Enterprising Women: Toward Equal Business Opportunity in Southeast Asia

East Asia and Pacific Gender Innovation Lab
August 31, 2022
Overview
Gender gaps in entrepreneurship in Southeast Asia

Stylized facts and a conceptual framework
Gender gaps depend on business size

**Microbusinesses:** Similar rates of participation, women have lower profits

**SME:** Women less likely to own, similar business performance
Framework to understand gender gaps in entrepreneurship
Understanding gender gaps in microenterprise profits

Women’s lower levels of hired labor, time for own labor, skills, and capital
Female microentrepreneurs have fewer paid workers
Time spent on domestic work is associated with lower profits.
Female microentrepreneurs have lower levels of education

In Vietnam, female microentrepreneurs have lower levels of business-specific knowledge and are less likely to adopt innovative business practices.
Women have lower levels of capital.

Distribution of start-up capital in Indonesia, by gender
Kernel Density Estimate

Distribution of financial assets in Vietnam, by gender
Kernel Density Estimate
Understanding gender gaps in SME ownership

Women’s lower levels of skills, access to information, and capital
SME owners use better business practices and have more education than microenterprise owners

Women have lower educational attainment, literacy, and business-specific knowledge
Female SME owners have larger networks and more men in their networks

Gender norms restrict time for networking and types of acceptable relations
SME owners are more likely to have loans and are more leveraged

Women have unequal access to capital inputs including land and credit
Toward Equal Business Opportunity in Southeast Asia

Promising policies to alleviate identified gendered constraints
## Programs to improve skills and access to capital

<table>
<thead>
<tr>
<th>Type of Intervention</th>
<th>Intervention Description</th>
<th>Relevance Micro</th>
<th>Relevance SME</th>
<th>Effectiveness</th>
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<tbody>
<tr>
<td><strong>Skill Enhancing</strong></td>
<td>Standard Business Training Programs</td>
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<td>Alternative Business Training Programs</td>
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<td>Personalized Guidance from Business Consultants or Trained Mentors</td>
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<td>Peer-to-Peer Learning and Network Formation</td>
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**Relevance**
- Strong relevance
- Somewhat relevant
- Not relevant

**Effectiveness**
- Demonstrated effectiveness
- Mixed or limited evidence
- Minimally or not effective

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<td>Business Plan Competitions</td>
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<td>Savings Promotion</td>
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Programs to address labor constraints

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<tr>
<td>Supporting hiring and managing of workers</td>
<td>Improving knowledge of labor laws and good human resources practices</td>
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<td>Wage subsidies</td>
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**ALLEVIATING TIME CONSTRAINTS RELATED TO DOMESTIC WORK**
- Improving access to affordable, quality childcare
- Supporting access to time-saving, improved household infrastructure
- Parental leave policies
- Engaging men and shifting intra-household allocation of domestic work
Need to apply gender lens to all MSME policies to ensure equitable access

Checklist for Ensuring Equitable Access to MSME Policies:

- Is the program’s content relevant for female entrepreneurs and is it tailored to their needs?
- Do the program’s logistical arrangements make it more difficult for women to access or participate in the program?
- Could social norms or stereotypes lower the likelihood that women participate in the program, and can those risks be mitigated?
- Are there mitigation measures in place to protect female entrepreneurs from the risk of gender-based violence, harassment, and discrimination?
- Could gender imbalances in intra-household bargaining affect the effectiveness of the program for female entrepreneurs, and can a gender-smart design overcome such impediments?
Creating a comprehensive, coordinated policy agenda
www.worldbank.org/eapgil

Link to report