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# How Women Are Changing the World



By Hans H. Wahl , Director INSEAD Social Entrepreneurship Programme (ISEP)

**As social entrepreneurs, women are uniquely positioned to understand and address society's unmet needs.**

When students from Egypt, Yemen and Palestine presented their business plans to panel of judges at the finals of the INJAZ Al-Arab enterprise competition in Marrakech, the high level businessmen were forced to sit up and take notice. Challenged on their supply chains, business models and ability to take on unexpected competition, the 16 and 17 year olds who comprised the teams, many of them girls, had answers for every challenge, and could show that their innovative ventures were both financially viable and addressed some of the region's most pressing social needs.

The students were young team members who had founded enterprises across the Middle East-North Africa (MENA) region and were in Morocco for the final round of INJAZ – Al-Arab's Regional Entrepreneurship Competition. That these students were in town at the same time as the World Economic Forum (WEF) was not coincidental. INJAZ founder and CEO, Soraya Salti was leading a special WEF discussion on the need for innovation in education. She saw this as an opportunity to both expose the students to the workings

of WEF and, perhaps even more importantly, expose WEF members to the high level of talent, enthusiasm and passion of the next generation of entrepreneurs.

INJAZ Al-Arab, set up by Soraya, (whose unexpected death late last year sparked an outpouring of [grief in the MENA region](#)) aims to address the massive mismatch between education offerings and required job skills across the MENA region – a tremendous task given a recent survey revealed [one in three Egyptian university graduates are unemployed, two thirds of young women in the Arab World remain outside of the workforce,](#) and the [MENA region has the highest youth unemployment rate in the world](#). The initiative, modelled on the global organisation, Junior Achievement, encourages students, especially women, to join after-school clubs to develop their business skills with topics such as financial and market analysis, business model development, and leadership.

Having been stymied by the intransigence of the region's cumbersome education systems, Soraya approached corporate leaders instead to help kick-start the initiative. Bypassing schools meant she was able to organise funding and garner support from corporations and innovative educators without the constraints of entrenched educational bureaucracies. Once the business community was on board to offer expertise, experience and financial support, the programme and the results were apparent, it was very difficult for the educational institutions to say no.

### **Women's unorthodox approach to social entrepreneurship**

This unorthodox approach to overcoming bureaucratic hurdles is characteristic of many female social entrepreneurs. While their male counterparts often see obstructions as battles that need to be won, female entrepreneurs show a remarkable ability at finding alternative solutions.

Whether it's a start up or working through an existing venture; combating poverty, ensuring access to healthcare, fair housing or women's empowerment, MENA's female social entrepreneurs are addressing the region's unmet social needs by using business practices and market mechanisms.

Success stories like Soraya's include Laila Iskander from Egypt who, through her organisation CID Consulting, and the zabbaleen garbage collectors of Cairo demonstrated that large-scale recycling programmes offer

employment, generate income and improve living conditions.

### **Women see more..**

Often initiatives start small – a single person.

In Morocco, Tunisia and Algeria, many ventures begin with individual women helping traditional producers from their home village upgrade the quality and marketability of their products to meet domestic and tourist markets. Once the connection has been made and the entrepreneur starts making regular trips between the rural community and the city, the unmet needs of the rural areas become more glaring. Problems with ineffective education and health care services, transport or housing create even greater scope and opportunity to make a difference.

In many instances female social entrepreneurs are more likely to have contact with people outside their own social strata, than men do. They see more, have a bigger field of vision, and find it easier to gain trust of women in smaller communities. In the majority of cases the critical needs of society - education, healthcare, ageing, cultural preservation –are all elements which are more likely to be attended to by a community's women.

Like Soraya, the majority of female social entrepreneurs have a way of looking for solutions that are not obvious. They are adept at finding indirect channels to a solution to meet the challenge at hand.

However there are challenges. In many traditional communities in all parts of the world there is a great demand on women to fulfil obligations in the home before attending to those outside. Even women who have the financial resources to bring in home help, shoulder the full responsibility of running the household. But while this creates an additional burden, it also brings into focus more gaps and inefficiencies and hence more opportunities for social entrepreneurs.

### **Social enterprise mean business**

Another obstacle for women is finance.

Investors hear the word "social" entrepreneurship and they think charity – when women enter the room and talk about a social enterprise it exacerbates this assumption and becomes an additional hurdle for them to overcome.

Social enterprises are not charities, they are initiatives which use business models and market mechanisms to meet social needs and rely on a revenue stream to keep their operations sustainable.

A recent **study** commissioned by the **Cartier Women's Initiative Awards**, (a Cartier, INSEAD and McKinsey & Company partnership) found that women setting up entrepreneurial ventures consistently had less access to finance than their male counterparts. Not only are their business ventures taken less seriously by financial institutions but they, themselves, set their horizons below their male counterparts. When seeking financing, women survey their peers and are more likely to ask investors for \$50,000 or \$100,000 whereas men, looking at their peers, ask for 10 or even 100 times that amount. The report noted that as well as having less capital to work with, women spend more of their time seeking funding than their male counterparts. It's a completely different perspective and highlights a downside to women's networks; when women only see other business women as their peers it can diminish expectations.

Projects like the Cartier Women's Initiatives Awards are seeking to change this by expanding women's circles, giving participants access to finance, market outlets, supply chains, media, and other resources that are outside their normal circle of contacts.

### **Basic needs spur innovation**

The rising role of female social entrepreneurs in the Middle East and North Africa mirrors the rising role and impact of women across emerging growth markets. Balancing innovation and impact with financial sustainability is a formidable challenge. But it is from these areas where people feel they can make a difference in their community, that the most entrepreneurial ideas take hold.

*Hans Wahl, is a director of **the INSEAD Social Entrepreneurship Initiative**.*

*INSEAD has created the Soraya Salti Social Impact Scholarship Fund in honour of the late Jordanian social entrepreneur. The fund will provide up to two scholarships each year to young woman entrepreneurs from the Middle East, South Asia and Africa to INSEAD's **Social Entrepreneurship Executive Education Programme**.*

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