



Research and  
Policy Centre

# **Stepping up** --- **for business**

**Insights from a pilot program for  
migrant and refugee women**

Seuwandi Wickramasinghe and Maria Mupanemunda  
2020



Brotherhood of St Laurence  
Working for an Australia free of poverty

The Brotherhood of St. Laurence (BSL) is a social justice organisation working to prevent and alleviate poverty across Australia. Our mission is to pursue lasting change, to create a more compassionate and just society where everyone can thrive. Our approach is informed directly by the people experiencing disadvantage and uses evidence drawn from our research, together with insights from our programs and services, to develop practical solutions that work. For more information visit <[www.bsl.org.au](http://www.bsl.org.au)>.

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**Cover image:** Women participating in the Stepping Stones program. The women depicted were not among the interviewees for this study.

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## Abbreviations

ASRC	Asylum Seeker Resource Centre
BSL	Brotherhood of St. Laurence
HILDA	Household, Income and Labour Dynamics in Australia survey
MM	MoneyMinded
NTL	Now to Launch

# Summary

Stepping Stones is a Brotherhood of St. Laurence micro-enterprise program developed in 2011 for women from refugee, migrant and asylum-seeking backgrounds living in Melbourne. The program provides opportunities for women to achieve financial wellbeing by increasing their knowledge of starting a business, building skills to support micro-enterprise development and expanding their social and support networks.

In 2017, the program received funding from Ecstra Foundation to pilot a new model, Stepping Stones to Small Business, comprising recruitment, mentor matching and post-program support. The program was delivered by a partnership comprising Asylum Seeker Resource Centre, Now to Launch and BSL Youth Programs. The new model, which had a sharper focus on enhancing participants' financial literacy, consisted of the following components:

- Empowerment Pathways training to develop participants' personal and business goals
- MoneyMinded Training—to increase participants' financial literacy skills
- small business training—to enhance participants small business related expertise
- post-program support—to connect each participant to a suitable mentor, and to facilitate access to local markets, information sessions and business-related workshops.

The purpose of this study was to inform ongoing program development and to identify opportunities to extend the program to other cohorts. Its mixed methods approach included:

- two rounds of interviews with a sample of participants
- interviews with staff from BSL and partner organisations
- a survey examining participants' money management skills, attitudes and practices.

## Key insights

- Financial literacy training can positively inform money management choices but information provision alone does not guarantee financial wellbeing. Financial literacy programs need to be accompanied by policies that address drivers of economic insecurity and financial hardship.

- Interviewees' personal experiences, social relationships, cultural norms and values shaped how they viewed money.
- Empowerment Pathways and business training appeared to enhance participants' self-confidence and social participation and to foster empowerment, but participants preferred more practical and interactive activities to cater for different learning styles.
- The women we spoke to were motivated to start their own business because of *push* (e.g. difficulty finding work, negative paid work experience) and *pull* (e.g. promise of autonomy and independence) factors. For those who are locked out of mainstream employment, micro-enterprise can help generate some income to help make ends meet.
- Mentor support was valued, but women at different stages of business development had different needs. They required mentors with expertise in various aspects of business to be linked with them at different points of the business establishment phase.
- Working with other organisations brings together diverse expertise. Importantly, clearly defined partnership agreements can help ensure that collaborations provide mutual benefits.
- Stepping Stones is best suited to women because of the program's strengths-based gender- and culturally responsive approach to small business training. Micro-enterprise programs can also be beneficial for young people, helping them to increase confidence, skills and networks; however, such initiatives should recognise that participants in the younger cohort might need to explore other options (apart from starting a business) depending on their circumstances.

## Key recommendations

Using findings from the 2018–2020 Stepping Stones pilot as well as insights from previous evaluations (2011, 2015 and 2017), we make the following recommendations:

### Program development recommendations

- Tailor financial literacy training resources to the sociocultural contexts of refugee, migrant and asylum-seeking background women.
- Support alternative pathways to economic security (for example, paid employment or engaging in other forms of member-owned businesses such as mutual organisations and cooperatives) where micro-enterprise is not a suitable option.
- When collaborating, ensure partnership agreements clearly define responsibilities and that contracts encourage information sharing among partner organisations.
- Partner with social procurement intermediaries to enable accreditation of women's micro-enterprises as a way of opening opportunities to government contracts.
- Build a community of practice with other women-focused micro-enterprise organisations to collectively advocate for more gender- and culturally responsive government policies.

### Policy recommendations

- Reform the government's existing New Enterprise Incentive Scheme (NEIS) by:
  - increasing the number of places available each year
  - establishing a stream for low-income, disadvantaged women and actively recruiting participants from refugee, migrant and asylum-seeking backgrounds
  - extending program duration and access to social security supports for women on low incomes
  - establishing better links between NEIS, settlement services, Adult Migration English Programs, Centrelink and jobactive employment programs to better support employment outcomes for low-income women from refugee, migrant and asylum-seeking backgrounds.
- Support women-owned micro-enterprises by including targets in government social procurement contracts.
- Consider how insights from micro-enterprise programs such as Stepping Stones can be used for advocacy work on economic security and financial wellbeing, particularly for women.

# 1 Introduction

Stepping Stones is a Brotherhood of St. Laurence micro-enterprise program developed in 2011 for women from refugee, migrant and asylum-seeking backgrounds living in Melbourne. The program provides opportunities for women to achieve financial wellbeing by starting a small business or finding employment through training pathways, mentoring and support.

In 2017, the program received funding from Ecstra Foundation (previously known as Financial Literacy Australia) to pilot a new model, Stepping Stones to Small Business, which had a sharper focus on enhancing participants' financial literacy. The pilot was delivered in collaboration with the Asylum Seeker Resource Centre (ASRC), Now to Launch (NTL) and Brotherhood of St. Laurence Youth Programs, whose organisational missions all aligned with Stepping Stones micro-entrepreneurship and self-employment objectives. The rationale behind this new collaborative approach was to:

- expand program reach
- increase follow-up support for participants by leveraging partner organisations' existing resources
- ensure the program's long-term financial sustainability.

This study aimed to inform future program development and identify opportunities for program expansion.

In the following sections, we set the context for the study by briefly considering the role of micro-enterprise in facilitating women's employment and economic security and the importance of financial literacy in fostering successful microbusinesses. We then describe the pilot model, the study method and the key insights that we gained. Drawing on previous Stepping Stones evaluations, the report concludes by providing recommendations for program development and policy advocacy.

**The program provides opportunities for women to achieve financial wellbeing by starting a small business or finding employment through training pathways, mentoring and support.**

## 2 The role of micro-enterprise in increasing women's economic security

Since its inception in 2011, Stepping Stones has consistently emphasised the importance of micro-enterprise as a mechanism for increasing economic and social participation for women from refugee, migrant and asylum-seeking backgrounds. The main argument supporting this position is that through self-employment, women from refugee, migrant and asylum-seeking backgrounds can overcome some of the labour market barriers they face in ways that accommodate their gendered responsibilities.

Migrant women, particularly those from refugee and asylum-seeker backgrounds, face specific employment barriers. These include lack of recognition of skills, limited local work experience, low English language skills, racial discrimination and limited access to business and social support systems (Bodsworth 2014). Moreover, women, regardless of immigration status, disproportionately carry the burden of providing unpaid work, which can further undermine their chances of successfully entering the labour market (Bowman & Wickramasinghe 2020).

Migrant women are often pushed towards micro-enterprise specifically because it gives them an opportunity to overcome some of these employment barriers. Indeed, research examining the motivations behind women's micro-entrepreneurship often makes a distinction between push and pull factors (Azmat 2013; Wickramasinghe & Bowman 2019). A push refers to seeking self-employment out of necessity due to labour market marginalisation or negative employment experiences, while a pull refers to choosing self-employment primarily to satisfy a desire for greater autonomy (van der Zwan et al. 2016).

Whatever the motivation—choice, necessity or a combination of the two—micro-enterprise can play an important role in fostering migrant women's economic participation (Atkinson 2017). Promoting economic participation through self-employment for migrant women is important. Self-employment is an important source of income that contributes to women's economic security, helps develop self-confidence, increases social connections, reduces reliance on income support and supports successful migration settlement (Qian, Riseley & Barraket 2019).

However, for micro-enterprise to have a significant influence on women's economic security, such businesses must be successful. Micro-enterprise success depends on both demand- and supply-side factors like:

- access to financial resources
- affordable child care and adequate social security
- small business training programs that are gender-responsive
- financial education programs that aim to develop the financial literacy skills women need to run successful ventures (OECD 2018).

## The importance of financial literacy in fostering successful micro-enterprises

Financial education is not the only supply-side factor determining micro-enterprise success, but it can play a positive role in fostering sustainable micro-enterprises. Research shows that higher levels of financial literacy among small business and micro-enterprise owners can contribute to a greater chance of maintaining their business (Dahmen & Rodriguez 2014; Engstrom & McKelvie 2017).

According to the OECD (2017), financial literacy within an entrepreneurial context is defined as:

***the combination of awareness, knowledge, skills, attitudes and behaviour that a potential entrepreneur or an owner of a micro, small or medium sized enterprise should have in order to make effective financial decisions to start a business, run a business, and ultimately ensure its sustainability and growth (p. 7).***

Although this OECD definition extends to potential entrepreneurs engaged in micro, small and medium enterprises, our focus for this study is specifically on microbusinesses, defined by ABS (2002) as a small business that employs up to five staff.

Developing potential entrepreneurs' financial literacy skills, whether they be the owner of a micro, small or medium-sized business, involves educating them to:

- understand the relationship between business and personal finances
- be informed on where to go for assistance and how to navigate those systems
- build their knowledge of the financial environment including financial products and concepts
- develop the knowledge, skills and confidence to:
  - recognise financial opportunities and risks
  - develop well-informed business ideas and plans
  - effectively manage their financial records, planning and risks both in the short and long term
  - take necessary and effective actions to maximise the potential of their business through actions such as entrepreneurship advocacy and government collaboration (OECD 2017).

The Stepping Stones 2018–2020 pilot program provided financial literacy training to develop participants' personal and business-related money management skills with the aim of increasing their chances of maintaining successful microbusinesses.

# 3 Stepping Stones pilot (2018–20)

## A strengths-based approach

The pilot was delivered using a strengths-based approach that recognised and developed the skills, knowledge and capacities of migrant women rather than focusing on what they did not have. The program does this through activities such as learning workshops, small business training, mentor matching and post-program support.

## A focus on financial education

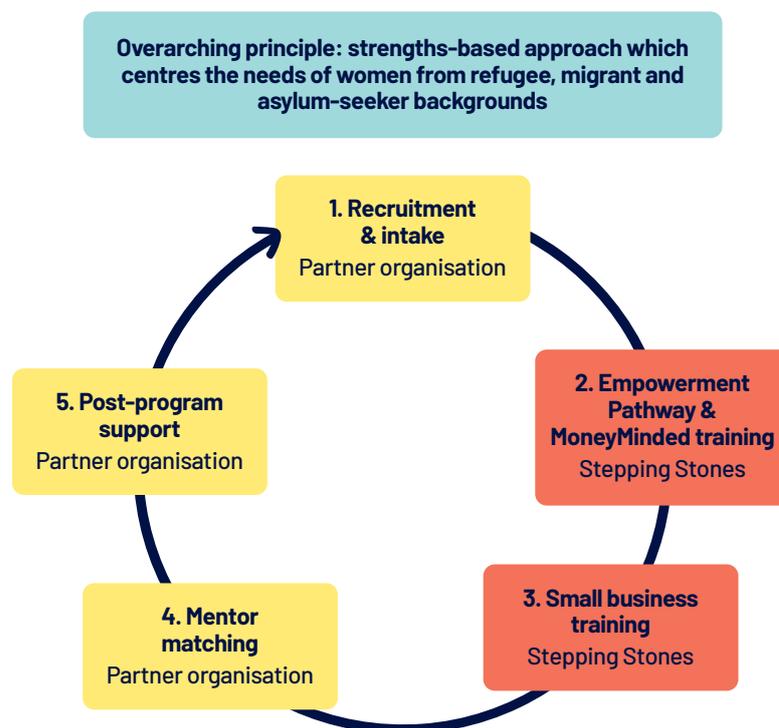
In addition to the program's regular activities, the 2018–2020 pilot also included a financial education component called MoneyMinded: an adult financial literacy training program developed by ANZ aimed at increasing participants' money management skills.

## A phased approach

In total the 2018–2020 pilot consisted of three training components designed to enhance women's confidence and capacity to start, run and, where desired, grow a micro-enterprise. These were:

- 1 five days of **Empowerment Pathway** training—supported participants to identify and nurture their personal strengths, skills and business aspirations
- 2 two days of **MoneyMinded** training—helped participants build their money management skills, knowledge and confidence through training in budgeting, dealing with debt and future planning
- 3 10 days of **small business** training, run one day per week in partnership with Small Business Victoria—assisted participants to increase their small business knowledge on a variety of topics (e.g. market research, Australia's tax system, business structures) and supported the development/refinement of their business ideas.

Stepping Stones was responsible for delivering all three training components as well as providing mentor induction and MoneyMinded facilitator training to enhance partner organisations' capacity to offer post-program support to participants. Partner organisations were responsible for recruitment and intake, mentor matching and post-program support. For the first time since program inception, recruitment was opened to men and younger women to explore the possibility of expanding the program to different cohorts. Responsibility for overall program delivery was shared among partner organisations (see Figure 1).



**Figure 1 Stepping Stones program phases and key supports**

## The participants

The 2018–2020 iteration of the pilot had four intake groups from the ASRC, NTL and BSL Youth Programs. In total, 85 participants attended the program: 74 women and 11 men. Participants came from 37 countries in South America, the Middle East, South Asia, the African continent and Pacific Islands. A large proportion of the participants from ASRC and NTL were aged 35 years and over while over half of BSL youth participants were under the age of 25. Most participants from ASRC, NTL and BSL Youth programs arrived in Australia on a humanitarian visa.

Of the 85 participants who attended, 71 graduated from the program. As training is non-accredited, graduation from the training program is based on attendance and exposure to training topics.

**Table 1 Cohort groups by number of participants and graduates**

Groups	Total participants (n)	Total graduates (n)
ASRC	49	43
NTL	21	15
BSL Youth Programs	15	13
<b>Total</b>	<b>85</b>	<b>71</b>

# 4 The study

The purpose of this study was to inform ongoing program development and to identify opportunities for program expansion.

To better understand the pilot and its impacts, we examined:

- participants' demographic profile, why they wanted to set up a micro-enterprise, and what they thought the benefits and challenges were
- participant outcomes in relation to personal and small business-related financial literacy and business success or otherwise
- benefits and risks of collaboration in service delivery
- elements of the pilot that are replicable and scalable in other settings.

## A mixed methods approach

We used a mixed methods approach comprising:

- analysis of de-identified administrative and service development data
- financial literacy survey with a total of 26 respondents—18 from ASRC and 8 from BSL Youth Programs
- two rounds of interviews with a sample of program participants across the partner organisations ASRC, NTL and BSL Youth Programs
- interviews with staff from Stepping Stones and partner organisations.

### Analysis of administrative data

Administrative data was used to understand the participants' demographic characteristics. The demographic data relates to all participants who consented to their de-identified information being used for research purposes. We also reviewed other documents such as service agreements, practice guides and program logic, the

MoneyMinded training manual and the Stepping Stones mentor handbook.

### Financial literacy survey

The survey examined participants' financial resources (personal and household income), money management practices, attitudes and decision-making. The survey was intended to offer a quantifiable measure of an individual's financial situation and the financial literacies they developed through training. It also included a question from the Household, Income and Labour Dynamics (HILDA) survey (wave 16)<sup>1</sup> and the Consumer Financial Protection Bureau Financial Well-Being Scale<sup>2</sup>.

Each participant was to be surveyed twice: pre- and post-program training. In June 2019, 26 respondents from the ASRC and BSL Youth Programs completed the first round of surveys. The second round, scheduled for April 2020, was not administered due to disruptions caused by the COVID-19 pandemic. Names and personal identifiers were removed and replaced with a code before analysis.

### Interviews

Face-to-face interviews were conducted pre-training in June 2019 with a total of 14 participants: 10 from ASRC and NTL and 4 from BSL Youth Programs.

Post-training interviews were conducted in August 2019 with four participants from ASRC and NTL. In April 2020, five participants from ASRC were re-interviewed over the phone.

Five staff were interviewed in total: two from Stepping Stones, one from BSL Youth Programs and two former staff who were involved in the partnership initiative from NTL and the ASRC respectively.

1 The HILDA survey collects information on many aspects of participants' lives, including household and family relationships, income and employment, and health and education. The survey is managed by the Melbourne Institute, University of Melbourne.

2 The CFPB scale provides a quantifiable measure of an individual's financial situation and financial capability.

With consent, the interviews were audio-recorded and transcribed. De-identified transcripts were analysed inductively to develop themes. We then checked if these themes were identified in previous Stepping Stones evaluations.

## Interviewee characteristics

The section below describes key characteristics of the 14 interviewees from all partner organisations. As participants from ASRC and NTL shared similarities in age they have been grouped together in describing characteristics.

### Gender and age

All 14 interviewees were female.

**ASRC and NTL:** Most interviewees were aged between 35 and 44 years (see Table 2). One interviewee did not provide her age.

**BSL Youth:** Of the four interviewees, two were between the ages of 15 and 24 and the other two were between 25 and 34.

**Table 2 Age of interviewees**

Age group	ASRC and NTL (n)	BSL Youth (n)	Total (n)
15-24	1	2	3
25-34	0	2	2
35-44	6	0	6
45-54	1	0	1
55-64	1	0	1
Age not provided	1	0	1
<b>Total</b>	<b>10</b>	<b>4</b>	<b>14</b>

### Living arrangements

**ASRC and NTL:** Four were living with a partner and dependent children. Three were living with other family (e.g. elderly parents, siblings). Two were single mothers with dependent children and one lived with their partner.

**BSL Youth:** Three of the four interviewees lived with their family and one was a single mother with a dependent child.

### Housing

**ASRC and NTL:** Five interviewees rented privately. Of the four who owned their home, three owned their home outright. One lived in supported accommodation.

**BSL Youth:** All four interviewees rented their homes.

### Visa status

**ASRC and NTL:** Most interviewees from ASRC and NTL arrived in Australia on non-humanitarian visas

**BSL Youth:** All except for one of the BSL youth interviewees arrived on a humanitarian visa (see Table 3).

This question was not applicable to two interviewees who were Australian/NZ citizens by birth.

**Table 3 Type of visa on arrival in Australia**

Type of visa	ASRC and NTL (n)	BSL Youth (n)	Total (n)
Family visa	3	0	3
Skilled visa	2	0	2
Visitor visa	1	0	1
Student visa	1	0	1
Humanitarian visa	1	3	4
Child visa	0	1	1
Response not provided			2
<b>Total</b>	<b>8</b>	<b>4</b>	<b>14</b>

### Education in Australia

**ASRC and NTL:** Five did not have any post-school qualifications in Australia. Three had a diploma or equivalent. One had completed Year 10 and the other had completed Year 12.

**BSL Youth:** Three of the four interviewees had a diploma or equivalent and one had completed Year 12.

## Education overseas

**ASRC and NTL:** Five of the interviewees held a post-school qualification: two had a diploma or equivalent and three had a Bachelor's degree or higher. Two had completed Year 10 and the other completed Year 12. Two participants did not provide a response.

**BSL Youth:** Two had a post-school qualification in their home country and the other two completed primary school or less than Year 10.

## Employment

**ASRC and NTL:** Four of the 10 interviewees were employed on a casual basis, three were running their own businesses but reported insufficient income, two were looking for paid work and one was studying.

**BSL Youth:** Of the four interviewees, only one was employed (on a casual basis). One interviewee was looking for paid work and two were studying.

## Income support

Of the 14 interviewees from ASRC, NTL and BSL Youth, seven were receiving income support payments (see Table 4)

**Table 4 Stepping Stones interviewees on income support**

Type of income support	ASRC and NTL (n)	BSL Youth (n)
Carer Payment	2	0
Newstart Allowance (now JobSeeker)	1	2
Parenting Payment	1	0
Payment unknown	1	0
Total	5	2

## Limitations

Interview participation was voluntary and those who were available and keen to express their views participated. Only female participants were interviewed, as no male participants expressed a desire to be included. Given the small number of male participants in the program (11 of the 85), the study is unable to conclusively assess the impacts of a mixed group. Nevertheless, interviews with BSL staff and participant feedback have enabled us to consider the suitability of a mixed-gender group.

Most participants from BSL Youth Programs were unable to answer survey questions due to low levels of English. Several of the young people also found it difficult to answer some survey questions as household finances were managed by their parents. Therefore, to avoid distortion of survey results, their survey data was not included in the analysis.

Due to disruptions from COVID-19, we did not carry out round two of the survey. Nevertheless, the first survey offered us useful insights into participants' money management practices, attitudes and levels of decision-making which were then enriched by participant interviews.

## Ethics

The research was approved by the NHMRC-accredited Brotherhood of St. Laurence Human Research Ethics Committee in January 2019.

# 5 Key insights

This section provides key insights from interviews and the survey findings.

## Financial literacy training positively informed money management choices

Prior to MoneyMinded (MM) training, participants demonstrated varied levels of money management skills in relation to spending, saving and budgeting. Responses from the pre-training survey show that of the 18 participants who completed the question on money management practices, most reported that they checked the balances of their Everyday (13) and Savings accounts (12) at least several times a month; however, they were less diligent with other financial products. Only a few of the respondents stated that they read their credit card statements (4) and carefully read bank statements (3) at least several times a month. This finding is reflected in one participant's response:

***She [the trainer] said, "does any of you look at your statements?" To be honest, that was one of the biggest thing[s] that I'm very cautious of now.***

Many also reported using various cost-cutting strategies, including bulk buying, using coupons, buying items when they are on special.

Interviewees overwhelmingly agreed on the value of MM training, explaining how it had enhanced their existing skills in saving and in tracking expenditure. When asked about some of her learnings from training, Talia who was in her early 40s, employed as a casual and living with her partner and children responded:

***Man, it's been an eye-opener [...] before I never used to sit down and really budget. One pay cheque comes in and you just go pay cheque by pay cheque. But with that, it actually opened—sometimes you don't know how much you are spending unless you do sit down and count the cost.***

Cam, aged 18, started selling arts and crafts at local markets as a hobby while she was still in school. Since leaving school early and unexpectedly due to an ongoing health condition, Cam decided to continue her hobby to earn income until she was ready to begin a career. She reported that she was not always scrupulous with her business cash flow but explained how MM training had prompted her to methodically record her business spending:

***Yes. I learnt from Stepping Stones, like the record book. I find it most useful, like every time I buy something for the business, [for] example I buy string or the beads or scissors or something like that, I write how much I'm buying.***

## Financial literacy training alone does not guarantee business success or economic security

Research shows that developing entrepreneurs' financial literacy skills can have a positive effect on ensuring business sustainability (Dahmen & Rodriguez 2014; Engstrom & McKelvie 2017). However, on its own, financial education is not enough to guarantee the economic security that comes with successfully establishing and growing a micro-enterprise (Brown & Bowman 2020). As one participant pointed out when reflecting on the benefits and limitations of financial literacy training:

***The only thing that gets in the way is when you actually lack money. When you don't have the money you can't budget ... so you must have it to be able to learn how to use it, you know what I mean?***

The ability to apply money management knowledge in everyday life is affected by a host of factors such as socioeconomic status, life stage and sociocultural factors (Arthur 2012; Blue & Brimble 2014).

## Money is a social and cultural construct

Money is a social and cultural construct shaped by personal experiences and social relationships, as well as by cultural norms and values. How money is viewed, valued and managed differs depending on a person's unique personal, social and cultural experiences (Zelizer 2011).

For example, Jacqueline, who is from a country in South Asia, explained how her migration experience had been a catalyst for strengthening her money management and investments skills. She noted how a lack of financial resources when she was growing up had affected her financial management skills:

***Well, I mean, money was always tough for us growing up, so we basically had no proper financial structure. So, really whatever I have learnt is after I have come here to Australia.***

Family structure, age and gender are also important factors in shaping how money is managed. For many interviewees, family and domestic boundaries in relation to money extend beyond a nuclear family structure. For example, Talia, in her mid-30s, reported that her money management decisions around saving and spending included regularly giving a percentage of her income to her church (tithing) and sending remittances to help take care of extended family in her home country in the Pacific.

The age at which participants begin to make individual money management decisions also differs according to cultural norms and values. All eight BSL Youth participants who responded to the survey (all of whom were over 18 years) said they did not manage their own money. Instead, personal money was absorbed into household income and managed by their parents. Indeed, decisions about how household or domestic money will be allocated are shaped not just by age, but by power dynamics in relationships and gender. (Singh 2016; Zelizer 2011).

Analysis of survey data revealed that there were different levels of financial decision-making within households and that men tend to be more involved in higher-level decisions while women were responsible for managing the day-to-day household finances. This finding is consistent with other studies conducted overseas (Hitczenko 2016; Schneebaum & Mader 2013) and in Australia (Relationships Australia 2016) showing how gender roles and norms, combined with other factors such as education, employment status, income and financial literacy can influence roles and responsibilities around decision-making within the family.

Strategies and resources to enhance money management skills, attitudes and decisions must consider a person's gender and the social and cultural context if they are to be effective in enhancing their financial lives and futures.

## Empowerment and business training were beneficial

All interviewees agreed that the training was useful overall in boosting confidence, facilitating social participation, fostering peer support and improving their social networks. Rita who was in her mid-30s and running a jewellery business described it like this:

***First thing is build my confidence, secondly it [the program] guides you and [is an] eye-opener to what you can do and where you have to go and get the opportunity. And next is the people who came there, [they're] so much helpful.***

Nadia was from a country in South Asia and ran a microbusiness selling paintings. Despite coming from a background in business in her home country, she explained that business training helped her better familiarise herself with the business environment in Australia:

***Yeah, because coming from [my home country] I had the backing of being like a business background family, but now it's totally different when you come here. You can't apply whatever you know there, because the entire social culture, marketing, selling, everything is different. So I was a bit lost [about] what I should do, where I should find information, that kind of stuff. But the Stepping Stones gave me good guidance in terms of where to look for information, what to look [for] and how to do kind of.***

When asked about the structure of the training she commented that 'it was structured and focused, small groups. And there's one-to-one teaching and you can ask questions. And all the lecturers were really helpful'.

Participants also provided insights for training improvement along three important lines. First, there was consistent feedback regarding the need to incorporate more practical activities. Second, interviewees agreed on the need to introduce a digital literacy component, with some expressing a desire to learn skills such as building a website or engaging with social media for promotional and marketing purposes. Lastly, some of the women reported that small business training was too compact and needed to either be paced out or include a refresher course for those who wished to re-visit the content.

## **Whatever the motivations, the path to business viability is long and rocky**

As with previous Stepping Stones evaluations, the women we spoke with had different motivations for starting a business. Some were pulled by the desire for autonomy and independence, others were pushed by necessity (such as difficulty

finding paid work), and for others it was mix of push and pull. Over half the interviewees from ASRC and NTL had caring responsibilities and for many of them the desire for flexibility was a key reason pushing them to establish a micro-enterprise.

BSL youth interviewees had different priorities; having experienced a disrupted education in their home countries, for them, gaining qualifications and improving English took precedence. Only one interviewee was actively working towards setting up her small business due to previous negative experiences of paid work in Australia.

As illustrated in previous Stepping Stones evaluations (Bodsworth 2014; van Kooy 2016) and in this study, women were at different stages of business development and the pathways to starting a business were often nonlinear. Some had their business plans on hold due to caring responsibilities (e.g. caring for a newborn) while others experienced delays due to COVID-19-related disruptions.

Stepping Stones program data shows that as at June 2020, 40% of participants (34 of the 85) were generating some form of income from engaging in business activities such as selling in local markets. For the women who had commenced more formal businesses, information was not available about whether they were breaking even or making a profit, or how much their business revenue contributed to the household income. The interviews revealed that those who were running a micro-enterprise were benefitting from a modest turnover that supplemented their household income. For some of these women, who were locked out of mainstream employment due to accumulated disadvantage, micro-enterprise might generate some income to help make ends meet. Often micro-enterprise development programs also provide valuable communication skills and work experiences, especially for people who have not had straightforward access to work opportunities. They can also lead to improved financial literacy skills through business education.

## Mentor support was valued but should be tailored to women's needs

The purpose of mentoring is to help participants implement what they have learned from training, assist with business development, and provide networking opportunities and other forms of business-related support. All the women we spoke with had been matched with a mentor at the end of their training. Most participants who met with a mentor reported that they valued the one-on-one support and guidance provided by their mentors to refine their business ideas and help set-up their micro-enterprise. However, one of the participants who was working towards setting up her micro-enterprise noted that she needed more hands-on support from her mentor, rather than just information. She explained:

***I think it would have been really good if I had a practical mentor if you know what I mean like someone who could sit with me and say "okay, let's get this [business] registered. So okay, if you're going to register this [the business] what's the best way?" and sat with me through that maybe.***

The level and intensity of mentor support required depended a great deal on the participant's stage of business development and on the type of business. Those who actively sought mentor assistance required a range of supports from legal to digital to accounting expertise. This finding is reflected in previous studies on micro-enterprise, which highlighted that women have different starting points and changing priorities during micro-enterprise development and therefore require support of different duration and intensity (Bodsworth 2014; Wickramasinghe & Bowman 2019).

Although mentor-mentee training clearly sets out the purpose of mentoring, many of the interviewees lacked clarity regarding exactly what to expect from a mentor. Some participants, perhaps unrealistically, envisaged their mentor as an all-knowing source of information who would offer not only business support, but legal insight, assistance with marketing, advice on Australian business regulations and also be a sounding board for business ideas.

## Robust agreements provide mutual benefits in partnerships

The 2018–2020 partnership model was beneficial for both Stepping Stones and partner organisations. For Stepping Stones, collaboration enabled greater program reach and gave participants access to a wider pool of mentors with diverse skills and expertise. For partner organisations, it helped increase organisational capacity through cross-cultural, mentor induction and MoneyMinded training, all of which were part of the partnership agreement.

Although interviews with staff revealed that both Stepping Stones and partner organisations viewed collaboration as mutually beneficial, some challenges were identified. Mainly these were difficulties with recruitment; high turnover of service delivery staff, which led to different degrees of commitment, and limited resources (financial and human), which may have affected the capacity of partner organisations to fully embrace collaborative efforts. More robust partnership agreements with clearly defined roles and responsibilities could have helped guide the focus and delivery of the work and might have enabled the program and the partners to reap the full benefits of collaboration.

# Age and gender are important considerations in program expansion

## Age is important

Interviewees from BSL Youth Programs considered Stepping Stones to be an opportunity to improve English, develop new skills (such as money management) and connect with other young adults with similar experiences. This is reflected in the response of a staff member who observed:

***Some of the topics on like the MoneyMinded, for example, is something that was of high interest even though they might not necessarily be starting a business. The type of people who ended up in the program were not necessarily people who were all kind of business focused. I think they had an interest in learning more and [were] people who like connecting with other people.***

Interviews with BSL youth participants illustrated that there was a mismatch between the program's small business-related objective and participants' aspirations and priorities. However, difficulties in recruitment may have contributed to this misalignment. A more targeted intake and assessment process would have helped identify young participants who were more suitable for the program's self-employment objectives.

Even where recruitment is targeted, it is important to recognise that self-employment does not necessarily increase economic security. For young adults there is increased risk associated with entrepreneurship, especially for those with limited financial and family support (Earnest et al. 2015; MacDonald & Coffield 1991; Wilde & Leonard 2018). Such risks include insecurity of earnings, long work-hours and unpredictable earnings, which can result in considerable stress. Age is therefore crucial in determining the suitability of micro-enterprise for young people.

## Gender matters

One of the distinguishing elements of Stepping Stones has always been its strengths-based gender-responsive approach to small business training and the model incorporates many of the key aspects of gender- and socioculturally responsive services as identified by Bowman and Mui (2012). Staff and participant feedback indicates that the program is best suited to women, as it recognises the specific social and economic barriers they experience.

Of the 85 total participants, 11 were men. Interviews with BSL staff indicated that some of the male participants dominated the training sessions conducted in the first year of the pilot. To address this issue, a screening process took place when recruiting male participants in the subsequent training conducted in 2019 and only those who were deemed 'suitable' (i.e. demonstrated an understanding of gender inequalities) made it through. Though interviewees reported that they were comfortable with a mixed group, a response from one of the Stepping Stones training staff suggests how gender can influence group dynamics. She explained that for women-only sessions:

***The discussions are [...] a bit more free because when you get a bunch of women together the topics they're different than if you had men present.***

Such observations have been substantiated by research showing that group interactions change in mixed-gender settings (Fenwick & Neal 2001; van Dijk & van Engen 2019). Peer-to-peer support, friendship and solidarity are key values and benefits repeatedly emphasised by previous Stepping Stones participants (Bodsworth 2014). Introducing a mixed-gender group would be contrary to the program's fundamental principles and would unintentionally undermine its gender-responsive approach to small business training.

# 6 Discussion and conclusion

Throughout the evaluations we have conducted over the years, participants have repeatedly emphasised the value of Stepping Stones as a social participation and empowerment program. Participants also reported an increase in their skills and knowledge of business in Australia.

Regardless of interviewees' stage of business development, there was overwhelming agreement on the value of financial literacy training, with women reporting that they had applied their learnings in their everyday lives. Given the positive feedback received from participants on the Empowerment Pathways and financial literacy training components of the program, there is potential for these elements to be enhanced and replicated for other cohorts such as low-income single mothers, mature-aged and young women.

However, if micro-enterprise is to be promoted as an income generating option for low-income women from refugee, migrant and asylum-seeker backgrounds, it is critical to understand the intersecting structural barriers that constrain their capacity to successfully set up micro-enterprises (Hussain & Yaqub 2010; Njaramba, Chigeza & Whitehouse 2018). The structural constraints that these women experience in the labour market can also undermine their capacity to set up a micro-enterprise. As women and as migrants, participants in the Stepping Stones program face challenges that undermine their economic security. These include low paid insecure work, and the risks of labour market exploitation and discrimination.

Recognising these intersecting disadvantages provides an important context to understanding why migrant women are pushed towards self-employment and what micro-entrepreneurship means to them, particularly from a gender and cultural perspective (Addo 2017; Al-Dajani et al. 2015; Knight 2016; Mirza 2013). While it is important to respond to women's immediate needs for income, micro-enterprise programs also need to address the underlying structural constraints that undermine refugee and migrant women's economic security and financial wellbeing.

## Understanding the structural barriers to economic security and financial wellbeing

A comprehensive understanding of economic security and financial wellbeing requires a recognition of the complex interplay between the social, cultural and economic contexts that influence women's financial and business decisions and outcomes. An expansive understanding of financial wellbeing also needs to include the information and skills that potential entrepreneurs require to navigate the systems governing the financial context in which their businesses operate.

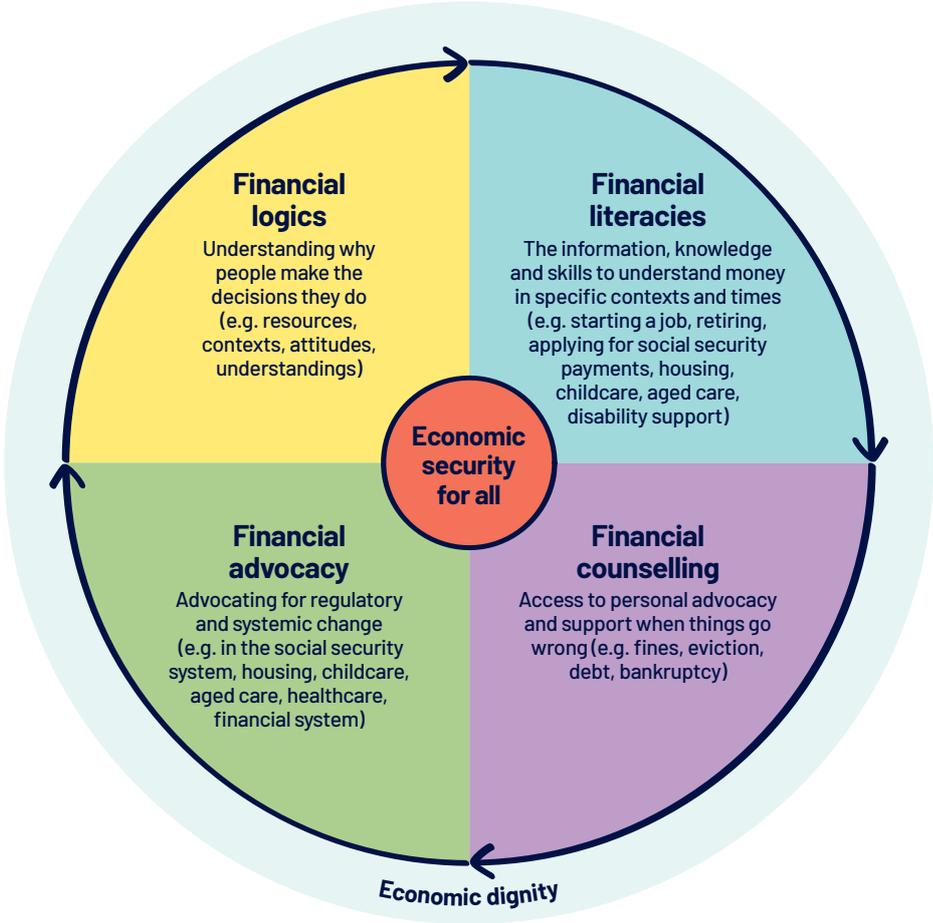
Changing individual behaviours and attitudes through financial literacy education, though certainly beneficial in helping entrepreneurs maintain businesses, on its own is not sufficient to combat economic insecurity and financial hardship. In fact, studies have illustrated that those living in low-income households are careful managers of money (Bowman & Banks 2018; Rashbrooke 2013). What is required is a broader understanding of financial wellbeing in ways that expand beyond individual motivations and attitudes by recognising the contextual factors that shape financial wellbeing and an individual's capacity to experience economic security (Bowman et al. 2017).

In this regard, BSL's Financial Wellbeing Framework proves useful because it enables managers of programs and policies to examine not only why people make the financial choices that they do, but also the personal, systemic and structural factors that constrain or enable those choices.

The framework (see Figure 2) emphasises the following four areas (Brown & Bowman 2020):

- 1 understanding why people make the financial decisions they make (financial logics)
- 2 helping people to develop the knowledge and skills they need to make financial decisions (financial literacies)
- 3 giving people access to the financial supports they require when things go wrong (financial counselling)
- 4 advocating for the broader regulatory and systemic change required to support people’s financial wellbeing (financial advocacy).

The framework facilitates understanding of the gender-specific socioeconomic and cultural constraints that can limit refugee and migrant women’s choices and undermine their efforts to achieve financial wellbeing. As the framework reflects, any efforts to increase women’s economic security must involve strategies at both the individual and structural levels.



**Figure 2 BSL financial wellbeing framework**

Source: Brown & Bowman 2020

In its current version, Stepping Stones uses strategies that help increase participants' personal and business-related financial literacies and does so in ways that are cognisant of the needs of its participants. The program also considers participants' financial logics but more is required to understand how participating women's diverse needs and life circumstances (such as visa status, age, caring and other family-related responsibilities including remittances and sociocultural factors) influence their business and financial choices and decisions.

Future development opportunities could also consider how participant and program insights could be used to inform policy advocacy on issues that impact women from refugee, migrant and asylum-seeker backgrounds. It is important that programs such as Stepping Stones offer women alternative pathways to economic security. Even greater effectiveness could be achieved through collaboration with similar organisations to challenge the ways government addresses some of the structural factors that limit the opportunities available to women from refugee and migrant backgrounds.

**It is important that programs offer women alternative pathways to economic security.**

# 7 Suggestions for program development and policy advocacy

Based on our assessment of the Stepping Stones pilot we make the following observations, starting with recommendations specific to program development, followed by broader recommendations for policy.

## Program development recommendations

- Tailor financial literacy training resources to the sociocultural contexts of refugee, migrant and asylum-seeking background women.
- Support alternative pathways to economic security (for example, paid employment or engaging in other forms of member-owned businesses such as mutual organisations and cooperatives) where micro-enterprise is not a suitable option.
- When collaborating, ensure partnership agreements clearly define responsibilities and that contracts encourage information sharing among partner organisations.
- Partner with social procurement intermediaries to enable accreditation of women's micro-enterprises as a way of opening opportunities to government contracts.
- Build a community of practice with other women-focused micro-enterprise organisations to collectively advocate for more gender- and culturally responsive government policies.

## Recommendations for policy

- Reform the government's existing New Enterprise Incentive Scheme (NEIS) by:
  - increasing the number of places available each year
  - establishing a stream for low-income disadvantaged women and actively recruiting participants from refugee, migrant and asylum-seeking backgrounds
  - extending program duration and access to social security supports for women on low income
  - establishing better links between NEIS, settlement services, Adult Migration English Programs, Centrelink and jobactive employment programs to better support employment outcomes for low-income women from refugee, migrant and asylum-seeking backgrounds.
- Support women-owned micro-enterprises by including targets in government social procurement contracts.
- Consider how insights from micro-enterprise programs such as Stepping Stones can be used for advocacy work on economic security and financial wellbeing, particularly for women.

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## **Stepping up for business**

Insights from a pilot program for migrant and refugee women

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2020

## **Acknowledgement of Country**

The Brotherhood of St. Laurence acknowledges the Traditional Custodians of the land and waterways on which our organisation operates. We pay our respects to Aboriginal and Torres Strait Islander Elders past, present and emerging.



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