

Impact Report

Mowgli Foundation in the MENA Region:
the impact of mentors on entrepreneurs

December 2011



Mowgli Foundation in MENA: Impact Briefing

The Mowgli Foundation is a not-for-profit organisation. Our mission is to inspire, support and empower entrepreneurs to achieve their business and personal potential, encouraging sustainable job creation and social and economic development. We work to achieve this mission in partnership with organisations throughout the Middle East and North Africa (MENA).

Introduction:

Mowgli has launched 20 programmes in Jordan, Lebanon, Syria and the UK to date and provided volunteer mentors to 153 entrepreneurs across these countries.¹ This briefing reports on all programmes launched before end June 2010, completing by end June 2011. These programmes have all been in MENA countries.

On each programme, 10-12 entrepreneurs running post-start-up businesses are matched with a mentor who is trained to support them for at least one year in 'growth-stage business' strategy. The mentoring is relationship-focused and based on trust; it is not a business consultancy service but designed to enable entrepreneurs' personal development and encourage reflective 'self-learning'.

This briefing describes how Mowgli programmes achieve their objectives of supporting entrepreneurs to achieve their business and personal potential, encouraging sustainable job creation, and social and economic development. It contains a summary of data collected on the completed programmes in the MENA region, with an emphasis on the impact on Mowgli Entrepreneurs². Data is partly from Mowgli monitoring, and partly from individually collected feedback.

Overall, we find that mentoring has had a positive impact both on Mowgli entrepreneurs and on their businesses. Evidence also indicates that being mentored has a positive impact on entrepreneurs' intent to mentor others in their community. However, more data is necessary to understand how entrepreneurs develop their personal and leadership skills through mentoring.

¹ As of December 2011. Of these, 12 programmes had reached their official closure and 8 programmes could be analysed by the end of June 2011

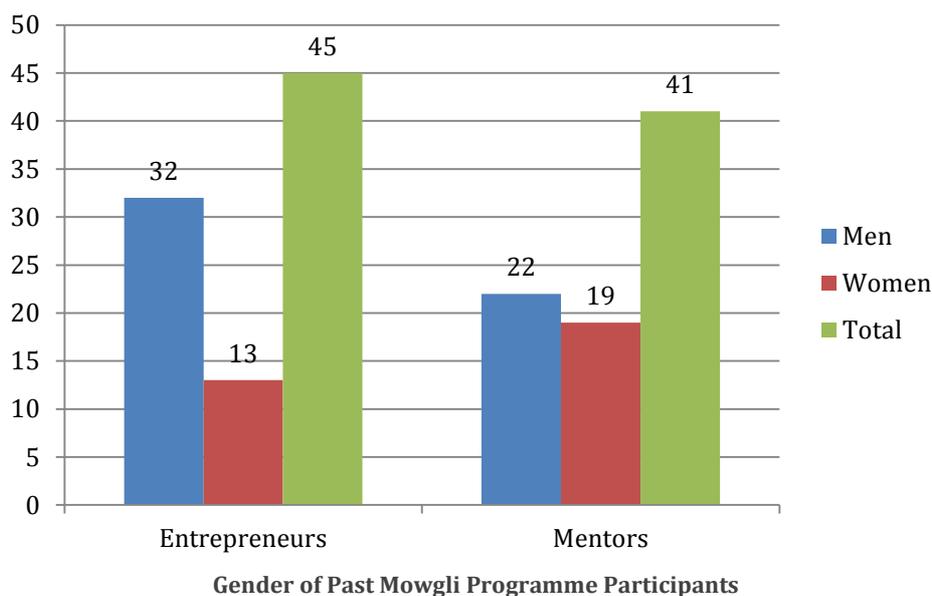
Who are Mowgli Entrepreneurs?

Background: Entrepreneurs have come from a number of cities and towns within the 4 MENA countries, including Beirut, Ramallah, Amman, Jericho, Irbid, Damascus, Aleppo, Aqaba, and Karak. Entrepreneurs are typically well-educated to degree level, but with little experience of formal mentoring. Often they have been referred by enterprise incubators and their business is post start-up and at the 'growth stage'.³

Business type: Entrepreneurs are owners of small businesses, typically with 5-15 employees but occasionally with larger enterprises. They have come from a wide range of sectors including technical, IT, design, catering, tourism, PR and education. (For more about our selection criteria, visit [our website](#).)

Gender: On programmes up to June 2010, entrepreneurs were 71% men and 29% women.

The gender disparity in the MENA region, for involvement in entrepreneurial activity, is one of the highest in the world; women's participation in entrepreneurial activity ranges from 20-35% in the countries we work.⁴ Mowgli's programmes are therefore well balanced, in view of the current representation of women as entrepreneurs in these countries.⁵



³ For an explanation of why mentoring is important at the 'growth stage', see Mowgli's research paper 'Critical Phases of an Entrepreneur's Life and the Impact of a Mentor'. (Link)

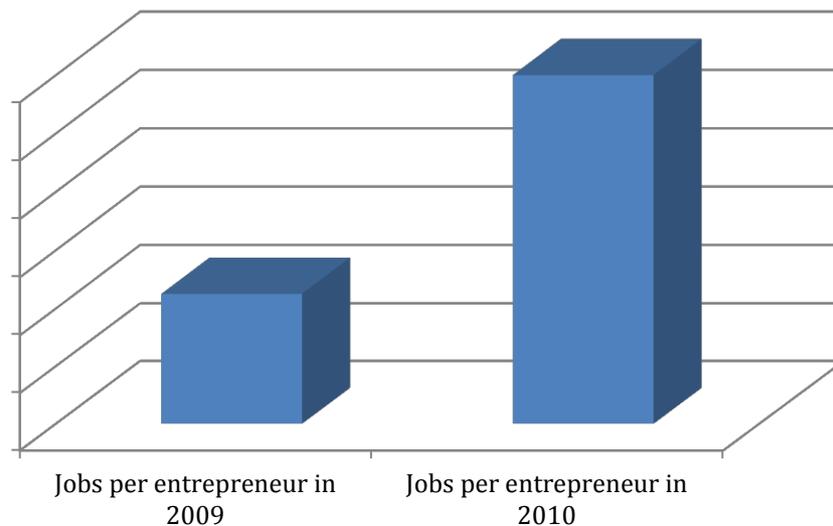
⁴ GEM MENA Regional Report 2009; figures from Lebanon, Jordan, Syria and Palestine, p16

⁵ However, to reach and support more female entrepreneurs is a strategic objective of Mowgli MENA; we are now partnering with a number of organisations in MENA to improve women's involvement with and access to entrepreneurship opportunities and to our programmes. For more information see our website.

Achieving Business Potential /Job Creation

The unemployment rate in the Middle East, at 10.3%, is the highest in the world. Before the economic crisis of 2008-09, employment rates were improving but this trend stagnated in 2010; GDP growth in the region also fell below predicted rates⁶. Mowgli Entrepreneurs nevertheless achieved positive results, though it is important to stress that this can only indirectly be attributed to the impact of their mentor.⁷

- 32% of Mowgli entrepreneurs took on new staff throughout 2010 and into 2011, and 61% maintained their staffing levels.
- Impact to date: Using **all** Mowgli programmes (**Mar 2009- Jun 2011**), 21 Mowgli entrepreneurs report they have created 96 jobs in total. These jobs did not exist before they took part in their Mowgli Mentoring programme. (The other 13 participants either did not respond to feedback requests, or have returned to employment.)
- Mowgli Entrepreneurs' quality and potential for job creation may be increasing. Using 2010 programmes only, we find **78 new jobs** were created in total by the Mowgli entrepreneurs who gave us feedback, compared to **18 jobs** reported by 2009 entrepreneurs.



Comparing Job Creation on Mowgli programmes (per entrepreneur) between 2009 and 2010

This appears to be a 38% increase in the average number of jobs created per entrepreneur, comparing 2009 to 2010. **However**, this could also be attributed to 2010 entrepreneurs coming from more diverse business sectors in 2010, including textile manufacturing; a sector typically requiring higher staff numbers.

⁶ ILO Global Employment Trends 2011, pp48-49

⁷ The positive impacts of mentors on SME owners, in terms of improved management skills and confidence, risk assessment- as well as increased investment and other business indicators- are evidenced by a wide range of research. For more, please see Mowgli's briefing [title].

Achieving their personal potential

Mowgli's objectives are that entrepreneurs feel supported and inspired to learn new skills, develop confidence in their business decision making, and take risks to grow their business. According to research, entrepreneurial learning at the growth stage is best facilitated by a mentor, since this is the most effective way of 'learning by doing' as opposed to learning by instruction. *For more information, see our 2011 briefing 'Why mentoring helps entrepreneurs learn.'*

- 74% of Mowgli graduates who responded with closure feedback said mentoring was 'very beneficial' to them and to their business; 21% say it was somewhat beneficial; only 3% said it was not beneficial.
- 91% of graduate entrepreneurs who responded felt their mentor helped with 'Developing confidence in my business decision making skills.'
- 82% graduate entrepreneurs who responded felt their mentor helped them "overcome their fear of failure and taking risks."
- 82% of graduate entrepreneurs who responded felt their mentor helped them with "understanding how to move the business on to the next growth stage."
- 100% of Mowgli's graduate entrepreneurs who responded would recommend the Mowgli Programme to others like them.

Sana Yazigi, Mowgli Syria Entrepreneur June 2010-2011:



"While I know from my discussions with people around me that it can be difficult to do business in Syria, I am passionate about what I do and I feel deeply happy with my business. Speaking with my mentor Anne helps me to realize that I am doing well." (Feedback May 2011)

Creating Supportive Mentoring Relationships

Many mentoring schemes match participants on paper, or using software. Mowgli's internally developed and highly facilitated matching, based on 4 days of accelerated relationship building and group workshops, has a high level of success.

- 86% of all 45 completed Mowgli relationships continued regularly for the full year; 90% lasted more than 6 months. Only 3% of Mowgli relationships did not continue beyond 3 months.
- 73.5% of graduate entrepreneurs who responded to final feedback requests will stay in touch with their mentors now the relationship has officially ended.

Long term socio-economic development

“In the Middle East, mentoring is an unfamiliar concept, and I was not used to having someone like Phil to talk to- who is available just for you and wants to help you.”

– Ramzi Qaqish, Mowgli Jordan Entrepreneur, 2010-2011

One of Mowgli's objectives is to create mentoring relationships which are long term and sustainable, so that mentoring culture 'spreads' in the communities we work and builds locally based human capital. When Mowgli entrepreneurs gain an understanding of mentoring and remain involved and engaged with Mowgli, it provides a higher return on Mowgli's investment and on our voluntary mentors' efforts.

- Of Mowgli's graduate entrepreneurs who responded with feedback, 20.5% want to be considered as a Mowgli mentor in the immediate future.
- An additional 52% felt that they would consider mentoring another person at some point
- Of respondents, a total of 72.5% say they will remain engaged with mentoring others in their community in some way after the Mowgli experience
- In total, 80% of graduate entrepreneurs wished to either mentor through Mowgli or volunteer for Mowgli in another capacity (e.g. Publicity and marketing tasks; support in recruitment and screening of entrepreneurs).



The Mowgli Foundation is a not-for-profit organisation.

Our mission is to provide mentors who inspire, support and empower entrepreneurs in achieving their business and personal potential, encouraging sustainable job creation and social and economic development. To find out more about how you can support us in our mission, as a volunteer mentor, an entrepreneur, or to partner with us, please visit our website. We also welcome donations to the Mowgli fund in support of our mission.

'I fully endorse Mowgli's ambitions to empower entrepreneurs in the developing world. Initiatives that allow people to help themselves and fulfill their potential are exactly what mentoring is all about.'

David Clutterbuck (European Mentoring and Coaching Council)

Important Note: Scope of Impact Briefing

The 8 completed programmes supported 45 relationships in total: of which 34 entrepreneurs and 35 mentors completed the final data collection exercise. The Mowgli Foundation has invested considerable time in improving how we monitor and assess our impacts, with new systems launched for all programmes May 2011 onwards. Future impact briefings will be able to assess the impact of Mowgli's work with entrepreneurs using a much greater breadth of indicators. For more information on the data in this Impact Briefing, contact Cordelia Lonsdale, Mowgli researcher, on Cordelia@mowgli.org.uk