

Women and Youth Employment The Enterprise Side (rural and non- rural)



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EMPLOYMENT DATA AND THE ENTERPRISE SIDE: URBAN VERSUS RURAL

- URBAN:

- i. Formal sector:

- Enterprise Surveys
 - Micro-Enterprise Surveys

- i. Informal sector:

- Informal surveys

- RURAL:

- i. Formal sector:

- Commercial (capitalistic) agriculture and selected services activities (retail, wholesale, hospitality)

- i. Informal sector:

- Household agriculture and related activities; artisanal activities

ENTERPRISE SURVEYS

THE FORMAL URBAN SECTOR



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OBJECTIVES OF THE ENTERPRISE SURVEYS

- To obtain an overall description of the business environment for each country which is comparable across the world and it's substantiated on a robust methodology
- To obtain basic firm financial information that allows measuring the effect of the environment on selected quantitative firm performance variables (productivity, sales growth, employment, investment)
- To obtain firm characteristics to break down the data across different dimensions: size, sector, within country location, exporting status, ownership, gender on ownership or management
- To collect panel data to study the evolution of the private sector over time while also being representative of each economy at the time of the survey

WHO GETS SURVEYED WITHIN EACH ECONOMY

- Representative sample of the non-agricultural, non-extractive formal private economy with 5+ employees
- At least 1% private ownership
- The universe of inference includes:
 - » Manufacturing
 - » Services (retail, wholesale, hotels, restaurants, IT)
 - » Construction
 - » Transport, Storage and Communications

WHICH BUSINESSES ARE INCLUDED?

ISIC Rev.3.1

- A - Agriculture, hunting and forestry
- B - Fishing
- C - Mining and quarrying
- D - **Manufacturing**
- E - Electricity, gas and water supply
- F - **Construction**
- G - **Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods**
- H - **Hotels and restaurants**
- I - **Transport, storage and communications**
- J - Financial intermediation
- K - Real estate, renting and business activities (**IT ***)
- L - Public administration and defense; compulsory social security
- M - Education
- N - Health and social work
- O - Other community, social and personal service activities
- P - Activities of private households as employers and undifferentiated production activities of private households

HOW IS SAMPLE DISTRIBUTED WITHIN EACH ECONOMY

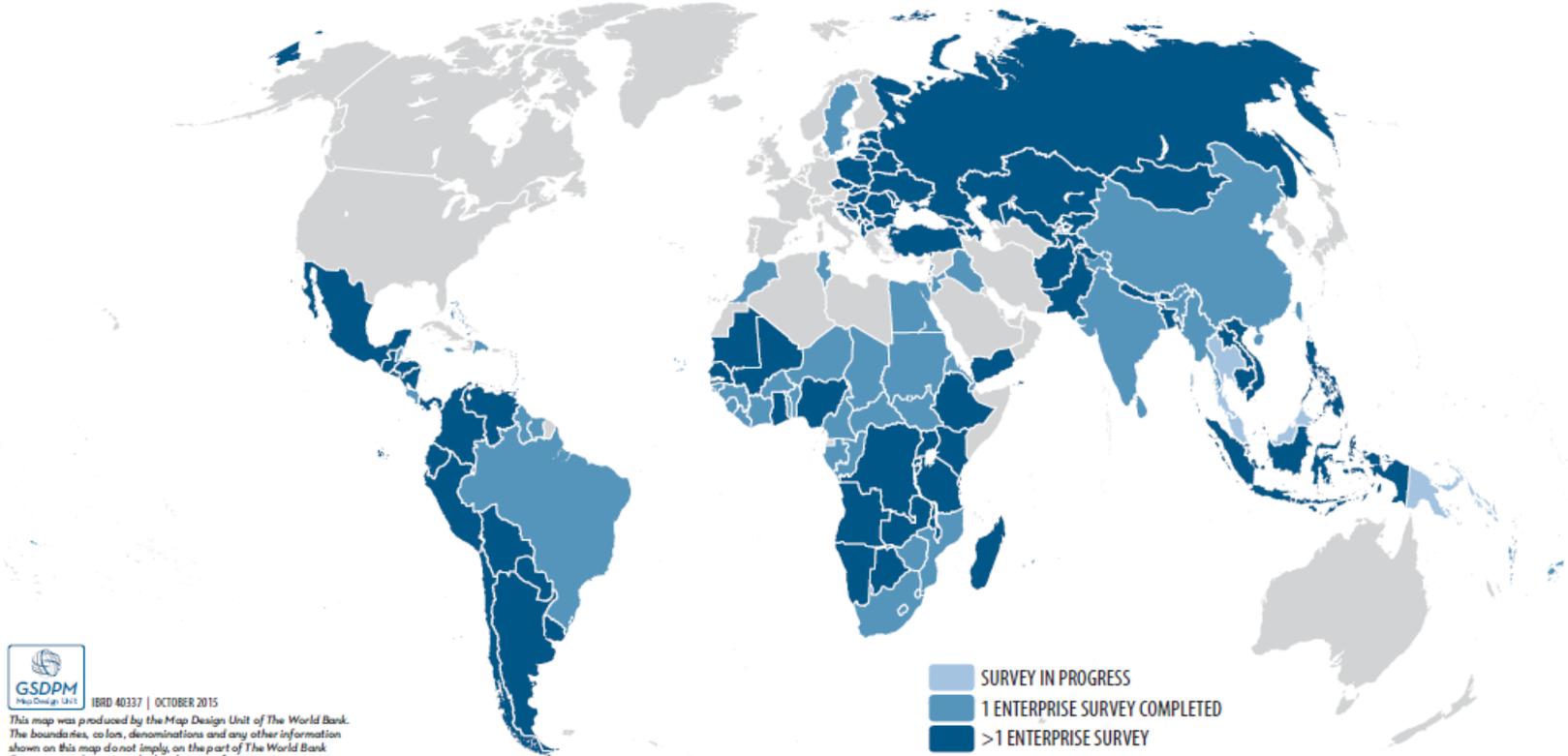
- Nationally representative sample but....
- Given sector coverage, most included firms will be concentrated in main urban centers of each region/department/province/state
- As it is common with most surveys, rural and isolated regions can be ignored without much loss of generality and thus reducing overall cost

DATA AVAILABILITY : WHEN ENTERPRISE SURVEYS ARE IMPLEMENTED

- Regional implementation every 5 to 6 years, except Sub Saharan Africa
- ECA: 1999-2002-2005-2008/09-2013, 2018-19
- LAC: 2006, 2010, 2016/17
- SAR: 2013, upcoming in 2020
- EAP: 2009 and 2015/16, upcoming in 2021
- MENA: 2013, 2019
- Selected high income countries included on demand (Europe)

GLOBAL ES

ENTERPRISE SURVEYS AROUND THE WORLD



IBRD 40337 | OCTOBER 2015

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HOW IS THE ES IMPLEMENTED: GLOBAL METHODOLOGY

- Standard questionnaire (30% tailored to reflect country/region characteristics)
- Standard implementation methodology
- Uniform coverage with varying priority sectors
- Sampling: stratified random sampling

THE GLOBAL QUESTIONNAIRE

FIRM CHARACTERISTICS

- Legal status
- Age
- Size
- Location
- Use of quality certification or license
- Female ownership and management

FIRM OUTCOMES

- Sales
- Employment by contract and gender
- Capital use
- Fixed capital investment
- Exports
- Innovation
- Capacity utilization

BUSINESS ENVIRONMENT (factual)

- Infrastructure
- Regulations: permit, license, taxes
- Regulations: bribe exposure in 10 transactions
- Regulations: government contracts
- Customs and transport
- Competition
- Working capital and investment financing
- Use and applications for financial services

BUSINESS ENVIRONMENT (perception)

- Ranking of 15 obstacles of the business environment

GLOBAL EMPLOYMENT DATA

- Permanent employment in last fiscal year and rate of growth in the last 3 years. **Note that this is not disaggregated by gender or age (former is a challenge, later has been done in selected regions)**
- Temporary employment in last fiscal year plus length of employment. Disaggregated by gender
- Total cost of labor

GLOBAL EMPLOYMENT DATA

- Some basic characteristics of employment:
- -disaggregation between production and non-production (manufacturing),
- -skills as per ILO definitions of highly skilled (category 3 & 4), semi-skilled (category 2), unskilled (category 1)
- -level of education (% completing secondary school)
- -training

SAMPLING

- Stratified Random Sampling. Combined with rotating panel
- Strata:
 - i. Firm size: small (5-19), medium (20-99), large (99+)
 - ii. Sector:
 - Very small economies: manufacturing & services
 - Small economies: manufacturing, retail, and other services
 - Medium and larger economies: further stratification for manufacturing and/or services at 2 digit levels
 - iii. Geographic region within the country
- Advantages of his approach:
 - Greater precision of estimates
 - Estimates for strata, not only for the population

**INFORMAL SECTOR
ENTERPRISE SURVEY
URBAN AREAS**



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Objectives

i) Collect in-depth information on the business environment facing informal businesses:

Key business environment and performance indicators

Information specific to the informal sector (cost and benefit of formalization)

ii) To gain representative estimates of informal sector businesses in **main urban areas (typically where ES is also implemented)**. ADAPTIVE CLUSTER SAMPLING

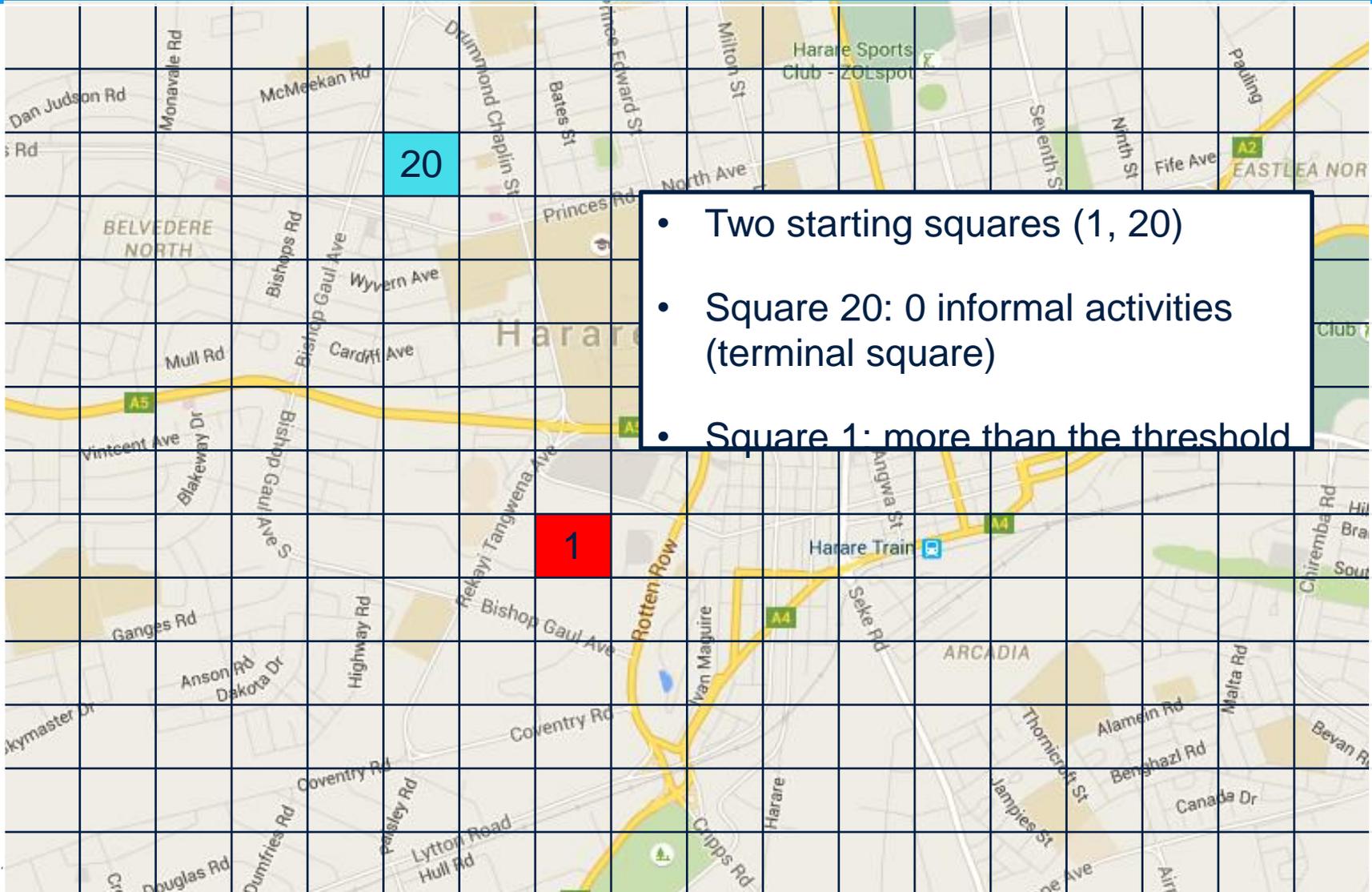
Adaptive Cluster Sampling (assumption: informality is clustered)

- Each city is divided into walkable squares (9 squares done in one day)
- There is an initial sample of **starting squares**
- Each square has up to 8 neighbors

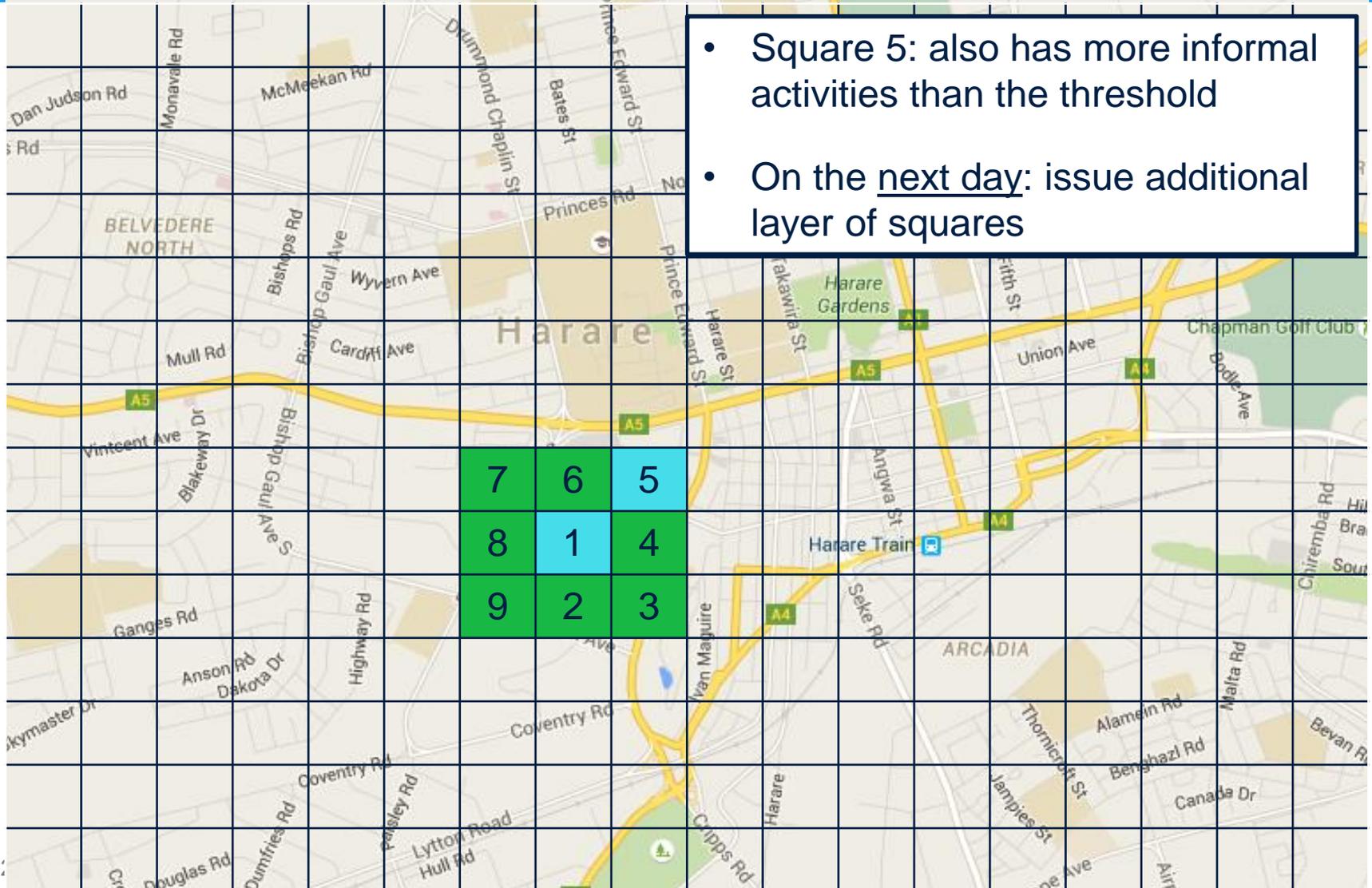
7	6	5
8	1	4
9	2	3

- All informal activities in a square are enumerated using a short form. Long forms (questionnaire) randomly assigned (about one per block)
- If the count of informal activities is greater than a certain threshold: need to expand to all neighbors of starting square (origin of a network)
- If not: that square is done (terminal square)

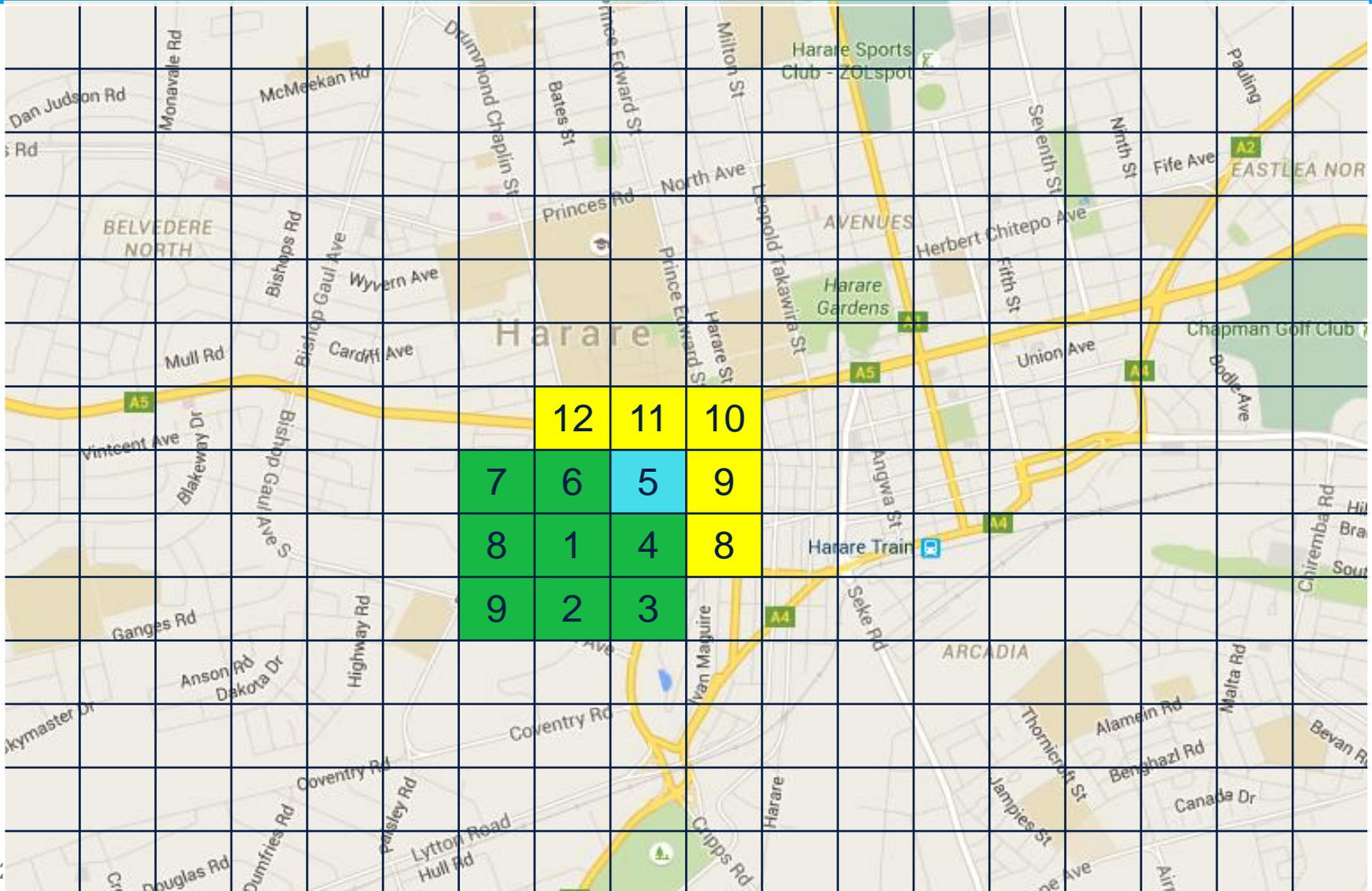
Starting Squares: 1+8



Later Squares



Later Squares



EMPLOYMENT DATA IN LONG FORM (AVERAGE OF ONE PER ENUMERATED BLOCK)A

- Several characteristics of entrepreneur including gender, education, and insertion into formal employment in the past
- Paid and unpaid employment in last month and indicator or seasonality
- Basic skills of the workforce (no gender or age disaggregation)
- Total cost of labor plus information to compute labor productivity

MAIN ACTIVITIES FOUND SO FAR

Making goods (Manufacturing) a41a1==1	Manufacturing of clothes or shoes
	Manufacturing of baked food (Baker)
	Manufacturing of coffee, sugar, oil, dry fruits and other processed foods (exclude restaurants, street food-sellers)
	Manufacturing of handicrafts
	Manufacturing of furniture
	Manufacturing of metal products
	Manufacturing of household items
	Manufacturing of tools and instruments
	Other manufacturing. Specify _____ a4x _____
Re-selling goods (Services) a41a1==2	Selling food or groceries (street food sellers, restaurants)
	Selling of clothes or household items
	Selling of business/computer/phone services
	Selling of other goods. Specify a4x _____
Provision of services a41a1==3	Transport Services
	Cleaning and washing services
	Hairdressers and barber shops
	Professional Services (including internet services)
	Repair of motor vehicles and motorcycles
	Repair of machinery and equipment
	Repair of computers, personal and household goods
	Construction
	Other services. Specify _____ _____ a4x

COUNTRIES WHERE INFORMAL SURVEY HAS BEEN IMPLEMENTED

- 25 countries: Afghanistan 08, Angola 10, Argentina 10, Botswana 10, Burkina Faso 09, Cape Verde 09-06, Cambodia 13, Cameroon 06-09, Congo DRC 13-10, Cote D'Ivoire 09, Egypt 08, Ghana 13, Guatemala 10, Kenya 13, Madagascar 09, Mali 10, Mauritius 09, Myanmar 14, Nepal 09, Niger 05, Peru 10, Rwanda 11, Zimbabwe 16,
- Currently implementing in in Mozambique and Laos
- Evolution has been a learning process that can be summarized into:
 - Initial stage: extension of standard ES (same questionnaire and sampling)
 - Second stage: modify sampling to interview a random sample; modify questionnaire to adapt to nature of informal sector (time dimension, difficulty of questions, interviewing techniques)
 - Third stage: introduction as Adaptive Cluster Sampling to estimate size of informal sector and to guarantee representativeness at the city-level

MICRO SECTOR ENTERPRISE SURVEY



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Enterprise Analysis Unit

OBJECTIVES AND COVERAGE

- Same basic instrument of the ES adapted to smaller businesses: collecting sales and costs; management practices; and employment data (both ES and informal information)
- Coverage: registered firms with less than 5 employees
- Not systematically implemented (only on request)
- This reflect the latest “thinking” for micro: currently being implemented in Mozambique.