

The Impact of a Gender and Business Training. Experimental Evidence from Vietnam September 18, ILO Geneva

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Initial microfinance movement assumed that only credit is needed



“Rather than waste our time teaching them new skills, we try to make maximum use of their existing skills. Giving the poor access to credit allows them to immediately put into practice the skills they already know. “

Relevance of trainings: Other literature

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- Training programs affect knowledge levels
- Less evidence for impact on business practices
- Almost no evidence that trainings affect income/profits
- And..most studies suggest that entrepreneurship trainings do not benefit women.

Our study

- Evaluation of ILO GET Ahead program to female microfinance borrowers of TYM in Vietnam
- Main contributions:
 - We find positive effects on women
 - We integrate husbands into the training
 - We have a large sample size

Contents of the training

- Training contains 9 different modules:
 - 3 gender modules (Gender and entrepreneurship; business woman and her self-confidence; business woman and her environment); business projects; marketing; financial literacy; management
- Training during monthly center meetings.
- Each module takes 45–60 minutes.
- In addition, discussions and consultations for the trainees on a weekly basis

Methodology: comparison of 3 groups

1. Women invited to the training programme (900)
2. Women invited to the training programme; husbands also (1500)
3. Control group: only credit (1600)

Time schedule:

1. Baseline: October/November 2011
2. Training: Feb-September 2012
3. Midline survey: March/April 2013
4. Endline: November 2013

Main results: Economic effects

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- Large impacts on knowledge
- Large impacts on business practices (especially endline)
- Mixed results Sales and Profits:
 - Only significant positive effects at endline
 - And (almost) only for Agricultural activities
 - And.. only significant if husbands are also invited
- More start up of new business activities
- Somewhat less “exit”
- Some indications of positive effects of inviting husbands:
Larger impact on sales/profits and more start up.

Main results: Gender effects

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- Control beliefs: Positive impact at endline.
- Relational violence and relational oppression: training reduces “relational frictions” at endline.
- Intra-household decision making: training has positive impact on female decisions about important purchases, at the endline.
- Mixed results regarding husband involvement.

Conclusions/Policy recommendations

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1. Support for “finance plus” approach
 - More knowledge; Better practices; More start-up; slow down exit existing business; positive effects profits
2. Some evidence positive effects husband involvements
 - Larger impacts on sales/profits; More start-up and some positive gender effects. Invite husbands for ”gender” modules.

**THANK YOU FOR
YOUR ATTENTION**