

Investing in Women:

Measuring contribution to Women's Economic Empowerment

Gillian Brown
January 2018

Table of Contents

A. Introduction	3
B. Defining women’s economic empowerment.....	3
C. Drivers, or pathways to Women’s Economic Empowerment	4
Rao Kelleher Gender at Work.....	4
UN High Level Committee on Women’s Economic Empowerment	5
Comparison of Rao Kelleher and UNHLC Approaches in relation to IW	6
D. IW spheres of influence	7
E. Measuring Women’s Economic Empowerment.....	8
F. Concluding Remarks	10

Annexes

Annex 1. Seminal Definitions of WEE	11
Annex 2. IW Women’s Economic Empowerment Framework indicatively applied to Component 1.....	14
Annex 3: IW Women’s Economic Empowerment Framework indicatively applied to Component 2.....	15
Annex 4. Component 1: Potential for linking IW’s WEE Dimensions to the EDGE Pillars	17
Annex 5. Potential for linking WEE Dimensions to investment cycle (C2)	23

Tables

Table 1: IW Pathways, Partners, and Beneficiaries	6
Table 2: Dimensions of economic empowerment	9

Figures

Figure 1: Gender at Work Framework.....	4
Figure 2: Rao Kelleher: What are we trying to change within an organization?.....	5
Figure 3: IW spheres of influence.....	7
Figure 4: Framework for women’s economic empowerment	9

A. Introduction

The Investing in Women (IW) program aims to improve gender equality in the workplace and in the approaches of investors. The goal of the program, however, is to **accelerate women's economic empowerment** in the region and, through this, to contribute to inclusive economic growth.

To be able to monitor IW's contribution towards this goal, IW needs a clear framework for thinking about and measuring contribution to women's economic empowerment within the context of the program's interventions and partnerships.

This paper therefore attempts to answer three questions:

- What do we mean by women's economic empowerment in the context of IW?
- What are the pathways and spheres of influence through which IW contributes to women's economic empowerment?
- Within the boundaries of what is feasible and realistic, how will IW's contribution to women's economic empowerment be measured?

B. Defining women's economic empowerment

The first step is to clarify a definition of "women's economic empowerment" that can be applied to IW.

Many development agencies have come up with definitions of women's economic empowerment to help guide their work, some of which are given in Annex 1. All definitions include more than one dimension, and common across them is the inclusion of two essential components:

- **Economic advancement** i.e. economic gain and access to resources
- **Agency or power** i.e. the ability to define one's goals and act on them¹

The definition of economic empowerment provided in the IW Investment Design Document (p12) is multidimensional and, in common with other definitions, emphasizes both the economic advancement as well as agency/power aspects of WEE:

Economic empowerment is the capacity of women and men to participate in, contribute to and benefit from growth processes in ways which recognises the value of their contributions, respect their dignity and make it possible to negotiate a fairer distribution of the benefits of growth. Economic empowerment increases women's access to economic resources and opportunities including jobs, financial services, property and other productive assets, skills development and market information. Women's economic participation and empowerment are fundamental to strengthening women's rights and enabling women to have control over their lives and exert influence in society.

¹ This broad definition of agency is from Kabeer, N. (1999). *Resources, agency, achievements: Reflections on the measurement of women's empowerment*. Development and Change, 30(3).

Since this is a complex definition, it is proposed that the following definition, put forward by the International Centre for Research on Women (2011)² is adopted for the sake of clarity:

A woman is economically empowered when she has both the ability to succeed and advance economically and the power to make and act on economic decisions.

A key difference between these two lies in their agency/power components: The IW design document definition describes this broadly as “enabling women to have control over their lives and exert influence in society” while the ICRW definition is more specific with regard to making **and acting on** decisions, while narrowing the scope of women’s influence to **economic decisions**.

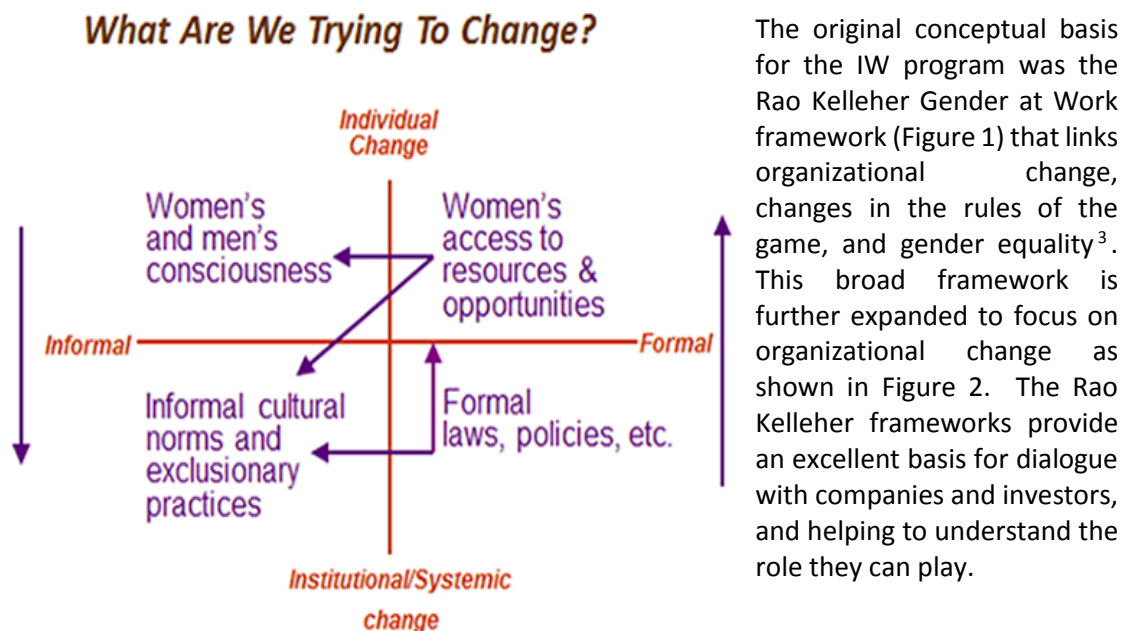
The definition is further deconstructed, including the implications of these differences, in the section on measuring women’s empowerment later in this paper.

C. Drivers, or pathways to Women’s Economic Empowerment

For measurement purposes it is important to separate out what are the **drivers of, and pathways to** women’s economic empowerment, from the measurable changes in economic empowerment at an individual level. IW is designed as a program to tackle the underlying barriers and constraints to women being more economically empowered. This section discusses some of the theoretical frameworks that have contributed to the design of the IW interventions and the development of the pathways that now underlie the program.

Rao Kelleher Gender at Work

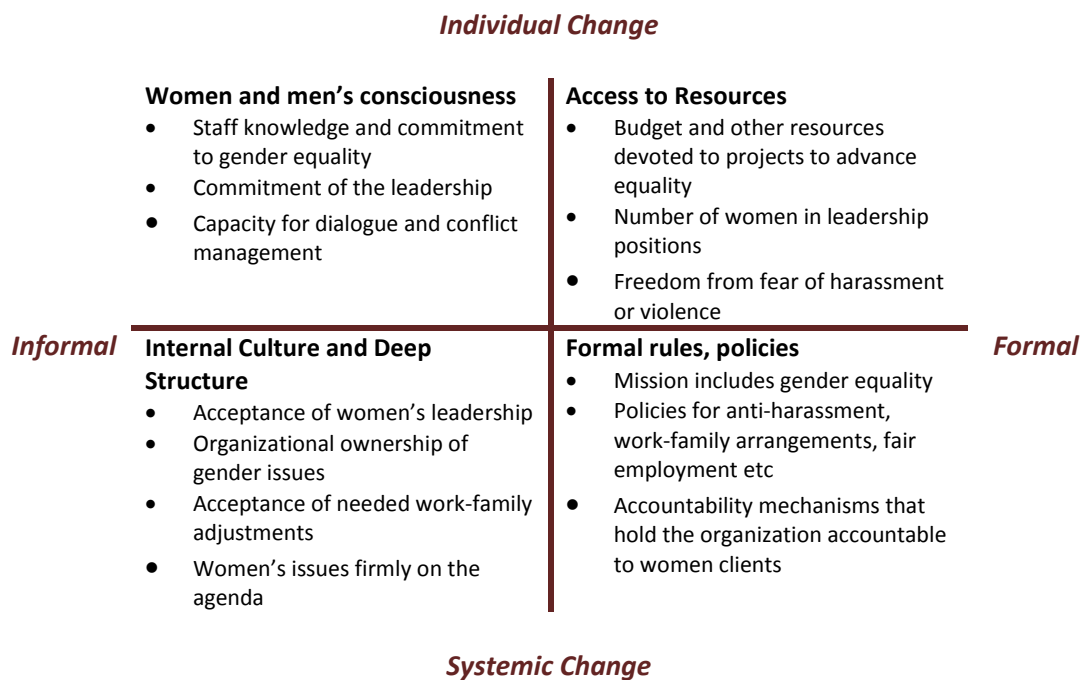
Figure 1: Gender at Work Framework



² Golla A, Malhotra A, Nanda P, and Mehra R, 2011, *Understanding and Measuring Women’s Economic Empowerment: Definition, Framework and Indicators*, ICRW

³ <http://www.genderatwork.org>

Figure 2: Rao Kelleher: What are we trying to change within an organization?



An important point to note is that the Gender at Work framework specifically aims to improve **gender equality in the workplace**, and not specifically women’s economic empowerment, although it is hoped, and perhaps assumed, that improving gender equality in the workplace will lead to women becoming economically empowered.

The items in the top two quadrants of this diagram are carried forward and considered in the later discussion of measuring women’s economic empowerment.

UN High Level Committee on Women’s Economic Empowerment

The other important development since IW was designed is the establishment of the UN Secretary General’s High Level Committee on Women’s Economic Empowerment (UNHLC). This committee has now identified 7 drivers⁴ of women’s economic empowerment. Four of these are directly aligned to specific IW components (while to some extent also cutting across all of them):

- Changing business culture and practices (Component 1 and 2)
- Tackling adverse norms and promoting positive role models (Component 4)
- Building assets – digital, financial, property (Component 2)
- Ensuring legal protection and reforming discriminatory laws (Component 3);

UNHLC drivers aim to address barriers and constraints to women’s economic empowerment. To this end there are two further UNHLC drivers that are relevant to improve the contribution to the IW goal of women’s economic empowerment and will be considered in the measurement of women’s economic empowerment:

- Recognizing, reduction and redistributing unpaid work and care
- Strengthening visibility, collective voice and representation.

⁴ The other driver identified by the UNHCL that is less relevant to IW and not discussed here is: *Improving public sector practices in employment and procurement*

Comparison of Rao Kelleher and UNHLC Approaches in relation to IW

Table 1 below shows how both the Rao Kelleher framework, and the UNHLC drivers for change are aligned to the four IW components. The table identifies women likely to experience economic empowerment in each component. Since IW is a catalytic program and works through partners, it is important to note that economic empowerment impacts would be most directly influenced by the identified partners of the program, rather than IW itself.

Table 1: IW Pathways, Partners, and Beneficiaries

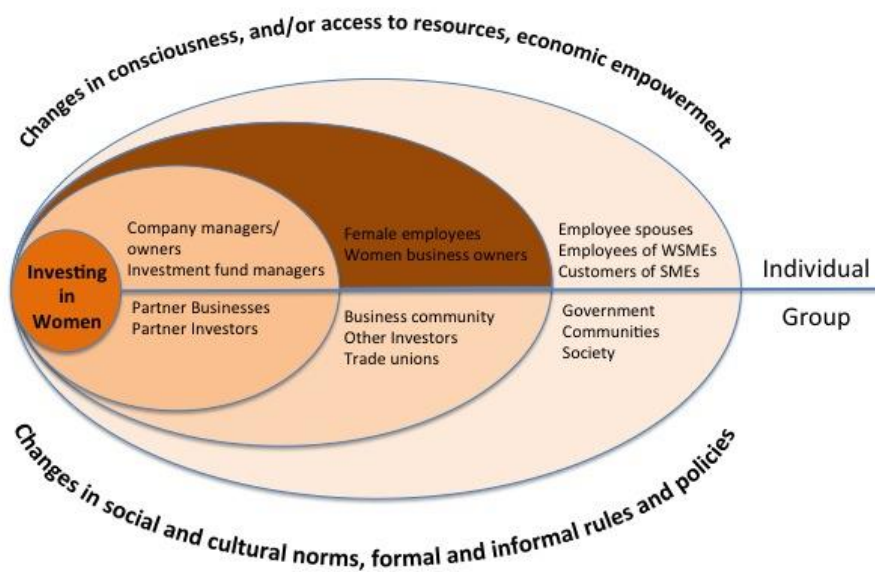
Component	Pathways		IW Partners	Women empowered
	Rao Kelleher	UNHLC		
1 Business Partnerships	Company policies Company culture and norms Women's access to resources and opportunities Staff consciousness	Changing business culture and practice Tackling adverse norms Building assets Recognizing and redistributing unpaid work and care Strengthening visibility, collective voice, representation	Private sector businesses through Business Coalitions for Women's Empowerment	Female (and male) employees
2 Impact Investing	Investor policies Investor culture and norms WSME access to resources and opportunities Investor staff consciousness	Building assets Changing business culture and practice Tackling adverse norms	Impact Investors	Women SME owners
3 Gender Equality	Formal policies and practices Informal norms Women's access to resources and opportunities Women and men's consciousness	Various depending on program including: Ensuring legal protection and reforming discriminatory laws	DFAT and national governments in targeted countries	Various
4 Advocacy & communications	Social and organizational norms Women and men's consciousness	Tackling adverse norms and promoting positive role models Strengthening visibility, collective voice and representation	<i>Business coalitions and leaders, media, Industry associations and networks, governments, parents, teachers, community leaders</i>	<i>Young working families and millennials, women employees of large companies;</i>

The UNHLC driver "Recognizing, reduction and redistributing unpaid work and care", is to some degree reflected in the Rao Kelleher frameworks, however, "strengthening visibility, collective voice and representation" is not. Given the wide literature on the importance of collective action and representation as a means for women to influence change – or in other words, to exert agency, this is carried forward and taken into consideration in the discussion on measuring women's economic empowerment.

D. IW spheres of influence

By aiming to change social and organizational norms, and the formal and informal rules and policies, IW has the potential to create change among a much larger range of groups or individuals than the women identified in Table 1. It does so by working through partners, and by working on the broader enabling environment for women's economic empowerment. By influencing partners and working through them IW creates a chain of influence that is experienced at a individual, and at the group level. This is shown in Figure 3. This diagram is indicative and simplified and does not give the full picture since, for example, activities under Component 3 and Component 4 may increase the direct impact that IW has in spheres shown further away in the diagram. The purpose is to show that changes in norms, rules, policies and consciousness may take place across a wide range of stakeholder groups and individuals. Indirectly, these changes, if significantly large, may contribute to the economic empowerment of many thousands, or even millions, of women in the long term.

Figure 3: IW spheres of influence



For the most part IW will measure the changes in the enabling environment (such as norms, rules and policies) and its influence on different groups of stakeholders (such as companies, investors). However, to test the assumption that investing in the drivers and pathways will result in women's economic empowerment, IW will study the impact and changes on a subgroup of individual women that are most likely to feel measurable impacts during the timeframe of the project - shown in darkest shaded area of the diagram.

E. Measuring Women’s Economic Empowerment

So far, this paper has shown how IW interventions focus on drivers of, and pathways to, women’s economic empowerment, and that direct impacts on women’s economic empowerment would be influenced by interventions of the partners that IW works with, rather than to the interventions of IW. The main focus of the IW MEL System will be monitoring these broader changes in the enabling environment for women’s economic empowerment that can be more directly influenced by IW.

However, to prove the assumption that focusing on these drivers and pathways will actually lead to economic empowerment of women, and therefore to demonstrate contribution to the goal of the program, further work will be needed. This would require more detailed study of the actual changes felt by a sub group of those women most likely to feel the economic empowerment impact – identified in Figure 3. The definition of women’s economic empowerment needs to be deconstructed, so that the links between interventions and outcomes can be examined, and assumptions tested. For this we return to the definitions provided earlier in this report:

A woman is economically empowered when she has both the ability to succeed and advance economically and the power to make and act on economic decisions.

The two important components of this are:

- Ability to succeed and advance economically
- Power to make and act on decisions

Using various definitions and the Vene Klassen and Miller four forms of power⁵ (see Annex 2), and also taking account of the types of interventions that might be implemented in line with Rao Kelleher and UNHLC frameworks, two measurable dimensions have been identified for each of the components of the women’s economic empowerment definition. These are shown in Table 2. The inclusion of social assets as a dimension of the “power to make and act on decisions” aligns with UNHLC driver of “strengthening visibility, collective voice and representation” as discussed earlier.

The four dimensions are related to each other in different ways. Increase in one dimension sometimes leads to increases in others, and always within the context of the enabling environment or drivers, as shown in Figure 4. For example, increases in social assets through group formation may increase individual assets of confidence and self-esteem; or increases in individual asset through skills training, may open up opportunities to increase financial and resource assets. Ultimately, there should be sufficient critical mass in Dimensions A, B, and C to impact on Dimension D: Agency.

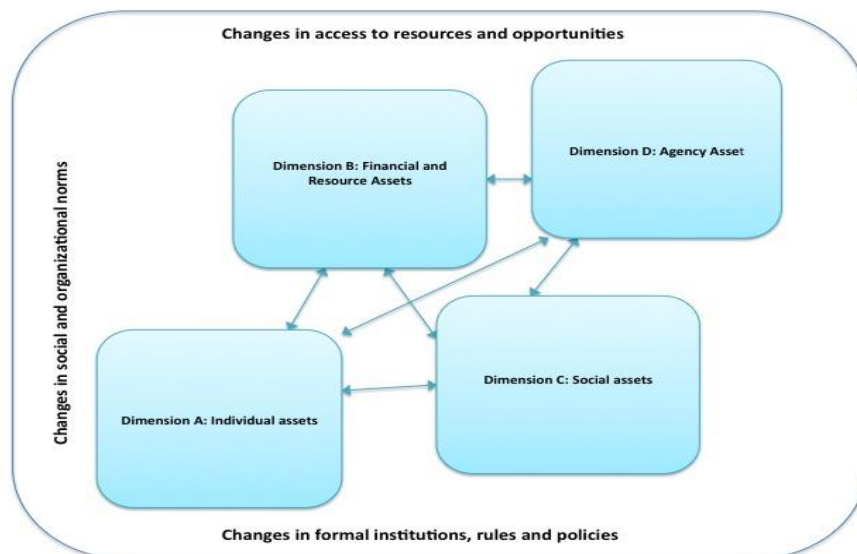
Given the links between the dimensions, partners would not necessarily be expected to address all the dimensions. Through the study on women’s economic empowerment it is hoped that evidence can be collected to help understand which dimensions are most effective in contributing to women’s economic empowerment.

⁵ Vene Klassen, L. and Miller, V., 2002, 'Power and Empowerment', Chapter 3 in A New Weave of Power, People & Politics: The Action Guide for Advocacy and Citizen Participation,

Table 2: Dimensions of economic empowerment

Components of WEE	Dimensions of economic empowerment	Examples
Ability to succeed and advance economically	A. Individual or human assets	Health (access to healthcare and information), education, literacy and numeracy, financial literacy, knowledge of human and legal rights, skills useful for work, self-esteem and self-confidence, freedom from violence, business and investment skills
	B. Financial and resource assets	Cash/income, savings, access to loans and other financial services, equipment, inputs, stock (inventory), business and market information, childcare and other services
Power to make and act on decisions	C. Social assets	Social networks, mentors, group membership, links to governments and service providers, membership of unions, trade associations or chambers of commerce, Links with civil society, government, and other groups
	D. Agency assets	Management and leadership positions, ability to make business and investment decision, participation in economic decisions within the family, engagement in community decision-making, engagement and influence with markets and employers

Figure 4: Framework for women’s economic empowerment



The framework in Figure 4 can be adapted and used for each IW component. Examples of how the framework might be applied to Components 1 and 2, is provided in Annex 2 and 3. The basic framework of the four women’s economic empowerment dimensions can be mapped against various frameworks, priorities, or action plans used by IW partners in their work. For example, Annex 4 and 5 show the potential for linking the framework to the processes and priorities of partners working with IW. As Component 4 develops, the same framework will be used to help identify the pathways through which Component 4 also contributes to women’s economic empowerment.

The framework provides input into the MEL plans and will be used as input into the activities as they develop.

F. Concluding Remarks

The focus of the interventions identified in IW program is primarily to influence the enabling environment for improved gender equality in the workforce, or in access to investment opportunities. Much of the focus of the M&E will be on monitoring the changes in organizations or institutional processes. However, the goal of the program is women's economic empowerment – which implies changes at an individual level. The framework presented above aims to provide tools to measure individual change within the context of the organizational and institutional change (the enabling environment) among an identified subset of women that are most likely to be impacted. It will also provide an entry point for identifying additional interventions to empower women that could feasibly be included.

Annex 1. Seminal Definitions of WEE

In recent years, definitions of WEE have been proposed by several international organisations. This Annex describes and compares some of these.

While not cited, the IW Design Document's definition of WEE is adopted from OECD-DAC (2012)⁶, in turn based on Eyben et al (2008)⁷, who defined economic empowerment as:

...the capacity of poor women and men to participate in, contribute to and benefit from growth processes on terms which recognize the value of their contributions, respect their dignity and make it possible for them to negotiate a fairer distribution of the benefits of growth. Economic empowerment means people thinking beyond immediate survival needs and thus able to recognise and exercise agency and choice.

This definition emphasises the centrality of power and agency to WEE, as does another seminal definition established by International Centre for Research on Women (2011)⁸:

A woman is economically empowered when she has both the ability to succeed and advance economically and the power to make and act on economic decisions.

In a similar vein, the Overseas Development Institute (2014)⁹ and CARE (2016) adopt the following definitions of WEE:

The economic empowerment of women and girls is understood by us to be a process whereby women and girls experience transformation in power and agency, as well as economic advancement. (ODI, 2014)

...the process by which women increase their right to economic resources and power to make decisions that benefit themselves, their families and their communities. (CARE, 2016)

The WEE definition provided by the Donor Committee on Enterprise Development (DCED, 2014)¹⁰ is also based heavily on the ICRW definition above:

A woman is economically empowered when she has both: a) access to resources: the options to advance economically; and b) agency: the power to make and act on economic decisions.

⁶ *Women's economic empowerment*, The OECD DAC Network on Gender Equality (GENDERNET), <https://www.oecd.org/dac/povertyreduction/50157530.pdf>

⁷ Eyben R, Kabber N, and Cornwall A, 2008, *Conceptualising empowerment and the implications for pro poor growth: A paper for the DAC Poverty Network*, <https://www.ids.ac.uk/files/dmfile/conceptualisingempowermentpaperforPOVNET.pdf>

⁸ Golla A, Malhotra A, Nanda P, and Mehra R, 2011, *Understanding and Measuring Women's Economic Empowerment: Definition, Framework and Indicators*, ICRW

⁹ Taylor G and Perezniето P, 2014, *Review of evaluation approaches and methods used by interventions on women and girls' economic empowerment*, ODI

¹⁰ Markel E, 2014, *Measuring Women's Economic Empowerment in Private Sector Development: Guidelines for Practitioners*, DCED

The above definitions highlight the multi-dimensional nature of economic empowerment. To understand and measure it more effectively it needs to be further deconstructed. For this, the Girl Effect Asset Framework is useful. Girl Effect¹¹ identifies the assets needed for girls to achieve their potential as economic citizens. These assets are the building blocks of economic and social progress and are divided into human, social physical and financial assets as shown below.

Table 1. Girl Effect Assets Framework

<i>HUMAN ASSETS</i>	<i>SOCIAL ASSETS</i>
<ul style="list-style-type: none"> • Communication skills • Good health • Ability to work • Education • Literacy • Knowledge • Health, legal and economic info • Self-esteem • Bargaining power 	<ul style="list-style-type: none"> • Friends • Social networks • Mentors • Relationships of trust • Group membership • Confidence building • Access to wider institutions of society
<i>FINANCIAL ASSETS</i>	<i>PHYSICAL ASSETS</i>
<ul style="list-style-type: none"> • Cash Savings • Access to loans • Vouchers 	<ul style="list-style-type: none"> • Identity card • Land • Housing • Transport • Personal assets (clothing, jewellery, household items)

A sample of the frameworks of women’s economic empowerment that are available were summed up in a DFAT *Operational guidance note on Gender equality and women’s empowerment in agriculture* (September 2015), and reproduced below.

Framework	Authors	Domains of empowerment or change	Usage
Making Markets work for the Poor (M4P) WEE Framework	M4P (2012)	<ul style="list-style-type: none"> • Economic advancement – increased return on income and labour • Access to opportunities and life changes such as skills development or job openings • Access to assets, services and needed support to advance economically • Decision-making authority in different spheres • Manageable workload 	Not specific to the agriculture sector. Used in programs with market- based approaches, including DFAT’s MDF, CAVAC and PRISMA.
Donor Committee for	DCED (2013)	<ul style="list-style-type: none"> • Agency 	Not specific to use in the agriculture sector.

¹¹ Girl Effect was originally an initiative of the Nike Foundation, but is now an independent social enterprise: <http://www.girleffect.org/our-purpose/> The Girl Effect Empowerment Framework can be found at: http://www.girleffect.org/media/1187/girl_effect_presentation_empowering-girls-with-economic-assets.pdf

Enterprise Development (DCED) WEE Framework		<ul style="list-style-type: none"> • Institutional environment, norms, recognition and status • Social relationships, accountability, networks, influence, economic advancement 	Used in private sector development work, and was developed to support measurement of WEE.
Women's Empowerment in Agriculture Index (WEAI)	USAID, IFPRI and OPHI (2012)	<ul style="list-style-type: none"> • Production decision-making • Access to productive resources • Control over and use of income • Community leadership • Time allocation 	Specific to the agriculture sector, and has been used to develop country level indices.
Gender Change Matrix	Rao and Kelleher (2005)	<ul style="list-style-type: none"> • Women's and men's consciousness • Women's access to resources • Informal cultural norms and exclusionary practices • Formal institutions, laws, policies etc. 	Not specific to the agriculture sector. It is used in DFAT's gender equality and women's empowerment strategy.

Also important for consideration and understanding the deconstruction of women's economic empowerment are the four forms of power in empowerment as defined by Vene Klasen and Miller (2002):

- **Power within:** *the knowledge, individual capabilities, sense of entitlement, self-esteem, and self-belief to make changes in their lives, including learning skills for jobs or start an enterprise.*
- **Power to:** *economic decision-making power within their household, community, and local economy (including markets) not just in areas that are traditionally regarded as women's realm but extending to areas that are traditionally regarded as men's realm.*
- **Power over:** *access to and control over financial, physical and knowledge-based assets, including access to employment and income-generation activities.*
- **Power with:** *the ability to organise with others to enhance economic activity and rights.*¹²

¹² Vene Klasen, L. and Miller, V., 2002, 'Power and Empowerment', Chapter 3 in A New Weave of Power, People & Politics: The Action Guide for Advocacy and Citizen Participation,

Annex 2. IW Women’s Economic Empowerment Framework indicatively applied to Component 1

WEE Dimension	Dimension A: Individual assets	Dimension B: Financial and Resource Assets	Dimension C: Social Assets	Dimension D: Agency Assets
What does this mean?	<ul style="list-style-type: none"> • Financial literacy • Reduced stress about financial situation • Freedom from discrimination • Freedom from harassment • Confidence, self-esteem, • Improved welfare • Improved access medicine and reduced risk of serious illness or disability • Improved skills e.g. management and leadership skills • Reduce double burden of work and household/ caring responsibilities • Reduced stress 	<ul style="list-style-type: none"> • More women have access to more and better opportunities • Access to information • Women have opportunities to earn incomes equal to men for equivalent work • Increased ability to save for emergencies • Improved financial situation • Increased chance of promotion • Access to training opportunities • Access to flexible work opportunities • Access to childcare support and other services 	<ul style="list-style-type: none"> • Links to service providers and skilled support services • Links to supportive management • Support from, and networking with, mentors • Networking, group mutual support 	<ul style="list-style-type: none"> • Management and leadership positions and opportunities to participate in decision-making • Increased control over income earned • Control over finances including household financial decision-making • Ability to report issues and have them addressed • Ability to act and seek solutions to resolve problems • Control and decision-making over time use • Influence on gender roles and stereotypes at work and at home • Group voice, collective action
Links and pathways between dimensions	<ul style="list-style-type: none"> • Leads to: • Agency assets • Financial and resource assets 	<ul style="list-style-type: none"> • Leads to: • Agency assets 	<ul style="list-style-type: none"> • Leads to: • Individual assets (self-esteem, confidence, skills) • Financial and resource assets • Agency assets 	<ul style="list-style-type: none"> • Leads to: • Individual assets (self-esteem, confidence, skills,) • Financial and resources assets
Examples of possible interventions by a company	<ul style="list-style-type: none"> • Skills training, including technical skills and basic life skills; • Measures to ensure good health (including reproductive health); • Reducing sexual harassment and violence in the workplace; • Ensuring freedom from discrimination; • Supportive management environ. 	<ul style="list-style-type: none"> • Recruitment and promotion policies and procedures • Ensuring equal pay for equivalent work • Links to providers of other financial services such as savings, pensions, or insurance products; • Improved access to information; • Flexible working policies 	<ul style="list-style-type: none"> • Ability to engage in and be represented by union; • Support for working women networks, female employee working groups and focus groups; • Mentor programs; • Facilitate access to support services (e.g. in cases of domestic violence) 	<ul style="list-style-type: none"> • Leadership and management training; • Access to promotion opportunities; • Engagement in union leadership.
Why is this of interest to a company?	<ul style="list-style-type: none"> • Improved productivity, • Improved skills and quality of workforce, • Employee satisfaction and retention 	<ul style="list-style-type: none"> • Reduced absenteeism, • Employee satisfaction and retention 	<ul style="list-style-type: none"> • Improved productivity • Improved talent management 	<ul style="list-style-type: none"> • Diversity in leadership premiums; • Increased productivity, • Reduced absenteeism

Annex 3: IW Women’s Economic Empowerment Framework indicatively applied to Component 2

WEE Dimension	Dimension A: Individual assets	Dimension B: Financial and Resource Assets	Dimension C: Social Assets	Dimension D: Agency Assets
What does this mean?	<ul style="list-style-type: none"> Confidence and skills to pitch and apply for investment deals Confidence to take acceptable risks and expand business Reduced stress about financial situation <p><i>WSME employees¹³:</i></p> <ul style="list-style-type: none"> Safety and security in the workplace Confidence and self esteem Skills 	<ul style="list-style-type: none"> Access to information about investment opportunities Access to capital and business/investment advice Access to other financial services <p><i>WSME employees:</i></p> <ul style="list-style-type: none"> More women have access to more and better opportunities 	<ul style="list-style-type: none"> Link to established business/ commerce/ entrepreneur networks Support from and networking with mentors WSME owners/managers develop networks and market linkages Links to service providers and skilled support services <p><i>WSME employees:</i></p> <ul style="list-style-type: none"> Networking and mentoring opportunities 	<ul style="list-style-type: none"> Ability to make business and investment decisions Leadership and management opportunities Control of finances Control and decision-making over time use <p><i>WSME employees:</i></p> <ul style="list-style-type: none"> Management and leadership positions and opportunities to participate in decision-making (More choice on time use)
Pathways to women’s economic empowerment	<p>Leads to</p> <ul style="list-style-type: none"> Agency assets Financial and resource assets 	<p>Leads to...</p> <ul style="list-style-type: none"> Agency assets 	<p>Leads to:</p> <ul style="list-style-type: none"> Individual assets (self-esteem/confidence, skills) Financial and resource assets Agency assets 	<p>Leads to:</p> <ul style="list-style-type: none"> Individual assets (self-esteem, confidence, skills,) Financial and resources assets
Examples of possible interventions by investors	<p><i>For women business owners:</i></p> <ul style="list-style-type: none"> Skills training including pitching and investment application, business and financial management Women’s appetite for risk and ambition for scale taken into consideration <p><i>For female employees of WSMEs</i></p> <ul style="list-style-type: none"> WSMEs adopt policies to on equal pay, non-discrimination in recruitment and promotions, and to reduce sexual harassment and violence in the workplace; 	<p><i>For women business owners:</i></p> <ul style="list-style-type: none"> Access to capital and business/investment advice Access to other financial services Financial instruments respond to women’s needs/interests Differences in women and men SMEs taken into account Pre-investment due diligence addresses potential constraints faced by women such as maternity leave absences Contracts for key management positions that need to be put in place include gender equality considerations such as flexible working and maternity leave 	<p><i>For women business owners:</i></p> <ul style="list-style-type: none"> Establish links with Chambers of commerce, other business women Through post- investment engagement facilitate engagement of women leaders in local and regional business groups Facilitate contact with global women leaders <p><i>For female employees of WSMEs</i></p> <ul style="list-style-type: none"> Networking and mentoring opportunities 	<p><i>For women business owners:</i></p> <ul style="list-style-type: none"> Leadership and management training; Support for business decision-making and business expansion Women in leadership positions More women on boards <p><i>For female employees of WSMEs</i></p> <ul style="list-style-type: none"> Improved opportunities for advancement to management and leadership

¹³ While the target recipient of Component 2 interventions is the women entrepreneur, there is a potential roll-on effect on to her employees.

	<ul style="list-style-type: none"> • Supportive management and environment. 	<ul style="list-style-type: none"> • Post investment technical assistance to help prepare these policies <i>For female employees of WSMEs</i> • WSMEs adopt HR policies to ensure (fair/equal) wages; access to information; ability to make choices on time use/work life balance. 		
Why is this of interest to a company?	<ul style="list-style-type: none"> • Improved productivity; • Improved skills and quality of workforce; • Employee satisfaction, employee retention 	<ul style="list-style-type: none"> • Expanded pipeline of opportunities, • Approved loan deals are stronger • Business expansion, increased returns on investment • Reduced absenteeism, employee retention, employee satisfaction (improved productivity) 	<ul style="list-style-type: none"> • Increased investment opportunities/ expanded pipeline • Improved returns on investment 	<ul style="list-style-type: none"> • Diversity in leadership premiums.

Annex 4. Component 1: Potential for linking IW’s WEE Dimensions to the EDGE Pillars

Note: ‘Extra mile’ interventions in grey are outside the likely scope of EDGE recommendations, but are listed below due to their potential impact on WEE

Possible firm interventions (policies and practices)	Possible impacts on WEE dimensions - benefits for female employees	Relevant workplace gender equality objectives; Possible benefits for the company
EDGE Pillar: Gender Balance in Staff and Board composition		
Recruitment and promotion <ul style="list-style-type: none"> - Policy on non-discriminatory recruitment and promotion - Advertisements, videos – non-gendered language - Candidates for all management positions interviewed by male and female - Requiring gender diverse candidate pools for all management positions - Awareness trainings or biases that might influence decisions - Flexible company’s promotion practices - Does company communicate on promotion process and criteria - Targets for gender composition at each management level - Take gender dimension into consideration 	Resource and financial assets <ul style="list-style-type: none"> - Access to information - More women have access to more and better opportunities Agency assets <ul style="list-style-type: none"> - Women can rise into management and leadership positions and have opportunities to participate in decision-making 	WGE Objective: <ul style="list-style-type: none"> - Gender balance in employees (by level), contract workers, board of commissioners - Gender balance in allocation of ‘core’ (versus ‘support’) job roles - Gender balance in recruitments and promotions Benefits for the company: <ul style="list-style-type: none"> - Improved talent management, wider pool of suitable candidates to draw on - Staff feel valued

EDGE Pillar: Gender Pay Equity		
Equal pay for equivalent work: <ul style="list-style-type: none"> - Policy, - Gender pay gap assessments, - Corrective measures for gap cases identified, - Communicate on principles of compensation practices 	Resource and Financial Assets <ul style="list-style-type: none"> - Access to information - Women have opportunities to earn incomes equal to men for equivalent work 	WGE Objective: <ul style="list-style-type: none"> - Gender pay equity by level Benefits for the company: <ul style="list-style-type: none"> - Female staff feel valued and motivated - Improved performance - Employer of choice
Extra mile with impacts inside work: <ul style="list-style-type: none"> - Digital payments of wages 	Resource and financial assets <ul style="list-style-type: none"> - Reduces risk of loss or theft of wages paid - Increase ability to save for emergencies that provides financial security Agency assets <ul style="list-style-type: none"> - Increased control over income earned 	Benefits for the company: <ul style="list-style-type: none"> - Digital payments increase timeliness, transparency and efficiency of payroll systems <i>(Digital providers are making fast progress in preparing products specifically for women to help them save etc.)</i>
Extra mile with impacts inside and outside work: <ul style="list-style-type: none"> - Financial literacy training ('financial wellness') - Linking employees to providers of financial services that offer a broad range of additional services such as, savings, pensions, or insurance products; 	Individual asset <ul style="list-style-type: none"> - Financial literacy - Reduced stress about financial situation Resource and financial assets <ul style="list-style-type: none"> - Improved financial situation Social assets <ul style="list-style-type: none"> - Link to service providers Agency assets <ul style="list-style-type: none"> - Control over finances including household financial decision-making 	Benefits for the company: <ul style="list-style-type: none"> - Improved performance and staff motivation
EDGE Pillar: Inclusive Culture		
Company culture: <ul style="list-style-type: none"> - Policy on diversity and inclusion 	Individual asset <ul style="list-style-type: none"> - Freedom from discrimination 	GE Objective:

<ul style="list-style-type: none"> - Leadership commitment - GE part of company's goals - GE implementation part of manager performance measures - Dedicated resources to implement GE. 	<ul style="list-style-type: none"> - Confidence, self esteem <p>Resource and financial assets</p> <ul style="list-style-type: none"> - Increase chance of promotion <p>Social assets</p> <ul style="list-style-type: none"> - Improved links to management <p>Agency asset</p> <ul style="list-style-type: none"> - Opportunities to participate in decision-making 	<ul style="list-style-type: none"> - Staff perceptions of equal opportunity - see staff survey questions <p>Benefits for the company:</p> <ul style="list-style-type: none"> - Improved talent management and more efficient deployment of skills - Ability to attract high quality workforce - All staff feel valued - Secure, confident - Reduced absenteeism - Employee retention
<p>Policy on sexual harassment and violence in the workplace.</p>	<p>Individual assets</p> <ul style="list-style-type: none"> - Freedom from harassment - Confidence, self-esteem, <p>Agency assets</p> <ul style="list-style-type: none"> - Ability to report issues and have them addressed 	<p>GE Objective:</p> <ul style="list-style-type: none"> - Staff perceptions of equal opportunity - see staff survey questions <p>Benefits for the company:</p> <ul style="list-style-type: none"> - Secure, confident workforce - Reduced absenteeism - Employee retention - Ability to attract high quality workforce
<p>Extra mile with impacts inside and outside work: Addressing domestic violence (victims and perpetrators) through creating workplace culture where employee feels safe to discuss DV issues with HR staff, Employee Assistance Programs (EAP) workplace policy, DV education programs, and protocols:</p> <ul style="list-style-type: none"> - Recognize (define DV and know the signs) - Refer (to skilled service providers) - Respond (ensure safety at work and job protection for victims) - Record (document incidents for evidence etc.) <p>For more information see, for example:</p>	<p>Individual assets</p> <ul style="list-style-type: none"> - Freedom from violence <p>Social assets</p> <ul style="list-style-type: none"> - Links to supportive management, and skilled support services <p>Agency assets</p> <ul style="list-style-type: none"> - Ability to act and seek solutions to resolve the problem 	<p>Benefits for the company</p> <ul style="list-style-type: none"> - Improved productivity, reduced absenteeism, employee retention

http://www.healthandsafetyontario.ca/HSO/media/PSHSA/pdfs/DomVioWkplace.pdf http://respect.uk.net/wp-content/uploads/2014/06/Respect.Refuge_DV_Manual_A4_76pp.pdf		
<p>Extra mile with impacts inside and outside work:</p> <ul style="list-style-type: none"> - Measures to ensure good health (including reproductive health); - Health and safety at work 	<p>Individual assets</p> <ul style="list-style-type: none"> - Improved welfare - Improved access to preventative/early intervention medicine and reduced risk of serious illness or disability (prevents loss of earnings) 	<p>Benefits for the company:</p> <ul style="list-style-type: none"> - Reduced absenteeism, - Healthy, more productive workforce - Employee retention <p><i>NB. May be especially relevant where firms are contributing to health insurance and need to demonstrate returns from this e.g. Indonesia</i></p>
<p>EDGE Pillar: Policies and practices to ensure equitable career flows</p>		
<p>Training and Mentoring:</p> <ul style="list-style-type: none"> - Policy on non-discriminatory training policy development - Practices to ensure equal access to career-critical assignments 	<p>Individual assets</p> <ul style="list-style-type: none"> - Improved skills, Confidence, - Reduced anxiety <p>Financial and Resources assets</p> <ul style="list-style-type: none"> - Access to training and increased opportunity 	<p>GE Objective:</p> <ul style="list-style-type: none"> - Gender balance in uptake of leadership development/training - Gender balance amongst staff receiving highest performance rating <p>Benefits for the company:</p> <ul style="list-style-type: none"> - Improved skills/quality of workforce, - Improved productivity, - Employee retention, satisfaction
<p>Training and mentoring:</p> <ul style="list-style-type: none"> - Formal mentoring programs - Measure and set targets for gender composition of top talents 	<p>Individual assets</p> <ul style="list-style-type: none"> - Management and leadership skills <p>Resource assets:</p>	<p>GE Objective:</p> <ul style="list-style-type: none"> - Gender balance in uptake of leadership development/training - Gender balance in uptake of mentoring

	<ul style="list-style-type: none"> - Access to training and mentoring opportunities <p>Social assets</p> <ul style="list-style-type: none"> - Support from, and network with, mentors <p>Agency Assets</p> <ul style="list-style-type: none"> - Improved opportunities for promotion and participation in decision-making 	<ul style="list-style-type: none"> - Gender balance amongst staff receiving highest performance rating <p>Benefits for the company:</p> <ul style="list-style-type: none"> - Talent management, wider pool of candidates for promotion, employee satisfaction
<p>Extra mile with impacts inside and outside work</p> <p>Flexible working</p> <ul style="list-style-type: none"> - Policy or framework - Menu of flexible working options - Encourage men to make use of parental or paternity leave - Re-entry of phased entry programs for people returning from parental leave - Top leadership team actively promotes uptake of flexible work options 	<p>Individual assets</p> <ul style="list-style-type: none"> - Reduce double burden of work and household/ caring responsibilities - Reduced stress <p>Resource assets</p> <ul style="list-style-type: none"> - Access to flexible work opportunities <p>Agency Assets</p> <ul style="list-style-type: none"> - Better control and decision-making over time use - Influence on gender roles and stereotypes at work and at home 	<p>GE Objective:</p> <ul style="list-style-type: none"> - Gender balance in division of full-time versus part-time roles - Gender balance in uptake of flexible working practices incl. child care support - Men’s access to and uptake of paternity or parental leave - Retention of women who a. take and b. return from maternity leave <p>Benefits for the company:</p> <ul style="list-style-type: none"> - Increased productivity; reduced absenteeism, - employee retention - employee satisfaction
<p>Influence inside and outside work</p> <p>Flexible working</p> <ul style="list-style-type: none"> - Childcare support – extent to which offered (incl. subsidies) 	<p>Individual assets</p> <ul style="list-style-type: none"> - Reduce double burden of work and caring responsibilities - Reduced stress <p>Resource assets:</p> <ul style="list-style-type: none"> - Access to childcare support <p>Agency Assets</p>	<p>GE Objective:</p> <ul style="list-style-type: none"> - Gender balance in division of full-time versus part-time roles - Gender balance in uptake of flexible working practices incl. child care support - Men’s access to and uptake of paternity or parental leave - Retention of women who a. take and b. return from maternity leave

	<ul style="list-style-type: none"> - Better control and decision-making over time use - Influence on gender roles and stereotypes at work and at home 	<p>Benefits for the company:</p> <ul style="list-style-type: none"> - Increased productivity; reduced absenteeism, - employee retention - employee satisfaction
<p>Extra mile with impact inside (potentially outside) work:</p> <ul style="list-style-type: none"> - Working women networks; - Female employee working groups and focus groups; Unions 	<p>Individual assets</p> <ul style="list-style-type: none"> - Improved skills, confidence and self esteem <p>Social assets</p> <ul style="list-style-type: none"> - Networking, group mutual support, <p>Agency assets</p> <ul style="list-style-type: none"> - Group voice - Collective action opportunity 	<p>Benefits for the company</p> <ul style="list-style-type: none"> - Improved talent management
<p>Extra mile with impacts inside and outside work:</p> <ul style="list-style-type: none"> - Basic life skills training (e.g. financial literacy); 	<p>Individual assets</p> <ul style="list-style-type: none"> - Improved welfare, - Reduced stress <p>Agency assets</p> <ul style="list-style-type: none"> - Control and influence - Participation in household and community decision-making 	<p>Benefits for the company</p>

Annex 5. Potential for linking WEE Dimensions to investment cycle (C2)

Example of intervention/action	WEE Dimensions Benefits for the female employees	Benefits for the investors
Deal-sourcing: More investment deal interest from WSMEs		
<p>Relationships established with Women Chambers of Commerce or women members of Chambers of Commerce</p> <p>Relationships established with Business Women's or Women Entrepreneurs Networks</p> <p>Encourage networks to reach out to more women entrepreneurs</p> <p>Holding competitions for WSMEs (for example through Chambers of Commerce or trade associations)</p> <p>Training in pitching for WSMEs</p>	<p>Social assets More women link to established business/ commerce/ entrepreneur networks Mentoring opportunities</p> <p>Resources and financial assets Access to information about investment opportunities opportunity to access sources of finance and capital</p> <p>Individual assets Skills in pitching an preparing investment proposals</p>	Expanded pipeline of investment opportunities
Deal screening: More investment deals from WSMEs considered and approved		
<p>Financial instruments respond to women's needs/interests <i>(financial instruments could include savings instruments that give women control over their earnings, and insurance instruments that help to increase appetite for risk)</i></p> <p>Women's appetite for risk and ambition for scale taken into consideration</p>	<p>Resources and financial assets More women have opportunity to access sources of finance and capital</p> <p>Agency assets More women have opportunity to have control of finances</p> <p>Individual assets More women feel financially secure, and confident within risk/ambition limitations</p>	More financing requests from WSMEs screened and progressed
Pre-investment due diligence addresses potential constraints faced by women such as maternity leave absences	<p>Resources and financial assets More women have access to sources of finance and capital</p> <p>Agency assets</p>	Approved financing requests from WSMEs have better chance of being sustainable and delivering on social mission

Pre-investment due diligence considers gender aspects of WSME social mission and their ability to deliver on social mission objectives	Women have control and decision-making over time use and work/life balance	
<p>Contracts for key management positions that need to be put in place include gender equality considerations such as maternity leave. <i>(could this also be expanded to flexible work, work/life balance?)</i></p> <p>Gender aspects considered in Strategic plans and milestones, business model, growth and exit plans</p>	<p>Resources and financial assets More women have access to sources of finance and capital</p> <p>Agency assets Women have control and decision-making over time use and work/life balance</p>	Approved financing requests from WSMEs have better chance of being sustainable and delivering on social mission
Post deal engagement: encourage gender equity and inclusive culture in WSMEs		
<p>Through board participation investors encourage adoption of HR policies on</p> <ul style="list-style-type: none"> - pay equity - non-discriminatory recruitment and promotion practices <p><i>(Also on anti-harassment, flexible working etc.)</i></p> <p>Post investment technical assistance/capacity building helps prepare these policies and build business skills of WSMEs</p>	<p>Individual assets WSME business skills improved</p> <p>Agency assets Management and leaderships skills Control and decision-making over investment and expansion Control and decision-making over time use</p> <p>Benefits for women employees of WSMEs:</p> <p>Resource and financial assets More women have access to more and better opportunities</p> <p>Agency assets Women can rise into management and leadership positions and have opportunities to participate in decision-making <i>(Women have control and decision-making over time use and work/life balance)</i></p> <p>Individual Assets: Confidence and self esteem <i>(Safety and security in the workplace)</i></p>	Improved talent management in WSMEs and staff satisfaction (increased productivity and lower attrition rates)

Through post- investment engagement facilitate engagement of women leaders in local and regional business groups	Social assets WSME owners/managers develop networks and market linkages	Increased capacity of women SME owners/managers
Facilitate contact/mentoring with global female business leaders	Individual assets Women business leaders develop new skills, and confidence	Expanded markets and opportunities Improved business performance
Impact Assessment: Measuring the outcomes for women and WSMEs		
Developing realistic and feasible monitoring tools and frameworks that measure outcomes for women	Agency assets Collecting evidence to improve decision making	Developing feedback loops to improve processes and returns on investment
Promote enabling environment supportive of WSMEs		
Diversify Board of directors and Investment Committee in Investment Fund	Enabling Environment Change board attitudes on importance of diversity	Improved fund performance
Extend the incorporation of gender lens to other funds	Enabling environment Change attitudes regarding the investment potential and returns on investment in WSME	Improved performance of fund
Ensure diversity among investment staff	Enabling environment Change attitudes of investment staff	Improve gender equality in among the investment fund staff and management
Research portfolio for learning	Enabling environment Use facts and evidence to change attitudes of fund staff and managers	Build support for gender lens investing