

## **Economic Empowerment and Business Development for Women in East Jerusalem**

**Turning Point** is a comprehensive program, supported by The Asper Foundation, aimed at helping Arab women in East Jerusalem improve their socioeconomic status by setting up and expand independent businesses. It helps foster economic security, social mobility and the creation of a better future. The economic and personal empowerment process offered by MATI – The Jerusalem Business Development Center will enable participants to formulate business ideas and receive tools to help launch new businesses or advance existing business activity. The program is adapted to participants' cultural, social and economic characteristics and provides a real-time response to their present needs.

The program addresses unacceptable poverty and unemployment rates, economic disparity and gender inequality among female Palestinian residents of East Jerusalem.

### **The need**

Jerusalem sadly remains the poorest of Israel's cities; about half its residents are poor. East Jerusalem's status is considerably more challenging, compared to West Jerusalem. The development of small and medium-size businesses offers a real and tangible solution to endemic poverty. They are the drivers of local growth and job creation.

The poverty rate among East Jerusalem residents is overwhelming: 82% of families live below the poverty line. The total percentage of participation in the workforce is 42% and only 22% among women. Difficulties are further exacerbated by a generally poor command of Hebrew and limited employment opportunities existing in the underdeveloped economy of East Jerusalem. While economic pressures have resulted in a growing layer of women in East Jerusalem seeking employment, this has not reduced their traditional role as household caretakers. Gender discrimination and social barriers for women are still a major factor holding Palestinian women back.

Conditions are worsened by housing difficulties, severe overcrowding, underdeveloped infrastructures and a complex social and legal status. As such, many of East Jerusalem's residents lead their lives in a daily struggle for survival.

The business sector is not sufficiently developed in East Jerusalem and there is still a significant potential for growth. Introducing Palestinian women to the alternative of entrepreneurship and helping them develop existing businesses will potentially provide them with the knowledge and tools necessary to set up a business which is a key economic lever towards solving job problems in Jerusalem.

The entire program is operated in Arabic by experienced MATI staff. The team includes coordinators specializing in training, consultation and financing, as well as a group of experienced business consultants and lecturers who work as subcontractors in the various programs.

The establishment of small businesses has proven itself in Israel and throughout the world as a rapid and relatively inexpensive means of creating jobs and achieving economic development for both the individual and the community. An entrepreneurial approach can be of crucial benefit specifically for populations such as women in East Jerusalem who are excluded from the local job market. MATI's experience to date, with marginalized populations, in particular, proves that with economic empowerment, business training, consultation, guidance and mentoring entrepreneurship can be a viable basis for achieving economic sustainability and independence.

The program will incorporate a variety of business development services that will accompany participants in the process of business establishment, from business idea formulation through enterprise establishment itself and business management and advancement. It will be targeted to new entrepreneurs and separately to existing women business owners. It will provide individual and group support –business consultation, group training, professional business mentoring, access to business establishment/expansion loans and constant monitoring of progress. During the process participants will formulate their business ideas and receive business management

tools that will help them precede proactively and implement these plans by initiating new business activity or advancing existing enterprises.

The program is unique in the comprehensive and wide-ranging support it provides. From self-empowerment to professional business training, assistance is on-going and meticulous establishing close bonds with each individual, maximizing attentiveness to their needs. Naturally, support of this kind is not limited to the program's operation period as the participants are often referred to additional subsidized services offered by MATI. This approach allows effective and long-term elevation of each individual's life in accordance with their specific progress, needs, and preferences.

### **Program Description**

The program is intended for 100 women residing in East Jerusalem. Participants will be accepted to the program following a personal interview that assesses their entrepreneurial potential and likelihood to breakthrough and benefit from the program.

### **Program components**

- ☛ **Economic Empowerment and Business Establishment and Management Course**  
Eighty-hour, 20-session course that trains participants to acquire basic financial tools that will facilitate their ability to manage money, increase income and start a business of their own. The course will address issues such as family budget management, working with banks, savings, basic personal beliefs regarding money, individual strengths and weaknesses, aspirations and personal vision following by knowledge and tools for business establishment and management, including financial management, marketing and sales, taxation, legal aspects, etc. Action plans will enable participants to realize their personal economic and business. Two groups. Forty participants.
- ☛ **Social Media and Web Marketing vocational program:** The program includes an 80-hour, 20-session course that trains participants to become web marketing professionals and provides knowledge and practical technical and marketing tools targeting the Web and key social networks such as Facebook, YouTube, LinkedIn, Twitter and the like, as well as blog marketing, social media strategy planning and other issues. The program will also include an internship phase: Course graduates will carry out their apprenticeship by helping women businesses owners in East Jerusalem, promoting their businesses by marketing them via digital media. In this manner, they will acquire field experience while assisting East Jerusalem business women. The process will be mentored by an experienced professional. Twenty course graduates will work with 20 women business owners.
- ☛ **Breaking through business:** A dynamic pioneering business acceleration program aimed to promote and empower self-employed professional Palestinian women in Jerusalem by updating and improving their businesses, developing their business and entrepreneurial skills, confidence, capability, turnover and profit. The program will focus on providing up-to-date and cutting edge business knowledge and tools, branding materials, intensive group support and networking. The intention is to break through cultural, gender and knowledge gaps, creating a model for business growth and prosperity in East Jerusalem. One group. Twenty participants.
- ☛ **Personal Mentoring and Coaching** – Five hours of personal mentoring to help realize personal action plans and help participants cope with constraints and obstacles. Forty participants.
- ☛ **Business Loans** – Interest- and linkage-free, to be repaid over a three-year period or according to the business plan drafted.

As a result of the program, 30 new businesses are expected to be established, 16 businesses are advanced and expected to become profitable and 40 new jobs will be created. Seventy percent are expected to attest they have improved their socioeconomic situation and that of their families.

In addition significant impacts go beyond advancing female entrepreneurs. The program will pave the way for future entrepreneurs as participants will serve as agents of change among family and friends and become role models for other women.

### **Background Information**

In 2005, the Asper Center for Entrepreneurship at Hebrew University established a micro-finance program called the Empowerment through Entrepreneurship Program for Arab Women in East Jerusalem. After operating for several years, the program evolved to partner with MATI - the Jerusalem Business Development Center which provided oversight and the Jerusalem Foundation. MATI, a not-for-profit organization, was established in 1991 to help entrepreneurs and business owners start or expand businesses in Jerusalem and environs. It constitutes part of a nationwide system of Business Development Centers situated throughout Israel, each dedicated to business promotion in its surrounding region. Each year, MATI Jerusalem helps thousands of entrepreneurs and business owners create or expand businesses in the city, thus aiding in the creation of thousands of new jobs and advancing the city's overall economic development.

In 2018 alone, MATI's impact was:

- 4,000 hours of business consultation and mentoring
- 510 feasibility suites and business plans
- \$14M in loans
- \$121,000 US in grants
- 157 training programs
- 4,530 participants
- 877 new businesses established
- 2,500 new jobs created
- \$14.1M US invested in Jerusalem's economy