

2022



ENABLING WOMEN

ENTREPRENEURSHIP
INSIGHTS & PERSPECTIVES

ABOUT THE ROUNDTABLE

Sattva brought together global and domestic philanthropists, private sector leaders, multilaterals, and a social enterprise for a roundtable conversation on market-led scalable models for enabling women entrepreneurs. The discussion centered around exploring pathways in which the funding ecosystem can come together and collaborate to support women-led enterprises through scalable and sustainable market-based models.

The 4 major themes of the roundtable discussion are as follows:

- Understanding key opportunities and barriers faced on-ground in deploying and scaling women micro-entrepreneurship in rural India
- Understanding best practices of collaborating with the government to scale up women's economic collectives
- Understanding the role of innovative financing to enable accelerated scale and establish sustainability in women entrepreneurship interventions
- Understand ways of effectively leveraging CSR capital to successfully deploy and scale women entrepreneurship interventions



ENTREPRENEURSHIP AMONG WOMEN

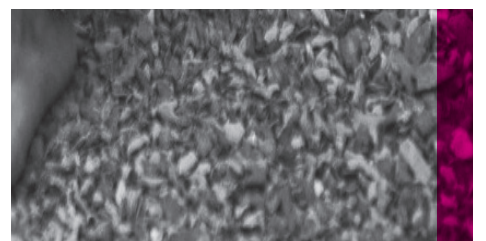
Entrepreneurship among women has the potential to facilitate higher labour force participation. India could boost its growth by 1.5 percentage points to 9 percent per year if around 50 percent of women could join the workforce.¹ Despite the advantages of women entrepreneurship, women-owned enterprises make up only 20 percent of the MSMEs in India.² Entrepreneurship models have enablers that address normative constraints faced by women and create livelihood opportunities in rural areas.

The flexibility of balancing home with work and utilising one's skills and education to contribute to the household income are some of the reasons women predominantly opt for entrepreneurship. Some rural women also get into entrepreneurship through collectives and networks like self-help groups. Building a strong relationship with the customer and being cognizant of their needs is the pathway for any successful entrepreneurial venture.

"Rural women fundamentally know their customers, have significant social influence and can bridge the gap between rural customers and quality solutions."

- Ajaita Shah, Frontier Markets

This understanding portrays that family and community members of rural women become their first employees and customers, actively helping the entrepreneur produce, market, sell, and run their business. Additionally, it allows direct communication to the target market enabling philanthropists to gain real on ground data from these women entrepreneurs in rural areas.



1. The World Bank (2018). Women in India's Economic Growth
2. Sattva, JP Morgan. 2018. Gaps and Opportunities for Women Micro-entrepreneurs in India

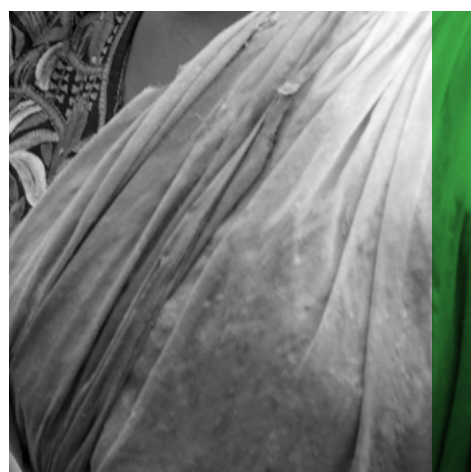
IMPORTANCE OF WOMEN COLLECTIVES

Women collectives are the key to unlocking and facilitating women's entrepreneurship. Affiliation with a collective enterprise has benefits of cost and risk sharing, collective bargaining power for the price, aggregation of product quality to meet market standards, and accessing welfare schemes to overcome limitations of scale and gender-related market constraints.³ In rural areas, being part of a collective offers connection to markets for products that otherwise have a relatively elastic demand.

"Women collectives have been effective when working together with the peers on functional activities such as technical skilling, collective training and financial literacy."

-Yamini Atmavilas, Bill and Melinda Gates Foundation.

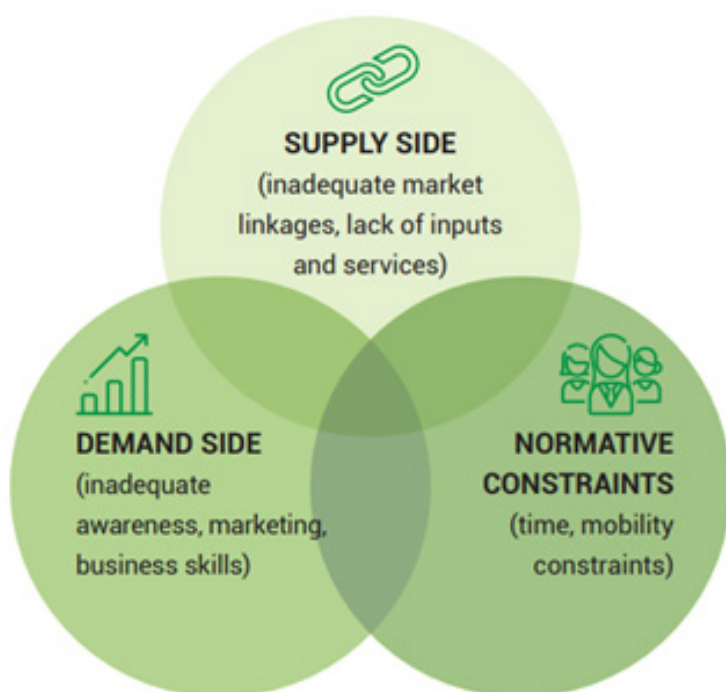
Women collectives offer a safe space and encouraging environment to rural women who are new to entrepreneurship and are still learning. Furthermore, Yamini also pointed out that through these collectives, they can find role models and peers to share their successes and failures and build a safety net and a support system around them and their enterprise. Focused initiatives such as women-only self-help groups and incubators can improve networking and mentorship,⁴ especially in rural and semi-urban India.



3. IWWAGE (2020). Women Entrepreneurs as the Powerhouse of Recovery.
4. Google, Bain & Company (2019). Women Entrepreneurship in India.

CHALLENGES AFFECTING THE ECONOMIC PARTICIPATION OF WOMEN ENTREPRENEURS

Women-owned enterprises face a myriad of challenges. Inadequate access to tertiary education and skilling, lack of market linkages, and socio-cultural barriers are some of the challenges that make it difficult for a woman-owned enterprise to sustain. These challenges significantly affect the ability of Indian women to engage in productive economic activity.



Three types of constraints faced by women-owned enterprises



In the roundtable discussion our participants identified challenges such as:

Inadequate Market Linkages: Women often lack the knowledge on how to participate effectively in diverse marketplaces. Due to reduced mobility, they become dependent on mediators to connect to the markets. Micro-enterprises also find it challenging to respond to changing demands of the market and ensure quality and effectiveness.

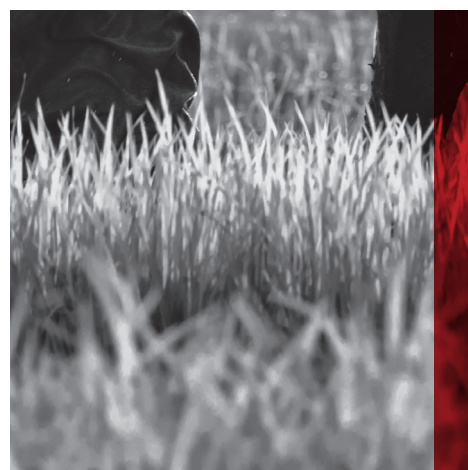
Limited Availability of Finance: Only 13 percent of micro-enterprises have taken any sort of financing, of which only 5 per cent have accessed formal finance.⁵ Most women entrepreneurs rely on self-funding. They have a more challenging time accessing formal finance. Many women entrepreneurs also feel that they could not start with their choice of enterprise due to a lack of adequate finance.

Inadequate Skills: Women entrepreneurs find it hard to scale their business with limited business and sectoral knowledge. Most of them also struggle with financial literacy, which is needed to employ alternative financial tools and services. The majority of women entrepreneurs are unaware of the various government schemes that exist in the system to support them. This information asymmetry further amplifies women's lack of access to different resources.⁶

Limited Access to Social Capital: Women lack access to mentors and business networks, which impedes their business expansion. They also find it challenging to establish vertical linkages with actors higher up in the value chain and thus face barriers to procurement from mature supply chain actors.

Lack of Physical and Digital Infrastructure: 85 percent of all women-owned businesses are operated within the household; only 11 per cent have a fixed premise with a permanent structure.⁷ Due to the co-ownership of personal assets within the family, women have reduced agency to take independent business decisions. Only 1 percent of women-owned enterprises have access to computers or the internet compared to 6 percent of male-owned enterprises.⁸ Due to these limitations, many women entrepreneurs in the manufacturing sector cannot tap into the benefits of online markets.

Normative Constraints: Women bear disproportionate caregiving responsibilities—five times more than men.⁹ They often get limited support from their families, particularly concerning taking financial risks within the business. Also, their enterprise's growth does not equate to a reduction in household chores.



5. Sattva (2019). Gender and the MSME Sector

6. Sattva (2021). Women Entrepreneurship Platform

7. Sattva (2019). Gender and the MSME Sector

8. Ibid

9. Ibid

IMPACT OF COVID-19

Economically active women across sectors suffered disproportionately through an impact on their income, savings, and agency during the COVID-19 pandemic.¹⁰

"The interventions to enable women's entrepreneurship needs to be designed considering the post-covid era. There has been a significant erosion of savings not just at the household level but also the individual savings of rural women."

- Nilansha Tiwari, Edelgive Foundation

This resulted in women using their savings for other expenses where their businesses did not run well. Hence, **there is a need to understand the disproportionate effects of the pandemic on women to inform the types of interventions designed and how the implementation is approached.**

While the pandemic has exacerbated several pre-existing structural gaps in India, it has also presented an opportunity to tackle long-standing challenges for the inclusion of women.



10. OECD (2020). Women at the core of the fight against Covid-19 Crisis

INTERVENTIONS TO SUPPORT WOMEN-OWNED ENTERPRISES

While many intervention models focus on helping women start up, very few provide continuous advisory and training required to run the business. A few of the participants in the roundtable discussion reiterate the importance of understanding how the market works along with digital and financial literacy are some of the key gaps that rural women experience and require support on. There is a growing comprehension of the fact that economic empowerment is a powerful multi faceted concept, not limited merely to financial independence.

Additionally, many of the participants emphasized that it is crucial to find the right fit and opportunities for the women in rural areas and enable them to do jobs that empower them along with their earnings.

An analysis of the landscape of support by philanthropic foundations and CSR programmes in women's entrepreneurship shows that different approaches are being used to address the challenges women entrepreneurs face, ranging from programmes driving financial inclusion to the provision of skilling initiatives.

"Economic empowerment not only means income; it also implies agency, mobility and voice. It is not to give someone a solution but to empower them with information, move them up in the value chain where they have the agency"

-Yamini Atmavilas, Bill and Melinda Gates Foundation.



The support available for women entrepreneurs in the ecosystem can be categorised into the following four buckets:

- **Core Business Support:** Organisations invest in providing mentorship to women-owned enterprises through incubators and accelerators. Some also support women entrepreneurs by establishing market linkages, providing logistics support in supply chain management, and onboarding e-commerce marketplaces.
- **Financial Access:** A number of funders support microfinance institutions to provide loans to women-owned enterprises. There is also a growing trend of mobilising capital through innovative financial tools such as impact funds and blended finance.
- **Capacity Building:** Providing digital training, business-specific skilling and entrepreneurship, and legal advisory is also an area where the philanthropic ecosystem provides its support.
- **Enabling Ecosystem:** There is a need to facilitate knowledge networks and collectives across the ecosystem to help women entrepreneurs succeed. One also needs to promote positive success stories of women founders to generate awareness and build confidence among women and communities.

"Blended finance or innovative financing allows the informal sector and MSMEs to access credit that they may traditionally not get. The returnable grants are given with a moral obligation and not a legal obligation."

- Imrana Y. Khera, USAID



WAY FORWARD

Considering the nature of women's entrepreneurship in India and the challenges faced by women in starting and scaling their businesses, the following are recommended areas of focus for the ecosystem:

1. Multi-Stakeholder Approach:

- Participants indicated that it is important to address barriers holistically through a multi-stakeholder approach instead of in silos to create a spectrum of gender-inclusive solutions that can help women entrepreneurs not only start but also scale their businesses.
- Collaboration and partnership between public and private entities is crucial.
- Scaling with the public sector has huge benefits in terms of impact and reach.

2. Feedback Loops:

- It is essential to have a rigorous evaluation and learning mechanism that can codify tacit knowledge, identify and escalate priority challenges for redressal, and create feedback loops to allow programmes to pivot to the needs of entrepreneurs as they grow.
- Participants discussed that there is a need to constantly understand, tweak and evolve one's strategy according to the changing on-ground realities.

3. Leveraging Digital Enablers:

- E-commerce platforms help create access to larger marketplaces, providing information symmetry and the flexibility of time and mobility to women.
- CSOs and the private sector (especially digital platform providers) can play a crucial role in building this spectrum through capacity building by leveraging their expertise to provide digital literacy, functional literacy and business acumen to women entrepreneurs.
- At Sattva, we hope that the roundtable serves as a starting point towards this and are committed to working with the ecosystem in taking this forward.



ACKNOWLEDGEMENTS

We had the privilege of hosting some of the most critical voices in the ecosystem, and we strongly appreciate the experience and insights they brought to the table.

NAME	ROLE, ORGANISATION
Dr. Yamini Atmavilas	Senior Programme Officer, Bill and Melinda Gates Foundation
Imrana Y. Khera	Partnership Advisor USAID India
Ajaita Shah	Founder & CEO Frontier Markets
Maya Vengurlekar	COO, CRISIL Foundation
Sankara Mahalingam	Global Lead, CSR, Firstsource Solutions
Joyeeta Das	Group Program Manager, Corporate Citizenship, IBM
Vivek Prakash	VP and Head, CSR, Jubilant Bhartia Foundation
Julia Karst	Head of Project Her&Now, GIZ India
Rohini Kamath	Program Manager, CSR, Cisco
Arun Nathan	Head, CSR, L&T Financial Services
Dr. Anupama Shetty	Mission Director, Biocon Foundation
Mangesh Wange	CEO, Swades Foundation
Sanjana Govindan	VP, Women Entrepreneurship, GAME
Jasmer Dhingra	Senior Program Manager IDH
P. Padmakumar	Head - CSR, Saint-Gobain India Pvt Ltd
Nilansha Tiwari	Senior Portfolio Lead - Women Empowerment, EdelGive Foundation




ANNEXURE

A landscape analysis of women's entrepreneurship initiatives across 38 companies and 15 foundations show that both corporates and foundations focus on capacity building initiatives. Support for logistics and establishing micro-enterprises is preferred by corporates, and foundations mainly take up capital mobilisation through innovative financing tools. It was also found that most initiatives and programs focus on supporting new entrepreneurs, while only a few focus solely on scaling.

Private Sector Initiatives

CORE-BUSINESS SUPPORT

Providing mentorship through Incubators / Accelerators



Beautypreneur program - Incubates women entrepreneurs in the area of beauty and wellness and enable local women to start training other girls

Establishing Micro- enterprises



Project Sakhi- Establish micro-enterprise focused on trailoring, grading pulses and making pickles- enabling woman to operate and finance these enterprises.

Establishing market access

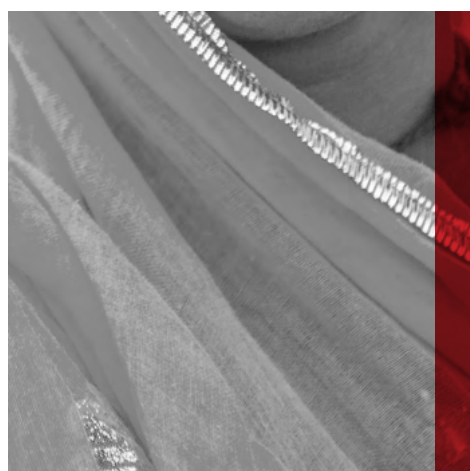
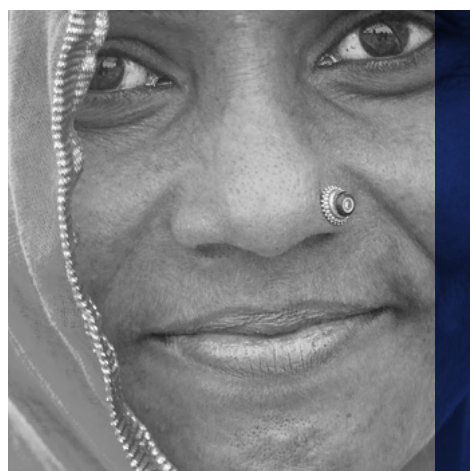
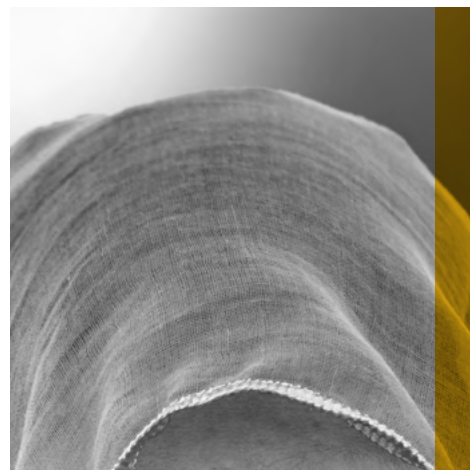


Promotes agri-entrepreneurship by supporting FPOs with access to agri-inputs, crop advisory, creating market linkages, and developing end-to-end value chain

Providing logistic support



Agriculture and entrepreneurship training program- help agri-entrepeneurs expand their business by providing logistic transportation



CAPACITY BUILDING

Providing digital skills training



DISHA training programme - Nano enterprise promotion - as part of the program, women entrepreneurs are provided with advanced digital literacy training as part of business development

Providing entrepreneurship training



Project Shakti - Women entrepreneurs are familiarized with HUL's products to enable them to make sales at small retail outlets and households

Providing entrepreneurship training



Eye Mitras - Young women are trained to carry out basic vision tests, this enables them to set up their own business to sell prescription glasses and sunglasses in their community

Providing business specific skills training

JAIPUR RUGS

Upskill and empower women by teaching them hand-knotted rug RUGS weaving with a focus on skill and leadership development

Providing legal advisory



Impacts women in SHGs and provide them with guidance on effectively mobilizing resources under the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)

Providing legal advisory



Conducted professional skills training covering various aspects of building a sustainable business including legal and tax system

Providing entrepreneurship training



Nari Shakti - Enhances chances of success for existing group of women direct sellers by enhancing their business skills



NORMATIVE

Generating awareness amongst women



Organized a women entrepreneurship workshop to raise awareness to demystify women entrepreneurship myths and solve challenges

Developing knowledge sharing platforms Edelweiss



Udayamtree: the campaign aims to boost women entrepreneurship ecosystem in India through knowledge sharing networks. Its flagship initiative - a landscape study on women entrepreneurship - highlighted insights pertaining to challenges faced by women in their entrepreneurial journey

Facilitating access to capital



Expanding financing for women-led SMEs in emerging markets through a finance facility - Women Entrepreneurs Opportunity Facility (WEOF)

Providing childcare support, health and nutrition, life skills training



COVID-19 livelihood recovery through micro-enterprise promotion - provided business opportunities to women by facilitating 50 community childcare centers, providing safe and affordable childcare services

Developing knowledge sharing platforms Edelweiss



Year long campaign to connect women on a platform to share their success stories. Includes multiple topics such as skilling for entrepreneurship, health and wellness, financial education etc.



Civil Society Initiatives

CORE-BUSINESS SUPPORT

Providing mentorship through Incubators / Accelerators



Converts business ideas into reality. Women with existing enterprises are supported to scale their business through acceleration programme

Establishing market access



Strengthens sales networks among women entrepreneurs and enables access to markets for female artisans

Facilitating access to capital



Identifies and links women entrepreneurs to social security schemes and credit from financial institutions

Providing E-commerce onboarding support



Provides a platform for women entrepreneurs to network and showcase their products; engage in knowledge and technology sharing, and product improvement

Mobilizing capital - Innovative financial tools



Samhita - CGP's REVIVE Alliance - developed a \$15 million blended finance platform to help women entrepreneurs through their entrepreneurial journey. Other funders include - USAID, UNDP, British high commission, Google

CAPACITY BUILDING

Providing digital skills training



In addition to offering courses on skill development the foundation introduced a leadership academy for women entrepreneurs to conduct trainings on advocacy

Providing digital skills training



In addition to offering courses on skill development the foundation introduced a leadership academy for women entrepreneurs to conduct trainings on advocacy

NORMATIVE

Providing childcare support, health and nutrition, life skills training



Links micro and nano-entrepreneurs to childcare services. Supports women entrepreneurs in accessing ICDS (Integrated Child Development Scheme) services in their respective areas

Generating awareness amongst women



Her & Now - A film-and media campaign to raise awareness of the contribution of women entrepreneurs to economic growth and Indian society.



SATTVA CONSULTING

We are an organisation driven by the mission to end poverty in our lifetime. Our work focuses on scalable solutions for sustainable social impact. We work with our clients - corporations, philanthropists, foundations and social organisations - to achieve social impact goals effectively and maximise the social return on their investment. Deep understanding across sectors and collaboration with multiple stakeholders drive our work. This approach helps us and our clients develop holistic solutions for solving critical societal problems.

We offer end-to-end support covering:

- Research
- Strategy consulting
- Implementation support
- Programme design and management
- Monitoring and Evaluation
- Impact assessment
- Social audit
- Talent solutions
- Organisation development programmes
- Data and technology products and more as needed in our quest for

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