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What Works in Women's Entrepreneurship

An international perspective: What does the evidence say about women-led MSMEs?

17-18 November 2016, Beijing, China
ILO DWT, Bangkok, Thailand

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Women's
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WED in China – A strong potential

- ❑ Cultural norms and attitudes figure high on the challenges for women entrepreneurs in China – although **the pipeline for future women entrepreneurs is strong**, more positive attitudes to women being successful entrepreneurs would help in leveraging this potential.
- ❑ Women entrepreneurs are slightly more likely, overall, to display single-person ownership (68%, compared to 62% for men). (GEM, 2014).
- ❑ Women entrepreneurs make up about 1/4 of all business owners.
- ❑ China is home to 2/3 of the world's self-made female billionaires (including Hong Kong).
- ❑ If women started growth-oriented businesses at the same rate as men, China could generate 74.4 million new jobs over two years (GWEL, 2015).
- ❑ If women were to reach their full potential in the economy, this could generate an estimated \$2.5 trillion, or 12 percent, increase in annual GDP for China in 2025. (McKinsey, 2015)
- ❑ *Turn this potential into a reality...*

Women with management experience

Over the last 20 years women have been filling the ranks of management particularly at middle and even senior management levels (see Table 4 below).

Table 4: Women's percentage share of all managers, ILO, Latest years until 2012

Rank	Country	Year	%	Rank	Country	Year	%	Rank	Country	Year	%
1	Jamaica	2008	59.3	36	Canada	2012	36.2	69	Czech Rep.	2012	26.2
2	Colombia	2010	53.1	37	Namibia	2004	36.0	70	Italy	2012	25.8
3	Saint Lucia	2004	52.3	38	Sweden	2012	35.5	71	Greece	2012	25.1
4	Philippines	2012	47.6	39	Bolivia	2009	35.1	72	Guinea	2010	23.9
5	Panama	2012	47.4	40	Portugal	2012	34.6	73	Chile	2012	23.6
6	Belarus	2009	46.2	41	Azerbaijan	2012	34.2	74	Mauritius	2012	23.4
7	Latvia	2012	45.7	41	UK	2012	34.2	75	Macedonia	2012	23.1
8	Guatemala	2012	44.8	42	Georgia	2007	34.0	76	Viet Nam	2009	23.0
9	Bahamas	2009	44.4	42	Rwanda	2012	34.0	77	Albania	2009	22.5
10	Moldova	2012	44.1	43	Venezuela	2012	33.4	78	Ethiopia	2012	22.1
11	Uruguay	2011	43.9	44	H.K., China	2012	33.2	79	Malaysia	2012	21.5
12	Bermuda	2010	43.5	44	Switzerland	2012	33.2	80	Liberia	2010	21.4
13	Barbados	2004	43.4	45	Slovakia	2012	33.1	81	Indonesia	2010	21.2
14	Trinidad & Tob.	2010	43.1	46	Estonia	2012	32.8	82	Zimbabwe	2011	20.6
15	United States	2008	42.7	47	Ireland	2012	32.6	83	Uganda	2009	20.2
16	Cayman Is.	2012	42.4	48	Belgium	2012	32.4	84	Cambodia	2010	18.0
17	Mongolia	2012	41.9	49	Kyrgyzstan	2012	32.3	84	Luxembourg	2012	18.0
18	Belize	2005	41.3	49	Paraguay	2012	32.3	85	China	2005	16.8
19	Aruba	2010	41.0	50	Norway	2012	32.2	86	Tanzania	2006	16.5
19	Nicaragua	2006	41.0	51	Mexico	2012	32.1	87	Cyprus	2012	15.8
20	Seychelles	2011	40.8	52	Israel	2012	31.8	88	Yemen	2010	15.2
21	New Zealand	2008	40.0	53	Macau, China	2012	31.4	89	Kosovo	2012	14.8
22	Iceland	2012	39.9	53	Romania	2012	31.4	89	Tunisia	2012	14.8
22	Ukraine	2012	39.9	53	Singapore	2008	31.4	90	Iran, Is. Rep.	2010	14.6
23	Ecuador	2012	39.7	54	South Africa	2012	31.3	91	Palestine	2012	14.4
24	France	2012	39.4	55	Germany	2012	31.1	92	Kuwait	2005	13.9
25	Russian Fed.	2012	39.1	56	Argentina	2012	31.0	93	Maldives	2010	13.4
26	Ghana	2010	39.0	57	Austria	2012	30.9	94	Morocco	2008	12.8
26	Slovenia	2012	39.0	57	Spain	2012	30.0	95	Turkey	2012	12.2
27	Lithuania	2012	38.8	58	Finland	2012	29.7	96	Japan	2012	11.1
28	Botswana	2010	38.6	59	Peru	2012	29.3	97	Korea, Rep of	2012	11.0
28	Domin. Rep.	2012	38.6	60	Serbia	2012	29.1	98	Syria	2007	10.2
28	Hungary	2012	38.6	61	Netherlands	2012	29.0	99	U.A.E.	2008	10.0
29	Cuba	2010	38.1	62	Vanuatu	2009	28.5	100	Egypt	2012	9.7
30	Poland	2012	37.8	63	Denmark	2012	28.4	101	Oman	2000	9.3
31	Brazil	2012	37.3	63	Sri Lanka	2012	28.4	102	Lebanon	2007	8.4
32	Kazakhstan	2010	37.2	64	Thailand	2012	28.2	103	Saudi Arabia	2008	7.1
33	El Salvador	2012	37.1	65	Costa Rica	2012	27.9	104	Qatar	2007	6.8
34	Madagascar	2010	36.6	66	Bhutan	2012	27.6	105	Bangladesh	2011	5.4
35	Bulgaria	2012	36.4	66	Croatia	2012	27.6	106	Jordan	2004	5.1
35	Kiribati	2010	36.4	67	Montenegro	2012	27.3	107	Algeria	2004	4.9
36	Australia	2012	36.2	68	Malta	2012	27.0	108	Pakistan	2008	3.0

Source: ILO Statistical Database, employment by occupation: managers, June 2014.

Women in Business & Management Gaining Momentum (ILO, 2016) ...part of the pipeline....

Key Constraints

- ❑ Time constraints (unpaid care and household responsibilities)
- ❑ Access to high-yield opportunities (concentration in lower-yield, low-entry, low-exit - sectoral segregation)
- ❑ Fewer assets than men
- ❑ Cultural norms and attitudes – recognising women as successful and potential entrepreneurs
- ❑ Women recognising themselves as entrepreneurs (confidence)
- ❑ Formalisation

ILO-WED: Generating Evidence for Policy

Two main avenues:

1. ILO-WED country situational analysis (assessments)
2. Rigorous Impact Assessments of entrepreneurship interventions & meta analysis of other's evaluations
 - Undertake/support Impact Assessments
 - Stock-taking and analysis of main women-specific interventions' impact assessments

Indication on what to work on (areas/conditions)

Insights and facts on what works, what doesn't (what to do more or less of)



Women's
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ILO's WED Programme - what it does



Provides gender sensitive business management training & supports to women entrepreneurs



Strengthens the capacity of business development service providers and associations to better meet the needs of women entrepreneurs

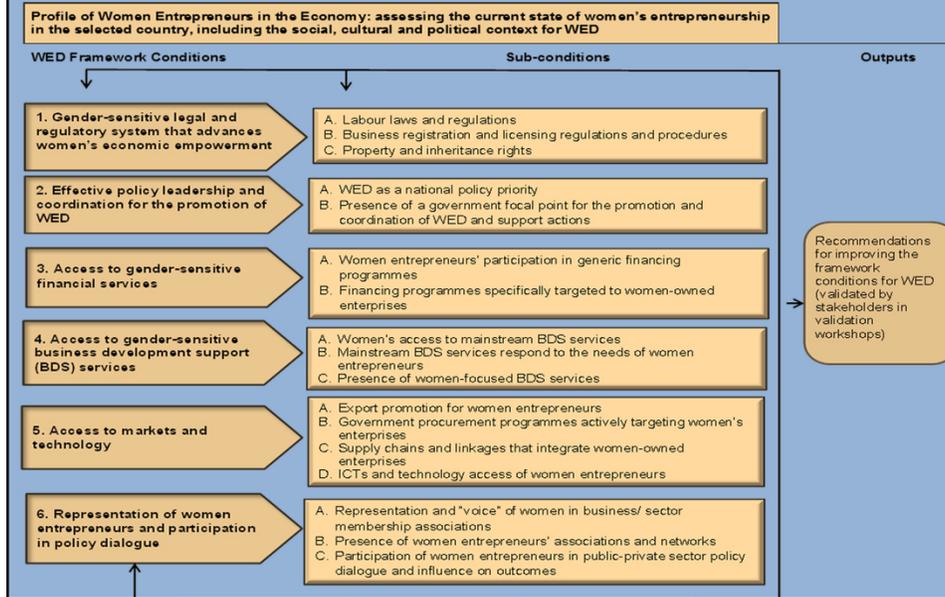


Advocates for contributions made by women entrepreneurs to the economy and society



Commissions applied research on obstacles & specific needs of women entrepreneurs to support national policy dialogue.

Generate evidence for policy recommendations : How?



Key Findings: What works for female micro-entrepreneurs?

- Based on the evaluations, entrepreneurship development interventions are more effective in supporting women's business start-up than women's business growth
- Most programmes don't address key gender constraints
- Business training alone doesn't show significant results
- Business training combined with follow-up technical assistance and grants together with business training were more promising.
- High-quality training is key for impact – as well as sustained over time.
- Business training + peer learning/mentoring is promising
- 'Bundling' or 'clustering' services for lower income women

Key Findings: What works for female micro-entrepreneurs?

- Savings through individual bank accounts provides a 'firewall' for women from pressures from those around to spend
- Capital injection alone is not enough to grow women-led micro-enterprises
- Finance is more effective for business creation and growth when it:
 - 1) is larger (credit, grant);
 - 2) has flexible debt term structure;
 - 3) is provided as in-kind capital;
 - 4) is targeted at larger or high-performing enterprises owned by women

Key Findings: Agency & Policy

- Involving male HH members may improve partner support for women's businesses - although evidence that women's views were mixed
- Evidence of linkage between having financial assets and more decision-making power at the household-level
- Depending on 'which women entrepreneurs', interventions and impacts may take more (or less time)
- Promoting female role models is key for 'self-recognition'

Key recommendations

On Evaluations:

- Calculate cost-effectiveness of various bundled interventions (including differing intensity)
- More diversity - targeting women; different profiles of firms, women
- More evidence on effects of women's networks, peer learning, mentoring
- More use of **qualitative methods** within rigorous studies (mixed methods)
- Evaluate impacts over longer time period (2 or more years)
- Study impacts of gender-biased treatment of women entrepreneurs by service providers

Are we comparing apples with oranges?

Programming: *How it's done is critical*

- Address barriers women face with gender-responsive measures: networks; care; mobility; sectoral segregation; involving men; etc.
- Address gender-specific constraints (care, travel, collateral, etc.)
- Consider assisting 'necessity' driven entrepreneurs into more lucrative markets/jobs
- Space programmes over time and ensure quality
- Consider financial products adapted to needs of different women entrepreneurs
- Address negative cultural norms and attitudes towards women's entrepreneurship
- Cluster services - financial & non-financial

Are programmes removing or perpetuating existing gender gaps?

Recommendations: Policy

- Targeted measures can provide results but how it is done is critical
- Evidence-based policy-making is key
- Promote policies and programmes that address gender constraints (inter-ministerial & enhanced dialogue) & monitor their progress
- Do more to address gender norms and attitudes within institutions that promote private sector development Promote women's entrepreneurship as a positive action to increase the number of women in business
- Promote partnerships
- Extend social protection schemes to include universal maternity protection and affordable and accessible care to women entrepreneurs
- Continue to refine new research questions
- Promote policy dialogue to enhance knowledge, learning, innovation and effectiveness
- Upscale knowledge of and use of ICTs for women's entrepreneurship
- Review formalisation processes to enable micro and small businesses to benefit from formalisation



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Thank you

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