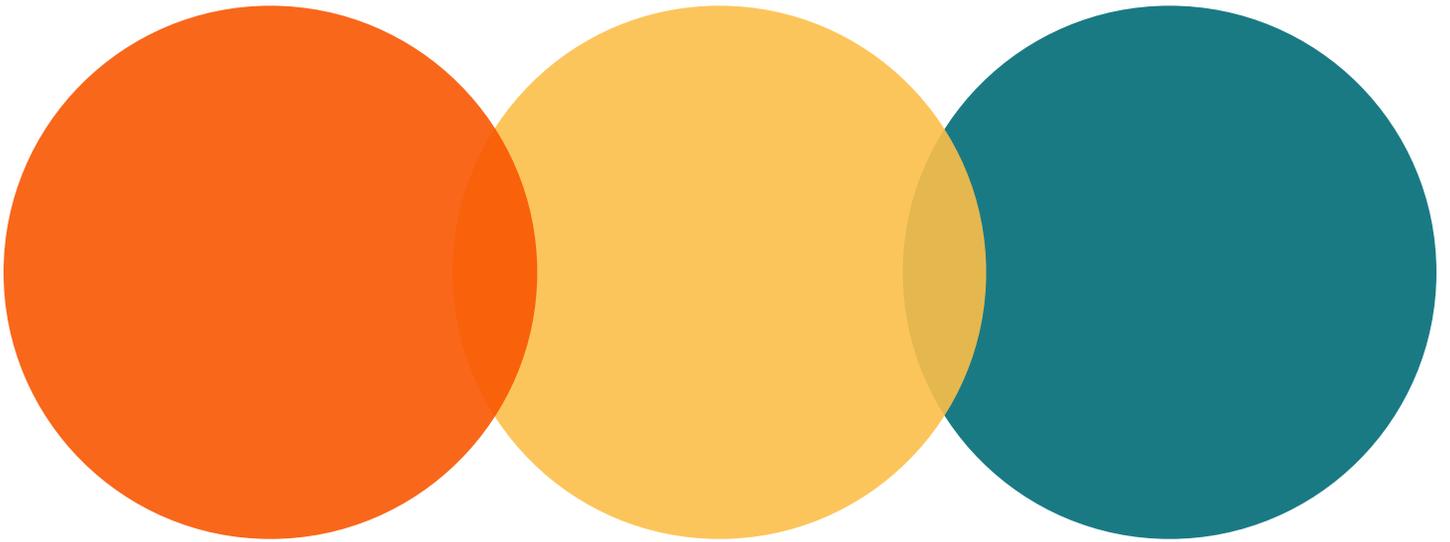


Revisiting What Works: Women, Economic Empowerment and Smart Design

Executive Summary

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Expanding women's economic opportunities benefits both women and society. While these benefits are increasingly well-understood, much less is known regarding the most effective interventions to empower women economically. Updated evidence presented in the full *Revisiting What Works: Women, Economic Empowerment and Smart Design* report yields useful insights on the interventions that may contribute to women's economic empowerment.

Revisiting What Works updates the evidence first published in the 2013 *Roadmap for Promoting Women's Economic Empowerment* and, as with the Roadmap, privileges short-term interventions that the private sector can sponsor and undertake. The Roadmap used rigorous evidence from 136 evaluations to identify proven, promising, high-potential and unproven interventions to increase women's productivity and earnings in developing countries. This update revisits the accuracy of these ratings in light of 96 new studies that have been published since 2013. Following the Roadmap, it asks what credibly works for women entrepreneurs, farmers and wage workers in developing countries, and for whom — all women, very poor, poor, non-poor women and young women. Additionally, it identifies possible underlying mechanisms and summarizes those mechanisms in terms of a causal chain of measurable direct, intermediate and final outcomes. Lastly, it identifies aspects of smart design that can increase the effectiveness of interventions aimed at economically empowering women by addressing gender-specific constraints they face.

The Ratings

This update revises or confirms ratings for 12 of the 27 interventions listed in the 2013 Roadmap, as well as introduces and rates standalone financial literacy training. The remaining interventions were not re-rated because of lack of new evidence. Table 1 summarizes the new ratings. Highlights of what works for different categories of women are summarized below.

Entrepreneurs

Project implementers seeking to aid women entrepreneurs have a potentially powerful vehicle in individual, secure (private) savings to increase the incomes of all women entrepreneurs except the very poor. For very poor women entrepreneurs, savings works as part of a package of services, including a comparatively large physical asset, asset training and technical assistance, and stipends. This package of bundled services can be costly up front, but the evidence shows that it is cost-effective and that it can be transformative for the very poor. On the other hand, financial literacy training alone is unproven to improve economic outcomes for poor and very poor women.

New evidence sheds a more hopeful light on micro-credit and business training, two popular interventions to help women micro-entrepreneurs. We revised micro-credit's 'unproven' rating to 'promising' for poor women, since new evidence, while confirming that micro-credit on its own does not significantly raise incomes, shows that it can help expand occupational choices, which could be particularly valuable for many poor women who become self-employed because they need an income, not because they see a business opportunity. Similarly, new evidence suggests that business management training, if it is good quality and improves business practices substantially, can increase the incomes of women micro-entrepreneurs. As a result, the rating was changed from 'unproven' to 'promising' for the poor.

Farmers

Secure land rights continue to be important for women farmers, but the new evidence underscores that land rights in isolation are unlikely to address the myriad of constraints women farmers face that prevent equal returns with their male counterparts. This evidence shows the limitations of standalone interventions for poor women farmers, be it access to fertilizers and seeds or real-time information on markets, for instance. Only a suite of integrated services for farming is 'promising' to increase the productivity and earnings of poor, subsistence-level women farmers, although positive outcome evidence for the impact of this suite of services is yet lacking.

Wage and Salaried Workers

Affordable child care provided through employer or State-funded programs increases women's employment rates and earnings, and it can be particularly helpful for poor women workers. The evidence shows the importance of careful design, including State subsidies, to anticipate and guard against potential negative outcomes, such as employers passing on the costs of child care to their women employees.

Young Women

Vocational skills or business development training that responds to market demands, supported by job internships or subsidies to employers and stipends for transport and child care, should be central among the tools to integrate young women into the workforce. An additional proven tool is cash transfers to young women to increase their education, conditional on their school attendance, though project implementers should hold off on programs providing unconditional cash transfers until more evidence confirms their long-term effectiveness. Lastly, there is some evidence that suggests that peer networks, mentors and role models may be complementary actions to support economic empowerment for young

women and poor women. The inclusion of this type of peer support may strengthen the effect of other interventions.

Lessons Learned

Take-away messages and reflections emerge from the ratings, the mechanisms, the emphasis on smart design, and the research challenges.

The Ratings

- 1. Results are increasingly generalizable:** Evidence from the update confirmed eight ratings and revised four, from 'promising' to 'proven' or from 'unproven' or 'high potential' to 'promising.' This means that findings are generalizable beyond the particular setting where an initial project took place.
- 2. Results are accompanied by more qualifiers:** A downside of the updated evidence is the growing number of qualifiers or things that can go wrong — for instance, that demand-driven training programs for young women work but only if trainers and employers are not biased against young women, or that business training programs will only work if they are high-quality, intensive programs.
- 3. Context matters:** Smart design needs to be evidence-based and take into account the larger context where women's economic activities take place. This context includes both the specific situation and local environment, and the broader demographic changes and job prospects that shape the nature and boundaries of women's economic participation.

The Mechanisms

- 4. Subjective economic empowerment is important:** Interventions that encourage economic self-reliance, self-confidence and greater risk-taking seem to work and are instrumental for achieving lasting economic gains. As such, the subject dimension of economic empowerment needs to be promoted and measured.
- 5. Timing is important:** Researchers are increasingly devoting efforts to measure results over time, and show that outcomes are often not stable or sustained. Gender norms seem to play a role in influencing outcomes over time. Social restrictions against women can override project gains; however, project gains can also help to change gender norms, showing a delayed effect.

The Emphasis

- 6. Smart design should encourage women's economic self-reliance and address their time and travel restrictions:** Adjusting program schedules and providing stipends for travel and child care can increase women's participation significantly. Nudges, mental labels, commitment devices and peer support all seem to help by fostering economic self-reliance. These cognitive and social interventions are comparatively simple to implement and can go a long way towards reducing gender-specific obstacles that negatively affect women's economic performance.
- 7. Financial services and peer support can help to overcome women's risk aversion:** Access to a suite of financial instruments, including savings, credit and insurance, may help increase women's financial risk-taking. Further, networks and mentors may be particularly important for poorer women and for less-empowered women, who may need the knowledge of others and the social support to make appropriate business choices and take greater financial risks.
- 8. Smart program design must acknowledge and correct for the fact that service provision is not gender-neutral:** The gender and development literature has assumed that a main challenge is to increase women's demand for and access to supposedly gender-neutral services, such as financial services, information technologies and agricultural extension. But the provision of these services, especially in the productive sectors, where the main clientele has traditionally been masculine, cannot be expected to be gender-neutral. Social and cultural stereotypes and biases about women help perpetuate an unequal playing field between men and women but can sometimes be reversed by making small adjustments, such as providing incentives to trainers and bank agents to reach women clients.

Future Research Considerations

- 9. Invest in understanding cognitive and social determinants (and economic empowerment measurement more broadly):** The evidence base on what works to empower women economically could use significantly more project and research investments on the cognitive and social determinants of women's economic outcomes and on how gender biases in working environments affect women's economic performance. Similarly, economic empowerment needs to be better defined and measured.

10. Report results for individuals and by income level:

Future research results need to be disaggregated by sex as results at the household level do not necessarily trickle down to members of the household equally by sex (and age). Another limitation of the evaluation data is often the lack of information on the income level of program participants. Results, however, differ by women's income level, as the 2013 Roadmap and this update reveal, and it should be good practice to report participants' incomes or income levels.

Table 1: Roadmap Ratings

Intervention	Original Rating	Category	New Rating	Category
<i>Revised</i>				
Savings	Being Proven	All	Proven	All
Micro-Credit	Unproven	Poor, Very Poor	Promising	Poor
Business Management Training	Unproven	Very Poor	Promising	Poor
Networks and Mentors	High Potential	Young Women	Promising	All
<i>Confirmed</i>				
Bundled Services			Proven	Very Poor
Demand-Driven Job Services			Proven	Young Women
Conditional Cash Transfers			Proven	Young Women
Unconditional Cash Transfers			Promising	Young Women
Child Care			Proven	All
Land Rights			Proven	All
Suite of Integrated Services for Farming			Promising	Poor
Rural Electrification			Proven	Poor, Very Poor
<i>New</i>				
Financial Literacy Training	Not Applicable		Unproven	Poor, Very Poor