

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

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# 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

<b>Orientation (1 full day)</b>	Business health check; SWOT-analysis of the business
<b>Entrepreneurship and Business Management Training (5 full days)</b>	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
<b>Technical Training (up to 5 full days)</b>	Production skills, packaging and labeling, quality management, maintenance, customer care, product pricing, hazard analysis and critical control points, compliance, traceability and bar code
<b>Specialized Technical Assistance and Individualized Counseling, Coaching, and Mentoring (flexible)</b>	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

Advertisement: Dec 09-Jan10

Screening of applicants (3200 to 850) Jun10

Baseline survey: Jul-Aug10

Random assignment to 3 groups Aug10

Intervention: Basic Sep-Nov10 to Feb11; Adv. Jun11-May12

Endline survey: Jul-Aug12

All applicants  
> 850

Eligible applicants  
850

Baseline survey  
Assign applicants to geographical and sectoral strata

Comparison group  
300

Treatment group  
550

Assign people to strata again

Basic treatment  
275

Basic treatment + mentoring  
275





# 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

# Promotion of Women's Entrepreneurship: Tanzania Virtual Business Incubator

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
<b>Total</b>	<b>5</b>	<b>50</b>	<b>34</b>	<b>10</b>	<b>100</b>



# Formality various definitions (%), by size

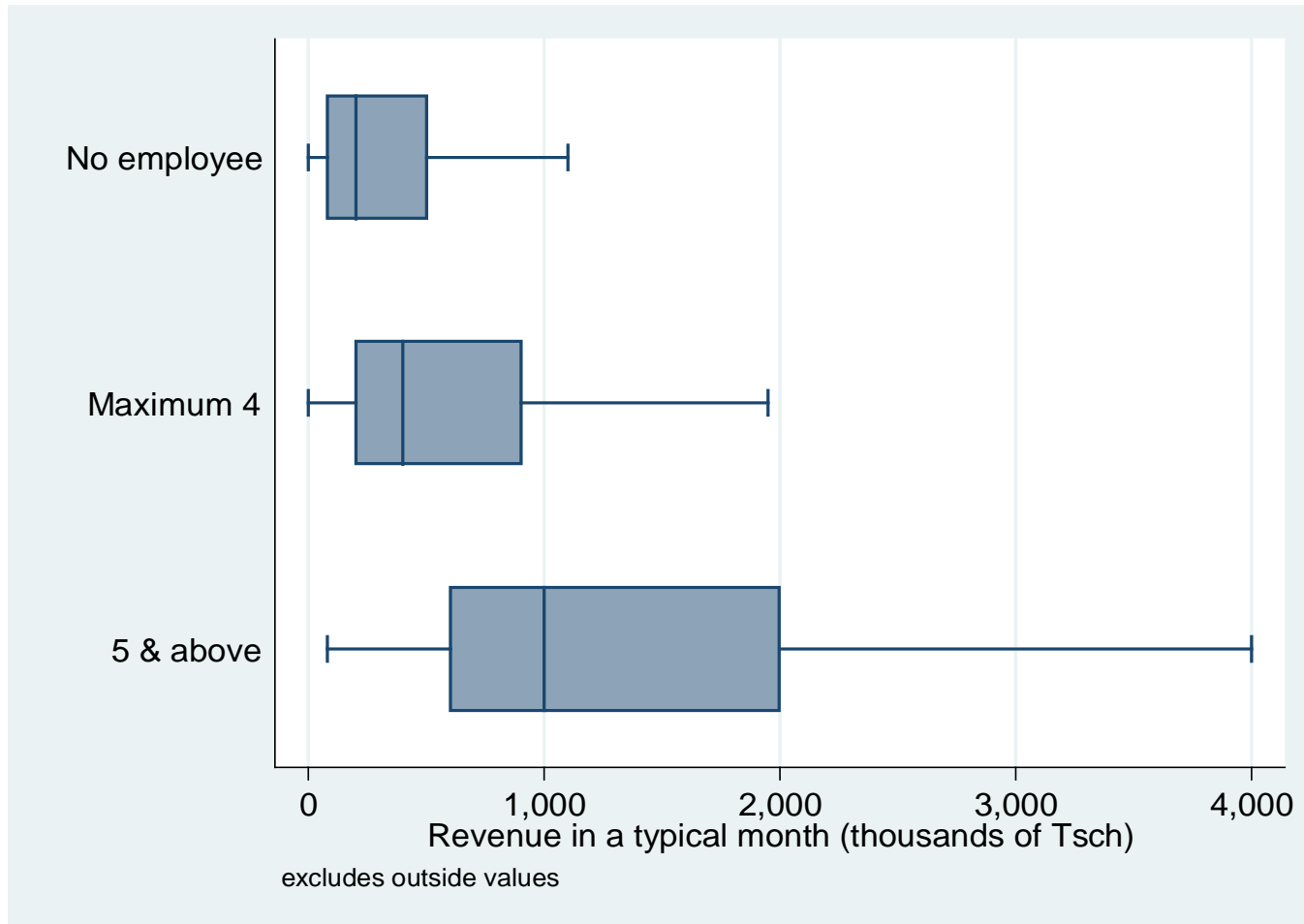
	% Tax ID	% Brela	% municip. license
Self-employed	15	12	13
Micro: 1-4 empl.	37	28	36
Small: 5-49 empl.	65	52	55
<b>Total</b>	<b>28</b>	<b>21</b>	<b>26</b>



# 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
<b>Total</b>	<b>39</b>	<b>11</b>	<b>32</b>

# 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)
  
- 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