

IMPACTS OF COVID-19 ON WOMEN ENTREPRENEURSHIP

Executive Summary



REPORT ON THE EFFECTS OF COVID-19 ON WOMEN ENTREPRENEURSHIP

This research was conducted by TÜRKONFED during March 2021 to understand the effects of the Covid-19 pandemic on women entrepreneurs. How the participants were affected by the ongoing Covid-19 pandemic, their future predictions and expectations were analyzed based on the data obtained from women entrepreneurs through an online survey in the study participated by 198 women entrepreneurs from different regions of Turkey. Some of the main findings of the research are as follows:

- 84.3% of the participants stated that they were adversely affected by the epidemic as expected.
- Entrepreneurs think that the pandemic affects women more adversely. While the rate of women who were adversely affected by the pandemic among the employees of women entrepreneurs is close to two-thirds, this rate is 45.5% for men. Considering the weight of women among those employed by women entrepreneurs, it can be said that the negative impact is deeper.
- While the rate of participants who declared that their turnover decreased in 2019 was 28%, this rate increased to 74% in 2020 and the rate of those whose turnover decreased has increased 2.5-fold. On the other hand, the rate of those who declared that their turnover increased compared to the previous year decreased by two thirds from 2019 to 2020, from 44% to approximately 15%.
- Due to the fact that hotels and restaurants are closed for long periods, there are hardly any companies operating in the accommodation and catering sector that have been able to increase their turnover in 2020 (2.6%). Considering that the rate of businesses with a turnover increase was 41% in 2019, the decrease in this sector is dramatic.
- 69.7% of business representatives declared that their activities have stopped, albeit temporarily, since the outbreak began. In terms of duration, about half of the enterprises (46.4%) declared that they were closed between 9-16 weeks.
- During the pandemic period, it has been observed that women experienced higher job loss than men. While 43% of the participants say that the number of female employees has decreased, this rate is 32% for male employees.
- About half of the enterprises (45.5%) benefited from the short-time working allowance.
- When businesses were asked about their economic situation, 49.5% stated that they had "great difficulties". However, 32.3% of these enterprises, which said that they had great difficulties, stated that they did nothing to overcome these difficulties.
- About the economic support or incentive packages offered during the pandemic period, 69% of the participants evaluated it as "not enough at all".
- While only a quarter of the enterprises predict profits for the end of 2021, half of the participants anticipate that they will book a loss at the end of 2021. The main reason

for this is the predictions of the enterprises about the process of taking the epidemic under control. The rate of those who think that the pandemic will only be brought under control in 2022 and later (54.8%) is similar to the rate of those who predict that it will book loss at the end of 2021 (50.5%).

- While there is a significant increase in the time that women entrepreneurs spare for housework and family during the pandemic process, it is seen that the time allocated to areas such as shopping, personal care and sports has decreased.
- In the light of all these data, it is understood that the work-life balance is fundamentally affected for women entrepreneurs and this fluctuation also affects the psychological state of entrepreneurs. In parallel with this, when we look at the emotional state of women entrepreneurs; it is seen that negative feelings such as being anxious, tired, pessimistic and sad are in the foreground.
- It can be said that while women entrepreneurs cope with the personal and psychological effects of the pandemic, they have to bear the burden of their businesses during the pandemic process. In an environment where all these processes are added together, it is understood that women entrepreneurs find it difficult to spare time for their personnel and to take measures to make their lives easier. In this respect, it is seen that women entrepreneurs should be supported separately by both the government, chambers and exchanges and the stakeholders of the sector.