

YOUTH PERSPECTIVE ON ENTREPRENEURSHIP AND BUSINESS IN SIEM REAP AND BATTAMBANG

ACCOMPANYING GENDER LENS REPORT



ABOUT THIS RESEARCH

This report is a gender lens focus of the main findings of Phum Impact Research in Battambang and Siem Reap, with a focus on young women (including both aspiring entrepreneurs and current entrepreneurs). For full details on the methodology, trends identified in each province, youth aspirations, perspectives on entrepreneurship and existing support system, please refer to the main report. This research was undertaken with the purpose of enhancing Impact Hub Phnom Penh's depth of understanding youth needs and objectives, ahead of the design and launch of Phum Impact, locally rooted provincial communities whose objectives are to 'inspire, connect and enable' youth living in these two provinces. This deep dive on gender will help the Phum Impact's Founders design effective activities for the youth in these areas, while also ensuring that women's needs are properly addressed.

DATA COLLECTION

Data collection consisted of two main phases:

Field research: Eight day field trip to the two provinces (11-18 July 2020) to do: **In-person one-on-one interviews** with entrepreneurs and ecosystem supporters (ESOs) (7 meetings in Battambang & 7 meetings in Siem Reap) and **4 focus groups** (Battambang: 11 participants in youth focus group and 18 participants in ESO focus group & Siem Reap: 16 participants in youth focus group & 18 participants in ESO focus group). In addition to in-person interviews in the 2 provinces, **online interviews** were also conducted later on in order to collect additional data (1 meeting with ESOs in Siem Reap, 2 meetings with ESOs and 1 with entrepreneurs in Battambang).

After collecting the qualitative insights through interviews and focus groups, a Khmer language **online survey** was designed and promoted publicly through Facebook and youth networks in Battambang and Siem Reap. Out of the 857 youths, there are 351 respondents for the Siem Reap survey, and 506 for Battambang.

Out of the total 857 respondents, 533 or 62.2% are female. Of all female respondents, 437 or 81.99% have goals related to entrepreneurship (422 are aspiring entrepreneurs and 15 are current entrepreneurs) and the other 96 or 18.01% female youth do not have any future goal related to entrepreneurship.

The online survey was formulated to answer research questions with regards to gender and entrepreneurship in the following themes:

- Youth perspective on gender: including access to education and opportunity, and challenges faced by female entrepreneurs
- Female aspirations: including women's aspirations in entrepreneurship, perception of own abilities and perception of barriers to achieving goals
- Female perspective on business & entrepreneurship: including perceptions of leadership and gender and motivations for starting a business
- Female access to support ecosystems: including challenges experienced, support required and support seeking behaviour

Data was analysed using chi-squared test and T-test modelling to test the above hypotheses.



PERSPECTIVE ON GENDER

The result of our survey with 857 youth showed that female and male youth have the same pattern of thought when it comes to gender access to education and opportunities. Almost 70% of the male and female respondents think that both genders have equal access to education and opportunity.

There is no statistically significant relationship between gender and perceived access to opportunity. However, when it comes to the amount and intensity of challenges that they have to overcome in order to achieve their dreams, the youth seem to divide into 2 main groups of thought. About 40% of them think that both genders face the same challenges, while the other 40% of youth perceive that women face more challenges than men (the remaining 20% voted neutral on this aspect).

In the focus group with youth in Battambang and Siem Reap, most of the participants express that they see opportunities are open to both genders. However, it doesn't mean that both genders have to put the same amount of effort in order to get to where they want to be. They suggested that women have to overcome additional challenges to men such as: more restriction / less freedom imposed by their family, less safety, lack of self-confidence or ability to speak up or stand-up against others, and a lack of outstanding female role models in their province.

“I used to join the Technovation entrepreneurship competition for young girls. I believe youths in the province are as smart as youth in Phnom Penh, but I'm upset that there's no STEM school and not many high quality events here as in the capital. I want to lay my own path that is different from what my parents want for me, but there are not enough choices and the older people don't listen to my ideas”.

- Rathana
Female, 11th Grade student, Battambang

YOUTH ASPIRATION

When asked about long term goals,

youth mentioned that they have more than one 'future goal', which included working for a government ministry, a Non Government Organisation (NGO), or a company, or starting their own business or studying/working abroad. 5-7% of them are not sure about their goal yet.



More than 80% of both genders have “starting their own business” as their top goal or one of their long term aspirations. Meanwhile, it’s interesting to note that even though the same ratio of women are as interested in entrepreneurship as men, women seem to express more indecisiveness or uncertainty than men. Male respondents are more likely to say that they are “already an entrepreneur” or “Yes, they are very sure about becoming an entrepreneur in the future”. While female respondents are more likely to say “Maybe, one day they will become entrepreneurs” or “I don’t know yet” or “No” to becoming entrepreneurs.

This uncertainty could be connected to “lack of self-confidence” which was voted as a top challenge for female youth, followed by lack of finance, lack of work experience, lack of technical skills, and lack of soft skills. Male respondents also voted these as their top 4 challenges (lack of finance is the first, closely followed by lack of confidence).

Family disapproval is also among one of the identified challenges, even though it doesn’t make the top of the list. Of all the challenges youth could select (in designing the survey, challenges were first surfaced through focus groups), family disapproval is the only option that is statistically proven to be related to gender. Women are two times more likely than men to rate that family disapproval as a challenge (14.85% of Female respondents vs 8.02% of men).

In the focus group, some female youth said their family is quite “laissez-faire” with them. Some said they are allowed to do things against their orders if they have good enough reasons to explain, while others said their parents are very strict or not approve no matter what. In the case of family disapproval, men in the focus group were more likely than women to go against their family.

Only 23.86% of youth are ‘very confident’ in being part of ‘be part of the solution’ to local challenges they see in their province, and there is no correlation between gender and their perceived confidence.

“My parents are strict on their children, including me and my sister, because the social media world that my mum is exposed to shows too much of the darker side of the world and everything seems like a risk for her. They say no to many things, but I still find a way to do it anyway. While my sister more often accepts it. I think she feels being shut up even on small things such as what hairstyle she can have. I feel my sister has more constraints than me”.

— Vath Bank

Male, 2nd year student majoring in Entrepreneurship & Innovation at National University of Management. He’s from Battambang, but came to study in Phnom Penh in the same class as his older sister at the university. Bank came to the youth focus group that we organized in Battambang. His sister didn’t join.

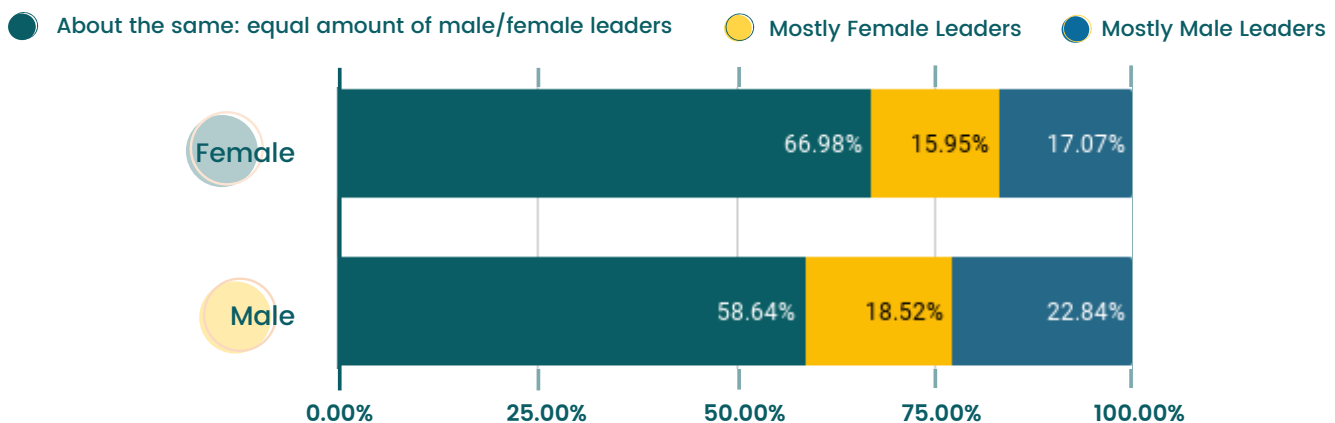
PERSPECTIVE ON ENTREPRENEURSHIP & BUSINESS

Big business vs small business leadership

During the focus groups, participants tended to think that small businesses (such as home-based family business, sometimes unregistered micro-businesses) are mostly led by women, while bigger businesses (with more than 10 employees, registered or have scalability plans) are mostly led by men. The survey was set out to find out if this perception could be validated by the larger population.

Findings from the survey indicate that both genders in Battambang and Siem Reap perceive that men and women are 'equally' likely to lead small businesses. Female youth are statistically more likely than male youth (66.98% of female vs 58.64% of male) to perceive businesses are equally run by male and female leaders.

Are successful SMALL businesses led by mostly male or female leaders?



When it comes to 'big businesses', there is a notable relation between gender and perception of who runs them. More than half of both genders (58.54% of females versus 71.91% of male respondents) think that men lead big businesses. While female youth are 12.11% more likely than male youth to perceive an equal ratio between men and women leading big businesses, male youth are 13.37% more likely than females to perceive men are leading big businesses.

It's important to note that this research question focuses on youth's perception and may not reflect the perceptions of the men and women already running small or big businesses. Research reported by [SHE Investments](#) mentions that "women run 65% of the businesses in Cambodia, but 96% of those businesses are micro-sized and engage less than 4 people", whereas the survey with 857 youth found that more than half of them perceive there are equal amount of males and females leading small businesses and more males leading big businesses. Therefore the youth perception appears to not reflect reality, however their perceptions could nonetheless influence their actions and eventually determine future business realities. For example, if female youth think that big business is something for men, they may be less likely to give it a try.

PERSPECTIVE ON ENTREPRENEURSHIP & BUSINESS

Ingredients for business success

We asked youth the “ingredients for business success”– or what it takes for a person to become a successful entrepreneur. The 857 respondents voted that the top 3 ingredients are:



Men are more likely than women to think that “anyone who’s proactive, regardless of education level” can succeed in business (76.54% of men vs 70.17% of women), while women are more likely than men to think that higher education is an important success factor (33.77% of women vs 24.07% of men). This finding is also consistent with the [HBR report back in 2014](#) that the majority of women apply for a job or program if they have 100% of the qualifications required, while men are more likely to take the chance even if they don’t have all of the right skills, education or experiences.

While there are statistically significant relationships between gender and perception on the two ingredients above, there is no such correlation (between gender) with other reported ingredients of success such as passion, commitment and money.

Reasons for starting a business

The most voted reason by both genders was ‘creating jobs for others’, followed by ‘launching innovative solutions’, ‘making money to support my family’, ‘solving social problems’, and ‘creating something of my own/being my own boss’.

Most reasons mentioned do not have a statistical correlation with gender, except two reasons: ‘earning extra-income in addition to a full-time job’, and ‘passion’. Despite not being one of the most voted reasons, ‘passion’ was more likely to be selected by male youth than female youth, while ‘earning extra-income in addition to a full-time job’ was more likely to be selected by female youth than male youth. According to discussions from the focus groups, if a family has limited resources, females tend to prioritize what is “necessary” for the family before “what they like to do”. This could be why female youth are more likely to prioritize “additional income” over “passion”. Moreover, the participants in the focus group also seemed to connect the notion of “រ៉កស៊ី” (Roksi- informal business) with women- which culturally implies “earning income”.

There is a statistically significant difference where men are more likely than women to say starting up a “social enterprise” is one of their future goals. However, in another question asking their reason to start a business, there is no statistically significant correlation between gender and selecting “solving social problems” as one of the reasons. This means that while men are more likely to mention the word “social enterprise”, it might not automatically mean that men are more socially concerned than women. It might also just mean that more men are aware of the term “social enterprise” than women. From the experience of IHPP, female youth are more likely to apply for and get accepted into social entrepreneurship incubation programs (inferring more interest in solving social/environmental challenges). IHPP’s incubation programs have on average 52% female participants for social impact focused programs compared to 33% female participants in technology focused programs.

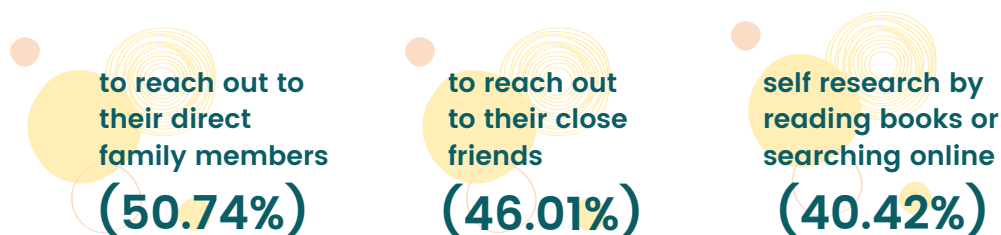
PERCEIVED CHALLENGES IN ENTREPRENEURSHIP & SUPPORT SYSTEM

The top five challenges in starting and doing a business as voted by aspiring and current female entrepreneurs in order of priority are: lack of skills/experience, lack of peer support or entrepreneurial mentors, lack of network/connection, lack of courage, and complication of process (for registration/taxation/compliance). This mirrored the challenges that the male respondents mentioned.

There is no statistically significant correlation between gender and the aspiring and current entrepreneur's perception of challenges in starting a business, except for one of the selected options, in which men are more likely than women to mention "lack of intellectual property law and legal complication". Given that male youth perceive that men are more likely to lead 'big businesses', this could be why they see legal requirements as a bigger constraint than female youth. For them, "Big business" means it involves registration, scalability, and intellectual property.

Based on Impact Hub Phnom Penh's experience on training and mentoring female entrepreneurs in Phnom Penh, we expected female aspiring entrepreneurs in Battambang and Siem Reap to be more likely than men to mention "lack of family support" as one of their challenges in business. However, the collected data shows no statistically significant relationship between genders and "lack of family's support" as a challenge to start a business. It's interesting that while female youth are more likely than male youth to see "family disapproval" as a barrier to achieve their future goals, it is not seen as a significant barrier when it comes to starting a business. Considering 696 of the respondents are aspiring to become entrepreneurs and have not yet launched a business, their expectations or perceptions captured in this research might not reflect the challenges they will face in reality.

Of the 724 surveyed 'aspiring' and 'current' entrepreneurs, the top 3 approaches to dealing with challenges (for both genders) are:



Only between 2-8% of them mentioned ecosystem support such as co-working spaces, incubation programs, business networks, government agencies, chamber of commerce, etc. This could be due to a lack of awareness about the availability of such services, and/or the lack of existence of such support systems in the first place. Focus group and interview insights suggest that a mixture of both may be the case; the entrepreneurship ecosystems are nascent in both cities, and where some support structures did already exist, many youth had not heard of them.

PERCEIVED CHALLENGES IN ENTREPRENEURSHIP & SUPPORT SYSTEM

“My family has been doing small business. Since 5th grade, I started selling ambarella fruit already. In 2019, I founded my handicraft business while working full-time at a hotel.

Due to Covid19, the hotel closed and I decided to focus full-time on my business. I used to join an incubation program in Phnom Penh because there's less opportunities to get coaching support here. There is still so much more I need to learn about branding, social media marketing, sales and profit making. I usually do research online by myself and sometimes join training if I can make the time. I see my business as a social business and not so profit-oriented. That's why I invested all of my business's income on training women in my community”.

—Ms. Sras (Entrepreneur, Siem Reap)

“My family helped me a lot when I started my first business. Even though I'm doing business in an entirely different sector than my parents, they offered me a building and shared their insights in managing business”.

—Ms. Mardi (Entrepreneur, Battambang)

There is a statistical correlation that people who have family doing business are more likely to become entrepreneurs than those without a family business background (refer to main report). When looking at the gender perspective of the current entrepreneurs, women are more likely to do business than men if they have a family doing business before, while men are more likely to be the first person in the family to do it if his family has no business history.

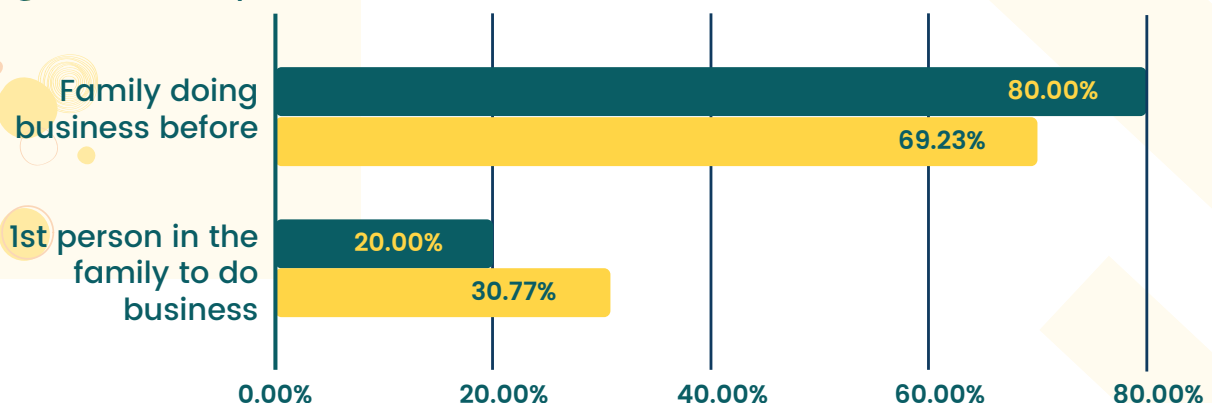
Note

This does not have a statistical correlation, possibly due to our small sample size of current female entrepreneurs: 15 compared to 422 aspiring female entrepreneurs. This could be an interesting hypothesis for future research to investigate. Identifying different entrepreneur personas and their specific challenges may be a useful tool for program designs to support entrepreneurs who have different backgrounds.

Family Background of Current Entrepreneurs

● Female Entrepreneurs

● Male Entrepreneurs



RECOMMENDATIONS

The following recommendations have been generated based on the findings of this report, and reflect opportunities for Phum Impact to support young women entrepreneurs (both current and aspiring).

Based on the perception that men lead “big business”, it will be important to expose youth to female role models leading “big businesses”

Given the additional barriers that women face in achieving their goals, Phum Impact can include targeted programs, workshops and mentoring to address these. This could include activities to increase self-confidence and the ability to speak up or break-through their restrictions (such as family). Coaching and mentoring, particularly from female mentors, could be a particularly powerful way to offer tailored support that overcomes gender related barriers.

Given that women were more likely to offer “fixed” traits as important for entrepreneurship, Phum Impact can promote a growth mindset, especially among female youth, in order to break down barriers such as lack of education, experience or finance.

Given the lack of awareness of existing entrepreneurial ecosystems in Battambang and Siem Reap, Phum Impact can expose young women to the support available by highlighting and collaborating with other support networks and entrepreneur support organisations (ESOs)

Given the effect of family business background on the likelihood to successfully become an actual entrepreneur (not only to just aspire to become one) and the indication that this influence is stronger in women (although a larger sample size is required), Phum Impact will aim to build a community that connects entrepreneurs from diverse backgrounds, so that they might support and learn from each other. For example, first-time entrepreneurs can be connected with those who have a family history of doing business, to pass on knowledge they might have not otherwise had access to.

Given that many youth appear to have interest in starting their own business, but young women are likely to feel pressure to support their families, idea-validation entrepreneurship programs can give young women entrepreneurs a better chance at starting something that can not only have a higher chance of success, but in doing so be a way to balance supporting their family whilst pursuing something they are passionate about (or solving a social or environmental problem). Financial support, challenge competitions and membership to a program could also relieve family pressures by validating their work.

As women in Battambang and Siem Reap face greater restrictions and concerns about safety, Phum Impact will need to consider the logistics of activities to suit female needs. Flexible or light-touch programs, online learning, and appropriate contact hours and venues, could all ensure greater accessibility for young women.