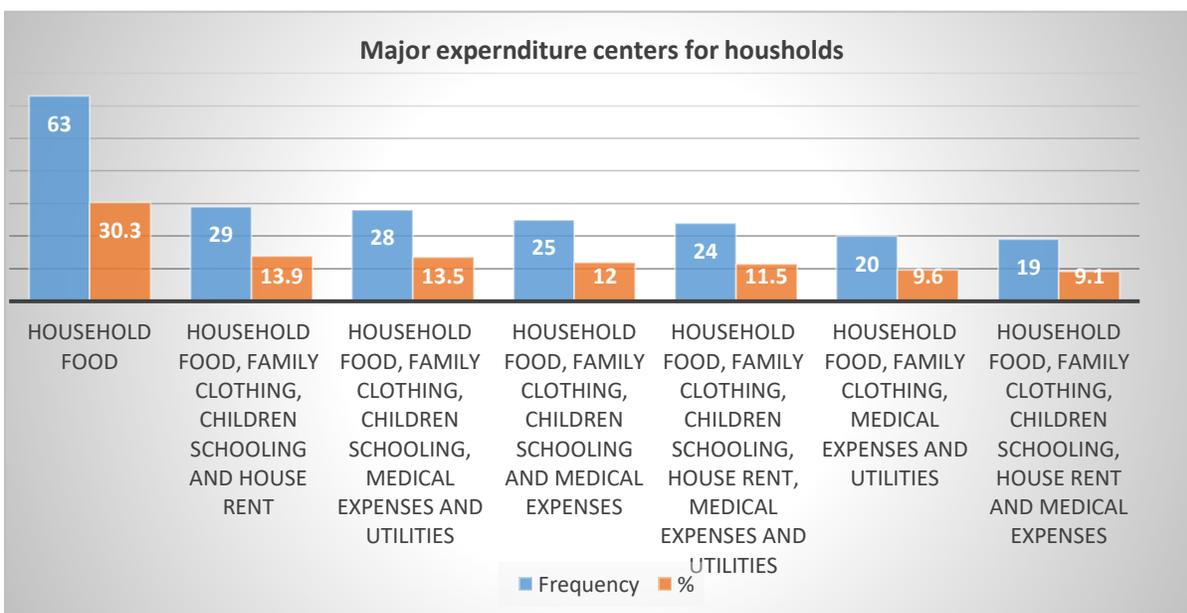
- Selling of vegetables and fruits 150 to 300 birr per week
- Engaged in more than one business (Enjera selling + CAFÉ cleaner 200 birr per month)
- Processing and pack spices at home and sell to market about 20,000 birr saving annually
- Supply homemade bread to retailers of coffee on street from 50 to 300 per week
- Selling 8 eggs per day with 3 birr for each
- Selling 80 kg butter per month with profit of 5 to 20 birr per kg
- 300-1000 per day (selling clothe)
- 400 birr daily income from dairy farm

- Hair dressing at home, cosmetics and selling of artificial hair 200 to 600 birr per week
- Selling 60 to 70 enjera per day with an earnings of 250-4500 birr per week
- Selling coffee on a street and earns 150 to 200 birr per day
- Supply homemade bread to retailers with 150-200 birr per day

As per responses of the FGD participants, types of products and services that women provide to their clients are almost similar however, the selling prices slightly vary across different woredas so does the amount of daily earnings.

During the FGD session, participants described that prices of products and services and the level of daily revenue are not consistent throughout the year. People assume that the inconsistencies in prices and revenue seemed to have a direct relationship with seasons when most people have adequate cash from different activities. For instance, during crops harvesting seasons at the rural areas, retailers earn more revenue due to more sales because business go actively than none harvesting seasons. Some other possible reasons for inconsistency in prices and level of revenue are inappropriate competition from similar product and services provider, irregularity in the consumer behaviour and their preferences to low cost items and increase in prices of raw materials. However, FGD participants didn't have official declared evidences on reasons for inconsistencies in prices and revenues. This survey also didn't attempt to explore more on this dimension as well. In the meantime, the FGD participants discussed about household livelihood responsibility among family members and they reflected that household livelihood responsibility varies among women and men. When the livelihood sources are not regular, like the case of most of the respondents, women are more responsible for livelihood of their households than their men counter parts. But in the ideal context (when both have regular sources of income), both men and women have equal responsibilities for their household livelihoods.

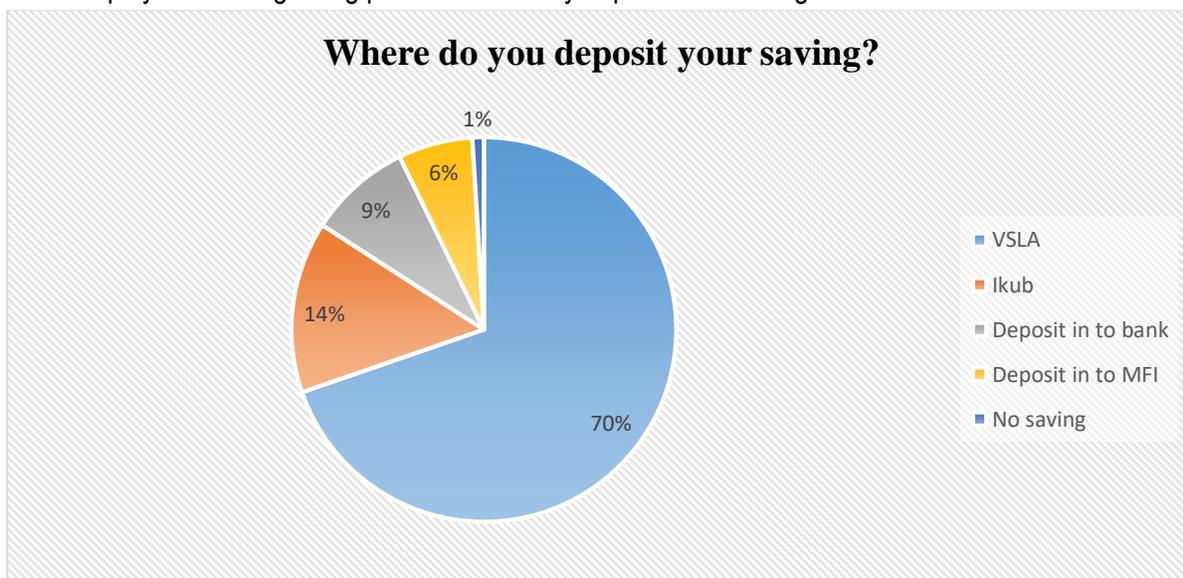
**Major household expenditure:** The finding revealed that every household who participated in the interview have a closely related expenditure centers. Out of their common expenditures , household food alone accounts 30.3% of the expences . Some of them reported that they pay monthly electricity bills, mortgage, houserent and children schooling. As household food is the major expense, combination of bills, medical



expenses and house rent together accounts 9.1%. In this session, respondents were asked about expenditures in different dimension, but the responses on one or another way revealed that major part of their daily earning goes to purchase household food and minimal amount is being left for savings and future investment if any. See the below graphic presentation of major expenses.

### Savings, deposits and non-cash assets

The finding revealed that, 99% of respondents have experiences of saving from their daily earnings. All of the respondents didn't disclose the amount of deposited money but they responded places where they deposit their savings. Besides, the saving trend is not fixed but they deposit their savings when they have minimum amount that exceeded their regular expenses. As per the response, 70% deposit their savings at VSLA and which is then followed by Ikub, 14%. However, it is indicated that small number of the respondents deposit at bank and MFI which accounts 9% and 6% respectively. See the below pie chart which displays the % regarding places where they deposit their savings. .



During the multiple FGD that was conducted as part of this survey, it was raised that it is common to every woman to retain some small amount of money at hand after purchasing raw materials and covering household major expenditure. In most cases, the savings go to VSLA, Ikub, and mortgage savings, and bank (Enat bank). The FGD participants presented a common trend of women's savings in different woredas as:

- Location 1:**
- Birr 20 to 50 per day in Equb
  - Minimum Birr 6 and maximum of Birr 15 saving per week in VSLA
  - Special saving 30 birr per week
  - Condominium saving (some women) at Bank
  - Birr 100 to 300 per month saving for their children at Bank

- It was observed that the saving experience of respondents counted from 8 months to 7 years and most of them have an average of 2 years of savings in one of the different saving memberships (Ekub, VSLA, Bank...)

### Location 2:

FGD participants reported that they save from their earnings and they deposit it at VSLA, MFI, Bank and also Ekub.

- Birr 6&10 per week in VSLA, Birr 700 per month in equb and for condominium Birr 1421 per month.
- Birr 200 per day in Equb, Birr 500 per month in Equb
- For Condominium Birr 250 per month in bank, Birr 500 per month in Equb
- Birr 50 per day in Equb and Birr 30 per day in VSLA
- Birr 500 per week in Equb and I also save Birr 500 at home
- Birr 5500 per month in Equb and Birr 12 per week in the VSLA
- It's been 8 month to 6 years since we started saving
- We usually withdraw the savings to finance our business, for holiday expenses, to buy house equipment's and others.

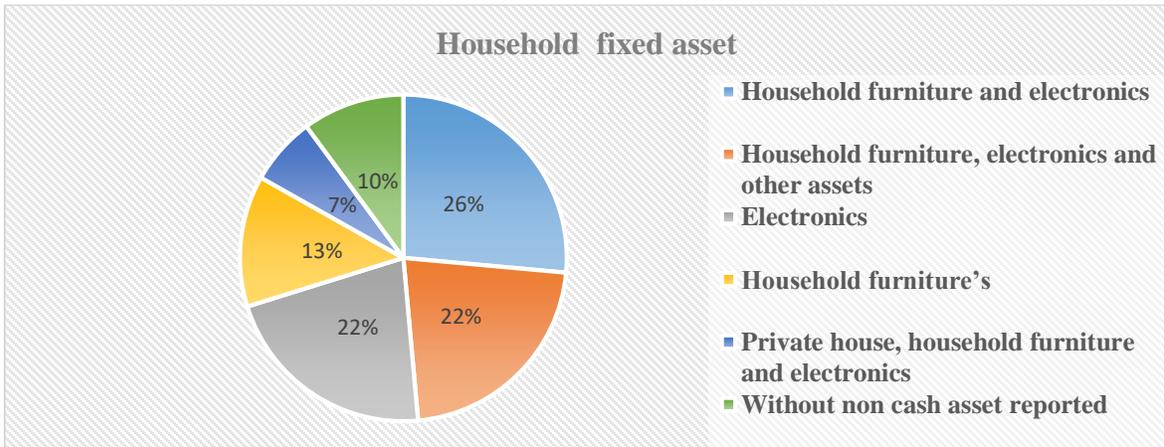
### Location 3:

- Women save from the income that they earn from their businesses through calculating the expenditure and the net profit.
- Save Birr 10 to 50 per day in Equb
- Save Birr 10 per week in VSLA
- Few of them save at bank for condominium houses.
- Save Birr 100 to 300 per month for their children at Bank
- Saving experience goes from 2 to 9 years
- Except for savings in bank and mortgage, every woman saves in different combination of saving memberships as it is mandatory once it gets started.

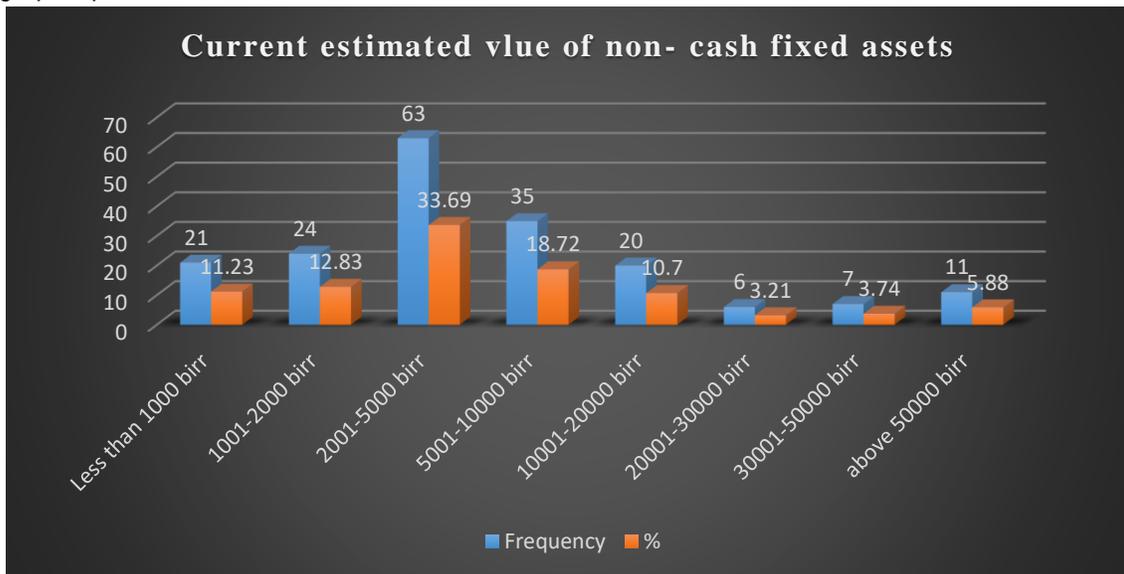
As presented above with three different shades, the amount of savings varies from places to place which has direct relation with the nature of business and level of earnings among respondents in different districts and prices. Though respondents raised variation in their respective business models and prices, this survey didn't focus on difference in commodities prices across locations rather it focused on their earnings and savings.

**Non-Cash Asset/properties:** Apart from cash assets and major expenses, issue of none-cash asset was brought to the discussion and accordingly, private house, household furniture's, electronics, refrigerator, family bread baking machine and other small machines that help to chop onion, machines that grind spices were stated as common ones. During the FGD, participants stated that, types of fixed assets owned by household is directly related to the types of livelihood activity in which a household depend on. As per both the FGD & individual interview, 26% of respondents have household furniture's

whereas 10% don't have non-cash asset at all. On the other hand, 7 % have private house, furniture's and electronics. See the below pie chart about the household fixed assets.



After listing those properties and its ownership, respondents expressed the value of the properties in cash on its historical cost; they reported the historical price that was paid for the asset during the purchasing time. As per the survey, 34% of the respondents have non- cash asset/properties with the value of Birr 3001-5000 whereas 6% of the respondents have properties worth above ETB 50,000. However, 11% of the respondents have properties with the value of less than ETB 1000. See the below graphic presentation about non-cash assets.



The cash value of fixed assets are statistically analyzed and generated the below tabulated value;

<b>Total amount of money that the participant non cash assets estimated</b>	
<b>Mean</b>	<b>10,191</b>
<b>Median</b>	<b>4,000</b>
<b>Mode</b>	<b>2,400</b>
<b>Minimum</b>	<b>300</b>
<b>Maximum</b>	<b>95,700</b>

### 3.3. Control over income and other household resources

According to women who participated in the FGD, both husband and wife together make decisions on use of their respective household income and other resources. Sometimes there could be a conditions in which either of the two can make decisions. Apart from the FGD participants, KII participants were asked about this issues and stated that they haven't heard any conflicts raised out of decision making on household income and resources. They added that now a days it is not common as it was long ago that husbands alone make decision on household income and other resources. These changes are happening due to the fact that currently women are earning income more than ever, they initiate their own business of any form and they take leading role in covering household expenditures.

### 3.4. Balance between women productive task and leisure

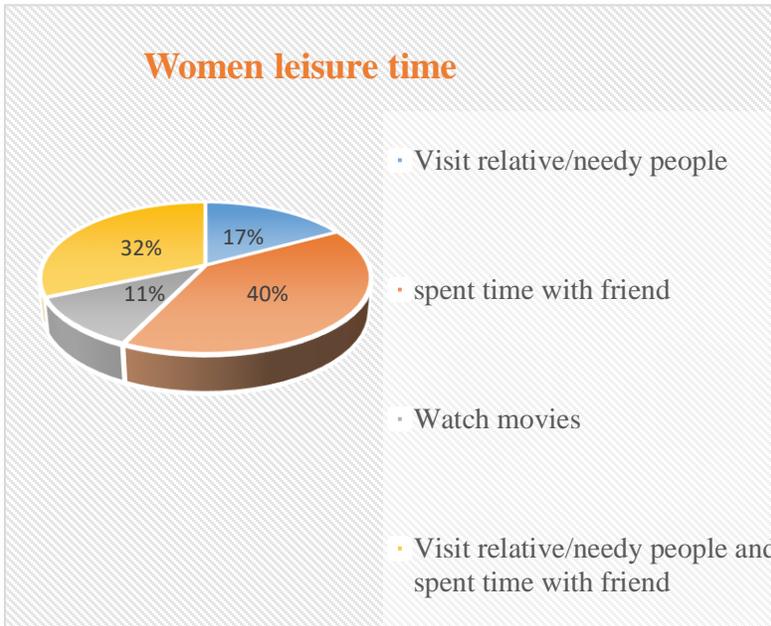
In this baseline study, leisure time refers to time in which women take rest or being engaged in neither of the three gender role of women (productive, reproductive and community managing). Accordingly, this section presents responses from participant of individual interview and FGD. Out of the respondents, 32% didn't have spare/leisure time in their life. See the below table:

<b>3.2 Participant use of spare time to do things</b>	<i>Frequency</i>	<i>%</i>
<i>I didn't have spare time in my life</i>	65	31.3
<i>I use it for different purposes</i>	143	68.8
<i>Total</i>	208	100

Women who participated in the FGD session at different Woredas expressed the same reality regarding the use of their leisure time. The below bulleted information is raised by FGD participants in different Woredas:

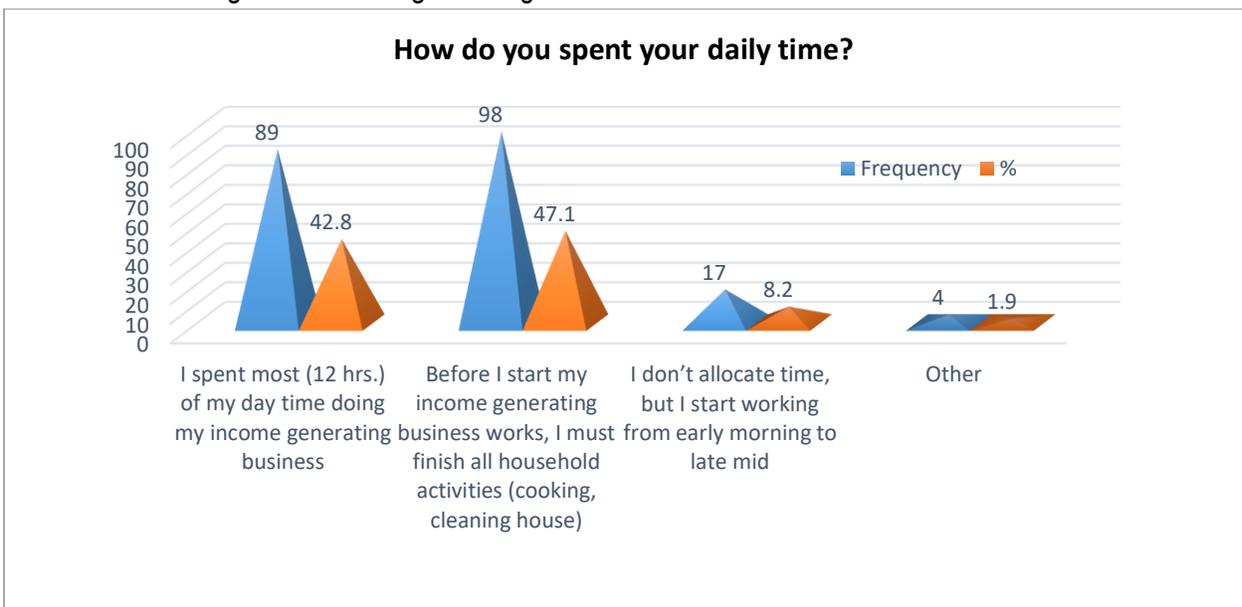
- Women wakeup early in the morning at 5:30 AM and go to bed at 11:00 PM at night during weekdays,
- From 5:30 to 8:00 AM prepare food for husband and children, make sure that children are ready to go to school, clean house and prepare lunch for the family,
- 8:00 AM to 2:00 PM go for business activities that take place at different locations, some return to serve lunch in the middle of the business activities, this mainly happens when the business centre/market place is close to their home.
- Weekend is also not as such far different but on Sunday there might be time to go to worshipping and other social responsibilities.

## Women 'leisure' time concept



As presented in the pie chart, leisure time according to respondents include the time that women spent on visiting relatives/needful people, spent with friends and combinations of all such duties. According to the description by women, **40%** of their leisure time is spent on duties of visiting relatives/needful people and staying with friends this value is followed by **31%** of the reported leisure which is spent with friends.

All women who participated in the FGD agreed that both the household chores and small business/ trade works consumes 18 hours of their day. From the 18 hours, greater portion is being spent for business activities/income generating activities. Except for few, most women don't have family support for the household chores. Relatively extreme context reported during this study was that, one of the women spent **21 hours** of the day on both household chores and income generating tasks. To properly manage her everyday work time, she wakes up early at 6:00 AM in the morning and start with the chores and continue working the business activities until 6:00 PM in the market place. In the evening she sales food (Enjera with sauce) at the nearby restaurant and from 1:00AM up to 2:00AM, she works as a cleaner in private clinic. Besides to their household chores & small business, all of them play the three gender roles by squeezing their time. As presented in the below chart, most of the women time is spent on their usual tasks with the reported value of 47% on household chores followed by 42% the second largest on income generating activities.



In conclusion, women spent most of their time on household chores and income generating activities to support their household livelihood. During public/religious holidays, they engage in the community managing activities in which they consider as their leisure time. Sharing household responsibility by other family members or getting labor support from their family hasn't been common. With this it is difficult to state any clear aspect about the women leisure time since they are not fully aware about the concept/translation of the leisure time and also don't have it in their actual context.

### 3.5. Access and control over productive resources (income generating activities)

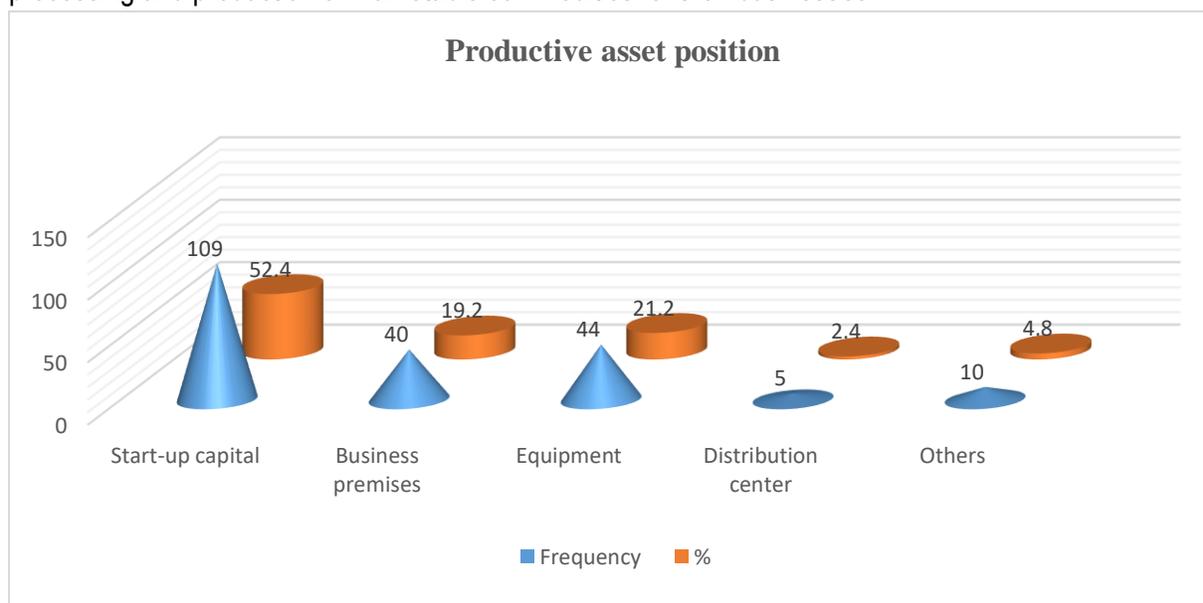
The access and control over productive resources in this section gives emphasis to the resources owned by the women in their business activities. Hence, information discussed in this section will not see household level access and control over resources as it has been presented in the first section of this report.

**Type of business entity:** As per the interview findings, individual business accounts for 84% whereas 15% is group based business type.

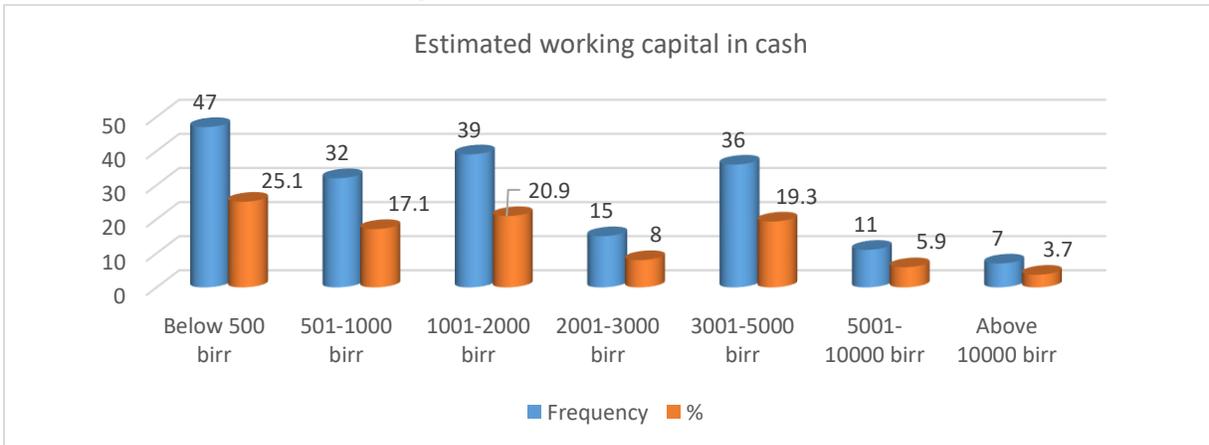
<i>Is your engagement depend on individual business?</i>	<b>Frequency</b>	<b>%</b>
<b>Yes</b>	175	84.1
<b>No</b>	33	15.9
<b>Total</b>	208	100.0

### Ownership of the productive assets

According to the survey result presented in the below graph, the major productive asset is their startup capital which accounted 52% and followed by 21% value labeled for various equipment's that they use for processing and production of marketable commodities for their businesses.

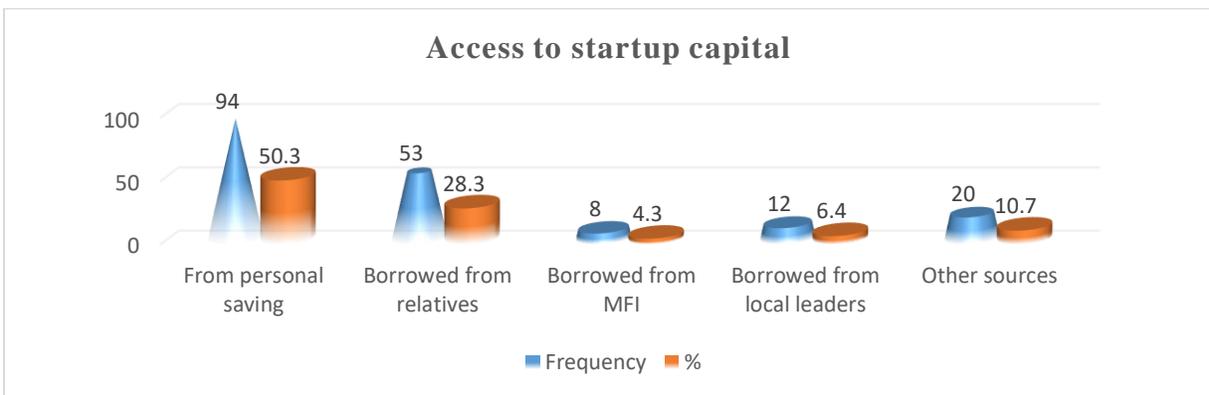


**Startup capital:** As described during the FGD session, the reported equipment's encompassed onion grinding, clothe washing machines, electric oven, plates, glasses, tea/coffee pots & cups, thermos and equipment that they use for processing, producing and selling their products. As explained by the participants, the volume and size of the startup capital is significantly heterogeneous. As stated during the FGD session and also in the findings from the individual interview, the level of startup capital is heterogeneous. According to the interview finding, a startup capital value below birr 500 is 25%, from birr 1001 to 2000 is 20.9%, birr 3001-5000 is 19% and birr 501-1000 is 17%. Out of the respondents, only 3.7% of the women own a startup capital greater than birr 10,000.



Though the highest portion of the respondents own below birr 500, there is a significant number of women who have a startup capital that ranged from birr 3001 to 5000. Overall, the startup capital for the majority is below birr 5000 and generating adequate livelihood means for the household is challenging for the women as most of them are the breadwinners.

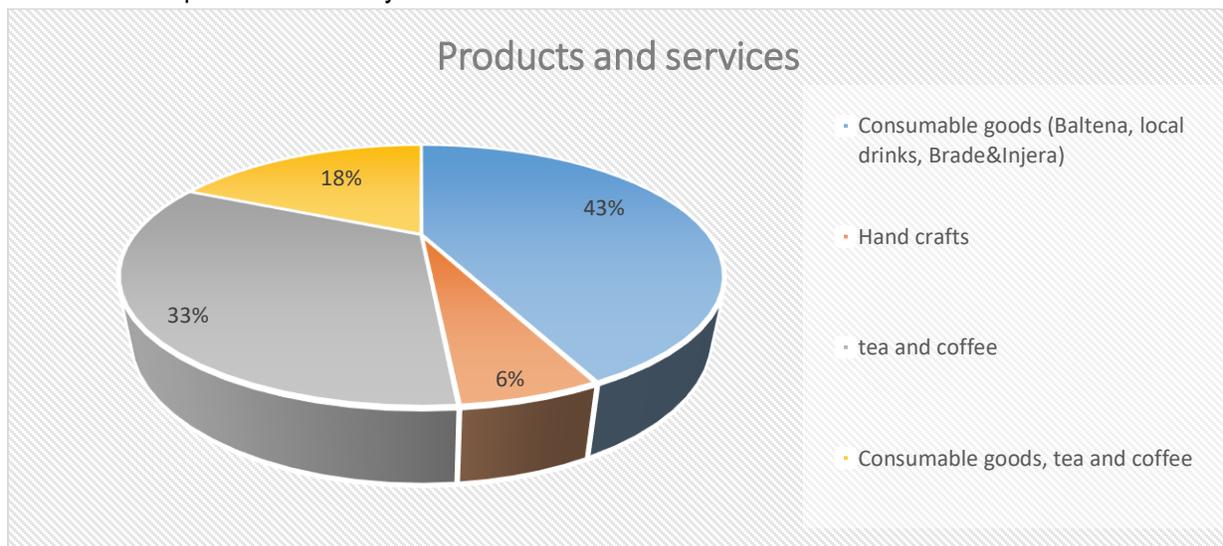
**Sources of startup capital:** As presented in the below graph, it is reported that the source of startup capital for business activity is their personal saving which accounted 50% and followed by borrowings from their relatives which is presented as 28%. On the other hand, the startup capital that acquired from MFI is 4% and it is the least.



Hence, it is possible to conclude that women have less access to formal financial services and as a result they are limited to work with their minimal available capital. The evidence presented under startup capital complements this finding as the majority of respondents have a startup capital which is amounting to birr 300 and this might be drawn from their personal saving alone.

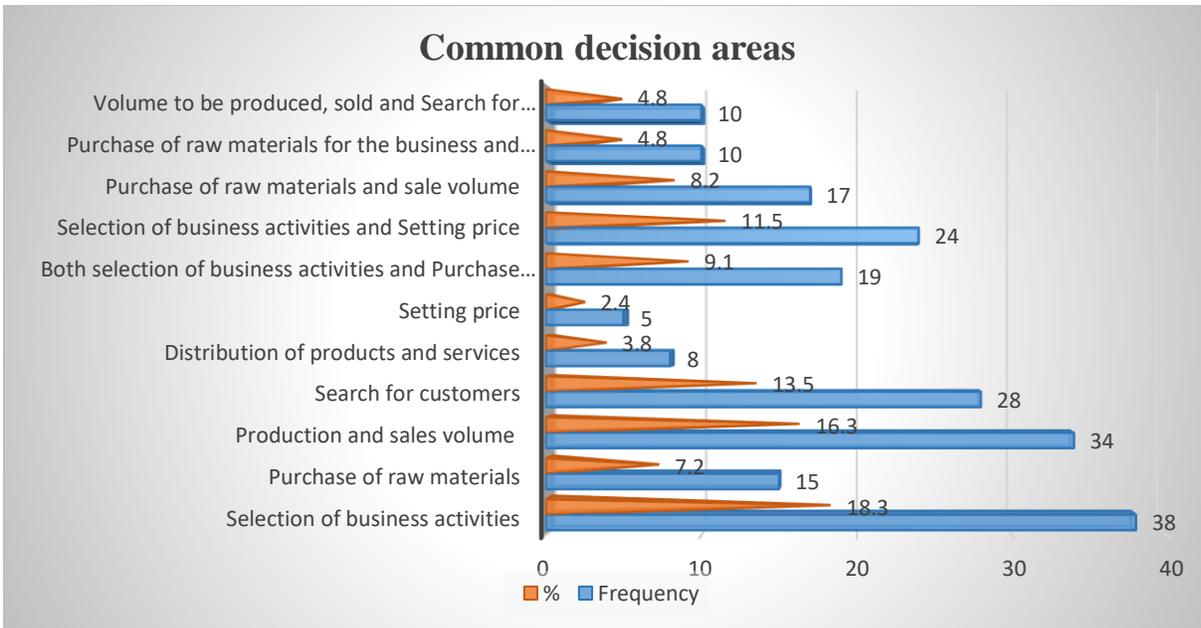
**Marketable products and services:** According to the survey result, major products and services that women offer to the markets include consumable goods (processed food, local drinks, Enjera, bread etc) which is 43% of the overall commodity, followed by 33% for tea & coffee services that are mainly sold at the road side of the intervention areas either inside a mini shade or in the open air/sun. In addition to the findings from the interview, the FGD participants across different Woredas stated that, processed powdered pea, powdered red pepper, fries, Enjera, dabo kolo (roasted mini bread), vegetables, locally processed cheese, butter for human hair and consumption and clothes are the major products that have been sold by the targeted women. This shows that, most of the women produce/deliver almost related items where there is no sign of creativity, innovativeness and diversification in their business engagement.

However, as per the FGD participant’s discussion, key reasons for them to offer such products and services to the markets are due to the availability of raw materials at their surrounding markets, less initial capital to start and run the business and need for less cost but high labor requirement to convert the raw materials to marketable goods. The participants added that the finished products and services are marketed around their residential places and nearby streets.



### 3.6. Autonomy in decision making

This section presents decision making patterns with respect to business activities. The decision areas that frequently undertaken includes, business types, volume of raw materials, prices for purchasing raw material & selling products as well as markets selection. As per the response, business women are the ones who make decision on the stated decision areas. They also stated that, they use a consultative way of decision making along with their family members.



On top of the individual interview findings, the FGD participant described decisions that women regularly make by themselves or in consultation with their families. The decision areas includes expanding business, changing type of the business and receiving credit for business. The groups pointed out that price setting for raw materials and product is mainly dominated by the market. While purchasing raw materials for processing, women may make some level of negotiation but it is not as such huge and also there is selling price known by the market for finished goods. In general, market itself regulates prices for either raw material or finished goods. In all the cases, the most important aspect is that, women are the ones who take actions for their business activities with no/minimal imposition from husband or any family member. See the next table.

Participant's decision making process		
	Frequency	%
I make decision on some activities	169	81.3
My husband make most of the decisions	23	11.1
My children make decision	7	3.4
My business partners and I make joint decision on all aspects	6	2.9
No decision at all	3	1.4
Total	208	100

As per the responses, 85% of business related decisions made by women have been successful and 95% of them stated that making decision by themselves is more relevant to their enterprise than taking any external imposed decisions. They added, making successful decisions encouraged them to expand their business and earn more income. The below table's present responses:

Responses decision making by business women:	Frequency	%
Enables timely action	30	15.2
Motivates me to think more about my enterprise	61	30.8

Personal satisfaction and joy	16	8.1
Motivates me to think more about my enterprise and personal satisfaction and joy	26	13.1
Enables timely action, Motivates me to think more about my enterprise and Personal satisfaction and joy	65	32.8
Total	198	100

Feeling of women when they make business decisions:	Frequency	%
I feel that I can identify and use different alternative for decision making	127	64.1
I feel that I have capacity to support fellow business women how to make decision	37	18.7
I feel that I can make more such decisions for future	27	13.6
If the decision brings negative consequences, I blame myself	7	3.5
Total	198	100

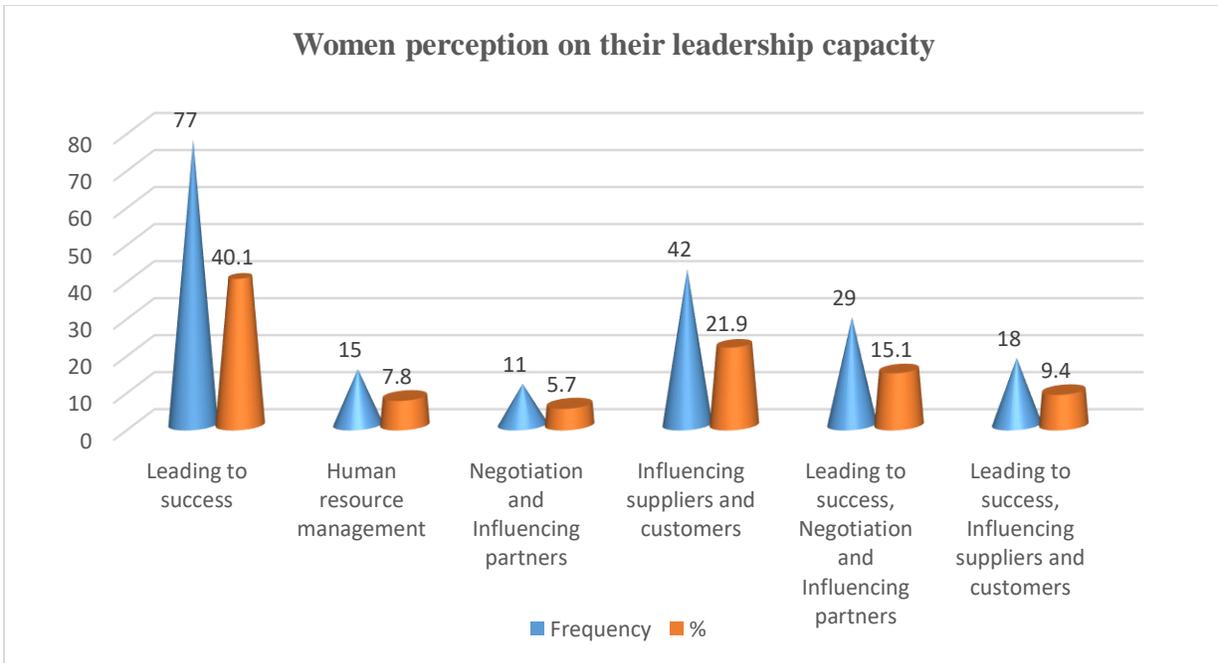
Entirely the business women/ small scale entrepreneurs and those that engaged in the IGAs are strong and enduring towards their motivation. They also have good capacity to attract and maintain their customers. But when it comes to relatively larger businesses, they lack adequate marketing skill to be able to compete with business in the same level.

### 3.7. Leadership capacity

This section focuses on capacity of women towards leading their overall business activities. The leadership capacity components that have been covered includes women perception towards their leadership capacity with regard to success in their business, human resources leadership/management, negotiations; influencing customers, suppliers and solving problems that affect their business activities. See the below table that illustrates women perception towards capacity to do successful businesses:

<i>Do you think that you have adequate capacity to run enterprise?</i>	<i>Frequency</i>	<i>%</i>
Yes	192	92.3
No	16	7.7
Total	208	100

**Women perception towards their leadership capacity:** As presented in the above table, 92% of the respondents perceived that they have the capacity to lead successful business enterprises. Their perception has been extended to the next detailed version where leading to success accounted the largest with 40% of the total then followed by 22% representing influencing suppliers and customers. To the contrary, the report showed that their capacity to influence and negotiate with partners is low which accounted for 8%. Partner in this case represents the government office such as trade and industry, micro & small scale enterprise, microfinance, security personnel's. They stated that due to their inability to influence the mentioned actors, they missed the opportunity in getting market places and credit to expand their business initiatives.



With regard to the leadership capacity of women, divergent information appeared from FGD groups and KII participants. FGD participants explained their leadership capacity from achievements in understanding products demand and prices, accumulating more saving, customer handling and influencing husband and other household members on selecting business types.

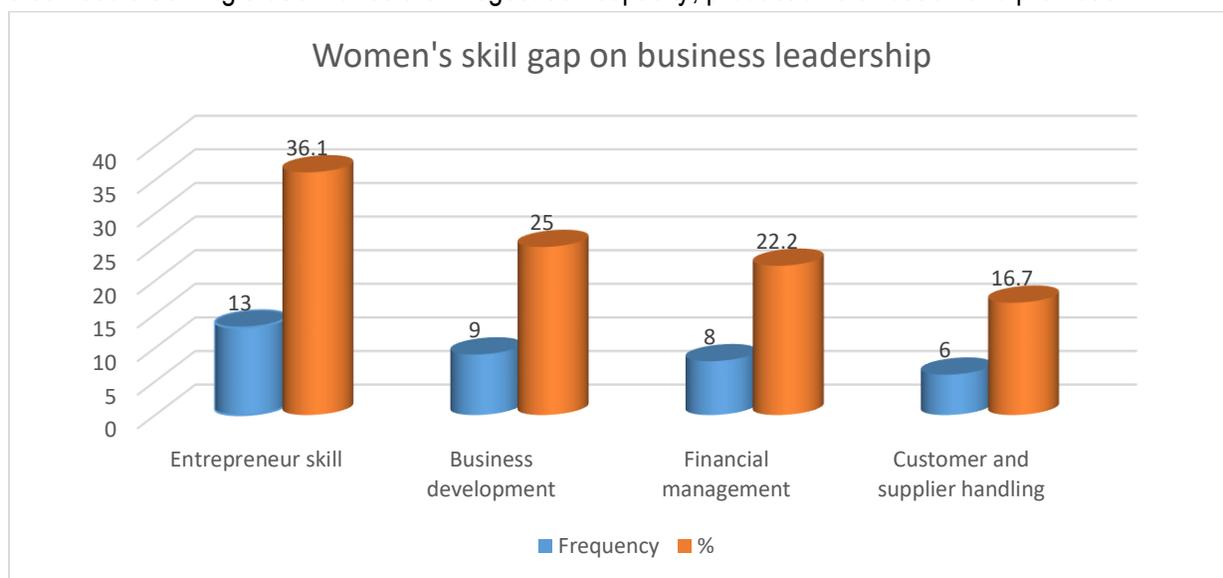
*FGD participants stated that “men are not as successful as women in saving and it is true for every women as they have real experience at their household. Women led enterprises are highly successful as they know the details of each business activities from production to marketing. However, it is existent that, it takes several years for women to expand their businesses as they have small initial capital and also they constantly use their profit to cover basic household needs. The change that women envision is on improving some of the household fixed assets and their aspiration to change the status of their businesses is very minimal. This might arise from less entrepreneurial capacity and most of the time women engage in business out of necessity not as an opportunity. Nevertheless, we can say that women led enterprises are more profitable than men. We are very much committed to change our lives through saving and others.”*

In addition to the individual interview and FGD, the KII participants reported that, women are successful in business when compared to men that are engaged in the similar businesses. This could be due to their natural/inherited knowledge towards engaging in businesses. Women are efficient in allocating and balancing their time which is not seen in men. In addition, women don't have the habit of spending their income in unnecessary things and they tend to non-extravagant. It's easier for women to be successful as they have high level of focus and dedication to their work. The issues that hindered them to achieve a high level growth is due to the lack of adequate capital and lack of convenient market places to sale their products. Though, within this small initiative, women are able to cover almost all of their household expenses. Within that minimum income, single headed women send their children to the most expensive schools to protect their children from agony.

As differences observed in the understanding of respondents towards the concept of women leadership capacity, information acquired is not uniform. Hence, it is not logical to conclude that these small scale business women have adequate capacity to lead their businesses successfully. In addition, as the volume of their business activities and the level of capital is minimal, it is important to consider their leadership capacity with such scope rather than considering them as successful business leaders.

**Women business skill:** individual interview respondents reported that they have enhanced their business skill through by doing and short term on job trainings provided by different agencies. As they reported, short term training accounts 31% and by doing accounts 27% which contributed to enhance their business skills. Participants reported that, they have received business related skills training from micro and small scale enterprises which accounted for 32% followed by trainings facilitated by CARE Ethiopia/MCDP accounted for 30%, and women and children affairs office accounted for 15 % and other NGOs have also provided few trainings which is around 11%.

In spite of the responses from the individual interviewees on their business leadership skills, the FGD participants believed that they don't have adequate business leadership capacity and skills. They sated that, they are managing small scale businesses which doesn't require a critical leadership skill in managing initiatives. Thus, it is advisable to provide more advanced business and leadership related trainings to enhance the leadership capacities of women to be successful in their business activities. Women entrepreneurs need technical support on business management, financial literacy and marketing. They also need a training that enhance their negotiation capacity, product diversification and promotion.



### 3.8. Existing formal institutions supports to women entrepreneurs

Information contained in this section is gathered through individual interview, FGD guidelines and key informants interviews. According to the FGD participants and interview respondents, Woreda **level small scale and micro enterprise promotion office and women affairs office** are the key supporting agencies with regard to women led enterprise development. The below table presents types of supports that women think enhance their entrepreneurial capacity.

<i>Kind of support that enhance the entrepreneurial capacity of women</i>	<i>Frequency</i>	<i>%</i>

<i>Entrepreneurial skill training</i>	77	<b>39.9</b>
<i>Experience sharing visits</i>	27	14.0
<i>On the job training</i>	31	16.1
<i>Coaching</i>	11	5.7
<i>Marketing skill</i>	47	<b>24.4</b>
<i>Total</i>	193	100

Though the FGD participants and respondents stated small scale and micro enterprise promotion office and women affairs offices are their key supporters in business activities, they couldn't pinpoint the supports that have been provided by the institutions. The below table presents the supports that have been provided by women affairs and small scale and micro enterprise development office.

### Existing institutions and their roles as reported by woredas small and micro enterprise promotion office & women affairs office

	KII for Government office representatives	
1. Existing structures and supports provided to women entrepreneurs in the area		
	<b>Small and micro enterprise promotion office</b>	<b>Women and Youth affairs</b>
<b>What is the role of your organization from the perspective of promoting women owned and managed enterprises?</b>	<ul style="list-style-type: none"> <li>Registers unemployed women and group them based on their interest for further training.</li> <li>Train women on selected enterprises, facilitate loan for trained women and provide working space for manufacturing and selling. The office also provide technical support including auditing to enterprises.</li> <li>Evaluates the performance of enterprises and enables them to transform from informal trade to formal. The transformation from informal to formal trade depends on the amount of capital to get a legal licence and other requirements.</li> </ul>	<ul style="list-style-type: none"> <li>Provide trainings on different areas. The trainings are mostly focused on skill trainings like, apparel making, food preparation...etc.</li> <li>Link them with MSE and financial service providers.</li> <li>Link them with different organizations for possible support.</li> </ul>
	Women have good capacity on business development and marketing. They expand their business, save money from their earning, purchase fixed assets including Condominium houses, and educate their children. All these are positive indicators for their capacity to be engaged in IGA. If women enterprises are supported by training, their capacity in managing businesses will be excellent. Women are active learners and very near to positive change.	They have little capacity especially in income diversification, they lack market information and they are unable to provide seasonal goods in the market.
	<ul style="list-style-type: none"> <li>- Financial access/loan service</li> <li>- Technical support</li> <li>- Knowledge based follow-up</li> <li>- Skill training to expand/diversify businesses</li> <li>- Create market linkage /value chain</li> </ul>	In addition to the supports, women in business needs close follow up.
<b>1.1 To what extent your organizations provide assistance to women entrepreneurs?</b>	<p>The office provides assistance to women enterprises through different means. This includes</p> <ul style="list-style-type: none"> <li>Creating a credit line through different financial institutions mainly with Addis Credit and Saving Institute and provision of capacity building trainings. This is mainly done by</li> </ul>	<p>If an NGO approached us to work with them, then we will directly apply their criteria. Mostly we use the following criteria for</p>

<p><b>a. What criteria does your organization use while selecting women entrepreneurs for further strengthening?</b></p>	<p>registering unemployed low-income women who have the city resident ID.</p> <ul style="list-style-type: none"> <li>• Supervises and Monitor enterprises and provide technical support based on the identified gaps.</li> <li>• Evaluate the effectiveness and successfulness of enterprises. The purpose of the evaluation is to rank/classify the enterprises according to their performance for further support.</li> <li>• Auditing, provision of on job trainings including BDS and the application of Kaizen theory.</li> </ul> <p>By accumulating evidences from continuous follow-up, the office rank enterprises as beginner, middle and higher. Consecutively the enterprise that showed good progress will gradually graduate from the government support and leave the provided government working and market places for other newly established enterprises.</p> <p>The criteria includes:</p> <ul style="list-style-type: none"> <li>- Being resident of the woreda.</li> <li>- Interest to be organized in a trade group and it should be their first time.</li> <li>- Priority shall be given for disable people and people living with HIV/AIDS</li> <li>- To get a market and production place, one should get training from MSE and pass the exam for certificate of competency</li> </ul>	<p>different interventions that focused on enterprise development and this includes the following;</p> <ul style="list-style-type: none"> <li>- Resident of the Woreda (ID)</li> <li>- Being unemployed</li> <li>- Someone who is not supported with any of development organizations (avoidance of duplication of efforts)</li> <li>- Vulnerable to HIV/AIDS and others</li> <li>- Depends on their interests and on the type of business that they tend to engage in</li> </ul>
<p><b>1.2 Are women owned enterprises profitable when compared to similar enterprises owned by men? How do explain about it?</b></p>	<p>Yes, it is possible to conclude that women owned enterprises are profitable when compared to men enterprises. Women utilize resources in efficient way, are committed for what they do, good at saving and their effort for change is remarkable.</p>	<p>Women owned enterprises are profitable and sustainable when compared to men owned enterprises. But the enterprise that they engage in has an impact in assuring the profitability of their businesses. We have seen that women who engage in food</p>

		preparation are always successful rather than women who engage in the initiative of coble stone.
<b>1.3 Is there any government plan to promote more women entrepreneurs? What other opportunities do you think available to more women to be entrepreneurs?</b>	Yes, MSE office has a plan to engage women entrepreneurs almost by 50% share. There is also a plan to formalize small-scale business women through access to loan for expansion, training, technical support on business management and provision of production and market place.	Yes, the government always give priority to women in every spectrum and structure. The current structure is more conducive in empowering women at all levels. In each sector office, the government request at least 50% of the women to be involved in a piece of initiatives. Several opportunities are available including provision of working spaces, provision of both soft and hard skills trainings, market linkages and the like. The government is exerting immense effort in transforming MSEs to SMEs.
<b>1.4 Have you ever evaluated the competitiveness of women owned and men owned enterprises in your district? Did you observe any significant difference? Explain...</b>	So far the office has not evaluated the competitiveness among women owned and men owned enterprises. But it is very much observable that enterprises owned by women are more effective than similar enterprises owned by men.	So far we haven't done any evaluation to track the competitiveness of women owned businesses compared to their counterparts.
<b>1.6.1 # of women owned enterprises and its financial position/accumulated capital?</b>	Not available	We have hard and soft copy files for the enterprises that are being organized in each Woredas of our intervention areas.
<b>1.6.2 How do you link the work of your office with the GTP II?</b>	The office took its portion from the growth and transformation plan (GTP II) overall plan and prepared its plan accordingly.	We are working towards the fulfilment of the GTP II plan. The GTP II is a plan which

		needs to be implemented by different sector offices including by our office.
<b>1.6.3 What strategies/approaches do you apply to support, update and document information of the women owned enterprises?</b>	The approach that is being followed by MSE office to support, update and document information on the women owned enterprises includes; registration of enterprises and regular update of their profile based on their status. The profile of enterprises that are supported under the MSE office as a beginner will be evaluated every six months. Then the whole process will be documented and share to significant others. The office has assigned one business development expert for this specific task.	Our main approach is continuous follow up and support. We believe that one time intervention will not last forever. Partnership is another approach. We don't have full capacity to provide the necessary support but through partnership, low-income women are getting critical supports which enabled them to lead successful business enterprises.
2. Women access to income, their income level and control over their income		
<ul style="list-style-type: none"> <li>• <b>How do you explain women access to income from the experiences of your organization?</b></li> </ul>	Many of women who engaged in small scale income generation activities like selling vegetables, hair dressing, chips, leather and leather products processing and manufacturing are accessing income from their enterprises.	More than ever, the level of access to income by women has improved in an immense way. Women are earning their own income by engaging both in a formal and informal employments. But still, efforts are needed to further enhance their access to income.
<ul style="list-style-type: none"> <li>• <b>Is there any mechanism that your organization knows how women control over their income from their enterprise?</b></li> </ul>	Indirectly, the office ensures that women control over their income by observing their saving, expansion of their business and their expense for different contributions.	No, we don't have that kind of mechanism.
<ul style="list-style-type: none"> <li>• <b>What is your opinion about the level of existing structures and</b></li> </ul>	Considering the poverty level and the unemployed number of people in the Woreda, the needed work has not been conducted due to several factors including lack of enough capacity to	The structure is convenient and the government has also initiated several mechanisms to improve the performance of

<p><b>supports to creating women access to income generating activities and income?</b></p>	<p>execute activities run by the existing structures. Much effort is needed to enable low-income women engaged in IGA activities and draw income in a sustainable manner.</p>	<p>existing structures in enabling women to access IGA activities.</p>
<p>3. Control over /decision making enterprises resource and decisions</p>		
<p>• <b>What is your experiences about decision making role of women in their enterprise activities?</b></p>	<p>In terms of women-owned enterprises, the decision making ability of women is somehow satisfactory but when we look at group businesses that encompassed both male and female, women tend to give their leadership role to their counterparts. This is partially due to the negative perception of the community on empowering women to be a leader in any kind of initiatives.</p>	<p>The trend in decision making has been changed. In previous times, no matter what men tend to be the dominant one in making decisions but through time, women in business are deciding independently in matters that affect their businesses directly or indirectly.</p>
<p>• <b>Have you heard about conflict in decision making towards enterprise operation and financial allocation?</b></p>	<p>We have not experienced that much serious conflict when it comes to decision making towards enterprise operation and financial allocation.</p>	<p>Yes, there are conflicts, but it is usually within the business group. Sometimes, conflicts occur within the family especially with husbands when the women decides to start IGA and most husbands are not happy about it, especially if they have better income.</p>
<p>• <b>How was the conflict resolved? Did your organization play any role? What role?</b></p>	<p>Most of the time enterprises resolve their internal conflict by themselves. Sometimes when the conflict is beyond their capacity enterprises request for technical support. For instance, if the conflict is on benefit sharing, the office assign technical expert who will support them on calculation by basing on their internal bylaw.</p>	<p>They came and claim the issue for us and our case workers will be deployed to solve the raised problem.</p>
<p>4. Business development and marketing capacity of entrepreneur women</p>		
<p>• What do you say about the capacity of women in</p>	<p>Even without any training, women somehow have the experience of marketing and business development. The</p>	<p>Before any intervention, women capacity in terms of business development and</p>

<p>business development and marketing?</p>	<p>trainings provided by several institutions was influential in equipping business women with marketing and business development skills, knowledge and attitude.</p>	<p>marketing was very minimal. By deploying several means, women are experiencing an enhanced capability in terms of their negotiation skills, promoting businesses, linking with different market actors, setting prices and producing quality products. Still, there are more women who needs support for them to get out of poverty and engage in different livelihood initiatives.</p>
<ul style="list-style-type: none"> <li>• What kind of technical support that the women entrepreneurs need to enhance their business expansion and marketing activities?</li> </ul>	<ul style="list-style-type: none"> <li>- Trainings in business handling</li> <li>- Coaching and Business development Service (BDS)</li> <li>- Continuous follow-up</li> <li>- Market linkages</li> </ul>	<ul style="list-style-type: none"> <li>- Appropriate trainings</li> <li>- Access to finance free from interest or seed money</li> <li>- Access to improved technologies</li> <li>- Continuous support</li> </ul>
<ul style="list-style-type: none"> <li>• What mechanism do you recommend to promote more women owned enterprises and to enhance its sustainability in this competitive market?</li> </ul>	<p>Market linkage with in different sectors is very much influential to promote more women owned enterprises.</p>	<ul style="list-style-type: none"> <li>- Scale-up learnings and practices</li> <li>- More market linkages</li> <li>- Provision of convenient market places</li> </ul>
<p><b>5.1 What key challenges do women entrepreneurs and their enterprises face?</b></p>	<ul style="list-style-type: none"> <li>- Financial constraint</li> <li>- Lack of access to production and market place</li> <li>- Few of them also lacks the technical skills that are necessary to run a business</li> </ul>	<ul style="list-style-type: none"> <li>• Opportunities that are brought by NGOs are limited and only benefit a slight portion of the low-income women</li> <li>• Sometimes, the criteria's set by some NGOs do not meet the existing condition or realize the actual context.</li> <li>• Some of the NGOs don't do any follow-up after the provision of trainings</li> <li>• Expansion of illegal business</li> <li>• Market and production place</li> </ul>

<p><b>5.2 How such challenges are being addressed by your office?</b></p>	<ul style="list-style-type: none"> <li>- Through awareness creation on existing opportunities</li> <li>- There is also an effort in linking women with different market players especially for those who engaged in the manufacturing skills</li> <li>- Through a provision of skills trainings</li> </ul>	<p>Basically our organization don't have the role to intervene directly in some of the areas including access to working and market place. Partnership with different sector offices and lobbying different structures to make their services more convenient to women entrepreneurs are the strategies followed by our office to address challenges faced by women entrepreneurs.</p>
<p><b>5.3 Do you think the strategy will be effective? How?</b></p>	<p>Yes, if women are aware of the existing opportunities, they have the ability to use the available opportunities effectively and maximize their benefit from their enterprises.</p>	<p>Yes. Through partnership, services that are not rendered by one sector office will be given by the other. And the effort of different non-governmental organizations has contributed a lot in addressing challenges that women entrepreneurs face to engage and lead profitable business initiatives.</p>
<p><b>5.4 What opportunities are available?</b></p>	<ul style="list-style-type: none"> <li>- Government and NGO attention to women empowerment</li> <li>- Provision of working space for formal enterprises</li> <li>- Access to credit through Addis Credit and Saving Institution</li> <li>- Access to market through bazaars, exhibitions and other means</li> </ul>	<p>Support from different institutions in terms of provision of different capacity building trainings, business development service and others</p>
<p><b>5.5 How do rate the capacity of existing institutions to address key business related challenges that affect women enterprise</b></p>	<p>Organizations like MSE, women and children affair office, trade and industry have relatively better capacity but much effort is needed to address key business related challenges that affect women led enterprise development.</p>	<p>I do not think that the existing institutions have enough capacity. Some of them lacks educated manpower that can train and follow the women enterprises; there is resource limitation to provide the businesswomen with market places. In</p>

<p><b>development and its success?</b></p>		<p>general, the existing institutions don't have the full capacity to address the challenges that low-income business women face and it's mandatory for the development actors to support the government to change the existing situations.</p>
<p><b>5.6 What strategy do you recommend for future?</b></p>	<p>Improving the business skills of low-income business women  Access to finance  Access to productive resources for women either in donation or loan  The production place provided by the government should be convenient or near to the market place.</p>	<p>Reach more low-income business women through several interventions.  Creation of an enabling environment in terms of access to finance, market and production place.  Provision of trainings (both soft and hard skills).  Design sound projects which can address the challenges that low-income business women face.</p>

The woredas small and micro enterprise office and women and youth affairs office provided the above information as they have a direct role in promoting and supporting women led enterprises. The key informants reported that their office support low-income women through organizing different enterprise groups, facilitating their formalization process, linking them with financial institutions and providing regular follow-up on their performances and addressing operational problems in managing enterprises. However, most of the FGD participants stated that, for them it was impossible to get an adequate technical support in the area of developing business plan, marketing and enterprise leadership. They also stated that, much of their current business skills are learned through doing and with a common sense. The women groups stated that MCDP/CARE is the only organization that organized VSLA groups and has been supporting them with their door to door visits. After joining the project, they started to think in increasing their saving and expansion of their business activities. With the H&M project, women are able to identify and calculate production costs and selling prices, identify market places for raw material and finished goods, calculation of profit margin, and regain with the concept of expanding business. One of MCDP/CARE support that women appreciate is the creation of access to informal financial service which is the VSLA. Regarding access to formal

financial services, women stated that Addis Credit and Saving Institution is the only credit provider in their areas. However due to collateral problem, most of them have not got the opportunity to take loan from the institution.

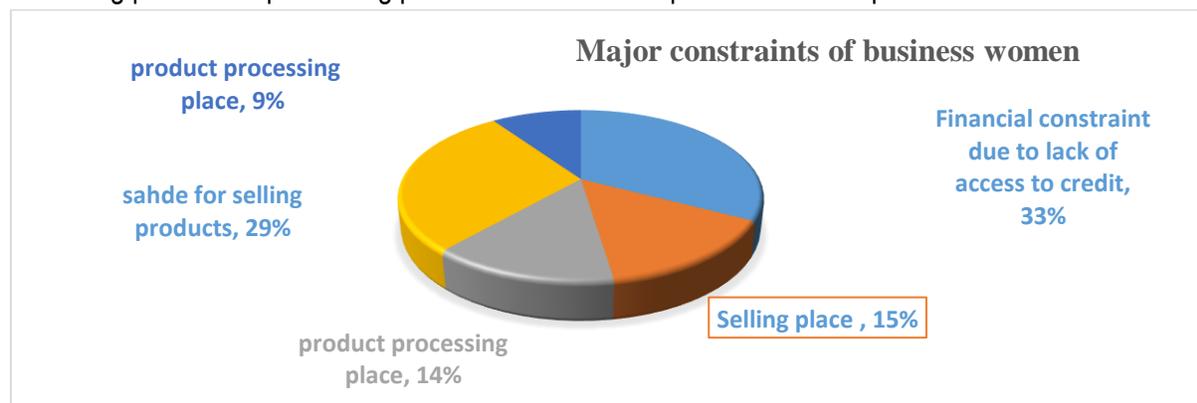
### 3.9. GTP II and women entrepreneurship

In the survey, business development led by women and enterprise formation has been seen from the perspective of the GTP II. The purpose of considering women led enterprise formation from the GTP II perspective is to understand what portion of the plan is supported by the H&M project. This will help the project to measure its contribution to the country's socioeconomic development in general and women led enterprise in particular. The below table presents the GTP II plan for the city administration and the sub-cities in terms of reaching low-income women through several interventions.

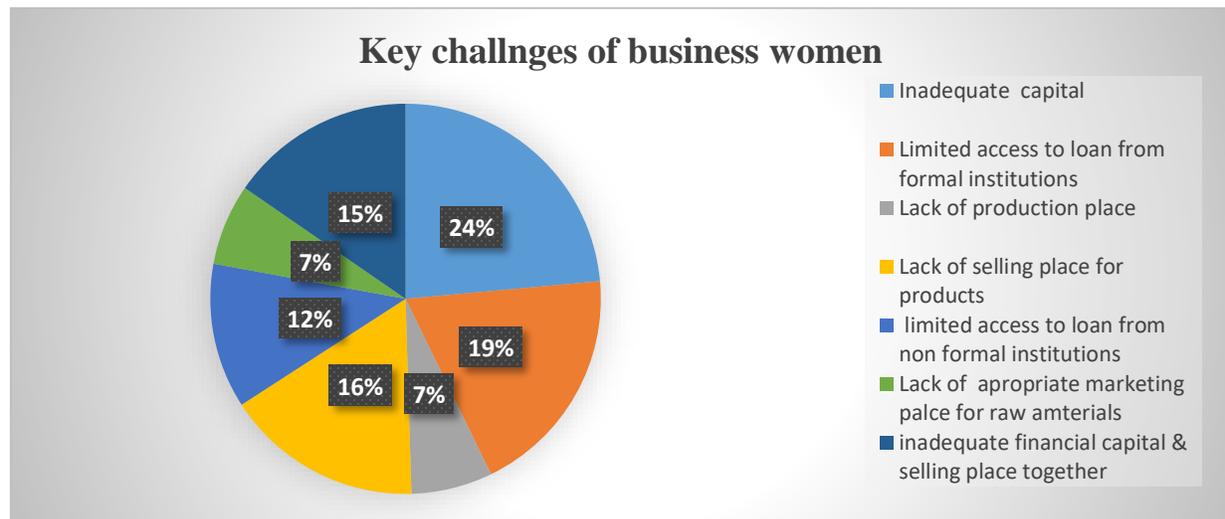
Sn.	Name of the government office	Unit of measurement	GTP Period (2003-2007)		2009 six months plan vs achievement	
			Plan	Achievement	Plan	Achievement
1.	A.A Women and Children Affairs Bureau	No. of women	266,600	281,522	15,925	12,439
2.	Kirkos Sub city Women and Children's Affairs Office	No. of women	51,960	45,073	10,000	1002
3.	Lideta Sub city Women and Children's Affairs Office	No. of women				
4.	Arada Sub City Women and Children's Affairs Office	No. of women			1660	993
5.	MSE Kirkos sub city	No. of women			9675	1402
6.	MSE Arada sub city	No. of women			7740	1496
7.	MSE Lideta sub city	No. of women			2009	863
8.	Contribution of H&M					

### 3.10. Constraint and challenges

**Key constraints:** According to the interview finding, major constraints reported include limited access to loan from formal financial institution, lack of shade/place for selling products, access to raw material, marketing places and processing place. The below chart presents their response.



**Key challenges:** During the survey, questions for constraints and challenges were separately addressed and the below are responses on key challenges that women face while doing their business activities. According to their responses, inadequate capital, limited access to loan from formal institutions, lack of appropriate selling place for finished products and limited access to sufficient loan from the non-formal (VSLA, Idir, Ikub and similar others) institutions are the key challenges.



FGD participants also listed related and some more constraints that hinder women from operating successful businesses which yield more income and household livelihoods. They have added lack of basic assets that can be used for processing and production of sellable products as a hindrance to expand their business initiatives. Apart from their inability to access the needed fixed assets, women mentioned constraints such as lack of suitable working places to run their businesses, inaccessibility of government built business premises, absence of market linkage for products, shortage of capital, and limited access and high interest rate on credit from MFIs that slowed down to grow their businesses.

Apart from the high interest rate, the MFI's sometimes set requirements that are difficult for the women to be eligible in taking the needed amount of loan. Due to the market inaccessibility, women tend to travel to other relatively distant markets to sell their products which increases the selling price due to transportation costs and it also affects sales volume due to market price competition with products with less selling price. The participants also stated that, government has constructed sheds and provided it to some of the enterprises but due to their poor infrastructure and inaccessibility, women tend to stay and work at home. Besides, the market places constructed by government are not accessible to consumers and hence buyers prefer to purchase from the already established private shops that are located at the main road sides. Due to the mentioned and other several constraints, women are not able to run successful businesses. Most of them stated that, their daily earning is insignificant and doesn't cover their household consumption. Saving and the tendency of expanding businesses is very minimal.

Key constraints and challenges mentioned by the key informants are almost the same with that of information raised by interview and FGD participants. Among others, minimal access to market place, lack of market linkage, in adequate access to finance, lack of adequate asset for loan collateral and limited capital size are some of the key constraints/challenges that women face in setting, maintaining and expanding businesses.

### 3.10.1. Strategies to address challenges

There have been some attempts made from government side to address constraints faced by businesswomen. Some of the attempted solutions include, allowing women entrepreneurs to sell in weekends at some specific locations-specially road side (open market), organizing festivals and trade fairs. Nevertheless, the mentioned challenges do still exist. FGD participants stated that, to strategically address the constraints/challenges, promoting strong saving and credit cooperatives, coordinated supports by structures such as MSE, women and children affair office; supportive government policies and overall government determination through strong monitoring and feedback mechanisms are the necessary steps that needs to be considered by several agencies.

The participants mentioned that the existing attempts such as trade fair and the road side market are temporary solutions and it cannot be considered as a sustainable action. Some of the causative factors for such constrained and challenging environment includes limited capacity of existing structures in terms of providing adequate training to women owned enterprises, limitedness in promoting viable business enterprises and lack of facilitating a suitable market place. This is mainly because, the structures doesn't have adequate human resources, budget to provide training to women entrepreneurs for both technical and soft skills.

Hence, strategies that requires to address the constraints mainly should consider whether appropriate preparation were made while organizing the enterprises, whether technical support related to business are adequately provided, whether there is clear follow up plan for the enterprises business operations and others. Capacity building to women on entrepreneurship; business development, marketing strategies and other business skills are also key areas while setting strategies in addressing the mentioned challenges and constraints. Issues like adequate participation and involvement of relevant stakeholders during promoting enterprises, government and NGOs commitment to facilitate improved access to financial resources, identifying and establishing accessible market places for the enterprises are also the necessary actions in promoting more women led enterprises.

Apart from the evidences captured from the FGD and key informants interview, participants from the structured interview stated that entrepreneurial, marketing and on job trainings should be provided to them as a way of enhancing their skills towards managing successful enterprises. The below table displays value as women reported:

<b>kind of support that enhance entrepreneur capacity of the participants</b>	Frequency	%
Entrepreneurial skill training	77	39.9
Experience sharing visits	27	14.0
On the job training	31	16.1
Coaching	11	5.7
Marketing skill	47	24.4
Total	193	100

Participatory planning, monitoring and evaluation on the identified pertinent issues would lead to address the identified gaps. Moreover, continuous support and follow up should be in place to enhance women capacity in leading successful initiatives.

#### 4. Conclusion

A rapid baseline study was conducted for the H&M: Women for Women project in all the intervention areas. Total of 282 small scale women entrepreneur women participated in the survey where 208 women participated in individual interview and 72 women participated in the FGD discussion.

The objective of the baseline survey was to identify and set baseline values for the expected outcome indicators to track and measure the desired change at the end of the project period. The baseline survey focused on H&M/W4W project intermediate result (**IR 1.2); is 500 women led enterprises organized and developed** which is about the economic empowerment of the women who are involved in the project.

In this baseline survey both quantitative and qualitative methods were applied where primary and secondary data were gathered.

#### Key findings

**Women access to income and control over their income:** According to the finding, petty trade is a predominant livelihood activity that accounts for 79% of the available livelihood strategies for the survey population in general and the respondents in particular. According to the finding, petty trade encompasses retailing of vegetables, herbs, processed foods (bread, enjera, powdered pepper, spices, kolo, tea and coffee) and other consumable goods. Formal enterprise activities accounted 7% of the livelihood strategies for the sample, which included small scale dairy farm, beauty salon, selling of cloths at open markets, processed food items, beverages and bottled water, restaurant and cafe services. Regarding control over resources and income, the findings indicated that, both husband and wife together make decisions on use of respective household income and other productive resources. Sometimes there could be a conditions in which either of the two can make decisions.

**Balance between women productive task and leisure:** As per the finding, out of the respondents, 32% reported that they don't have spare/leisure time in their life whereas 68.8% reported they have spare time that they use for different purposes. All FGD participants agreed that both the household chores and small business/ trade works consume 18 hours in each day. From the 18 hours, greater portion is spent for business activities/income generating activities. Except few, most women don't have families support for the household chores. In conclusion, women spent most of their daily times on household chores and income generating activities to support their household livelihood. During public/religious holidays, women engage in the community managing activities and they consider that as their leisure time. Sharing household responsibility by other family member or getting labor support from their family hasn't been common. With this it is difficult to state any clear aspect about the women "leisure" time since they are not fully aware about the concept/translation of the leisure time and also don't have it in their actual context.

**Access and control over resources/necessary input for production/enterprises:** According to the survey result, the major productive asset is their start-up capital which accounted 52% and followed by 21% value labelled for various equipment's that they use for processing and production of marketable commodities for their business. As per the findings, the level of start-up capital is heterogeneous for different women. The start-up capital value below birr 500 is 25%, from birr 1001 to 2000 is 20.9%, birr 3001-5000 is 19% and birr 501-1000 is 17%. Out of the respondents, only 3.7% of the women own a start-up capital greater than birr10, 000. As described during the FGD session, the reported equipment's encompassed onion grinding and clothe washing machines, electric oven, plates, glasses, tea/coffee pots & cups, thermos and equipment that are used for processing, producing and selling the products.

**Autonomy in decision –making on the production process-related to their enterprise:** As per the responses, 85% of business related decisions made by women have been successful and 95% of them stated that making decision by themselves is more relevant to their enterprise than taking any external imposed decisions. They added, making successful decisions encouraged them to expand their business and earn more income.

**Leadership capacities (such as negotiation capacity & confidence):** As differences observed in understanding of respondents towards the concept of leadership capacity by women, information acquired from those sources is not uniform. Hence, it is not rational to conclude that these small scale business women have adequate capacity to lead their business successfully. In addition, as the volume of their business activities and the level of capital is minimal, it is important to consider their leadership capacity with such scope rather considering them as if they are successful business leaders.

**Existing structures and supports to the women entrepreneurs:** According to the FGD participants and interview respondents, woreda level small scale and micro enterprises promotion office and women affairs office are key supporting agencies with regard to women business activities. The key informants from the MSE office reported that their office organize different enterprise groups, facilitate their licensing, link with financial institutions and regular follow-up of performances and address operational problems of the enterprises. However, most of the FGD participants stated that, they haven't been getting adequate technical support in the area of developing business plan, marketing and enterprise leadership. They also stated that, much of their current business skills are learnt through doing and with a common sense. The women groups stated that MCDP/CARE is the only organization that organized VSLA training and has been supporting with their door to door visits.

According to the interview finding, major constraints reported include limited access to loan from formal financial institution, lack of shade/place for selling products, access to raw material and place for processing. As per findings from the FGD aspect some of the major constraints includes, lack of basic assets that can be used for processing and production of sellable products.

The assets that are identified as missing includes 'Enjera flour mixer' machine, that help to mix Tef flour with water, sewing machine, chips making machine, refrigerator, cloth washing machine, onion chopping machine and many others that saves business women time and volume of production. Apart from fixed

asset shortage, women mentioned constraints such as lack of suitable working places to run businesses, inaccessibility of government owned business premises, absence of market linkage for products, shortage of capital, and limited access to credit and high interest rate on credit from microfinance. As per key informant interview findings, lack of appropriate market place, lack of market linkage, in adequate access to finance, lack of adequate asset for loan collateral and limited capital size were some of the key constraints/challenges that hinder women from engaging and expanding businesses.

Participatory planning, monitoring and evaluation on identified issues of women enterprise such as loan facilitation, training and manufacturing/production and market place and facilitating market linkage and collaboration would be key instrument to address the identified gaps. Moreover, continuous support and follow up should be there to enhance women business capacity more specifically, entrepreneurship; business development, marketing strategies and other necessary business skills areas.