

# Impulsa tu Empresa's Approach in Colombia to Supporting Women Entrepreneurs

## | Executive summary

Small and medium-sized enterprises (SMEs) are crucial drivers of economic development worldwide, especially in emerging economies, where they contribute significantly to GDP and employment. However, women entrepreneurs in these regions often face unique challenges that hinder their ability to grow their businesses. In Colombia, SMEs play a vital role in job creation and economic diversification. Yet, women-led businesses are underrepresented, with only 6.3% of new businesses in 2022 being women-owned. The ITE program recognized these challenges and tailored its approach to meet the specific needs of women entrepreneurs, enabling them to achieve significant business growth.

The ITE program's success in Colombia is rooted in its ability to respond effectively to the unique challenges faced by women entrepreneurs. By identifying and leveraging "quick wins," the program built trust and engagement among participants. These quick wins were facilitated by practical tools that helped entrepreneurs enhance their financial understanding, refine their accounting practices, and better understand their customer base and brand positioning. Focusing on immediate, visible results helped foster a sense of accomplishment and confidence, crucial for sustaining long-term business growth.



Mariana Ricaurte (left), entrepreneur owner of Ventura Bakery and two of her employees. (TechnoServe)

Digital tools and remote learning were pivotal in supporting women entrepreneurs, many of whom have significant domestic and care responsibilities. The flexibility offered by the program allowed participants to engage with business advisors on their terms, whether through rescheduled sessions during weekends or ongoing support via WhatsApp. This approach was particularly beneficial for women facing personal challenges, ensuring they could continue their business development journey without interruption.

The program also highlighted women entrepreneurs' commitment to creating employment opportunities, particularly for young people. By providing professional growth opportunities and mentorship, women participants in the ITE program not only grew their businesses but also contributed to broader economic development through job creation and skills development. This cascading effect underscores the importance of supporting women entrepreneurs as a means of fostering inclusive growth.

The ITE case study provides valuable insights into the program's impact on women entrepreneurs in Colombia. Through a combination of practical tools, digital support, and personalized business advisory services, the program successfully addressed the specific needs of women entrepreneurs, enabling them to overcome barriers and achieve substantial business growth. These lessons will inform future initiatives, ensuring that women entrepreneurs continue to receive the support they need to thrive in the competitive business landscape.

## | Introduction

Globally, small and medium-sized enterprises (SMEs) are pivotal in driving economic development; they contribute over half of the gross domestic product (GDP) and more than 50 percent of employment worldwide. In emerging economies, formal SMEs account for 40 percent of GDP and 18 percent of total employment.<sup>1</sup> However, entrepreneurs in these regions, particularly women, face unique challenges, including a need for more role models and heightened obstacles compared to their counterparts in more developed economies. Bridging this gap is crucial for fostering growth and creating opportunities in developing communities.

In Colombia, microenterprises are defined as having up to 10 employees, small businesses from 11 to 50 employees, and medium businesses from 51 to 200 employees<sup>2</sup>. The country's entrepreneurial landscape primarily

comprises microenterprises (92 percent), and SMEs are a mere 3.8 percent of all businesses. Despite their relatively small share, SMEs are vital in enhancing employment and driving economic versatility and are estimated to generate 45 percent of jobs in the country. In 2021, SMEs contributed 40 percent of the national GDP.<sup>3</sup> The region of Latin America has the highest percentage of women entrepreneurs, ranking Colombia second out of 21 countries with 26 percent women, and Guatemala ranking first with 28 percent<sup>4</sup>.

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1. World Bank. "Small and Medium Enterprises (SMEs) Finance" Accessed December 14, 2023. Website.

2. "MiPymes en Colombia" BBVA Research, February 2024.

Available at: [https://www.bbvarresearch.com/wp-content/uploads/2024/02/202401\\_MiPymes\\_Colombia-1.pdf](https://www.bbvarresearch.com/wp-content/uploads/2024/02/202401_MiPymes_Colombia-1.pdf).

3. David Urbano, Mónica Franco-Angel, "Caracterización de las pymes colombianas y sus fundadores," Estudios Gerenciales 35, no. 150 (2022): 81-91.

4. Trujillo. "Guatemala y Colombia encabezan lista de los países con más mujeres emprendedoras" La República. Accessed September 18, 2023. Website.

The agility of these businesses in adapting to market demands positions them as fundamental agents for generating and distributing wealth in the country. However, SMEs in Colombia face common challenges such as inadequate knowledge and human capital management, difficulties securing long-term capital, and lack of business knowledge and financial education <sup>5</sup>. Despite their growth potential, many entrepreneurs in this sector “voluntarily” exclude themselves from accessing credit and financing funds, often due to low financial literacy <sup>6</sup>.

The challenges are further pronounced for women entrepreneurs, who encounter additional barriers in growing their businesses. Women face inequality at home and carry a heavier burden of care and domestic responsibilities, which contributes to decreased agency and decision-making power. Women’s businesses tend to be smaller and operate in sectors with lower revenues, negatively affecting their economic independence. In 2022, Colombia registered 310,731 new businesses, of which women-led businesses accounted for only 6.3%. Of these new businesses, 45% operated in the micro-retail sector, 20.5% were in the services industry, and only 9.1% were manufacturing businesses <sup>7</sup>. These global challenges perpetuate negative stereotypes, such as women entrepreneurs being less competitive than men and lacking leadership. These stereotypes can affect women’s businesses’ legitimacy and access to finance and other vital resources necessary for their growth and success <sup>8</sup>.

This case study aims to capture the successes and lessons learned from TechnoServe’s Impulsa Tu Empresa program in Colombia, shedding light on the program’s impact on

women’s business growth and personal development. Through quantitative and qualitative data collected during June and July 2023, including focus group sessions with ITE Colombia’s business advisors and in-depth interviews with four (4) successful women entrepreneurs, we gain valuable insights into the transformative effects of the program.

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<sup>5</sup> Jorge Restrepo-Morales, Osmar Loaiza-Quintero, Edgar Gálvez, “Innovación y desempeño de las micro, pequeñas y medianas empresas en Colombia,” *Revista de Ciencias Sociales* 23, no. 4 (2016): 24-40.

<sup>6</sup> Luis Zuleta, “Inclusión financiera de la pequeña y mediana empresa en Colombia,” CEPAL (2016)

<sup>7</sup> “Mujeres lideran creación de empresas en Colombia en 2022: el 62.5% del total de empresas fueron creadas por mujeres” Confecámaras

<sup>8</sup> Amanda Elam, Karen Hughes, Mahsa Samsami, “Women’s Entrepreneurship Report, Challenging Bias and Stereotypes,” *Global Entrepreneurship Monitor* (2023)



## Impulsa Tu Empresa's support of women entrepreneurs in Colombia

Recognizing the immense potential of SMEs, the Impulsa tu Empresa (ITE) program serves as a business accelerator for SGBs. Supported by the Argidius Foundation, TechnoServe's ITE program facilitated the growth of small and growing businesses through business skill development, mentoring, market connections, and access to capital (See box). ITE's comprehensive approach extends beyond traditional business support to promote business practices that SGBs can adopt to support gender equality, job equality, and environmental sustainability. Both men and women entrepreneurs participating in ITE have demonstrated marked improvements in negotiation skills, conflict resolution, flexibility, and business education.

**In Colombia, ITE supported a total of 240 entrepreneurs in six cohorts. Entrepreneurs were selected through rigorous filters based on quantitative metrics and a qualitative interview assessing entrepreneurial mindset and commitment. The program combined in-person and digital training materials to increase efficiency and scale. The digital elements concentrated on impactful areas like marketing, pricing, effective sales, and decision-making skills.**

Women-led businesses made up 40 percent of the business owners that participated in ITE Colombia. Eighty percent of the women-led companies were active in sectors of the economy that historically have high participation of women, such as food, textiles, and handicrafts. In comparison, 20 percent represent businesses in historically male-dominated sectors, such as construction and

technology. ITE addressed entrepreneurial challenges through specialized training, seven months of mentoring, and business development services. The program has successfully challenged traditional gender norms in entrepreneurship, broadening the definition of success to include qualities historically associated with women, such as perseverance, adaptability, and resilience in the face of adversity. ITE developed the Women's Leadership Network in Colombia to foster a supportive environment for women entrepreneurs through webinars and in-person meetings. The network provided a safe space for women to explore their forms of leadership, share their personal experiences as female entrepreneurs, and establish strong business connections among the group

Regionally, women-owned businesses experienced remarkable growth during their engagement with ITE. Women started with a total aggregate sales baseline of \$260,000, while male-owned businesses began with a higher baseline of \$315,000. By the program's conclusion, women-owned businesses achieved a total sales growth of \$13.5 million, whereas men-owned businesses reached \$22.5 million. Notably, male-owned businesses outpaced women-owned businesses in employment expansion, creating 587 new jobs compared to the 195 new jobs generated by women-owned businesses. The variations in growth figures are likely due to differences in the initial size of women's and men's businesses.

Nevertheless, women exhibit a notable strength in reinvesting in their businesses. For

instance, women account for 58 percent of the \$9 million entrepreneurs invested in their businesses from savings. Furthermore, women demonstrated proficiency in mobilizing financing, securing \$6.1 million in loans, constituting 52 percent of the total funding mobilized. In contrast, men mobilized \$5.7 million. These figures underscore women’s proactive approach in channeling resources into their enterprises, showcasing a commendable financial acumen.

## **| A snapshot of ITE women entrepreneurs**

This section describes the experiences of four women entrepreneurs and participants in ITE Colombia. It also includes the results from a focus group discussion with seven business advisors to capture reflections and insights gained through training and coaching women entrepreneurs.

The four businesses selected for this case study are diverse in their industries: Biotech is a biomedical industrial services business; Outdoor Design specializes in outdoor

Moreover, numerous participating companies, while officially designated as “male-owned”; with male partners registered as owners, are, in fact, led by couples. Despite the formal documentation that may not fully capture their leadership, many women actively participate in the program, making substantial contributions to the strategic decision-making processes that drive the success of these businesses.

architectural finishes; Confía provides reliability study services; and San Michel Bakery is part of the food sector.

**“What I had was the experience and the desire to succeed as a businesswoman.”**

**— Ana Gelvez, Biotech**

The four women interviewed for this case study hold the positions of chief executive officers (CEO) and legal owners within their respective companies. Biotech, Confía, and



Ana Gelvez and her team at Biotech working in their lab (Image: Biotech)

Outdoor Design were born from the vision of women who, each having built a prosperous professional career within their sectors, decided to start their own business. Like other women in the ITE program, San Michel Bakery is a family business that the current CEO inherited.

All four women highlighted the satisfaction of owning and leading their businesses and the flexibility it grants them in scheduling their personal lives, as opposed to a strict 9-5 schedule as an employee in a private company. They also mentioned benefiting from the support of their business partners or family members, including fathers and husbands, who are crucial in managing day-to-day operations. This collaborative dynamic enables women entrepreneurs to dedicate their efforts to their enterprises' overarching strategic vision and growth initiatives.

**"I was able to connect what I learned with my son's business knowledge, and we found that balance. I loved how Julian adopted what the business advisors taught us and contributed with what he knew about the business; we made an excellent fusion."**

**— Ana Gelvez, Biotech**

The support of their family and positive business partnerships contributed immensely to their success as entrepreneurs. Their families always showed openness to their entrepreneurial plans. The entrepreneurs have benefited from a supportive environment that empowers them and helps them balance their many responsibilities. The positive influence of ITE's training and support extended beyond the participants, reaching into their familial circles. Parents, spouses, and children actively engaged in the family businesses reaped the benefits of the insights gained through ITE, creating a ripple effect of entrepreneurial empowerment within their broader support networks.

**"With my husband, we talked a lot about what I was learning; when I had to create the value proposition for the business, he helped me a lot and gave me ideas."**

**— Paola Lizarazu,  
Saint Michel Bakery**

Although many women previously participated in other business support programs, the four women interviewed expressed that their motivation to participate in ITE was to manage their businesses' growth better. Outdoor Design was experiencing a 66 percent increase in sales, which Vicky López, the General Manager, did not feel ready to respond to. "I did the math in my crazy head without writing it down because it scared me more; I thought we wouldn't be able to make it or respond to the demand." Confía was also rapidly expanding; CEO Nicoll Durán said, "We already had a project; we wanted to shape it better." Gelvez, the CEO/owner of Biotech, shared that "we business owners lack financial education and need to learn how to grow a business sustainably."

**"My dad and Jessica [the business administrator] always participated during the one-on-one visits with the business advisor. We strengthened the three intelligences: entrepreneurial, technical, and administrative."**

**— Nicoll Durán, Confía**

Lack of financial education and difficulties accessing financing were some of the challenges women entrepreneurs identified as hampering their business women's performance. Many women have difficulties accessing loans

through formal financial institutions, so they borrow money from their male relatives, such as uncles, fathers, or spouses. Business advisors from the program observed that women, influenced by societal norms and cultural upbringing, commonly exhibit a more cautious approach toward their finances, leading them to take fewer risks. Consequently, women often require additional coaching and assurance to navigate and

access financing opportunities, such as loans. This contrasts with their male counterparts, who, characterized by a more risk-tolerant approach, tend to make quicker decisions. However, this approach proved successful, and as previously mentioned, women-owned businesses managed to access more financing than their male counterparts through their participation in ITE.

***“As women, we have to respond on several fronts” Ana Gelvez, Biotech***

Time limitations, competing priorities, and domestic work were the main challenges to women's participation and performance in the program. Business advisors agreed that women need to be highly organized with their time to fulfill their responsibilities within their household and participate in the program. Women who had to take care of small children were identified as the ones who had the most challenging time participating consistently in the training, as opposed to women whose children were older and more independent. Despite the competing priorities, women firmly committed to participating in the program. Additionally, the business advisors felt that ITE's digital approach allowed them to be more flexible and provide ongoing support via WhatsApp and other digital platforms.



**Paola Lizarazu,  
Saint Michel  
Bakery**

**“I said to myself, ‘I’m going to go to everything!’ And I did go to everything. The in-person events were in Barranquilla, and I live in Valledupar, but I went to all of them; I enjoyed it and learned.”**

**— Nicoll Durán, Confía**

**“If I knew that I had a virtual workshop on Wednesday, then on Tuesday and Wednesday very early in the morning, I would get everything ready to be able to attend, but I had to double my workload at that time.”**

**— Paola Lizarazu,  
Saint Michel Bakery**

Another notable challenge that emerged was the struggle with delegation. The women interviewed revealed that, before their involvement with ITE, a substantial amount of their time was dedicated to handling operational aspects, leaving little room for strategic management. This constraint hindered the formulation and execution of long-term business strategies. Recognizing this, the business advisors at ITE prioritized guiding the women toward effective delegation practices. While initially there was a learning curve, and the women encountered challenges in the early stages of delegation, this prompted them to recognize the need for enhanced accountability mechanisms and improved knowledge management for their employees. Despite these initial difficulties, they swiftly refined their delegation processes and observed significant improvements in their businesses as a direct result.

**"What I have done now is to delegate more. While on vacation, I delegated functions in each area; I delegated leaders and proposed that each one solve the difficulties to a certain extent and that if it was too big, they should call me. This is a change because, before ITE, I didn't delegate anything."**

**— Paola Lizarazu,  
Saint Michel Bakery**

Although delegation was cited as a challenge, throughout the program, women's decision-making and communication skills were highlighted as areas of significant improvement due to the program. Women already considered themselves leaders in their lives and businesses, but they strengthened these characteristics. A better understanding of their leadership styles enables women entrepreneurs to improve their decision-making skills. López from Outdoor Design noted that although she has many years of experience making business decisions, ITE and her mentoring helped her communicate more assertively with her suppliers and customers.

**"I accept advice, but ultimately, I make the decisions, put them on a scale, and decide. My husband is aware of everything, but I make the decisions."**

**— Ana Gelvez, Biotech**

Ana Gelvez, Biotech  
(TechnoServe)





## LESSONS LEARNED

The Impulsa tu Empresa (ITE) program has yielded valuable insights into the dynamics of supporting and empowering women entrepreneurs in Colombia. As we reflect on the experiences and outcomes, key lessons have emerged, shedding light on the practical strategies employed, the resilience of women participants, and the significance of personalized support. This section delves into these lessons, showcasing the transformative impact of ITE on both women entrepreneurs and the broader entrepreneurial landscape.

**The ITE program's success lies in its ability to identify quick wins that build trust and engagement among participants. By equipping women entrepreneurs with concrete tools and facilitating practical tasks alongside business advisors, the program ensured swift and visible changes.**

These "quick wins," particularly in enhancing financial understanding and refining accounting practices, fostered trust and engagement. Participants reported an improved grasp of their customer base and brand positioning, empowering them to make more informed and strategic business decisions. The practical tools provided were essential enablers of these quick wins, leading to the program's overall success.

**"I love ITE! It was not just theoretical; we were given practical tasks. So it's not just knowing; it's doing. With ITE, we started to do everything we probably already knew we had to do. Some concepts were new, but we already knew most things theoretically. But one thing is to know what you have to do, and another is to know how to start doing it."**

— Nicoll Durán, Confía

**"The participants have shared with me that they like to be given tools to organize their information. They all have the information in their heads but do not have the right tools to visualize, analyze, and make strategic decisions."**

— ITE business advisor

Digital tools played a pivotal role in supporting women's performance, allowing flexibility in scheduling sessions. Remote learning became indispensable, especially for women with familial responsibilities. The program accommodated the diverse needs of participants, such as rescheduling appointments during weekends or holidays, exemplified by the successful completion of a participant who faced challenges during pregnancy. Ongoing support through digital channels, mainly via WhatsApp, proved crucial for quick decision-making and reassurance.

The commitment of women entrepreneurs to contribute to youth employment emerged as a significant theme. Participants actively sought to provide professional growth opportunities for young individuals entering the labor market, viewing networking as a critical element. The ITE program's impact on employability cascaded through various initiatives, such as internships and training programs, creating a positive ripple effect.



ITE underscored the need to [listen to women entrepreneurs](#), recognize the importance of a support network, and identify their specific needs. Building rapport proved crucial in better advising and supporting women, fostering the self-confidence necessary for business growth. In contrast, interactions with male participants tended to be more business-focused, highlighting the unique dynamics in advising and mentoring women entrepreneurs. The ITE program's journey has successfully supported the growth of women entrepreneurs and enriched our understanding of practical business advisory mechanisms. The lessons learned underscore the transformative potential of personalized, pragmatic approaches, acknowledging women's diverse needs and strengths in the entrepreneurial landscape. These insights will shape future strategies as ITE evolves, ensuring sustained impact and empowerment.

## ***About TechnoServe***

Founded in 1968, [TechnoServe](#) is a leader in harnessing the power of the private sector to help people lift themselves out of poverty for good. A non-profit organization working in around 35 countries, we work with people to build a better future through regenerative farms, businesses, and markets that increase incomes. Our vision is a sustainable world where all people in low-income communities have the opportunity to prosper.

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Paola Lizarazu and her team at Saint Michel Bakery





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