

***Promoting Competitiveness in the Micro and Small Enterprise Sector
in MENA***

Egypt

MSEs Potentials and Success Determinants in Egypt 2003-2004
(Special Reference to Gender Differentials)

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Methodology¹

The Small and Micro Enterprises Survey (MSES) – Egypt 2003 is a sample survey designed to provide estimates for key indicators related to the activities, manpower structure and financial characteristics of MSEs. This report describes the methodology applied in the MSES including listing of enterprises, sample design, training of interviewers, data collection and data entry and processing.

1. Sample Design

The primary objective of the sample design of MSES was to provide estimates on the national level and for 3 major administrative regions (Metropolitan areas, Lower Egypt and Upper Egypt). Eight governorates were selected from the 3 regions. The selection was based on an attempt to represent governorates with different economic characteristics.

The sample for the MSES is a multi-stage probability sample. In the first stage, primary sampling units (PSU) were randomly selected from each governorate. The PSU's are shiakha/towns in urban areas and villages in rural areas. Information from the 1996 census was used in constructing the frame from which the primary sampling units (PSUs) were selected. A total of 120 PSUs were randomly selected from the chosen governorates; 84 in urban areas and 36 in rural areas.

The second stage was based on the results of the listing of enterprises within PSU's. Enterprises were classified into 3 categories in terms of MSEs density. Density was designated according to the mean number of MSEs per building and PSUs were divided into 3 equal groups; the lowest third (Low), the medium third (Medium) and the highest third (High). A stratified random sample of enterprises was selected from the list of enterprises within each PSU.

¹ Extracted from El-Mahdi, A. 2005. Promoting Competitiveness in the Micro and Small Enterprise Sector in MENA: MSEs Potentials and Success Determinants in Egypt 2003-2004. (Special Reference to Gender Differentials). Document of the project that was conducted under the auspices and sponsorship of FEMISE (Forum Euro-Méditerranéen des Instituts Economiques), coordinated by Institut de la Méditerranée (IM), the USAID-Cairo and The Economic Research Forum for the Arab Countries, Iran and Turkey (ERF)

In the third stage, a stratified random sample was selected from each density category within the PSU. The two strata include male and female owner/manager. with female owners / managers were over sampled (double-weighted) in order to maintain a sufficient number of female respondents.

The sample size was predetermined by 5000 private MSEs to provide statistical reliable estimates for the indicators at the region level. The sample size was inflated to 5400 to compensate for a possible 8% of non-response. The sample size was assigned to Governorates and to PSUs proportional to the number of listed MSEs.

2. Listing

To implement the third stage, a listing of all MSEs in the chosen PSUs were compiled. Fifteen listers were chosen and trained. The listing operation consisted of the following activities:

- 1- Listing all the MSEs in each PSU block by block.
- 2- Recording (on a form prepared for this purpose) for each SME, name of SME, name of owner or manager, sex of owner or manager, number of workers, activity, sector, address and telephone #.
- 3- Drawing a rough map for the PSU and record some important information and/or landmarks to help reaching the PSU in the Data Collection Stage.

Around 26,000 MSEs were Listed in the 120 PSUs. Nearly 3000 were excluded of not being a private enterprise (not eligible for data collection). The Listing Phase took 3 weeks (during March 2003). An ACCESS data base was developed and all the information of the listing was entered in this data base using 10 data entry clerks.

3. Training

Around 70 university graduates with previous experience in data collection were recruited for interviewing, supervising, editing and data entry. All candidates attended a training for two weeks. The training Included:

- 1- Lectures on the objectives of the survey and definition of terms used in the survey.
- 2- Lectures on how to conduct interviews.

- 3- Practical sessions to improve interviewing skills using role playing and mock interviews.
- 4- Specific sessions with visual aids on how to fill out questionnaires.
- 5- Field practices.

Trainees who failed to show interest in the survey were terminated. Forty interviewers, 6 supervisors and 2 general supervisors were selected for data collection operations.

4. Data Collection

The Field Staff was divided into 6 teams; each team has a supervisor and 6-7 interviewers. The fieldwork for the MSES began on April 1st, 2003 and was completed on May 15th, 2003. In addition to leading the team, supervisors were responsible for field editing of the questionnaires. To assure quality 2 general supervisors were responsible for checking the collected data by re-interviewing a randomly selected sample from each interviewer's work. The number of completed interviews reached 4962 with 92 percent response rate.

5. Office Editing

Office editors reviewed questionnaires for internal consistency and completeness. Coding was conducted in the office prior to data entry. Office editors were instructed to report any problems detected while editing the questionnaires, which were reviewed by one senior staff. One senior staff, one assistant and 10 office editors were recruited for these purposes.

6. Data Processing Activities

Data were entered on PCs using the Integrated System for Survey Analysis (ISSA), a software package developed for large scale multi-level surveys. Around 10 data entry personnel were recruited and trained to process the MSES data. During data entry, 50 percent of the questionnaires were re-entered for verification. Data processing was completed by the last week of May 2003.

7. Quality Control Measures

Quality of data was assured using several measures such as:

1. Selecting and training qualified field staff,
2. field editing (by supervisors),
3. field checking (by general supervisors),
4. office editing, and .
5. re-entry of 50 percent of questionnaires.