

PROMOTING women's
Entrepreneurship
**Tanzania virtual
business incubator**

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Washington DC
April 23, 2013

Outline

1. Project background
2. Impact evaluation (IE)
3. Descriptives from baseline
4. Some preliminary observations
5. Results from IE – coming soon!

Promotion of Women's Entrepreneurship: Tanzania Virtual Business Incubator

- Intervention to support women's entrepreneurs through delivery of **training** and **business development services** (BDS)
- Pilot project, evaluated with IE (RCT design)
- Entrepreneurship: self-employed, micro- and (some) small enterprises
- Target group: only women
- Contribution to the debate on effectiveness of training
 - Evidence so far: training is not very effective
 - Results refer to different types of interventions, target beneficiaries, and contexts. Assessment is usually short term.

Tanzania Virtual Business Incubator: Objectives

- Support the **growth** of women-owned businesses through delivery of BDS to strengthen their skills (financial literacy, market outreach, PD&D, etc)
- Through supporting women's entrepreneurship the project aims to:
 - Increase women's social and economic empowerment
 - Improve women's well-being as well as their household and their children

Tanzania Virtual Business Incubator:

Component #1: The incubator (activities)

- Pilot project in Dar es Salaam and Kibaha
- Delivery of training and BDS to **≈550 women**, but 850 are 'targeted' (300 are in the control group)
- Two groups:
 - AIDOS model (**Virtual incubator – w/out walls**)
 - Attention to PD&D and marketing
 - Development of a network of experts and mentors
 - Flexible/individualized approach tailored to specific needs
 - 'Traditional model' (**class training**)
- Implemented by a local NGO (Tanzania Gatsby Trust), with AIDOS assistance

Tanzania Virtual Business Incubator:

The training package

Orientation (1 full day)	Business health check; SWOT-analysis of the business
Entrepreneurship and Business Management Training (5 full days)	Entrepreneurship and enterprising organization; low cost promotional activities; understanding your market; effective marketing; costing, pricing, and calculating your profit; book-keeping; managing cash, inventory and credit; customer care; sources of finance; business plan; HR management; branding and patenting; time management; leadership training; communication and negotiation
Technical Training (up to 5 full days)	Production skills, packaging and labeling, quality management, maintenance, customer care, product pricing, hazard analysis and critical control points, compliance, traceability and bar code
Specialized Technical Assistance and Individualized Counseling, Coaching, and Mentoring (flexible)	Business counseling; linkage to consultants, advisors, project programmers; marketing assistance and linkage to markets; individualized support from coaches; link with mentors and participation in networking forums; finance facilitation

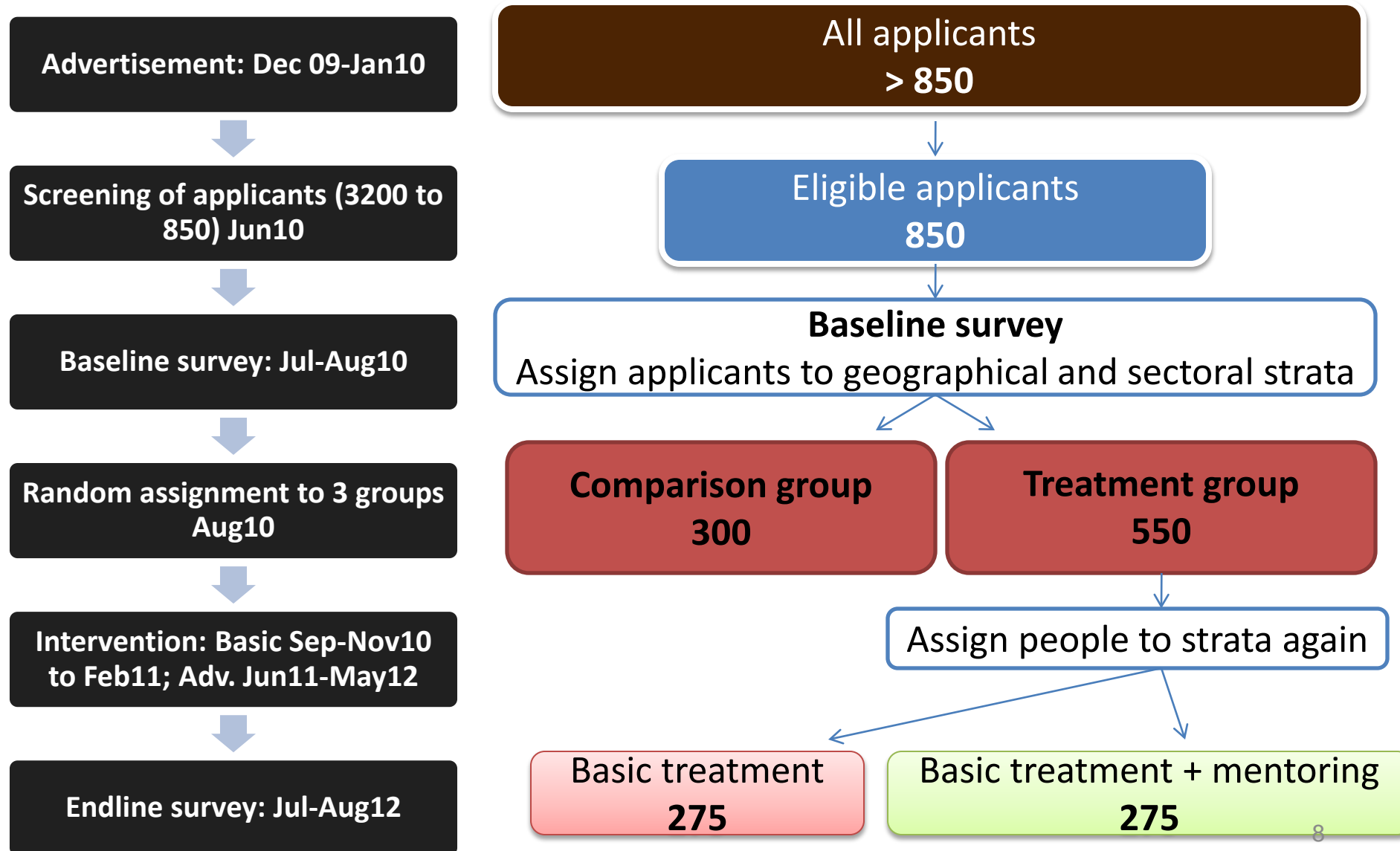
Tanzania Virtual Business Incubator

Component #2: Assessing results (IE and M&E)

Learning objectives:

- To what extent does business training affect **enterprise outcomes** of female entrepreneurs in Dar es Salaam? **Which** outcomes?
 - ✓ Sales, profit, nr. employees / production process, practises
- What **kind of program** works (doesn't work)?
 - ✓ Business training/BDS
 - ✓ Business training/BDS + individualized support from coaches/mentors
- Does the program have impact in **other dimensions** of welfare?
 - ✓ Debt
 - ✓ Depression
 - ✓ Domestic violence
 - ✓ Human capital investments in children
 - ✓ More female decision-making within the home

Tanzania Virtual Business Incubator: Target beneficiaries and Impact Evaluation





Issues related to implementation and measurement of results

1. Program eligibility
2. Number and engagement of participants
3. Baseline survey
4. Endline survey
5. M&E
6. Focus groups

Program eligibility

- MKUBWA targets:
 - ✓ Entrepreneurs **established** for at least 1 year
 - ✓ Certain sectors with **growth** potential identified in market study
 - ✓ Entrepreneurs willing to pay upfront **commitment fee** (20,000 Tsh)
- Implication for IE: might not be able to say anything about entire population female entrepreneurs in Dar but need to be clear about population of interest
 - ✓ Ideally entrepreneurs comparable to targeted beneficiaries in a scaled-up version of the program
 - ✓ Target those with highest potential to benefit – not everyone is meant to be an entrepreneur
- An intervention for both the women entrepreneurs and the implementer?
 - ✓ Ability to screen and focus on the women with highest potential was limited because of the evaluation strategy

Engagement of participants, especially control group

- Essential to limit attrition
- To keep all 850 women engaged
 - All given an incubator “ID” card
 - All benefit from complementary services, i.e. information sessions on issues identified by women in focus group discussions + quick survey (women’s rights, HIV/AIDS, disability issues, family planning)
 - Communication strategy
 - Waiting list with priority for next training cycle

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Mpango wa Kukuza Ujasiriamali na Biashara kwa Wanawake



**BIG: Program to grow entrepreneurship and
women enterprises**

Size (# employees) and years in enterprise (baseline: 821 enterprises)

	%	Average 'tenure' (yrs)
Self-employed	47	6.2
Micro: 1-4 empl.	49	7.1
Small: 5-49 empl.	4	8.3
	100	6.7



Education (%), by size

	<primary	Primary	Secondary	Tertiary	All
Self-employed	4	62	28	5	100
1-4 empl.	7	40	39	15	100
5-49 empl.	0	32	49	19	100
Total	5	50	34	10	100



Formality various definitions (%), by size

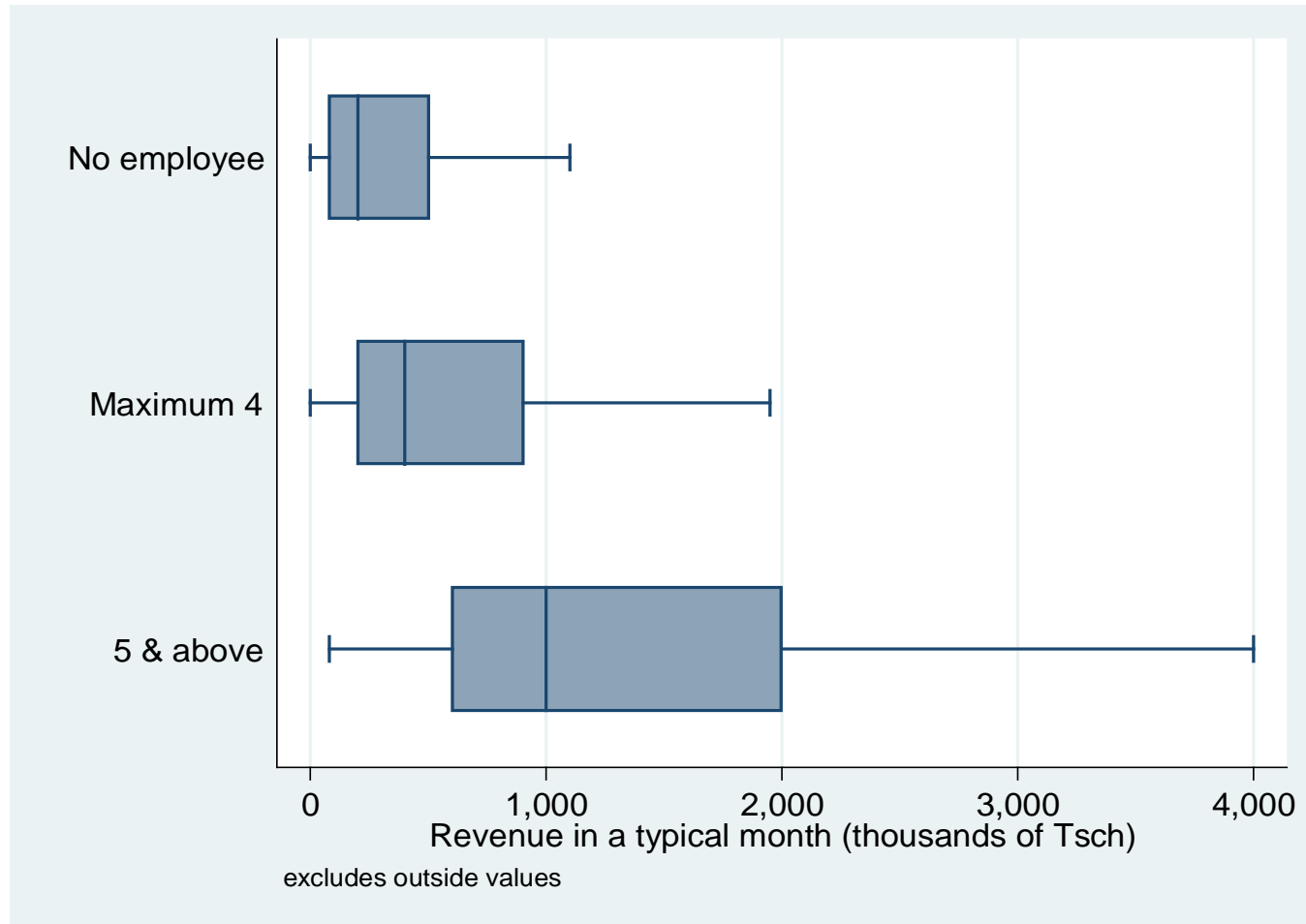
	% Tax ID	% Brela	% municip. license
Self-employed	15	12	13
Micro: 1-4 empl.	37	28	36
Small: 5-49 empl.	65	52	55
Total	28	21	26

Bank account – entrepreneurs pays herself a wage (%), by size

	% bank account	% sep. account	% self wage
Self-employed	34	4	22
Micro: 1-4 empl.	42	15	40
Small: 5-49 empl.	61	55	52
Total	39	11	32



Typical revenue, by size







Endline survey

- 2 years after start of the program
- Too soon?
- Not clear ex ante how long it would take for effects to materialize, especially on revenue
- Ideally, a second endline 3-4 years later
- 86% of entrepreneurs have been re-interviewed at endline

Do we still need monitoring?

- **Definitely.** IE does **not** fill all of a project's monitoring needs.
- **Variety of tools:** initial questionnaire, coach logs, evaluation forms, in-depth visit questionnaire, focus groups, etc.
- IE does not track **process**, M&E does
 - ✓ Did mentors actually meet the beneficiaries?
 - ✓ Did trainers show up in the classroom, did beneficiaries show up?
 - ✓ (From M&E: 72% of group 2 and 82% of group 3 attended **all** the sessions of EBMT; very high also for tech. training).
 - ✓ Trainer and coach effects can be calculated.
 - ✓ Selection into the target group can be studied.
- M&E tools useful to track hard-to quantify outcomes (e.g. women's self-confidence, assertiveness, family relations, etc.)
- Need for **instantaneous** monitoring and analysis of information.

Focus groups

- 3 rounds of focus groups:
 - Women entrepreneurs in Dar es Salaam not part of the project [May-June 2010) → help in selecting vars for questionnaire;
 - Women entrepreneurs from the project (control group + generic training group) and their children → follow-up on issues emerged in first round [December 2011];
 - Husbands of women entrepreneurs in the program [June-July 2012]

Focus groups - Issues

- ‘Good’ and ‘bad’ things about being a woman entrepreneur; relationship with debt; relationship with authorities; transactional sex;
- Very helpful to inform quantitative analysis and fine-tune questions in the survey instruments
- Very helpful to understand some of the household dynamics in a qualitative way.

Results from IE

- Coming soon!

Thanks!

The team

World Bank:

- Elena Bardasi (TTL)
 - Hiska Reyes
 - Elena Bonometti (ETC, based in Dar)
 - Markus Goldstein
 - Alaka Holla
 - Sibomana Leonard (STC, based in Dar)
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- AIDOS (Paola Cirillo, Daniela Colombo, AIDOS consultants)
 - TGT (Olive Luena, Wankembeta Kinyau, Ndema Mbise, Eric Kimasha, Joachim Mahegar)
 - Steering Committee members: IMED (Donath Olomi); SIDO-WED (Happiness Mchomvu); KWANZA Collection (Lawrence Muze) ; CRDB, NMB, Tanzania Women's Bank; Minister of Industry, Trade, Marketing
 - Data collection: REPOA (baseline) EDI (endline)

Why at least 750 women?

- ☐ Answer: Power calculations for *sales* + capacity of local implementation partner
- ☐ Power calculations from TZ Enterprise Survey (2006)
 - ☐ 10% increase: 1,079 in each group → 2,158 total treated
 - ☐ 15% increase: 480 in each group → 960 total treated
 - ☐ **20% increase: 270 in each group → 540 total treated**
 - ☐ **25% increase: 173 in each group → 346 total treated**
 - ☐ 30% increase: 120 in each group → 240 total treated
- ☐ An impact of a 15% increase in sales cannot be distinguished from zero impact with confidence
 - ☐ OK because this is an expensive intervention; not interested knowing about small effects
- ☐ 850 targeted to allow for attrition