



RESEARCH ON
WOMEN ENTREPRENEURS



Project Coordinators:

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This research was supported by the General Directorate of General Bank and was conducted, coordinated by Assoc. Prof. Dr. Yıldız Ecevit, Head of Department of Gender and Women's Studies, Middle East Technical University (METU). The information and views set out in this report are those of the authors and do not necessarily reflect the official opinion of Garanti Bank.

Contents

1	Introduction	4
2	Preface	5
3	About the Research	6
4	Characteristics of Women Entrepreneurs	8
5	Characteristics of the Organizations Managed by Women Entrepreneurs	14
6	Starting Up a Business	15
7	Managing the Business	17
8	Enlarging the Business	18
9	Support for Women Entrepreneurs	20
10	Work and Family Life Balance	22
11	Being a Woman Entrepreneur	24
12	Expectations and Demands of Women Entrepreneurs	26



1 Introduction

We, as Garanti Bank, think that the female labour force is crucial in Turkey as in other developing economies. We consider this potential power not only in terms of the economy but also in terms of the establishment of social consensus and an empathy culture. To this end, we are the first private bank accepting women entrepreneurs as a separate segment. This means that Garanti Bank aims to possess deep knowledge of the topic in order to seek and find ways to listen to the target group and become aware of their needs and pay particular attention to this particular segment in both social and economic terms.

Within this scope, the research that we began in 2006 showed that mostly it was the lack of encouragement, finance and education that women entrepreneurs felt. Accordingly, to enrich the ecosystem which is crucial for women to become stronger in the business world, we developed platforms to provide consultancy in areas of motivation and information as well as finance. We focused on creating a wide range of resources that women can draw upon. The activities we have conducted and special programmes we have realized all aim to encourage the entrepreneurship skills of women. We place great importance on being a bank that supports positive discrimination and recognize the benefit of women becoming stronger in the workforce.

We are proud that our bank's commitment in this regard has inspired the development of a new segment in Turkey and many of our shareholders have also begun to believe in promoting women's entrepreneurship over the past 9 years. The number of the businesses established by increasingly self-confident women entrepreneurs has gradually increased and continues to rise. In parallel with this development, the needs and expectations of our women entrepreneurs have diversified. It has become more critical than ever to support them in the field, listen to their expectations first hand and to increase the range of our support. Our women entrepreneurship research studies, that are an integral part of our bank's policy of sustainability and focus on social benefit will not only continue but increase over the coming years.

Entrepreneurship is one of the most important issues of today in terms of offering a solution to the problem of unemployment and playing a part in economic development. It is clear that encouraging women's entrepreneurship is not alone sufficient for the individual efforts towards increasing investment. In order to establish and develop this culture, the relationship and synergy created between universities, the private sector, and professional and non-governmental organizations must be further advanced.

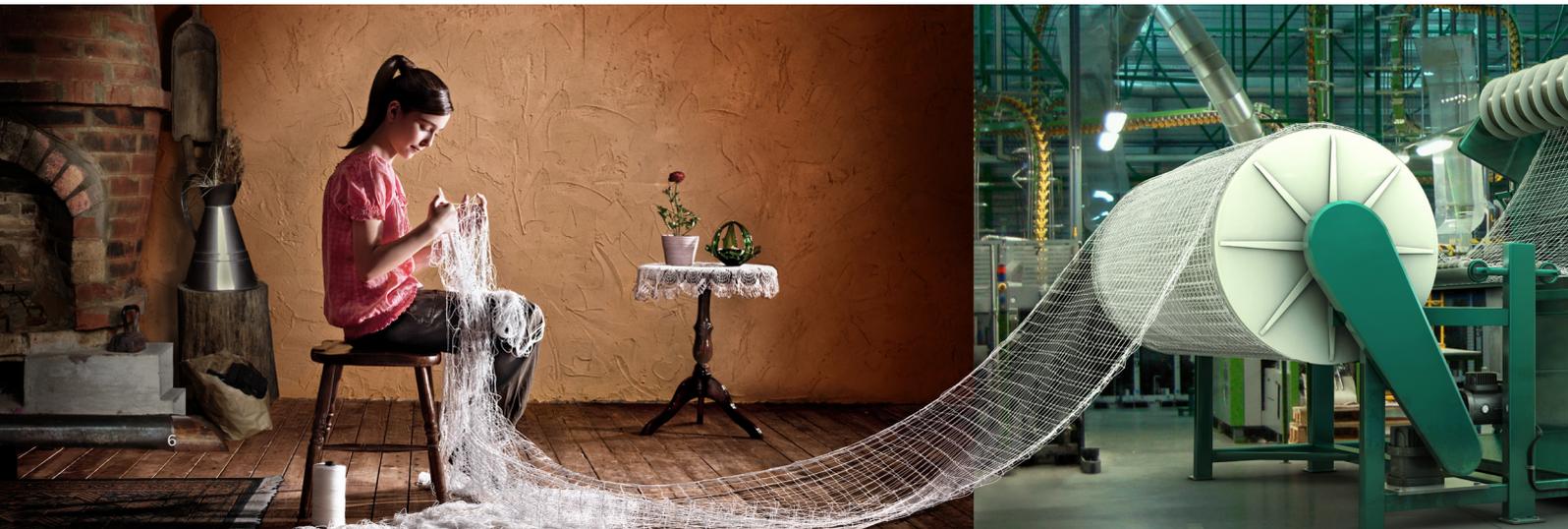
Our belief that the "Research on Women Entrepreneurship", which we are happy to be part of in realizing, will guide all the studies on women entrepreneurs and the activities of Garanti Bank. Lack of researches focusing on the field of women entrepreneurship increases the value of this study which includes important findings. We are also proud to share this research with all the institutions and organizations which develop projects on women entrepreneurship along with our bank.

I would like to express our sincere thanks to everyone who contributed and in particularly to Prof. Dr. Yıldız Ecevit, Head of the Department of ODTU Gender and Women's Studies and Assoc. Prof. Dr. İlknur Yüksel Kaptanoğlu, Academic Member of the Hacettepe University Institute of Population Studies who are leading the research.

As an institution which put signature under the World Bank's Memorandum of Equal Opportunities and which has included the subject of woman in sustainability, I wish you a pleasant reading, dreaming of a Turkey where the number of the women entrepreneurs gradually increases and the businesses established, partnered or managed by women are rendered sustainable.

Nafiz Karadere

Garantibank
Executive Vice president



2 Preface

For the past twenty years in Turkey, the subject of women entrepreneurship has been and continues to be intensely discussed by the supporters of various approaches and in different contexts. These discussions not only aim to promote women's entrepreneurship but also adopt different viewpoints and approaches regarding why women should be entrepreneurs. The four main approaches are:

1st Approach: Economic development and growth

According to this approach, women establishing small businesses are important for economic development and are also of vital importance in economic revival and employment generation after crises.

2nd Approach: Increasing women's participation in the labour market, leading to a decrease in unemployment.

Women as entrepreneurs mean they are active participants in the labour market. Those who adopt this approach also associate encouraging women to engage in setting up SMEs with reducing high unemployment in Turkey particularly by providing work opportunities for other women.

3rd Approach: Improving the welfare of the family and helping families escape from poverty

Women being able to receiving an income from a small business can ensure that their family are protected from poverty. This approach, also involves "micro finance", which supports small businesses enhancing the economic and social status of the poor by including them in as a productive part of the labour market.

4th Approach: Encouraging women to become stronger and ensuring gender equality

Women's becoming entrepreneurs is important in the process of gaining strength and standing against the injustices and inequities in patriarchal families and marriage above all. A woman who becomes stronger will increase the welfare of her family and children. People and institutions who support this approach neither aim to eliminate inequity in labour market by directly increasing women's employment nor prevent unemployment and decrease poverty while encouraging women to entrepreneurship. In the first place, they encourage women to become powerful in society and be part of the movement to ensure gender equality.

This research adopts the approach of "WOMEN'S EMPOWERMENT" as the basis of women becoming entrepreneurs, and asks these three critical questions:

What is and what must be the benefit, effect and contribution of supporting women entrepreneurship to countering women's inequality and exclusion from positions in society?

Similarly, what is and what must be the contribution to economic development and growth, increases in productivity, prevention of poverty and assisting in recovery from economic crises? What approach is required that will highlight the benefits of women starting their own business and thus necessitating the support of women entrepreneurs?

The main aim of each policy, programme and activity promoting women entrepreneurship must be to reach the goal of women's empowerment and ensuring gender equality. All other aims must be subsidiary.

Since the woman who gains income through starting up her own business grows stronger economically. This means that she can become stronger in the family and public sphere. Furthermore, gaining economic strength is linked to gaining strength in political terms.

Garanti Bank has adopted the approach of women's becoming stronger through the activities it has conducted and the special programmes realized, especially in recent years, to promote women's entrepreneurship and is aiming to achieve positive discrimination for them. Moreover, Garanti Bank initiated this research as part of this approach.

As the researchers, we express our thanks for the support provided by Garanti Bank to more closely examine the profile of women entrepreneurs through scientific research. We hope that our results will contribute to and stimulate further studies to be conducted by banks, public institutions, private sector and non-governmental organizations. We are grateful to all the women entrepreneurs who gave their valuable time to contribute to our research.

Prof. Dr. Yıldız Ecevit

Middle East Technical University
Head of the Department of Gender and Women's Studies,
Assoc. Prof..Dr. İlknur Yüksel-Kaptanolu,
Hacettepe University- Institute of Population Studies



3 About the Research

The main argument of this study is that entrepreneurship plays an important role in women's becoming stronger, and women entrepreneurs must be encouraged and supported.

The fact that there is limited number of studies regarding women entrepreneurs in Turkey reveals that new research is needed in order to define this group.

Who is a woman entrepreneur? What kind of businesses does she engage in? Which problems does she face? How does she solve these problems? What kind of support does she expect and from which institutions?

This research was conducted with the aim of answering these and similar questions using quantitative and qualitative research methods.

Purpose of the Research

Revealing the profile of women entrepreneurs

Specifying the demographic, social and economic characteristics of women entrepreneurs, determining the business sector in which they work, determining their work experience before becoming entrepreneurs and their personal characteristics which led these women to start a business.

Determining the problems of women entrepreneurs

Specifying the problems of women entrepreneurs at the stages of starting up and then managing their business, paying particular attention to the problems arising from being a woman.

Specifying the mechanisms which support women entrepreneurs

Revealing the formal and informal support women entrepreneurs receive during the stages of starting up and managing their businesses.

Revealing the expectations and demands of women entrepreneurs

Producing information regarding the primary needs of the women entrepreneurs, their motivation to develop a business, their expectations and demands from institutions.



Quantitative Research

The women entrepreneur customers of Garanti Bank were visited and interviewed. The research was conducted in 15 cities using random sampling covering the period 2009 to 2013 in which women's actual and legal initiatives using the products of the bank intensified. In the selected cities, **a total of 304 women entrepreneurs were interviewed between February and April 2014.**

Qualitative research was undertaken in Adana, Ankara, Antalya, Aydın, Çanakkale, Çorum, Eskişehir, Gaziantep, Kahramanmaraş, Kayseri, Kocaeli, İstanbul, İzmir, Muğla and Yalova.

The research questionnaire included individual questions regarding the stages of starting up, managing and growing a business. In addition, the women's personal characteristics; their problems and the support they receive were determined.



Qualitative Research

More detailed information regarding the work experiences of women entrepreneurs were obtained through 34 in-depth interviews **with the Garanti Bank women entrepreneur customers who were not included in the quantitative research.**

Qualitative research was undertaken in four cities, namely Ankara, Antalya, İstanbul and İzmir.

These interviews were administered to complement the information obtained through the more limited interviews in the quantitative research. In the qualitative research interviews, the participants were asked about their experiences during setting up their business, and to reflect on the advantages and disadvantages of being a woman entrepreneur focusing on their thoughts, perceptions and feelings.



4 Characteristics of Women Entrepreneurs

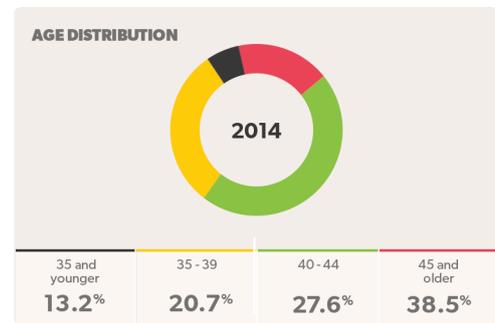
Ages of Women Entrepreneurs

Women tend to start a business in early middle age.

In the research, the **ages of the women entrepreneurs ranged from 22 to 68 with the average being 43**. It is interesting that in our research in Turkey 38.5% of women entrepreneurs are still working over the age of 45. When this group is evaluated with the ones who are still working at 40 years of age, it is seen that 66% of women entrepreneurs are older than 40 years old and still working.



This result showing that women entrepreneurs tend to be older is consistent with the results of research carried out in European countries¹, United States of America² and Turkey³. There are basically three explanations for this situation; the first as confirmed by the qualitative data in this research is that most women have had different jobs before deciding to set up their own business and in Turkey a large number of these women had worked in the public sector and qualified for a pension. The second most important reason is that women cannot attempt to start a full-time business out of home for family reasons and their responsibility for the care of younger children. Thirdly, since women in Turkey are brought up with traditional values in patriarchal families, it is only later in life that they gain characteristics such as **self-esteem** and **courage** which are among the most basic requirements of developing a business.



Age Range	Starting a Business
35 and below	26
35-39	29
40-44	32
45 and above	37

¹Brush, C.B. et al. (ed). (2006) Growth-oriented women entrepreneurs and their businesses: a global perspective. Edward Elgar Publishing, Cheltenham.

²National Association of Women Business Owners 2007 Survey of Women Business Owners. <http://businesscommunicationnetwork.com/wp-content/plugins/BNNet/cache/1312925017917.pdf>

³Boudet, A.M.M. and Agar, M (2014). Female Entrepreneurship in Turkey, World Bank; European Bank for Reconstruction and Development, USAID, MSME Finance Facility, Frankfurt School. (2013) EBRD Turkey MSME Lending Programme; Kök, S.B. (2007) Küçük ve orta ölçekli işletmeler ve kadın girişimciliği. Denizli Ticaret Odası Ekonomik Araştırma Serisi Yay.No:

Ages at which Women Entrepreneurs Start their Business

Women start their entrepreneurship lives after about 32 years of age.

According to the results of the research, **women start their entrepreneurship lives after 32 years of age.** Becoming an entrepreneur is less commonly seen among women, who are younger than 25 (16%). The relationship between their current ages and average age of starting up business shows that **the age at which women starting their own businesses varies between 26 and 37.** Although women entrepreneurs stated that they wanted to start their own business at a younger age, they tended to delay this for reasons such as waiting for a change in economic circumstances, being married and having childcare responsibilities.

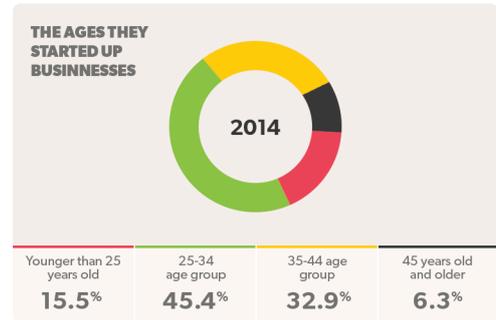
Women, who are 45 or older, started their business at older ages, on average **37.** However, considering that there are women entrepreneurs younger than 35 and between 35 and 39, it can be seen that their business start-up occurred when they were young (26 and 29). This data is promising because it indicates that women can realize their dream of starting their own business at younger ages.

In Turkey, the commonly held opinion is that for the wellbeing of children, their mother should not work outside the home. In the research conducted in 2013 by Kalaycıoğlu and Çarkoğlu⁴ more than half (58%) of the respondents mentioned that a pre-school child will be negatively affected if the mother works outside the home.

In the current research 24% of the respondents thought that such a negative effect does not necessarily occur but 55% consider that a mother should not work when her children are young. Although 68% of the respondents consider that mothers can start a business when the children start going to school it is obvious that a strong relationship is established between women working and the responsibilities of child care, supervision and rearing.

In this research, in the in-depth interviews **most of the women entrepreneurs said that they delayed starting their own business because they wanted children, or they continued looking after their children until they were older because they could not rely on others for childcare.**

As a result of a study on women's entrepreneurship in Denmark, women who started their own businesses at older ages are defined as those found time to attend to their own areas of interest after their children had grown up.⁵



“ ... actually, I intended to start this business before 2000. But since I had a young child, I didn't think I could deal with both family and work. For ten years I thought about it (starting my own business) but I didn't dare. I needed more support and encouragement.

University graduate, 50 years old,
Owner of a Design Company

⁴ Kalaycıoğlu, E. ve Çarkoğlu, A. (2013) Türkiye'de iş, aile ve toplumsal cinsiyet. TÜBİTAK-SOBAG Araştırma Raporu. <http://ipc.sabanciuniv.edu/wp-content/uploads/2013/11/Aile-2012-ISSP-Family-Survey-final.pdf>

⁵ Neergaard, H., Nielsen, K. And Kjeldsen, J. (2006) State of the art of women's entrepreneurship access to financing and financing strategies in Denmark in Brush, C.B. et al. (ed). (2006) Growth-oriented women entrepreneurs and their businesses: a global perspective. Edward Elgar Publishing, Cheltenham.

4 Characteristics of Women Entrepreneurs

Education Levels of Women Entrepreneurs

Women entrepreneurs tend to have a higher level of education.

In Turkey, 61% of women entrepreneurs have university degree or postgraduate education. This is contrasted with only 35% of women in paid employment having received graduate or postgraduate education. Thus, the education level of the women entrepreneurs⁶ is above that of working women and a similar situation is also observed in European countries and the USA.

Having a higher education level also means that women entrepreneurs have previously worked in professional positions and this relationship can be seen when considering the characteristics of the businesses they established. Women entrepreneurs use their professional expertise across a wide range of businesses from opening an architectural practice to managing a tourism establishment. Receiving a higher level of education is also a factor in increasing self-esteem of the women. In the interviews, the respondents revealed that in their student lives, they had encountered many problems, in particular of a financial nature, and their willpower to resolve these situations had an important role in increasing their self-esteem.

Receiving a higher level of education was also reported by the women entrepreneurs as giving them the courage to start a business with a little or no support result. The importance of education was also seen in the women who did not attend university but tried other ways to learn. In particular, women entrepreneurs engaged in open education despite being older and continued this education while running their businesses.

The findings in our research, i.e. women entrepreneurs being older, mostly married and mainly having received high education, are similar to those of other studies conducted with a similar cohort.⁷

Education Level

An important factor increasing self-esteem and courage of women.

Education Levels



primary school graduate	high school	under graduate	graduate
29.6%	52%	9.5%	8.9%

“ I graduated last year and completed two-year open education in banking and insurance at Ankara University. I was really busy then! After I put my daughter to bed, I worked until midnight or, one a.m.

Insurer, Ankara

⁶Türkiye İstatistik Kurumu (TÜİK). 2013. Toplumsal Cinsiyet İstatistikleri. Türkiye İstatistik Kurumu Yayın. Yayın no:4152.

⁷Devine, T. (1994) Characteristics of self-employed women in the United States. Monthly Labor Review 20-34; Moore, D. Buttner, H. (1997) Women entrepreneurs: Moving beyond the glass Ceiling: Thousand Oaks, CA: Sage Publications.

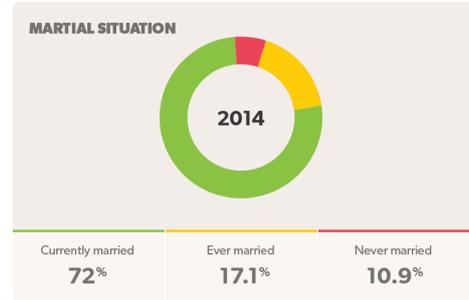
Marital Status of Women Entrepreneurs

Only 28% of married women are employed in Turkey. This shows that, marriage is an important factor affecting women's participation in the labour market.

In Turkey, a noticeable decrease is seen in the number of women working after marriage although they were in paid employment before marriage. A married woman is expected to stop working outside the home and care for the family. If she has children, she is expected to care for the children herself and a woman who becomes a mother is confined to the home and kept from working life since child care is not considered as a State responsibility .

Almost three in every four women entrepreneurs participating in this research are married whereas only 28% of the women in paid employment in Turkey are married, and this is important since it shows that being married is not an obstacle to a woman running her own business. Establishing and running a business is less constraining for women in terms of fulfilling their marriage and child-care responsibilities and enabling them to balance family and working life.

Research has shown that the start-up stage of a new business is a period of intense work for married women entrepreneurs this means that there will be a conflict between the demands of the business and their domestic responsibilities. Given that 72% of the participants in our research were married we asked questions concerning this work-home conflict in terms of the support they received. Many of the women responded that they received significant support from their husbands.



4 Characteristics of Women Entrepreneurs

Previous Work Experiences of Women Entrepreneurs

Women entrepreneurs interviewed in the qualitative research commented several times that it was very important that they had engaged in paid employment outside the home before starting their own business.

Data from the quantitative research showed that 84% of the women had gained work experience in different jobs before starting up their own businesses. The two most significant benefits of having worked before starting a business was building capital to finance the business and their personal needs. A significant amount of the finance required to start up a business was met through this saving from previous employment. In addition, the business relationships and friendships established when in paid employment is important for the women in terms of supporting their newly established business.

The experience gained before starting a business is one of the issues that is most emphasized in the literature concerning women's entrepreneurship. According to the results of a study conducted by Brush et al, of women entrepreneurs in Norway one in ten had experience in the public sector while **six in every ten** women had worked in the private sector.⁹

“ You learn the job on the shop floor. This may take two-three years. You have to go through that period, then you can start your own practice. Working in that architect's office, managing the work was an important advantage for me. Not every architect can say I am a university graduate; therefore, I can do this. First, you must gain experience. ”

33 years old owner of an Architect's practice, Ankara

84%

of women entrepreneurs is experienced in previous jobs.



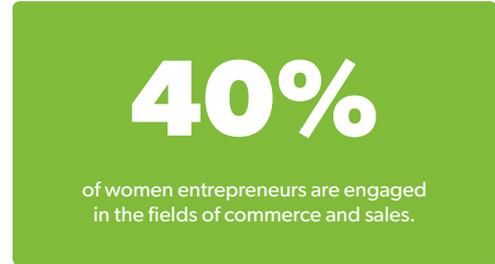
⁹ Foss, L. and Ljunggren, E. (2006) Women entrepreneurs in Norway: Recent trends and future challenges. İçinde Brush, C.B. et al. (ed). (2006) Growth-oriented women entrepreneurs and their businesses: a global perspective. Edward Elgar Publishing, Cheltenham.

5 Characteristics of the Organizations Run by Women Entrepreneurs

Industries and Business sectors

82% of women entrepreneurs work in the service sector.

This finding from the literature is consistent with results from our research in that women employed in Turkey work in the service industry. Looking at the distribution in more detail shows that women entrepreneurs are engaged in various sectors but 40% are found in commerce and sales which are the most widely-accepted fields for women.

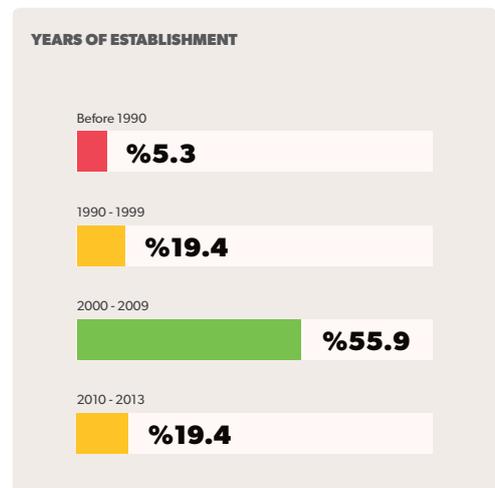


Establishment Years

Policies and implementations promoting women entrepreneurship starting in the second half of the 1990's and which gained wide currency in 2000's are important factors in the increase in the number of organizations owned by women.

The existence of a favorable economic and political environment focusing on the contribution of small and middle-scale businesses to the economy during 2000s led to an increase in the number of private sector organizations and non-governmental organizations such as **KAGIDER** and **KEDEV** which promote women entrepreneurship.¹⁰

Within this period, special programs related to women entrepreneurship were implemented by banks and non-governmental organizations initiated various projects that aimed to encourage and support women in entering the workforce and setting up their own small businesses. These programs and projects contributed to the increase in the number of the women entrepreneurs, especially the educated women living in cities.



Numbers of the Employees

According to the number of employees in the definition of SME of KOSGEB¹¹, 70% of the organizations managed by the women participating in the research are micro (less than 10 employees), 29% are small (less than 50 employees) and less than 1% are middle-scale enterprises (less than 250 employees).

The fact that almost **three of four** enterprises established by women are micro enterprises with less than 10 employees can be due to the limited nature of both their capital and other financial support as well as the women's cautious approach towards enlarging their business. Women entrepreneurs participating in the qualitative research said that they would enlarge their business and increase the number of employees if they were able to receive more support from the state and banks.



¹⁰ Ecevit, Y. (2007) A Critical Analysis of Women's Entrepreneurship in Turkey. ILO Publications.

¹¹ KOBİ sınıflandırmasına göre mikro işletmelerde çalışan sayısı 10 kişiden az, küçük işletmelerde 50 kişiden az, orta boy işletmede ise 250 kişiden azdır. www.kosgeb.gov.tr/kobi_tanimi

6 Starting a Business

Deciding on Establishing a Business

Following the results of the quantitative research interviews, it was found that according to their responses the reasons why the women decided to become entrepreneurs could be divided into the following three groups.

- 51% stated that they decided independently to set up a business. In this group, the reasons varied from women who had always dreamed of having their own business, those who wanted to work independently and to have a voice, those who turned their hobbies into a business or women whose professions were suitable and those looking for new work after retirement.
- 31% started a business with family support or took the decision to become an entrepreneur with their husbands.
- 18% decided on becoming entrepreneurs by accident or upon suggestion from friends or as a result of the economic crisis they encountered due to personal reasons such as death or divorce.

Initial Capital

A substantial part of the capital that women entrepreneurs use to establish their businesses is from their own savings.

For women who use more than one resource to obtain the necessary capital is bank credit (24% of the women) support from their husband (23%) and families (19%)

First Steps in Starting a Business

The first step taken by 49% of women entrepreneurs was to look for a workplace or organising the use of existing premises.

This stage in a business start-up requires more than one step. For the women who need a workplace, 28% undertake market research. In this first step, only a small number of women engage in activities such as taking the opinions of other people engaged in similar businesses, preparing feasibility reports or starting bureaucratic procedures.

“ Then I said “Yes, I can do it”, but of course I realized something when I opened my business: Getting work is not easy at all. However, thanks to my undeterred courage or my need to find work because then I was divorced and I had to earn money to look after my child, I went door to door to find work and I did find work; people didn’t discourage me.

”

54 Year Old, Owner of an Architectural Practice, İstanbul

BASIS OF WOMEN'S DECISION TO START A BUSINESS



decided independently to set up a business.

51%

started with family support or husband's offer to help.

31%

by coincident or upon suggestion from friends or as a result of the economic crisis

18%

“

Then I said “Yes, I can do it”, but of course I realized something when I opened my business: Getting work is not easy at all. However, thanks to my undeterred courage or my need to find work because then I was divorced and I had to earn money to look after my child, I went door to door to find work and I did find work; people didn’t discourage me.

”

54 Year Old, Owner of an Architectural Practice, İstanbul

6 Starting a Business

Primary Problems in the Start-up stage of a Business

In priority order the problems found by women entrepreneurs are;

- **Managing the business,**
- **Finding capital,**
- **Bureaucratic procedures,**
- **Being a woman,**
- **Balancing family and work life**

most commonly expressed problem is managing the business.

37% of women entrepreneurs mentioned problems regarding managing the business such as lack of skills, employed personnel not meeting the required qualities, disputes arising with people women work with such as their partners and other staff, furnishing of the workplace, adapting to the environment and finding customers.

A further problem given by the women was not being able to secure a bank loan since they were not able to provide collateral at this early stage of establishing their business. Furthermore, among other problems, not being able to find capital and economic difficulties were mentioned by 36% of women entrepreneurs.

Women entrepreneurs made an effort to be accepted in patriarchal labour market while dealing with child care, and other family-related (household) responsibilities and despite not being able to persuade the family, and other problems regarding their husbands.

A lack of information and skill regarding the bureaucracy involved in establishing a business, and the difficulties encountered regarding the required applications to official institutions were mentioned as problems by 24% of women entrepreneurs. 11% of the women mentioned lack of confidence and difficulty in competing in market. Furthermore, 10% of the women stated that problems arose from being women and another 10% gave the difficulties they encountered in family life as their primary problems.

“ She [the woman entrepreneur] must give a guarantee, provide collateral. In Turkey, generally 90% of men work. Or at least there are people supporting them and they do better. I have many friends who cannot open a workplace because they have to consider who will be a guarantor, what can they provide as security for a loan. ”

Owner of a Foreign Trade Company, Ankara

“ Well, actually I think all the banks must do this because women must be supported. Since many people can't find support (there are many talented women), since many don't know the way, because of the lack of family support, since their husbands don't let them, because so many women live on the support of their husbands. And this prevents them from doing many things. If there was such support, many people, many women would start their own businesses but they don't know how to benefit from SMEs. ”

Owner of a Foreign Trade Company, Ankara

7

Managing the Business

Unstable market conditions (24 %) is one of problems mentioned by women entrepreneurs while managing the business. This problem is followed by the financial problems (20%). Of the women who stated they encounter financial problems, when they gave details of these problems, 43% gave examples of the situations related to bank credit.

Most of the women commented on the following; the bank requiring collateral to secure the loan, high credit interest levels and the costs involved in applying for a loan.

The respondents who drew attention to the fact that the specific situation of the women entrepreneurs are not considered in terms of credit provision mentioned that owning sole proprietor companies in Turkey, they encountered even more difficulties.

Regarding cash-flow, women entrepreneurs (35%) stated that they encounter important problems at the stage of managing the business due to customers making late payments, or paying with post-dated cheques or when the customer's cheque bounces. This situation results in the women not being able to meet their own payment deadlines.

Being obliged to pay back the credits in time despite the problems in collecting payments from customers and not being able to delay the repayment of their debts also cause financial problems. In addition, **the entrepreneurs who complained that the taxes paid are very high said that tax must be paid according to the type of the work.** One of the complaints made by women entrepreneurs who encounter financial problems is **paying tax on a monthly basis.**

In addition, women entrepreneurs mentioned the difficulties they encountered during economic recessions (14%) and lack of financial resources such as cash, loans and savings (10%).

“

“They don't look at earnings, they look at my score. If the score is low, they won't give me a loan. It shouldn't be like that; there must be a tracking system. A one-day delay [in payment] shouldn't be a reason for a drop in my score... I look after a handicapped [family member], I employ women and reintroduce them to society but the bank gives importance to the person who opens a chicken factory.”

”

Woman Entrepreneur, Antalya

“

Tax, monthly VAT, and national insurance have to be paid monthly to the state and we receive a document in return. When I had a problem paying on time, the tax officer said If you can't pay, close the place.

”

Woman Entrepreneur, Istanbul

“

Well, they [organizations such as KOSGEB] should understand us better. For example, KOSGEB, this organisation has its own projects and if you participate in one of those projects, I mean if you start something that has never been done in Turkey, KOSGEB gives you a loan of up to 200,000 liras. Instead of this, instead of starting something that has never been done, I think KOSGEB should support women really nice projects on a sectoral basis. A woman who will introduce something new to Turkey must be, well.... something like a scientist.

”

Workplace security technologies firm,
Antalya

8

Enlarging the Business

Meaning of Enlarging the Business from women entrepreneurs' point of view

96% of women entrepreneurs enlarged their businesses after establishment. Women entrepreneurs largely have a positive view of establishing their business. The following statements are what enlarging business means to women who establish a business which is dominated by males:

- **Gaining recognition in the market through creating a brand,**
- **Increasing the diversity of products and services,**
- **Enlarging the workplace,**
- **Increasing turnover,**
- **Employing more people,**
- **Achieving capital growth.**

“

...When I started out I had no money to pay the rent for one and a half, two years. Now, I own this property, I achieved this by working. We have 78 vehicles, I have a house, a shop and land. I bought them all by working in my own business

”

37 years old, owner of a construction company, Antalya

“

[Did you benefit from enlarging your business?]
Of course! Its reputation increased.. its range of products increased.

”

Owner of a Foreign Trade Company, Ankara





Desire to Enlarge the Business

71% of women entrepreneurs aim to enlarge their businesses.

Women who took a step due to the possibilities and economic difficulties among the women entrepreneurs who want to enlarge their businesses are **the ones who want to enlarge their businesses the most (76%)**. At the second rank, there are the ones who establish their businesses with the support of their families and husbands (73%). The ones who establish their businesses upon their own will are the ones who want to enlarge the least (69%).

Reasons for not wanting to Enlarge the Business

Among women entrepreneurs who said they do not want to enlarge their businesses, being satisfied with their current situation ranked as the first reason (42%).

Almost one third (30%) of the women did not want to enlarge due to economic instability, 13% of the women did not consider enlarging their business because they thought they would not have enough time for themselves, their families and children.

“

Now, I can't take a risk but if I had finance, I would participate in projects that I'm sure I could undertake and be successful. To participate in those projects I would need financial support and the cost of a loan is heavy. There is nothing like support for an entrepreneur in Turkey! I mean, not at all! However, if you purchase a building, you can put up the building as collateral and the bank will give you credit but I create patented brands, so when you say "give me a loan" /... I have the necessary qualities and I can increase my added value, but there is a slight chance that I can have such an opportunity.

”

Owner of an Agricultural Company, İzmir

9

Support for Women Entrepreneurs

Family Support

The greatest supporters of women entrepreneurs are their husbands and families.

The women started working life with the support of their families and it is seen that this support is very important for women entrepreneurs. However, for the married women, **the husbands are the primary supporters**. This finding is consistent with the results of other research on women entrepreneurs.¹²

65% of married women state that they have support from their husbands at the stage of establishing their business followed by support of the father (59%) and the mother (54%).

The support given by the families to women entrepreneurs at the stage of establishing a business significantly continues afterwards. This support is diverse and includes; **assisting in the workplace, giving technical support, giving moral support as well as helping with house chores and childcare.**



“

Since I was worried about how I could stand alone as a woman in the market, how busy I would be, how I could spend time at home, I shared these thoughts with my husband and he said: “well, of course, it will be difficult. One-two years may be difficult but later if you think you are happy, I will give you my support.” I said: “What will we do about the children? You work a lot, too, we won’t be able to spend time with the children. Maybe I should stop working, you continue working actively and I will stay at home with the children.” Then he said: “It would be a pity for you because you have worked and maybe you can’t be happy at home. Don’t take that risk. If you stay at home for a couple of years and want to return to work, it may be more different and difficult. Just try. If you can’t do it, we will say “we couldn’t” at the worst. Then, you can quit valiantly.” It made sense to me. My husband supported me, he said “I can quit, too. I can give you support.” ... He gave me so much support. If he had said “Open a workplace, I will support you financially and morally but don’t ask me to sacrifice my job”, I actually think I wouldn’t have made the decision because of the children.

”

Insurer, Antalya

“

Above all, I have a family who supported me in every respect financially and morally; my husband, my sister and mother... If I say I didn’t have any work, I can’t pay my rent, I need money or although I don’t say anything at all, if I ask for 3, my mother gives me 5.

”

41 Years Old, Jewellery Designer, İzmir

¹² Ecevit, Y. (1996) “Women Entrepreneurs Owning Small Businesses.” Middle East Technical University, Gender and Women’s Studies Graduate Program Research project supported by UNDP.; K k, S.B. (2007) K c k ve Orta Ol ekli  letmeler ve Kadın Giriřimcilikii. Denizli Ticaret Odası Ekonomik Arařtırma Serisi. Denizli.



Institutional Supports

Limited support from institutions is given to women entrepreneurs in Turkey.

In some countries, encouraging women entrepreneurship through various support mechanisms is an important state policy.

Women entrepreneurs are motivated in their business ventures by the existence of institutions which will inform them about market conditions, explain credit usage and provide credit opportunities, encourage and guide them, continue to support them through the phases of the development of their business.

In setting up and maintaining a business, many women entrepreneurs apply to banks for loans. Other than banks, the most frequently mentioned institution for support is **KOSGEB**. However, **when considered overall, to date in Turkey there has never been an extensive and multi-dimensional support to promote a serious increase in women's entrepreneurship.** Very few women entrepreneurs are aware of the support provided by non-governmental organizations.



10 Balance of Work and Family Life

Problems Encountered by Women Entrepreneurs

Many women entrepreneurs have to make an extra effort to balance their family lives and works while working at a busy pace and in a patriarchal environment.

For this reason, some single women stated they postponed marriage and some married women said they postpone having children.

Some women entrepreneurs said **they waited until their children started school to start a business**. In addition to other problems, the most frequently stated problems regarding balancing work and family life were childcare (48%) and **not being able to keep up with the demands on their time/tiredness (31%)**.

“ If I say It is not difficult to balance, then I would be wrong... Now, if I say to myself don't think about work, it is not possible, then you can't be successful in your working life. If I say don't think about home, that's not possible either. It is not possible since your child comes before your husband. I don't bring my family life into my working life, I don't have a problem with this, I never have had. But, since work is always on my mind, I involuntarily talk about work while sitting with my husband at home. ”

Insurer, Ankara



Solutions Developed by Women Entrepreneurs

Balancing work and family life is one of the important and difficult issues for women and in particular for married entrepreneurs. Furthermore, single participants mentioned postponing starting a family due to the pressure of working life.

The primary solution found by women entrepreneurs to attain this balance is to utilize paid (47%) or voluntary (49%) support from husband and/or family members.

- **33% make arrangements to be able to look after their children such as moving the office near home and/or bringing the children into the workplace,**
- **26% work more both in their houses and workplaces, increasing their own burdens.**

Surveys on time usage conducted by TURKSTAT and analyzed by sociologists clearly shows that women allocate more time to house chores and care services than men and this does not change even when women work outside their home.¹¹

In Australia, the president of "Gender Discrimination Commission" and public officials who deal with social gender relationships **invite men to divide domestic chores more fairly and argue that otherwise women cannot use their potential.** The double work load of women prevents them from discovering their creative talents and prevents their personal development.¹²



11%

say they cannot balance between their working and family lives.

¹¹ Aile ve Sosyal Politikalar Bakanlığı (2014) Türkiye'de Kadın İş Gücü Profili ve İstatistiklerinin Analizi, Ankara, s. 104

¹² Barret, M. (2006) Women's entrepreneurship in Australia: Present and their future. in Brush, C.B. et al. (ed). (2006) Growth-oriented women entrepreneurs and their businesses: a global perspective. Edward Elgar Publishing, Cheltenham.

11 Being a Woman Entrepreneur

Difficulties of Being a Woman Entrepreneur

Concerning the difficulties women face in being an entrepreneur the respondents in the research made the following comments:

- **39% were told they could not succeed and they were not taken seriously in the start-up phase of their business,**
- **39% felt underestimated at the start up phase.**
- **38% were told that it was not appropriate for women to work with men.**
- **11% encountered sexual insinuations.**
- **10% encountered problems in their family lives.**

“ Well, people criticize (women working) saying “If your husband earns a good wage, why bother, stay at home. You work until midnight. This is men’s work. Why bother? Attend to your child’s education. Look after your husband.” Of course, there are people who talk like this. Men in business, this is men’s work... because you are entering the labour market. You go to a factory, to a workplace whether large or small to be covered by national insurance. These places are generally patriarchal. Some will despise you, others will regard you as an outsider in these places. Of course, we can overcome all of these issues over time.

”

Partner of an Insurance Company, İstanbul





Women entrepreneurs say that they overcome the difficulties they encounter at the stage of starting up a business by working more and making some sacrifices.

When considered in general, the patriarchal business world and prejudices against the **participation of women in this world underpins the difficulties women encounter.**

Benefits of Being a Woman Entrepreneur

There are **many rewards of starting a business.** The women entrepreneurs participating in the research gave the following benefits;

- **61% said they gained self-esteem,**
- **44% said they became financially stronger,**
- **33% said they became more respected by society,**
- **33% said they became more recognized,**
- **28% said they became more independent in their decision-making.**

“ The thing I see in successful women is that they are more self-disciplines, more determined. I think I was like that, too..., I had to because you have to make yourself listened to. A potential client comes, at first the client doesn't respect you so you have to prove that you can do the work. Then you hire the workers, the client sees you as an employer and you can manage the work then the client respects you... I think the process a woman has to go through is more tiring than what a man has to do. A man can be more direct while women has to behave in a very roundabout way.

Owner of a Decoration Shop, İstanbul

“ I'm free! I mean, I'm free in every respect: I'm free both socially and economically. My self-esteem is very high, thus I'm happier.

Owner of a Design Company, age 40

12 Expectations and Demands of Women Entrepreneurs

The women who have started their own business have suggestions for institutions and government and especially for banks. Among the suggestion proffered is providing credit and financial support to women entrepreneurs.

The women entrepreneurs particularly commented that low-interest and long-term credits must be **provided to the women who want to start their own business. Furthermore, they demanded that in addition to banks, this financial support should also be given by institutions such as KOSGEB and municipalities.** One of the mostly frequently expressed suggestions was the provision of credit at a lower interest rate and being more flexible in giving credit to women entrepreneurs.

Most stressed was that the approval of credit finance provided to women owning enterprises and those with newly-established enterprises in particular should not be dependent on them having a guarantor.

There are also women entrepreneurs who suggested the provision of positive action for women.

Women entrepreneurs said they needed encouragement to be successful in business life during setting up the business and even before the start up phase.

It was highlighted that the women must be specially supported by being directed to the fields they are successful in. **Supporting women especially morally was emphasized and the need for programmes towards increasing their self-esteem was mentioned. For this reason, the women suggested that non-governmental institutions and banks develop programmes highlighting the characteristics of women such as ambition, diligence and the desire to succeed.**

“What I suggest... the government can be more helpful than it is now. First of all, I think the education is patriarchal. I think the education must be matriarchial rather than patriarchal or male-dominant education must be eliminated. Secondly, the government must create institutions that will facilitate women working. I return home from work at half past eight. My child has arrives at half past seven. Now, shall I feed my child, cook, prepare for the following day or put the child to bed? Can I spend quality time with my child in half an hour? It's very difficult.

”

Partner of an Insurance Company, Istanbul

“There are banks which support women entrepreneurs. What do you think about them?
-I think this is good. I think support is needed because it will be more difficult for men to oppress women, dominate women if women develop culturally and economically in society. However, if a woman doesn't earn and doesn't have any power in terms of knowledge and background, she submits and accepts. If her husband insults her, she listens to him. If he brings bread, she eats it. If he doesn't give money, she can't go shopping.

”

Owner of a Beauty Salon, Istanbul

Notes
