

# Promoting Women's Entrepreneurship in Korea

The Asia Foundation's Korea office undertook a program to equip women entrepreneurs with skills and training they would need to successfully enter the market and sustain their businesses. The recently concluded two-phase project administered activities such as networking sessions, individual and group coaching sessions, and conferences to develop women entrepreneurs' public speaking skills and opportunities. At the conclusion of the project, the project reached and improved the businesses of more than 300 women entrepreneurs.



While South Korea is the 12th largest economy in the world, the country is grappling with complex economic challenges, including declining growth rates, rising unemployment, slow job creation, and at the same time, significant demographic shifts, including a rapidly aging population and low birth rate. Korea also has one of the world's widest gender pay gaps: according to the OECD's 2022 dataset, the gender pay gap is currently 31.2% in Korea, meaning that women earn approximately 68.8% of what men earn. Further, women own approximately four out of ten businesses and start fewer than half of new businesses as of 2021, according to data from the Korean Statistical Information Service. Given these gaps, Korea would benefit from an improved entrepreneurial ecosystem that allows women entrepreneurs to flourish. In addition, women entrepreneurs now face new, post-Covid-19 challenges, including the high cost of capital caused by global base rate increases and decreasing investments from local and international investors. In response to this situation, The Asia Foundation ('the Foundation') undertook a two-phase project, Accelerate Women's Entrepreneurship, from 2018

to 2023. This project focused on building an evidence base and providing targeted support to women entrepreneurs in Gyeonggi province.

## PHASE I NEEDS ASSESSMENT

During Phase I of the project, researchers from the Gyeonggido Women & Family Foundation sought to understand the challenges facing women running micro, small, and medium-sized enterprises. Their research included a literature review on women's entrepreneurship, followed by a survey of 300 entrepreneurs (150 women and 150 men), 24 qualitative interviews with women entrepreneurs, and five focus groups with male entrepreneurs. Among other findings, Phase I data showed that women entrepreneurs face disadvantages in accessing finance, training, networks, and markets needed to start and grow their businesses. They often launch businesses with fewer skills and smaller support networks than their male counterparts, although their greater attention to financial and business sustainability sometimes allows women-owned businesses to outperform businesses owned by men.

Lastly, women entrepreneurs are more likely to start a business to have the flexibility to meet caregiving needs. Based on these findings, The Asia Foundation designed Phase II of the project with a focus on the following three aims:

1. Advance the skills and address information and knowledge gaps of participating women entrepreneurs via customized training.
2. Increase opportunities for participating women entrepreneurs to access markets for their businesses, build their business mindsets, and facilitate their access to finance and relevant information on financing options and mechanisms.
3. Enhance women's networking and ability to reach new audiences through a digital platform.

## PHASE II ACTIVITIES

The project provided skills training and information sessions to more than 300 women entrepreneurs. These sessions included workshops on topics such as Personal Initiative (PI) training, a form of entrepreneurship training that focuses on developing mindset tools to succeed in business, along with financial management and digital marketing skills. Additionally, the program featured opportunities to be connected with buyers as well as 1:1 and group coaching sessions, through a program called the Revital Coaching Program. The Asia Foundation actively engaged the entrepreneurs through training them to conduct PI trainings, inviting them to speak on panels to share their ideas for a better system of support, and deploying them as facilitators for networking sessions. A gender-responsive approach was taken in all elements of the program design, including providing gender training to all project partners. To make the program more accessible to women entrepreneurs with young children, who may face the double burden of operating their businesses and managing household responsibilities,

The Asia Foundation provided childcare services during the program activities. The Foundation also organized a media event to allow women entrepreneurs to share their experiences and stories and raise public awareness on the specific barriers that prevent them from fully participating in the business landscape. In addition, the Foundation communicated the results of the project through its webpage and newsletters, reaching an estimated audience of over 7,450 people.

## IMPACT

Through these activities, The Asia Foundation was able to achieve the project's goals and develop a series of best practices for effectively promoting women entrepreneurs. Over the course of the project, the Foundation's work reached 328 women entrepreneurs, 100% of whom agreed at the end of the program that the programming had enhanced the ecosystem for women's entrepreneurship. In total, the program's activities raised 358M KRW (\$275,000) for 25 entrepreneurs' business management and prototype testing and connected 1,032 investors to 20 entrepreneurs. The program increased market access by creating 72 new market channels for 12 women entrepreneurs. Additionally, the women entrepreneurs involved in the project founded a network called Personal Initiative Women Entrepreneurs Association (PIWA). PIWA now hosts monthly events to provide new and existing members with opportunities to build their networks, share helpful information and lessons learned from their entrepreneurial journeys, and collaborate on new business initiatives. Surveys showed that the majority of participants in the program's coaching initiatives finished the program feeling that they had gained new business skills. The Foundation is seeking opportunities to expand this project to other provinces in Korea or replicate it in other developing countries in Asia.

*The Asia Foundation is a nonprofit international development organization committed to improving lives and expanding opportunities across Asia and the Pacific. Informed by decades of experience and deep local expertise, our work across the region is focused on good governance, women's empowerment and gender equality, inclusive economic growth, environment and climate action, and regional and international relations.*

*Headquartered in San Francisco, with an office in Washington, DC, The Asia Foundation works through its network of 19 country offices across Asia and the Pacific. Working with public and private partners, the Foundation receives funding from a diverse group of bilateral and multilateral development agencies, foundations, corporations, and individuals. In 2022, we provided \$86.7 million in direct program support and distributed textbooks and other educational materials valued at \$2.4 million.*



HEADQUARTERS  
465 California Street, 9th Floor  
San Francisco, CA 94104 USA  
Tel: (415) 982-4640  
info.sf@asiafoundation.org  
WASHINGTON, DC  
1779 Massachusetts Ave., NW  
Suite 815  
Washington, D.C. 20036 USA  
Tel: (202) 588-9420  
dc.general@asiafoundation.org  
www.asiafoundation.org  
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