



Case Study 02

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## INCORPORATING SPOUSAL SUPPORT INTO A MINDSET-FOCUSED BUSINESS TRAINING FOR WOMEN IN ETHIOPIA

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### SUMMARY

Psychology-based business trainings that develop a proactive entrepreneurial mindset have been shown to be more effective than traditional business training in supporting female entrepreneurs to grow their businesses (Campos et al. 2017). At the same time, recent studies have shown that women's business decisions are influenced by their spouse, and that these intrahousehold dynamics contribute to gender gaps in entrepreneurship outcomes (Friedson-Ridenour and Pierotti 2019; Wolf and Frese 2018). A new training curriculum developed by the World Bank Africa Gender Innovation Lab (GIL) in partnership with the Digital Opportunity Trust (DOT)<sup>1</sup> builds on these insights by inviting male partners to participate in a mindset-focused program targeted to women entrepreneurs that is partly delivered at the trainees' home.

This GIL case study summarizes key learnings from a pilot intervention carried out with 987 participants across four cities in Ethiopia during 2021–22. The pilot provided insights into the challenge of ensuring spousal participation in the training program, the feasibility and cost of delivering sessions in a home setting, and the need to prepare trainers for unfamiliar environments and dynamics. GIL is also conducting a randomized controlled trial that will compare the impacts of providing the training to only female entrepreneurs with the effects of providing the training to female entrepreneurs and their husbands.

This case study is a product of the World Bank Africa region Gender Innovation Lab's Innovations in Financing Women Entrepreneurs (IFWE) initiative, in partnership with the Digital Opportunity Trust (DOT). The Africa Gender Innovation Lab (GIL) conducts impact evaluations and rigorous research to determine what works and what does not work to improve gender equality and it uses this evidence to shape policy. Funded by Global Affairs Canada, IFWE works in partnership with World Bank operations to pilot, scale up, and evaluate new approaches to empowering Ethiopia's female entrepreneurs. IFWE works across three components: business skills and services, access to finance, and policy evidence.

## MOTIVATION: WHAT IS THE PROBLEM?

As in other parts of Africa, female-owned firms in Ethiopia have significantly lower revenue compared with male-owned businesses (World Bank 2019). A lack of business skills is often cited as an explanation for this gap (Haile 2015). However, traditional classroom-based business training programs are time- and resource-intensive and have relatively small impacts on improving business outcomes, such as firm survival rates and profits (McKenzie 2020).

Participation in classroom-based entrepreneurship training is also unattractive for time-constrained women who balance business activities with additional demands from care and household work. This is especially true for the owners of larger, growth-oriented firms for whom the opportunity costs of attending the training are higher (Alibhai et al. 2019). For these women, tailored coaching, mentoring, and business consulting interventions or flexible training schedules may be more promising approaches to skills transfer.

In addition, new research shows that the ability of female entrepreneurs to apply new skills partly depends on the support of their husbands (Wolf and Frese 2018). In Ethiopia, Wolf and Frese (2018) categorize the husbands of female business owners into profiles on the basis of the husbands' level of supportive and constraining behaviors. Female entrepreneurs in Ethiopia are more successful when they are married to men who engage with their business and they are less successful when their efforts are ignored by their husbands.

## FINDING A SOLUTION

To overcome the limitations of traditional business trainings, the Gender Innovation Lab (GIL) partnered with the Digital Opportunity Trust (DOT) to develop and implement a training program for female entrepreneurs in Ethiopia. The resulting training built on DOT's ScaleUp! program, which employs a modular curriculum tailored to the individual needs of experienced entrepreneurs who want to grow their firms. The new training format introduced three new elements:

**A focus on psychology.** Mindset-oriented entrepreneurship trainings that try to build confidence, grit, and personal initiative have strong positive impacts on business outcomes and are especially beneficial for women (Campos et al. 2017). A previous collaboration by GIL and DOT in Ethiopia tested a mindset-oriented training in Mekelle and found that it generated a 30 percent increase in female entrepreneurs' profits (Alibhai, Buehren, and Papineni 2016). The new curriculum incorporates a similar mindset module that introduces tools to cultivate self-confidence and future orientation (see figure 1), in addition to other modules tailored to the entrepreneur's skill set and business needs.

**Participation of husbands.** Husbands are a key source of business financing for married female entrepreneurs, as well as an entry into more profitable, male-dominated sectors (Alibhai et al. 2017). Therefore, the new training invites male

partners to participate in the mindset module of the program alongside the female entrepreneurs. The three sessions that partners are invited to join focus on exploring the value of the wife's business, mapping her business path, and identifying new resources. These sessions were identified as areas in which husbands can play a role in supporting their wives and unlocking opportunities for growth in their businesses.<sup>2</sup>

**At-home course delivery.** Classroom-based business trainings often have low attendance rates; the previous DOT training in Mekelle, for example, had a completion rate of just over 50 percent. Requiring the participation of male partners threatened to further reduce turnout. In anticipation of this issue, a pair of DOT trainers conducted all three sessions of the mindset module at the entrepreneur's home or at an alternative location chosen by the trainee. The remaining training modules, which were not attended by the male partners, were hosted at a local DOT training center.

### FIGURE 1: UNDERLYING PRINCIPLES OF THE COUPLES-BASED TRAINING CURRICULUM

#### Model positive behavior

Trainers are asked to model effective communication techniques and to help couples practice these, rather than to simply provide instruction.

#### Focus on success

Emphasizing past achievements can help build the entrepreneur's self-confidence, while talking about future success can inspire trust and a shared vision between the spouses.

#### Co-creation of solutions

Developing materials and responses to facilitator questions together increases joint ownership of outcomes and reduces arguments about who is right or wrong.

#### The business owner is the decision maker

Although the husband is encouraged to think through challenges and solutions with the female entrepreneur, the training emphasizes that the female entrepreneur is the primary decision-maker on matters relating to her business.

## IMPLEMENTATION

Following the design of the couples-based curriculum, GIL worked with DOT to integrate the module into DOT's ScaleUp! program and to implement a pilot of the new training. The pilot was run in four cities—Addis Ababa, Hawassa, Shashemene, and Bahir Dar—as well as in surrounding satellite towns between October 2021 and December 2022, with a total of 987 female participants.

Invited participants were drawn from lists of female entrepreneurs who had already registered with either DOT or the Women Entrepreneurship Development Project (WEDP), a World Bank-funded operation that provides access to loans

and business training. Eligibility criteria included having an operational business and being married or living with a partner. For the randomized controlled trial, these women were randomly placed into one of three treatment arms: one-third were offered a training that included their spouse; one-third were offered the same training but without the inclusion of their spouse; and the remainder were assigned to a control group that was not offered any training.

The training was delivered by DOT trainers over the course of six sessions: three sessions for the mindset module followed by three additional sessions/topics chosen during a business health assessment that identified training needs.. Women enrolled in the couples' program invited their husbands to participate in the first three sessions, which were facilitated at their home or place of work. Pairs of DOT trainers facilitated the program, with each pair containing at least one female trainer. The three mindset sessions each lasted for two hours, with the first 30 minutes used for setting expectations and the remaining time dedicated to mindset-based exercises. The remaining three sessions, which focused on topics such as marketing and bookkeeping, were held at the local DOT training center, and women in the couples group attended the sessions alone.

Implementation of the pilot was affected by the COVID-19 pandemic and conflict in northern Ethiopia. National COVID mitigation rules introduced in 2020 prevented home visits and led to a six-month delay of the project's launch. Plans to conduct the training in Mekelle had to be called off due to conflict in the region, and trainers in Mekelle were relocated to other cities.

In addition, some participants were unreachable, refused to participate, or dropped out after attending only a few training sessions. Their reasons included time constraints, familiarity with the training materials, and the unwillingness of the spouse to participate in the training. An outreach campaign resulted in re-enrolling 199 trainees who had dropped out. The average take-up rate of the home-based training across all three cities in the study was 63 percent. The city breakdown shows variation in take-up rates across the cities with the highest take-up rate (97 percent) in Hawassa and the lowest (40 percent) in Addis Ababa.

## KEY TAKEAWAYS

### **1 Many women found it difficult to convince their husband to agree to participate.**

The pilot team started screening participants from a pool of 10,000 female entrepreneurs. In addition to those who were not reachable or who refused to participate in the screening survey, many were screened out because they failed to meet the selection criteria, which included being married, owning a business, and having an interest in participating in the program. The final pool of recruited women for the training pilot was 987. Feedback from training implementers and a qualitative study conducted by GIL found that the need to enroll jointly with their husbands further limited participation (all women had to enroll

jointly with their husbands). During the pilot, the wife was responsible for securing her partner's consent; in future iterations of the training, it might be preferable for the training provider to reach out directly to the husbands or to offer testimonials from partners who graduated from the program. This is especially important to ensure that training is not just provided to those couples where the husband is already supportive of the wife's business.

### **2 In focus group discussions, women were appreciative of the new program.**

After completing the program, female participants talked about taking new pride in the work they do and the value it provides to their customers and their families. In addition, participants reported that they saw attitudinal changes in their husbands and in their relationships, such as communicating more and consciously spending time together. Similarly, DOT trainers observed that male partners were often reluctant to engage in the initial activities but became more active over time and expressed a new outlook on their wives' work and their contribution to the household. However, these insights should be considered anecdotal. The impact evaluation results will provide a more rigorous measure of the training on behaviors and business outcomes.

### **3 Make sure to adequately train the trainers.**

Talking about positive attitude change, delivering a training in someone's living room, and navigating tensions among spouses may be unfamiliar to and challenging for facilitators who are used to training in a classroom. DOT spent considerable effort on ensuring that trainers were well prepared for the new tasks. It hosted a one-week training of the trainers for the mindset sessions, which allowed facilitators to work through the different exercises with entrepreneurs and couples specifically recruited for this purpose. DOT also hosted a refresher training after the COVID-19 pandemic delayed the program rollout and gave facilitators the opportunity to debrief and exchange experiences after the initial training rounds.

### **4 Home-based trainings are worth considering.**

Facilitating the program at a variety of locations meant additional expenses for the provider. The trainers also incurred transportation costs for the three home-based sessions and offered a small gift when first visiting the home. In total, this amounted to an additional expense of US\$51 per participant. Attendance data suggest that meeting participants at home increased participation. Although participation in home- versus classroom-based sessions cannot be compared directly (completion of the mindset module was a requirement for taking the classroom sessions), there was a noticeable drop in participation (11 percent) between the two components. Just as important, mindset-based exercises often involve personal experiences (especially when shared with a spouse), and participants reported that completing these sessions in familiar surroundings helped them engage in the program.



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1. DOT is an international non-profit organization that is headquartered in Ottawa, Canada and was established in 2001. Through its peer-to-peer programs in Africa and the Middle East, DOT has enabled more than 1 million economically marginalized youth and women to access and apply information and communication technologies (ICT) to create educational, economic and entrepreneurial opportunities for themselves.
2. Frese and Wolf (2018) show that husbands that share resources and networks are associated with successful businesses. Moreover, husbands who have less stringent perceptions of gender roles contribute more to their wives' entrepreneurial success.

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