PART- A

Answer the following in 200 words each.

1. What is the scope for Business Development Services for Women Entrepreneurs?

Ans: In reviewing the mission and vision of the business development services interviewed for this study, none had offered any gender specific aims in terms of provision of services. All, however, identified women as an important target group and indicated that “they don't discriminate”. There is thus an assumption of gender neutrality, with most programmes indicating a client split of men and women at an average of 70% men and 30% women. The exceptions were those that operate in the micro enterprise sector, which reports a higher number of female clients. When asked what they perceived as the constraints facing men and women when seeking finance, BDS providers identified the following:

- Poor quality and viability of business ideas;
- Inability to write a business plan;
- People don't know how to differentiate the product or identify markets;
- Business viability should be a determinant of access to capital, not collateral;
- Unwillingness to commit resources or own assets;
- Banks lack of understanding about entrepreneurship;
- Banks are under no pressure to extend funding;
- Credit managers making loan decisions with poor client knowledge.

The challenges faced by women in particular were cited as:

- Women are not taken seriously by the business environment and by business finance institutions – “we live in a male dominated society”;
- Women tend to be more empathetic than men and this is perceived as being less business-like, whereas men think that one should be confrontational to succeed “in a man's world”;
- Women tend to be conservative – “men still do the radical stuff” (this from a technology-based incubator programme) – women are not adventurous enough;
- Women lack confidence because of their life experiences;
- Men's perceptions of women – women have to prove themselves all the time;
- Women are, however, perceived as very passionate about their business, which is a key factor of success.

Suggestions made by business development providers to enhance women’s MSME development included the following:

- A dedicated fund could be set up to address lack of collateral constraints, performance guarantees and to offer subordinated debt to enhance access to credit from financial institutions;
- The environment needs to make it easier for start up businesses to obtain resources;
- There is a need to reduce the burden in the regulatory environment;
- Provision of appropriate business support, which means ensuring that providers have the right skills and experience;