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Supporting women entrepreneurs in Tunisia

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Supporting Women Entrepreneurs in Tunisia

Imed Drine¹ and Mouna Grach²

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Abstract

Whether policy support should be designed differently for women entrepreneurs is a particularly relevant question. To answer this, and to inform the design of policies to provide appropriate support for women entrepreneurs, the paper compares male and female perceptions of typical entrepreneurship support services, such as government provision of information, training and funding. The focus is on Tunisia, a developing country characterized by high level of unemployment, particularly of women. Based on a survey of 50 men and 50 women entrepreneurs in the regions of Sfax, Sousse and Tunis, our results suggest that existing support services are inadequate for promoting female entrepreneurship. Accordingly we discuss support measures specifically designed for women entrepreneurs.

Keywords: entrepreneurship, gender, women entrepreneurs, Africa

JEL classification: L26, M13, J16, Z13

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1 Introduction

Entrepreneurial activity is widely seen as an engine of economic growth. It can contribute to the creation of wealth and jobs, may foster innovation, and provides autonomy and a sense of personal accomplishment to the individual. Women, however, as previous papers have shown, are very often excluded from participation in entrepreneurial activities. But currently there is a growing recognition that development can be significantly promoted if more women could be encouraged to become entrepreneurs, and moreover that women as entrepreneurs need to be supported. Women, while still a minority in the business world, have real entrepreneurial potential and are, or can be, an important resource for economic growth and, by implication, for job creation. This explains the growing interest of researchers, NGOs and politicians in female entrepreneurs, and the major concern to find efficient means for promoting women who are considering entrepreneurship. Consequently, better understanding of women entrepreneurs (in terms of their motivations and obstacles) is essential in order to assess their needs, and provide solutions to the problems they face.

Typical or standard approaches to promote entrepreneurship may be inadequate to support women entrepreneurship because they may fail to take into account the different motivations and obstacles of female and male entrepreneurs (Hughes 2006; Manlova, Brush and Edelman 2008). Specific support systems or organizations that take into account the needs, challenges and unique situation of women are essential to promote women entrepreneurship, as these may assist women entrepreneurs avoid failure.¹

Stevenson (2004) finds that countries providing more incentives and support systems specifically designed for women entrepreneurs have higher rates of female entrepreneurship. The failure to adopt such specific support services means lower levels of women entrepreneurship.

Thus, most developed countries have established programmes and organizations specifically to support women entrepreneurs,² as exemplified by the EU member states that have recently implemented specific action plans and measures to this effect. In 2001, the EU Directorate-General for Enterprise and Industry launched a project on 'Promoting Entrepreneurship amongst Women', aimed at collecting information on specific actions and support measures for promoting female entrepreneurship, and identifying good practices among member states. In contrast, support services for entrepreneurs in many developing countries are still rather standardized and male-oriented. Specific support for women entrepreneurs is limited, as the male-oriented model is the only recognized and implicitly accepted mechanism.

According to Sheikh and Steiber (2002), one of the most relevant indicators of the success of a support system in promoting entrepreneurship is the level of satisfaction of the target group. This paper tries to assess the perceptions of both men and women entrepreneurs towards the three typical support services offered: information, training

¹ Paturel and Masmoudi (2006), Siegel (2006) and Masmoudi (2006) confirm that 70 to 85 per cent of supported companies are in existence five years after their creation.

² For example, *Kurs zur Existenzgründung von Frauen* in Germany, *Instituto de la Mujer* in Spain, *Mentoring macht Erfolg* in Luxemburg, *Women in Business Skills Training* in Ireland, *Fonds de garantie our les femmes* in France, and *Naisyrittäjäyyskeskus* in Finland.

and funding. Indeed, differences of perception between men and women could by themselves justify that some support services be specifically targeted towards female entrepreneurs.

The purpose of this paper is to investigate the satisfaction levels of entrepreneurs, both male and female, and to compare their perceptions of different support services. The literature review in section two clearly indicates that women entrepreneurs have different motivations and different obstacles than men. The third section introduces our country of focus, Tunisia, and outlines the characteristics of Tunisian women entrepreneurs. Section four outlines the methodology used. The main findings are discussed in section five, and section six concludes.

2 Gender-related motivations and challenges

The existing literature highlights several dissimilarities in the motivations of female and male entrepreneurs, and as the study by Hughes (2006) reveals, the entrepreneurial goals of women are relatively more specific. Though some similarities do exist between men and women for starting a new business, women are guided largely by female motives, such as the desire to balance work and family, and to have more flexible work schedules. The different motivations between male and female entrepreneurs also result in different perceptions of what constitutes entrepreneurial success. Therefore, the gender dimension is an important consideration in analysing men and women entrepreneurship (Manolova, Brush and Edelman 2008).

Similarly to their male counterparts, females starting new businesses are often motivated by goals of personal and professional accomplishments; the factors most often cited are the desire for greater challenge, and the need for better flexibility in the work environment. Women may also be attracted to business because of job dissatisfaction or difficulty in obtaining employment (Stoner and Fry 1982). In some case, the father or the spouse may have been the force to have triggered the interest in entrepreneurship. In addition, unemployment, poverty, and family responsibilities can be the stimuli to drive women to set up or acquire a business.

Studies by St-Cyr, Hountondji and Beaudoin (2003) show that the main objectives for women for going into business are: the satisfaction of seeing their business grow (84.4 per cent), independence (79.5 per cent), and meeting greater challenges (78.3 per cent). However, a high proportion of the respondents were motivated to establish a company by the desire to offset the lack of benefits and income insecurity as well as long working hours and increased responsibility.

Though many of the obstacles men and women confront at start-up are common to both genders, female entrepreneurs do face some additional problems (McManus 2001; Smallbone et al. 2000) because of deeply rooted discriminatory socio-cultural values and traditions that are embedded in the policy and legal environment, and in institutional support mechanisms. In many instances, women are unable to benefit from entrepreneurial support services, and must struggle to overcome discrimination in business circles (UNIDO 2001).

In addition, economic transformations supposedly sharpen gender inequality. Gender imbalance in some developing countries is the result of the lack of effective political

and social reforms as well as the traditional norms and values that have relegated women to secondary position (Kitching and Woldie 2004). Poor access to market information, technology and finance, poor linkages with support services and unfavourable regulatory environment are further constraints that limit the ability of women to set up or upgrade their businesses.

Kitching and Woldie (2004) note out that women entrepreneurs in Nigeria, for example, are often inhibited by their relatively low level of education and skills, and this generally limits their access to various support services. A survey of 100 Nigerian female entrepreneurs shows that family commitments, sexual discrimination, lack of career guidance and of adequate capital, inadequate education and technology are the major barriers. Despite some regional differences in the problems faced by women entrepreneurs, all are challenged by the lack of credit facilities, education and training. Furthermore, a woman's family responsibilities are often a major constraint to her becoming an entrepreneur (Starcher 1996).

An ILO study concludes that the paucity of access to start-up capital, lack of business training and experience, bureaucratic business registration systems and negative attitudes of the society towards business women are major obstacles faced by female entrepreneurs in Zambia. According to UNIDO (1995), women face more difficulties in getting access to credit, despite their higher loan repayment rates than men. Hisrich and Ozturk (1999) observe that in Turkey, 41 per cent of the entrepreneurial women surveyed reported experiencing difficulties in obtaining credit.

On the other hand, Roomi (2008) shows that spatial mobility is considered the most challenging task for women in Pakistan wanting to start a business. Furthermore, once the business expands, women entrepreneurs face another major gender-related challenge: reluctance of the predominantly male labourforce, suppliers and customers to accept female authority.

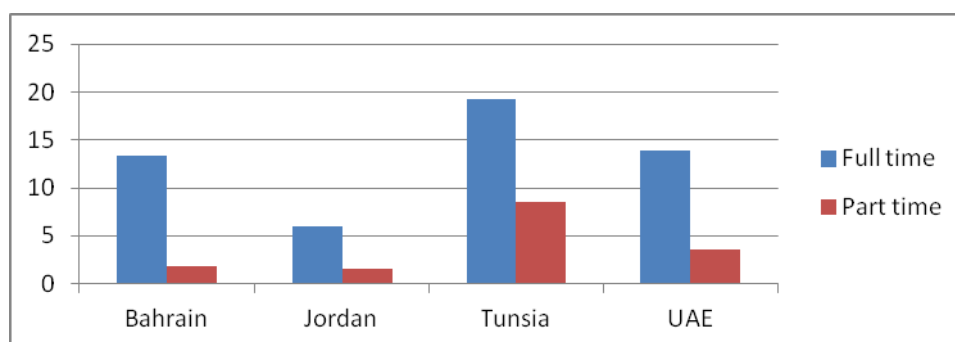
3 Women entrepreneurs in Tunisia

Women entrepreneurship in Tunisia is a fairly recent phenomenon.³ The first three SMEs owned by women were set up in 1970, and since then the number of firms owned and managed by women has increased significantly, rising from 7 per cent in 1992 to 13 per cent in 2006 (UNDP 2003). By 2005 the number of women entrepreneurs in Tunisia was nearly 5000, and had doubled to 10,000 by 2008.

About two-thirds of women entrepreneurs operate in nondurables manufacturing and services. Firms set up by women are often smaller in size and have less employees than those set up and owned by their male counterparts. However, firms owned by Tunisian women, compared to many Arab countries, are larger, employing, on average, 19 workers per firm (Figure 1).

³ In the male-dominated Tunisian society, female entrepreneurship was not very well accepted. As a result of the economic and social progress made by the country since independence in 1956, attitudes have started to change and a considerable improvement has been made in terms of equality between men and women.

Figure 1
Average employment



Source: IFC (2007).

Educational progress and the development of activities taking advantage of the female working force have contributed to the growth of women entrepreneurs in Tunisia. In addition, expansion of free markets and increasing consumptive needs of households have encouraged more women to become entrepreneurs. Recently, an increasing number of women entrepreneurs have begun to show an interest in non-traditional sectors such as telecommunications, finance and real estate.

Table 1 shows that women account for only 13 per cent of entrepreneurs despite making up 49.9 per cent of the total population of Tunisia. In terms of their share in business ownership, women in Tunisia lag behind their counterparts in Europe, as well as in many other developing countries. The potential of women entrepreneurship does not seem to be sufficiently appreciated in Tunisia. Therefore, should one believe that Tunisian women lack ideas, or are they not able to create profitable businesses?

Table 1
Women entrepreneurship in Tunisia and selected countries

Country	Share of women:			Country	Share of women:		
	in total population (%)	as entrepreneurs (%)	Female entrepreneurship indicator (b/a)		in total population (%)	as entrepreneurs (%)	Female entrepreneurship indicator (b/a)
	(a)	(b)	(b/a)		(a)	(b)	(b/a)
Armenia	53.0	26.9	0.51	Ireland	50.3	15.7	0.31
Austria	51.2	34.0	0.66	Italy	51.5	24.1	0.47
Belarus	53.2	32.9	0.62	Latvia	54.0	37.8	0.70
Belgium	51.1	28.7	0.56	Macedonia	50.0	21.9	0.44
Bulgaria	51.3	34.3	0.67	Moldova	52.1	48.0	0.92
Canada	50.5	33.4	0.66	Netherlands	50.0	31.2	0.62
Croatia	51.8	30.4	0.59	Poland	51.5	36.4	0.71
Cyprus	50.8	19.9	0.39	Portugal	51.7	39.8	0.77
Estonia	53.9	30.2	0.56	Romania	51.1	31.9	0.62
Finland	51.2	32.3	0.63	Russian F.	53.2	44.9	0.84
France	50.0	27.0	0.54	Slovak R.	51.4	26.3	0.51
Georgia	52.6	33.0	0.63	Slovenia	51.2	26.9	0.52
Germany	51.0	28.0	0.55	Tunisia	49.9	13.0	0.26
Greece	50.6	25.6	0.51	Turkey	49.5	12.0	0.24
Hungary	52.3	30.9	0.59	UK	51.3	26.0	0.51
Iceland	49.9	26.6	0.53	USA	60.0	37.1	0.62

Source: UNECE (n.d.) and World Bank-WDI (2001).

To learn more about Tunisian women entrepreneurs and to assess their entrepreneurial intentions, we conducted an exploratory study that covered 300 women aged between 18 and 40 years. The questionnaire was administered in Sousse, Sfax and Tunis, as these regions are known to benefit from an environment that is relatively more conducive to business, and have a large number of support and assistance institutions in operation.⁴

According to our findings, even though the majority of the respondents (64 per cent) considered the idea of setting up their own business appealing, 35.6 per cent of the women did not feel that they had the necessary ability to create a business, and 73 per cent thought their lack of skills prevented them from starting their own business. The high level of 'latent entrepreneurs' in Tunisia may be explained by the country's high rate of unemployment, especially among the educated young as well as the favourable economic environment that makes entrepreneurship appealing.⁵

Also, 56.3 per cent of those who intended to start their own business were of the opinion that appropriate support would be needed if they were to proceed with their plans. Financial independence and more flexibility at work were the main reasons cited by 21 per cent of the respondents for being interested in starting their own business venture.

Finally, the women interviewed were largely motivated by adverse circumstances (such as the need to improve the family's financial situation), as well as positive factors (such as detecting a business opportunity, achieving flexible work schedules, or financial independence).

Studies by ILO (1994a, 1994b), Denieuil (2001; 2005) show that among those wanting to start up their own business, the desire to be independent is more prominent among Tunisian women (29.4 per cent versus 25.8 per cent for men), while financial gain motivates 28.3 per cent of the men (versus 18.3 per cent for women). Moreover, these results show that the Tunisian woman entrepreneur is, in fact, concerned about the need to reconcile work and family and to procure additional source of funding when the husband's income is insufficient.

Furthermore, in studying the intentions of individuals to start a business in Tunisia, El Harbi, Anderson and Mansour (2009) find significant differences between men and women in their attitudes towards entrepreneurship. Social norms, which favour limiting females to more traditional lives, are the most probably explanation for the diverging attitudes. Obviously, the low level of female entrepreneurship is not explained by a paucity of intention among Tunisian women; rather, it may be the result of an inadequate support system.

In order to evaluate how effective the existing support system(s) is/are for promoting female entrepreneurship, and to define the support needed to further develop women entrepreneurship in Tunisia, it is essential to know if women are able to overcome the difficulties that prevent them from accomplishing their business ambitions. Indeed,

⁴ We use the model by Shapero and Sokol (1982) as reference to determine factors that facilitate involvement in the entrepreneurial process.

⁵ Blanchflower, Oswald and Stutzer (2001) note a strong interest in entrepreneurial activity in Poland and Portugal.

Tunisia has drawn on the experiences of other countries, especially European countries, in designing entrepreneurial support services. Consequently, its services may not necessarily be guided by cultural, economic and social considerations specific to the Tunisian society in general and to Tunisian women in particular.

4 Methodology

In our study we focus on the three determinants considered in extant literature as the major factors of success:⁶ (i) access to information, (ii) access to finance and (iii) access to training.

The following hypotheses are tested:

Hypothesis 1: Men and women entrepreneurs have different assessments of the information disseminated by the support services;

Hypothesis 2: Training and assistance provided by support services do not meet the specific needs of women entrepreneurs; and

Hypothesis 3: Sources of funding and access to finance are different for men and women entrepreneurs.

How women entrepreneurs perceive support services determines the effectiveness of support institutions in promoting entrepreneurship among women. In addition, bearing in mind that a women's behaviour is largely dictated by her judgement, we focused our analysis on how women perceive actual support. This will enable us to understand how to match support services to the needs of women entrepreneurs.

We used survey-based attitudinal information that captures the self-expressed viewpoints, concerns, challenges and needs of women entrepreneurs. To increase our understanding of women entrepreneurs, and to take the gender dimension into consideration, we compared our findings related to women with those of men entrepreneurs. The survey was conducted in 2008 for a sample of firms in which we considered, in order to capture the diversity of the population as a whole, all economic activities where women entrepreneurs could be represented, irrespective of whether the sample firm was established or managed by a man or a woman.

The survey, covering 100 individuals (50 male and 50 female), was conducted in three regions of Tunisia (Sfax, Sousse and Tunis). According to a 2006 survey by the Agency for Promotion of Industry (API), female entrepreneurship is almost exclusively concentrated in the capital (Tunis) and the Central East. Given that these regions are located in industrial zones where a number of support agencies are in operation, they seem to be fertile ground for entrepreneurship.

The study group population included entrepreneurs of both genders who had set up a firm, either alone or with partners, who owned a majority of the capital, and who were responsible for managing the business. We excluded self-employed persons, including

⁶ See also Konayuma (2007).

professionals, We considered women who ran their own enterprises as well as women who were (legally) responsible for the management of an enterprise. However, for the purpose of expanding our sample, we chose not to limit our sample to a single region, even though this factor did increase the heterogeneity of our study.

Our selection of study case was based on the API list of newly established firms and a list of women entrepreneurs supplied by the Chamber of Women Entrepreneurs. The selection of companies to be surveyed was guided by the API director, as some companies had been relocated or liquidated. In addition, some projects, although set up by women and approved by the API as women-owned businesses, were, in fact, run by their spouses. Thus, only 112 companies out of the 153 contacted participated in the survey. Non-participation in the questionnaire was mainly caused by the non-availability of the firm creators, or in some cases, reluctance to provide information considered confidential.

The questionnaire was constructed on the basis of the literature, existing models, and the results gained from an initial investigation on the entrepreneurial intentions of women. Some parts of the questionnaire were redesigned several times, and the ultimate version was finalized after a pre-survey of a few companies in the sample. In particular, the questionnaire was first reviewed by the API director, three support institutions, two individuals responsible for entrepreneur-training, and ten women entrepreneurs from different sectors.

The questionnaire comprised 39 questions, the majority of which were closed-ended.⁷ We applied several techniques to administer the questionnaire, also including face-to-face interviews. In the regions of Sfax and Tunis, the questionnaire was sent to the concerned person by mail or fax, after which it was revised during a personal meeting with the questionnaire respondent. This approach increased the response rate to 73 per cent.

5 Results

5.1 Descriptive

Main characteristics of the businesses and personal backgrounds of the entrepreneurs surveyed are summarized in Table 2.

The table shows that women entrepreneurs preferred to invest in trade and services, while industrial activity appeared to be more attractive to men than women. Lack of experience and skills account for the fact that women entrepreneurs were less well represented in industrial activities. With regard to the level of capital, 57 per cent of companies in female ownership were small and medium-sized, with the capital base ranging between 10,000 and 50,000 TD (Tunisian dinar), while a similar proportion of businesses headed by men had a capital base exceeding 50,000 TD. The low level of

⁷ The questions are given in the Appendix.

capital highlights the serious constraints faced by women in finding the financial resources needed for the development of their businesses.⁸

The table also shows that firms owned by women were younger (51.1 per cent of women-owned enterprises are less than 5 years old) than those headed by men (31.4 per cent). This is explained by the fact that women's entrepreneurship has made its presence felt only in the last few years. Given the multiple policies geared for the development and promotion of businesses, we expect that the recent upward trend of female-owned businesses will continue over the next few years, and women will be setting up more enterprises.

Women entrepreneurs do not show significant differences compared to male entrepreneurs in terms of the level of education. However, women entrepreneurs are more likely to have completed university studies (57.1 per cent versus 37.1 per cent for men).

Table 2
Summary of main characteristics of surveyed entrepreneurs

	Women	Men	Total
Economic activities			
Industry	31.4	42.9	37.1
Services	28.6	17.1	22.9
Agriculture		5.2	2.9
Trade	40.0	34.3	37.1
Level of capital			
<10,000 TD	28.6	14.3	21.4
10,000-50,000 TD	57.1	28.6	42.9
>50,000 TD	14.3	57.1	35.7
Age of company			
1-4 years	51.1	31.4	
5-9 years	30.0	40.0	
>10 years	22.9	28.6	
Level of education			
Primary	8.6	2.9	
Secondary	22.9	40.0	
Tertiary	57.1	37.1	

5.2 Impact of support measures

According to the interviewees' perceptions of the effectiveness of the existing support system, 47 per cent agreed that it was effective in increasing the survival rate of new enterprises; 86 per cent said they had taken advantage of official support offered by the government. However, seven women out of the ten entrepreneurs who had never received official support, had been assisted by family or by private advisors. The fact that not many women entrepreneurs utilized any of the support measures is caused by a lack of understanding and of information on these services. Compared with the United States, Canada and France, information accessibility in Tunisia remains relatively

⁸ Using the test for independence, we confirm a significant correlation between gender and the level of capital.

limited. Thus, Tunisia should organize awareness workshops periodically to keep the public informed of the facilities and services available for starting a new business. Dissemination of information to different regions, through information centres that could distribute specialized brochures and guide their clients to relevant organizations, is crucial to promote entrepreneurship.

Women were less likely to have benefited from institutional support during the two first stages of preparation and realization of their projects (37 per cent versus 69 per cent for male entrepreneurs). Women (17 per cent versus 46 per cent for men) were also less likely to have attended training courses in entrepreneurship or other specific schooling related to their activities, thus making their risk of bad choices and failure higher than for men. In addition, women entrepreneurs had less recourse to financial institutions to fund their activities, and based on our findings, informal sources such as savings and family were preferred by women as a source of finance.

Financial constraints are common in the majority of developing countries. In South Asia, for example, women entrepreneurs are almost invisible to formal financial institutions, receiving less than 10 per cent of commercial credit (UNDP 2000). High transaction costs, rigidity of collateral requirements and heavy paperwork are among the main impediments for women entrepreneurs to obtain financial assistance from formal sources. Kaur and Bawa (1992) find that 54 per cent of women entrepreneurs in India had started their business with personal savings, in addition to some financial assistance from the spouse. Similarly, Das (2000) notes that to set up their business, more than 50 per cent of women used funds from personal sources or borrowed from spouses or family. A study on Pakistan by Goheer (2002) shows that the predominant source of start-up capital for women entrepreneurs was personal savings (73 per cent).

5.3 Access to information

According to ILO (1994a, 1994b), there is no lack of entrepreneurship programmes and instruments for aid and assistance, but entrepreneurs are not always aware of existing options. The low educational levels of a vast majority of entrepreneurs, who do not regularly follow newspapers or other suitable sources of information, contribute to the sketchy awareness of many. In addition, vague or confusing information, and inability to disseminate information on part of the concerned (women) entrepreneurs are major obstacles. More specifically, women, who may not be frequent visitors to cafes and restaurants, are deprived of information on business opportunities and administrative procedures. Frequently, women are not aware of the wide range of resources and financial instruments available for young entrepreneurs, as information on support services often circulates through informal channels.

According to our survey, information was provided by API in the case of 42.9 per cent of the male and 37.1 per cent of the female entrepreneurs, and by the Chamber of Commerce and Industry for 25.7 per cent of women but only 8.6 per cent of men. However, mass media was considered as a main source of information by 51.4 per cent of those interviewed. Mass media's importance as a useful source of information is explained by the fact that it is easily accessible. Also, we note that a significant proportion of the new entrants were disadvantaged by the paucity of information on economic environment (commercial, financial, technological, geographical, sociological and legal). Our results confirm that professional agencies have not been efficient in disseminating information to entrepreneurs.

There were also gender differences with respect to information on the financial environment. More specifically, women entrepreneurs were less satisfied with the quality of information on financial products than their male counterparts. Dissatisfaction among women entrepreneurs was caused by the lack of specific information, regional centralization of data, lack of flexibility and diversification of services, and difficulties in accessing information networks.

5.4 Entrepreneurial training

Studies show that adequate training in management and business during the development process of a new firm provides the skills needed to manage and successfully develop a business (Tchamanbé and Tchouassi 2001).

According to OECD (2004), a major obstacle faced by women entrepreneurs is the use of new information and communication technologies (ICT). Indeed, despite considerable progress made in recent years, technology continues to be male dominated. The fact that women are generally less knowledgeable of technology influences not only the areas where they can invest but also the use of new technology to improve productivity and enhance business performance. Limited information and knowledge of the potential benefits of new technology as well as obstacles to the adoption and use of ICT (including costs and quality of network infrastructure) are facts that explain women's less frequent involvement in fields related to high-tech.

Our survey reveals that 66 per cent of women entrepreneurs (versus only 57 per cent of the men) were aware of the training programmes offered by support institutions. The main difficulties expressed with regard to training-programme access were the high costs (as cited by 52 per cent of the women and 62 per cent of men), the concentration of training programmes in a few regions (for 26 per cent of women and 28 per cent of men) and the lack of specific and adequate training programmes (for 23 per cent of the women and 15 per cent of men).

Entrepreneurship training plays a vital role in the success and development of any firm, yet our survey reveals that 63 per cent of the entrepreneurs in our sample had not participated in special training courses in business creation. Only 45.7 per cent of the male and 28.6 per cent of female entrepreneurs had received training related to their activities. Although many had estimated that their experience was sufficient to create and develop a new business, 77 per cent of the women and 23 per cent of the men indicated a need for training.

The lack of information on training programmes, the costs and difficulties involved in travelling to attend training sessions were mentioned by women as major obstacles. Among the entrepreneurs who felt there was a need for training, 33 per cent of the women wanted to study accounting and finance, while the majority of the men highlighted computer science (50 per cent) and marketing (25 per cent).

Our survey confirms that the need for management skills had generally been overlooked and that entrepreneurs, several years later, began to recognize the importance of mastering sales techniques, management and accounting in order to improve operations in an increasingly competitive environment. In general, entrepreneurs understood the importance of training for their entrepreneurial careers. Most women were interested in

participating in external training and support services, as they were aware that these could be helpful in managing their businesses.

5.5 Access to capital

Women face specific difficulties in acquiring the funding necessary for their businesses. Indeed, women are disadvantaged with regard to the availability of start-up funds because they do not have the needed skills. Financial institutions extend credit only to those who are most likely to ensure the sustainability and prosperity of their companies, and the necessary guarantees for external financing were not available to most. In addition, women are less likely to access informal sources of finance than men.

There is evidence indicating that the relationship between women entrepreneurs and different financial institutions may be influenced by bias and discrimination. The generally negative attitude towards women is explained by prejudices arising from the traditional division of the male-female role. Recently, however, financial institutions have become more aware of gender inequality and have begun to perceive women entrepreneurs as potential clients.

According to our survey, 83 per cent of entrepreneurs utilized bank loans to start a business. Female entrepreneurs, however, have held less appeal for financial institutions than their male counterparts (74 per cent of the women versus 94 per cent of the men). This may be explained by the fact that businesses run by women are smaller and under-capitalized compared to those started by men. In addition, a significant proportion of businesses set up by female entrepreneurs were self-financed as most women had used funds borrowed from family members. In fact, external funding is not common in the Tunisian culture of traditional family business.

In the sample of this study, 64 per cent of loan applications of women were sanctioned loans versus 78 per cent for men. Loan refusals were due to the lack of guarantees (for 66 per cent of the men and 50 per cent women). Respondents estimated that the Tunisian banking system was unwilling to take risks to boost domestic investment. The women believed that the explanations justifying the rejection of their loans were at times unconvincing (25 per cent of respondents).

Finally, when female entrepreneurs were asked to consider whether the bank's refusal for funding was related to the fact that the applicant was a woman, 80 per cent of the women were of the opinion that gender discrimination in processing of credit requests, and in their relationships with banks, did not exist. Therefore, it would seem that women are not adequately informed while seeking funds from banks.

6 Concluding remarks and policy implications

It is often observed that in Tunisia, there is little difference between the obstacles faced by men and women entrepreneurs. But as has been shown here, the reality is somewhat different. Women entrepreneurs encountered numerous difficulties, particularly with respect to accessing information and finance, as well as inadequate training. Furthermore, Tunisian women entrepreneurs do not as yet benefit from existing entrepreneurship support.

The main problem for the majority of women entrepreneurs in Tunisia is the difficulty in getting specific information on starting a new business. Indeed, this was cited as a major setback by 56.7 per cent of the women versus only 12 per cent for the men. Furthermore, limited managerial experience was also highlighted as a major obstacle to women's entrepreneurial initiatives. Among those not satisfied with the quality of supervision, 53.1 per cent believed that it was a problem specific to women. Women and men entrepreneurs also differed in their assessment of the quality of supervision and of the skills of support organizations, with women being more critical, believing that better support from the authorities for their initiatives could be productive.

When asked about the usefulness of specific measures targeted for female entrepreneurs, 80 per cent of the women concurred while only 14.3 per cent of the men believed that specific measures could be useful for promoting female entrepreneurship. Interestingly, some women entrepreneurs did not support the idea of special measures to aid women set up businesses because they felt that the principle of gender equality had to be respected and observed. They considered such specific measures to be discriminatory, signalling the inferiority of women. While these women acknowledged that setting up and managing a business was a challenge for a woman, it was also felt that those who could not succeed should simply choose another career. For this group, specific support measures targeted to women entrepreneurs might be interpreted as weakness, and thus would not promote their struggle to achieve equality with men.

Women in favour of specific measures stated that difficulties such as access to finance and other administrative obstacles should be considered as minor setbacks. They did, however, believe that women entrepreneurs were burdened more than their male counterparts in efforts to reconcile business and family life.

According to our survey, the majority of women entrepreneurs would prefer specific treatment in financial matters, as the procedures were considered to be too lengthy. Furthermore, these women generally were not well informed about the various funding schemes offered, and information on financial incentives was not always easy to assess. A few women also considered bank procedures to be complicated and biased. They also highlighted the lack of skills in financial management, analysis and planning. Many felt that banks, given their experience in finance and management, could assist and help young entrepreneurs to succeed in their businesses.

To improve access to information, the interviewed women proposed that periodic visits by representatives of relevant organizations be initiated to inform them on developments in terms of support, financing, administrative procedures and changes in technology. The publication of leaflets with simple pictures and trends of the economic environment as well as descriptions of the different services was also recommended. Activities and events for promoting awareness of women entrepreneurs were suggested, as was some form of recognition to encourage female entrepreneurship; this could, for example, be an award for the most outstanding female entrepreneur or for the best product produced by a woman.

Organizations supporting networking may be a valuable source of inspiration and may induce the exchange of experiences, especially as the current difficulties stem from the fact that existing structures of assistance programmes cannot offer specific services.

Public and private services offer different types of training, usually one-to-two years in duration, but these do not reach the women who need to improve their skills and knowhow: women need flexible, short-term training. Women entrepreneurs advocated the development of a training programme specifically tailored to their needs, where the emphasis would be on the creation of short, precise, practical business plans. Training should focus on technology, the promotion of private initiative and the development of skills. Furthermore, the lack of female entrepreneurship models could be mitigated by creating a set of networks.

Short briefings on the procedures involved in obtaining credit, or suitable methods for product improvement, could strengthen the position of women entrepreneurs in financial management and undoubtedly increase their managerial abilities. Training programmes could offer a basic set of courses in costing, marketing, accounting and negotiation as well as in other key areas. The best way to interest young entrepreneurs, especially women, is to offer more flexible courses with better options for different skills.

This paper finds that the general approach of supporting businesses is ineffective in promoting female entrepreneurship. More specific support systems to provide assistance to women entrepreneurs are needed. In fact, while it is true that the existing support structures do provide women with the opportunity to make contacts, build networks, and learn from the experience of others, specific measures are still necessary. These need to deal more efficiently with the specific problems already highlighted (such access to finance, information, or training). In addition, networking can be a valuable source of inspiration and can provide the platform for an exchange of ideas and experiences between female entrepreneurs and women's organizations. It can also give a potential entrepreneur the impetus to start her own business. Therefore, given that a woman's approach to business management is often different from that of her male counterpart, it is imperative that support measures are designed and implemented in a manner that they can address the problems unique to women by incorporating the gender dimension.

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Appendix

Questionnaire

1. Name of the company: _____
2. Legal form: _____
3. Capital level: _____
4. Your business has existed for:
 - Less than a year
 - 1 year
 - 2 years
 - 3 years
 - 4 years
 - 5 to 9 years
 - More than 10 years
5. What industry does your company operate in (check one):
 - Industry
 - Services
 - Agriculture
 - Trade
6. Are you?
 - A man
 - A woman
7. What is your education level? (check one):
 - Primary school
 - Secondary education
 - University studies
 - Certificate of Professional Studies
 - Other _____
8. Do you think that success in the business world depends on: (assign a score of 1 to 4: 1 = not at all; 2 = a little; 3 = somewhat (3); 4 = lot):
 - Skills of the individual
 - Good luck and pure chance
 - Support and encouragement
 - Financial assistance
 - Economic and social environment
9. According to you, a support system for business creation is effective if it:
 - Aims to increase the birth rate of new businesses.
 - Aims to improve the survival rate of new businesses.
 - Aims to meet the specific needs of entrepreneurs and takes into account their specificities (motivations and barriers) and their diversity.
10. Did you use a support services for business creation?
11. If you answered no to question 3, why you did not call for support?
 - I do not need support.
 - I am not aware of the existence of support bodies
 - The support services offered are inadequate
 - Lack of time
 - I do not know specifically to which agency I have to address my request.

12. Among the support services provided to young entrepreneurs, what are those you received? Specify during which stage of the project?

Services	Stages		
	Study	Design	Implementation
Information			
Advice			
Training			
Technique assistance			
Funding			
Other			

13. How would you assess the importance of information during the different stages of the entrepreneurial project? (1 = not important; 2 = somewhat important; 3 = important; 4 = very important; 5 = primordial):

The project preparation
 The evaluation of the project
 The realization of the project

14. Where did you get the information needed to start your business?

API
 Centre de Soutien à la Création d'Entreprises
 La Chambre de Commerce et de l'Industrie
 Centres techniques
 INNORPI
 Others _____

15. Was it easy for you to get information to start your business?

Environment	Very easy	Somewhat easy	Easy	Hard	Very hard
Commerce					
Finance					
Economic					
Technology					
Geography					
Institutions					

16. Do you rate information on starting a business in Tunisia?

Not at all satisfactory
 Unsatisfactory
 Fairly satisfactory
 Satisfactory

17. If dissatisfied, why, in your opinion, are they so (rank in order of importance):

Lack of education and specific information
 Difficulty of access to information network
 Lack of flexibility and diversification in of services offered
 Centralized of information at the regional level
 Other _____

18. How do you assess the importance of training during the various entrepreneurial project stages? (1 = residual; 2 = somewhat important; 3 = important; 4 = very important; 5 = primordial):

Project preparation
 Project evaluation
 Project implementation

19. Have you been informed of training programmes for entrepreneurs?
 Yes
 No (go to question 13)
20. If yes, how were you informed about these programmes?
 The API
 The Chamber of Commerce and Industry
 The Support Center for Enterprise Creation
 Friends
 Media
 Others
21. According to your experience, is participation in training programmes for young entrepreneurs:
 Very easy
 Easy
 Relatively easy
 Difficult
 Very Difficult
22. If there are difficulties to access training programmes, what, in your opinion, are these difficulties (rank in order of importance)?
 High cost
 Regional concentration
 Lack of clear information on these programmes
 Lack of specific training tailored to the field
 Others _____
23. Have you done specialized training or training related to your business?
 Yes
 No (go to question 18)
24. If yes, in which area? (check all if apply):
 Financial analysis
 Management
 Marketing
 Electronic commerce and computers
 Human resources
 Specific to the field of work or production
25. Were you satisfied?

	Not at all	Somewhat	Satisfied	Mostly satisfied	Very satisfied
Quality of trainers					
Content of training programmes					

26. Currently, do you need specialized training?
 Yes
 No (go to question 20)
27. If yes, what kind of training _____
28. Did you use a financial institution (bank or otherwise) to fund your business?
 Yes
 No
29. Has the financial institution which you approached for funding been able to comply with your request?
 Yes (go to question 25)
 No

30. What reasons were given when you met difficulty obtaining financing? (Number in order of importance if more than one reason):
 Company too risky
 Lack of guarantees
 Credit file unconvincing
 Endorser required
 Lack of convincing arguments
 Other (specify) _____

31. If you are a woman, do you think that this refusal is related to your gender?
 Yes
 No

32. What are the most important challenges you face in business? (Rate in order of importance):
 Lack of specific information
 Lack of funding
 Lack of supervision
 Unprepared
 Cumbersome administrative procedures
 Other (specify) _____

33. If you are a woman, do you think the challenges you face in your social and professional life are explicable as common problems or specific to women?
 Common problems
 Problems specific to women
 I do not know

34. Do you feel that the environment to support entrepreneurship in Tunisia is:
 Not favourable
 Unfavourable
 Mostly favourable
 Favourable
 Very favourable

35. What assistance would you need: (tick the most significant responses):
 Obtaining financial assistance
 Better understanding of your problems
 Making the right choice (legal structure of your business, adequate training, appropriate management tools)
 Other (specify) _____

36. The person who assists you in your project appears (assign a rating from 1 to 5):
 Competent
 Available

37. How do you assess the effectiveness of the support system during your starting business process? (Assign a rating from 1 to 5):

Assistance level	Project stages		
	Study	Design	Implementation
Information			
Advice			
Formation			
Technical assistance			
Funding			

38. According to you, should the woman entrepreneur be subject to specific measures?
 Yes
 No

39. If yes, what specific measures would you suggest with regard to:?

Information _____

Training _____

Finance _____

Legal and administrative rules _____