



Women's
Entrepreneurship
Development



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International Center
for Research on Women
where insight and action connect



ipa
INNOVATIONS FOR
POVERTY ACTION

Business training to boost women entrepreneurship and empowerment?

Preliminary evidence from an impact evaluation

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The setting: ILO GET-AHEAD

- Gender based business training focused on experiential learning; agency, empowerment, control of resources
- Since 2001, 35 countries, over 30,000 graduates
- 5 day, 40 hour course
- Training offered for free with \$6/day transport subsidy

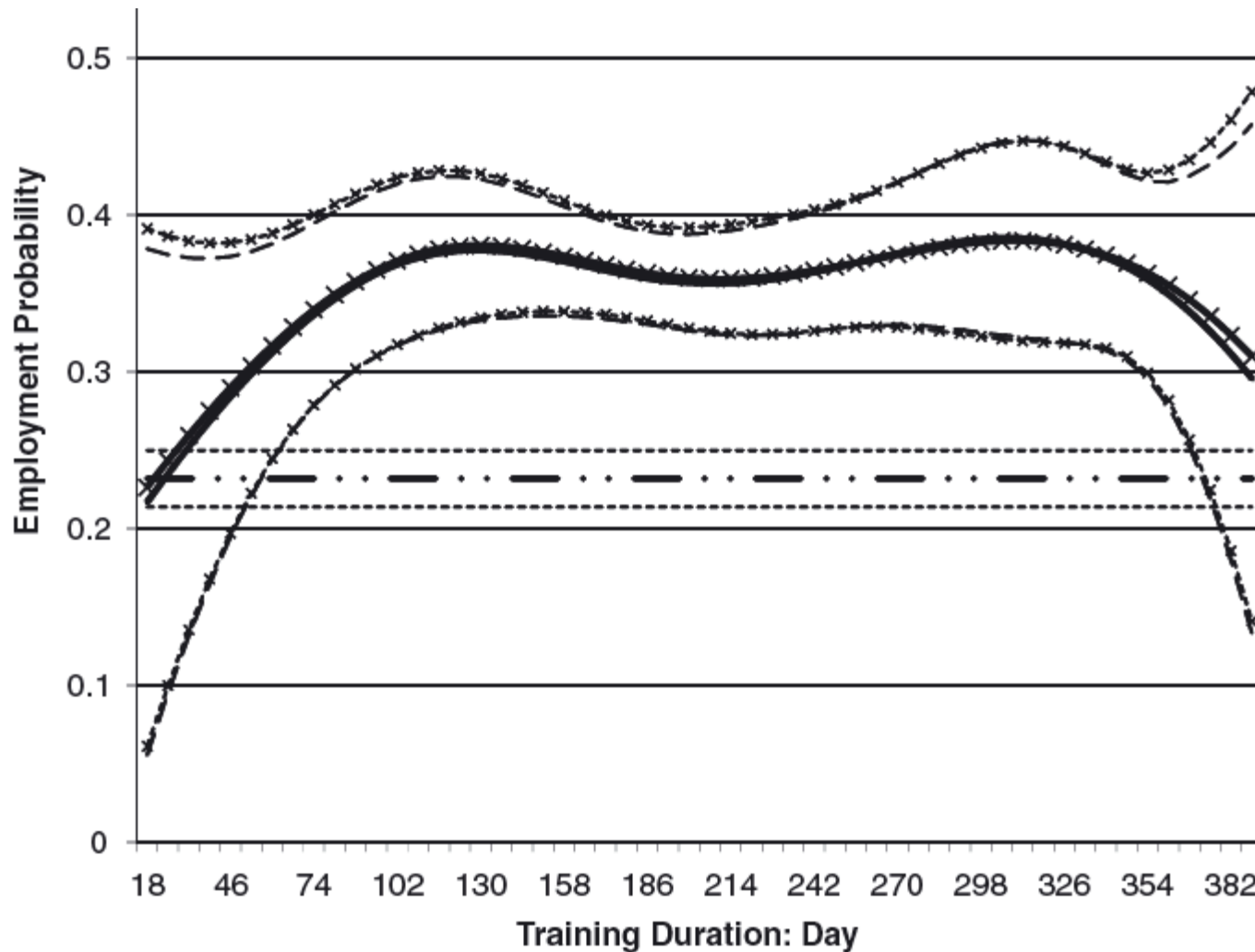
Theory of change

- Women do not have sufficient business knowledge and skills to grow businesses
- Women led businesses remain small, no employees: training can allow them to grow
- Women are not empowered, do not have control over their own resources
- Women lack access to market, networks and supply chains

Why evaluate?

- Global evidence on training is strong but evidence of impact on women is weak
- Training takes time -> negative effects in short-run
- But positive (and large?) long-run effect
- Negative effect if training obsolete / useless
- Comprehensive training programs work
- Length of training important

Length of training



Source: Kluve, Schneider, Uhlendorff, Zhao (2012)

Evaluation background

Aim: To assess impact of ILO Get Ahead training ++ on women entrepreneurs' business, livelihoods and empowerment

Two level randomized evaluation

2 components: Quantitative and qualitative

Donor: International Initiative for Impact Evaluation (\$700,000)

Timeline: 2013-2016

Where?

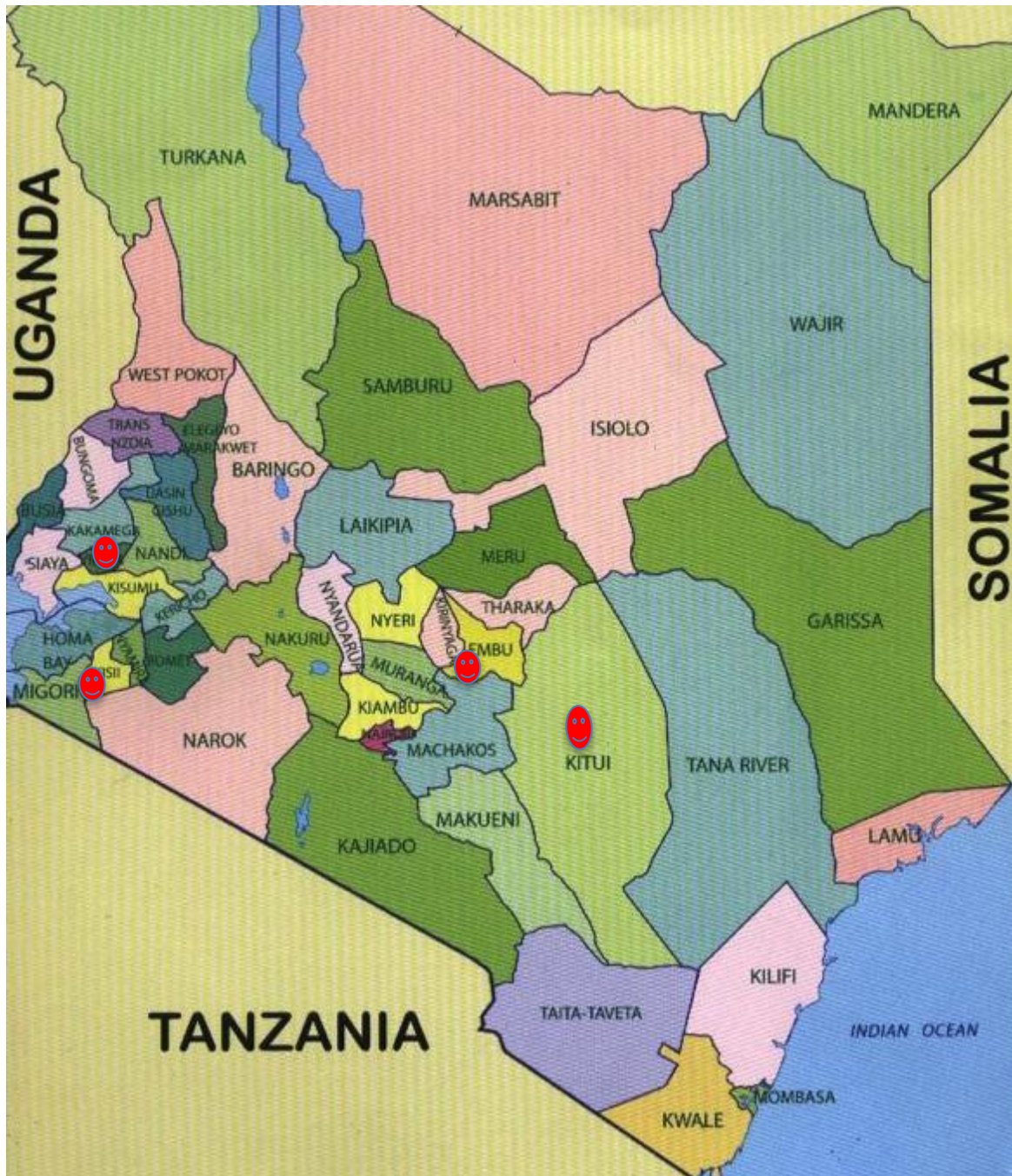
Kakamega

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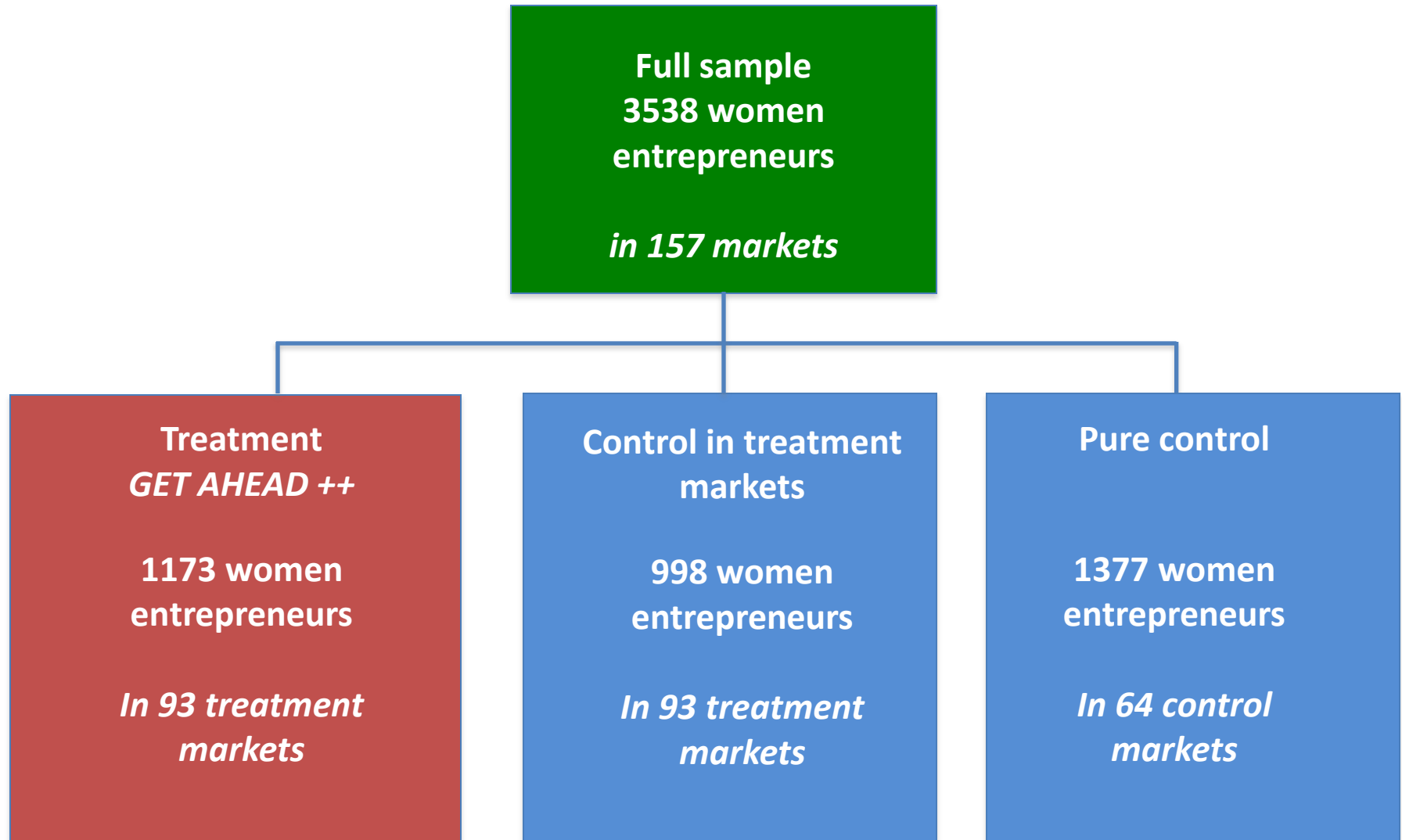
Embu

Kitui

In 157 markets



Research design



Randomization at market level



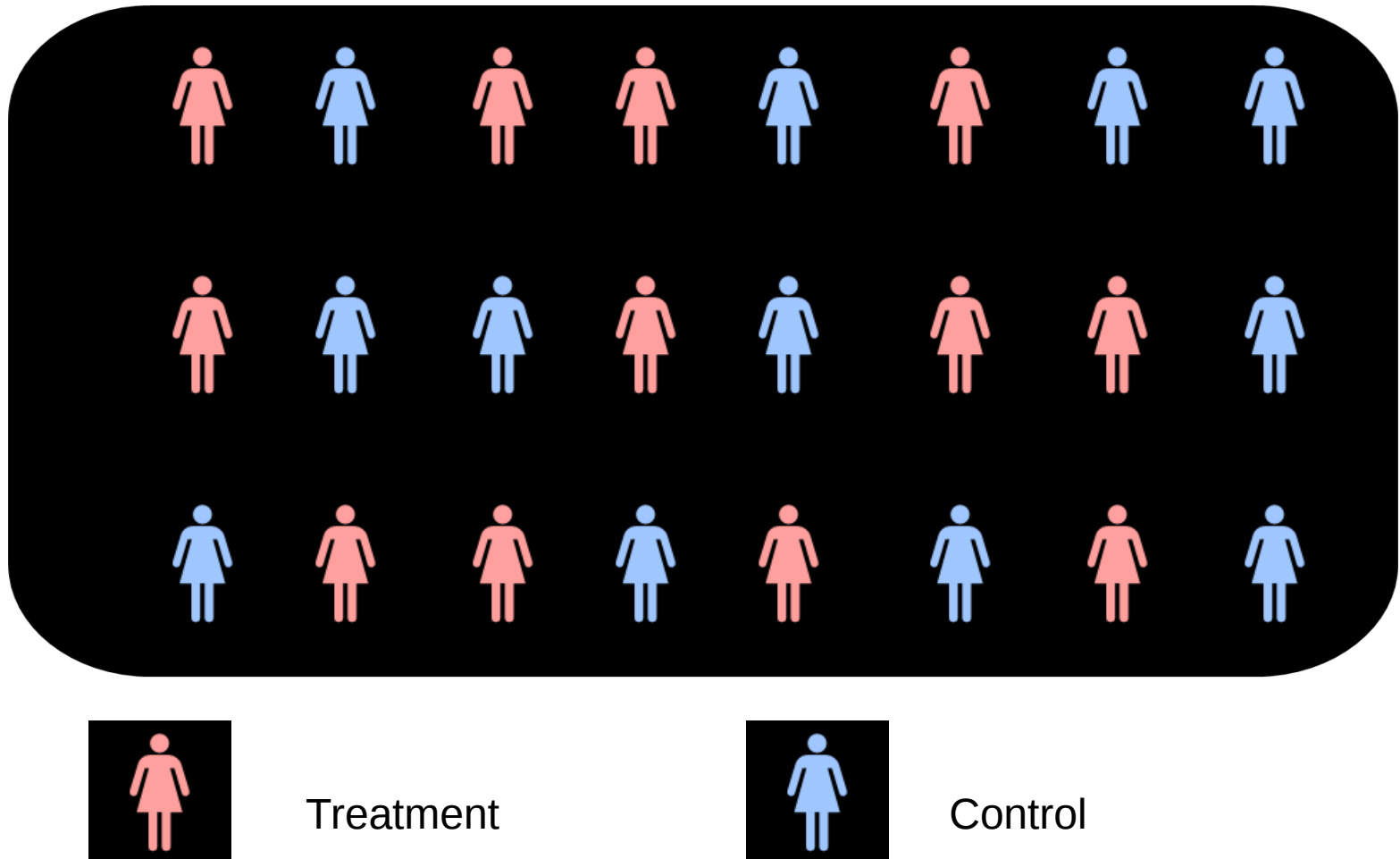
Randomization at market level



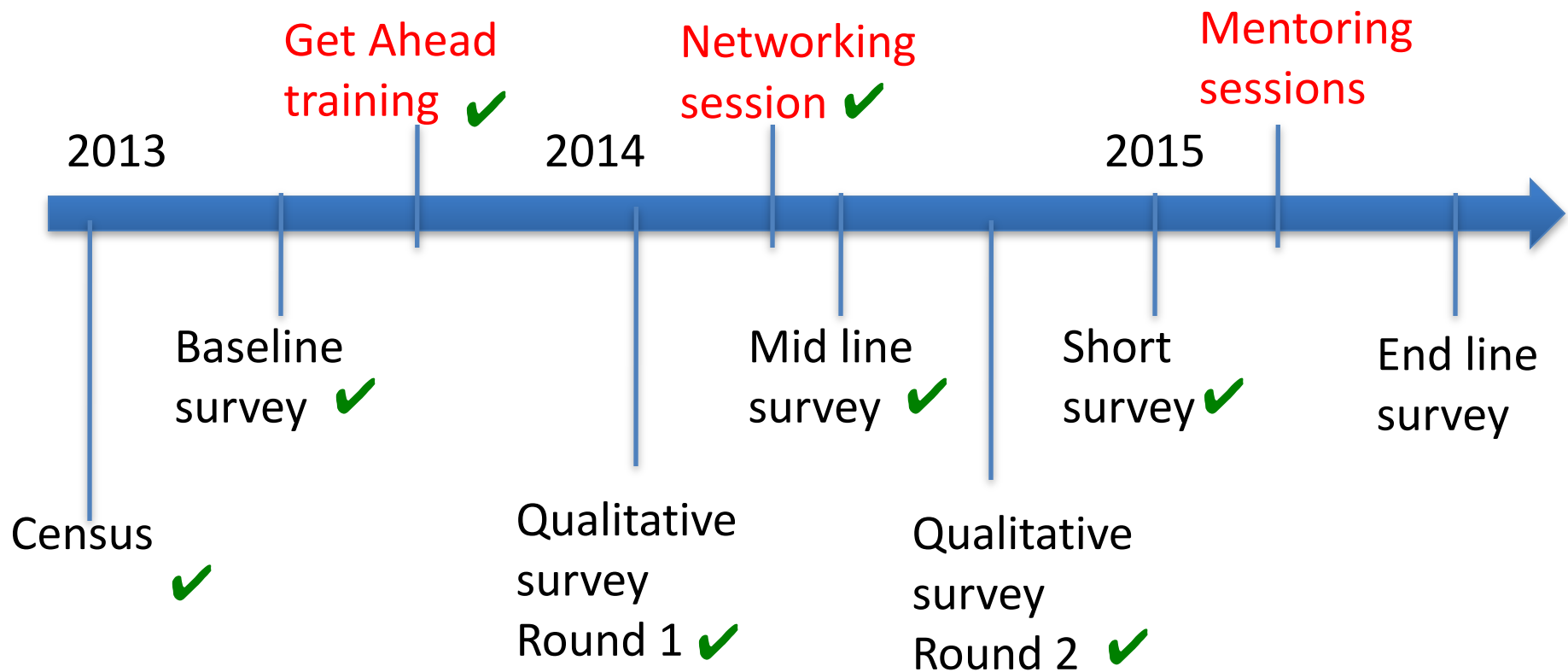
Randomizing at the individual level



Randomizing at the individual level



Timeline and progress



Power

- Business training and private sector development programs in Africa low powered
- Census meant to bring variance co-efficient to 0.8
- Over-sampling to ensure 50% take-up rate
- 0.05 inter cluster correlation based on other income studies from Egypt and Ghana

Power

- 93 markets treatment, 64 markets in control
 - 80% power, 10% attrition
 - MDE: 15% increase in profits
-
- 1172 entrepreneurs in treated, 988 in control
 - 80% power, 10% attrition
 - MDE: 11.6% increase in profits

Preliminary Results



Balance tests

Table 3: Individual Characteristics and Verification of Randomization at the Individual Level

	Treatment Group (1)	Spillover Group (2)	Pure Controls (3)	P-value (1) vs (2)	P-value (1) vs (3)	P-value (2) vs (3)
Age	36.0	35.6	35.7	0.482	0.454	0.690
Years of Education	8.92	8.91	9.09	0.910	0.569	0.515
Married	0.67	0.66	0.67	0.404	0.638	0.518
Household Size	4.97	4.85	4.85	0.188	0.262	0.499
Empowerment Index	6.93	6.94	7.01	0.907	0.348	0.569
Age of Firm	6.39	6.57	6.27	0.574	0.741	0.403
Number of Employees	0.27	0.27	0.27	0.747	0.989	0.953
Weekly Profits	1128	1140	1091	0.987	0.395	0.322
Weekly Sales	4517	4859	4182	0.148	0.085	0.001
Capital Stock	30571	34092	29370	0.248	0.863	0.101
Ever Received Bank or Microfinance Loan	0.24	0.25	0.24	0.891	0.482	0.934
Keeps Records	0.37	0.34	0.34	0.235	0.094	0.974
Business Practices Score	0.53	0.53	0.52	0.934	0.487	0.598
Joint orthogonality test p-value				0.810	0.620	0.090
Sample Size	1172	988	1377			

Profile of women entrepreneurs

- 36 years old
- 9 years of schooling
- Selling fruit/vegetables, household goods, dressmaking, selling grains & cereals, running small restaurant
- Running her business for just over 6 years
- 2/3 are married
- 25% have ever taken a loan from banks or MFIs
- 35% keep business records at baseline
- Using just over half of the 26 business practices
- Mean firm has capital stock of 31,000 KSH

MIDLINE RESULTS

High demand for Get Ahead training



901 WE trained

Take-up rate: 80%

95% WE who came on 1st day attended the 5 days

Strong association of attendance with age

Higher attendance for those with higher education & closer to venue

Costs: Between KHS 22,293 - 33,440 / woman trained

Impact on business knowledge, practices and survival

Modest impact on business practices

- 10% increase in the use of business practices
- Equally effective for women with low and high initial business skills.
- Very small positive spillover effects

No impact on business knowledge requiring calculations

No impact on business survival

- 11% of firms closed down over period
- Insignificant spillover effect on survival

Impact on business performances

Increase in weekly sales and profits

- 7 to 18 % increase in sales and profits
- Between KSH 113 and 210/week
- Need 2 to 6 years for benefits to exceed costs

Positive effect on the ratio of business profits in the worst week of the year to the current week

- Businesses are more likely to regularly use business records to know if sales of a particular product are increasing or decreasing.

Modest increase in marketing and customer retention

No significant impacts on access to finance, costing, owner labor supply, self-efficacy

Impact on empowerment & attitudes

Modest positive impacts on subjective well-being and mental health

Slight increase in merry-go-round membership

→ 3 percentage point increase

→ Confirmed by qualitative work

→ ½ networking session further increases membership

No significant impacts on attitudes, empowerment, or discussing work with other women

But qualitative survey shows some positive effects:

“My confidence has changed because those things I lacked, now I have them”

Challenges

Repetitive surveys brought fatigue among women entrepreneurs especially in the control group

→ 1 baseline, 2 follow-up surveys, upcoming endline survey

→ Qualitative survey

Collecting data was sometimes difficult

→ in counties with large distances, rainy season...

→ Attrition-migration, dropping out of study, deaths

→ Tight timeline, especially in the beginning

→ Research rose expectations among entrepreneurs

Way forward

Implementation of “mentoring” intervention

→ May-October 2015

Endline survey

→ December 2015 – March 2016

Final impact report

→ June 2016

Dissemination of results and EBA

→ From June 2016 onwards

THANK YOU!

