

What drives performance of successful women microentrepreneurs in Mexico? A qualitative portrait of positive deviants and typical microentrepreneurs



Bobbi Gray, Marja Sainio, Matilde Olazabal

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Executive Summary

To build a bridge and respond to the needs of women who are between successful microentrepreneurship and investment-ready small enterprise in Mexico, Freedom from Hunger, in collaboration with Agora Partnerships and Ambito Productivo, initiated a formative research project to inform the design of a program that would support women with high-potential microenterprises in Mexico to become investment-ready and qualify for small-business accelerator programs. The purpose of this report is to summarize the findings from the formative research that included both a literature review and qualitative field research with approximately 30 women entrepreneurs in Mexico currently being served by the microfinance organization, Ambito Productivo.

The existing literature on women and entrepreneurship suggests that women own more than one-half of the world's microenterprises, yet these microenterprises are often growth-limited because of certain personal characteristics, such as lacking self-confidence and being risk-averse; societal limitations, such as the challenge of balancing the multiple roles women play; less overall educational attainment and less access to generalist and specific knowledge and skill-building opportunities for their businesses, and less access to financial resources needed to invest and grow a business.

With these challenges in mind, Freedom from Hunger designed a qualitative interview process; the goal of which was to help identify the factors that were common among “positive deviants”—microentrepreneurs who despite the constraints were able to be successful at their business—and that could be leveraged to help them, and others like them, grow their businesses. The interviews were implemented with approximately 10 positive deviants and 20 typical microentrepreneurs. Those originally categorized by Ambito Productivo as “positive deviants” had a positive repayment history, an established business for several years, and borrowed increasingly larger amounts, suggesting a growing need for larger capital investments.

The field research revealed many similarities between the factors identified in the literature as barriers and positive conditions for success with the interviews conducted with the microentrepreneurs in Mexico. However, six factors stood out as important differentiators between the positive deviants and the typical microentrepreneur. Positive deviants

1. wanted to be an entrepreneur in the first place compared to those who saw their business as a means to achieving some other financial goal;
2. had chosen a business that had room and opportunity to grow;
3. seemed to have more confidence in themselves;
4. had established their business in a permanent location and/or had the business registered;
5. had older children or had a workable arrangement that allowed them to care for their children and their business; and
6. most importantly, had a vision for their business and some ideas of how to achieve their vision.

Based on these factors, the following are considered important recommendations for designing a program to help microentrepreneurs grow their businesses:

1. Build off the entrepreneur's clear vision for growing her business.
2. Intentionally address work-life balance and segment client needs based on those with small and older children.

3. Address the specific gaps that restrict growth of particular businesses and particular women entrepreneurs.
4. Dig more deeply into the challenge of “lack of resources” to determine whether this is an actual lack of access to available credit, lack of access to appropriate financial services (including savings) or actually being risk-averse to taking larger credit.

This list of recommendations serves as a reminder of program attributes that should be remembered when designing a program for helping grow micro-businesses. While it is generally recognized that business education can provide a foundation and that women may need business-specific help to grow their businesses, this research has contributed to additionally highlighting the importance of focusing on visions for growth as a significant lever for helping those who are ready to grow as well as the importance of not underestimating the multiple roles women play as caregivers and businesswomen. Also, a lack of money to grow a business should not only be equated with lack of enough accessible credit. These all need to be further unpacked in order to truly understand the needs of the clients and design programs and services that are appropriate for their needs.

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Bobbi Gray, Marja Sainio, Matilde Olazabal
Freedom from Hunger

Table of Contents

Executive Summary	i
Acknowledgements	iii
Introduction	1
Literature Review	1
Qualitative Research Summary	2
Research methods	2
Questionnaire development	2
Sampling	3
Data entry and Analysis.....	3
Results	3
Characteristics of the women entrepreneurs	3
Challenges with their businesses.....	6
Skills and resources used and needed for their businesses	6
Benefits of being a microentrepreneur and identified successes	7
Goals and aspirations.....	8
Barriers and Positive Conditions to Growth	10
Positive Deviants	11
Recommendations	14
Appendix	16
Positive Deviant Story Examples	16
Typical Microentrepreneur Story Examples	21
Endnotes	26

Introduction

To build a bridge and respond to the needs of women who are between successful microentrepreneurship and investment-ready small enterprise in Mexico, Freedom from Hunger, in collaboration with Agora Partnerships, initiated a formative research project to inform the design of a program that would support women with high-potential microenterprises in Mexico to become investment-ready and qualify for a small-business accelerator program offered by Agora Partnerships. The intended result of this pilot project is to develop and test an appropriate intervention of financial and nonfinancial services that will enable women to increase their volume of sales, develop business plans, gain access to capital to formalize their businesses and ultimately effect positive change in their communities. This report summarizes the findings from the formative research that included both a literature review and qualitative field research with approximately 30 women entrepreneurs in Mexico currently being served by the microfinance organization, Ambito Productivo. The results from this research will help facilitate the design of the pilot project to be launched by the partnership of Freedom from Hunger, Agora Partnerships and Ambito Productivo. Recommendations on key elements for consideration for the pilot program conclude this document.

Literature Review

Women make up 40 percent of the global workforce.ⁱ In Mexico in 2012, it was estimated that 42 percent of women ages 15 and older are in the workforce and that women make up 38 percent of the total workforce.ⁱⁱ Across developing countries, almost 40 percent of all small and medium enterprises (SMEs)ⁱⁱⁱ and more than one-half of microenterprises are owned by women.^{iv}

Despite women's substantial role in developing businesses of many countries, they tend to focus on low-profit businesses in limited-opportunity sectors.^v Their businesses tend to be home-based so they can balance the demands of their businesses and the traditional roles as caretakers.^{vi} In Mexico, 30 percent of all female-run businesses operate from the home; only 11 percent of male-run businesses are run from the home.^{vii}

When planning their businesses, women's lack of access to support services and training, combined with their limited exposure to diverse business models and markets, limits their success.^{viii} Lack of market information and exposure to different markets can lead them to overlook or miss opportunities to strategically position their businesses.^{ix} Likewise, lack of exposure to more formal businesses leads women to default toward a more comfortable sole-proprietor owner model rather than seek out business partners who could contribute both talent and capital to their businesses.^x Women, particularly those who participate in village-banking programs, tend to lack managerial skills, such as marketing and business planning.^{xi} This, coupled with being risk-averse,^{xii} leads women to make financial decisions that limit the long-term growth potential of the enterprise. In addition, lack of financial projections and business plans limit women's access to credit and investment capital. As a result, women are often working with insufficient levels of capital to take the steps necessary to grow their businesses to the next level.

Despite having a laundry list of possible barriers and facilitators for women microentrepreneurs and their success, research by Bruhn et al. also suggests that there is no silver bullet for helping all micro-, small and medium entrepreneurs grow their businesses.^{xiii}

Qualitative Research Summary

Research methods

Questionnaire development

In order to take the general literature and make it useful for identifying characteristics of successful microentrepreneurs, English- and Spanish-based sources to document the barriers and facilitators for women entrepreneurs were considered. A separate literature review documents many of the resources considered.^{xiv} Resources used in this report are cited in the Endnotes section. Each resource was evaluated for the characteristics mentioned for successful/unsuccessful entrepreneurship. The most-mentioned characteristics across the resources suggested the following “business” attributes were the most influential in whether a woman was successful at being an entrepreneur:

- Access to business training
- Positive attitude toward risk/willingness to fail
- Strong understanding of their business/understood the trade prior to starting their business
- Strong management skills (such as keeping business and personal records separate)
- Capacity to acquire new skills and apply them
- Access to credit/financial services/financing

In addition, some personal traits or characteristics were also common across the resources:

- Age
- Gender
- Education level
- Ability to balance family and work
- Passion and vision
- Property ownership rights/access to infrastructure

Using this list of attributes, a qualitative questionnaire was developed to address these characteristics. The interview was designed to take approximately one hour with each entrepreneur. The questionnaire is provided in Spanish in the Appendix.

Sampling

Ambito Productivo staff were asked to identify 30 women entrepreneurs—both successful and typical businesswomen—in the three following communities: Huejutla, Tamazunchale and Panuco. Table 1 outlines the original request for the distribution of the interviews:

Table 1: Sampling Request for Interviews

	N° of interviews with successful entrepreneurs with mature businesses (positive deviants)	N° of interviews with typical entrepreneurs with insipient and basic-subsistence businesses
Huejutla	4	6
Tamazunchale	3	7
Panuco	3	7
Total	10	20

After this initial screening by Ambito Productivo, the Freedom from Hunger interview team re-assigned entrepreneurs to the categories of being successful (or positive deviants) or typical, based on the interview content. In the end, a total of 31 interviews were completed and will be discussed further in the Positive Deviants section.

Data entry and Analysis

A team of six interviewers both conducted the interviews and entered the data. The 31 interviews were transcribed into an MSExcel database with the answers to each specific question. All interviews were also written up in Word documents in a story format. A few of those stories are included in the Appendix. Inductive analysis^{xv} was used to summarize the finding from the 30 stories. The summaries of findings are provided below.

Results

Characteristics of the women entrepreneurs

Thirty-one women were interviewed in total. The average age of the women interviewed was 43 years old. Half of them had children under the age of 18 and most had completed at least a secondary-level of education. See Table 2.

Table 2: Demographic Characteristics

Number of women surveyed	31
Level of education completed:	
<i>Primary</i>	8
<i>Secondary</i>	13
<i>Tertiary</i>	10
Average household headcount	4.3
Average number of children per woman	2.5
Number of women with children:*	
<i>Under 18 years of age</i>	15
<i>18 years of age and Older</i>	17

* Numbers presented here include women with children in both age categories.

Women identified participating in a number of economic activities to earn money to support themselves and their households. Common economic activities mentioned included:

- Food sales (coffee, fruits and vegetables, food carts)
- Sewing, mending
- Baking, cooking
- Domestic services (housekeeping, laundry)
- Livestock sales
- Sales (artisan products, clothing, shoes, furniture, domestic supplies)
- Catalogue sales
- Esthetics

When asked, almost all of the women responded that if given the choice they would prefer to own their own business rather than be employed by someone else. Martha¹ made the following observation about why she prefers to run her own business: *“I prefer to be a businesswoman because everything I have is mine. I make the decisions and I don’t depend on anybody.”* Three women said that they would like to participate in both forms of economic activity—receive a salary as an employee as well as run their own businesses. One woman stated that she would prefer to work for someone else to have a fixed salary. Most-mentioned reasons women gave to own their businesses included:

- Being her own boss/making her own decisions
- Setting her own schedule/managing her own time
- Working from home
- Having pride for her business

Women typically reported using their business income on household expenses and bills, their children and food, and re-investing it in their businesses. Although the majority responded that they have access to credit they would like additional economic support.

Very few women mentioned experiencing difficulties with time-management in terms of their family life and their work life. Many of the women interviewed no longer have young children who require a great deal of care; those who do often bring them to work with them, work from home, work when their children are asleep or at school, and/or rely on family members for support. Matilde’s time-management capability was illustrated when she described her daily schedule: *“I split my time by spending my mornings here at the store and my afternoons at home. When I get home I make and serve the meal, review homework, go to the park if there’s time. When the kids were younger I would bring them here to the store and my mother and mother-in-law would help watch them.”*

All women agreed with the phrase *“everything I need to be successful is inside myself”* and when asked who played the “most important” role in inspiring them to construct their business, the women’s own children or family were most frequently cited. Rocio shared, *“Yes, everything is in me. If I am negative then things won’t work out. If I am positive then I can tell myself that I am capable of achieving anything I put my mind to.”*

¹ All names in this report have been changed to protect the privacy of the interview participants.

Characteristics of their businesses

About half of the women interviewed responded that they had never attempted any other business before their current undertaking. Those with previous businesses mentioned several reasons for closing them:

- Lack of profit
- Lack of time
- Family responsibilities

Women were initially motivated to start their businesses for a variety of reasons:

- Attracted to the work/they like it
- Wanted to be more independent
- Needed the income
- Was a family business
- Were previously unemployed or underemployed

Paula says that she was inspired to open her business after she realized she didn't want to work for someone else. *"When I met my husband, I was employed in a different type of work and I decided to leave that business and start my own. I left because I was an employee, and I wanted to begin my own business."* Angela decided to open her business for similar reasons of autonomy *"I developed a desire to work on my own; I no longer wanted a supervisor."*

Regarding the business operations,

- the average woman's business has been in operation for over ten years;
- all the businesses have been in operation for at least one year;
- over one-half of the women operate their businesses by themselves with some receiving support from family; and
- nine of the businesses are registered or the women have permits to conduct business in some official capacity.

In situations where more than one person supports the business operations, decisions are typically made as a group or as a family.

Women report their businesses as different from those of others for a variety of reasons, including:

- They sell things that others do not/they have a unique product.
- The product they sell is of higher quality.
- The products cost less.
- They are good salespeople.
- They provide better service.
- Their clients trust them.
- Their business is in a good location.
- Their business is clean.

Not all, but most women have made one or more changes to their business over time and have incorporated new products, modified product prices, improved quality and service, and added additional capacity as needed. One of the respondents, Margarita, has made the following improvements to her

tortilla business: “I greatly improved the quality and the form of preparation; we didn’t know anything when we started [the business].” Some women make seasonal changes as necessary (i.e., selling special products for the wedding season and using season-specific ingredients). Most business owners rely on word-of-mouth recommendations to promote their businesses; some also use written advertisements and promotional materials.

In order to start their own business, about one-half of the women interviewed said they had received money in the form of loans from either a personal or formal source. Others used savings, liquidated resources, or received support from family members. Several women said that they’ve slowly grown their business as their finances have allowed.

Challenges with their businesses

Women interviewed report facing a variety of business challenges:

- Inability to produce the necessary quantity of their product for sale
- Low sales resulting in product waste
- Competition
- Increased costs
- Lack of credit/not enough credit
- Lack of transportation
- Lack of time
- Family commitments or illness

Alejandra’s business challenges include “Low sales. When the sales are slow and there aren’t buyers, you lose product. You need to be able to adjust the level of investment according to sales. I make biweekly calculations; if sales have been good then I buy more products.”

Amelia shared, “I get anxious and my self-esteem suffers when there are low sales. I get angry and I tell myself I’m not going to sell anymore but afterwards I start feeling better and I keep selling.”

When asked what they think they lack that would help their businesses be more successful, women frequently mentioned money and physical space. They also feel that they lack the technical knowledge (i.e., vocational training, business and money management, computer courses) and strategies for personal growth (i.e., confidence, patience) they need to become more successful.

Many women reported witnessing the failure of others’ businesses. The most commonly perceived reasons for these failures include lacking consistent open hours, money, effort or good administration. Alejandra believes that failure results from “Lack of knowledge. They don’t know what and when to conduct sales and they mismanage the merchandise.”

Skills and resources used and needed for their businesses

The majority of women interviewed had some previous work experience, which they attribute to helping them manage their current business. These women generally said that they had family members from whom they learned the nature of the business or some previous form of employment. A few women replied that they had not had any previous experience related to their current work and that they learned solely through experience over time.

Respondents enumerated many qualities they believe a person needs to have a successful business (and generally believed that they themselves possess these qualities), including:

- Friendliness
- Good customer service
- Honesty
- Product knowledge
- Bookkeeping skills
- Management skills
- Positive/Problem-solver

Rocio shared that those who have successful businesses will know how to *“Be administrative, make decisions, know the business environment and what and where to buy things [for the business], as well as be dedicated.”*

For Eva, important qualities needed to be successful include *“The charisma you have will attract people. I leave my problems at home; the client will always see me smiling.”*

Most women have never participated in any kind of skill-building course but think that it would be useful in order to obtain the knowledge and experience necessary to improve their business. While they may not have taken a formal course, many respondents feel as though they have someone they could turn to with questions about improving their business; however, several said that they don't know who they would talk to or would prefer to speak to an expert. Women mentioned how useful the advice of a mentor could be in terms of making business and money-management decisions.

Finally, access to technology was discussed in terms of resources needed for business improvement. Most women felt they would benefit from improved access to technology. Computers were most commonly recognized as helpful for a variety of reasons. Women mentioned using computers to improve their accounting process, organize sales records, print and conduct various online activities. Other technological resources desired include industry-specific equipment, cellular phones to conduct business and videography/photography capabilities for advertising.

Benefits of being a microentrepreneur and identified successes

All women indicated being satisfied with their business and believe that being a woman has helped their business be successful due to their innate qualities (i.e., trustworthiness, patience). Women mentioned enjoying their work and the pride they feel when they are able to help support their households. All but two women saw themselves as risk-takers, which was viewed as a positive description. The greatest business successes were attributed to taking such risks as the initial decision to open a business, request a loan and make the initial investment of resources into their business. Patricia shared that the most rewarding risk she has taken was taking a loan, *“I never thought I'd request a loan but it turned out well. I learned self-control and to not spend the money unwisely.”*

The greatest benefits to being a microentrepreneur included:

- Ability to manage their own time
- Satisfaction of seeing customers enjoy their products
- Ability to contribute to the household

- Lack of a boss or manager
- Independence

Matilde shared the following benefits: *“I manage my own time, I have money, I don’t have to ask anybody for anything, and I can help my family.”* Isabel believes that the greatest benefits of being a microentrepreneur for her have been *“[The business] is mine and I can do what I want with it as I see fit, I don’t share my earnings with anyone else, and I make all the decisions.”*

The women interviewed have a variety of explanations for the success of their businesses:

- They are open consistently
- They are patient
- Strong product quality
- Past success pushes them to continue to be successful
- High level of effort
- Good customer service
- Competitive product pricing

When others are seen as having more success than the women interviewed, they are often attributed with having more experience, a better location, better business ideas and better business-management skills. However, many women replied that they did not know anyone who was more successful or they were unable to identify the reason for their success.

The women were asked what advice they would give themselves were they to begin their businesses again. Responses included investing more up-front, saving, avoiding money mismanagement, being patient, not making the same mistakes and not being afraid to accept advice. Alejandra said that if she could give herself advice it would be to *“Not make the same errors and to receive technical advice before beginning, such as knowing the different seasonal products to sell. For example, in December, roses and white flowers should be sold.”*

Goals and aspirations

The Good Life

The clients were asked to describe their definition of the “good life” or “well-being” in order to understand their broad life goals and aspirations. The majority described the good life as not lacking anything, primarily having the economic means—money and work—to cover all their needs. *“The main thing is to not lack from anything: food, having the necessities for essential expenses, having good nutrition and health, and that all is well with the family,”* shared Isabel. Having good health was the second most mentioned and is fundamental to one being able to work and achieve the good life. Matilde shared that it was *“good health, good nutrition and exercise. You are what you eat and you have to watch what you eat.”*

Several of the women have fairly modest definitions of well-being: *“[The good life is] for me to be well, healthy and with my family, supporting them however you can. Living without shortcomings as far as it goes, but no frills. Maybe they see me as a conformist person because I am happy with what I have. Maybe it is because my husband and I come from very poor families,”* shared Carolina. Rocio said, *“Being healthy, being well fed, to have the necessary work. Not to live like rich people but have a healthy food.”*

When asked whether they felt they could achieve their definition of the “good life,” 22 out of the 31 women said, “Yes.” Their main reasons for feeling capable of achieving their dreams was described as their ability to be successful in their business and because they were working hard to achieve these dreams. Catalina shared, *“I believe the good life is having everything necessary and not lacking anything for one’s family, such as having a big house where everyone has their own room, and a kitchen. To have money saved for illnesses and to have other businesses and to use money from the businesses to get ahead in life. I feel like I can achieve this with the business I have started. I am investing more, which enables me to bring home more money and support my family more.”*

A few felt somewhat skeptical about their ability to achieve the good life, mainly due to the lack of funds to do so. Ana, whose definition of the good life is to be better off economically, felt she was going to *“achieve most of my dreams, but some of my dreams will not be achieved.”* Lisa felt similarly. She dreams of a tranquil life, having her work, her children doing well, having the luxury of visiting her family in Veracruz and Poza Rica. *“I feel like I have already achieved a lot of this, however, on occasions, we are stretching our resources, you living day by day, trying to pay your loans and meet your needs.”* The only client who felt they would not achieve their definition of “the good life” was because she had never given it any thought, almost as though it was never attainable. Eva shared, *“The good life...I don’t know. This has never been posed to me before. I’ve never thought about it.”*

Expectations or Becoming an Entrepreneur

When asked about their original expectations for becoming an entrepreneur, the answers were quite varied. Eight out of the 31 women gave the most common answer: they simply wanted to get ahead. The remaining most common expectations for becoming an entrepreneur include:

- Wanting to grow a business
- Wanting build a family home
- Helping their children with their education

There was a longer list of individual answers, such as wanting to support their husband’s business, wanting to be more independent, wanting to open a new location, etc., suggesting that there is a fairly wide range of motivations for becoming an entrepreneur. Alejandra shared, *“At the beginning, it was simply an adventure, and I didn’t think it was going to work. At the beginning, it was working; once we got established, we began to earn money, giving value to the goods we were selling. Have I achieved my initial expectations of becoming an entrepreneur? Yes, they’ve been achieved.”* Vera was an entrepreneur who specifically wanted to own her own business, *“I wanted to have my own stable business, to be my own boss. I imagined myself serving my own clients, making purchases, replenishing my products...this is how I saw it.”* Slightly more than one-half of them felt that these expectations have been met. For those that didn’t feel their expectations were met, they indicated it was due to lacking enough money to grow the business and competition, or the answer was unclear.

Goals for the Next Five Years

The interview concluded with a final question about where they see their business in five years. These dreams can be categorized in two themes: big dreams versus baby steps.

For those who were dreaming big, most said “big location” or “bigger business.” It seems “bigger” is defined by bigger space and location. Half of the entrepreneurs fit this category. For example, Angela said, *“I’m very animated. I want to have a chain of businesses, employ more people. I want big and more workshops!”*

The remaining answers were a variety of baby steps such as

- not renting and wanting to own their own space
- diversifying their products
- purchasing some new assets for the business such as a car, machinery
- making their current business into a more “formal” business
- showing others that they can be successful at being an entrepreneur
- adding additional employees

Catalina shared, *“I want my business to be better, with more resources, more people working. I want to show that women matter and that not only men can work, that we can get ahead.”* Paula wanted to be more successful in five years, *“Possibly I will have my business in my home. I imagine it being big, attending to it between 2 in the afternoon until 9 at night; it is more like a business.”*

Barriers and Positive Conditions to Growth

Table 3 summarizes the positive conditions and barriers to growing the business, based on both what the women identified, as well as from an external view of each entrepreneur’s situation. These barriers and conditions to growth are analyzed through

- a personal lens: personal characteristics that seem to help or hinder business growth
- a family and cultural lens: what family and cultural support do they have;
- an educational lens; and
- a business and financial skills lens.

Table 3: Barriers and Positive Conditions to Growth

Area of Analysis	Positive Conditions	Barriers
Personal	<ul style="list-style-type: none"> • Innovative/creative • Has a vision • Positive attitude • Comfortable with risk • Hard worker/“fighter” • Like what they do • Has management skills • Ability to make decisions • Wanted to be an entrepreneur 	<ul style="list-style-type: none"> • Not comfortable with innovating, accepting role of technology • Lack of focus • Lack of confidence/insecurity • Sets no or very low goals to achieve • Not self-aware, critical of one’s skills • Unwilling to seek help • See entrepreneurship as a means of meeting other financial goals
Family and Culture	<ul style="list-style-type: none"> • Have family (primarily spousal) support • Have mentors/experts they rely on 	<ul style="list-style-type: none"> • Lack of family support • Lack of confidence in other people
Education and Business Competencies	<ul style="list-style-type: none"> • Have technical knowledge for running one’s particular business • Can recognize market opportunities/niches • Can recognize skills in others (in employees) • Have business-management skills, such as know-how for marketing products 	<ul style="list-style-type: none"> • Lack knowledge and specific business skills (accounting, marketing, inventory management) • Lack specific trade skills • Poor time management skills • Perceive training as a cost and don’t see it as an investment
Business	<ul style="list-style-type: none"> • Has a type of business that can grow/supportive market • Comparative advantage • Registration/formalization as a business • Own property/business location 	<ul style="list-style-type: none"> • Business growth is limited • Type of business chosen is difficult to formalize • Lack of formal location for business • Size and cost of location is limiting
Finances	<ul style="list-style-type: none"> • See themselves as investors in their own business • High capacity to save • Has access to initial capital • Has access to working capital 	<ul style="list-style-type: none"> • Inappropriate credits • Poor management of credit • Lack of capital

Positive Deviants

The list of barriers and positive conditions are considered for all of the women interviewed, but what likely determines whether she’s going to be most successful? The original intent of this study was to be able to determine the characteristics of positive deviants—women who seemed to succeed where others were less successful or failing.

There were two processes for categorizing the women into a simple positive deviant and typical microentrepreneur category. First Ambito Productivo was asked to categorize and send a list of 20 women who were less successful and ten who were successful. To categorize this list, they primarily relied on the following indicators:

1. Client never missed a loan payment
2. Client was moving up the credit scale; she took out increasingly larger loans at each credit cycle
3. Client has been in business for a while

In the end, the final list included 13 successful clients and 18 less successful clients.

Generally, those who were identified as positive deviants by the institution typically stayed in this category, but three of the successful clients were re-categorized by the interviewers based on their qualitative interview. Therefore, the final classification resulted in ten positive deviants, and 21 typical microentrepreneurs.

The combination of the initial categorization of the clients as well as the qualitative interviews suggest the following about identifying positive deviants or microentrepreneurs who are capable and ready for growing their businesses:

1. **The positive deviants had always wanted to be an entrepreneur** compared to those who saw their business as a means to achieving some other financial goal (such as building a house, supporting their husband, putting their children through school.). When asked about their original expectations for becoming an entrepreneur, most who were categorized as a positive deviant where those who said they wanted to be an entrepreneur, they wanted to be their own boss, they wanted to grow a business.
2. **They've chosen a business that has room and opportunity to grow.** One of the clients originally categorized as a positive deviant was re-categorized as less successful because she had chosen a type of catalogue sales business that would require for her to become an employee of the company in order to really see the business grown. Given this was not in her interest and because she was satisfied with the level of success of her business, she was re-categorized. If she wanted to become more successful as an entrepreneur, she would have to choose a different type of business to see it really grow.
3. **Positive deviants seem to have more confidence in themselves.** When positive deviants talk about themselves as entrepreneurs and about their businesses, their language suggests they believe they have the right skills, at the right time, and are in the right business to see it grow. They either don't have a lot of competition because they've chosen a business that has a particular niche, or they do face competition, but believe they provide better customer service, which makes them more successful. For example, Margarita, who owns a tortilla shop, said she faces a lot of competition; however, her quality product and her treatment of the customer make her successful. *"We all have the same price, but the treatment of the client is very important. We've improved the quality of our products a lot in the preparation. We open at 7 a.m. and we close at 9 p.m., and we also sell by motorcycle."*
4. **They've established their business in a permanent location/have business registered.** Some of them own the property where their business is located, others are renting. For those who

are renting, part of their vision is to own their own property to avoid the high rents they typically pay. As with some of the predictors that were discovered from the literature on entrepreneurs specific to Mexico, being a business registered with the government is an indicator as to whether they are a successful business because registration is a difficult process. In this case, most of the positive deviants have their businesses registered as well as a permanent location.

5. **They have older children or have a workable arrangement that allows them to care for their children and their business.** Of the ten positive deviants, only four of them had children under the age of 18. The ones with young children either bring their children to work if they are too young to attend school; work during the school hours, returning at home for lunches and closing their shops during this time; or have others who help care for their children. It appears to be quite a balancing act, but one that is working.
6. **Most importantly, they have a vision for their business and some ideas of how to achieve their vision.** The “indicator” that was perceived to be the most useful when categorizing the entrepreneurs as a positive deviant is that they had a vision for their business and some ideas of how they would achieve their vision. For those who were originally categorized as positive deviants and then re-categorized, lack of vision was the primary reason for the reclassification. For example, Maria raises pigs and while she loves what she does, her five-year vision is to add a few more pigs. She uses her credits mainly to make improvements to her home and seems fairly satisfied with her current economic situation that she’s not perceivably motivated to grow her animal husbandry business. Maria is also a great example of a client who has all the right credentials for being a successful entrepreneur: she has a good credit history, she’s taken larger loans over time, she’s had her business for ten years, and she has a college degree. Her pig farm appears to be more a hobby than a significant income-generating activity for her family and she doesn’t describe a vision very different from the life she is living now.

While originally the credit history and length of business ownership were used by the microfinance institution (MFI) to suggest a list of positive deviants—which appears to be one reflection of their positive status as an entrepreneur—it does not capture the full picture.

Many have studied the various characteristics that can predict whether a woman can become a successful entrepreneur. The recently published WeGrow study^{xvi} on high-growth entrepreneurs outlined a series of indicators that described the successful versus the less successful:

The most significant challenges that women entrepreneurs face in growing their businesses include: (i) their companies typically begin with less capital than their male counterparts, which translates into low performance in terms of assets, revenues, profitability and survival; (ii) women seem to be hesitant to borrow money, as they usually believe that their requests will be rejected and that the amount of loans available to them will not be sufficient to help them grow their businesses; (iii) women have greater difficulty developing networks of contacts for their businesses; (iv) women are affected to a greater extent by the demands of work and personal life; (v) women show greater fear of failure and less confidence in themselves; (vi) women are more likely to operate their projects without employees; (vii) women are customer-centric and

rarely sell outside of their countries; and (viii) women often do not avail themselves of specialized assistance to grow their enterprises.

While these indicators are for entrepreneurs performing at a much higher level, several of them ring equally true for microentrepreneurs and women seeking to turn their businesses into a small business. Once an organization can pick from those who have a vision for their business and a desire to grow the business, then individual attributes alone seem less predictive of whether they will become successful. For example, while some of our positive deviants had higher levels of education, not all of them did. In fact, there were several who only had a primary school education. Some of the non-successful entrepreneurs had a family background in their business, but lacked the vision to grow this family business into something greater.

Bruhn's research^{xvii} in Mexico referenced above indicated that there is no silver bullet for helping grow a woman's business, and it appears that this is very likely true given the variety in the stories. Successful entrepreneurs are not a homogenous group and have a varying list of characteristics, goals and expectations for the role their business is supposed to play.

Recommendations

Based on the literature review and the market research with the 31 women entrepreneurs, the following are suggested recommendations for designing an intervention for supporting microentrepreneurs in Mexico who are ready to grow their businesses:

1. **Build off a clear vision.** It appears that for helping move entrepreneurs from micro-business to small or medium businesses, MFIs or other organizations serving entrepreneurs should, in addition to relying on success indicators such as business longevity and credit history, consider whether the client has a vision for growth. Does the entrepreneur have a vision for her business that includes it growing and possible path for getting there?
2. **Intentionally address work-life balance.** There is an important segment to consider among those with potential, and that is one that directly addresses the caregiver role women play. Those with older children have a greater capacity to pay attention to their businesses and often involve their children as informal employees, expanding their capacity to grow. For those with younger children, they either have family members who help with childcare or the woman decides to close her business during hours when she has childcare responsibilities. What creative arrangements or innovations could be designed to purposely help women address this while their children are young? Is there a reason to simply make a growth plan that takes childcare into consideration during the years when their children are younger? Is this a necessary compromise?
3. **Address the specific gaps that restrict growth of particular businesses and particular women entrepreneurs.** Challenges to growing a business are quite varied and are not always directly related. For example, there are some women who lack formal skills in accounting and inventory planning. These skills might benefit a fairly large number of women and could be provided in trainings. There are, however, some gaps that are specific: how to better compete, how to gain personal attributes that successful businesswomen see as being keys to their own success, such as

being patient, having good relationships with clients and having faith. Vera shared that in order to be successful, the skills most important are to be “*positive—as a principle. From the time you get up in the morning you tell yourself that today is going to be better than yesterday.*” When asked what they lacked to grow their businesses, very few pointed to a specific training that could help them, such as computer courses, until they were asked directly to list the training they would value. This suggests that most of the women interviewed saw their personal traits as setting them apart from other business owners and it was due to them having greater skills. When asked about trainings, they were fairly specific: cooking classes on how to prepare different types of foods better or training on how to purchase license plates for motorcycles for her business, to name a few.

4. **Dig more deeply into the challenge of “lack of resources.”** Across the literature and this study, one of the limitations or challenges to growing a business is the lack of “money.” From the financial services perspective, this might always be interpreted as, “lack of enough credit.” However, it seems this concept should be further explored to understand whether needing more capital or loans to grow the business is actually about a fear of taking greater credit for an investment they see as necessary. For example, some are very clear about a large investment they need to make, such as a computer for their business and lacking enough money or resources to make the investment. When you ask them about their risk-taking behaviors, many will actually reference one of the greatest risks they’ve taken is to take out credit for their business. Vera shared, “*To acquire credit is taking a risk, although you go into it with the positive idea that all is going to go well. For example, once there was a strike of teachers and students and then there was a flood. We put our credit payments at risk. We had to sacrifice the resources we had elsewhere to make our credit payments. I learned to keep savings for situations such as these.*” This might suggest that our interpretation of lack of enough credit could be equally about their fear of taking out more credit for making larger investments. They might desire a new investment and know this could take them to the next level, but be uncomfortable with the risk of taking on credit for the investment. Perhaps other financial services such as savings would be more appropriate or perhaps providing assistance in business planning or financial projections might reduce the fear of taking on more credit for investments that should provide a financial return in the long run.

This list of recommendations is meant to serve as a reminder of program attributes that should be remembered when designing a program to help grow microbusinesses. While it is generally recognized that business education can provide a foundation and that women may need business-specific help to grow their businesses, this research has additionally highlighted the importance of focusing on visions for growth, which is a significant lever for helping those who are ready to grow their business as well as the importance of not underestimating the multiple roles women play as caregivers and businesswomen. We should also be careful not to assume lack of money to grow a business equals lack of enough accessible credit. These all need to be further unpacked to truly understand the needs of the clients and design programs and services that are appropriate for their needs.

Appendix

Positive Deviant Story Examples

Name: Vera

Business/Activity: Stationery store

Time with *Ámbito Productivo*: 72 months/6 years/12 cycles

Loans: First loan \$155.00; current \$1900.00; total of 12 loans

Current savings: \$774.00

Vera is 57 years old and is a retired technology education teacher. She's married; her household includes herself, her husband and her 25-year-old daughter, who is also an elementary school teacher. She also has two other daughters ages 32 and 37, who are already married.

Vera opened her stationery store seven years ago when her older daughters were about to graduate and she needed to increase their income because they couldn't manage on just their teachers' salaries, and besides, she says she's always liked business. Before the stationery store, she took the initiative to sell shoes from the Andrea brand catalog; she found it hard to find the time she needed for both her teaching job and collecting payments. She wanted a stable business similar to her teaching job. She learned about different kinds of paper from participating in a secretarial workshop. Combining this workshop with the fact that she considers herself very creative helped define the business she would go into: a stationery store.

Her husband supported her from the start. He had already retired and she was about to retire. They pooled their financial resources to invest in that business. They started by hiring an employee because Vera was working mornings at the school. However, when their employee couldn't come in, the stationery store would remain closed and she didn't think that was a good idea. Once she retired, her husband and daughters got together to tend the business. Each of them helped when they were free. The middle daughter is the most creative one and applies her ingenuity to selling gifts; she also has the advantage of living near the stationery store so even though they've worked out their schedules, she can tend the stationery store when Vera has official business.

The stationery store has expanded gradually using loans from APROS (this is what they call the *Ámbito Productivo* product). They offer photocopying, spiral-binding, laminating and gift-wrapping services. The Christmas season is very busy due to the gift-wrapping services, so the whole family helps out. Vera says she deals directly with the people and children who stop in to make purchases, and she advises them on how to do their homework or what materials to use: "*We solve their problems for them.*" They make their models for them and on the traditional Day of the Dead they dress them up as "calacas" (handmade skeleton figurines): "*We go with the seasons and customs from around here.*" They also add minutes to pre-paid phone cards, receive electricity payments and sell Avon products (through a company called Yaxta that pays commissions with debits cards); they cover and staple books for school children, carry a few scrapbooking supplies and have a refrigerator for selling sodas. "*If they stop in for something or other, they leave with more.*" She has an agreement to sell photocopies to a private school and a vocational school. She keeps a log of the photocopies and they pay at the end of the week.

The loans have helped her invest in equipment to expand her services, but she plans every move on the basis of the season and the needs of the business. She expects to take out a loan to make purchases at the fair being organized by her main supplier, Papelería Tony. She can get materials very cheaply at the fair; she also wants to take out a loan to buy a heavy-duty copier, even though it costs \$2700.00 and the loan may not cover it all. She has already talked with the supplier about how to cover the total cost.

The stationery store is open from 7:15 a.m. to 9:00 p.m. every day. The whole family takes turns tending the stationery store during the lunch hour. On Sundays, they start waiting on customers in the morning, but 4:00 to 7:00 p.m. is when they sell the most. The teachers already know it's the only stationery store open on Sunday, so they come to buy materials they'll need on Monday, and children get things for their homework. For these reasons, she has a lot of customers.

The stationery store's location is important because it is surrounded by schools: a private school, a public elementary school, a high school and a vocational school. It's been in the same place ever since she opened the business. She pays \$124.00 a month in rent. She is planning on paying the rent just from photocopy sales. She is worried right now because they've already asked her to vacate the premises. The owner plans to turn it into apartments. Vera wants to negotiate with the owner to let her stay there, even if the rent is raised. Another option is to ask for a one-year extension, but if they can't reach an agreement, she's looking at other rental options. Although her husband has really supported her all this time, he is actually not always in a good mood. Faced with being asked to vacate the premises, the option her husband has come up with is transferring the stationery store. But Vera does not want to lose her business because she wonders what she'll do all day long.

She hasn't seen any real competitors. There is a business that has just opened but doesn't offer photocopies and is still small. There is another one far away, so she doesn't consider it to be a competitor. Even when her customers make purchases there, they always come back. Her products and services are distinctive because of the variety of laminations, materials and kinds of paper they carry, and the quality of their copies, models, and book and notebook binding and stapling. To maintain the quality of the copies, she calls the serviceman as soon as she spots any "blotches."

Her main strategy for promoting the business is here customer service. Her customers always come back and even promote Vera's business to other people. They also put up seasonal signs, such as: "gift-wrap sale with free wrapping." Special requests are a good way to keep customers. When her customers have a special request, such as an agenda or a specific type of planner, Vera promises they'll get it when they need it. She does her purchasing once a week or more often if necessary, to stock merchandise, little gifts, novelties or special requests.

Family participation is essential. Some members of her family collaborate on an established schedule, like her daughter and her husband in the evening, but the others help out when they can. She doesn't pay them wages. The incentive is in-kind: materials they need. She supports her daughter who lives nearby with bus tickets and materials or, if needed, financial help.

From the start, she has managed to balance the time she spends on her family and on her business, because her daughters were already adults. Nowadays, even her grandchildren come to the stationery store; they have managed to make it the place to get together and collaborate. They all like the stationery store. Even though they all pitch in, she's the one who makes most of the decisions. She takes her family's advice into consideration and accepts their opinions but she's the one who decides. Her husband is the one who influenced her the most in building her business.

Her earnings are mostly reinvested in the business, but she does also use them for her family's needs. They pay for the business and household services and can even allow themselves some treats. Her business is registered with the tax authorities and she has a business license.

She believes she has a nice, useful business. *"By doing something in this life, we have something to leave. Where there's a will, there's a way, for the sake of the children and grandchildren . . . when you sell something, you'll always have money in your pocket and even a peso for tortillas."*

She hasn't had any training in running her business. She is presently participating in a CANACO, the National Chamber of Commerce, training program on the new tax reforms. The most important lesson she learned from the training is how pay suppliers. CANACO has received requests to hold other classes, but people haven't shown any interest in attending, so it hasn't managed to form a group. Vera would like to receive training on how to run the business, find out whether *"we're buying wrong"* and something about managing the business. If she had somebody to advise her, it would be somebody qualified, like a company in the same sector.

Vera agrees that *"to be successful, all I need is what I've done on my own; I make my decisions on my own."* She believes that what makes her a good entrepreneur *"is that I'm very stubborn, if I set out to do something I have to get it done, even if I'm wrong."* She mentions *"as a woman, you have more feeling, and you're more understanding and decisive; you set a goal for yourself and you have to get there; just because you're a woman doesn't mean you aren't going to do things or have people not trust you."* Her relatives tell her she should take a break, but *"the neighbors all support me, they tell me to keep on going and never leave."*

A computer course would be a useful tool for the business. She doesn't know how to use a computer: *"technology is leaving us behind."* The computer would be for print jobs and computer work, as another stationery store service.

She believes she is taking risks by taking out loans. She has the positive idea that everything will work out, even if you never know what's going to happen (like when there were floods and the teachers started demonstrating with sticks and stones). This affected back-to-school sales because they stopped working for a month. That affected her business a lot because it was during one of their biggest sales periods. It was hard because rent and loan payments don't wait. The lesson they drew from it is to set aside savings to face unforeseen events.

She doesn't think anyone is more successful: *"We're all equal."* The skills you need to become a successful entrepreneur is to be positive right from the start: *"As soon as we get up in the morning, we need to tell ourselves: 'Today is going to be better than yesterday.'"*

She thinks the benefit of owning her own business is not having a fixed schedule set by others ("a boss"), but rather meeting her own needs. She thinks maybe some people fail because they didn't get customers or keep regular hours, she works all day long—perseverance, eagerness, tolerance, you have to adapt and be friendly. If she could go back and give advice to herself, knowing what she knows now from experience, this is the advice she'd give herself to be successful in her business.

She describes "well-being" as being healthy, being in good financial shape, eating well, an okay place to live, living with dignity, living well. She thinks she's already more or less achieved that: *"I feel satisfied. I think we're healthy, we have food, family togetherness, and a place to live."*

Her expectations when she became an entrepreneur were to have her own, stable business, be her own boss, purchase from suppliers, that her business would be full and nice and that's how it's turned out. In five years, she imagines herself with a bigger business, more products and more variety with a copy center and she continues to count on support from APROS.

Name: Margarita

Type of business: Tortilla maker

Time with *Ámbito Productivo*: Two-and-a-half years

Loans: First loan \$155.00; current loan \$1550.00

How much she has saved: No savings; sometimes I save \$15.00 every other month.

Margarita is 45 years old, married, and has 4 children ages 26, 24, 23 and 20. She dropped out of school when she was in elementary school. She has always been an entrepreneur. Before opening her tortilla business four years ago with her husband, Margarita had a bakery business, a fast-food business and also helped out her husband who is a blacksmith. She had to close the bakery because “*my father-in-law got sick, we had to care for him*” and he couldn’t stay in business anymore. Then she also had to close the fast-food business “*because there’s a lot of competition in Coahuilco so we went to Huejutla (to open the tortilla shop) where the prospects were better.*”

“*We got a loan for the tortilla shop from an institution called Macehualtzizi, because they’re the owners. We rent it for \$232.00 a month. Macehualtzizi is an organization that supports indigenous women; they offer training and advice.*” Margarita participates in the programs of this organization. Previously, in Coahuilco, “*they gave us pigs to raise; they didn’t give them to us, we had to buy them.*” When she went to withdraw from the program to get support from another institution to help her set up a store, they told her that “*if you want work, we have a tortilla shop en Huejutla, Colonia del Seminario; you’re a member of this institution, you can go work there. I mentioned it to my husband and he said ‘Let’s go see them.’ When it comes to work, we’re always ready. We didn’t know a thing about tortilla shops. We went to see it, we found the man who could show us around and tell us whether the equipment was in working shape. He told us the machinery was in good shape and he would support us. What we needed to invest in it came to a lot of money. The first time, not counting the cost of traveling back and forth, we invested about \$2300.00. Compartamos Banco, that was just getting started in Coahuilco, lent us the money. I started a group of 12 women there. I worked with them there for about four years. Because I have a good credit record, they gave me two loans, a monthly one and a bi-weekly one.*”

Margarita joined APROS because she couldn’t get to Coahuilco anymore to make payments: “*The people at Compartamos contacted me, but they no longer suited me. But once there, a baker from the community invited me; that’s how I found out about APROS.*”

Margarita is sure she prefers being an entrepreneur “*because we’ve always said we needed to take a chance... win or lose, no one else is going to look out for you.*” Margarita manages the tortilla shop and with her husband make decisions about costs—although it’s mostly her husband who makes decisions about supplies “*corn, Maseca, water*” and loan payments, while Margarita is in charge of sales. Ever since they took over the business, things have changed considerably. “*Quality and preparation have improved a lot, we didn’t know anything at the beginning. Also, we’re selling more groceries, milk, crackers, eggs, cheese... It depends on how our sales go, we see what’s selling most.*” Prices between similar businesses are similar because there’s a lot of competition in Huejutla. “*Dealing with people here is very important. We open early and close late... We open at seven and close at nine and we sell from a motorcycle, that’s how selling is done here.*” Two of her children and a daughter-in-law are helping with the business and “*I have opportunities, (like) the SEDESOL program helps women financially; they gave scholarships to the boys and then I was the only one left. They give us food, education and electrical power support.*”

Margarita and her husband are very satisfied with their business. “*We have all we need, and the business is going well now, and we tend to it. The economy and money were our biggest challenges in starting the business. My daughter helped us out financially.*” Right now, the major obstacles are the competition according to the husband “*and I have no idea what’s going to happen with the price increases, affecting us; gasoline is going up, price of corn is going up, and people don’t want to pay more for tortillas.*” As for balancing family life with working life, Margarita says “*We almost don’t have family time anymore; my three children are working now,*

but we get together at the end of the year because we're closed then. My children come to see us. I'd like to spend more time with my children, but it just isn't possible."

Margarita agrees that to be successful, *"Everything I need I've accomplished on my own. If I didn't like being in business, I wouldn't do anything."* From her previous experiences, what helped her in her business were *"relationships with people and working together as a couple."* They also learned to take risks with their initial investment in the tortilla shop. *"We learned you have to watch your money, and not spend more than necessary. I always hang onto the government allowance for hard times."* What she needs now is *"money, buying the land to build a room. Right now we are renting."* Besides, *"two months ago, the manager (at Macehualtitzzi) told me that maybe they were going to sell the land where we are, and so we told him we could buy it."* The key to success is having more money, being able to invest more. But they would also like to receive another kind of consultation help *"now that we have to register the business. Because yes, now that we have to do it, the government is more demanding. We don't know how it's going to work out; I honestly have no idea what's going to happen."* Also, to find out *"how to buy the tortilla shop from Macehualtitzzi, how to negotiate, what the fair price is, how to discuss with them."* Also *"I need advice for the motorcycle license plates, licenses, etc. I still haven't received any training or advice except from the person who helped us out from the start, the man who supported us (in setting up the tortilla shop) and who has another tortilla shop."*

According to the couple, being owners has a lot of advantages. *"As owners, we invest, we are responsible for the profits and losses. If you won, you won, and if you lost, you don't have to answer to anyone; but that's the risk."* According to them, they've been successful *"thanks to being a couple. We know how to manage ourselves, we treat people well, and we work to improve sales quality."* People have failed in similar businesses due to *"bad management, not making good use of money, buying unnecessary things and running up debts."* The way they manage their business is with the husband *"controlling things; he makes sure I don't spend a lot, he avoids unnecessary spending."* The husband makes sure *"there is enough money for the raw materials to keep on working. Loan payments are bi-weekly, and we set aside three days worth of sales for the payments. Payments come first and then raw materials."*

For Margarita, a good quality of life *"is doing well, particularly in terms of health, and if we want to do well, we need to eat well. We just need a little more to reach that goal."* They hope to *"build a room, become the owners of our own tortilla shop, and have more motorcycles (for more sales)"* within five years.

Typical Microentrepreneur Story Examples

Name: Angela

Business/Activity: Sewing workshop

Time with *Ámbito Productivo*: 96 months, 8 years

Loans: First loan \$387.00; current \$1935.00; total of 4 loans

Current savings: None

Angela is married and shares her home with her husband and three children, ages 22, 21 and 3. She was able to go to school up to the secondary level; she is 40 years old.

Angela has been intermittently a client of *Ámbito Productivo* for eight years. To date, she has taken out four loans.

The business that Angela has set up is a sewing shop where she offers her clientele *“clothing alterations and new boutique creations.”* Angela’s main reason for starting her own business was to *“be my own boss...I didn’t want to work for someone else anymore.”* She was a seamstress even before going into business; she devoted herself to sewing, and sewed clothes for an employer in the United States. *“I’d rather be an entrepreneur,”* Angela says after trying both kinds of sewing work.

She has now been in business for a year. She does everything: waits on customers and manages and makes important decisions about the business. To start her own business, *“I already had machinery, I didn’t invest, I was my own workforce”* and she helped herself with *“a loan from Finsol to pay the first month’s rent.”* Besides the support from the MFI, she received a housing loan subsidy from CONAVI (National Housing Commission).

Angela has some competitors, but asserts that *“the customers recommend my work”* and that makes all the difference. Over time, the products and/or services she offers her clientele have changed: *“I started by just making uniforms and now I do wedding dresses.”* She sets up a big canvas sign to promote her services and products. Her daughter-in-law who is learning from her helps, too.

As an entrepreneur, Angela is quite pleased with how active her business is. *“I’m my own boss.”* The money she earns in her business is *“for my children and renting the premises.”* Angela’s business is not registered with the Tax Authorities and doesn’t have a permit.

When Angela talks about the major challenge she faced in starting her business, she mentions *“the people didn’t know me.”* A significant obstacle facing her right now is that *“I still haven’t been able to equip my workshop for lack of money.”* She hasn’t had problems balancing her business activities and her family: *“I get along well with my children and my husband.”* In her family, her daughter-in-law and her husband have been particularly supportive; although she thinks the kind of support she’d especially like is financial.

As for her business, Angela agrees that success comes from within, *“because everything I have I’ve done on my own.”* Moreover, as a woman, she feels very capable. Having worked for someone else before starting her own business helped her gain the skills, knowledge and experience she is now practicing. Angela is very strongly motivated to becoming a successful woman: *“I like having my family be well off, with a good house and good meals.”*

Opening a business and beginning life as an entrepreneur means taking some risks. For Angela, the biggest risk was when *“I decided to open my shop.”* On the basis of her experience, she believes it has turned out well because *“I’m taking good care of my family.”* What Angela learned when taking this risk is that *“I can manage my time and manage the business.”*

As for the skills needed to be successful, Angela thinks it is very important to be attentive, be friendly and serve her customers well. She had a chance to get training *“in the maquiladoras in the United States, and I learned various techniques.”* To keep her business moving forward, she'd like to receive training to *“update myself on clothing or machines.”* When Angela has a doubt or a question about how to improve the business, she usually asks her tailor or seamstress friends; her family has had the support of enough friends and relatives for her to develop and grow her business. If she had the chance to work with a tutor or mentor, she could benefit from the advice and experience.

When Angela talks about the benefits she can identify aside from having her own business, she mentions her time. Based on what she has experienced, her business has been successful because *“I do good work and it is varied.”* Angela knows about a business that unfortunately failed and she thinks the main reason was that *“it wasn't open every day and they said the rent was high. I always open my business.”* If she could go back and give herself advice, Angela thinks it is worth having more investments.

Nowadays, the technology she would like to add to her sewing shop is more machines to do more sewing or alterations. As for administrative control: *“I record all entries in a notebook, what I don't have is an inventory.”*

Having well-being or a good quality of life means *“having a good financial situation, having enough money.”* Angela thinks she will achieve a good quality of life *“because the business I started is yielding good results.”* When she opened the workshop, she expected to grow the business; so far, *“I haven't achieved that.”* However, she is very energetic and would like *“to have a chain of stores, equip the shop better and have more people.”* She imagines that in five years, her business will be big, with more shops.

Name: Cristina
Business/Activity: Shoe Store-Boutique
Time with *Ámbito Productivo*: 12 months, 1 year, 2 cycles
Loans: First loan \$387.00; current loan \$774.00; 2 loans
Current savings: None

Cristina is 44 years old. She went to secondary school and is married. Three people live in her household: her husband, her 11-year-old daughter and herself.

She has been selling footwear and clothes for seven years. Her boutique also offers the catalog products she used to sell before she got an established business. For example, she has Andrea, Class and Price Shoes, along with perfumes, and Mary Kay, Fuller and natural products. Although they are catalog products, she also has products on display.

Something that helped her start her current business is her experience of selling out of a catalog. Some of her relatives ask her how she achieved it. Her sister says *"I wouldn't dare, I'm very shy,"* but Cristina enjoys selling.

She'd rather be an entrepreneur. *"I'm not pressed for time, my daughter handles her schedules."* She has an older daughter who is already a mom and helps her tend the business while she does the rounds in offices to sell her products. Cristina is the owner, she manages the boutique by herself and makes most of the decisions.

She paid the expenses to open her business with loans from Compartamos Banco. She used her first loan to buy the shelving for the shoes and footwear stock. The loans helped her stock her business.

Cristina received support from FONAES (National Fund for Social Enterprises), which gave her a loan to purchase display windows and attend courses in Mexico City, Xalapa and Catemaco. The courses were part of microentrepreneur training in business management. The most important thing she learned from that training was to *"give the best you've got, know how to wait on customers and be nice."*

Her boutique is located in downtown Pánuco in a permanent location. She pays \$90.00 in rent each month. She had three competitors, but one has already failed. What sets Cristina's business apart from her competitors' is how she treats people. Her customers have tried others and come back to her because they feel comfortable with her; she doesn't pressure them and waits until the following week if they can't pay. *"I send them a text message."* When they place an order, she gets the product for them, even if they don't make an advance payment.

As time goes by, the cost of her products has risen; she has gradually increased her stock, adding the products mentioned above. She promotes her products by showing the catalog in offices; her daughter is her employee and tends the business.

She is pleased with how her business is doing. *"I have come out ahead; I have reached the goals I set for myself, like not being exposed to sun and dirt."* Her income goes into stocking the business, clothing needs, and getting illnesses taken care of by private physicians to avoid turning to social security.

Her business is registered with the tax authorities; she has made the necessary payments for obtaining a license.

Not having customers and being afraid of failure were the main obstacles she faced when she went into business: she bore a lot, they told her to quit, but she didn't give up; she is proud of her accomplishments. Right now, she is facing financial obstacles, *"Sometimes I can't manage to stock what people want."*

To balance her family life and her work, she says, *“I rush around home to get things done and avoid problems, so I can spread my time out appropriately.”* She gives her daughter money for food at school *“and that’s what I’ve done since she was in kindergarten; she is already in elementary school, so yes, I’ve managed so far.”*

She has received help from her husband. He helped her with cash to start the business and he also pays for the premises; he’s the one who put in the woodwork. She would like to have more moral support. Her relatives and neighbors ask her *“how did you get business?”* They always act interested and they’re glad she is self-employed.

Cristina says that being a woman did influence her ability to be successful in her business, because *“we have needs; we’re not going to say NO because we are women, on the contrary.”* She agrees that to be successful one must be self-reliant *“because if you want it, you can overcome obstacles; I told myself I was going to do it and I did.”*

She states that up until now, the loans have been adequate, *“although I’m never satisfied, it’s never enough, I have a chance right now to invest in purses.”*

The skills, knowledge and experiences that have helped her in her business are treating customers right and offering good quality to her customers. What makes her a good entrepreneur is being understanding; she is friendly and she has the charisma to sell her products. What she thinks she needs to become a more successful entrepreneur is *“money to make deals; I’d be able to bring in more customers.”*

She believes she is someone who takes risks, *“in fact, I’ve managed to get ahead; I didn’t have anything before. Being independent is the most satisfying way to be.”* What she learned by taking risks is *“you can get ahead; you’re not going to be left behind just because you don’t have the preparation. You can get ahead.”*

She thinks that the downtown shoe stores are more successful because they carry a greater percentage of products, so they earn more. She doesn’t know what skills are needed to become a successful businesswoman—she thinks perhaps having more money to move more products.

She would like to get training in how to grow her business. As for how to improve her business, she mentioned that CANACO (National Chamber of Commerce) is about to offer business training. She mentions having received support from the government through FONAES to develop and build her business. She considers herself the person who’s been most influential in building her business and through loans. If she had access to a mentor, she’d ask for advice about producing more and enlarging her business.

Managing her schedule is a benefit of owning her own business and how she deals with her customers is one of the factors in her success. She adds that people have failed in their businesses due to *“poor investment, because you can’t spend more than you have.”* Cristina has been successful because she *“foresees what she’ll need in her business, for example, if you purchase something that isn’t a priority, like a car, you stop buying the essentials. I would tell myself when launching my business, ‘first, build a customer base before launching the business on a large scale.’”*

“If I had access to technology to improve my business, I’d get a computer to keep track of the inventory and get training in how to use it.” For the time being, her business controls are kept in a notebook where she notes what goes out and what comes in.

She thinks that well-being or a good quality of life is *“mainly not lacking financial resources,”* and thinks that she will manage to get there because she is solvent, wants to get ahead and have a better quality of life than what she had before.

When she became an entrepreneur, her initial expectations were “*to prove myself, not have to hold my hand out for money*” and she thinks she’s achieved that.

She thinks that in five years her business may “*carry all kinds of products, with double the customers, and greater earnings.*” What she wants to achieve is a wider range of merchandise, being able to have another business somewhere else.

Endnotes

- ⁱ Labor force participation rate, female. 2014. World Bank. Available at: <http://data.worldbank.org/indicator/SL.TLF.CACT.FE.ZS>
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- ^{iv} *Ibid.*
- ^v *Female Entrepreneurship Resource Point—Introduction and Module 1: Why Gender Matters*. 2013. World Bank. Available at: <http://go.worldbank.org/UI27QY1330>
- ^{vi} *Female Entrepreneurship Resource Point—Introduction and Module 1: Why Gender Matters*. 2013. World Bank. Available at: <http://go.worldbank.org/UI27QY1330> | *WEGrow: Unlocking the Growth Potential of Women Entrepreneurs in Latin America and the Caribbean*. 2014. Inter-American Development Bank. Available at: <http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=38671934> | Gracia B. 2009. Discriminación por Género en el ámbito empresarial. CONAPRED. Available at: http://www.equidad.scjn.gob.mx/IMG/pdf/Discriminacion_por_genero_en_el_ambito_empresarial.pdf
- ^{vii} See iv.
- ^{viii} Heller L. *Mujeres emprendedoras en América Latina y el Caribe: Realidades, obstáculos y desafíos*. 2010. CEPAL, United Nations. Available at: <http://www.cepal.org/publicaciones/xml/4/38314/Serie93.pdf> | “Can entrepreneurship be fostered?” *World Development Report 2013*. World Bank. Available at: http://siteresources.worldbank.org/EXTNWDR2013/Resources/8258024-1320950747192/8260293-1322665883147/Q3-Can_entrepreneurship_be_fostered.pdf
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- ^x *WEGrow: Unlocking the Growth Potential of Women Entrepreneurs in Latin America and the Caribbean*. 2014. Inter-American Development Bank. Available at: <http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=38671934>

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- ^{xz} “Can entrepreneurship be fostered?” *World Development Report 2013*. World Bank. Available at: http://siteresources.worldbank.org/EXTNWDR2013/Resources/8258024-1320950747192/8260293-1322665883147/Q3-Can_entrepreneurship_be_fostered.pdf | Bruhn M, D Karlan & A Schoar. *The Impact of Consulting Services on Small and Medium Enterprises: Evidence from a Randomized Trial in Mexico*. 2010. New Haven, CT: Innovations for Poverty Action. Available at: http://karlan.yale.edu/p/sme_consulting_mexico.pdf
- ^{xii} See X.
- ^{xiii} Bruhn M, D Karlan & A Schoar. *The Impact of Consulting Services on Small and Medium Enterprises: Evidence from a Randomized Trial in Mexico*. 2010. New Haven, CT: Innovations for Poverty Action. Available at: http://karlan.yale.edu/p/sme_consulting_mexico.pdf
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- ^{xv} Thomas D. *A General Inductive Approach for Qualitative Data Analysis*. 2003. School of Population and Health. University of Auckland, New Zealand. Available at: <http://www.frankumstein.com/PDF/Psychology/Inductive%20Content%20Analysis.pdf>
- ^{xvi} See X.
- ^{xvii} See Xiii.