



International
Labour
Organization

Women's Entrepreneurship Development

Encouraging women entrepreneurs for jobs and development



Women's
Entrepreneurship
Development

In a recent ILO-WED 3 year project covering five countries in Africa and Asia, follow-up studies showed that monthly profits by women-led businesses had increased by 50% and their sales multiplied by four after following training and receiving support from the project. Also 11% more men involved declared having taken on household chores.

Today, women entrepreneurs account for up to a third of all businesses operating in the formal economy worldwide. However, the majority of those in developing and transitioning economies are very small and micro enterprises, with little potential for growth. Apart from being under-represented in enterprises of all sizes, the bigger the firm the less likely it is to be headed by a woman.

Societal attitudes and norms inhibit some women from even considering starting a business, while systemic barriers mean that many women entrepreneurs stay confined to very small businesses often operating in the informal economy. This not only limits their ability to earn an income for themselves and their families but impedes them from realising their full potential to contribute to socio-economic development, job creation and environmental stewardship.

The ILO estimates that while 22 per cent of men's productive potential is underutilized, women's is as high as 50 per cent.

Removing barriers, such as discriminatory property and inheritance laws, discriminatory customary laws, poor access to formal financial institutions, and time constraints due to family and household responsibilities, could create greater opportunities for sustainable enterprises run by women. This in turn would contribute to women's economic empowerment and gender equality as well as job creation.

Further, investing in women is one of the most effective means of increasing equality and promoting inclusive and sustainable economic growth. Investments in women-specific programmes can achieve significant ripple effects for development, since women generally spend more of their income on the health, education and well-being of their families and communities than men do. While targeted measures can bridge the gap for women, in parallel it is also essential to remove discriminatory aspects of economic and social policies, programmes and practices that may impede women's full participation in the economy and society.

The ILO approach to Women's Entrepreneurship Development

The ILO works on WED in over 25 countries in Africa, the Arab states, Asia and the Pacific, Central Asia and the Caucasus, and Latin America.

The ILO Women's Entrepreneurship Development (WED) programme works with partners to increase economic opportunities for women entrepreneurs by supporting them in starting, strengthening and expanding their enterprises. This is done by:

- creating the optimal conditions for women's entrepreneurship to thrive.
- strengthening the institutional capacity of both financial and non-financial service providers to better serve the needs of women entrepreneurs.
- providing tailor-made tools and approaches to reinforce women's capacities to start and consolidate sustainable businesses.

The programme increases knowledge about women's entrepreneurship and provides a platform for the voice of women entrepreneurs to contribute towards shaping policy. The WED programme builds on gender equality policies that are integrated across all the ILO's work in enterprise development.

The programme's WED Strategy was adopted by the ILO's highest governance structure.

The ILO in action: Women's Entrepreneurship Development solutions

The ILO provides a comprehensive package of tools, advisory services and capacity building. Networks of national and international trainers and partners are accredited in ILO tools and approaches for sustainability.

ENABLING ENVIRONMENT for WED

- Methodology to undertake WED assessments that identifies and prioritizes policy recommendations with national stakeholders.
- Gender-sensitive value chain analysis to integrate gender into different parts of the value chain.
- Organization of "Month of the Woman Entrepreneur" campaigns to promote women entrepreneurs' contributions to the economy and society.

INSTITUTIONAL CAPACITY BUILDING

- Self-assessment for service providers to develop action plans that contribute to improving service provision and outreach to women entrepreneur clients.
- Capacity building module for policymakers and implementers to understand the specific needs of women entrepreneurs.

TRAINING TOOLS FOR WOMEN ENTREPRENEURS

- Gender Sensitive Business Management training module for semi-literate entrepreneurs ("GET Ahead").
- Financial literacy to increase women entrepreneurs' capacity to manage their finances and enable them to select the best suited financial products for their needs.
- Action My Business Growth to identify and plan for growth potential.



Results from ILO Women's Entrepreneurship Development

The ILO works on WED in over 25 countries, covering Africa, the Arab states, Asia and the Pacific, Central Asia and the Caucasus, and Latin America. Examples of achievements include:

- In Laos, a 2010 assessment found that, after training and support from the programme, monthly profits by women-led businesses increased by 50% (from US\$180 to US\$270) and their sales quadrupled (from US\$490 to US\$2150). Businesses were also more likely to be engaged in formal book-keeping (38% versus 22% before) and to be providing full-time employment.



- Gender, disability and HIV/AIDS were mainstreamed into Lesotho’s Small, Micro and Medium-sized Enterprises policy to make it more inclusive.
- In Tanzania, membership of women entrepreneurs’ associations increased by 60% after participation in the ILO’s programme.
- In nine African countries, local authorities and other stakeholders have initiated “Month of the Woman Entrepreneur” events that are organized on an annual basis.
- Since its launching, WED has reached to over 125,000 beneficiaries mainly in Eastern and Southern Africa and East Asia.

Insights and lessons learned from ILO Women’s Entrepreneurship Development

WED has been in operation since 2002, making it possible to draw useful insights from and lessons for promoting women’s entrepreneurship.

ILO with a grant from the International Initiative for Impact Evaluations (3ie) is undertaking a rigorous impact assessment of its business management training to women entrepreneurs in Kenya. Final results will be available in early 2016 and are expected to provide evidence of the impact gender-sensitive business management training and additional support services have on women led-businesses’ productivity, growth and survival as well as overall well-being of their households.

For more information:

<http://www.3ieimpact.org/en/evidence/impact-evaluations/details/727/>

- Promoting women’s entrepreneurship and gender equality helps to create employment as well as to empower women in the family and wider community.
- Gender awareness training for suppliers and service providers is essential in developing their capacities to serve the needs of both female and male entrepreneurs.
- Training in skills may not be enough, as many women lack confidence and belief in their entrepreneurial abilities. One answer is to bundle services such as combining business training with financial education, access to suitable credit and access to networks for women entrepreneurs through strategic partnerships and networking.
- Developing a supportive environment for women’s entrepreneurship is important to women’s success. This includes helping women to deal with their multiple roles and involving men, families and communities (as appropriate) in women’s entrepreneurship.
- Supporting women entrepreneurs’ associations can improve advocacy and services for women entrepreneurs.
- Women entrepreneurs can be particularly motivated and effective at protecting the environment and promoting green business opportunities.



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The ILO and Sustainable Enterprises

The ILO Sustainable Enterprise Programme helps create more and better jobs through enterprise development. It connects business growth and competitiveness with the needs of people to make a decent living in a healthy environment - today and in the future. Anchored in the ILO's mission to create decent work for all women and men, this programme is centred on three pillars:

- An enabling environment for enterprises - Creating the right framework that enables businesses to start, grow and create decent jobs;
- Entrepreneurship and business development - Helping entrepreneurs, in particular youth, women and marginalized groups, to start and build successful enterprises;
- Sustainable and responsible workplaces - Demonstrating the link between productivity gains and improved working conditions, good industrial relations and good environmental practices.

The programme combines evidence-based policy development with capacity building and enterprise support services, delivered at the international and country levels, through advisory services and a large portfolio of technical cooperation. It works with governments, employers' and workers' organizations, in partnership with other UN agencies, financial and academic institutions, donors and others.

Further reading

Resource site on ILO's Women's Entrepreneurship Development programme - www.ilo.org/wed

ILO Strategy on Promoting Women's Entrepreneurship Development - www.ilo.org/gb/lang-en/WCMS_090565/index.htm

ILO-WED on facebook - www.facebook.com/ILO and [WED](http://www.facebook.com/WED)

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