

MANAGEMENT TRAINING FOR WOMEN ENTREPRENEURS IN YEMEN: THE ANATOMY OF A PILOT PROJECT DESIGN

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Nora Ahmed* is a young Yemeni woman who runs her own quality assurance company—a Yemeni branch of a North American company. She has strong business acumen but until recently did not have formal business training. She wants to develop a business plan, learn to market more effectively, and obtain capital from a bank. Sahar Ishaq,* another Yemeni woman entrepreneur who has a business venture trading in grain regionally, wants to learn how to formalize her business. With IFC's Women Get the Business Edge initiative, women entrepreneurs like Nora and Sahar can access enterprise management training to help them professionalize and grow their businesses.



Women trainers of IFC's Business Edge program

Background



The Old City, Sana'a Yemen

Although Yemeni women's participation in the labor force is increasing, the Middle East and North Africa (MENA) region has an average women's labor force participation of just 32 percent—the lowest in the world. Women's entrepreneurship may be an effective way to help increase female labor force participation, as anecdotal evidence shows that women tend to employ a larger share of women than male-owned firms. However, in spite of the fact that women own approximately 10 percent of Yemeni firms,¹ most female small and medium enterprise (SME) owners manage their businesses through on-the-job learning-by-doing. Without formal training, women entrepreneurs find it difficult to develop business plans and maintain appropriate financial records to enable them to

access institutional finance and reach bigger, more lucrative markets. This means that women's businesses, even those with significant growth potential, tend not to expand beyond a certain size.

Lesson #1: In cultures where segregation of women is the norm, gender-specific interventions may be required to build awareness and encourage women to become aware of and participate in enterprise management training.

Business Edge, IFC's SME enterprise management training product, has proven to be a large success in the MENA region, particularly in Yemen. However, an IFC Gender Entrepreneurship Markets (GEM) 2005 country assessment in Yemen found that women were accessing the training to a lesser extent than men.

*Names changed to protect identity.

¹Middle East and North Africa, *Gender Overview*, World Bank, 2007.

For one thing, there was a lack of awareness of how management training could improve their business ventures. In cases where women were aware of the benefits, their greater time and mobility constraints due to cultural segregation and their dual domestic and entrepreneurial roles made it difficult for them to attend training sessions.

Women who had participated in training courses noted that classes often did not address concerns characteristic of smaller-size, women-owned enterprises. Most Yemeni women-owned businesses cluster around certain areas, predominantly in the service sector. In addition, women found that there were not many examples of dynamic women business role models in the business literature and case studies whose realities reflected their own. To be attractive to businesswomen, management training would need to be tailored more closely to the needs of women entrepreneurs. Thus, *Women Get the Business Edge* was developed as a pilot project in Yemen to mainstream gender into *Business Edge*.



IFC training on women's entrepreneurship in Yemen

Lesson #2: A pilot project is a good way to test the business case for a larger-scale gender-specific intervention and to learn about gender-based constraints in the local business environment.

A *Women Get the Business Edge* pilot project was proposed as a way to build the capacity of IFC-certified *Business Edge*'s training partners (privately owned local Yemeni training firms) to increase their outreach to women customers by providing training customized to their needs.

The inspiration for the pilot was a series of workshops that IFC had previously offered in the region. *Women Get the Business Edge* workshops had been held for women entrepreneurs from Afghanistan, Egypt, Jordan, Iraq, and Yemen. Though successful, these workshops lasted just several days. The success of and demand for these workshops gave us the idea that a longer-term capacity building initiative could help training partners better understand and serve women's market niches in Yemen.

A key feature of the pilot project in Yemen was that it sought to provide training to women on a sustainable, market-driven basis. We believed women entrepreneurs would be willing to pay for business training that they considered valuable.

Based on bids submitted by six *Business Edge* training providers, four were selected through a competitive process as "implementation partners" for the *Women Get the Business Edge* pilot project in Yemen. Their proposals outlined compelling plans for reaching out to women customers as an important part of their business growth strategies.

Lesson #3: Use a logic model to develop the pilot design and get partners involved in the project.

A logic model is a graphic that describes a project in evaluation terms. Generally it is developed as the first step in an evaluation, but in this case it was also used to design the pilot project and provide a visual representation of the project's process and outcomes.

The project team invested a significant amount of time getting the model right, working in close collaboration with the monitoring and evaluation (M&E) operations team. Working "backward" from the intended impact—to improve the competitiveness of women-owned business by increasing their access to management training—the project team defined the following objectives for the pilot:

1. To develop the capacity of select *Business Edge* training providers (the owners of the local training firms) to understand and serve women's markets.
2. To develop the capacity of *Business Edge* trainers (who deliver the training) to better understand specific issues women face in running their businesses, so that they can tailor training to be relevant to their needs.

3. To develop a series of *Business Edge* gender-specific tools and training materials that better reflect the realities and context of women's businesses.

In addition to providing the blueprint for the project model, the logic model was important for getting “buy-in” from the implementation partners. Very early in the process, IFC showed the project logic model to the implementation partners and sought their feedback on it. This helped the partners see the bigger development picture, outcomes, and impact that IFC wanted to achieve. Partners also had an incentive to collect timely and systematic data to gauge how effectively they were reaching women's markets.

Lesson #4: Provide concrete skills and training to help business training providers conduct market research to understand and effectively serve women's markets.

Implementation partners were encouraged to provide women-only courses in topics that women customers indicated they were interested in, such as marketing, pricing, human resources, and leadership. By monitoring the number of repeat customers, the partners were able to see how their products were faring on the market, and adjust their price and product mix accordingly.

IFC also provided capacity building training to the implementation partners and *Business Edge* trainers. For example, a workshop provided hands-on training for conducting focus-group-based market research with women micro, small, and medium enterprise (MSME) owners. The partners also learned how to translate this market information into actual training products. In the end, the partners had a better understanding of what influences women's decisions to purchase training, and they were equipped to closely tailor course packages to women's needs.

We also provided guidance for developing marketing materials and advertising for reaching out to women customers. Partners were encouraged to promote their training through organizations dedicated to supporting women's entrepreneurship in Yemen, such as chambers of commerce, donors, government agencies, businesswomen's associations, and nongovernmental organizations (NGOs).

Business Edge trainers also learned to conduct case-study interviews and develop case studies that would provide the material for women's training. This is important in the context of Yemen, where there is a shortage of case study materials featuring women's businesses and showcasing women as good business role models.

A significant accomplishment of the pilot was that partners recognized that the “women's market” is far from homogenous, and they gained skills to segment it. By identifying groups of women entrepreneurs with similar traits and understanding their behavior, partners could respond with appropriate marketing strategies that satisfy different preferences of each chosen segment. For instance, partners could develop specific products for women in different industries such as food processing, personal care, and textiles.

Partners also learned that design of a women's training product would need to have other features. In addition to providing appropriate, affordable training, they need to take into consideration women's time and mobility constraints, as well as the different support women need at different stages of their business life cycles. In some cases, for instance, classes may need to offer child-care services. In Yemen's gender-segregated context, some women trainees, particularly at the start-up phase, preferred to have women-only classes with women instructors. Women with more established businesses, on the other hand, valued mixed learning environments. They indicated a greater willingness to pay for classes where their peers were men and women, because they viewed men as having greater business experience and success.

Selection of the right consultants was important for the success of capacity building. The consultants engaged were specialists in gender, business development services, and management training. Their understanding of the business issues as well as the local context of gender issues in the MENA region made for robust training sessions and training materials.

Lesson #5: Gender-specific tools are helpful for promoting awareness, building capacity, and serving as vehicles to scale up and replicate initiatives.

The *Women Get the Business Edge* initiative developed a series of tools to scale up and replicate the model:

1. A gender-specific–curriculum Training of Trainer Manual for *Business Edge* trainers.
2. Focus Group Guidelines on Conducting Market Research for Women Entrepreneurs.
3. A framework for understanding issues in gender entrepreneurship.



Business Edge trainers conducting focus-group based market research

These training tools are designed to be delivered through *Business Edge's* existing capacity building and training delivery systems for its partners and trainers, and can be seamlessly integrated into the program.

As the number of *Business Edge* training providers offering courses for women increases, there will be a significant demand for women business trainers. For the women who embrace *Business Edge* training as a career path, it offers a rewarding career and much growth potential in an environment where jobs are scarce.

While quantitative results are not yet available, the feedback and qualitative results from the pilot indicate that there is strong demand for enterprise management training among

Yemeni businesswomen, and there are a number of *Business Edge* training partners who seek to serve these potential customers. For Nora and Sahar, the outlook is promising. With training providers looking to serve women's markets, they are likely to get the support they need to develop their firms and compete on a more equal footing with their male counterparts.

Following were key success features of the pilot project design:

- Close coordination between the *Business Edge* and the *Women Get the Business Edge* teams, and strong support from the M&E team.
- A pilot project design focused on outcomes and impacts from the outset, with a view toward a sustainable model for supplying women with management training.
- Training providers eager to see women as their potential customers.
- Consultants with combined expertise in gender, Business Development Services, and management training to conduct capacity building and development of training materials.
- Development of new, women-specific training product lines that enable larger scale implementation of women-specific training and can serve to generate revenue for *Business Edge*.

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