Bringing a gender lens to supporting small and growing businesses: Insights from Brazil

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Gender Inclusion and Gender Lens Investment

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Developing Creative and Inclusive Economies (DICE) programme

Leading global institution for research, teaching and learning, and impact and communications working to tackle complex development challenges.

A network of intermediary organizations supporting the development of the entrepreneurial ecosystem for small and growing businesses (SGBs) in emerging markets.

SETTING THE SCENE
Interviews with international and Brazilian experts

DESK RESEARCH
Review of evidence, tools and examples

WORKSHOP
Discussion of key issues by 30 Brazilian organisations

Webinar 1: Reflections
Webinar 2: Finance
Webinar 3: Retention

KNOWLEDGE BRIEF
Overview of insights and innovations
Why gender?

Gender inequality exists...

...in politics, where only 23 per cent of members of parliaments are women. 77% men, 23% women.

...in work, where only 50 per cent of women are in the labour force compared to 75 per cent of men. 75% men, 50% women.

...in pay, where, on average, women earn 24 per cent less than men.

...in entrepreneurship, where there are only ten countries in the world where as many women start businesses as men.

...in business, where just 7 per cent of FTSE 100 and four per cent of Fortune 500 companies are led by women. 93% men, 7% women for FTSE 100. 96% men, 4% women for Fortune 500.

...in society, where one in three women experiences physical or sexual violence.

Source: British Council report

Gender equality it’s the right thing to do

Source: British Council, 2017
Women as employees: global companies with higher gender diversity in the workplace, and senior management have increased productivity and innovation, better decision-making, and higher employee satisfaction and retention.

Gender equality leads to poverty reduction. From 2000 to 2010, women’s increased labor force participation rates in LAC decreased extreme poverty by 30% (ANDE 2019).

Women as leaders: companies with higher percentages of women in leadership outperform companies with the lowest percentage when measuring return on sales, return on assets and return on equity

If women and men participated equally in the economy, an additional $28 trillion would be added to global gross domestic product (GDP) by 2025.

How to incorporate a gender lens? Six steps

What’s your organisations ambition/goal?

**Gender Equity Continuum**

- **Avoiding**
  - The company does not even acknowledge gender as a key business issue
- **Compliant**
  - The company is compliant with regulations regarding gender equity
- **Programmatic**
  - Ad hoc response to specific gender-related issues
- **Strategic**
  - Gender strategy exists and is implemented
- **Integrated**
  - Gender equality is mainstreamed
- **Sustainable**
  - Gender equity is the norm

**Steps**

1. **Commit**
   - Gender equality
2. **Identify opportunities**
   - Analyse strategy
   - Set target areas
   - Find unusual partners
3. **Operations / Programme Design**
   - Assess leadership and staff
   - Due diligence of supported SGBs
   - Redesign programme & selection process
4. **Implementation**
   - Ensure programme targets SGBs’ needs
   - Engage with the broader ecosystem
5. **Measure impact and capture data**
   - Sex disaggregated data
   - Identify impact (qualitative and quantitative)
   - Learn and adapt
Three pathways to work with a gender lens

INTERNAL: Apply a gender lens to your organization structure, policies, processes, staff, leadership

PROGRAMMATIC: Targetting
  • Women-led businesses
  • Enterprises that offer products or services that substantially improve the lives of women and girls
  • Enterprises that employ women, especially in non-traditional sectors

ECOSYSTEM
  • Help build an enabling environment that challenges barriers and stereotypes, encouraging and supporting SGBs that reduce gender inequality.

EXAMPLE
  • Equal representation of women in top leadership positions in your organisation
  • Programmes to target women-led enterprises
  • Identify and target sectors that empower women
  • Advocate for women
  • Partner with others working on similar issues
  • Attend and promote networking events around gender lens
Four Key Topics

Understanding biases: structural barriers or internalised stereotypes that disadvantage women

Recognising intersectionality: how gender overlaps with other social identities and biases

Linking women founders and investors: Connecting different types of women founders with different or more appropriate investors/products

Attracting and retaining women in entrepreneur support programmes
Key Topic 1: Understanding Biases

**Structural barriers:** unequal distribution of assets, educational opportunities, care responsibilities between women and men. Structural exclusion of women from networks dominated by men.

**Unconscious bias:** unsupported judgements about different groups in society. Unconscious biases exist for both men and women (i.e. meaning women also have a bias to think men perform better).

**Entry points identified:**

1. Understand the reality of gender bias.
2. Address biases in the investment environment.

**Care Bangladesh:** “be the change you want to see”. Indicators of role model behaviour at work and at home.
Key Topic 2: Recognising intersectionality

‘Intersectionality’, or the interaction between gender and other facets of identity such as race, sexual orientation, education or income, means that different women entrepreneurs experience different challenges.

Entry points identified:

1. Develop more appropriate data and indicators to support an understanding of the profiles and needs of different women entrepreneurs.
2. Redefine impact data.

Enterpriseworks: incubator program with a dedicated entrepreneur - in-residence familiar with needs of minorities, plus targeted mentoring, training and networking opportunities.
Key Topic 3: Linking women founders and investors

Financing gap: $320 billion for female entrepreneurs in formal sector SMEs in developing countries

Missing middle: lack of finance in range of US$5,000-50,000

Long term loans, working capital loans, or more patient capital and grants may better fit capital needs of some women founders.

Entry points identified:
1. Communicate the finance needs of different types of women founders.
2. Help women founders navigate different sources of finance.
3. Identify, amplify and enable appropriate finance.
4. Advocate for more women becoming investors themselves

INCLUDE: Variable payment option program, flexible collateral and business development services for women-owned and led SGBs
Key Topic 4: Attracting and retaining women

Support programs committed to increasing the number of women participating have often found it more difficult than expected.

Once women are selected, programme design and cultural issues can lead to attrition.

Entry points identified:

1. Understand needs of women entrepreneurs
2. Outreach and selection processes designed to attract women
3. Design programmes recognising care responsibilities
4. Promote diversity among staff of support organisations
5. Ensure support of leadership with respect to gender lens investment

B2Mamy has trained 700 women & accelerated 170 women-led businesses since 2016. It offers virtual training, a co-working space with childcare facilities, and connection to the entrepreneurial ecosystem.
Conclusions

1. **Promote better data on women founders**, including reflecting their different and over-lapping identities, and how these affect the needs of these different founders and the barriers they face.

2. **Improve outreach** to women founders, at the same time as being intentional in reflecting women founders’ needs, challenges, aspirations and cultures in **programme ethos and design**.

3. **Build** (understanding of) the **range of funds and assets classes** available for different financing needs, ranging from flexible loans, to impact investment, to crowd-funding, and increase women founders’ exposure to these different sources.

4. **Cultivate economies and entrepreneurial ecosystems which value more female as well as more male cultures and attributes**.

Finally, in addition to supporting more women-led enterprises, there is a need for support programs to also better enable **enterprises that substantially improve the lives of women and girls**, through the products or services that they offer, or the improved employment opportunities under better working conditions.
Thank you

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