

Women Entrepreneurs Conducting Business in Southeast Asia

Perceptions, Barriers and Policy Options

by Jane D. Allen and Mona Bandeen

Les possibilités d'échanges commerciaux entre le Canada et le Sud-Est asiatique sont énormes et un grand nombre de programmes canadiens donnent déjà leur appui à ces échanges.

The rate of new business formation by women is three times that of men, businesses led by women have a greater success rate than those led by men, and one in three Canadian businesses are forecast to be owned by women within this decade.

Cette étude examine la participation des entrepreneuses à ce type d'activités et les auteures donnent également des conseils pour accroître le développement de tels échanges.

This research was initiated on behalf of the Canada-ASEAN Centre to explore the activities of Canadian women business owners vis-a-vis trade with the ASEAN region, with a view to identifying whether or how this activity could be increased through government support. The study was undertaken in recognition of the importance to the Canadian economy of businesses owned by women: the rate of new business formation by women is three times that of men, businesses led by women have a greater success rate than those led by men, and one in three Canadian businesses are forecast to be owned by women within this decade (FBDB). Another increasingly important factor affecting the Canadian economy is the role of exporting, and the need for Canadian firms to be able to compete with global competitors in order to thrive. In this regard the ASEAN region is one of the world's fastest growing economies, and there has been considerable effort by provincial governments and the federal government to encourage trade linkages with that region.

Given these circumstances, the research team was interested in examining the extent to which government programs of assistance to exporters were being used by women business owners: were they serving the interests and meeting the needs of one Canada's most dynamic business sectors; was any particular attention being paid to women business owners?

Our expectations going into the study were that we would identify the range of programs that promote trade between the regions, and the proportion of women business owners currently participating in them. We also hoped to identify any barriers that may exist to their

participation in these programs, and if these barriers are unique to women business owners, explain why; as well as provide specific suggestions for changes to programs and/or policies to overcome any barriers identified. Furthermore, we intended to examine the role and effectiveness of Canadian and ASEAN region women's networks in promoting international business development, and recommend any role, and specific activities, that existing or new women's business networks could have in encouraging trade between the two regions.

Interviews were conducted with three groups: women business owners who had conducted business in the ASEAN region or who could potentially be interested in doing business there; managers of government export programs; and representatives of women's business associations.

Key findings are as follows:

- For most government export assistance programs, data on the participation levels of women business owners is not recorded, and special efforts are not made to market specifically to this group.

- There is a fairly widely held belief that small businesses do not have the resources to successfully market to the ASEAN region, and that because most women entrepreneurs run small businesses, they need not be targeted for programs.

- Canadian women entrepreneurs exporting to the ASEAN region are difficult to find—either very few exist, or they maintain a very low profile in the business community.

- Activities to promote trade between women entrepreneurs in Canada and the ASEAN region will only be successful if the market can be reached, and the market can only be reached if it can be identified. There is currently no national database of women-owned businesses, which in itself is a formidable barrier to successful trade promotion activities.

- There is probably a greater need to promote exporting as a concept to those who have not considered exporting, as those who have already made the decision to consider exporting will find out about the programs through the normal course of market research.

- While in some cases government export assistance programs led directly to export sales, there is generally little patience for the processes required to participate in these programs, and a belief that the eligibility requirements are too narrow.

- Regarding the role of government generally in providing export assistance, the responses were consistent in their support for its involvement, if only because governments of other countries are providing strong support to their businesses.

- Regarding gender, the commonly-held view is that

women are no more or less able than men at conducting business internationally, but that there are activities that governments could undertake that would be particularly helpful to women entrepreneurs.

•Existing women's business associations in Canada are not the most effective vehicles for promoting international trade by women entrepreneurs; but they should be included as part of any effort to reach women entrepreneurs.

Summary

The expectations of the project, to reiterate, were to

Women are no more or less able than men at conducting business internationally, but there are activities that governments could undertake that would be particularly helpful to women entrepreneurs.

identify any barriers to women's participation in government trade promotion programs, to provide suggestions for changes to programs or policies to overcome any barriers, and to examine the current and potential role of women's business networks in promoting international trade.

With respect to women's participation in government trade promotion programs, the survey indicated that statistics are generally not recorded, but there is probably a very low participation rate by women. Because of the difficulty in identifying women entrepreneurs who were exporting to the ASEAN region, the reason for the low participation rate could not be determined definitively, but several plausible reasons arose.

First, the proportion of businesses owned by women compared to those owned by men is very low, so it stands to reason that there would be a comparably low participation rate by women. Second, women business owners are not specially targeted by government export programs. Third, export programs are generally not targeted to small businesses, and most businesses owned by women are small business.

Are there changes required to government programs/policies to overcome barriers? The survey indicated that there were changes required, if increasing the numbers of women entrepreneurs in export programs is considered by program sponsors as an important goal. These generally include re-thinking the approach to small businesses, developing a system for collecting data on women business owners, and targeting certain activities toward women entrepreneurs.

Regarding women's networks, the existing Canadian women's business associations serve a small proportion of all women business owners, and well-established business owners tend not to belong, favouring industry associations

that provide direct benefit to their companies. The existence and representativeness of women's networks across Canada is not uniform, and a close assessment of their membership and activities is required when determining how best to use them as an information channel.

A number of other findings became apparent, beyond the original research questions posed, that are also instructive. These fall into two categories: barriers to women entrepreneurs conducting business in the ASEAN region, generally, as opposed to barriers to using government export programs; and women's experiences with government export programs. We learned that the greatest barrier to conducting business in ASEAN is lack of knowledge: all respondents indicated that if they could be put in touch with local contacts that knew the market well, they would have a much greater chance at successfully pursuing international business. The respondents indicated that without a local contact, one could spend an enormous amount of time, effort, and money pursuing international contracts, and that this was a risk few were willing to take, given other demands of their businesses. A number of suggestions were made for governments' role, related to this barrier.

Of these women who had participated in the government export programs, the survey indicated that there were favourable outcomes, but that there were several ways that the programs themselves could be improved.

Recommendations

The following recommendations are based on the analysis of the survey findings. The recommendations are directed toward governments for their consideration; not necessarily for them to implement directly, but through or with existing private sector or non-profit organizations.

Analyse existing databases on businesses owned by women, identify gaps in the information and develop recommendations leading to the development of an ongoing system for collecting and maintaining useful data on this subject.

Analyse information on women business owners to determine the types of businesses women are in, and which sectors have the greatest export potential. Develop strategies and target activities toward this group.

Develop a detailed and comprehensive database of women entrepreneurs who are exporting, or who are seriously considering it, and make this available in the form of a directory to trade commissioners, visiting trade delegations, and other pre-qualified users who are sourcing Canadian products and services.

Involve women business owners in the design of policies and programs directed toward international trade.

Place women with international business experience in senior government trade positions.

Recognize that consultants can play an important role in assisting small businesses to export, and allow them to be eligible for government export programs.

Conduct a trade mission consisting exclusively of Cana-

dian women business owners, for them to meet with potential buyers or agents in the ASEAN region. This would raise the profile of women entrepreneurs who export, and enable the participants to more easily engage in business or social activities throughout the mission.

Work with existing women's business organizations to deliver educational material and programs on export-readiness.

Work with industry associations to identify women entrepreneurs to participate in existing government programs, to advise on policy and program development, to participate in trade missions, to address conferences, etc.

Develop a series of regular, on-going, high profile events on international trade—such as conferences, speaker luncheons, and trade shows—at key centres across Canada, for women entrepreneurs.

Develop an affordable service for small business owners to assist them to identify the potential for their products or services in the ASEAN market, and to link them with local contacts and sources of financing.

Identify new cost-effective methods for small businesses to market their products and services to the ASEAN region, and disseminate this information through a targeted communications program.

Establish a point of contact in each ASEAN country that Canadian women conducting business there can contact

for information on matters such as local business customs pertinent to women, and personal safety, among others.

Provide support for the development of a strong national association of women entrepreneurs, that could take responsibility for providing services to this group, and representing its views to government.

This research was made possible by the Canada-ASEAN Centre Academic Support Program for Canada-Southeast Asia Policy Papers.

Jane D. Allen is an Associate of the Faculty of Management, University of Toronto, and President of her own consulting firm specializing in public policy.

Mona Bandeen is the Director of the Women's Entrepreneurship Program, Faculty of Management, University of Toronto and the Chair of the Canadian Woman Entrepreneur of the Year Awards and Conference.

References

Federal Business Development Bank (FBDB). *Women in Business: A Collective Profile*. Toronto: Federal Business Development Bank, 1992.

Sinister Wisdom

*A Journal for the Lesbian Imagination
in the Arts and Politics since 1976*

**Go beyond flash and hype —
join up with cutting edge dykes:**

- #54 Lesbians & Religion
- #53 Old Lesbians/Dykes
- #52 Allies
- #51 Open
- #50 Lesbian Ethics — Not
- #49 The Lesbian Body
- #48 Resistance
- #47 Lesbians of Color
- #46 Dyke Lives
- #45 Lesbians and Class
- #43/44 15th Anniversary
Retrospective (368 pages!)

Subscription rates
1 year/4 issues

\$17 1 yr, \$30 2 yrs
International: \$22 (US\$)
Single issues: \$6.50
(\$12.50 for #43/44)

- Free on request to women
in prison and mental institutions
- Donations are tax-deductible

To get this great work sent to your home, your office,
or your friends — **SUBSCRIBE NOW!**

Name _____
Address _____
City _____
State & Zip _____

POB 3252 • Berkeley, CA 94703 • USA

CHRONIQUE FEMINISTE N°50

LES FEMMES CONTRE LE PLAN GLOBAL

Dans ce numéro de la Chronique nous avons estimé urgent de rappeler les discriminations et les attaques contre les travailleuses que nous dénonçons depuis onze ans dans nos prétextes et articles.

Le constat est vraiment hallucinant.

Et aujourd'hui, avec son «plan global», le gouvernement met la barre des discriminations contre les travailleuses à un niveau plus haut encore.

Des articles critiquent le «plan global» et «table ronde sur les pensions». Ils sont suivis de communiqués d'associations de femmes et de jeunes qui ont été peu ou mal relayés. Ces textes montrent que les femmes ne sont pas aussi silencieuses qu'on veut bien le dire et qu'elles sont encore moins entendues qu'on ne le pense.

250 FB le n°. Abonn. 5 n°: 900 FB à régler en FB
par mandat postal international (comm.: MP/50)
Université des Femmes - 1a, Place Quételet - 1030 Bruxelles
Tél: (32) 22.19.61.07 Fax: (32) 22.19.29.43.