



The Donor Committee for Enterprise Development

## Policy Brief for donors and decision makers when designing and measuring the results of gender-responsive PSD programs:

### Key lessons and recommendations drawn from a pilot study of BMZ-funded, GIZ-implemented interventions

#### A. Introduction

##### Why findings from the study are relevant to donors and decision-makers

This brief presents policy recommendations based on findings from a pilot study conducted by Marketshare Associates in the MENA region (Egypt and Morocco) on the household level results of GIZ implemented, BMZ-funded private sector development (PSD) programs.<sup>1</sup> The study included four unique programs designed with explicit women's economic empowerment objectives, however the lessons and findings are equally relevant for private sector development programs aiming to mainstream gender equality, and/or mitigate any potential negative results for women. Researchers designed and employed a Rapid Qualitative Assessment tool designed according to the Guidance for measuring women's economic empowerment in private sector development published by the DCED.<sup>2</sup> The study design represents innovative thinking in how to integrate qualitative household level monitoring tools to develop a more complete picture of if, how and why interventions are resulting in empowerment, as well as associated unintended consequences.

Women's economic empowerment is essential to achieving both women's human rights, as well as key development goals. The 2030 Agenda for Sustainable Development, and the associated Sustainable Development Goals include women's equality and empowerment as an explicit objective and also establish gender-responsive targets deemed fundamental to achieving the other goals.<sup>3</sup> Evidence shows that women's economic empowerment leads to wide ranging positive development outcomes, including reduced poverty, higher education levels, improved child and maternal health, increased welfare and economic growth.<sup>4</sup> And yet, despite a wealth of evidence demonstrating the case for investing in women's economic empowerment, it remains dismally underinvested as a share of economic development aid. According to the OECD's Development Assistance Committee (DAC) Network, in 2014 only 2% of aid funds allocated by DAC members to economic and productive sectors targeted women's economic empowerment as a principle

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<sup>1</sup> GIZ (2016). *Women's Economic Empowerment in the MENA Region: Rapid assessment of household level results*. Available at: <http://star-www.giz.de/pub?r=42560>

<sup>2</sup> Markel, Erin. *Measuring Women's Economic Empowerment in Private Sector Development* (Donor Committee for Enterprise Development: 2014).

<sup>3</sup> UN Women. "Women and the SDGs" <http://www.unwomen.org/en/news/in-focus/women-and-the-sdgs/sdg-5-gender-equality#sthash.LCVETc4W.dpuf>

<sup>4</sup> World Bank studies, including the World Development Report 2012, show that women's economic advancement and gender equality is linked to improvements in child nutrition within the household, lower rates of food insecurity for communities and higher income per capita at the national level.

objective.<sup>5</sup> Within this context, unequal access to educational and economic opportunities persists in many countries around the world. Nonetheless, women's economic empowerment continues to grow as a priority within the donor community, both through gender mainstreamed initiatives and those specifically targeting women, with parallel growth in learning around how to best design and assess programs.

### **Current gaps in assessing empowerment**

Empowerment is a complex process that enables women to advance economically and have increased power to make and act on economic decisions that impact themselves and their families. Measuring how this process unfolds at the household level is important because it is one key place where women and men live and experience changes – positive or negative – associated with new economic opportunities and activities. However, household level results of PSD programs are rarely assessed within traditional results measurement systems, which is unfortunate for several reasons. First, it means that relatively little is known about whether PSD programs are actually contributing to or undermining women's economic empowerment. Additionally, it means that donors and practitioners have relatively limited understanding of how and why PSD programs that have successfully achieved empowerment results have been able to catalyze positive changes for women at the household level. This brief summarizes findings from the pilot study, while also drawing on recent research and recommendations from the broader economic development community to provide high level recommendations for donors and decision makers who are looking to better design for women's economic empowerment and to better capture the results.

## **B. Considerations in PSD programme design for women's empowerment**

Integrating private sector development and women's economic empowerment remains relatively new, with ongoing discussion in the practitioner and donor communities about how to best support broader economic growth while applying an empowerment lens. The following broad themes emerged from the study, which speak to key considerations for how to do so effectively.

- **Program targeting and impact projections should account for gendered social norms associated with different life stages.** Social norms surrounding women's economic activities differ according to life stage (i.e. unmarried and living with parents, married, raising children, divorced, widowed, etc.), and can represent a key market constraint. These also differ according to geographic context and country, and should be taken extremely seriously. Programs that fail to take the social norms associated with different life stages into account may create risks for women who participate.<sup>6</sup> Given the seriousness of potential unintended consequences, it is recommended that donors **require programs to conduct qualitative assessments** designed to reveal negative results associated with economic empowerment programming, so as to adapt strategies accordingly.
- **Commit resources to sensitizing and involving men.** Findings show that a successful economic empowerment process is greatly facilitated by the support of husbands, brothers, fathers or other male household members. Requiring implementing partners (and providing

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<sup>5</sup> OECD DAC Network on Gender Equality. *Tracking the money for women's economic empowerment: Still a drop in the ocean* (2016). Available at: <http://www.oecd.org/dac/gender-development/tracking-money-for-womens-economic-empowerment.htm>.

<sup>6</sup> More research on this is forthcoming through the BEAM Exchange. See: <https://beamexchange.org/community/blogs/2015/8/12/msagenderresearch/>

the resources) to develop locally-rooted strategies to encourage support from male household members, community leaders and business people can increase the effectiveness of interventions and reduce the risk of backlash or gender-based violence that may result from changes in women's economic participation and household power dynamics.

- **Require implementing partners to ensure that they achieve both *access* and *agency* related results.** Access to resources, services and opportunities, as well as the agency to act on those opportunities and influence the surrounding environment are both central to the empowerment process. Increasing a woman's income through PSD programming does not necessarily lead to empowerment, if it does not change her ability to influence how resources are spent or how she spends her time, for example. Findings from the pilot study, as well as other recent research<sup>7</sup> shows that the relationship between the two is complex and plays out differently in different contexts, but that both are needed for true empowerment.
- **Consider women's wage work and workplace gender diversity in program design.** Working through companies to build a business case for hiring and empowering women has the potential to achieve larger-scale and longer-term impact, while also providing a more regular source of income for women. Interviewees from the pilot study described being drawn to the stability of regular wage work, particularly in contexts where political and economic instability make entrepreneurial investments highly risky, such as in Egypt. Indeed, other research has demonstrated the transformative power of formal, regular wage work for women, while also recognizing that it is limited by lack of decent opportunities, and segmentation of the labour market.<sup>8</sup>

### **C. Measuring empowerment-related indicators and integrating lessons learned into programme cycles and reporting requirements**

Assessing gender and empowerment related indicators over the course of a programme life-cycle can provide invaluable information for improving programme design and impact, mitigating risks to women, and informing future programme development. The recommendations outlined below emerged from the pilot study and underscore this point.

- **Mandate a combination of quantitative and qualitative information gathering on gender dynamics and empowerment over the course of a programme life-cycle.** Upfront gender analysis is critical, yet it isn't enough. Regular analysis and assessments are needed throughout the life of a program. Follow-up studies do not need to be as extensive or involved as the initial gender analysis, but should include both quantitative and qualitative data collection so as to understand if, how and why changes are taking place, and to capture unintended consequences (positive and negative). Capturing this information is valuable for adaptive management practices in current programming, as well as for future program design.

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<sup>7</sup> Markel, Erin and Lindsey Jones.. *Women's Economic Empowerment: Pushing the Frontiers of Inclusive Market Development* (Leveraging Economic Opportunities: 2014). [http://marketshareassociates.com/wp-content/uploads/2014/11/WEE\\_in\\_Market\\_Systems\\_Framework\\_final.pdf](http://marketshareassociates.com/wp-content/uploads/2014/11/WEE_in_Market_Systems_Framework_final.pdf)

<sup>8</sup> See: Kabeer, Naila. "Women's economic empowerment and inclusive growth: labour markets and enterprise development." *International Development Research Centre* (2012).

- **Assess women's economic empowerment within multiple spheres that impact her life (work place, household, community, etc.).** Only measuring jobs and income - as is often the case in PSD programs - is insufficient because it does not capture the complex changes that women experience in their homes and communities as a result of new economic activities. Empowerment related indicators, such as time-use, household decision-making, gender perceptions, and freedom of mobility provide insight into whether PSD interventions are actually translating into women's ability to influence household and community decisions, ultimately leading to the broader positive development impacts described in the introduction. Using a Rapid Qualitative Assessment tool, such as the one developed and refined during the pilot study is one of several tools that would be needed for integrating household level indicators so as to provide this insight.
- **Sex-disaggregated data is necessary and should be collected, but is insufficient for understanding changes in women's empowerment and men's engagement.** Most PSD results measurement systems that take a gender mainstreaming approach tend to capture gendered results only through sex-disaggregated data. Additional qualitative information tends to be needed in order to assess the ways in which women experience changes (or how and why no changes have taken place) and to reveal the trade-offs and risks associated with the empowerment process. Including targeted qualitative indicators specific to empowerment results therefore allows for a more nuanced assessment of outcomes..
- **Create an organizational culture and results measurement systems conducive to capturing and reporting on negative unintended consequences.** Practitioners are increasingly recognizing and documenting the potential negative results associated with promoting women's economic empowerment, including increased work burdens and gender-based violence. The pilot study revealed some cases where women experienced an overall increase in their workload or greater risk of household violence. While such results are obviously extremely sensitive to report on, it is critical that donors and decision-makers establish a safe environment where practitioners are comfortable capturing, documenting and reporting on negative results, in order to develop creative and collaborative strategies for minimizing them in the future.

#### **D. Budget time and resources for gender-responsive results measurement**

Gender responsive results measurement that responds to the recommendations above requires additional resources, in terms of staff time and capacity building, and to hire external support as needed. The following points should be considered when budgeting for gender-responsive results measurement systems that capture adequate information for demonstrating women's economic empowerment impacts (and their links to other associated development goals), and that feed into improved program design.

- **Budget for capacity building to develop a strong internal culture and effective leadership that empowers staff and local partners (men and women) to engage with gender issues.** Team leaders, in particular, must be able and willing to communicate the importance of assessing, analysing and tracking complex gender dynamics in order to achieve women's economic empowerment and associated PSD outcomes. Team leaders must empower their staff to make decisions about how to integrate a nuanced gender lens at the field level, and

for both men and women to become champions of change. Allocating funds to also develop strategies for building the capacity of local partners to become more gender responsive, is equally important, and may take a more nuanced approach to navigating cultural sensitivities.

- **Allocate appropriate resources for strong qualitative research and analysis.** Qualitative research around sensitive issues, such as household level gender dynamics, takes particular expertise and skill. Due to the relatively new nature of integrating women's empowerment indicators in PSD results measurement systems, many M&E staff are likely to need additional capacity building in how to design and conduct household level qualitative assessments that capture gender dynamics.
- **Budget for ongoing monitoring and gender assessments.** As previously mentioned, conducting an upfront gender assessment is critical, yet insufficient, particularly given the potential unintended consequences of gendered PSD programming. Providing resources for adequate and ongoing monitoring is critical for capturing changes early and throughout a programme cycle, so as to build on positive results and mitigate risks.

## **E. Conclusion**

The findings and recommendations provided here are based on the experiences and research results of a pilot study on gender-targeted private sector development programs in the MENA region, and are also supported by recent research and recommendations from the Donor Committee for Enterprise Development, UN Women, USAID's Leveraging Economic Opportunities, and the BEAM Exchange.

The focus of this brief is on designing and measuring the gendered-results of private sector development programming, but recommendations have pertinence across a broader range of sectors that are looking to leverage women's empowerment for enhanced development outcomes. Qualitative household-level assessments that shed light on whether and why women are experiencing empowerment should play a complementary and critical role in informing decision-making. Donors have a responsibility to beneficiaries and their constituencies to invest in capturing information that allows for an understanding of whether, how and why funding for women's economic empowerment is leading to its intended results.