



Innovation & Entrepreneurship

Supporting High Growth Potential Women Entrepreneurs

The World Bank Group helps women entrepreneurs overcome the constraints they face in achieving full economic participation, and in maximizing their potential contributions to the economy and to society.

Context

Eliminating extreme poverty and boosting shared prosperity can only be achieved with the full economic participation of both men and women. Nearly one billion women with the potential to contribute more fully to their economies are constrained from doing so. Of these, 812 million live in developing countries where additional contributions are most needed. In addition to issues of economic fairness, the costs of leaving women out of economic participation are unacceptable.

Empowering female entrepreneurs, especially those in high-growth sectors, has the potential to create jobs, increase incomes, lift thousands of households out of poverty, and lead to greater economic and social transformation.

Two factors that contribute significantly to the high cost of marginalizing women from their full economic potential can be addressed by implementing programs that target female entrepreneurs. First, there is evidence of a gender-based performance gap between female and male entrepreneurs. Women tend to enter into entrepreneurship activities at a lower economic level than men, with female entrepreneurs operating informally and concentrated in low productivity sectors with limited potential for growth. Second, while all entrepreneurs in developing countries experience significant obstacles in their businesses activities, evidence suggests that the extent of the barriers faced by women entrepreneurs is often significantly larger than those experienced by their male peers. Women-led enterprises face a number of constraints, including:

- Lack of appropriate initial conditions at the startup stage. In some countries, women have less access

to education than men and their access to finance is constrained by significant obstacles to owning or inheriting assets or engaging with financial institutions.

- Policies, regulations, and institutions that discriminate against women. These obstacles can range from laws barring women from obtaining bank loans without male consent to the implementation of regulations that target traditionally female-dominated sectors with the objective of obtaining bribes.
- Social norms. While the social pressures placed on women vary from country to country, social norms often limit women's economic participation by limiting their physical mobility or the time they have available to run a business. Social norms underlie the sectors of economic activity women work in, with the result that women tend to cluster in service sectors with low productivity and growth potential.

What we offer

We support efforts to address the constraints faced by women entrepreneurs. The support falls into two broad categories encompassing women's business capabilities and the reform of regulations that stand in the way of women entrepreneurs.

Business capabilities, mentoring, networking support, and financing

This approach combines training in business education and skills, with high quality mentoring and networking activities. Successful intervention requires designing curricula that are appropriate for the needs and

cultural context of women entrepreneurs, the training of instructors to effectively support those needs, and the organization of mentoring and networking events that create links among women entrepreneurs while opening market opportunities in male-dominated sectors. These programs seek to address constraints associated with social norms by integrating community engagement elements, such as discussions with community leaders on the positive role of female entrepreneurs, and organizing joint sessions with spouses on how to support female entrepreneurship.

Where appropriate, these approaches can be combined with specific finance products tailored to female entrepreneurs. The objective is to first establish a pipeline of women entrepreneurs with better business capabilities and then link qualified candidates to specific financial products.

Regulatory reform programs target legal and regulatory elements that act as barriers to women's economic participation. The objective is to implement legal and regulatory reform that will enable the growth of female enterprises.

This approach combines proven solutions with new offerings being tested as pilots, specifically:

- Programs supporting the crossover of women entrepreneurs to more productive sectors and to higher-value activities within traditional sectors.
- New approaches and instruments to addressing the constraints social norms impose on female entrepreneurs.
- Measures that strengthen the capacity of institutions to implement and enforce regulations in a non-discriminatory way.

Our work in action

In the **Caribbean**, the World Bank Group supported the development of the women innovators network Caribbean (winC) to connect growth-oriented women entrepreneurs and help them scale their businesses through mentoring, training, and peer-to-peer learning. Led by women in the region, the network has engaged hundreds of women online and provided a platform from which they can receive access to mentorship and participate in focus groups and workshops. The World Bank Group has also provided training programs for women entrepreneurs.

In **Côte d'Ivoire**, through the Women, Business and the Law reform program, the World Bank Group is helping the government implement reforms to its family law to increase female participation in business. For example, amendments to the Family Code allowed both spouses a role in choosing the family domicile and pursuing their career of choice, taking into account the interests of the family. The code was also reformed to eliminate provisions providing childcare benefits only to men as head of household. In addition, married women no longer need to provide their marriage certificates to obtain passports.

Relevant publications

[Supporting Growth-Oriented Women Entrepreneurs: A Review of the Evidence and Key Challenges](#) (2014)

[Enterprising Women: Expanding Economic Opportunities in Africa](#) (2013)

For further information

Valerie d'Costa, Program Manager, infoDev
vdcosta@worldbank.org

Komal Mohindra, Senior Private Sector Development Specialist
kmohindra@ifc.org

Xavier Cirera, Economist
xcirera@worldbank.org