Market Research Brief

WOMEN AS ENTREPRENEURS AND EMPLOYEES IN SYRIAN SMES IN TURKEY

August 2020
Since 2016, Building Markets has supported Syrian-owned small and medium-sized businesses (SMEs) in Turkey through a suite of services that increase their visibility, build their capacity, and connect them to new business opportunities, including contracts and capital. Through these services, Building Markets has created a network of over 2,200 Syrian-owned enterprises located across Turkey that completed in-depth verification surveys with the organization.

This report was researched and written by Chelsea McKeivitt, Development and Impact Manager at Building Markets, and Zonglong Chen, Data and Research Intern. Additional support was provided by Fatima Kamran, Senior Project Officer, and Building Markets’ Research and Communications teams in Turkey. Photos in this publication were taken by Gate of Sun, a Syrian-owned SME. In cases where businesses were not available for photography, they made images available to Building Markets for use in this document.
This research found that female workforce participation in Syrian-owned businesses in Turkey remains extremely low, with more than two-thirds of firms reporting they have zero female employees. Female management is also exceptionally rare, with no sectors reporting a concentration of female managers. Overall, women represent only 4% of the total sample of managers and are reported in only 2.9% of the SMEs. Female business ownership is also low - less than 4% of all businesses in the sample – with 1.8% having only female owners.

The Turkish sectors that are most likely to have female participation as either employees or managers are “Arts, entertainment, and recreation” and “Education”. However, it does appear that businesses with and without female owners share a similar distribution across the sample, with “Wholesale, retail, and vehicle repair” the common sector for both groups.

Findings in this report are consistent with the gender dynamics of the local population and workforce at large in Turkey where the labor force participation rate lags behind the world, at 34% versus 48%. Further, while Turkey is one of the world’s 20 largest economies, it ranked 130 out of 152 countries for its gender gap in economic participation. This trend continues into the Middle East and North Africa region where the proportion of businesses in which women have a controlling stake is 5.7%.

This data suggests that Turkey has an untapped reservoir of entrepreneurial and workforce talent in its female population and there is substantial room for growth in this part of the labor market. Creating opportunities for women to become economic participants also represents a significant opportunity for addressing some of the economic challenges posed by the refugee crisis.
1. INTRODUCTION

Eliminating poverty, improving household incomes, and supporting the growth of national economies can be achieved with the full economic participation of both women and men. Women’s global labor market participation rate is 47%, compared to 76% for men, and nearly one billion women continue to face constraints in realizing their full economic potential. Of these, 812 million live in developing countries. Supporting female entrepreneurs, particularly in high-growth sectors and the digital economy, has the potential to create jobs, increase incomes, and pave the way for greater economic and social reforms.

Over the last decade, there has been significant progress in increasing gender parity in the workforce. Research by the World Bank has shown that in 131 economies there have been almost 300 reforms to laws and regulations that have supported this shift. Yet globally, it is estimated that over 2.7 billion women are legally restricted from having the same job opportunities as men. This is notable because improving women’s labor force participation in OECD countries alone could increase GDP by an astounding US $6 trillion. Women also tend to be better spenders and savers, reinvesting up to 90% of income into their families compared to just 35% by their male counterparts.

Despite this, significant gender gaps continue to persist in the entrepreneurial ecosystem; female entrepreneurs operate primarily in the informal sector and are largely concentrated in low productivity sectors. And while all entrepreneurs in developing countries face noteworthy barriers to doing business, evidence shows that women experience more obstacles relative to their male counterparts. Among the main constraints identified are: lack of enabling factors at the initial startup phase such as less access to education and finance, policies and regulations which discriminate against women, and overall social norms which limit female participation in the labor force.

Not surprisingly, this demonstrates that there is a significant lost economic and social opportunity when the talents, skills, and contributions of women are discounted. This includes refugee and migrant women who can play a critical role in creating livelihoods in countries with large refugee populations where exploitation and poverty can run rampant due to a lack of access to formal employment.

2. BACKGROUND & CONTEXT

When you consider these factors in the context of the global refugee crisis, the barriers to female entrepreneurship are even higher and women are disproportionately impacted. According to the UN Refugee Agency (UNHCR), there are approximately 79.5 million people forcibly displaced due to civil wars, violence, and persecution. Of those approximately half are women, many of whom become head of household due to separation or other tragic circumstances but lack the opportunities for livelihoods. In Turkey, for example, only 15% of Syrian refugee women report having an income-generating job.

In 2011, the Syrian civil war prompted massive displacement and forced migration, resulting in approximately 3.6 million registered Syrian refugees in Turkey today. Approximately, 16 million of these refugees are women, which is four to five times the number of women refugees settling in other host countries like Jordan (~330,000) and Lebanon (~460,000). Nearly a decade into this crisis, an end to the violence remains out of sight. While initially designing domestic policies for the temporary placement of refugees within their borders, host countries are now adapting policies to integrate Syrians more permanently, focusing on livelihoods, social cohesion, and sustainable support.
### Syrian Refugees and Women in Host Countries

<table>
<thead>
<tr>
<th>Host Country</th>
<th>Turkey</th>
<th>Jordan</th>
<th>Lebanon</th>
</tr>
</thead>
<tbody>
<tr>
<td># of refugees</td>
<td>3,579,531</td>
<td>2,967,046</td>
<td>1,395,952</td>
</tr>
<tr>
<td># of Syrian women refugees</td>
<td>1,665,580</td>
<td>330,037</td>
<td>458,696</td>
</tr>
<tr>
<td>Labor force, female (% of total labor force)</td>
<td>33.0</td>
<td>18.1</td>
<td>24.5</td>
</tr>
<tr>
<td>Firms with female participation in ownership (% of firms)</td>
<td>11.3</td>
<td>22.6</td>
<td>9.9</td>
</tr>
</tbody>
</table>

Whether in the Middle East or elsewhere, forced migrants have long faced negative stereotypes, but the economic benefits of welcoming refugees have become increasingly evident. They inject sizable amounts of capital into the economy, create employment, and boost demand. Home to more than 3.6 million Syrians living under “temporary protection” status, Turkey presents a striking example. Syrian entrepreneurs have contributed to job creation and economic growth with around 10,000 companies established by the newcomers, resulting in around 100,000 new jobs. This is in part because they arrived with unique skills and resources. This includes, for example, their business networks and partnerships with Arabic speaking countries in the region, which have opened up Turkey as a potential exporter to new markets and revived whole sectors such as shoe manufacturing.

The great majority of Syrians in Turkey are living in urban areas and not refugee camps. Since 2016, the government began offering work permits to those registered under Temporary Protection, although the number of actual permits issued by 2019 has remained relatively low, at just 31,000. Turkey has a large informal economy, approximately 35% of the total market. It is estimated that there is a significant number of Syrians working informally, which increases the likelihood of abuse, including low wages, dangerous working environments, discrimination, and lack of benefits. The majority of Syrian workers in Turkey, both informally and formally, are men.

Prior to the onset of the civil war in 2011, female participation in the Syrian workforce was low and women were generally not involved in work outside of the home. According to the 2009 Syrian National Report for Entrepreneurship, female participation was just 4.4%. This is four to eight times lower than female share of the labor force in host communities, such as Turkey (33%), Jordan (18.1%), and Lebanon (24.5%).

For comparison, in 2019, this number was 39% globally. Furthermore, in 2010, the ratio of female to male labor force participation worldwide was 65.9%, vs 48% in Turkey in 2019 and 21% in Syria in 2011. This imbalance can be partly attributed to divergent cultural expectations between genders, household roles and responsibilities of Syrian women along with power dynamics that can arise between genders in the Syrian business community.

According to the UN Women’s Needs Assessment of Syrian Women and Girls under Temporary Protection Status, Syrian women and girls in Turkey face barriers to meet their basic needs, recover from war traumas, and participate in Turkey’s social and economic life. Seventy percent of Syrian women do not speak any Turkish, making it difficult for them to exercise their rights and reach services. As a result, they may turn to negative coping mechanisms: unregistered work, child labor, and early and forced marriages.

Based on the UN Women surveying, only 15% of Syrian refugee women in Turkey work in income-generating jobs (mainly in agriculture, textiles and service provision). Only 7% have access to basic skills and vocational education training. The most popular areas of work are hairdressing (30%) and needlework (27%).
which are closely related to traditional gender roles and provide limited opportunity for formal employment. Unfortunately, women state that they are not attending training or educational courses because of childcare obligations and because they lack information about opportunities – two problems that are easy to address.

Turkish female participation in the workforce was already an issue for the country prior to 2011, with far fewer women joining the workforce than men. This is at least partially due to women taking responsibility of caring for children and not having access to maternity leave. While efforts made by the government have successfully pushed for change over the past several years – with the female employment rate raising from 23% to 34% between 2004 and 2018 – there is still significant room for improvement. In fact, women face a disparity in terms of their employment rate and compensation. TurkStat findings reveal, in Turkey, women on average earn TL 46,208 yearly in gross earnings while men make TL 50,297. However, this is not an issue unique to Turkey. The 2019 Gender Parity Report by the World Economic Forum reported that it will take women 257 years to accomplish full equality in economic participation. According to the report, only 55% of adult women are in the labor market, versus 78% of men. While over 40% of the wage gap (the ratio of the wage of a woman to that of a man in a similar position) and over 50% of the income gap (the ratio of the total wage and non-wage income of women to that of men) remains.

3. FINDINGS

The following analysis was drawn from Building Markets dataset of 2,200 SMEs in Turkey. Each SME is owned by at least one Syrian. Businesses were interviewed between 2017-2020 using Building Markets’ business verification survey, which includes roughly 150 questions encompassing ownership, management, and operations. While there was no specific restriction on location, surveys focused on regions with high Syrian populations, namely the six provinces that host nearly 96% of new Syrian-owned businesses – Istanbul, Gaziantep, Mersin, Hatay, Bursa, and Şanlıurfa. While the dataset is sector agnostic, businesses must be legally registered or in process of registration, restricting the analysis to the formal economy.

Building Markets identified businesses employing women, including employment in managerial roles. Additionally, the database was used to select all businesses in which at least one female owner was identified. This resulted in a list of 59 female-owned Syrian SMEs in Turkey. The below analysis sheds light on how women are participating in this market.

3.1 Full-time Female Employment & Management

Of the 2,022 SMEs in Building Markets, network, 1,606 shared data on the gender of their employees. 501 SMEs reported hiring at least one full-time female employee. However, the prevalence of female employees is low, representing less than 14% of all employees in the survey sample.

Has at least One Full-time Female Employee?

<table>
<thead>
<tr>
<th>Has at least One Full-time Female Employee?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
</tr>
<tr>
<td>31%</td>
</tr>
<tr>
<td>No</td>
</tr>
<tr>
<td>69%</td>
</tr>
</tbody>
</table>

Number of Employees by Gender

<table>
<thead>
<tr>
<th>Number of Employees by Gender</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
</tr>
<tr>
<td>14%</td>
</tr>
<tr>
<td>Male</td>
</tr>
<tr>
<td>86%</td>
</tr>
</tbody>
</table>
Female employment is most common in the “Arts, entertainment and recreation”, “Education”, and “Human health and social work” sectors. This is not surprising, given that these sectors encompass traditional roles for women in the workforce, globally. For example, companies in the ‘Arts, entertainment and recreation’ sector include those focused on cinema and theatre production or printing and selling art pieces. Working in the Education sector means working for companies focused on providing language courses or trade-related training opportunities. In “Human health and social work,” women typically work for companies that provide dental and plastic surgery services or medical tourism opportunities.

### Female Employees by Sector (%)

<table>
<thead>
<tr>
<th>Sector</th>
<th>Female Employees</th>
<th>Male Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arts, entertainment and recreation</td>
<td>56%</td>
<td>44%</td>
</tr>
<tr>
<td>Education</td>
<td>38%</td>
<td>62%</td>
</tr>
<tr>
<td>Human health and social work</td>
<td>34%</td>
<td>66%</td>
</tr>
<tr>
<td>Admin support service activities</td>
<td>24%</td>
<td>76%</td>
</tr>
<tr>
<td>Information and communication</td>
<td>19%</td>
<td>81%</td>
</tr>
<tr>
<td>Other service activities</td>
<td>19%</td>
<td>81%</td>
</tr>
<tr>
<td>Financial and insurance activity</td>
<td>19%</td>
<td>81%</td>
</tr>
<tr>
<td>Prof scientific technic activity</td>
<td>18%</td>
<td>82%</td>
</tr>
<tr>
<td>Real estate activities</td>
<td>14%</td>
<td>86%</td>
</tr>
<tr>
<td>Wholesale retail vehicle repair</td>
<td>13%</td>
<td>87%</td>
</tr>
<tr>
<td>Transportation and storage</td>
<td>12%</td>
<td>88%</td>
</tr>
<tr>
<td>Construction</td>
<td>10%</td>
<td>90%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>9%</td>
<td>91%</td>
</tr>
<tr>
<td>Accommodation and food service</td>
<td>6%</td>
<td>94%</td>
</tr>
<tr>
<td>Water sewerage waste management</td>
<td>1%</td>
<td>99%</td>
</tr>
<tr>
<td>Agriculture forestry and fishing</td>
<td>1%</td>
<td>99%</td>
</tr>
</tbody>
</table>

While the majority of employees in the ‘Arts, entertainment and recreation’ sector is female, this sector does not employ many people in total. To better represent the number of women in the labor force, the below graph shows the average number of employees per sector, disaggregated by gender.
The Manufacturing sector is responsible for creating the most jobs on average, but female employment in these businesses is low. The average number of employed women is highest in the Education sector, but there are still more male employees employed on average. The “Arts, entertainment and recreation” sector is the only sector that has more female employees than males, on average. However, it still employs an average of less than two women per SME. Additionally, nine other sectors reported an average of less than one female employee per SME, including the financial and insurance, construction, and agriculture sectors.

“It is important for women to enter different sectors to acquire and develop experiences in a country where people depend on their daily work to obtain a better income. Experience and skill can only come with continuous participation.

At our company, we try to provide the conditions to help women employees, such as transportation, privacy, and training. Women have been the majority, if not all, of my employees. But due to the pandemic, now I only have 2 female employees, out of 24. I hope this situation changes, as our work depends on the female workforce.”

- Ibrahim Mehdi (Owner, Velvet Mod)
Apparel manufacturer, a top employer of women in the sample

1,898 SMEs provided information on the gender of their management. Of these, only 55 (3%) reported hiring at least one full-time, female manager. Overall, 1,907 managers were reported with only 4% of these managers categorized as female. This is a significant contrast to World Bank findings that indicate the female share of employment in senior and middle management in Turkey to be 17% but consistent with findings that 4% of firms in Turkey have a female top manager. The “Education” sector, which saw the highest average number of women employed, is 87% managed by males. This suggests that even in industries where women are most likely to be employed, they are still unlikely to hold management roles.

### Female and Male Managers in each Primary Sector (%)

- Human health and social work: 30%
- Education: 13%
- Arts, entertainment and recreation: 10%
- Information and communication: 10%
- Admin support service activities: 6%
- Prof scientific technic activity: 5%
- Manufacturing: 3%
- Wholesale retail vehicle repair: 3%
- Accommodation and food service: 2%
- Real estate activities: 2%

![Female and Male Managers in each Primary Sector](chart.png)
The sector with the most female managers is "Human health and social work", where 30% of all managers are female. However, these percentages can be misleading. Of the 1,907 managers reported by this survey, only ten managers were reported in the “Human health and social work” sector. Therefore, the 30% female management actually indicates three women in this role, out of nearly 2,000 managers in the survey sample. These represent only 0.15% of the entire sample of managers.

More than one-third of SMEs (36%) reported having zero women managers at all, resulting in very low averages for number of managers within each sector. All sectors report an average of no more than two managers per SME. This finding is consistent with McKinsey’s global reporting of an underrepresentation of women in senior leadership at every level of management: Manager (38%), Senior Management/Director (34%), Vice President (26%), C-Suite (21%).

### 3.2 Female Business Ownership

1,580 provided data on the gender of their owners. Only 59 SMEs (3.7%) reported having at least one female owner, and of these, 28 SMEs (less than 2%) reported having only female owners. This is a notable divergence from World Bank findings that 11.3% of all firms (not just Syrian-owned) in Turkey report female participation in ownership.

The following section analyzes the 59 SMEs (4%) who report at least one female owner, which includes SMEs owned entirely by women and SMEs with men and women owners. These SMEs are compared to those that report zero female owners and are therefore entirely owned by men.

The distribution of sectors is similar for both SMEs with female owners and SMEs without. The most common sector for SMEs with female owners - “Wholesale/retail and vehicle repair” - is also the most common sector for SMEs owned entirely by men. In both groups, the SMEs are concentrated in either wholesale or retail trade, do not offer vehicle repair services. A typical business operating in this sector includes a luxury perfume seller or an apparel wholesale enterprise.

In all sectors, SMEs are more likely to be owned entirely by men. SMEs with female owners comprise 25% of the businesses within the “Arts, entertainment and recreation” sector, However, only 8 SMEs report being in this sector out of more than 1,500 SMEs in the sample.
Businesses with female ownership are more likely to be majority-owned by a single family (65% of women-owned SMEs, compared to 54% of businesses owned entirely by men). Ownership by a single family could imply a lack of investors or business partners with significant control over the business.

In general, the SMEs with women in ownership roles report far less revenue and profits. On average, they make around three-fourths as much in profits and only 34% of the revenue reported by SMEs owned entirely by men.

SMEs with female owners were more likely than their male counterparts to have a principle client located in Turkey. Nearly 40% of SMEs with female owners export their products or services, and those that do, report that the average revenue from their exports is 48% of their total revenue. In contrast, 30% male-owned SMEs export, but their exports account for nearly 60%, on average, of their total revenue. Seventy-three SMEs owned by men reported that exports account for more than 90% of their total revenue – which was far less common in SMEs with female owners. SMEs with female owners are also less likely to report having additional business branches (8% compared to 21% among SMEs owned entirely by men).

While SMEs in both groups have, on average, similar numbers of managers and owners, SMEs with female owners have fewer total full-time employees. However, female employment is slightly higher in businesses with female owners, but women in management roles are actually more common in SMEs owned entirely by men.

Most SMEs with female owners (70%) report having a business plan for the next 12 months. Additionally, 85% have a business bank account. In both aspects, women-owned businesses fare better than male-owned ones in the sample.
Only 14% of female-owned SMEs list access to finance as a "large" or "extreme" constraint to their business. However, 37% are interested in taking out a business loan, with an average size of TRY 250,000. Reasons reported for needing a loan ranged from geographic expansion to updating or repairing business equipment.

When asked their first and second greatest challenges for the next six months, SMEs with female owners had varied responses, but difficulties accessing finance and issues with currencies were cited most frequently. More than half (58%) of these businesses know what a tender is, but only 15% have applied for tenders in the past. The top reason for not bidding on new procurement opportunities was the inability to find relevant tenders.

When respondents were asked which type of training they would be most interested in attending, the most popular choice was Sales and Marketing (31%). While not exhaustive, other options included financial management, human resources management, and customer service.

3.3 Profiles of SMEs Owned by Syrian Women

While Building Markets’ findings show that Syrian women’s participation in the Turkish economy is very low and overwhelmingly in traditional sectors, there are also examples of women pioneering work and entrepreneurship in non-traditional industries. The following section profiles some of these intrepid female business owners and provides greater insights into the challenges and experiences of women in the Turkish workforce.
Razan’s key advice to other women entrepreneurs is to participate in workshops and seminars to learn about local laws, regulations, and policies before establishing anything, along with engaging good legal counsel. “These activities open up opportunities and help create a clearer vision about your potential business. There are many opportunities in Turkey to access such learning and networking opportunities for Syrian entrepreneurs. For example, the Syrian Economic Forum helped us register our business and get work permits, and Building Markets provides access to helpful training and business development services, such as inviting me to networking events and connecting me to potential grant opportunities.”

Regardless of challenges, Razan’s business has impacted her life immensely. “My sense of responsibility towards myself and my community has amplified, and I am very pleased that I can connect women in need with a job opportunity in a respectful work environment. Even though there is a lot of pressure, being an active community member brings me joy and contentment, and meeting with other women entrepreneurs allows us to share and exchange ideas, experiences, and operational updates. I am proud of the community I have built and I hope to be an example for other women who are looking for ambition to accomplish anything they want.”
This work has been a great opportunity for Fadia and her colleagues to train thousands of people through their games. However, setting up a business in Turkey, especially as a Syrian woman, has been challenging. She had to learn Turkish laws and regulations and balance childcare and home responsibilities with professional work. It is also challenging for the company to access the Turkish customer market, so they focused mainly on Syrians. "Despite this difficulty, doing business in Turkey has expanded my horizons. In Syria, my educational center was quite traditional and our ideas were restricted; it would not be possible to do similar work there. But, in Turkey, we are able to unleash our ambition and realize our dreams. Knowing that our games make a difference in children’s lives helps to keep me going and face all challenges head-on."

"I always make sure to follow through with what I decide to do despite the challenges. Building Markets’ services have helped me in this regard. For example, their online Matchmaking Platform has allowed me to develop brand awareness for my company. They have also helped my business stay up to date on the latest tender opportunities available when finding the right information can be time-consuming and difficult for a small company."

Fadia’s advice to other women entrepreneurs is to do business honestly, work with staff transparently, and always be respectful and appreciative. She credits this way of doing business to her success, her great team that believes in the work they do, and their support of her and her company.

Fadia’s business started as an educational center for children. She initially tried buying games suitable to her curriculum but was not able to find what she was looking for in Turkey. Buying the toys from abroad, for example, by ordering from Amazon.com, helped her find suitable games but the costs were far too high. Instead, with the engineers who work with the center, they began making the toys themselves. FWNT’s beginning was quite simple—they purchased a laser machine and a 3D printer, and then started making toys right away.

Today, the company manufactures educational toys and games for children, ages 5-14 years, and invests their time and energy into making the toys unique. Each of these games comes in a variety of editions, complete with an individual informational booklet. The main goal is to encourage children’s interest in STEM (science, technology, engineering and mathematics) and simplify its concepts from a young age.
“It took a great deal of time and effort to start my own business here, but it has been a great opportunity to experience the satisfaction of success.”

-Lobna Heli

MEET LOBNA HELI

Owner of Lazord Dessert Shop

In 2015, Lobna came to Turkey from Aleppo, where she was a senior professional. In Turkey, she first worked as a volunteer to help other refugees, but after a while, she began considering a way to provide financially for her daughters. She initially decided to open a dessert shop for chocolate, which eventually became a restaurant that also serves Syrian and Turkish food. In November 2017, she officially established Lazord in Gaziantep.

“It was a huge challenge for me to open a business outside of my homeland. I was struggling with some financial difficulties and had to work with a very lean budget. I also did not know the Turkish language or legal system very well. I had to seek the consultation and guidance of tax accountants to help me and also made a huge effort to learn Turkish. It took a great deal of time and effort to start my own business here, but it has been a great opportunity to experience the satisfaction of success.”

The company had to close for two and a half months due to COVID-19. However, even during this closure, they promoted and marketed their products while working from home. During this time, they also launched “Humanity Gathers Us”, a charity kitchen campaign, which increased sales and helped cover expenses and any financial loss the pandemic caused. The campaign, which allowed Syrian and Turkish women in with the community to distribute grocery gift cards to families negatively affected by the pandemic, is still ongoing, and it has played a crucial role in promoting the company’s brand and gaining customers’ confidence. Lobna now has a strong relationship with many other Syrian female entrepreneurs, and they are committed to supporting and motivating each other to work and succeed.

Going forward, Lazord is planning to launch their own line of frozen food based on the restaurant’s main concept of providing customers with home cooking.

Lobna’s advice to other business owners is to first listen to training professionals and mentors before you start a company, because it is really important to learn the rules and regulations of the country you live in. Second, she recommends to choose your accountant carefully and to consult specialists to guide you on the right path. “We have continued to seek this guidance from support networks. For example, the training, mentorship, and counsel we received from Building Markets played a crucial role in the development of my business. In fact, there was a point this year where we were going to close down our project, but thanks to valuable advice from the Building Markets training team, we were able to continue our work during the COVID-19 lockdown.”
Her business had a strong start, but when the COVID-19 pandemic hit, it had to completely shut down for two months. Even after re-opening in June, things are not the way they used to be. Currently, they are concentrating on growing their online presence by joining social media platforms, such as YouTube and WhatsApp. She also has additional goals to expand the business, including buying the property they currently rent for operations, opening other branches, and adding new equipment to the facility. “Building Markets services are helping me towards these goals. Their online learning platform has been very informative and I have also been able to participate in their virtual mentorship boot camps and training sessions.”

“This business has been my source of inspiration, motivation, and financial stability. I have been able to continue my volunteer work while still being able to provide for my family. If I could give advice to other women entrepreneurs, it would be to start a business you are truly passionate about and motivated by. Without this, she will not have the drive to persevere. She should never give up, no matter the challenges. As long as she believes in herself and her work, she should continue in spite of any obstacles. She should remember that she can always ask for support from her friends and the people around her, and ask for advice from the individuals who are interested in seeing her business grow.”

In 2015, Ahlam came to Turkey from Syria, settled in Hatay, and spent two years working as a volunteer in a project to support children who have been separated from their parents. In 2018, after moving to Gaziantep, she was sure she wanted to start her own venture and began participating in workshops offered by local organizations. “As a woman who wears a traditional Syrian veil, my appearance alone was a challenge when doing business as people were initially hesitant to interact with me. My lack of knowledge of the Turkish language was also a huge barrier. However, by December of that year, I was able to register my company.” Initially, the business was just a gym, cafe, and library, but she was able to slowly expand operations and add other services. Today, the company works in the fitness and beauty sectors providing cosmetic and salon treatments, nutrition and physiotherapy services, as well as other related activities.
Shirley Kaston is leading a movement to change the way people in Turkey look at food and the women who cook it. Soon after Shirley founded the Kök Projekt, which aims to promote entrepreneurship regarding food, agriculture, and water in Turkey and beyond, she started a smaller social enterprise, Maide Mutfak, in 2018 to empower and increase the economic integration of underserved refugee women in Turkey through employment and support as food industry professionals. With her company possessing a strong social mission, Shirley wants Maide Mutfak to grow sustainably and plans to use spill-over profits to assist women entrepreneurs in establishing their own companies.

In an effort to collaborate with more Syrian-led enterprises in Turkey, Maide Mutfak has taken on a mentorship role with Teyba Tatlı/Al Haram. Maide Mutfak is working to assist SMEs to increase their sales pipeline into the Turkish market, and Teyba Tatlı has especially benefitted from this partnership by having their products packaged and sold as part of Maide Mutfak’s online portfolio. Maide Mutfak stays true to its foundation, committed to opening up spaces for women using food as a medium, and Shirley is an advocate about the need for creating foods that make people feel good and do good.

In 2017, Muhra was launched as a socially conscious brand, created by female artisans and focused on empowering women, with the support of Global Projects Partners, a German organization. The company creates and sells handicrafts, such as jewelry and home décor. Muhra’s vision is to create a safe space for artisan women to come together to explore, connect, share, and grow, on both a personal and professional level. The company aims to improve the lives of women artisans by generating income, empowering them as role models for their communities, and encouraging them to plan for their futures.

The company provides both handicraft and professional training sessions to the artisans they work with, covering topics like sewing and jewelry making as well as leadership, marketing, and pricing. Muhra intends to financially support 40 artisan women in their household expenses and to teach them learn new skills so they can also expand their employment possibilities. Further, the company hopes to integrate its artisan staff into administrative practices, in order to move towards a self-run enterprise in the future. Based on their experience, Muhra’s recommendations to promote women’s entrepreneurship and employment are to create flexible work opportunities, offer training to inexperienced workers, provide access to finance, and encourage women to venture into non-typical sectors.
4. CONCLUSIONS & RECOMMENDATIONS

When women can work and unleash their entrepreneurial potential, they can have a significant impact on job creation, economic growth, poverty reduction, and market diversity. Estimates show that reducing the gap in women’s labor force participation by 25% by the year 2025, would create an estimated 100 million new jobs into the global economy.\(^2^1\) Research suggests that when women are empowered to succeed economically, they have sizeable productivity gains and influence the success of future generations. Women-headed households are likely to reinvest 90% of their income to their families compared to 30-40% contributed by men. Full and productive female employment has the untapped potential to stimulate national economies, exponentially.

In developing countries, the level of female entrepreneurship is on the rise—about 8 to 10 million formal SMEs have at least one female owner.\(^2^2\) Yet, Building Markets’ SME data in Turkey shows that women remain underrepresented in business ownership and employment, especially among disadvantaged communities such as refugees. Female participation as employees, managers, and owners in the Syrian-owned businesses of Turkey is low, mirroring female entrepreneurship and labor market participation rates of Turkey, Syria, and the region. Given their concentration in the wholesale and retail and service industries, lower average profits and turnover, and fewer average full-time employees, SMEs with female owners are likely to be smaller enterprises that are creating fewer jobs.

There is a continued need for policymakers to examine the constraints women entrepreneurs face so they can be addressed in a more meaningful way. Given the size of the Syrian refugee crisis, which presents both a challenge and opportunity, providing a path for both Syrian and Turkish women to engage in the Turkish economy will be essential to the country’s stability and prosperity.

1. **Tailor Training:** Provide training to women that is tailored to their unique business needs and experience. Offer mentorship opportunities from experienced women entrepreneurs and professionals, who are familiar with both the Turkish market and refugees’ challenges. In addition, provide training to male-owned businesses to educate them on the benefits of diversifying their workforce, including encouraging gender equality/representation in management.

2. **Expand Financial Inclusion:** Develop and offer financial products suitable for Syrian and refugee women-owned business. This includes helping banks reach and serve women entrepreneurs as they represent a new and profitable customer segment.

3. **Broaden Research:** Conduct comparative research in the region to see where Syrian and other refugee women are better represented in the workforce and among entrepreneurs to identify underlying conditions and systems that can help inform/support broader change.

4. **Improve Policy and Programs:** Advocate for policies and programs that enable women’s economic participation. This includes convening women entrepreneurs with relevant industry, government, NGOs, and business associations where information and learning can be exchanged about needs and opportunities.

5. **Increase Visibility and Leadership:** Create networks and forums that support and profile refugee women business leaders and workers, including highlighting their contributions, and advocating for their economic participation. Identify role models who can encourage and inspire other women. Celebrate male-owned businesses with policies and practices promoting women’s employment.
annex
businesses featured


FWNT (Gaziantep, Turkey): https://entrepreneurs.buildingmarkets.org/listings/fwnt-sirketi/

Lazord (Gaziantep, Turkey): https://entrepreneurs.buildingmarkets.org/listings/lazord/

Ay Nour (Gaziantep, Turkey): https://entrepreneurs.buildingmarkets.org/listings/ay-nour/

Velvet Mod (Istanbul, Turkey): https://entrepreneurs.buildingmarkets.org/listings/velvet-mod/

Muhra (Istanbul, Turkey): https://entrepreneurs.buildingmarkets.org/listings/muhra/

ENDNOTES

1 The World Bank Databank 2019
2 World Economic Forum’s 2019 Global Gender Gap Report
5 PWC’s Women in Work Index 2020
6 The IFC’s 2019 Job Study: Assessing Private Sector Contributions to Job Creation and Poverty Reduction, Findings on Gender
7 UNHCR Situation Syria Regional Refugee Response
8 UNHCR Situation Syria Regional Refugee Response
9 Yasar, A. A. (2019). Syrians have had a positive impact on the Turkish economy (URL: https://www.trtworld.com/turkey/syrians-have-had-a-positive-impact-on-the-turkish-economy-26640)
10 Refugees International
12 UN Women Needs Assessment
13 The World Bank Databank
14 The World Bank Databank 2010
15 UN Women Needs Assessment
17 Turkish women earn less than men regardless of education. (2020, March 6). (URL: https://www.dailysabah.com/turkey/turkish-women-earn-less-than-men-regardless-of-education/news)
18 The World Bank Databank 2019
20 The World Bank Databank 2019
21 IMF: Gender and Economics (URL: https://www.imf.org/external/themes/gender/index.htm#graph)
22 The World Bank’s Female Entrepreneurship Resource Point
WOMEN AS ENTREPRENEURS AND EMPLOYEES IN SYRIAN SMES IN TURKEY

August 2020