

GIZ Gender Competition 2020

Title: Economic Empowerment of Women Entrepreneurs and Start-ups by Women (Her&Now)

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Country: India

Category: GG2

AV: Julia Karst

Applicant Team: Julia Karst, Stephanie Mumenthaler, Derya Bischoff

Overall Term: 2018 to 2021

1. Promoting gender equality

Indian women still have very limited opportunities to participate in economic and social life. This is also reflected in decreasing participation of Indian women in the labour market in recent years, despite strong economic growth. Women make up only 27 per cent of the Indian labour force – this is significantly below the global average of 48.5 per cent. **If women were to participate equally in the economy, this could increase India's GDP by 27 per cent.** Yet, **women in India who want to start or grow their own business, are facing gender-specific challenges and barriers**, which range from discriminatory legal regulations to lack of funding to entrenched social norms and stereotypes. Of an estimated 60 million MSMEs in India, **barely 14 per cent are run by women and 98 per cent of those businesses are in the micro segment** and mostly not registered.

The Indian government has initiated a number of support schemes for start-ups and MSMEs. However, these **governmental schemes have not been effective for women entrepreneurs** because they mostly fail to address the gender-specific social and economic barriers. Most women entrepreneurs are not aware of the schemes or have difficulties accessing them.

The Indian start-up scene is on the rise, across the metropolitan cities incubators and accelerators are set up to provide support for aspiring entrepreneurs, yet the composition of the participants is predominately male and the design of the **support programmes fail to take the gender-specific challenges for women entrepreneurs into account.** Beyond actual start-up hubs, such as Bangalore, the ecosystem is still immature and women-centric support programmes non-existent. Initiatives beyond the metro cities often focus on skilling or micro financing. These initiatives usually target the self-employment segment and follow a one-dimensional approach which fails to include market opportunities for women entrepreneurs. Hence, they are ineffective in supporting scalable enterprises which have the potential to create jobs for more women.

Objectives of the project

Against this background, the project aims to **economically empower women by improving the overall framework conditions for women-led enterprises in India.**

- **Creation/growth of women-led businesses:**

Together with three local incubators and accelerators, the project develops and pilots **women-centric support programmes for 250 idea-stage women entrepreneurs to start a business (incubation) and 100 growth-stage women entrepreneurs to grow their businesses (acceleration).** The support programme is piloted in smaller cities in the North East (Assam, Manipur, Meghalaya), Rajasthan and Telangana, where no such support programmes for women entrepreneurs exist yet. The curriculum of the support programmes has been jointly developed with our implementation partners and is tailored to the special needs and challenges of women entrepreneurs in smaller cities. Through the seven-month incubation programme, women with a business idea are supported to turn their idea into a formal business through trainings, support by experienced mentors, access to markets and funding opportunities. In parallel, women with existing enterprises are supported through the six-month acceleration programme to grow their

businesses. Besides establishing women-centric support programmes, the objective is to also increase the number of women entrepreneurs in the gender-neutral cohorts of the local incubators and accelerators. The implementation partners represent **different types of incubators and accelerators ranging from governmental to university-affiliated to non-governmental**. The diversity in terms of regional contexts and formal set-up allows the project to pilot a gender-sensitive approach to incubation and acceleration in different settings thereby enhances the ability to **mainstream the women-centric support programme model in the future**. All implementation partners receive training and further support in fundraising, network building and financing partnerships to institutionalize such support programmes for women-owned enterprises beyond the project duration.

- **Gender-sensitive entrepreneurship policies:**

Based on the experiences of these pilot programmes, the **project advises** the political partner, the Indian Ministry of Skill Development and Entrepreneurship as well as government institutions at state level on **designing and implementing gender-sensitive government support schemes for enterprises**. This will lead to an institutionalization and scaling-up of the approach.

- **Positive mindset change:**

A **film and media campaign** going by the name **'Her&Now'** encourages public debate about the positive societal and economic contribution of women-led businesses with the goal of transforming the traditional norms in India. As part of campaign the project awards production grants to filmmakers to shoot a series of short films on women entrepreneurship which will be screened across India and Germany.

Effective Approaches

- **Women-centric incubation and acceleration programmes:**

For women-centric incubation and acceleration programmes a cohort-based format with onsite childcare facilities and conducted by women trainers and mentors has been beneficial because it encourages peer-to-peer learning and makes women more comfortable to open-up; large parts of the program are dedicated to psychological and motivational support for the women entrepreneurs to deal with low self-confidence, fear of failure and pressure from family. These aspects are lacking in conventional or mixed-gender support programmes.

- **Investment into building a peer network among the women entrepreneurs:**

The cohort-based approach is also helpful to build a peer network among the women entrepreneurs to support each other. Initial feedbacks from the first sessions suggest that most participants of the support programmes consider the exchange with other women entrepreneurs as the most valuable component of the support programme. Regular meet-ups with the follow-up batches are planned to further foster the peer network among the women entrepreneurs beyond their own batch.

- **Extensive investment into outreach and mobilization:**

Outreach and mobilization is particularly crucial to reach out to women in smaller cities and semi-rural regions. Different channels (e.g. bootcamps, meet-ups, media outreach, reaching out through government channels at district level, programme champions) need to be employed to reach the right target group (women entrepreneurs with aspirations to grow their enterprises-beyond self-employment who are willing to formally register their business and are based in smaller cities and semi-rural areas). Social media especially has been proven effective in advertising the support programmes and attracting a wide audience while coverage in print media and radio has underlined the credibility of the support programme. Active encouragement of women entrepreneurs to apply for the support programmes and provide handholding in the application process is crucial for women with lower education backgrounds and humble backgrounds who are generally less familiar with application processes. Careful due diligence of all applications is necessary to ensure cohort conformity and motivation.

- **Changing detrimental attitudes and stereotypes:**

Using social media platforms to portray the entrepreneurial journeys of relatable role models who overcame gender roles and stereotypes and now run successful and sustainable businesses has been effective in steering a mindset change towards women entrepreneurship.

Impact of the project

- The project contributes to sustainable economic growth, employment generation and reduced gender inequalities by creating an enabling environment for women entrepreneurs in India.
- The **first cohort of 151 women is currently participating in the support programmes; 97 women are part of the incubation programme and 54 women entrepreneurs are part of the acceleration programme.**
- After successful completion of the incubation programme, it is expected that at least 25 women start their own business, thereby creating at least 25 new jobs only in the first year. More than half of the **women entrepreneurs completing the acceleration programme** will be able to **increase their annual revenues and create new jobs**, the majority of which will benefit women.
- Through its activities (consultation workshops, conferences, networking events etc.) the project contributes to **building a network and community of (1) key stakeholders in the women entrepreneurship space and (2) for women entrepreneurs.** Through its activities, the project will **support appr. 4,000 aspiring and existing women entrepreneurs.**
- The **film and media campaign** has already **reached more than 12.000 people** in the first three months, raising awareness on the economic and societal potential of women entrepreneurship in India.
- The partner ministry is being **supported to pilot the new support scheme PMYUVA for entrepreneurs, by designing and implementing this pilot in a gender-sensitive way**

2. Gender as a quality feature of our work

The project follows a **dual approach to gender equality** emphasising both the **human rights-based** approach as well as the **economic benefits** of gender equality. The primary objective of the project is to create an enabling environment for more women to start a business or grow their existing businesses. The project actively supports the partner ministry and Indian incubators and accelerators in adapting a **gender-sensitive approach to their policies and business models respectively.** This contributes to improving gender equality in India.

Our implementing partners (local incubators/accelerators) were generally aware of the low numbers of women in their support programmes and women's specific barriers when it comes to entrepreneurship. Yet during the process of co-designing the gender-sensitive curriculum and developing a model for their women-centric support programmes as part of the GIZ support, they realized the **multiple dimensions of a gender-sensitive approach to incubation and acceleration**, of which a women-centric curriculum tailored to the gender-specific needs of women entrepreneurs is only one dimension. For example, their own organisations need to reflect a truly gender-sensitive approach, which extends to things like ensuring adequate sexual harassment and gender-based discrimination prevention policies and mechanisms, or the gender-sensitive design of physical infrastructure. Moreover, the **entire entrepreneurial ecosystem has to be sensitized about gender-specific needs and challenges** in order to create a level playing field for women entrepreneurs.

The objective of the film and media campaign is to raise awareness among the population about the potential of economically active women and to overcome gender roles and break stereotypes that exclude women from economic activity. For the media campaign, the project collaborates with real-life female role models and portrays their entrepreneurial journeys to inspire future generations of women entrepreneurs. Parallel in a series of short films on women entrepreneurship the entrepreneurial stories of fictive characters are told to encourage more women to take on entrepreneurship. **The film and media campaign deliberately targets male family members with the objective to increase recognition and support for economically active women.**

3. Gender and result-based monitoring

The project is closely monitoring the project's achievement of its objectives. As a GG2 project, **gender aspects are an integral part of our monitoring system**. The project has set up its own monitoring and evaluation system in line with GIZ standards and methods but with special emphasis to gender aspects within the framework of the project's results matrix (e.g. level of awareness amongst men regarding the role of economically active women). Beyond the results-based-monitoring system, the project commissioned an external impact evaluator with an **in-depth assessment of the support programmes' impact in terms of adequately responding to gender-specific needs and challenges of women entrepreneurs**. The impact evaluation report will serve as an additional validation of the data and findings of the project's own monitoring.

The political partner ministry and other government institutions as well as our implementation partners have been **sensitized about how to design a gender-sensitive monitoring system** and supported to establish it for their own programmes.

4. Cooperation

The project follows the **multi-level approach and** collaborates with a variety of actors **to improve the framework conditions for women entrepreneurs**.

Along with other the donors, the project is part of a World Bank Lighthouse Group on women entrepreneurship in India. Together with UNDP a conference has been conducted. The project facilitated a roadshow event with Niti Aayog, a government of India think-tank, to promote a national online Women Entrepreneurship Platform. Moreover, the project collaborated with FICCI, the largest Indian business organization, on an initiative for the promotion of women entrepreneurship in the handicraft cluster in the North East of India. As part of the Female Entrepreneurs Berlin India Initiative (FEBI) which supports the development and growth of women-led enterprises in both regions, the project contributed to building a connected ecosystem of support institutions. The Programme Designer Lab, which is part of the FEBI initiative, aims at connecting various support institutions in the women entrepreneurship space and building their capacities in women-centric programme and curriculum development. In the future, a closer collaboration with impact investors and strengthening gender-lens investing in the (impact) investment space is anticipated. Moreover, the project intends to engage in internal gender mainstreaming through a Gender Breakfast for GIZ India employees.

Stakeholders in the women entrepreneurship space are united by a firm recognition of the immense untapped potential of women entrepreneurship in terms of sustainable economic development (inclusive growth) as well as women economic empowerment (employment and income creation for women). They are thriving by harnessing this potential and levelling the playing field for women who have the courage to participate in the journey of entrepreneurship despite challenges and barriers.

Major challenges so far have been reaching the right target group (committed women entrepreneurs who have aspirations to grow their business- beyond simply self-employment and are willing to formally register their business) and **ensuring adequate support** to solve the unique needs of each entrepreneur. To this end, a challenge has been to differentiate between felt needs and real needs of the entrepreneurs. More generally, there is a lot of good will to cooperate, but little coordination among donors in implementation. With regards to policy level, there is little coordination among different government entities in terms of policies which makes it difficult to achieve an effective ecosystem for women entrepreneurs.

A success factor is the **active involvement of men in the debate about gender equality and women's participation in the economy** and engage them as multipliers in specific measures where appropriate. A further success factor is internalizing gender-sensitivity within the team by constant self-reflection in terms of own behavioural patterns.