Realising the potential of women’s collective enterprises

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Why invest in women’s collective enterprises for women’s economic empowerment?

- Endowments, entitlements and investments that women receive are not the same as men
  - Women constitute 14% of landowners in India (Agarwal et al 2020)
- Women’s economic empowerment: control over their economic lives
- Supporting women-run and led businesses can give resource-poor women ownership and agency over economic assets
  - Evidence of long-run effects of asset transfer+ financial inclusion programs in India (Banerjee, Duflo, Sharma 2021)
- Collective enterprises can alleviate the structural and systematic disadvantages that women’s enterprises face
  - Collective action to access resources and markets
  - Collective bargaining
  - Reduction in costs
  - Economies of scale
  - Share risks
  - Problems of free-riding, inefficient investments, co-ordination
Swashakt: projects span 9 states and several sectors

• Success stories of collectives in India such as SEWA, Kudumbashree, SERP

• SHGs are a platform for rural women: Over 80 million women mobilized in SHGs
  • Increase in access to financial assets
  • Improvements in income and income sources
  • Better linkages with social programs
  • Women’s economic inclusion
  • All impacts are higher with further collectivization of SHGs or federations (Kochar et al 2020)

• 3ie with support from Bill & Melinda Gates Foundation launched the Swashakt program in 2020.

• The 9 Swashakt projects set up and replicate models of women’s collective enterprises across 9 states in India.
Women’s economic empowerment and collectives

Power within: capabilities, knowledge, self esteem
- Technical and technology trainings
- Skill building exercises
- Gender integration trainings

Power to: take economic decisions (agency) within households and enterprises
- Leadership trainings
- Entrepreneurial trainings
- Soft skills

Power with: organize with others to enhance economic activities and entitlements
- Collectivisation
- Partnerships
- Governance
- Networks

Power over: access to and control over financial, material and knowledge based assets
- Common production units
  - Group credit
  - Market access
  - Digitization

Source: Pereznieto and Taylor (2014), Dang et al (Forthcoming)
Supporting collective enterprises through diverse solutions

• Identified challenges of WECs
  • Barely sustainable: weak economic models and financially unviable
  • Lack of self-sufficiency and internal capacity
  • Lack of replicability and potential for scale
  • No ‘big push’

• Swashakt supports ‘solutions’ that set up a strong foundation for WECs, generate higher value for women and demonstrate potential for scale
**Inputs**

- Human resources (staff, experts, trainers)
- Assets, infrastructure
- Technology

**Interventions**

- Formation of WECs
- Capacity building of women through trainings on (i) technology (ii) digital literacy (iii) management (iv) marketing (v) soft skills/ life skills/ gender
- Investments in improved assets, infrastructure and technology
- Input/ output market and institutional linkages
- Product innovations

**Outputs**

- Women actively participate in WECs
- Women participate in trainings and find them useful
- Improved assets, infrastructure and technology are used by collectives and women
- Women are aware of and connected to networks and establish linkages
- Women and collectives take up innovations

**Intermediate Outcomes**

- Women participate in entrepreneurial activities
- Women’s social capital improves

**Outcomes**

- Women’s confidence improve
- Women participate in (i) personal (ii) household (iii) enterprise and (iv) community decision making
- Women have ownership and control over productive assets
- Women’s income increase
- Sales/ profits of collectives increase

**Theory of Change**