

Evaluation Report

Submitted November 30, 2018

A. Overview / Executive Summary	... 1
B. Parameters of the present evaluation	... 2
C. Findings	... 2
D. Discussion and Review	... 4
E. Evaluator Statement	... 5
F. Appendices	... 6

A. Overview

The present report is the product of an external review of the work done by the organization 'Yozmot Atid,' (hereon: '*Yozmot Atid*' or 'the organization') an organization that works to assist low income women in Israel in developing, launching and running small businesses of their own, under the rubric of a donation given by the *Matanel Foundation* (hereon: 'the foundation'). The auspice of this three-year funded program was to work to identify 100 women from low-income backgrounds and to provide them with training, guidance, mentoring, support and access to low interest 'micro-loans' where necessary to assist them in establishing viable income-generating businesses. The project aspired to launch 100 small businesses under the rubric of this grant, with an added goal that 80% of them would be generating monthly net incomes of 5,000 ILS or more by the project's end, with 70% succeeding past the three year-mark with a CAGR (growth rate) of 10%-15%.

The current report is for one year of the program's operation, consisting of work with a cohort of 34 women whose assistance from the organization was funded through the foundation. These women represented a mix of Jewish and Arab women from East and West Jerusalem who applied to the program in the hopes of starting or developing a business of their own. The data that forms the basis of this report was distilled from the organization's own IT software (which is grounded in data culled from monthly reports submitted by the project's mentors and business guides) validated through follow-up interviews with the mentors themselves.

Overall, the report finds:

- That Yozmot Atid was successful in identifying and working with 34 women from East and West Jerusalem;
- That the organization was highly successful in helping these women start businesses, with 94% of the final 34 candidates (72% of the total cohort) having passed the development stage and yielding steady monthly incomes;
- That the organization was largely successful in meeting its project minima, with half of these already netting monthly incomes of 5,000 ILS or more;

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- That the organization was highly successful with 18% of the total cohort, who had already exceeded the national average for monthly income, these women earning net incomes of 7,500 – 8,000 ILS per month;
- That notable between-group differences were observed in the types of businesses to which Jewish and Arab women gravitated, the latter tending to pursue fields more traditionally dominated by female consumers, along with notable differences in the ways through these two groups chose to market themselves online—trends which the present review finds to be indicative of consumer patterns in both societies; and
- That a significant part of the program’s challenges—and successes—were actually in the personal sphere, with the most notable effects reported by interviewees actually being significant changes in participating women’s views of their own ability to run a business as well as their entitlement to a business of their own.

A detailed report follows.

B. Parameters of the present evaluation

As part of the present study, the reviewer was presented by *Yozmot Atid* with a list of women included under the rubric of the present program with data on the nature of their business, their mentor, their starting income from the business, their present income from the business, and other parameters (such as online presence), along with contact information for verification. Given that not all the women who registered with the program were yet at stages where any work could be done with them by the organization, *Yozmot Atid* provided the evaluator with several additional women who had been incorporated into the program while these original candidates continued to develop. In all, data was provided on 46 women.

C. Findings

Overall the review found the majority of businesses to be in the sphere of personal services, the majority run and operated in their entirety by a single entrepreneur. Four of the participants surveyed (all Arab women) were working in partnerships: these were two businesses, both beauty/hair salons in which two participants were working as partners. On the whole three fields were disproportionately dominated by one ethnic group: coaching, self-help and seminars by Jewish women only, cosmetics, beauty and hair care as well as day-care, kindergartens and child-care frameworks by Arab women. A breakdown of businesses, by field and the ethnicity of their owners, is presented below (Fig 1). (Areas of disproportionate representation by one ethnic group are highlighted.)

Fig 1) Small businesses worked with/developed by type, segmented by ethnicity

	TOTAL	Jewish	Arab
Cosmetics, Hair, Beauty	10	3	7
Crafts, Handicrafts	7	5	2
Coaching, Self-Help, Seminars	4	4	
Day Care, Kindergartens, Frameworks	3		3
Confectionary, Baking, Catering	3	2	1
Design, Photography	2	1	1
Children's Products and Services	2	1	1
Entertainment	1		1
Healing, Complementary Medicine, Naturopathy	1	1	

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Organizing, Event Arrangements	1	1	
Parenting, Children's Products and Services	1	1	
Product Development	1	1	
Retail	1		1
Personal Trainers, Training	1	1	
Wigs	1	1	
Still developing a business idea	7		7
	46	22	24

Of the 44 small businesses worked with on whom data was available, 12 were still in the development stage and not yet yielding steady monthly incomes, while 32 (72%) were. Of these, half had not yet passed Yozmot Atid's viability minimum (a net income of 5,000 ILS per month). Of the remaining half, all had exceeded these minima, while 8 (18%) had exceeded the national monthly net income average¹ (CBS, 2017) in Israel on the strength of their businesses alone. Of businesses in this top tier, the majority (6 of 8) were run by Jewish women, with two strong businesses launched by Arab women. Middle income earners (5,000 – 7,500 ILS per month) were evenly represented by both groups.

Fig 2) Monthly net income (in ILS) of small businesses worked with, segmented by ethnicity

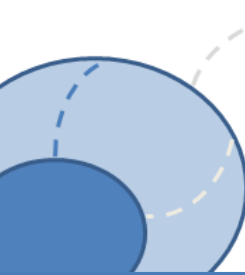
	TOTAL	Jewish	Arab
Over 8,000 ILS per month	8	6	2
5,000 - 7,500 ILS per month	8	4	4
Under 5,000 ILS per month	16	5	11
No Data	2	2	
NA	12	5	7

In terms of business growth, growth within the first year was noted among 20 (66%) of the 30 businesses on whom data was available. In nearly a third of these cases, growth was substantial (over 150%), though this number includes businesses that were nonexistent at the time the participant entered the program. (That said, there were 3 instances in which business growth went from some 2,000 ILS per month to the 7,500-8,000 ILS bracket.) The majority of business growth was with participants who, at the time of enrollment in the program were netting a small amount of side income (2-4,000 ILS per month) which was developed into a full-fledged small business over the course of the project year, with nettings of 5,000 ILS and more. A breakdown is provided in Fig 3, below.

Fig 3) Percent growth of small businesses worked with over the course of the program year, segmented by ethnicity

	TOTAL	Jewish	Arab
Over 150% (including from 0)	8	6	2
100-150%	4		4
75-100%	2	2	
50-75%	3	1	2

¹ Central Bureau of Statistics (2011) AVERAGE MONTHLY WAGES PER EMPLOYEE JOB AT CURRENT PRICES, BY INDUSTRY - 2011 CLASSIFICATION.



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25 - 50%	3		3
No Data	16	7	9
NA	10	5	5

Of businesses reviewed, 32 were using online platforms to advertise their businesses and bring in clients. Of these, 15 (46%) were doing so through a personal website developed specifically to promote the business. Then remainder were using social media and in one case, a specialized platform for promoting handicrafts (Etsy). Significant between-group differences were noted between Jewish and Arab participants, with the former highly represented among the proprietors of personal websites and the latter opting for communication via social media.

Fig 4) Online marketing choices for small businesses, segmented by ethnicity

	TOTAL	Jewish	Arab
Personal Website	15	12	3
Facebook	13	2	11
WhatsApp	3		3
Other (Etsy)	1	1	
None	16	8	8

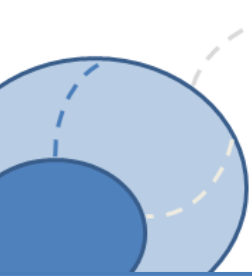
D) Discussion and Review

The present study finds that, on the whole, the organization *Yozmot Atid* has been able to successfully advance the majority of participants who are ready to commit to the challenges of launching and running a full-fledged small business, with half of all such participants having advanced to the point where they were successfully earning a steady income of 5,000 ILS or more within 12 months and 18% now earning net incomes at or above the national average within this period.

In terms of between-group (i.e. ethnic) differences, the review finds Arab women gravitating more towards more traditionally women-consumer dominated areas, such as beauty, hair care, day care, kindergartens, handicrafts, children’s products and confectionary, while Jewish women dominating a wider variety of fields even if many of these are also largely oriented towards women consumers. The study also finds that Arab women tend to earn less than their Jewish counterparts and that while Jewish women tend to market through specially-targeted, personalized websites, Arab women undertake the majority of their marketing through social media. These findings seem to reflect consumer patterns in each of these communities and the respective states of the local economies in East and West Jerusalem.

Follow-up interviews with the business mentors involved in providing ongoing business consultation to women participants to assist them in the development of their enterprises revealed that many of the key challenges to business growth faced by participants were not business-oriented at all, but personal. Moti Aron, who provided consultation and mentoring services to the women who were part of the project’s Jewish cohort summarizes:

This a long process and—a lot of the time—it isn’t about business skills, or what have you. A lot of the time, there is a personal, process, that these women go through [...]. Just the fact that she is going from someone who doesn’t even say ‘hello’ [to strangers], to someone who [can say] “I made this, I am charging for



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this” [...] or that she can say “I am independent and I am worth it”—these are big changes. I see this in most of them in a major way. For many this is the first time they can say “*this* is mine.”

For Arab women involved with the program, the challenges appear to have been even more basic at times, as the attitudes in Arab society surrounding women’s independence and mobility are much more restricted.² As the project’s mentor for Arab women in East Jerusalem, Suheir Za’atra reports,

A lot of the women we see through this program are at a crossroads or the beginning of a new chapter—not just in terms of running a business, but in their lives, in general. [...] Some are divorced, living on their own for the first time, sometimes it’s the first time someone allows them to make money. [...] Also for themselves: [Women in Arab society] are very low on their own list of priorities: first it is the kids, then the house, then the husband and only then is it ‘me’ and “what do I want?” So for many of them, this is really their first time saying “what about me?”

A key part of the program’s added value, therefore, appears to as much in the personal sphere as in the financial.

E) Evaluator Statement

The preceding report is based on data supplied by the organization and has been verified through interviews opposite its mentors. The mentors interviewed are volunteers with the organization and have supplied truthful and accurate accounts. The evaluator here certifies that the information contained in this document is up to date and relevant as of the date of signing below,

November 24th, 2018

² A survey on the attitudes towards women’s rights, freedoms and status in Arab society conducted in 2005 among 1,297 respondents from across the Arab sector that was consulted as part of the present review reports that despite high levels relatively widespread acceptance of the ‘complete equality’ between men and women in areas like education (81%), only 44.6% of respondents, men and women, believed that women should have the same equality with regards to personal freedoms and mobility outside the home. See, Ghanem, H. (2005) *Attitudes towards the status and rights of Palestinian women citizens of Israel*. Translated by Richard Ratcliffe. Nazareth: The Association Women Against Violence.

Appendix A: The Participants

a. East Jerusalem (Non-Jewish)

Business Type, Processes	Primary Publicity Medium	Monthly Income from the Business	Growth
Cosmetics, Hair, Beauty	NA	NA	NA
Confectionary, Baking, Catering	Website	5,000 - 7,500	No Data
Crafts, Handicrafts	Website	Over 8,000	No Data
Confectionary, Baking, Catering	none	Under 5,000	From 0
Coaching, Self-Help, Seminars	Website	Over 8,000	167%
Coaching, Self-Help, Seminars	none	NA	NA
Crafts, Handicrafts	website, Etsy	Over 8,000	No Data
Design, Photography	Website	5,000 - 7,500	No Data
Crafts, Handicrafts	Website	No Data	No Data
Wigs	none	Over 8,000	73%
Crafts, Handicrafts	website	Over 8,000	167%
Product Development	website	5,000 - 7,500	From 0
Coaching, Self-Help, Seminars	none	Under 5,000	75%
Coaching, Self-Help, Seminars	website	Over 8,000	From 0
Trainer	facebook	No Data	No Data
Cosmetics, Hair, Beauty	NA	NA	NA
Healing, Complementary Medicine, Naturopathy	website	5,000 - 7,500	86%
Crafts, Handicrafts	NA	NA	NA
Children's Products and Services	facebook	Under 5,000	No Data
Cosmetics, Hair, Beauty	NA	NA	NA
Organizing, Event Arrangements	website	Under 5,000	From 0
Parenting, Children's Products and Services	website	Under 5,000	From 0
NA	NA	NA	
NA	NA	NA	
Crafts, Handicrafts	facebook	Under 5,000	30%
Cosmetics	facebook	Over 8,000	100%
Retail	website	5,000 - 7,500	100%
NA	NA	NA	NA
Entertainment	facebook	Over 8,000	No Data
Cosmetics, Hair, Beauty	facebook	Under 5,000	30%
Crafts, Handicrafts	website	Under 5,000	50%
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA

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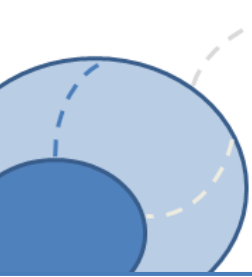
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Cosmetics, Hair, Beauty	website	5,000 - 7,500	30%
NA	NA	NA	NA
Cosmetics, Hair, Beauty	facebook	5,000 - 7,500	No Data
Cosmetics, Hair, Beauty	facebook	Under 5,000	
Cosmetics, Hair, Beauty	facebook	Under 5,000	
Children's Products and Services	facebook	Under 5,000	50%
Confectionary, Baking, Catering		5,000 - 7,500	
Day Care, Kindergartens		Under 5,000	200%
Day Care, Kindergartens, Frameworks		Under 5,000	100%
Design, Photography	facebook	Under 5,000	
Cosmetics, Hair, Beauty	facebook	Under 5,000	100%
Day Care, Kindergartens, Frameworks	facebook / WhatsApp	Under 5,000	

b. West Jerusalem (Jewish)

Business Type, Processes	Primary Publicity Medium	Monthly Income from the Business	Growth
Cosmetics, Hair, Beauty	NA	NA	NA
Confectionary, Baking, Catering	website	5,000 - 7,500	No Data
Crafts, Handicrafts	website	Over 8,000	No Data
Confectionary, Baking, Catering	none	Under 5,000	From 0
Coaching, Self-Help, Seminars	website	Over 8,000	167%
Coaching, Self-Help, Seminars	none	NA	NA
Crafts, Handicrafts	website, Etsy	Over 8,000	No Data
Design, Photography	website	5,000 - 7,500	No Data
Crafts, Handicrafts	website	No Data	No Data
Wigs	none	Over 8,000	73%
Crafts, Handicrafts	website	Over 8,000	167%
Product Development	website	5,000 - 7,500	From 0
Coaching, Self-Help, Seminars	none	Under 5,000	75%
Coaching, Self-Help, Seminars	website	Over 8,000	From 0
Trainer	facebook	No Data	No Data
Cosmetics, Hair, Beauty	NA	NA	NA
Healing, Complementary Medicine, Naturopathy	website	5,000 - 7,500	86%
Crafts, Handicrafts	NA	NA	NA
Children's Products and Services	facebook	Under 5,000	No Data
Cosmetics, Hair, Beauty	NA	NA	NA
Organizing, Event Arrangements	website	Under 5,000	From 0
Parenting, Children's Products and	website	Under 5,000	From 0



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Evaluation & Development Services

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Services			
NA	NA	NA	
NA	NA	NA	
Crafts, Handicrafts	facebook	Under 5,000	30%
Cosmetics	facebook	Over 8,000	100%
Retail	website	5,000 - 7,500	100%
NA	NA	NA	NA
Entertainment	facebook	Over 8,000	No Data
Cosmetics, Hair, Beauty	facebook	Under 5,000	30%
Crafts, Handicrafts	website	Under 5,000	50%
NA	NA	NA	NA
NA	NA	NA	NA
NA	NA	NA	NA
Cosmetics, Hair, Beauty	website	5,000 - 7,500	30%
NA	NA	NA	NA
Cosmetics, Hair, Beauty	facebook	5,000 - 7,500	No Data
Cosmetics, Hair, Beauty	facebook	Under 5,000	
Cosmetics, Hair, Beauty	facebook	Under 5,000	
Children's Products and Services	facebook	Under 5,000	50%
Confectionary, Baking, Catering		5,000 - 7,500	
Day Care, Kindergartens		Under 5,000	200%
Day Care, Kindergartens, Frameworks		Under 5,000	100%
Design, Photography	Facebook	Under 5,000	
Cosmetics, Hair, Beauty	Facebook	Under 5,000	100%
Day Care, Kindergartens, Frameworks	facebook / WhatsApp	Under 5,000	