

SURVEY OF WOMEN ENTREPRENEURS IN GEORGIA



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This publication was prepared jointly by CRRC Georgia and the National Statistics Office of Georgia (Geostat) using the ILO's national Women's Entrepreneurship Development (WED) Assessment methodology, under the supervision of ILO WED Consultants, Annette St-Onge and Lois Stevenson.

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Norwegian Ministry
of Foreign Affairs



**MINISTRY OF FOREIGN AFFAIRS
OF DENMARK**



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CAUCASUS RESEARCH
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ACKNOWLEDGEMENTS

This report summarizes the findings of the Women Entrepreneurs Survey in Georgia. This data collection effort is part of a larger study by UN Women and the International Labour Organization (ILO) in Georgia aimed at conducting the National Assessment of Women’s Entrepreneurship Development in Georgia.

The Women Entrepreneurs Survey was designed and administered by the National Statistics Office of Georgia (Geostat), based on a standardized survey questionnaire for the ILO’s Women Entrepreneurs Surveys, under the supervision of ILO WED Consultants and Senior Technical Officer and Project Analyst at UN Women. The data were analysed by CRRC Georgia.

This publication is the result of collaboration between the Women’s Economic Empowerment (WEE) component of Good Governance for Gender Equality in Georgia (GG4GEG), generously funded by the Government of Norway and commissioned by the UN Women Country Office in Georgia, the “Women’s Entrepreneurship Development programme” of the ILO and the ILO-Danida Project “Inclusive Labour Market for Job Creation in Georgia” funded by the Government of Denmark.

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ACRONYMS AND ABBREVIATIONS

CRRC	Caucasus Research Resource Center
Geostat	National Statistics Office of Georgia
ICT	Information and communications technology
ILO	International Labour Organization
NACE	Statistical Classification of Economic Activities in the European Community
UN Women	United Nations Entity for Gender Equality and the Empowerment of Women

EXECUTIVE SUMMARY

This report summarizes the findings of the Women Entrepreneurs Survey in Georgia. This data collection effort is part of a larger study by UN Women and the International Labour Organization (ILO) in Georgia aimed at conducting a Women's Entrepreneurship Development (WED) Assessment in Georgia.

The survey instrument was based on a standardized survey questionnaire for the ILO's Women Entrepreneurs Surveys. The standard questionnaire that was adapted to the Georgian context contains 59 questions broken into eight sections, designed to capture information about:

- Women entrepreneurs (including their experience, business ownership history, motivations, and basic demographic information).
- Characteristics of the businesses (including age, legal structure, degree of formality, sector of activity, operating premises, employment, markets, and usage and ownership of ICTs).
- Business start-up and access to financing challenges.
- Experiences in accessing business information and business development support.
- Experiences with business registration and other dealings with government officials.
- Information on the development of the business in terms of recent investments to enhance or expand it and their future expectations for the development and performance of the business.
- Perceptions of the operating environment for women entrepreneurs, including the equity conditions for women and men entrepreneurs.

The sampling universe of the study comprised those enterprises that either have a female owner or, in the case of multiple owners, have women as the major shareholders, owning 50 per cent or more of company shares. Geographically, the survey covered the full territory of Georgia currently controlled by the Georgian authorities (that is, with the exception of Abkhazia and the Tskhinvali region/South Ossetia).

Businesses were drawn from Geostat's national business registry and the sample includes only active businesses that operated for more than 12 months prior to the fieldwork and had a financial turnover within this time frame. Businesses were drawn using a stratified simple random sample. Businesses were stratified by settlement type (Tbilisi, outside the capital city), the age of the enterprise (less than 5 years, 5 to 10 years, older than 10 years), and the type of economic activities (top-level NACE Revision 2 codes, where codes A, B, D, E and R were grouped due to the small number of businesses within these categories).

The survey sample is representative with surveyed 2,000 women entrepreneurs in Georgia. The survey fieldwork was administered online, using a special web-based form, between 27 May and 22 June 2022.

Demographic profile of women entrepreneurs

- The plurality (39 per cent) of women entrepreneurs in Georgia are between the ages of 40 and 55. They are also more likely to hold higher education degrees.
- Women entrepreneurs in Georgia often face the double burden of doing domestic care work while managing a business, with more than one fifth personally responsible for the care of elderly, sick or disabled household members.
- Women entrepreneurs mostly start businesses to have the flexibility to earn an income while still taking care of family and household duties. Still, a substantial share see entrepreneurship as giving them independence.
- Residents of Tbilisi, younger women and those with higher education seem to be motivated by the opportunity to be their own bosses. Women who are older, have lower educational attainment and live outside Tbilisi are more likely to imply a necessity or urgency to make money.
- More than half of the women had a prior employment history, with 48 per cent having been unemployed before the start of their current business. Currently, the majority only lead one business and have about 8.7 years of entrepreneurial experience.
- On average, women entrepreneurs start their businesses when they are about 38 years old.

Characteristics of their primary business

- Women entrepreneurs are mostly engaged in trade (59 per cent), with a distant percentage involved in manufacturing, other services, and accommodation and food services.
- Women start businesses independently, with only a small share taking over the family business.
- More than half of women entrepreneurs operate from proper business sites, such as office buildings, storefronts and the like. Slightly more than a quarter (27 per cent) manage their businesses from their personal residence. Women entrepreneurs with higher education are more likely to work from proper premises, while a good share of those without higher education work from outdoor sites.
- Georgian women entrepreneurs mostly focus on local markets.
- The majority of women entrepreneurs use some digital devices to run their businesses. Younger women, those who report to be divorced and women entrepreneurs from Tbilisi are more likely to use digital/ICT tools for their businesses than older respondents and women from outside Tbilisi.

- ④ Most women entrepreneurs do not have an Internet presence for their businesses. Few sell their products or services on the Internet. Tbilisi residents and those with higher education are more likely to have an Internet presence and sell products online.
- ④ Notably, most respondents are aware, interested in and confident that they will use digital tools in their business activities.
- ④ Overall, there is a significant gap between women entrepreneurs across age, location, educational attainment and marital status when it comes to the digitalization of their businesses. Women who are 24 years old or younger have a higher predicted score in the digitalization index than those who are over the age of 55. Those with higher education scored higher than those with vocational or secondary education. Single and divorced women entrepreneurs were more likely to operate a more digitalized enterprise than married or widowed women. Women in Tbilisi scored considerably higher in the digitalization index than those outside the capital city.
- ④ Problems in accessing start-up money are the most pressing challenge that women entrepreneurs face when starting their businesses. The next most frequently named challenges were related to domestic responsibilities and support from household members. Women outside Tbilisi were more likely to say that they found it hard to get support from their families, while those who were divorced or widowed were less likely to pick this problem out of the suggested list of potential challenges. Women entrepreneurs from outside the capital city were also more likely to say that they found it hard to arrange for family and childcare responsibilities than those in Tbilisi.
- ④ Personal savings are a major source of financing for start-ups, followed by borrowed funds from friends and bank loans.
- ④ Only 24 per cent of women entrepreneurs reported trying to obtain a loan for their businesses during the past year, while 76 per cent did not.
- ④ When asked about challenges to accessing financing, almost three quarters of respondents (74 per cent) named unaffordable, high interest rates. Slightly more than half (51 per cent) said that collateral requirements are too high, followed by 38 per cent who picked the statement that they are required to provide a personal guarantee or a co-signer (37 per cent).
- ④ Overall, all surveyed women entrepreneurs are registered with the Government of Georgia, including with such institutions as the National Agency of Public Registry (including its Registry of Entrepreneurs) and the Revenue Service.
- ④ Twenty-four per cent of women entrepreneurs report that they were visited by a government official during the past year. Notably, more women entrepreneurs from the regions said that they were visited by officials last year (26 per cent) than those from Tbilisi (19 per cent). Such visits happen due to tax issues (83 per cent of those visited) and checks by the Labour Inspection Office (29 per cent of those visited).
- ④ Overall, two thirds of respondents have not made any investments in their businesses during the past year. Women entrepreneurs with higher education and those from Tbilisi were more likely to have made an investment during the past year.

- ④ When asked whether or not women entrepreneurs are planning to make changes to their businesses in the coming 12 months, the majority either plan to do nothing (48 per cent) or are unsure (28 per cent). Only less than a quarter said that they plan to make some changes to expand their businesses (24 per cent). Overall, women who are 24 years old or younger are more likely to plan for changes than older women entrepreneurs. Those who do not have children in the household are also more likely to be planning changes for business development than women who live in a household with children. More women entrepreneurs with higher education said that they would like to make changes for developing or improving their businesses than those with lower educational attainment. Notably, divorced women are also more likely than others to plan for changes in the future.
- ④ Of the businesses that are planning to make some changes, the majority (67 per cent) plan to expand the range of products and services that their business offers to its customers. More than half plan to hire more workers (56 per cent), invest in new equipment or technology (54 per cent) and improve the labour conditions for their employees (51 per cent).
- ④ When asked to list the problems hindering their business development, the majority (61 per cent) picked access to finances, 42 per cent said that dealing with government regulations and compliance costs might hinder their business development, and 41 per cent named taxation issues.
- ④ Only a handful of women entrepreneurs are members of business associations. Four per cent of women entrepreneurs report being a member of some business-related organizations, such as the chamber of commerce, entrepreneurs' associations, employers' associations and the like.
- ④ Only 8 per cent of the surveyed women entrepreneurs said that they participated in a local, national, regional or international trade fair or exhibition. Expectedly, women from Tbilisi and those with higher education are more likely to have done so.
- ④ For most respondents, the Internet (61 per cent) and accountants (47 per cent) are their main sources for business information. Women entrepreneurs get advice on their businesses from accountants, as mentioned by half of the respondents.
- ④ Ten per cent of women entrepreneurs said that at some point, they have participated in training to learn how to use information and communications technology (ICT) in their business operations. Women entrepreneurs with a higher than secondary education were more likely to have participated in such training, similar to those from Tbilisi.
- ④ Nine per cent of women entrepreneurs have taken part in entrepreneurship or small business management training programmes. Women who are over the age of 55 are less likely to report participating in such training, while those who have at least obtained vocational education report having taken part in an entrepreneurship or small business management training.
- ④ Overall, only 6 per cent of women have participated in one or another business support programme. Among those who did, many used the services provided by women's business support centres, business counselling or mentoring, and a loan programme for women entrepreneurs.

The image features a background split into two horizontal bands: a top blue band and a bottom green band. A large, stylized number '7' is positioned on the right side, spanning both bands. The top part of the '7' is a light blue shape that tapers to the right, while the vertical stem is a darker blue. The bottom part of the '7' is a light green shape that tapers to the right, while the vertical stem is a darker green. The word 'INTRODUCTION' is written in white, uppercase, sans-serif font, underlined, and centered horizontally in the blue band.

INTRODUCTION

The purpose of this report is to summarize the findings of the Women Entrepreneurs Survey in Georgia. This data collection effort is part of a larger study by UN Women and the International Labour Organization (ILO) in Georgia aimed at conducting a National Assessment of Women's Entrepreneurship Development in Georgia.

While there are a number of research studies looking at women's economic empowerment in Georgia, including those done by and for UN Women,¹ the Economic Policy Research Center (EPRC)² and Europe Foundation,³ there is still the lack of comprehensive, large-N studies that would provide a more in-depth understanding of the challenges faced by women entrepreneurs in Georgia. This report aims at bridging this gap in knowledge about women's entrepreneurial activities in Georgia.

Broadly speaking, the goal of this effort is to understand the characteristics of women-led businesses in Georgia, map key challenges that they faced when starting up their businesses and in their day-to-day operations, and explore the experience of and needs for technical and entrepreneurship trainings for women entrepreneurs. This report makes use of a representative survey of women entrepreneurs in Georgia that was administered by the National Statistics Office of Georgia (Geostat) and analysed by CRRG Georgia.

The report proceeds as follows. First, a detailed overview of the methodology is provided. Next, the report proceeds to a chapter presenting the substantive findings, broken down into specific thematic sections. The first major section establishes the profile of women entrepreneurs in Georgia, followed by sections covering an extensive analysis of their primary businesses, their access to business information, their experience of and needs for training support, and the perceptions of the conditions and needs for women entrepreneurs. The report concludes with a summary of the major findings.

The image features a solid blue background in the upper half and a solid green background in the lower half. A large, light blue curved shape, resembling a stylized arch or a partial circle, spans across the boundary between the two colors. The word "METHODOLOGY" is written in white, uppercase, sans-serif font, positioned within the blue area and underlined. The green area contains a large, light green curved shape that mirrors the one in the blue area, and a horizontal light green bar is located near the bottom edge.

METHODOLOGY

The Women Entrepreneurs Survey was designed and administered by Geostat. The survey instrument was based on a standardized survey questionnaire for the ILO's Women Entrepreneurs Surveys. The questionnaire was adapted to the Georgian context, translated and piloted by Geostat. Overall, 20 pilot interviews were administered online and over the telephone.

The sampling universe of the study comprised those enterprises that either have a female owner or, in the case of multiple owners, have women as the major shareholders, owning 50 per cent or more of company shares. Geographically, the survey covered the full territory of Georgia currently controlled by the Georgian authorities (that is, with the exception of Abkhazia and the Tskhinvali region/South Ossetia). Additionally, business entities whose major sector of activities are financial and insurance activities (section K of NACE Revision 2) and real estate activities (section L) were not included in the sampling universe.

Businesses were drawn from Geostat's national business registry. Geostat sampled only active businesses that operated for more than 12 months prior to the fieldwork and had a financial turnover within this time frame. Businesses were drawn using a stratified simple random sample. Businesses were stratified by settlement type (Tbilisi, outside the capital city), the age of the enterprise (less than 5 years, 5 to 10 years, older than 10 years), and the type of economic activities (top-level NACE Revision 2 codes, where codes A, B, D, E and R were grouped together due to the small number of businesses within these categories).

The fieldwork was administered online, using a special web-based form designed by Geostat. Interviews were administered between 27 May and 22 June 2022. Overall, Geostat collected 2,000 completed interviews by contacting 2,964 businesses. In the case of non-responses, new businesses were drawn from the same strata.

The data were weighted to reflect the characteristics of the sampling universe and stratification patterns.

The data were analysed by CRRC Georgia. CRRC Georgia used inferential statistical tools to identify differences between major groups of women entrepreneurs. Namely, the organization established a baseline model that includes key demographic characteristics (respondent's age, education, marital status, settlement type) and ran appropriate regression models with survey settings to check whether women entrepreneurs differed across major sociodemographic groups. If not explicitly mentioned, all reported differences were identified and checked using regression models.

The image features a background split into two main color zones: a dark blue upper section and a green lower section. In the blue section, there is a light blue horizontal bar at the top and a large, light blue arrow pointing downwards and to the right. In the green section, there is a large, light green curved shape that resembles a stylized 'C' or a partial circle. The word 'FINDINGS' is written in white, uppercase letters in the blue section, with a thin white underline.

FINDINGS

3.1 PROFILE OF WOMEN ENTREPRENEURS IN GEORGIA

3.1.1 Demographic profile

The plurality (39 per cent) of women entrepreneurs in Georgia are between the ages of 40 and 55. Thirty per cent are between 25 and 29 years old, while 29 per cent are over the age of 55. Only 2 per cent are 24 years old or younger.

Those who hold higher education degrees represent the majority of women entrepreneurs in Georgia. About 44 per cent of respondents hold higher education degrees, followed by an equal proportion (28 per cent each) of those who have obtained vocational education or hold secondary education degrees.

The majority of interviewed women entrepreneurs are married or cohabiting (78 per cent). Eight per cent are single, and the same proportion report to be widowed. Five per cent report to be divorced or separated.

The majority of interviewed women entrepreneurs have children. Only 13 per cent reported that they have no children. The plurality (49 per cent) reported having two children, about one fifth (19 per cent) have one child, and 16 per cent have three children. Notably, 65 per cent have children who are under the age of 18 and currently live within the same household.

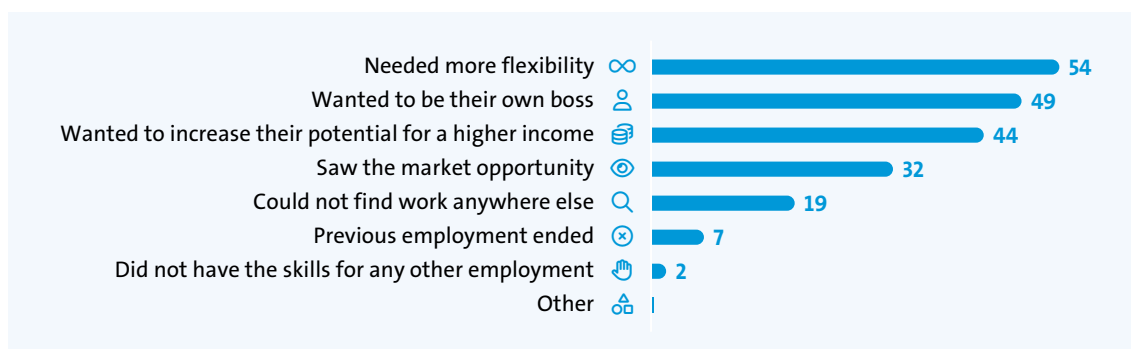
Women entrepreneurs in Georgia often face the double burden of doing domestic care work while managing a business. When asked whether or not they are personally responsible for the care of elderly, sick or disabled household members, more than one fifth (22 per cent) said yes. Notably, women aged 40–55 are more likely to care for an elderly, sick or disabled person, with 32 per cent reporting doing so.

3.1.2 History of entrepreneurial activities

What motivates women entrepreneurs in Georgia to have their own businesses (Figure 3.1)? When asked, more than half (54 per cent) substantiated their decision with the fact that they needed the flexibility to earn an income while still taking care of family and household duties. Close to half of women entrepreneurs (49 per cent) wanted independence and to be their own bosses. Forty-four per cent wanted to increase their potential to earn a higher income; about one third (32 per cent) saw an opportunity in the market to establish a profitable business; and almost one fifth (19 per cent) were pushed to start a business because they could not find any other employment. Fewer said that their previous employment ended (7 per cent), that they do not have any other skills for employment (2 per cent) or that some other reason prompted them (less than 1 per cent).

FIGURE 3.1

Which of the following best describe(s) your reason(s) for having your own business? (percentage of the full sample)



Note: Respondents were permitted to choose up to three answers.

Women entrepreneurs differ across demographic groups in terms of what motivated them to start a business. Those living in Tbilisi, younger women and respondents with higher education seem to be motivated by potential opportunities rather than by a necessity to start a business. Women who are older, have lower educational attainment and live outside Tbilisi are more likely to imply a necessity or urgency to make money.

Younger women and those from the capital city were more likely to see entrepreneurship as an opportunity to be their own bosses. As many as 92 per cent of women under the age of 25 said as much, compared to slightly half of women entrepreneurs across all ages. Similarly, 56 per cent of women entrepreneurs in Tbilisi named independence as their main reason for starting a business.

Educated women were more likely than those with lower educational attainment to say that they started their businesses because they saw a market opportunity. Additionally, there is an age divide: about 40 per cent of women in the youngest age cohort named this answer, as opposed to only 28 per cent among those who were over the age of 55.

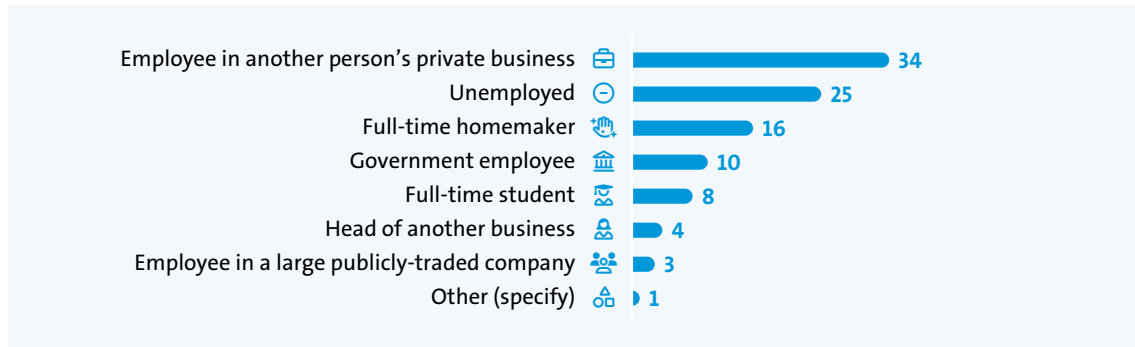
Older and less educated women were more likely to say that they started their business because they could not find any other job. Twenty-seven per cent of older women and 29 per cent of those with secondary or lower education said that they were unable to find other employment.

For the majority of women, the necessity to earn more money when taking care of their family and household duties was a main motivating factor. Still, older women, those with lower educational attainment and those outside Tbilisi were even more likely to say so.

Prior to starting their current business, 51 per cent of respondents were already employed, with 34 per cent working as an employee at some other person's private enterprise (Figure 3.2), 10 per cent working for a government agency and 3 per cent employed by some large business. Only 4 per cent said that they were running another business.

FIGURE 3.2

What were you doing before you started your current business? (percentage of the full sample)



Note: Respondents were permitted to choose one answer. Some data were rounded to the whole number.

Close to half of respondents (49 per cent) were not working prior to starting their current business. Twenty-five per cent said that they were unemployed, 8 per cent were full-time students, and 16 per cent said they were full-time homemakers.

Only about 19 per cent of women entrepreneurs had business experience prior to starting their current operations. This is associated with respondents' age and education. While older respondents expectedly were more likely to have such experience, respondents with higher education were also more likely to own a business before starting their current one. Those women who currently own a business, on average, have led 1.3 businesses (median of 1) in the past. Currently, the majority of women entrepreneurs (94 per cent) only lead one business. The average length of their entrepreneurial experience amounts to 8.7 years (with a median of 7 years).

On average, women entrepreneurs start their businesses when they are about 37.8 years old (median of 37). Age, marital status and the presence of young children in the household predict at what age respondents started entrepreneurial activities. On average, women who are 24 years old or younger started their businesses at the age of 20, while those aged 25–39 engaged in business at 27 years old. Those who have younger children in the household, on average, start a business later than those without young children. Notably, those who report to be widowed start their businesses at 34 years old—a relatively older age than others.

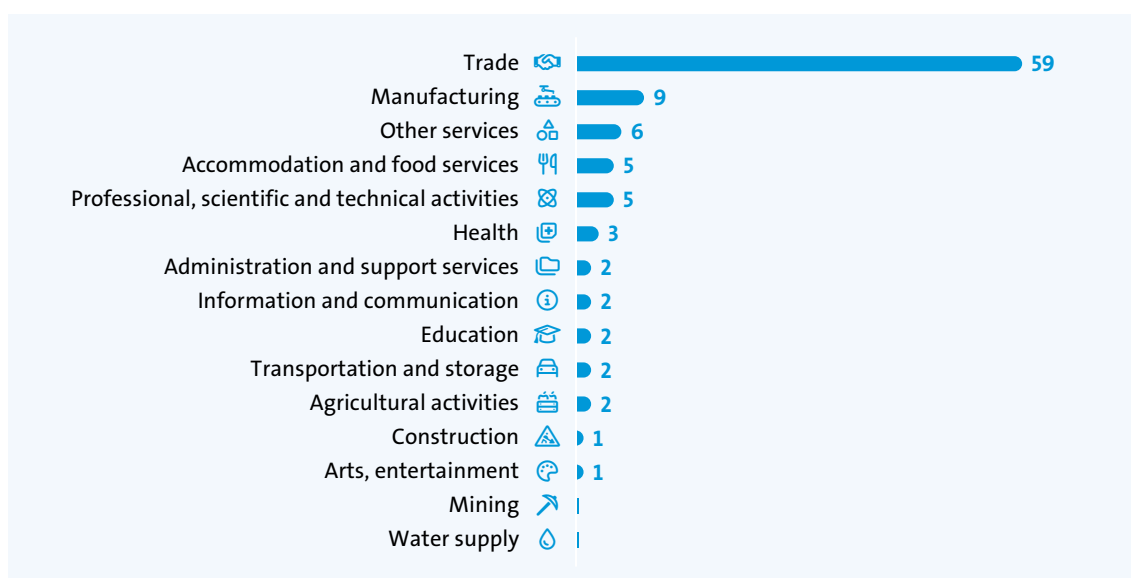
3.2 PRIMARY BUSINESS

3.2.1 Characteristics of their primary business

Respondents were asked a set of questions about the characteristics of their current business. Overall, the survey shows that the majority of women-led businesses in Georgia are working in trade (59 per cent) (Figure 3.3). Fewer operate in manufacturing (9 per cent), some other services (6 per cent), accommodation and food services (5 per cent), professional, scientific and technical activities (5 per cent), and healthcare-related sectors (3 per cent). Even smaller proportions work in sectors related to administrative and support services, information and communication, education and so forth.

FIGURE 3.3

In which sector does your primary business operate? (percentage of the full sample)



Note: Respondents were permitted to choose one answer.

The majority of women entrepreneurs started their businesses on their own (89 per cent). About 8 per cent took over a family enterprise, while a similar share (8 per cent) purchased their business from someone else or inherited it.

Two thirds of the women-owned businesses were operated as sole proprietorships (or as individual entrepreneurs, as defined by Georgian law). About 31 per cent are registered as limited liability companies, while a negligible share work as joint-stock companies, limited partnerships and cooperatives.

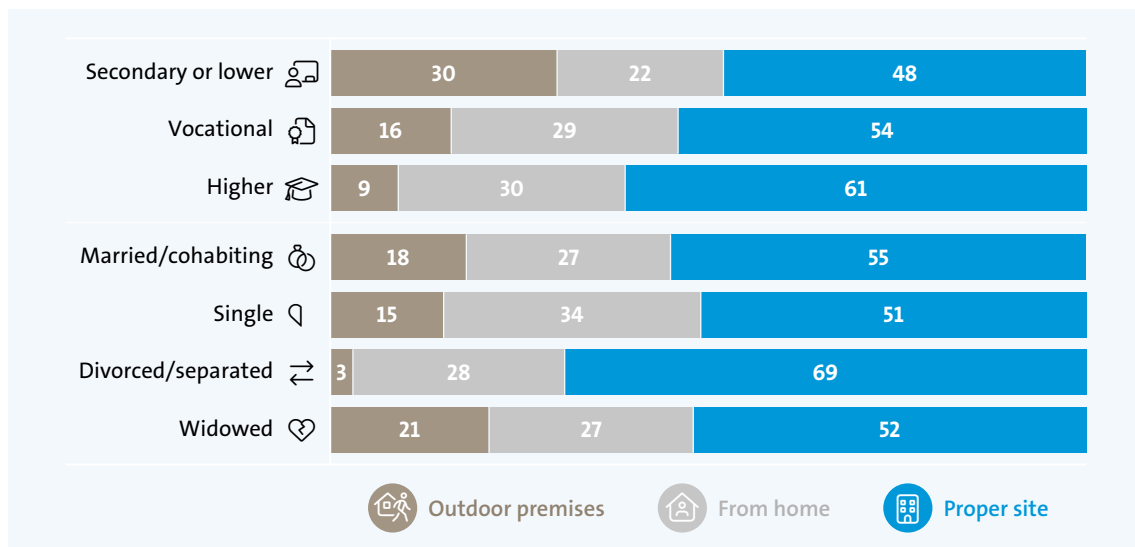
Respondents who operated other than privately owned businesses (31 per cent of the total sample) were asked about shareholders. Overall, the majority of such respondents (69 per cent) do not have a shareholder in their current businesses. Those who do, on average, share their businesses with 1.9 partners (median of 1). Twenty-four per cent have a woman shareholder, and 11 per cent have male business co-owners.

3.2.2 Premises, employees and markets

Overall, more than half of women entrepreneurs (56 per cent) operate from proper business sites, such as office buildings, storefronts and the like. Slightly more than a quarter (27 per cent) managed their businesses from their personal residence. Fewer had market stalls and temporary structures (7 per cent each) such as kiosks, while only 2 per cent worked as street vendors.

Respondents' education level and marital status predict the type of premises from which they operate (Figure 3.4). Women entrepreneurs with higher education are more likely to work from proper premises, such as offices, storefronts, factories and the like, while a good share of those who have not obtained higher education work from outdoor sites, such as farms, the streets, a market stall or a temporary structure. Similarly, those who report to be divorced mostly work from proper business sites. Notably, only 38 per cent of women entrepreneurs who work in premises other than the streets report owning their business sites.

FIGURE 3.4
What type of premises does your business operate from? (percentage of the full sample, by education and marital status)



Note: Respondents were permitted to choose one answer.

Thirty-six per cent of women entrepreneurs do not employ workers other than themselves. Twenty-three per cent have one employee, 13 per cent have two employees, 15 per cent employ three to five people, and 4 per cent have six to nine workers. Eight per cent employ 10 or more people.

The majority of women entrepreneurs (56 per cent) do not have paid employees, with 71 per cent also not employing unpaid workers, such as members of the household who help out free of charge. Thirteen per cent pay one employee, 8 per cent have two paid employees, and 12 per cent have between three and five paid workers. Four per cent have six to nine paid employees, while 7 per cent employ and pay 10 or more people.

When it comes to women employees, 52 per cent of the interviewed businesses employ female workers, with 37 per cent also employing men. Close to a quarter (23 per cent) have one female employee, 10 per cent have two, 11 per cent employ three to five women, and the remaining businesses have six or more women employees.

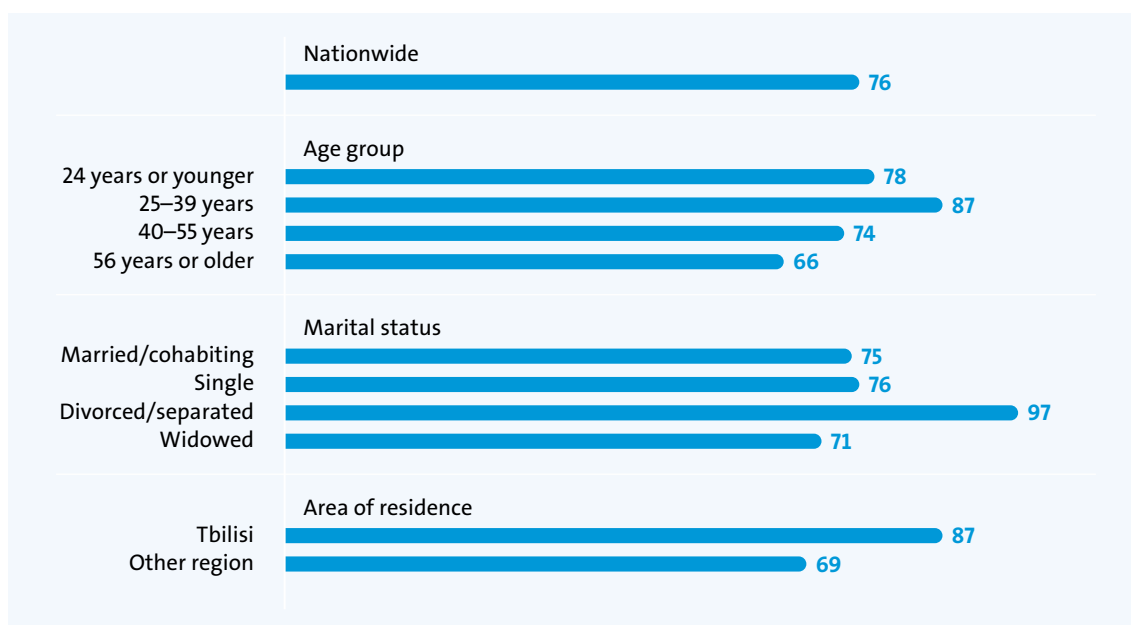
Georgian women entrepreneurs are mostly focused on local markets—that is, on those within their community or area of residence. About 82 per cent said that they sell their products or services in the local area, while 8 per cent work in regional or provincial markets. About 7 per cent focus on national markets, and only very few (3 per cent) have an international presence.

3.2.3 Digital/ICT tools in entrepreneurial activities

The majority of women entrepreneurs use some digital devices to run their businesses. Seventy-six per cent of women business owners use tools such as smartphones, computers, landline phones or tablet computers for their businesses (Figure 3.5).

FIGURE 3.5

Does the respondent use any of the following ICT items? (percentage of an indicator variable representing whether the respondent mentioned that she used digital tools for business purposes)



Specifically, sixty per cent use smartphones with Internet access, followed by a portable or laptop computer (37 per cent), a desktop computer (33 per cent), a landline phone (12 per cent) or a tablet (8 per cent). To understand which groups of women entrepreneurs were more or less likely to use ICT/digital devices in their businesses, an indicator variable was created to record whether a business used a smartphone, a laptop, a desktop computer, a landline or a tablet computer for business purposes (Figure 3.5). Overall, younger women, those who report to be divorced and women entrepreneurs from Tbilisi are more likely to use digital/ICT tools for their businesses than older respondents and women from outside Tbilisi.

The majority of women entrepreneurs do not have an Internet presence for their businesses. Only about 32 per cent of women entrepreneurs said that they have their own website or a social media account. About 14 per cent of women entrepreneurs have a business website, while 30 per cent have some type of social media page, such as one on Facebook, Instagram and the like. Close to half of the women entrepreneurs from Tbilisi and those with higher education have an online presence for their businesses, while very few outside Tbilisi and with lower educational attainment do so.

As only select women entrepreneurs have set up an online presence for their businesses, few sell their products or services on the Internet. Twenty-three per cent of women entrepreneurs were selling their products either fully or partially online through a web page or on social media. About 6 per cent of women entrepreneurs said that they were selling all of their products fully online via websites, and 4 per cent were doing the same through their social media pages. However, a greater share, 14 per cent, indicated that some (not all) of their products were being sold through dedicated websites, and 10 per cent were selling some services or products using social media pages. Importantly, as in the case of Internet usage, women from the capital and those who obtained more than secondary education were more likely to sell online.

How do women entrepreneurs use technologies, such as smartphones or the Internet, in their business activities (Figure 3.6)? Close to two thirds (64 per cent) use technology for communicating with customers or suppliers. More than half (52 per cent) use such tools to find suppliers, while 47 per cent report finding customers using smartphones or the Internet. Forty-three per cent conduct their day-to-day business operations on these devices, and 37 per cent use them to get information that helps with business decisions. Fewer report selling (31 per cent) or promoting (27 per cent) products or services, learning skills and participating in training (24 per cent), and networking (19 per cent). Notably, women entrepreneurs who use technology to solve business-related issues do so using a mobile/smartphone rather than non-mobile Internet or a computer.

FIGURE 3.6

Do you use mobile/smartphones, computers or the Internet for any of the following purposes in your business? (percentage of the full sample)



Note: Respondents were permitted to choose more than one answer.

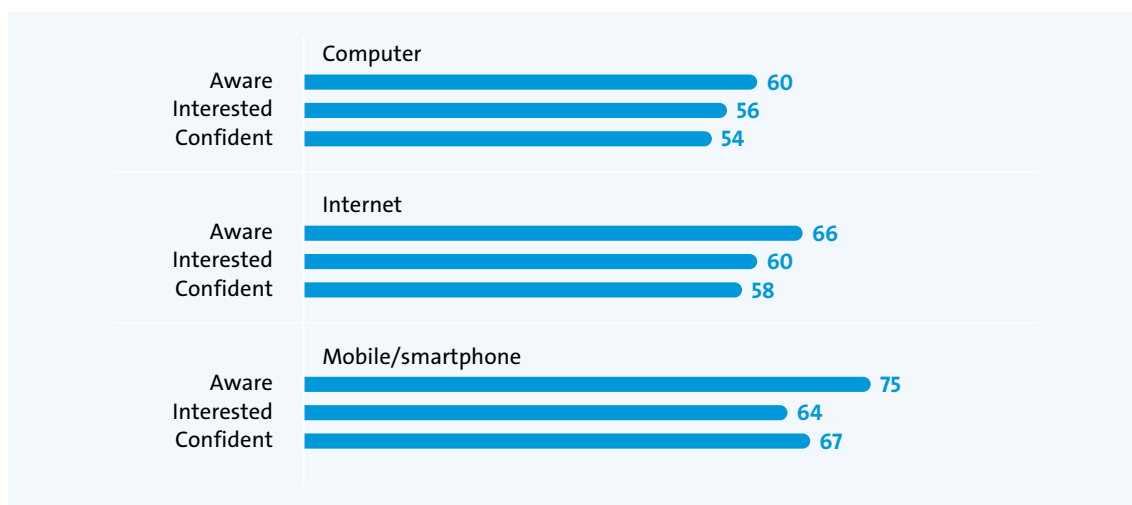
Most women access financial services online, as 54 per cent reported using such services online through a mobile/smartphone device. Women who have obtained higher education and those who come from Tbilisi are more likely to use online financial services.

To gauge respondents' readiness to use their ICT skills in their businesses, women entrepreneurs were asked a set of questions that measured their awareness of and interest and confidence in using computers, the Internet and smartphones (Figure 3.7). Notably, most respondents are aware, interested in and confident that they will use all of the mentioned tools in their businesses. The largest proportion (75 per cent) is aware of the different ways that mobile phones/smartphones can be used in businesses,

followed by those with knowledge of the Internet (66 per cent) and computers (60 per cent) for business purposes. While the majority of women entrepreneurs are interested in using various ICT tools in their businesses, the largest proportion (64 per cent) would like to learn more skills to use mobile phones/smartphones in their business activities. Fewer said the same about the Internet (60 per cent) and computers (56 per cent). As for confidence regarding their skills, the largest share felt confident in their skills with mobile phones/smartphones (67 per cent), followed by the Internet (58 per cent) and then computers (54 per cent).

FIGURE 3.7

Agreement on statements that measure respondents' awareness of, interest in and confidence in using ICT skills in business (percentage of the full sample that agree)

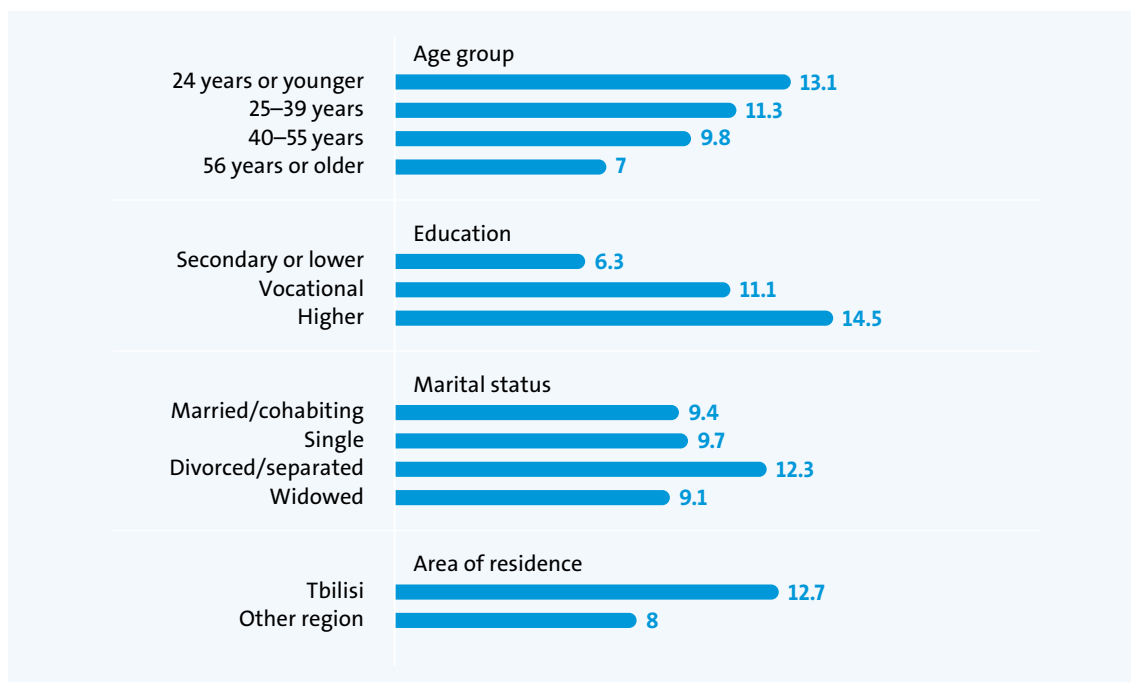


Finally, to better understand which businesses are more or less likely to use digital tools in their operations, a compound index was created. It is an additive index that summarizes whether a respondent uses ICT tools to run her business (two measures), has an Internet presence, sells products or services online, and accesses financial services online. The index ranges from 0 (no digitalization) to 38 (complete digitalization), with a mean value of 10.2 and a median score of 7.

In terms of ICT uptake overall, there is a significant gap between women entrepreneurs across age, location, educational attainment and marital status (Figure 3.8). Women who are 24 years old or younger have a higher predicted score in the digitalization index (13.1) than those who are over 55 years of age (7). Those with higher education scored higher in the digitalization index (14.5) than those with vocational (11.1) or secondary education (6.3). Notably, single and divorced women entrepreneurs were more likely to operate a more digitalized enterprise than married or widowed women. Women in Tbilisi scored considerably higher in the digitalization index than those outside the capital city.

FIGURE 3.8

Predicted counts of digitalization index (full sample)

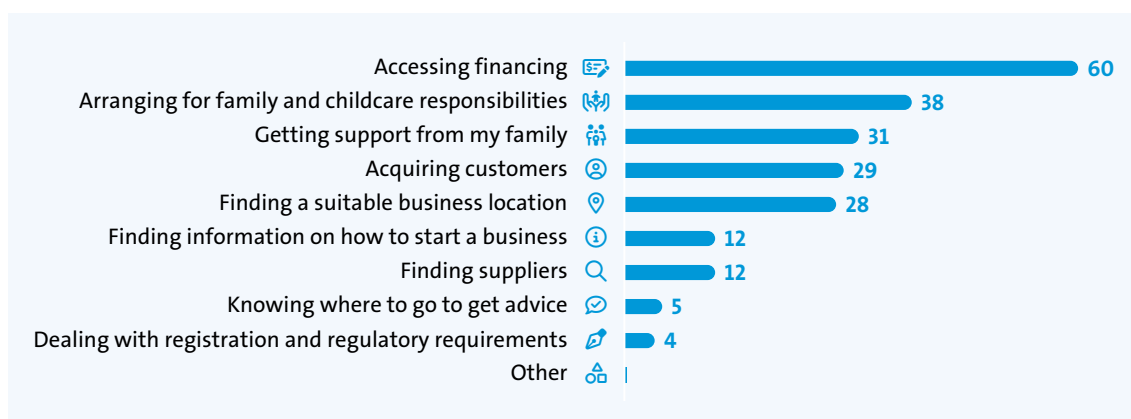


3.2.4 Start-up challenges

Respondents were asked to name the biggest challenges that they faced when starting their businesses (Figure 3.9). Not surprisingly, problems in accessing start-up money were named most frequently (60 per cent). The next most frequently named challenges were related to domestic responsibilities and support from household members. Thirty-eight per cent of women entrepreneurs found it challenging to arrange for family and childcare responsibilities, while close to one third of respondents (31 per cent) found it challenging to get support from their own family members. Thirty-eight per cent of women entrepreneurs found it challenging to arrange for family and childcare responsibilities, while close to one third of respondents (31 per cent) found it challenging to get support from their own family members.

FIGURE 3.9

What were the biggest challenges in getting your business started? (percentage of the full sample)



Note: Respondents were permitted to choose up to three answers.

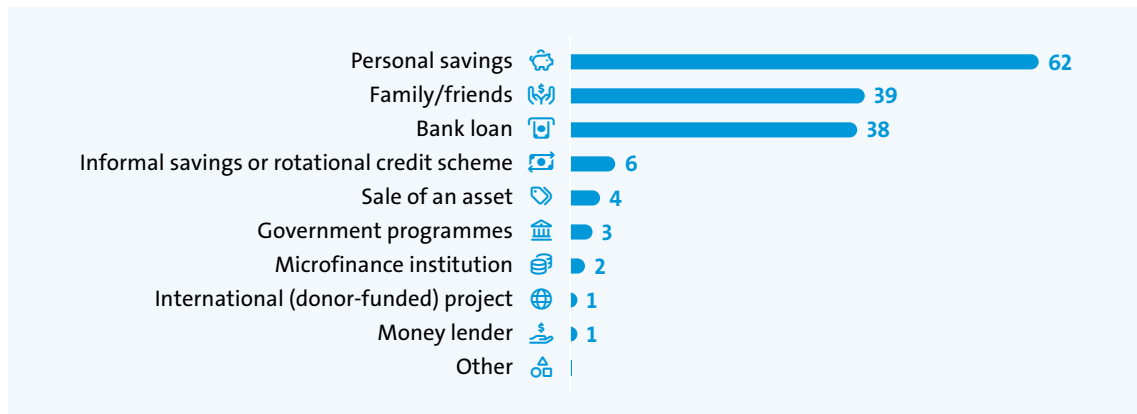
Twenty-nine per cent of women entrepreneurs faced problems in acquiring customers, while 28 per cent could not easily find a space that would have been suitable for their business. Fewer picked such challenges as finding information on how to start a business, finding suppliers, knowing where to get advice, and dealing with registration and regulatory requirements.

Notably, women across demographic groups equally singled out access to financing as a challenge to starting up their businesses. Women outside Tbilisi were more likely to say that they found it hard to get support from their families, while those who were divorced or widowed were less likely to pick this problem out of the suggested list of potential challenges. Women entrepreneurs from outside the capital city were also more likely than those in Tbilisi to say that they found it hard to arrange for family and childcare responsibilities.

3.2.5 Financing issues

Personal savings are a major source of financing for start-ups (Figure 3.10). Sixty-two per cent of respondents said that they started their businesses with their own savings. About an equal proportion borrowed money from family or friends (39 per cent) or got a bank loan (38 per cent). Fewer used a rotational credit scheme, sold assets or used government programmes.

FIGURE 3.10
What source(s) of financing did you use to get your business started? (percentage of the full sample)



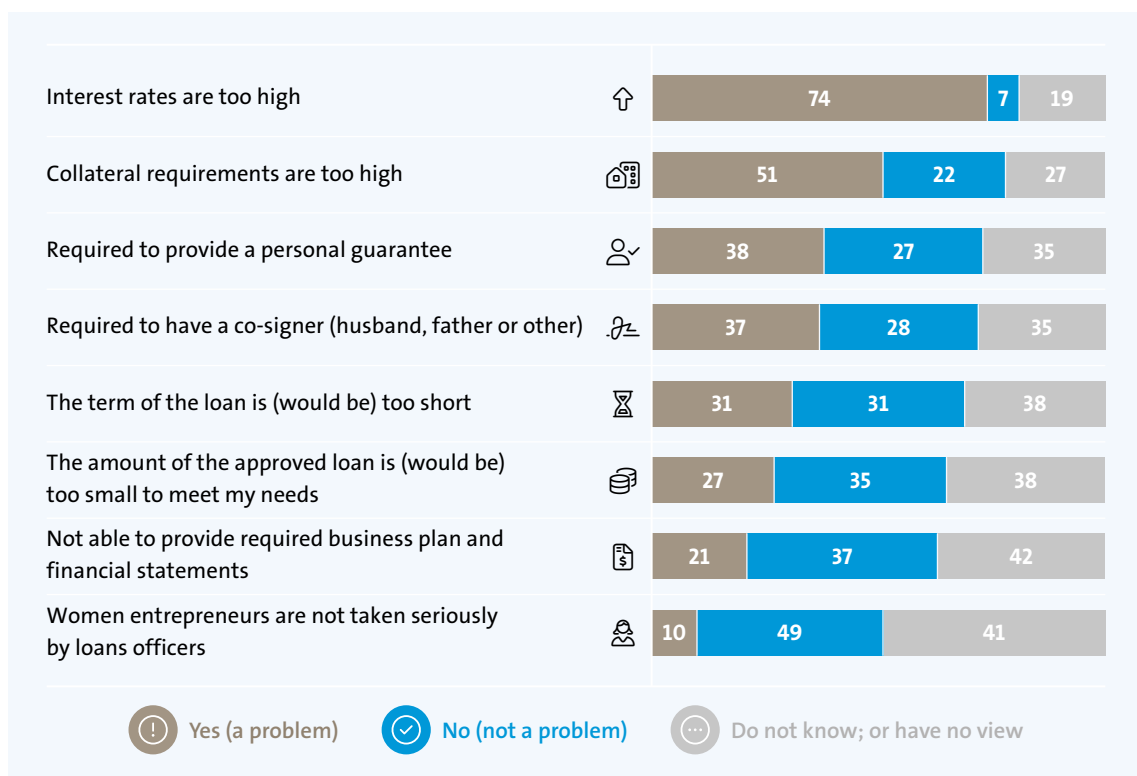
Notably, while women entrepreneurs across all demographic groups were most likely to have used personal savings to start up their businesses, more women from outside Tbilisi (41 per cent) used bank loans to start their businesses than did those from the capital city (32 per cent). Similarly, young women were more likely to receive support from family and friends (76 per cent) than older women entrepreneurs.

Only 24 per cent of women entrepreneurs reported trying to obtain a loan for their businesses during the past year, while 76 per cent did not. When the latter were asked about their reasons for not trying to get a loan, the majority (74 per cent) said they did not need one, 22 per cent did not want to take on more debt, and about 3 per cent said that they did not think their business would qualify for a loan.

Those 24 per cent of women entrepreneurs who tried to get a loan were asked a follow-up question about what kinds of institutions they approached. The absolute majority of such respondents had approached banks (95 per cent), followed by 12 per cent who had asked a family member or a friend for a loan. Three per cent or fewer had applied to a government programme, a microfinance organization or an international project or had used a pawn shop or a private money lender. Importantly, the majority of respondents who approached banks reported that their application was successful (85 per cent), as was the case for 77 per cent of those who asked their families or friends for a loan.

What are the major obstacles that women entrepreneurs face when trying to access financing (Figure 3.11)? Almost three quarters of respondents (74 per cent) named high interest rates that are not affordable. Slightly more than half (51 per cent) said that collateral requirements are too high, followed by 38 per cent who said that they were required to provide a personal guarantee or a co-signer (37 per cent). Thirty-one per cent said that the loan terms are too short, while 27 per cent said that the amount of the approved loan is too small to meet their needs. Twenty-one per cent noted that they could not provide the required business plans and financial statements, while only 10 per cent agreed that women entrepreneurs are not taken seriously at banks.

FIGURE 3.11
In your view, what are (or would be) the major problems in obtaining a loan from a financial institution (bank or microfinance organization)? (percentage of the full sample)



3.2.6 Relations with the State

Business registration

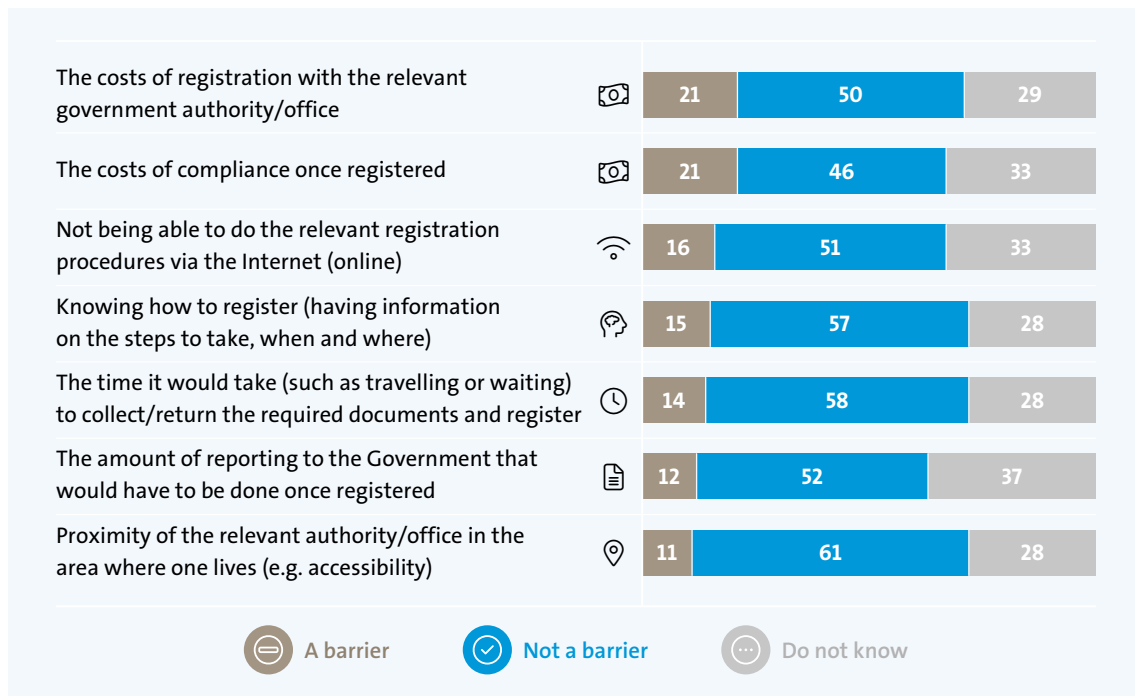
Overall, all surveyed women entrepreneurs are registered with the Government of Georgia, including with such institutions as the National Agency of Public Registry (including its Registry of Entrepreneurs) and the Revenue Service.

Respondents were presented with a list of factors and asked whether or not they believed each of the items would be a barrier to formalizing a business (Figure 3.12). Overall, respondents were more likely to say that a particular issue is not a barrier than they were to consider it an impeding factor. Additionally, a substantial proportion were unsure or ambivalent. Overall, 21 per cent said that the costs associated with the registration of a business were a barrier, while 50 per cent believed that they were not a barrier. Twenty-one per cent said that the costs of compliance once a business is registered represent a challenge, with 46 per cent disagreeing.

Some said that not being able to do the relevant registration procedures online is a problem (16 per cent), followed by 15 per cent who said that the lack of knowledge of how to register represented a barrier to formalizing a business. Fewer considered issues such as the time needed to collect necessary documents for registration (14 per cent), the amount of reporting following the registration (12 per cent), and the proximity to the registration authorities as barriers to formalizing a business (11 per cent).

FIGURE 3.12

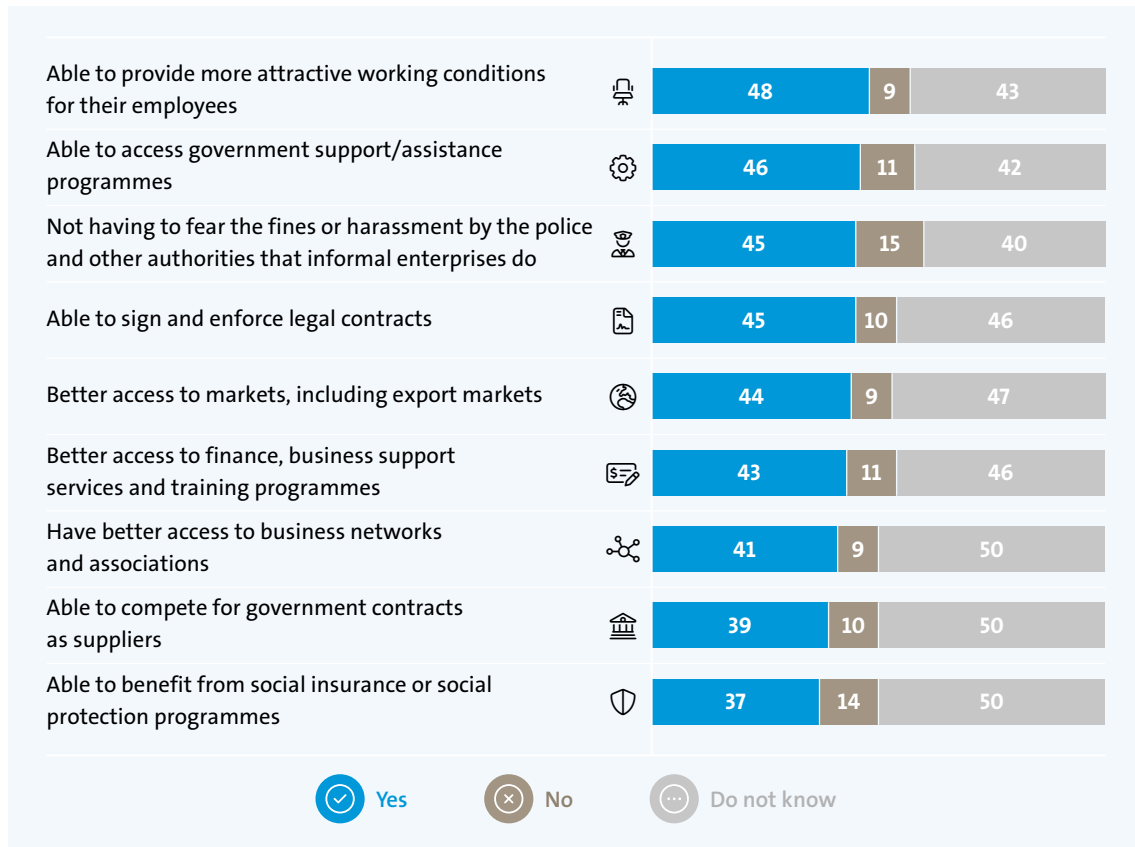
In your opinion, which of the following factors would be a barrier to formalizing a business? (percentage of the full sample)



When asked about what might be specific advantages of having a formalized business, respondents either agreed to each of the presented statements or were ambivalent (Figure 3.13). The statement to which respondents agreed most frequently was that formal businesses are able to provide more attractive working conditions for their employees (48 per cent), followed by the opportunity to access government support and assistance programmes (46 per cent) and the fact that formalizing a business prevents harassment by the authorities (45 per cent). The same share agreed to such statements as the ability to sign and enforce legal contracts (45 per cent) and have better access to markets (44 per cent), financing (43 per cent) and business networks (41 per cent), while a smaller proportion picked the opportunity to access government procurements (39 per cent) and the option to benefit from social protection programmes (37 per cent).

FIGURE 3.13

In your opinion, what are (or would be) the major advantages of having a formal business (registered and compliant with the law)? (percentage of the full sample)



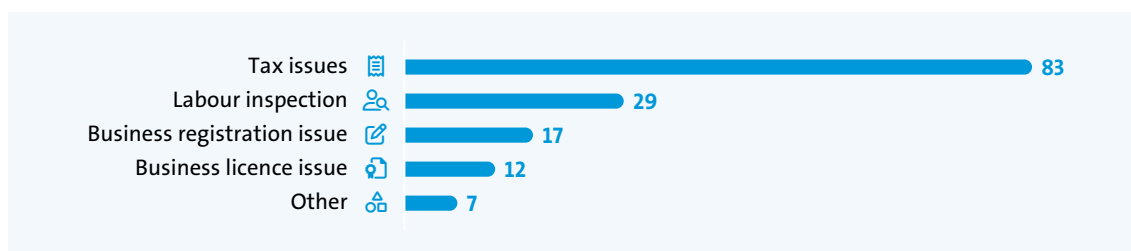
Visits from government officials

Twenty-four per cent of women entrepreneurs report that they were visited by a government official during the past year. Notably, more women entrepreneurs from the regions said that they were visited by officials last year (26 per cent) than those from Tbilisi (19 per cent).

Most respondents who said that they were visited by the authorities said that such an occasion happened due to tax issues (83 per cent), followed by 29 per cent who said that labour inspectors came to their businesses (Figure 3.14). Fewer reported being visited due to business registration issues (17 per cent) or issues related to business licensing (12 per cent).

FIGURE 3.14

For what purpose did the government official(s) visit your business? (percentage of only those respondents who were visited by the authorities in the past year (24 per cent))



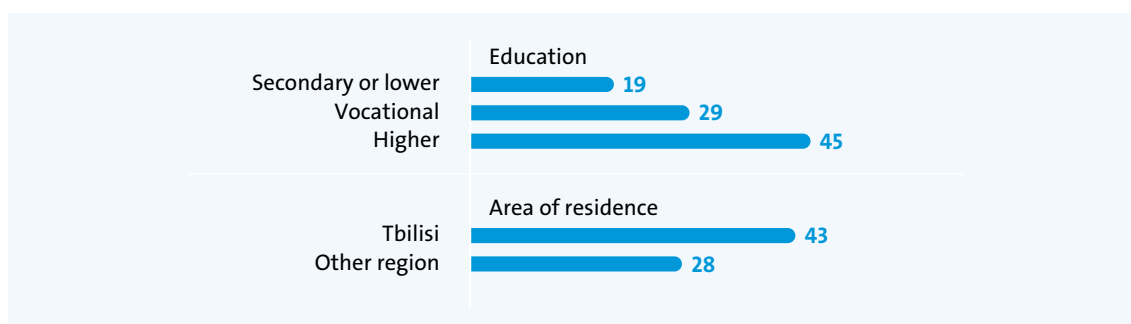
3.2.7 Business development

Overall, two thirds of respondents have not made any investments in their businesses during the past year. Those who did so invested in new production equipment or technology (16 per cent of the total sample), made improvements to old production equipment or upgraded technology (15 per cent), purchased new office equipment (13 per cent) or bought some type of information technology or a device (10 per cent). Fewer invested in developing a new product or improving an existing product (9 per cent) or hired additional staff (8 per cent). Six per cent or fewer expanded their premises, moved to a better location, started another business or established another premise.

Notably, women entrepreneurs with higher education and those from Tbilisi were more likely to have made investments in their businesses during the past year (Figure 3.15). Forty-five per cent of women entrepreneurs with higher education invested in their businesses, compared to those with vocational (29 per cent) and secondary or lower education (19 per cent). Similarly, Tbilisi residents were more likely to have invested in their businesses (43 per cent) than those residing outside the capital city (28 per cent).

FIGURE 3.15

Did the respondent invest in the business during the past year? (percentage of a binary variable indicating whether or not the respondent made investments in select components of their businesses)

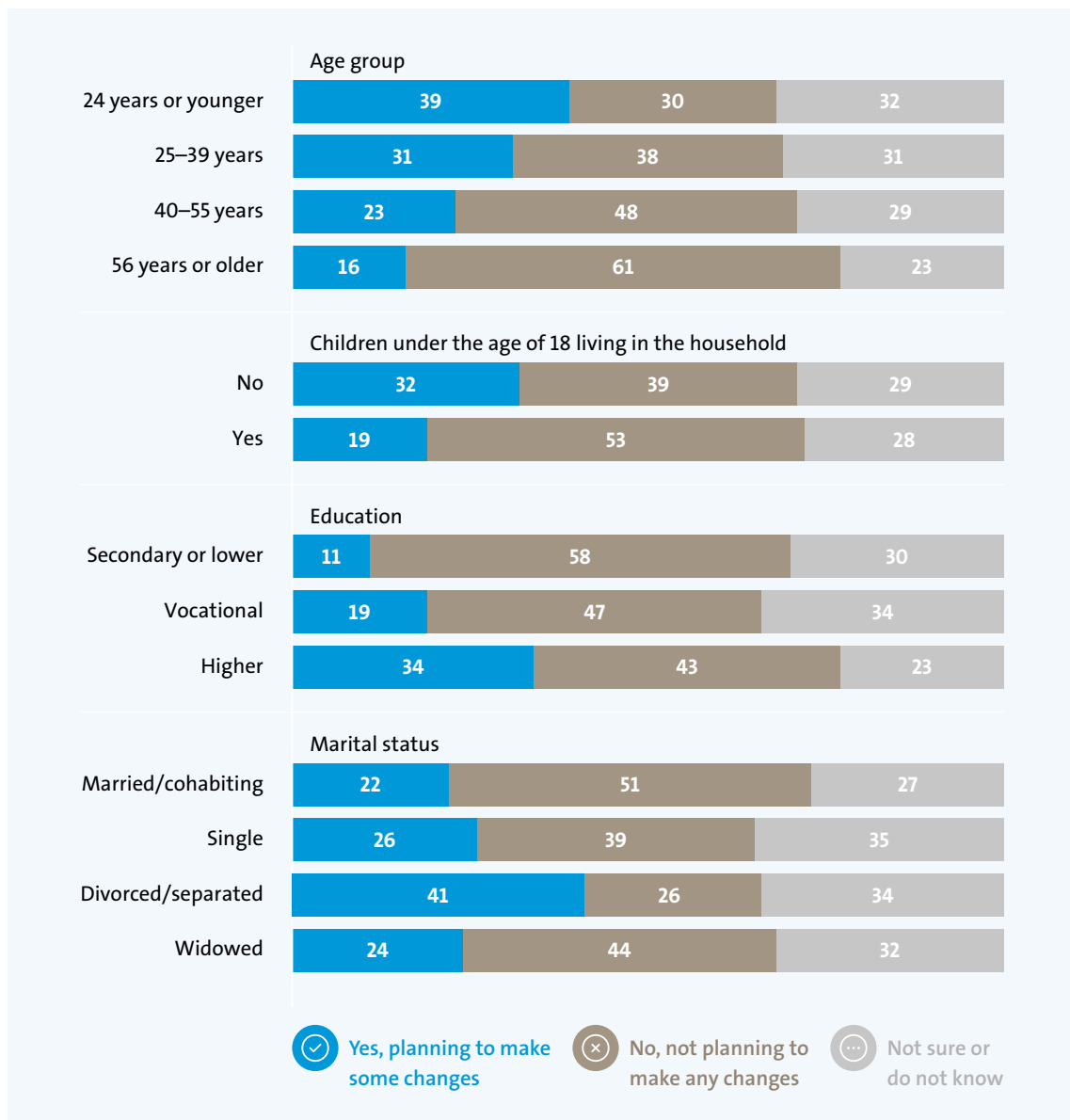


When asked whether or not women entrepreneurs are planning to make changes to their businesses in the coming 12 months, the majority either plan to do nothing (48 per cent) or are unsure (28 per cent). Less than a quarter said that they plan to make some changes to expand their businesses (24 per cent).

Respondents' age, education, marital status and the presence of children in the household predict whether or not women entrepreneurs are planning to make changes in their businesses (Figure 3.16). Overall, women who are 24 years old or younger are more likely to plan for changes than older women entrepreneurs. Those who do not have children in the household are also more likely to be planning changes for business development than women who live in a household with children. More women entrepreneurs with higher education said that they would like to make changes for developing or improving their businesses than those with lower educational attainment. Notably, divorced women are also more likely than others to plan for changes in the future.

FIGURE 3.16

Are you planning to develop or improve your business(es) over the next 12 months? (percentage of the full sample)

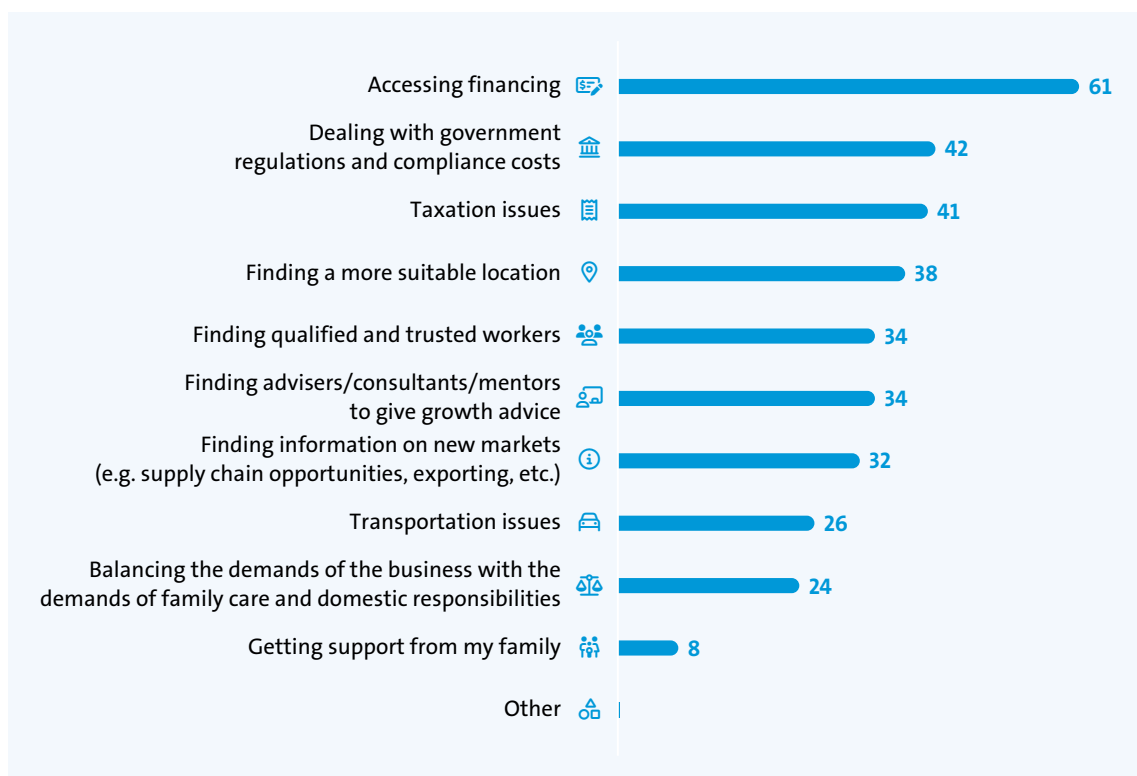


Those who are planning on changes to develop their businesses (24 per cent of the sample) were asked a follow-up question about what they aim to improve in their businesses. The majority of respondents (67 per cent) plan to expand the range of products and services that their business offers to its customers. More than half plan to hire more workers (56 per cent), invest in new equipment or technology (54 per cent) and improve the labour conditions for their employees (51 per cent). Forty-six per cent plan to expand into new markets, 32 per cent aim to integrate information technology into their business activities, and 28 per cent have plans to build a website for online sales. Fewer plan to improve their environmental sustainability (25 per cent), move to larger premises (25 per cent) and join an e-commerce platform (21 per cent). Five per cent or fewer named reducing their product range, firing workers or making other changes.

What do women entrepreneurs think about problems that might hinder their business development in the future (Figure 3.17)? The majority (61 per cent) believe that accessing financing might be a problem in growing their businesses. Forty-two per cent said that dealing with government regulations and compliance costs might hinder their business development, followed by 41 per cent who also named taxation issues. Fewer mentioned finding a more suitable business location (38 per cent), hiring qualified and trusted workers (34 per cent), finding advisers who could help with business growth (34 per cent), or accessing information on new markets (32 per cent). Close to a quarter named transportation issues (26 per cent) or balancing business with domestic responsibilities (24 per cent). Fewer named getting support from family or picked another challenge.

FIGURE 3.17

Please indicate which of the following are likely to be problems in growing your business in the future (percentage of the full sample)



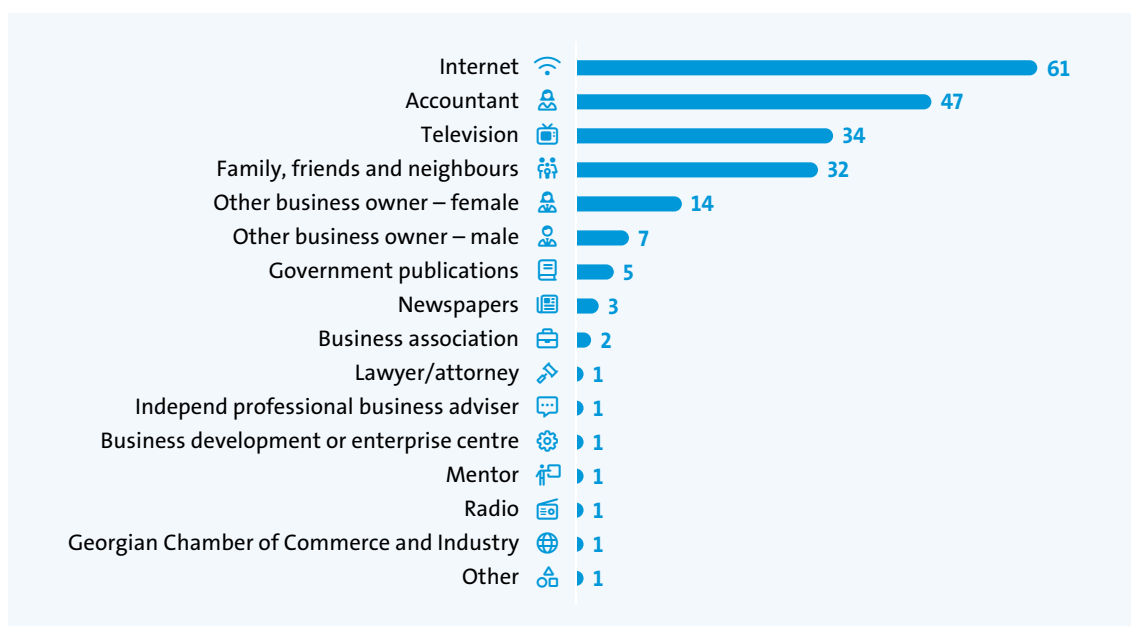
3.3 BUSINESS INFORMATION

Only a handful of women entrepreneurs are members of business associations. Four per cent of women entrepreneurs report being a member of some business-related organizations, such as the chamber of commerce, entrepreneurs' associations, employers' associations and the like. Two per cent or fewer respondents were part of women's business associations, industry associations or some other domain-specific union.

From where do women entrepreneurs normally receive information on business-related matters (Figure 3.18)? For most respondents (61 per cent), the Internet was their primary source. Close to half of respondents (47 per cent) said that such a source of information is an accountant. About one third named television (34 per cent) and word of mouth, such as family, friends and neighbours (32 per cent). Fewer named other female (14 per cent) and male business owners (7 per cent), government publications (5 per cent) and newspapers (3 per cent). Two per cent or fewer respondents named options such as business associations, lawyers, business advisers and the like.

FIGURE 3.18

From where do you normally get most of your information on business-related matters? (percentage of the full sample)



Most frequently, women entrepreneurs get advice on their businesses from accountants; this was mentioned by half of the respondents, while advice from other female (19 per cent) and male (13 per cent) business owners ranks a distant second and third. Fewer than five per cent of respondents named other options such as a lawyer, business adviser, government office or other source.

Only a few women entrepreneurs have participated in a trade fair or an exhibition. Eight per cent of the surveyed women entrepreneurs said that they participated in a local, national, regional or international trade fair or exhibition. Expectedly, women from Tbilisi and those with higher education are more likely to have done so.

3.4 TRAINING AND SUPPORT

Ten per cent of women entrepreneurs said that at some point, they have participated in training to learn how to use ICT in their business operations. Women entrepreneurs with a higher than secondary education were more likely to have participated in such training, similar to those from Tbilisi.

Nine per cent of women entrepreneurs have taken part in entrepreneurship or small business management training programmes. Women who are over the age of 55 are less likely to report participating in such training, while those who have at least obtained vocational education report having taken part in an entrepreneurship or small business management training. Notably, only 13 per cent of such trainings were specifically for women.

Respondents were presented with a separate list of business support programmes offered for women and were asked whether or not they participated in such programmes. Overall, only 6 per cent of women have participated in one or another business support programme. Among those who did, many used the services provided by women's business support centres, business counselling or mentoring, and a loan programme for women entrepreneurs.

3.5 CONDITIONS AND NEEDS FOR WOMEN ENTREPRENEURS IN GEORGIA

At the end of the interview, women entrepreneurs were presented with an extensive list of statements that evaluated their opinion on the conditions and needs for women entrepreneurs in Georgia. For the purposes of the analysis, these statements are organized into seven broader groups, namely (a) statements that evaluate respondents' effectiveness at running an enterprise; (b) evaluation of the business and regulatory environment; (c) peer-to-peer and government support; (d) equal access to business and training opportunities; (e) availability of business information; and (f) popular perceptions of women's role as entrepreneurs.

3.5.1 Effectiveness at running an enterprise

Overall, most women agree that women in Georgia have the same rights as men to own property and to have it registered in their own name, with 80 per cent agreeing to this statement. Close to two thirds of women entrepreneurs are also confident that they know everything necessary to make their business successful (65 per cent) and that their previous experiences, including their education, have prepared them to be entrepreneurs (62 per cent). About an equal share agreed that they need better skills to grow their businesses and that better use of information technologies would enable women entrepreneurs to better compete with men (57 per cent each). Only 12 per cent agreed that it is difficult for women entrepreneurs to deal with government regulations.

3.5.2 Evaluation of the business and regulatory environment

The next set of questions evaluated how women entrepreneurs see the business and regulatory environment in Georgia. In this regard, opinions are split with a high degree of uncertainty. While the plurality of women agree to statements that the business environment is favourable to women (50 per cent), that laws and regulations in Georgia support gender equality (47 per cent), and that the access to credit and financing are good (39 per cent), many disagree or have ambivalent views.

3.5.3 Peer-to-peer and government support

When it comes to peer-to-peer and government support, most women are ambivalent or have no opinion. Fifteen per cent agreed that they had lots of support from women's business associations and groups, while the plurality had no opinion (47 per cent). Only 33 per cent agreed that the Government is supportive of women-owned businesses in its attitudes and assistance programmes. Fewer agreed that women's business associations are influential in terms of policy- and decision-making (24 per cent), while only 22 per cent agreed that such associations advocate for governmental policies that meet women's needs. One third agreed that women's business associations were able to effectively represent women entrepreneurs' interests.

3.5.4 Equal access to business and training opportunities

Notably, when it comes to accessing business and training opportunities, most women agree that the access to such options are equitable. Close to three quarters of women entrepreneurs (72 per cent) agreed that women have the same opportunity as men to access financing for their business, while two thirds believed that women entrepreneurs have the same opportunity to access technology. Sixty-five per cent thought that women have opportunities equal to men to participate in education and training programmes.

3.5.5 Availability of business information

When it comes to the availability of business information, many women are unsure, with less than half agreeing with the corresponding statements. Forty-eight per cent agree that information about business regulations is widely available to women entrepreneurs, while a similar proportion have no opinion. Slightly fewer (47 per cent) think that information about business development support services is widely available, with 42 per cent having no opinion in this regard. About 42 per cent agree that such information on financing is available, with 43 per cent saying that they have no opinion.

3.5.6 Popular perceptions of women's role as entrepreneurs

The last set of questions referred to the perception of women's roles as entrepreneurs. Two thirds of women entrepreneurs agree that doing business is seen as an acceptable role for women in the economy and in society. About 45 per cent agree that time spent on unpaid care work is not sufficiently addressed and represents a constraint, with a significant portion expressing ambivalence. Finally, slightly more than a quarter (27 per cent) agree that it is more difficult for a woman to start a business than for a man, with 49 per cent disagreeing.

CONCLUSIONS

The background features a large, stylized number '4' composed of overlapping geometric shapes. The top half of the '4' is blue, and the bottom half is green. The number is set against a background of solid blue and green blocks, creating a layered, architectural effect.

The analysis of the survey findings leads to the conclusions discussed below.

4.1 DEMOGRAPHIC PROFILE OF WOMEN ENTREPRENEURS

The plurality (39 per cent) of women entrepreneurs in Georgia are between the ages of 40 and 55. They are also more likely to hold higher education degrees. Women entrepreneurs in Georgia often face the double burden of doing domestic care work while managing a business, with more than one fifth personally responsible for the care of elderly, sick or disabled household members.

Women entrepreneurs mostly start businesses to have the flexibility to earn an income while still taking care of family and household duties. Still, a substantial share see entrepreneurship as giving them independence. When it comes to the difference between opportunities and necessity, the residents of Tbilisi, younger women and those with higher education seem to be motivated by the opportunity to be their own bosses. Women who are older, have lower educational attainment and live outside Tbilisi are more likely to imply a necessity or urgency to make money to support their family.

More than half of the women had a prior employment history, with 48 per cent having been unemployed before the start of their current business. Currently, a majority only lead one business and have about 8.7 years of entrepreneurial experience. On average, women entrepreneurs start their businesses when they are about 38 years old.

4.2 CHARACTERISTICS OF THEIR PRIMARY BUSINESS

Women entrepreneurs are mostly engaged in trade (59 per cent), with a distant percentage involved in manufacturing, other services, and accommodation and food services. They mostly start businesses independently, with only a small share taking over the family business. The majority are also sole proprietors (or individual entrepreneurs).

More than half of women entrepreneurs operate from proper business sites, such as office buildings, storefronts and the like. Slightly more than a quarter (27 per cent) managed their businesses from their personal residence. Women entrepreneurs with higher education are more likely to work from proper premises, while a good share of those without higher education work from outdoor sites.

Georgian women entrepreneurs are mostly focused on local markets—that is, on those within their community or area of residence. About 82 per cent said that they sell their products or services in the local area.

The majority of women entrepreneurs use some digital devices to run their businesses. Seventy-six per cent of women business owners use such tools as smartphones, computers, landline phones or tablet computers for their businesses. Overall, younger women, those who report to be divorced and women entrepreneurs from Tbilisi are more likely to use digital/ICT tools to run their businesses.

Most women entrepreneurs do not have an Internet presence for their businesses. Only about 32 per cent of women entrepreneurs said that they have a website or a social media account. Close to half of women entrepreneurs from Tbilisi and those with higher education have an online presence for their businesses, while very few outside Tbilisi and with lower educational attainment do so.

Few sell their products or services on the Internet. Twenty-three per cent of women entrepreneurs were selling their products either fully or partially online through a web page or on social media.

Notably, most respondents are aware, interested in and confident that they will use digital tools in their business activities. Indeed, close to two thirds (64 per cent) use technology for communicating with customers or suppliers. More than half (52 per cent) use such tools to find suppliers, while 47 per cent report finding customers using smartphones or the Internet. Forty-three per cent conduct their day-to-day business operations on these devices, and 37 per cent use them to get information that helps with business decisions. Fewer report selling (31 per cent) or promoting (27 per cent) products or services, learning skills and participating in training (24 per cent), and networking (19 per cent).

When it comes to the digitalization of their businesses overall, there is a significant gap between women entrepreneurs across age, location, educational attainment and marital status. Women who are 24 years old or younger have a higher predicted score in the digitalization index than those who are over the age of 55. Those with higher education scored higher in the digitalization index (14.5) than those with vocational (11.1) or secondary education (6.3). Notably, single and divorced women entrepreneurs were more likely to operate a more digitalized enterprise than married or widowed women. Women in Tbilisi scored considerably higher in the digitalization index than those outside the capital city.

Problems in accessing start-up money are the most pressing challenge that women entrepreneurs face when starting their businesses. The next most frequently named challenges were related to domestic responsibilities and support from household members. Women outside Tbilisi were more likely to say that they found it hard to get support from their families, while those who were divorced or widowed were less likely to pick this problem out of the suggested list of potential challenges. Women entrepreneurs from outside the capital city were also more likely to say that they found it hard to arrange for family and childcare responsibilities than those in Tbilisi.

Personal savings are a major source of financing for start-ups, followed by borrowed funds from friends and bank loans. Notably, only 24 per cent of women entrepreneurs reported trying to obtain a loan for their businesses during the past year, while 76 per cent did not. The absolute majority of such respondents approached a bank (95 per cent), while 12 per cent asked a family member or a friend for a loan, with the majority of such requests being successful.

When asked about challenges to accessing financing, almost three quarters of respondents (74 per cent) named high interest rates that are not affordable. Slightly more than half (51 per cent) said that collateral requirements are too high, followed by 38 per cent who picked the statement that they are required to provide a personal guarantee or a co-signer (37 per cent).

Overall, all surveyed women entrepreneurs are registered with the Government of Georgia, including with such institutions as the National Agency of Public Registry (including its Registry of Entrepreneurs) and the Revenue Service.

When asked about barriers to formalizing businesses, most respondents believe that there are not many obstacles, with a substantial proportion being ambivalent. Similarly, when talking about the advantages of having a formalized business, respondents either agreed to each of the presented statements or were unsure. Still, respondents most frequently agreed that formalization creates more attractive working conditions for employees (48 per cent), followed by more opportunities to access government support and assistance programmes (46 per cent).

Twenty-four per cent of women entrepreneurs report that they were visited by a government official during the past year. Notably, more women entrepreneurs from the regions said that they were visited by officials last year (26 per cent) than those from Tbilisi (19 per cent). Such visits happen due to tax issues (83 per cent of those visited) and checks by the Labour Inspection Office (29 per cent of those visited).

Overall, two thirds of respondents have not made any investments in their businesses during the past year. Those who did so invested in new production equipment or technology (16 per cent of the total sample), made improvements to old production equipment or upgraded technology (15 per cent), purchased new office equipment (13 per cent) or bought some type of information technology or a device (10 per cent). Women entrepreneurs with higher education and those from Tbilisi were more likely to have made an investment during the past year.

When asked whether or not women entrepreneurs are planning to make changes to their businesses in the coming 12 months, the majority either plan to do nothing (48 per cent) or are unsure (28 per cent). Only less than a quarter said that they plan to make some changes to expand their businesses (24 per cent). Overall, women who are 24 years old or younger are more likely to plan for changes than older women entrepreneurs. Those who do not have children in the household are also more likely to be planning changes for business development than women who live in a household with children. More women entrepreneurs with higher education said that they would like to make changes for developing or improving their businesses than those with lower educational attainment. Notably, divorced women are also more likely than others to plan for changes in the future.

Of such businesses, the majority (67 per cent) plan to expand the range of products and services that their business offers to its customers. More than half plan to hire more workers (56 per cent), invest in new equipment or technology (54 per cent) and improve the labour conditions for their employees (51 per cent).

When asked to list the problems hindering their business development, the majority (61 per cent) picked access to finances, 42 per cent said that dealing with government regulations and compliance costs might hinder their business development, and 41 per cent named taxation issues.

Only a handful of women entrepreneurs are members of business associations. Four per cent of women entrepreneurs report being a member of some business-related organizations, such as the chamber of commerce, entrepreneurs' associations, employers' associations and the like.

Only 8 per cent of the surveyed women entrepreneurs said that they participated in a local, national, regional or international trade fair or exhibition. Expectedly, women from Tbilisi and those with higher education are more likely to have done so.

Most respondents consider the Internet (61 per cent) and accountants (47 per cent) to be their main source for business information. Similarly, women entrepreneurs most frequently get advice on their businesses from accountants, as mentioned by half of the respondents.

Ten per cent of women entrepreneurs said that at some point, they have participated in training to learn how to use information and communications technology (ICT) in their business operations. Women entrepreneurs with a higher than secondary education were more likely to have participated in such training, similar to women from Tbilisi. Nine per cent of women entrepreneurs have taken part in entrepreneurship or small business management training programmes. Women who are over the age of 55 are less likely to report participating in such training, while those who have at least obtained vocational education report having taken part in an entrepreneurship or small business management training.

Overall, only 6 per cent of women have participated in one or another business support programme. Among those who did, many used the services provided by women's business support centres, business counselling or mentoring, and a loan programme for women entrepreneurs.

ENDNOTES

- 1 Alexis Diamond and Margaret Jenkins, *Women's Economic Inactivity and Engagement in the Informal Sector in Georgia: Causes and Consequences* (Tbilisi, UN Women, CRRC Georgia, 2018). Available at <https://georgia.unwomen.org/en/digital-library/publications/2018/12/womens-economic-inactivity-and-engagement-in-the-informal-sector-in-georgia>.
- 2 Kristina Margvelashvili, Maka Meshveliani, Tamar Khorbaladze and Irina Guruli, *Women in Business: Opportunities and Impact of the Pandemic* (Tbilisi, Economic Policy Research Center, 2021). Available at <https://womenpower.ge/en/publications/women-in-business-opportunities-and-impact-of-the-pandemic/>.
- 3 David Sichinava, Elene Ergeshidze, Makhare Atchaidze and Otto Saldadze, *Impact of the Coronavirus Pandemic on Women Entrepreneurs 2020* (Tbilisi, Europe Foundation, 2020). Available at https://epfound.ge/static/file/202112020133-impact-of-the-coronavirus-pandemic-on-women-entrepreneurs_eng.pdf.

UN Women supports UN Member States as they set global standards for achieving gender equality, and works with governments and civil society to design laws, policies, programmes and services needed to ensure that the standards are effectively implemented and truly benefit women and girls worldwide. It works globally to make the vision of the Sustainable Development Goals a reality for women and girls and stands behind women's equal participation in all aspects of life, focusing on four strategic priorities: Women lead, participate in and benefit equally from governance systems; women have income security, decent work and economic autonomy; All women and girls live a life free from all forms of violence; women and girls contribute to and have greater influence in building sustainable peace and resilience, and benefit equally from the prevention of natural disasters and conflicts and humanitarian action. UN Women also coordinates and promotes the UN system's work in advancing gender equality.

The International Labour Organization (ILO) is the United Nations agency for the world of work. It brings together governments, employers and workers representatives of 187 member States, to set labour standards, develop policies and devise programmes promoting decent work for all women and men. Its unique tripartite structure gives an equal voice to workers, employers and governments to ensure that the views of the social partners are closely reflected in labour standards and in shaping policies and programmes. The main aims of the ILO are to promote rights at work, encourage decent employment opportunities, enhance social protection and strengthen dialogue on work-related issues.



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