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## **Analysing the role of National Women Entrepreneurship Council in promoting entrepreneurial culture in Mauritius**

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**Abstract.** The current study is presented as a Case study to analyse the role of the National Women Entrepreneurship Council in promoting and developing an effective entrepreneurial culture in Mauritius. The NWECE is a parastatal body working under the aegis of the Ministry of Gender, Child Development and Family Welfare. The case study seeks to provide an insight on the overall role and functions and challenges faced by the organisation to promote female entrepreneurship. The research approach is qualitative using content analysis and multi-case methods with interviews to analyse the effectiveness of the institution. The case study will be of great significance to different stakeholders including the Ministry of Gender, the women entrepreneurs and other NGOs which are actively participating to reduce gender inequality.

**Keywords.** Women Entrepreneurship, NWECE, Gender Inequality, Empowerment

### **Rationale of the Study**

The importance of the study stems from the growing role that women are playing in the Mauritian society. The government has stressed on gender equality and the need to empower women in line with the sustainable development goals. The creation of the NWECE and the institutional support provided by other institutions such as the Development Bank of Mauritius contributes enormously towards such objectives. The perspective used for the research is subjective realism where different people can analyse a particular subject from different lens. Consequently, the opinions of some entrepreneurs and different press articles have been used to make analysis. The case study shows that many women entrepreneurs have benefitted enormously from the NWECE in terms institutional and marketing support. However, with globalisation and the internationalisation process the NWECE needs to adapt its functions especially through technological empowerment.

### **Brief Literature Review**

Recent developments in several international organizations emphasize women's entrepreneurship. Various entrepreneurship studies have stressed on the need for women empowerment and the need to develop women entrepreneurship (OECD, 2004). In the Mauritian context, there is a Ministry for Gender Equality fighting for the gender inequality and other social problems in the Mauritian context. The Economist Gunglee (2019) in a press article stated the following with regards to the situation of women in Mauritius:

‘Women are very active in the informal economy and there are more and more women who are turning towards entrepreneurship, which is a good sign for women emancipation in Mauritius. However, she regrets that the real contribution of women is grossly underestimated because housework and taking care of the home and family are not counted for GDP purposes.’

The weak social position of women combined with a generally weak (political) interest in entrepreneurship has a strongly negative effect. Similarly, within the context of collaboration between the Nordic countries (Denmark, Finland, Iceland, Norway and Sweden), women’s entrepreneurship is seen as important and as a prerequisite for a sustainable economic and regional development in rural and sparsely populated areas (Nordic Council of Ministers, 2008). Studies on women entrepreneurship have witnessed a rapid growth over the past 30 years. Yadav and Unni (2016) suggests that women can play a significant role in the larger entrepreneurship phenomenon and economic development (Sarfaraz et al., [2014](#)). As a result, there is an insistent need to investigate various dimensions of women entrepreneurship. The current case study looks at the institutional role of the National Women Entrepreneur Council in promoting entrepreneurial culture in the Mauritian context. In 2015, the Entrepreneurship Development Institute published the Female Entrepreneurship Index Report evaluating the conditions for encouraging female entrepreneurship in 77 countries. The top countries as per the Index Report in 2015 were- United States, Australia, United Kingdom, Denmark, Netherlands, France, Iceland, Sweden, Finland and Norway (Terjesen and Lloyd, [2015](#)).

#### **About the National Women Entrepreneurship Council**

The NWECC(2019) was created in 1999 through a government legislation namely the National Women Entrepreneur Council Act. Hence the institution exists since 20 years now and therefore it is high time to analyse its overall contribution to the overall socio-economic development. The NWECC is managed by a Committee with a Chairperson, four women entrepreneurs and other representatives from different institutions including SME Mauritius.

The main objectives of the Council as enacted in the legislation are:

- (a) to establish and maintain effective communication between the Council and women entrepreneur organization;
- (b) to ensure coordination of activities of women entrepreneurs associations;
- (c) to identify actions and projects that will promote entrepreneurial activities of women;
- (d) to evaluate and assess the needs of women entrepreneurs,
- (e) to establish training programme, aimed at improving the skills and management aptitudes of women entrepreneurs;
- (f) to promote cooperation and research with respect to women entrepreneurship development;
- (g) to develop working links and affiliation with other bodies, whether in Mauritius or abroad, having same objectives;
- (h) to advise the Minister on women entrepreneurship development and implementation of programmes for such development;
- (i) examine and evaluate the contribution of women entrepreneurs to the various sectors of development in the light of national needs and priorities;
- (j) study specific areas where the development of women entrepreneurship need to be strengthened.

### **Funding by NVEC**

The Council is funded by the membership fees and any money accrued from the Consolidated Funds. Any funds obtained shall be used for the promotion of the National Women Entrepreneurship Council.

### **The Case for Promoting Female Entrepreneurship in Mauritius**

Female entrepreneurship is one of the means for women to assert themselves and participate in the overall socio-economic development of the country. One of the sustainable development goals is to reduce the gender inequality by providing more avenues for economic emancipation. However, some women still find it daunting to find a good job and more so to create new enterprises especially due to lack of financing. Many victims of downsizing or economic re-engineering can use their skills in entrepreneurial ventures. There is thus definitely a strong case for promoting female entrepreneurship in times of economic re-structuring.

Hence female entrepreneurship should be encouraged in Mauritius, especially as there exists a conducive institutional environment for it to flourish. The National Women Entrepreneurship Council and institutional support provided by the government through the Development Bank of Mauritius are highly encouraging for promoting female entrepreneurship. The government recently announced a financing of MUR 500,000 without any need for offering any kind of security.

The International Trade Centre has collaborated with Mauritius to announce the second phase of SheTrades Invest for women entrepreneurs who can apply for funding and also receive training. This platform has been dedicated to support relationships between investors and women entrepreneurs in developing markets. The main aim of the small medium sized enterprises:

- ❖ Access to a range of local, regional and global investors and impact investors
- ❖ Access to capacity-building/technical assistance from ITC; and
- ❖ Increased level of competitiveness and a deeper understanding of business practices, trade and investment

Mauritius is no exception to the rising phenomenon of the informal sector. In fact, the rising female unemployment rate (which started in 2004 with the dismantling of the Multi Fibre Agreement (MFA) and the sharp decline in sugar prices of 36% brought by the EU sugar reforms and resulted in the closure of many factories) has propelled the government to encourage women entrepreneurship as a means of earning a decent livelihood. However, many of these women operate small informal businesses, which are subject to the vagaries of domestic economic conditions and external shocks. The objective of the study is therefore, to examine the impact of the global financial crisis on women entrepreneurs operating in the informal sector in the small island economy of Mauritius.

### **Gender Statistics in Mauritius**

Though there is a lack of detailed statistics related to gender; some key data that can be very helpful to understand the overall women participation in the Mauritian economy are provided below:

	<b>Male</b>	<b>Women</b>
<b>Population</b>	625,727	638,886
<b>Average Income</b>	MUR 16,800	MUR 22,300
<b>Gender Gap Index</b>	113 out 144 countries	

Source: Statistics Mauritius(2018)

Based on a survey carried out by Tandrayen-Ragoobur and Kasseeah (2013) with 130 women entrepreneurs, the following key profiling of the women entrepreneurs were identified:

- ❖ Most of the respondents are above 30 years
- ❖ 40% are aged between 31 and 44
- ❖ 40% are aged between 45 and 59
- ❖ 29% were in garment making, 21.7 % in Jewellery and Handicraft and 19.6% in food products

Another survey carried out by Mauritius Commercial Bank with 320 entrepreneurs had the following profiling:

- ❖ 66 Female and 254 Males (showing a huge disparity in female engagement in entrepreneurship)
- ❖ 105 respondents were in the age category 35-44 and 103 respondents between 45-54 (confirming the fact that most women entrepreneurs are mature and there is a lack of young entrepreneurship).

However, it is important to point out that entrepreneurship may not be the only solution for fighting employment. Entrepreneurship should not be viewed as a panacea, as the magic bullet for re-orienting unemployed women or opening up employment opportunities for new entrants into the labour market. There may be some important obstacles to the setting up or operating a female-headed enterprise in the world, and no less so in Mauritius. These obstacles need to be addressed in their own right before or while marketing entrepreneurship as an economic solution. The following recent example provides some pertinent lessons.

As part of a restructuring process, a major EPZ textile enterprise in Mauritius, Floreal Knitwear Ltd., laid-off 374 workers in June 2000. The majority of the laid-off workers were women, and many of them felt that they were beyond an employable age. With a view to assisting the retrenched workers to re-skill themselves and thus enlarge their opportunities for finding gainful employment, a training programme spanning different fields was designed in collaboration with the Industrial and Vocational Training Board. The courses were offered free-of-charge and without any restriction or commitment on the part of the laid-off workers.

### **Key Achievements of the National Entrepreneurship Council**

The National Entrepreneurship Council has engaged in several campaigns to sensitise women to start up their own businesses. From January 2017 to September 2017, the staff have organised 21 campaigns across the island. The NWECC (2019) stated that some 2723 women entrepreneurs have been approached during these campaigns.

In addition, the NWECC has provided continuous training to women to empower and enhance their skills. The training offered has been both in terms of technical and managerial courses. During the year 2017, the institute has provided 10 training courses in various fields such as Adult Literacy, Marketing, Customer care, export procedures. It has been reported that 300 women entrepreneurs have benefitted from the training courses.

The NWECC has also provided mentors to entrepreneurs who had some challenges in running their business. The role of the mentor is to guide the entrepreneur in developing the business or still to have access to finance. The NWECC has also organised trade fairs to help women entrepreneurs to market their products locally and internationally.

It is also important to point out that the NWECC has a market centre to promote products manufactured by women entrepreneurs such as shells, vacoas and many other handicraft products.

### **Comparison of NWEC to National Women Education Centre (Japan)**

There is a lot of similarity between the two institutions and it seems that the Mauritian institution has been inspired by its Japanese counterpart. The National Women's Education Center of Japan (NWEC) was established in 1977 as the only national center for women's education in Japan. For about 40 years since its inception, NWEC has been working towards its mission to promote gender equality through education and coaching, by way of organizing training and exchange programs for leaders and related persons in women's education, conducting research and surveys on gender equality, women's education, and home education, and enhancing its capacity to collect and provide information. Simultaneously, the institution has expanded a national network of women, developed learning programs with them, and accumulated valuable records and data towards the goal of realizing a gender-equal society.

### **Discussions**

When asked about the current performance of the NWEC with regards to women entrepreneurship with Sandra Mayotte (Chairperson), she had the following to say:

'In 2018, we have organised more than 10 trade fairs. The entrepreneurs are getting greater market visibility and had the opportunity to have direct access to customers. We are also having visitors from Japan.'

The chairperson also explained that around 300 women entrepreneurs had the opportunity to get different forms of training. She explained that as the council is celebrating its twenty years of experience they are planning to open a Kiosk to have direct assistance to potential and existing women entrepreneurs.

Mala Chetty (2014) who was the ex- Chairperson of the NWEC made some suggestions for improving the overall functioning of NWEC. She emphasised on the importance of in-house and customised training programmes. She explained the difficulties women face with her different roles and functions to follow a training programme and run a business in parallel. She also advocated the need to facilitate access to financing as explained below:

"It should be that the schemes intended for the entrepreneurial development are more accessible to women entrepreneurs specially the micro-entrepreneurs and start-ups that have difficulties in finding the funds. The Budget should include measures to promote the allocation of funds to women entrepreneurs."

She is also of the view that women entrepreneurs should seek both for local and regional expansion of their business. At the micro level, there should be more entrepreneurial villages with all the necessary facilities for business expansion. This will for sure improve the overall visibility of women entrepreneurs. Another interesting suggestion is to allow the big business of sub-dealing with the women entrepreneurs and encourage supermarkets to open their doors to products manufactured by local women. All these actions can help in women empowerment and also in reducing poverty especially in socially poor villages. There are currently around 3,500 women entrepreneurs in Mauritius and among them 90 per cent are micro-entrepreneurs. The Honourable Minister Bholah (2018) encouraged women to fully tap their potential to become entrepreneurs and develop a sense of autonomy as regards decision-making in their businesses. He urged women to take stock of new opportunities to progress in the entrepreneurial field to achieve higher level of sustainable economic growth. He also stressed on the importance of technology in the field of entrepreneurship while explaining that technology opens up new opportunities for entrepreneurial networking by eliminating temporal, geographic, and gendered social constraints which might limit women's access to information and resources. Hence, the NWEC should invest more in ICT empowerment for women.

With regard to the SME Mauritius Ltd, the Honourable Minister pointed out that the execution of the 10-Year Master Plan and the promotion of networking facilities are among its priority missions. He urged women entrepreneurs to avail themselves of the different financial schemes proposed by SME Mauritius Ltd and to brave the challenges that can hinder the growth of their enterprises.

He called upon women entrepreneurs to seize the opportunity to interact with established businesswomen from the National Women Entrepreneur Council and Association Mauricienne des Femmes Chefs d'Entreprises who will, as mentors and facilitators, address the various challenges and daily hurdles pertaining to women entrepreneurship. It is important to pave the way towards the establishment of a sustainable support and collaborative network for the benefit of women entrepreneurs who will then embark on a virtuous circle of success.

### **Policy Ramifications**

The case study shows that the NWEC has played a significant role in empowering women entrepreneurs in the Mauritian context. However, as technology is playing a key role and with the emergence of e-entrepreneurs and technological leadership there is need to provide more training in the field of technology. The government should also encourage the development of incubation centres for women entrepreneurs. There is need for a new breed of entrepreneurs with creation of entrepreneurial leadership. It is important to create networking events so that women can showcase their products, talents and resources at the national and international level. However, the biggest problem remains the accessibility to finance.

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