

Ministry for Women: MWDI CEO Insights on SME's and COVID-19



SCOPE:

- Draw on the unique insights of the work of the members of MWDI, including insights on the experience and needs of small and micro business owners and as managers of themselves and their employment needs as Wāhine Māori.
- Reflections of the impacts observed since Covid-19 (2020 to January 2022). Useful themes may include:
 - a. Regional perspectives
 - b. The sectors
 - c. The turnover of businesses
 - d. Issues facing self-employed wāhine
- Any data provided should be anonymised

Covid-19 has continued to bring challenges & despair throughout the globe, impacting every aspect of society, let alone impacting small to medium enterprises and communities.

At the onset of Covid-19 in New Zealand, women were worst hit, particularly losing roles that were service oriented toward Tourism & retail. Equally, Statistics NZ identified that Māori women employed in the tourism industry was most affected.

The multiple nationwide lock-downs, predominantly in Auckland, put increasing stress on businesses. Michael Barnett (Sept, 2021), highlighted that businesses were only just recovering from the previous years' lock-downs and that their assets were being destroyed slowly with no income. "This is a tough time for businesses and many of them will fail".

When surveyed, Māori Women's Development Inc (MWDI) businesses were extremely thankful for Government subsidies during the lock-down period in order to continue operating. Equally important was the need to retain staff.

MWDI have established an eco-support system to assist businesses, principally those accessing our loans:

- MWDI HineBoss, a 3-day online program, ensuring businesses prepare effective business plans.
- Te Aka Network, consisting of Life Coaches, Business Mentors and Specialist Advisers. Note: Mentors & advisers are experts in their own disciplines of business
- Te Matahoko: An online "Marketplace", hosting e-commerce businesses
- Tauhoko-ā-Rangi, an e-commerce training programme currently under design

We noticed in the early stages of Covid-19, 2020 that new loans were few and far between, less than half compared to the 2017-2018 financial year. On the contrary, interest in businesses seeking support – business planning, mentors and specialist advisors doubled in demand, proving that pastoral care for businesses is imperative during difficult times.

In the current financial year 2021-2022 (to 31 January 2022), we saw an increasing request for loans, and an ever increasing demand for MWDI services with more than 500 inquiries, 260 registering for MWDI HineBoss and 436 referrals to our Te Aka Network.

Capability continues to be an issue, particularly financial management & literacy, marketing, and customer validation. MWDI believes that empowering and supporting businesses is an essential service, it also shows that financial support must be coupled with capability & development in order for businesses to have a fighting chance of success.

It shouldn't go without mentioning that within the Te Aka service, life coaching has been a core component of support for businesses particularly during Covid-19.

Small to Medium Enterprise (SME) continues to be the backbone of the country with MWDI's focus is on wāhine Māori & their whānau. Research has shown that Māori businesses employ 3 times more Māori, similarly MWDI can confirm that wāhine māori tend to employ family members in the first level.

From a sample of 10 businesses applying for lending in the current financial year, 29 jobs are being projected, across a wide spectrum of industries.

Nature of Business	Prospective No. of Employees
Forestry Transport Operator	2
Food truck	1
Agriculture equipment	5
Dental services	4
Food trailer	2
Bakery and food products	3
Online retail store	3
Catering and food business	1
Fast food takeaway	5
Repairs and maintenance	3

Although not everyone discloses their age group, the largest group identified in our database is aged between 26 and 40, followed by 41 to 50 and then 51 to 60 age groups. Although the 16 to 25 age group are in the minority, we are starting to see a small transition from our rangatahi business programs through to MWDI business loans with a projected increase, as we direct more resources to assisting rangatahi into business

From a sample of approximately 500 businesses, data shows that wāhine Māori businesses are predominantly in the Tāmaki Makaurau area, Waiariki was second followed by Taitokerau, Tainui and Te Tairāwhiti driving economic growth in our regions.

When looking at the same sample of data across the motu, by far, the largest lwi represented is Ngāpuhi with Ngāti Porou a distant second. In addition, the industry breakdown of our wāhine in business is quite varied.

Here is a list of the top 10 industries in order of popularity, but undoubtedly our creative sector – Apparel & Fashion, Beauty & Hospitality and Art remain the leading industries. Although not listed

in the top 10, we do have businesses in Fitness, Construction and Event Management. In the food sector, we have a large number of women using food trucks as a way of providing a service to their communities.

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1. FASHION & APPAREL
 2. HOSPITALITY
 3. BEAUTY
 4. ART
 5. CONSULTANCY
 6. FOOD SERVICE
 7. EDUCATION & TRAINING
 8. HEALTH & WELLBEING
 9. RONGOA MAORI
 10. E-COMMERCE.
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“MWDI support is crucial to our wāhine Māori. Providing a support system with business training programs, mentoring opportunities and life coaching is about the well-being of our women”

Teresa Tepania-Ashton
CEO Māori Women's Development Inc