

Activist to entrepreneur:

The role of social enterprise in supporting women's empowerment in India

by Mark Richardson, Isabel Salovaara, Arun Kumar Gopaldaswamy & Bally Sappal

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About the Authors

This report was written by Mark Richardson and Bally Sappal from Social Impact Consulting, Isabel Salovaara from the Jindal Centre for Social Innovation & Entrepreneurship, and Arun Kumar from the Indian Institute of Technology, Madras.

The research was conceived and managed by Paula Woodman, British Council.

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Vaidik Dalal	Jindal Global Business School
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1 Executive summary

India continues to face significant challenges in the area of gender equality. Sex-selective abortion, foeticide, and infanticide are still prevalent in India, despite being illegal. Violence against women is endemic with over 300,000 crimes reported in 2015, and the rate of unreported crime is far, far higher. Economically, women are also disadvantaged with only 39 per cent employed and men paid more than women by an average of nearly 25 per cent, and even more in the corporate sectorⁱ. The UN's Sustainable Development Goal (SDG) Number 5 is to 'achieve gender equality and empower all women and girls.' There is a lot of work to be done to achieve this by the target date of 2030.

In recent years, social enterprise has started to play a small but growing role in women's empowerment. Proportionally more women lead social enterprises than for-profit businesses in India. There are some well-publicised examples of social enterprises supporting vulnerable women through employment and training, and providing affordable products and services. However many of the gender inequalities in the wider Indian economy are reflected in the social enterprise sector: gender segregation, a wage gap, and prejudice and discrimination against women social entrepreneurs.

This report sets out to establish how well social enterprise addresses gender inequality and women's empowerment in India. It is part of a series of reports commissioned by the British Council to look at the link between social enterprise and women's empowerment across five countries: Brazil, India, Pakistan, the UK and the US. It explores the strengths and weaknesses of social enterprise as a mechanism for empowering women and considers different ways it is being used for this end. It also examines the idea that social enterprise as a business model might advance women's empowerment even when that is not a specific objective.

It should be stressed that social enterprise is simply one tool in supporting women's empowerment. It can be extremely useful and effective in certain contexts, as this report will demonstrate. But it should be seen as complementary to, not in competition with, other approaches to women's empowerment. Gender equality can only be achieved through a multi-faceted approach.

That said, we found social enterprises supporting women's empowerment in three powerful ways:

- by creating economic empowerment for women through micro-entrepreneurship
- by delivering training or employment opportunities for women
- by providing affordable products and services for women.

We also found evidence that the social enterprise sector is contributing to women's empowerment in its impact on women social entrepreneurs, on women leaders, and on women employees.

1.1 Methodology

For this report, we took an inclusive approach to the concept of social enterprise. As well as considering organisations identifying as social enterprises, we looked at organisations and initiatives that were using an entrepreneurial approach, generating at least 25 per cent of their income from trade, and prioritised social and environmental impact over profit.

The methodology used a four-stage process:

1. In order to identify the key research questions the team conducted an extensive literature review and interviewed a series of 27 key actors in social enterprise and women's empowerment in India.

2. A detailed questionnaire consisting of qualitative and quantitative questions was sent to social enterprises gathering 228 responses, of which 163 met the criteria for inclusion in the research.
3. The data was analysed and initial findings were shared with practitioners and experts in women's empowerment and social enterprise through a series of ten focus groups and facilitated discussions in March 2017. These were held all over India to provide a good national representation. In total the early stage findings were discussed with over 300 experts. These facilitated discussions helped to understand, deepen, correct and clarify the findings from the survey.
4. Further desk research and key informant interviews were then conducted to fill remaining gaps in the research to produce the final report.

1.2 The use of social enterprise by women's organisations

Women's organisations, governments and NGOs are using social enterprise models to support the direct economic empowerment of women, supporting them to generate income for themselves and their communities. The most common model is the Self Help Group (SHG).

These SHGs, often facilitated by NGOs through government programmes, use microfinance and cooperative models to encourage micro-entrepreneurship amongst women. SHGs are not formal social enterprises, but they are among the most common model for a combination of income generation and community improvement activities in India. Income generation is often combined with skill development.

Although women are given leadership roles within Self-Help Groups, they do not necessarily have full control over the system. The extent to which women will be able to engage in these activities depends on their ability to negotiate with their family. Many of the NGOs that facilitate these activities, are led by men.

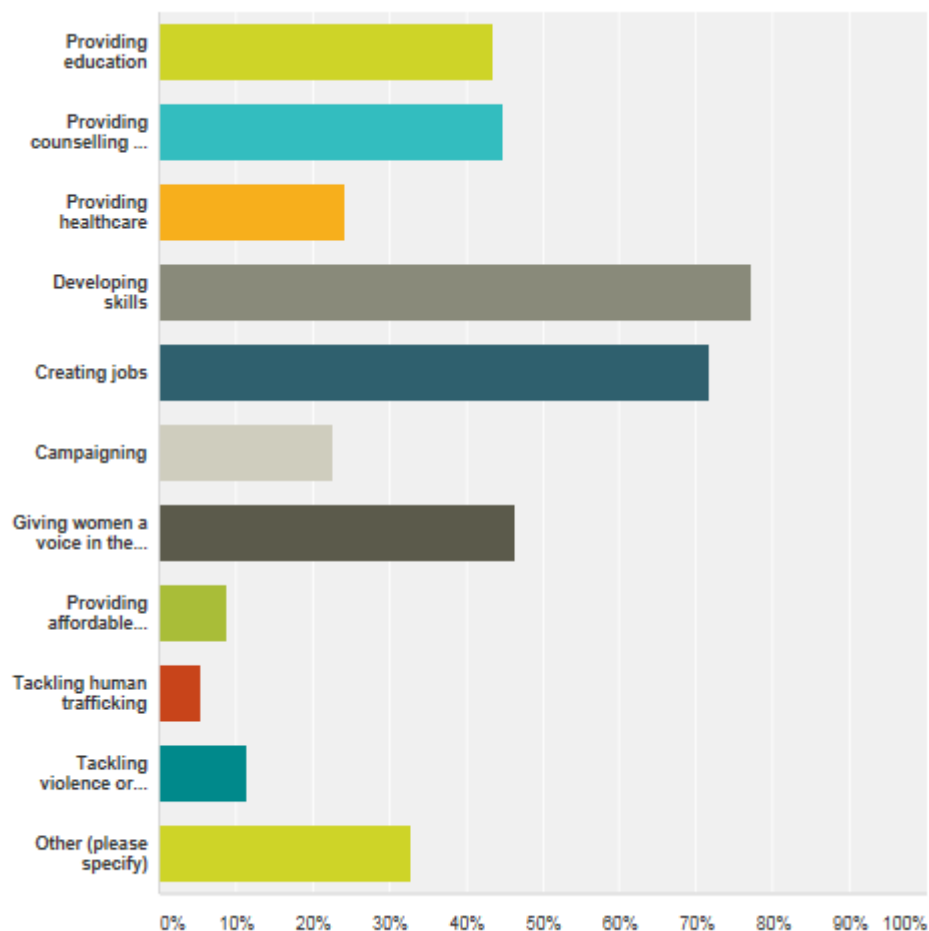
There is less evidence of women's organisations using social enterprise models to generate income and support their activities. Globally women's organisations are under-funded and this may be an additional area where women's organisations in India could utilise social enterprise.

1.3 The impact of individual social enterprises

There is no doubt that individual social enterprises are having a positive impact in the field of women's empowerment. There are an estimated two million social enterprises in India and, according to British Council research, 33 per cent are focussed on women's empowerment. That suggests there could be over 600,000 social enterprises specifically focussing on empowering women, as well as many others supporting women as a bi-product of supporting young people, providing education, providing health care or delivering other services.

Our survey was specifically targeted at social enterprises with an interest in this field. Ninety four per cent of the 163 social enterprises responding said they do empower women and girls. And, as the results below clearly demonstrate, the impact they are having is diverse.

How social enterprises are empowering women and girls



Our research uncovered some inspiring examples. Jaipur Rugs promote traditional crafts, textiles, and handmade products by creating market links for rural artisans through fair trade principles. DesiCrew provide skills training and jobs in call centres. Aakar Innovations produce low-cost, affordable sanitary pads using raw materials and agro-waste, and manufacture and market these through a network of women. And Mysore based anti-trafficking NGO Odanadi has created a number of social enterprises including a taxi company, beauty parlour, ice cream parlour, artisan products and bakery to help provide vocational and soft skills as well as integrate marginalised women into mainstream society.

1.4 Women as Social Entrepreneurs

Less than nine per cent of for-profit companies in India are led by women, whereas 24 per cent of social enterprises in India are started by womenⁱⁱ.

Despite this seemingly positive picture, social enterprise reflects many of the gender inequalities seen in the wider economy in India. A recent Thomson Reuters Foundation report placed India 36th out of the world's 44 largest economies in terms of the gender pay gap in social enterprise. Women report additional barriers compared to men when starting social enterprises, including prejudice and

discrimination. Social enterprises run by men are, on average, two and a half times larger than those run by women¹. And there is significant gender segregation by industry sector.

Women social entrepreneurs share many characteristics with for-profit entrepreneurs. They face many of the same barriers and draw on many similar enablers. Their motivations however are quite different, as social entrepreneurs are driven almost entirely by a desire to create social impact.

Ninety five per cent of women in our survey started a social enterprise to address a social or environmental concern, or to benefit their community. Only five per cent said they started one purely for career opportunity or flexible working. However, both of these were important secondary considerations.

Fifty one per cent of women who responded to our survey felt that the social enterprise sector offered better opportunities for flexible working than other sectors.

Thirty two per cent of women with children said the prospect of 'flexible working around family commitments' was a motivating factor in starting a social enterprise.

Women social entrepreneurs face the same barriers as their male counterparts plus additional barriers as a result of their gender. These include

- prejudice and discrimination
- barriers to accessing funding and investment
- greater demands on time through home and family commitments
- lack of support or hostility from families

Becoming a social entrepreneur has both positive and negative effects on women. While many of the benefits of social entrepreneurship are experienced by both men and women, those relating to financial independence and respect within the family are markedly more impactful on women:

- 80 per cent of female social entrepreneurs responding to our survey said that starting a social enterprise had given them an increased sense of self-worth
- 82 per cent reported increased confidence
- 47 per cent reported increased respect within their families compared to only 29 per cent of men
- 49 per cent said they were more able to make their own choices, compared to 32 per cent of men

However 49 per cent of female social entrepreneurs reported experiencing some negative impact, particularly linked to financial insecurity and stress.

Compared to for-profit entrepreneurship, social entrepreneurship is likely to create higher rates of social return for the community and society at large. It is also likely to create proportionally more jobs for women. But rates of pay in the social enterprise sector tend to be lower than in other sectors. And, as with the wider economy in India, there is also a substantial gender pay gap in the social enterprise sector.

So women social entrepreneurs are likely to earn less than their male counterparts and less than their for-profit counterparts. They are also unlikely to move into the for-profit sector. But social

¹ British Council survey data 2016, (average size, removing outlying 10 per cent)

enterprise offers financial independence to proportionally more women than for-profit entrepreneurship.

If we consider the holistic view of women's empowerment in the UN definition, social enterprise also offers significant opportunity beyond economic empowerment. It enables women *'to influence the direction of social change to create a more just social and economic order.'* And, for 95 percent of women social entrepreneurs, this is more important than economic empowerment.

1.5 The social enterprise sector as an employer

As we have seen, many social enterprises empower women as 'beneficiaries' of their services. Social enterprises empower the women entrepreneurs who set them up. And many social enterprises also create jobs that empower the women who work in them.

There are three important questions to consider as we evaluate the impact of social enterprise employment on women's empowerment:

- Are proportionally more women employed in social enterprise than other sectors?
- Are the jobs created good jobs?
- Do the jobs created challenge or reinforce gender stereotypes?

The social enterprise sector employs proportionally more women than the workforce as a whole, and more than the private sector.

- 26 per cent of full-time employees in social enterprises are women and 65 per cent of part-time employees in social enterprise are women
- by comparison, only 24 per cent of all employees in India's workforce are women.

Furthermore, many of the women employed by social enterprises are from particularly disadvantaged backgrounds – for example through poverty or abuse – and would not otherwise find employment.

For those disadvantaged in the labour market, social enterprise generally offers better employment opportunities than those available in the private sector. Sixty eight per cent of social enterprises in our survey said that if they did not employ them their workforce would either be unemployed or working elsewhere in worse conditions and for less pay.

And, while they may only be entry level, jobs with social enterprises typically involve training and development. Ninety two per cent of social enterprises responding to our survey that cited creating employment as one of their areas of impact on women also cited developing skills. So, the evidence suggests that jobs created by social enterprises specifically for beneficiaries are likely to be better jobs than those available through for-profit businesses.

It should be noted, however, that some social enterprises have the same deficiencies as some private sector companies when it comes to workplace issues such as poorly maintained toilet facilities for women – or their complete absence, as in one reported case.

For those in leadership and management positions, pay and conditions in the social enterprise sector can be lower than in other sectors. Also, as in the wider economy, there is a substantial gender pay gap with men earning more than women.

The pay gap is partially attributable to a gender segregation by industry. In the for-profit sector women are over-represented in low-paid jobs, particularly in textiles, craft and agriculture, and

under-represented in manufacturing and tech, for example. In social enterprise, we also see a similar degree of gender segregation.

Some social enterprises are deliberately challenging such gender stereotypes by training and employing women in industries where they are under-represented. The Women on Wheels programme, for example, empowers resource-poor women to become professional drivers.

Sixty three per cent of our survey respondents believe social enterprises are challenging gender norms while eight per cent believe they are reinforcing them. The reality is that there are strong elements of both.

1.6 Recommendations

Based on our research and particularly on the discussions of our focus group of social enterprise and women's empowerment experts, we have drawn together some recommendations to increase the effectiveness of social enterprise as a model for supporting women's empowerment. These are grouped into recommendations for funders and investors, social enterprises and intermediaries, and governments. Some of the recommendations apply to one or more group, and all stakeholders need to work together to ensure the successful implementation of these recommendations.

It is critical that both men and women are involved in considering and implementing these recommendations. Many of the issues are underpinned by gender norms that affect, and are reinforced by, both men and women.

1.6.1 For social enterprise support organisations and the broader ecosystem

Many of the recommendations for the social enterprise sector will also require support from government and/or funders.

Women's social enterprise networks

- Facilitate networking between gender-focused social enterprises and women's organisations nationally and internationally with a view to sharing best practice and replicating successful models.
- Create a women's social enterprise network to increase the peer support available specifically for women social entrepreneurs and board members. This will help women social entrepreneurs share best practice, provide mentorship, and discuss the unique challenges of social enterprise.

Training for women social entrepreneurs

Work in partnership with provincial governments to assess training needs and provide appropriate training for women social entrepreneurs. This should focus particularly on:

- financial literacy
- business planning
- business skills
- pitching for funding and investment
- technology

Social enterprise incubators and accelerators

- Increase the number, quality and sustainability of social enterprise incubators in India, with particular incentives for women-led social ventures.

- A quality control system for incubators should be introduced which monitors and evaluates impact on a range of measures, including gender equality and women's empowerment.
- Some 'women only' incubators should be established. These could be cross-sector, supporting social and for-profit enterprises.
- Online accelerator programmes could also be established, including a programme marketed specifically at women social entrepreneurs. These will have a greater reach than individual incubators, although the anticipated success rate will be lower. Such a programme will also mainly be utilised by educated urban elites rather than poor and rural women.

Increase awareness

- Make effective use of media and communications to ensure women social entrepreneurs are seen and heard.
- Provide a gender-balanced portrayal of social enterprise in the media to ensure that the social value created by both female and male social entrepreneurs in a range of sectors is recognised.

Challenges and competitions

- Instigate competitions to start social enterprises specifically to tackle gender inequality and women's empowerment with an appropriate mix of grant, equity and loan finance, as well as mentoring and support for the winning enterprises.
- These could be cross-sector and potentially focus on those at the Bottom of the Pyramid (BoP), supplying beneficial products and services to the poorest communities in India.

1.6.2 For funders and investors

Add a gender lens to investing

Gender lens investing is the practice of investing for social and/or financial return while also considering the benefits to women. Many argue that adding a gender lens to investing can help promote female led social enterprises as well as providing role models to women.

- Use a 'gender lens' when making investment decisions; understand the additional barriers faced by women social entrepreneurs, and the strengths of women-led social enterprises.
- Provide training for funders and investors to understand the differences between male and female social entrepreneurs and the potential of women-led social enterprises.
- Set specific targets for a funding or investment portfolio that is balanced for gender. Consider launching products or services that are specifically targeted at under-represented sectors of the population.

Build the financial spectrum

- A particular gap in finance for social enterprise was identified in early stage investment, particularly small amounts of seed funding. This could be met through a variety of tools such as grants for R&D (research and development), preferential lending and exemptions and incentives. Doing this using a gender lens will ensure the increase in social enterprise start-ups and growth will benefit women social entrepreneurs as well as men.

- A collaborative effort by funding agencies and the government is required to build an ecosystem in which it is easier to start a social enterprise. A transparent model to select projects for funding and support women throughout the journey of setting up and growing a social enterprise was also recommended.
- One observer noted that the sectors in which women social entrepreneurs tend to participate most (e.g. community-based production and activities) are less scalable, or perhaps scalable in different ways, than, for example, IT-based social enterprises, where men predominate. Therefore, there should be accessible funds available for more localised and smaller-scale social enterprises, as well as more funds for scaling and replication.

Women investors and funders

Globally there is a shortage of female investors. Our recommendations are to:

- set targets to ensure a gender balance in the boards and senior leadership teams of funders and social investors
- ensure a gender balance in all panels making lending and investment decisions
- record and publish data on the level of investment into male and female-led social enterprises, the gender composition of leadership teams and boards, and the impact of those investments.

Encourage gender equality and women's empowerment amongst investees

- Funders and investors should set criteria for social enterprises to meet before receiving a grant or investment including:
 - have gender-balanced boards
 - record and measure their social and environmental impact, and include gender equality as a metric.

Raise the profile of women role models

- Promote and celebrate the role of women as social investors and women as social entrepreneurs.

Corporate social responsibility (CSR)

- Apart from funding social ventures, CSR should also consider in-kind support. Corporates have resources such as mentors, labs, experts and facilities which they can make available to social enterprises that advance their corporate social agenda. These assets should be particularly accessible to women so as to help address the gender-gap in social entrepreneurship and leadership.
- Government should amend the CSR law so that such in-kind support is considered as a part of CSR spending and can in turn help social enterprises. It could also state that impact investment into for-profit social enterprises is a form of CSR. Furthermore, it should include a requirement to invest using a gender lens.

1.6.3 For governments

Many of the barriers facing female social entrepreneurs are the same as those facing male social entrepreneurs. Some of these recommendations will be of equal benefit to both.

Governments should bear in mind that any policies to support women into work will actively support the social enterprise sector, which has a disproportionately high female workforce, particularly part-time workers. Equally, any policies that support the social enterprise sector will support women's empowerment in India.

Facilitate the work of funders, investors and intermediaries

- Governments should look to facilitate the above recommendations by working with intermediaries, funders and investors, and by supporting social enterprise growth by drafting supportive policies, convening stakeholders, and providing finance.
- Governments should also ensure coordinated and effective communication of the support and funding available for social enterprises. This communication should be especially targeted at women to help reduce the gender gap in social entrepreneurship.

Social enterprise taskforce

- The Government of India should set up a social enterprise taskforce with a specific remit to consider gender equality and provide expertise and recommendations for policy.
- The taskforce should be balanced for gender and have cross sector representation with stakeholders from business, government, academia and the social enterprise sector.

Produce a white paper on social enterprise

- With the support of the Social Enterprise Taskforce (8.2.2), the Indian Government should look to build on this research, and on the 'National Skill and Entrepreneurship Policy' with a white paper on social enterprise.
- The white paper should include examples demonstrating the benefits and the social impact of women-owned business, and an accurate mapping of the numbers and types of social enterprises in this space. This will enable better policy decisions and more focused interventions by governments and other stakeholders.
- The government white paper should also include a definition to support understanding, communication and engagement. India does not have an official definition of a social enterprise presently, and governments are unwilling to engage with private, for-profit companies to provide social services.
- The government white paper should include suggested policies to ease the administrative burdens for social enterprises. The hybrid nature of social enterprises also makes them slower to grow in comparison to other mainstream enterprises. The government should recognise this fact and provide relevant support in the form of tax subsidies, separate schemes and incentives.
- The white paper should consider a framework for encouraging governments to procure from social enterprises, possibly modelled on the UK Social Value Act.
- A specific legal structure that could be adopted by social enterprises, such as the Community Interest Company in the UK, is also recommended.

Social enterprise education

- Governments and social enterprises should work in partnership to increase the use of social entrepreneurship education in schools, and ensure it includes a specific focus on addressing gender inequality. This should begin in primary school.
- This programme should prioritise working with girls and promote business skills, confidence and the social acceptability of female entrepreneurship.
- Public awareness of social enterprise can also be increased through changes in school, college and university curricula, with mandatory lessons on social entrepreneurship.

2 Introduction

India continues to face significant challenges in the area of gender equality. Sex-selective abortion, foeticide, and infanticide are still prevalent in India, despite being illegal. Violence against women is endemic with over 300,000 crimes reported in 2015, and the rate of unreported crime far, far higher. . Indian women are also disadvantaged economically: only 39 per cent are employed and they earn nearly 25 per cent less than men on average, a discrepancy that is even wider in the corporate sector ⁱⁱⁱ. The UN's Sustainable Development Goal (SDG) 5 is to 'achieve gender equality and empower all women and girls.' There is a lot of work to be done to achieve this objective by the target date of 2030.

In recent years, social enterprise has started to play a small but growing role in women's empowerment. Proportionally more women lead social enterprises than for-profit businesses in India. There are some well-publicized examples of social enterprises supporting vulnerable women through employment and training, and providing affordable products and services. Yet there is also evidence that many of the gender inequalities in the wider Indian economy are reflected in the social enterprise sector. These include gender segregation and a wage gap.

This report sets out to establish how well social enterprise addresses gender inequality and women's empowerment in India. It is part of a series of reports commissioned by the British Council to look at the link between social enterprise and women's empowerment across five countries: Brazil, India, Pakistan, the UK and the US. It explores the strengths and weaknesses of social enterprise as a mechanism for empowering women and considers different ways it is being used for this end. It also examines the idea that social enterprise as a business model might advance women's empowerment even when that is not a specific objective.

It should be stressed that social enterprise is simply one tool in supporting women's empowerment. It can be extremely useful and effective in certain contexts, as this report will demonstrate. But it should be seen as complementary to, not in competition with, other approaches to women's empowerment. Gender equality can only be achieved through a multi-faceted approach.

That said, social enterprise is contributing to women's empowerment in many diverse ways. These can be grouped into five overlapping categories, which we have considered in the following sections.

Section 3 looks at social enterprise as a tool for women's empowerment organisations;

Section 4 examines the impact of individual social enterprises on their beneficiaries;

Section 5 explores the impact on women who become social entrepreneurs;

Section 6 looks at the impact of the social enterprise sector as an employer; and

Sections 7 and 8 draw some conclusions from this research and offer recommendations for government, funders and investors, practitioners and intermediaries to make the best use of social enterprise as a tool for empowering women and girls.

2.1 Methodology

The methodology used a four-stage process:

1. In order to identify the primary research questions the team conducted an extensive literature review and a series of interviews with 27 key actors in social enterprise and women's empowerment in India.
2. A detailed questionnaire consisting of qualitative and quantitative questions was sent to social enterprises and generated 228 responses, of which 163 met the criteria for inclusion in the research.
3. The data was analysed and initial findings were shared with practitioners and experts in women's empowerment and social enterprise through a series of ten focus groups and facilitated discussions in March 2017. These were held all over India to provide a good national representation. In total the early stage findings were discussed with over 300 experts. These facilitated discussions helped to understand, deepen, correct and clarify the findings from the survey.
4. Further desk research and key informant interviews were then conducted to fill remaining gaps in the research to produce the final report.

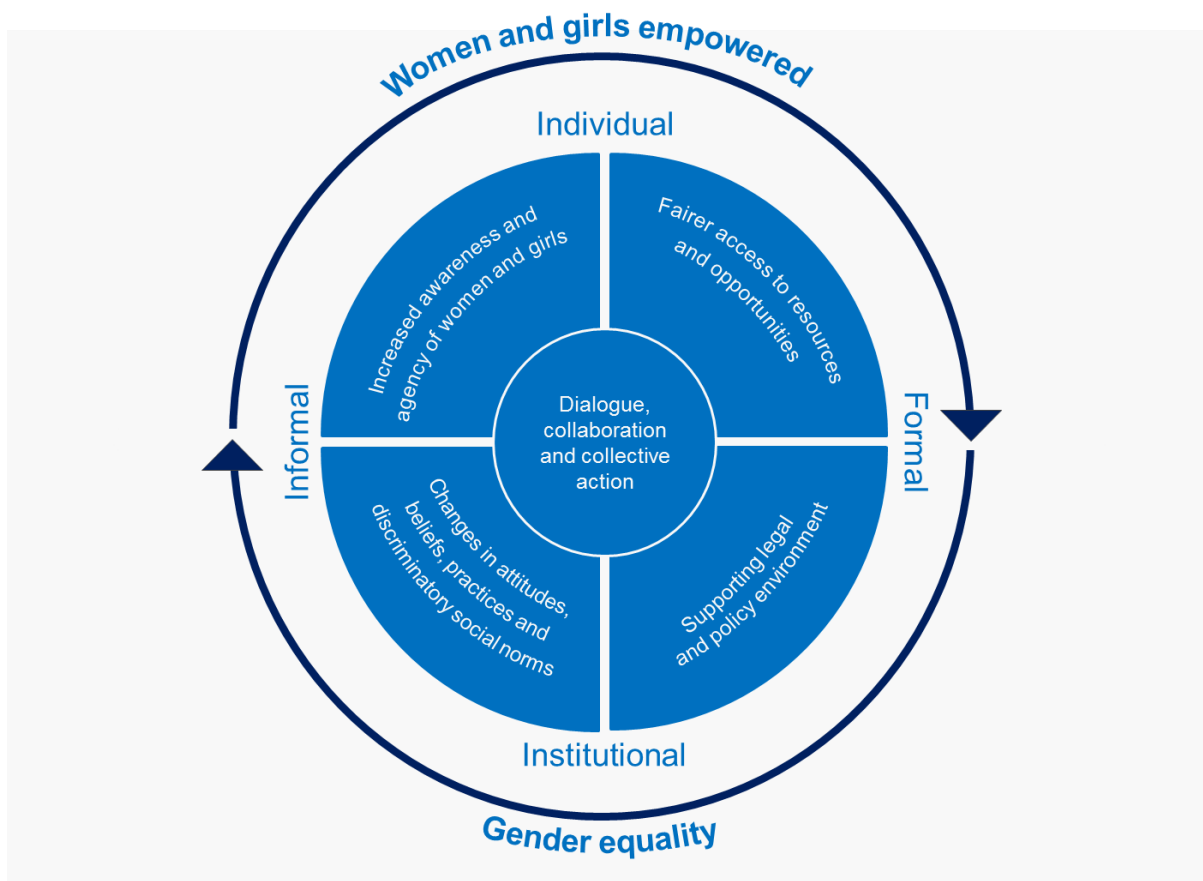
2.2 Definitions

Both women's empowerment and social enterprise are broad topics encompassing a great range of activities and impact. For this research, we have used definitions which embrace this diversity, considering organisations and actions that may fall outside more formal understandings of social enterprise or women's empowerment.

2.2.1 Definition of women's empowerment

Definition of women's empowerment: *Women's empowerment has five components: women's sense of self-worth; their right to have and to determine choices; their right to have access to opportunities and resources; their right to have the power to control their own lives, both within and outside the home; and their ability to influence the direction of social change to create a more just social and economic order, nationally and internationally. (UN)*

We used the UN definition of women's empowerment as our primary definition. We also used the British Council's theory of change for women's empowerment as a model to explore ways in which social enterprise can empower women and girls (see below).



Theory of Change for Women's Empowerment, British Council

2.2.2 Definition of social enterprise

The understanding of 'social enterprise' varies from country to country, as do the names used to describe social enterprises. It is also a concept with famously fuzzy edges: there are grey areas, for example, between social enterprises and charities or NGOs at one end of the spectrum, and between social enterprises and socially conscious businesses at the other.

The Impact Investors Council of India (IIC) define social enterprise as a trust, society, company or limited liability partnership, which:

- has the achievement of measurable, positive social impact as a primary objective;
- focuses primarily on promoting the social welfare of Specified Beneficiaries, either as producers, consumers, suppliers or employees; and
- makes a public commitment to measuring and reporting its impact.

For this report, we took an inclusive approach to the concept of social enterprise. As well as considering organisations identifying as social enterprises, we also looked more broadly. We included categories of activity that may not always fit within the strict definitions outlined above but that are within the spirit of the definition. We included:

- impact businesses
- social investment activity
- NGOs / non-profits with an enterprise approach, generating more than 25 per cent of their income through trade
- trading 'projects' hosted by NGOs
- individuals engaging in social-enterprise-type activity (micro-social-entrepreneurship)
- socially focussed businesses in private ownership
- solidarity enterprises / workers' cooperatives
- Fairtrade organisations

Examples of these different types of social enterprises are included throughout the report.

For our survey, we used two very simple criteria to identify organisations that fitted within our broad category of social enterprise, in common with earlier British Council mapping exercises. Firstly, organisations had to earn more than 25 per cent of their income through trade. And secondly, organisations had to prioritise their social or environmental mission above or equal to their financial profit. Organisations relying on more than 75 per cent grant income, or those whose stated emphasis was on profit first, were excluded from the results. As a result 163 of our total 228 respondents were included in the final analysis.

3 Women's empowerment in India

With 1.2 billion people of whom 65 per cent are 35 or younger, India has the largest and youngest workforce the world has ever seen. At the same time, inequality remains a fundamental challenge. Poverty rates in India's poorest states are three to four times higher than in more prosperous ones. And women of all classes and in all regions continue to face many problems not experienced by men of similar socio-economic backgrounds. How India makes use of its significant human potential, and whether it can do so in a gender-equitable way, will largely shape its and its people's future for years to come.

India continues to face significant challenges in the area of gender equality. The country remains in many ways deeply patriarchal, and male preference and male privilege are accepted norms. Sex-selective abortion, foeticide, and infanticide are still prevalent, despite being illegal. In many parts of India dowry demands persist in spite of laws against them, and this practice reinforces a preference for male children over female children – a daughter is considered expensive because money goes out of her birth family when she marries, whereas money comes into a son's family when he weds. Families are therefore also less inclined to invest in the nutrition, education and careers of their daughters. Domestic violence against women continues even after the 2005 Domestic Violence Act, as it is practically difficult for women to access the law because their families often do not support them in filing a case. In addition, reported crimes against women in India including rape, attempted rape and dowry deaths continuously increased from 2011 to 2015 with 228,650 cases in 2011 and 327,394 cases in 2015 with the highest rates in Delhi.^{iv}

Economically, women are disadvantaged by definitions of work that only include monetary contributions to the GDP. Domestic labour is feminised and does not get recognized as work, contributing to problems of unequal pay. Only 39 per cent of women are formally employed in India. According to the 2011 gender diversity benchmark, India has one of the world's lowest female employment rates. However, it is important to note that India could add 16 per cent to its GDP in ten years if women participated in the workforce at the same rate as men.^v

To consider women's empowerment in the Indian context necessitates not only addressing these diverse challenges but also addressing the diversity of the women who face them. Women are differentiated by region, religion, caste, class, sexuality, gender (including transgender), rural or urban location, ability and disability. A wide spectrum of solutions, tailored to the diversity of women's backgrounds, is necessary for the effective empowerment of women.

3.1 Overview of social enterprise for women's empowerment in India

Social enterprise could play a leading role in driving more inclusive growth and development and in advancing gender equality in India. Social impact and entrepreneurship are deeply rooted in the Indian ethos and cooperative and community-owned business models like Amul and Fabindia have existed in India since the 1950s. In the past decade, there has been considerable growth in social enterprise activity and the social enterprise ecosystem has evolved with support organisations providing direct, indirect, financial, and advisory assistance to social enterprises. There are an estimated 2 million social enterprises in India.^{vi} Yet the exact number of social enterprises in India, their contribution to India's GDP and workforce, their impact on women's empowerment, and the characteristics of social enterprise leaders are not well enough understood or effectively measured.

Rates of female entrepreneurship in India are very low by global standards – it ranked 70th out of 77 countries in a 2015 survey.^{vii} According to ILO's Global Employment Trends report 2013^{viii}, India also ranked 120th among 131 countries in terms of women's labour force participation.

In this respect, Indian social enterprises are leading the way in women's empowerment in a number of areas, as identified in a recent British Council report^{ix}:-

- 24 per cent of social enterprises are led by women, compared with only 8.9 per cent of SMEs
- 26 per cent of full-time employees in social enterprises are women, and only 14 per cent in mainstream businesses
- 65 per cent of part-time employees in social enterprise are women.

Challenges still exist however. For example, four times as many social enterprises are led by men as by women. On average, social enterprises led by men are substantially larger than social enterprises led by women (as measured by turnover and staff). There is a pay gap between men and women in social enterprise. There are questions over the quality of jobs created for women by social enterprises and the representation of women in senior positions. India was also ranked ninth from bottom out of the world's 44 largest economies as a place to be a female social entrepreneur in a report by Thomson Reuters Foundation.^x

While there is no holistic government policy approach to support the social enterprise sector in India yet, a notable government policy with specific mention of social enterprise was announced in 2015 by the Ministry of Skills and Entrepreneurship. The 'National Skill and Entrepreneurship Policy' includes a section on social enterprises that aims to foster social entrepreneurship and grassroots innovation.

3.2 Women's empowerment organisations and social enterprise

In focus group discussions, there was some disagreement over the extent to which women's empowerment organisations and NGOs are using social enterprise as a tool. This disagreement is most likely due to the diversity of the social enterprise field and differences in understanding about what constitutes a 'social enterprise'. The notion of social enterprise as a profit-making company driven by a professional and innovative business model that has a plan for scaling up is a fairly new concept in India. However, the idea of generating income through trade activities to support social causes in general and women's empowerment in particular has a rich history within India's voluntary sector. One of the most prominent models is the Self-Employed Women's Association (SEWA), which brings together women working in the informal sector, including areas such as handicraft production.

Social enterprise (although usually not explicitly labelled as such) has been an important model for empowering women by helping them to become financially independent. In this field of livelihood generation, the definitions of social enterprise and micro-enterprise overlap, since the businesses run by many small, rural entrepreneurs are social to the extent that they seek to improve their own living conditions within their community.

3.2.1 Fundraising for women's empowerment activities

In some of the countries we studied in this research women's rights are running social enterprises to raise funds for their work. This model does not seem to be common in India. There do not seem to be many examples of social enterprises whose *sole* purpose is to raise funds for women's empowerment activities. Instead, income generation activities are often combined with direct empowerment. The social enterprises provide skills development or employment for women as their primary objective, with any profits then being used to fund further work in the field of women's empowerment.

For example, NGOs selling women's crafts and other handmade products to raise funds would consider this activity primarily in terms of direct skill development and income generation for the female employee-beneficiaries (the same group of people). An example of this is Aham Bhumika, Bhopal.

The social enterprise café Sheroes Hangout in Agra, Uttar Pradesh, generates funds for its cause but simultaneously provides skill development and employment to acid attack survivors working in the café; Sheroes Hangout complements the work of Stop Acid Attacks (an advocacy campaign) and Chhanv Foundation (a shelter home), run by the same team.

Globally women's organisations are under-funded and less than a third are using income generation to support their activities. This may be an area where women's organisations in India could utilise social enterprise.

3.2.2 Economic empowerment activities

Providing women with their own source of income is widely viewed as a potent way to empower them.

This is most clearly expressed in the model of the women's 'Self-Help Group' (SHG), prominent across rural India. These SHGs, often facilitated by NGOs through government programmes, use microfinance and cooperative models to encourage micro-entrepreneurship amongst women. There are formal local federations of SHGs in particular areas. Increasingly, individual groups are also having to register themselves. SHGs make plans for livelihood projects, and the funds for these get

sanctioned by the federation. Through an SHG, an individual woman might, for instance, take a loan from her co-members to start a small business selling bangles in her village. Or the members of an SHG might decide that they want to work together to make or cultivate a particular craft or agricultural product for which there is a ready market.

For example, the NGO Loka Kalyan Parishad works to develop and strengthen SHGs in West Bengal. They have helped women's groups achieve a steady income through raising poultry, growing fruit and vegetables, harvesting wood for fuel, learning tailoring and selling tailored items in their village, in addition to campaigning for improvements to local services such as well maintenance.

SHGs are not formal social enterprises, but they are among the most common model for a combination of income generation and community improvement activities in India. Financial sustainability or independence of the SHG is not the main aim; the main aim is to support projects that will generate income for the members.

Although women are given leadership roles within Self-Help Groups, they do not necessarily have full control over the system. The extent to which women will be able to engage in these activities depends on their ability to negotiate with their family. Many of the NGOs and other social organisations that they see around them, and that facilitate these activities, are led by men.

Because there are not many confident women leaders, there are a few people who exert a lot of control within this system. SHGs may increase women's confidence and ability to earn income, but this does not necessarily mean there is shared leadership and transparency.

However, SHGs have reportedly contributed to an increase in educational enrolment and progression; and increased the awareness of women regarding health and sanitation. Many SHG groups have implemented activities such as sanitation projects that produce secondary benefits and directly supported increased access to health care.

Micro financing through self-help groups has transferred real economic power to women and has considerably reduced their dependence on men. Women's access to savings and credit gives them a greater economic role in decision making.

3.3 Section 3 conclusion

The World Economic Forum ranks India only 87th out of 144 countries in terms of gender equality^{xi}. Women and girls in India continue to face challenges based purely on their gender, including unequal access to resources; unequal opportunities in employment, entrepreneurship and leadership; and an unequal risk of violence and abuse.

Social enterprise could play a leading role in driving more inclusive growth and fostering gender equality in India. Social enterprises have a higher proportion of women employees and women leaders than the wider economy.

Women's organisations, governments and NGOs are using social enterprise models to support the direct economic empowerment of women, supporting them to generate income for themselves and their communities. The most common model is the Self Help Group (SHG).

There is less evidence of women's organisations using social enterprise models to generate income as a source of funding. Women's organisations are under-funded both in India and around the world and social enterprise could offer them a means of generating income.

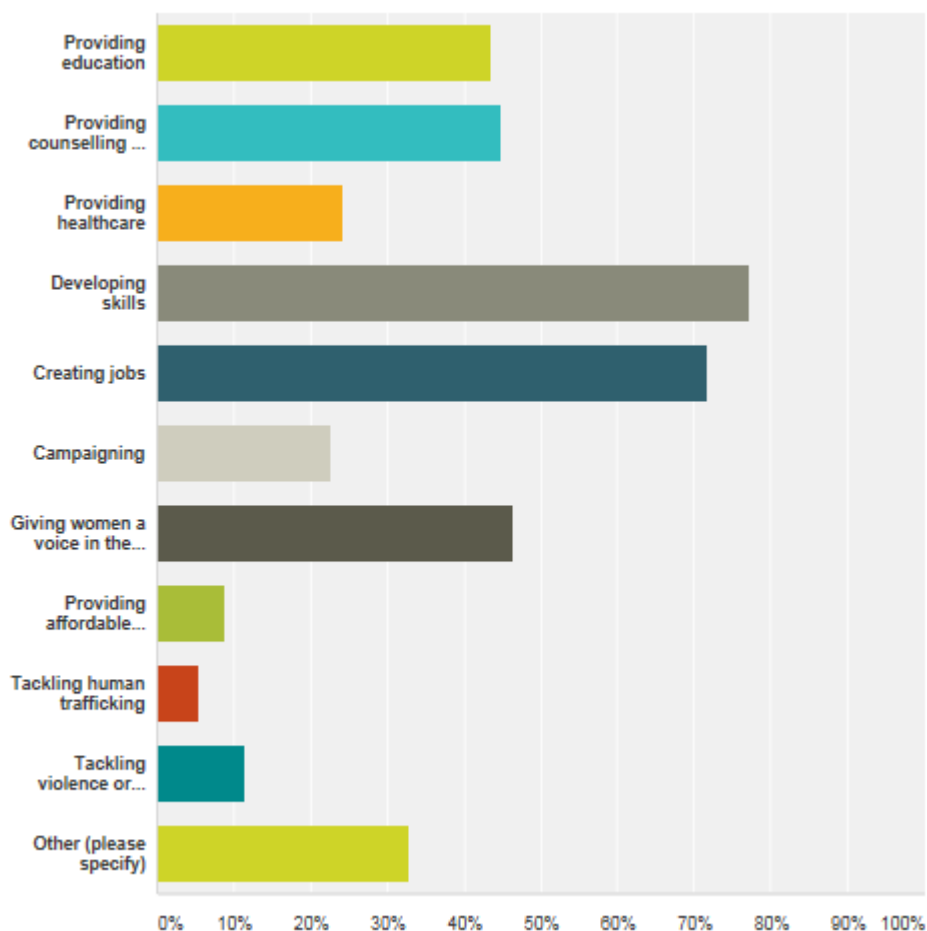
The next section looks at the impact that individual social enterprises have on women as beneficiaries.

4 The impact of individual social enterprises

There is no doubt that individual social enterprises are having a positive impact in the field of women's empowerment. There are an estimated two million social enterprises in India and, according to British Council research, 33 per cent of them are focussed on women's empowerment. That suggests there could be over 600,000 social enterprises specifically focussing on empowering women, as well as many others that empower women as part of their work to support young people, offer education, provide health care or deliver other services.

Our survey was specifically targeted at social enterprises with an interest in this field. Ninety four per cent of the 163 social enterprises that responded said they do empower women and girls. And, as the results below clearly demonstrate, the impact they deliver is diverse.

How social enterprises are empowering women and girls



Our survey found that the most prevalent approaches used by social enterprises to support women are to develop skills, create jobs and provide counselling and support. Some examples are highlighted below and detailed case studies are provided in the Appendix.

The ways in which social enterprise was supporting women's empowerment was wide ranging and overwhelmingly and is demonstrated by a selection of responses from our survey below.

How does your social enterprise empower women?

"We work on a holistic approach from credit, education, health and micro-enterprise and have empowered thousands of women in Ariyalur district."

"Engaging more women in agribusiness and alternate livelihood opportunities. Promoted capacity building programmes on pulses production, organic vegetable cultivation, milk based value added products preparation, pulse processing etc...."

"We support a work force of nearly 100 who are majorly village women needing livelihood opportunities."

"Tribal girls trained as nurses, tribal women trained as Health Auxiliaries, Women farmers groups, Women Entrepreneurship groups."

"We have adopted the 'Sea Dot' Women Self Help Group and trained them in the production of fish and prawn pickles. We are now marketing their produce so that they are able to have a sustainable livelihood."

"We have given loans to more than 200 SHGs."

"We have educated hundreds of girl children from the Narikuravar community."

"We have hired hundreds of female nurses for the 400 government schools where Vidyanta is providing healthcare training. Also, we have trained many girls for the General Duty Assistant job role."

In the following sections we provide examples of organisations provided either in interviews or focus groups which have been identified by people within the Indian social enterprise ecosystem as social enterprises. They all have an innovative and replicable model for social change. However, it is possible that some may fall outside the study's definition of a social enterprise (and within the definitional range of a conventional NGO), as it was not possible to check the funding criteria for each example shared.

4.1 Developing skills, creating jobs and livelihoods

This area is perhaps the most significant sector for social enterprises supporting women's empowerment in India. Social enterprises that are focusing on livelihood generation as a model (e.g., handicrafts, honey-making), especially through Self-Help Groups (SHGs) are perceived to offer a much more sustainable solution for livelihood generation than NGOs. NGOs usually have a time-bound, funding-based project, whereas social ventures, as businesses, aim for longevity. The training/learning period that women's groups get in a social venture is much longer than in an NGO project, so the probability of sustainability is higher. While some social enterprises in this area focus on particular skills that women are assumed to be "good" at (such as handicrafts or *papad*-making), other social enterprises are attempting to change assumptions about the types of jobs and job skills women can take on. Examples include:

- **Self-Employed Women's Association (SEWA):** Established in 1972 by Ela Bhatt, SEWA follows a trade union model to organise women working in the informal sector and ensure steady employment and income for them; the organisation has numerous local chapters across India and runs initiatives to provide banking, childcare, nutrition, and other services in a cooperative model to ensure women's socio-economic wellbeing.
- **Rangсутra, Jaipur Rugs, Maati, Aavaran, KhaDigi:** promote traditional crafts, textiles, and handmade products by creating market linkages for rural artisans through fair trade principles.
- **RuralShores, DesiCrew:** provide skills training and jobs in the Business Process Outsourcing (BPO) sector, i.e. call centres, to assimilate rural youth, including young women, into the knowledge economy.^{xii}
- **The Nudge Foundation** provides skills training and employment for young people in urban slums while trying to change the gendered status quo in various occupations (e.g., training women how to be drivers).
- **Sakha Consulting Wings** offers three services. Sakha Cabs for Women is a cab service driven by women for women in Delhi; Sakha Chauffeur Placement Services provides full time chauffeurs on a contract basis; and Sakha Chauffeur on call provides chauffeur services for a short duration or daily packages. Their training and development is undertaken by Azad Foundation, Sakha's non-profit sister organisation. Maruti Institute of Driving and Technology Research provide driving skills. Azad Foundation provide training in subjects such as map reading, routes and roads in Delhi, communications and grooming, as well as an understanding of women's rights, particularly in protection from violence in public and personal spaces. The Delhi Police teach the women drivers self-defence by the and the Crime against Women Cell teaches them to deal with incidents on the roads.
- **The Maids Company** seeks to improve quality in the domestic service sector while ensuring the rights and income of domestic workers. Maids become co-owners in the enterprise and receive a steady income, worker protection, and benefits such as financial services.
- **Datahalli** is an all-woman BPO (Business Process Outsourcing) self-sustaining social enterprise started by the JSW Foundation in Karnataka that creates employment opportunities for rural

girls, most of whom are high school drop outs, and encourages them to complete education to the 12th grade. The project has currently benefited over 500 rural women, helping them to gain dignity and respect and in some cases become the family's primary bread earner. The women learn basic computer skills and are trained on data entry and processing jobs. Currently 300 young women are employed earning between Rs. 3000 to Rs.5000 per month.

- **Lijjad Pappad (Shri Mahila Griha Udyog Lijjat Papad)** is one of India's oldest co-operatives. It supports women and manufactures various products including papad, appalam, masalas, wheat flour, chapati, detergent powder, detergent cake and liquid detergent. Started with just seven women employees, it now employs over 43,000 women throughout India and has 81 branches.
- **rangSutra** preserves the heritage of India and its crafts by manufacturing apparel, home furnishings and accessories. More than 70 per cent of the almost 2000 artisans and farmers it employs are women from remote regions of Rajasthan, Uttaranchal and Assam. rangSutra adheres to the principles of Fairtrade and a majority of its employees are part owners and are represented on the board of Directors.

4.2 Providing healthcare and sanitation

There are a number of social enterprises which provide health care and sanitation products and services which also often provide additional benefits of improved health for women and their communities.

- **iKure Techsoft:** provides community-based preventive healthcare; maps genetic and pre-existing environment-related conditions in an area, then helps to change agricultural and lifestyle practices to address the underlying cause. They address health issues for men and women but have done significant work in maternal and child health.
- **Svadha:** focuses on creating sustainable supply chains for durable toilet infrastructure using local entrepreneurs. Although these entrepreneurs themselves are mostly men, their presence at the grassroots level ensures longer-term maintenance of toilet facilities in villages (as compared to one-time government or NGO projects that simply install these facilities) to secure women's dignity and safety in the long run.
- **Menstrupedia:** supports the health education of women and girls through a comic-book guide in multiple regional languages on menstruation.
- **Ayazh:** develops affordable, appropriate health technologies produced by women and for women in rural India. Every year a million mothers die from unsanitary childbirth conditions. AYZH's core product JANMA, a Rs 100 clean birth kit (containing simple tools recommended by the WHO) which helps prevent infection at the time of birth leading to reduced maternal and infant mortality. With over 32,000 kits sold, more than 64,000 mothers and babies worldwide now have access to a cleaner, safer birth.^{xiii}
- **Aakar Innovations:** Around 200 million women and girls in India have a poor understanding of menstrual hygiene and associated healthcare practices. Around 63 million adolescent miss 20 per cent of the school year because they do not have access to sanitary pads when they menstruate. And 31 per cent of women in India miss an average of 2.2 days of work per month when they menstruate. To address this issue, Aakar Innovations developed a machine that can produce low-cost, affordable sanitary pads using raw materials and agro-waste. Aakar Social Ventures empowers women as entrepreneurs to produce and distribute these sanitary napkins within their communities while simultaneously raising awareness and sensitisation of menstrual hygiene management. Income is generated through the sale of the sanitary pads.

A more detailed case study is provided in the Appendix.

- **Greenway Grameen Infra (GGI):** creates sustainable solutions for the rural market. This includes, a clean cook stove, called the Greenway Smart Stove. Their stove saves 65 per cent fuel and reduces carbon emissions by 80 per cent. This address the problem of traditional stoves which cause over 2 million premature deaths annually due to indoor air pollution, which mainly affects women.

4.3 Education

Social enterprises in the education field are most likely to work for improvements in the quality of education for both boys and girls (e.g., Pratham Books, Eklavya, Child Youth Development Foundation). Most ventures focus on primary education but some also address adult education. Unless adults understand the value of education they may not support their children's education, particularly as children can be viewed as potential earning members of the family.

- **Educate Girls:** founded by Safeena Husain is scaling across India. This organisation empowers village communities to improve the quality of girls' education and infrastructure in their government schools.
- **Akanksha Foundation:** runs afterschool programmes for children, which can give girls something to do other than assisting with housework.
- **Sudiksha:** through its BoP (Base of Pyramid) schools, Sudiksha seeks to provide affordable options for quality education to the residents of urban and rural slums in India. The organisation trains young entrepreneurs (including women) to run the schools as self-sustaining enterprises. Parents pay for their children's education. Most of these parents are low wage earners in the informal sector including labourers, vegetable sellers, and rickshaw drivers. Of the 18 schools Sudiksha has set up, 12 are run by women entrepreneurs.

4.4 Finance

There are many social enterprises working in the field of finance in India. A lot of micro-credit organisations would fall into this category. However it was noted by research participants that some micro-credit organisations were not interested in social impact, only making a profit.

- **Buzz India:** transformed a van into a mobile training station for financial literacy for women, enabling them to make financial decisions for themselves and their families.
- **Mann Deshi Bank** is India's first rural financial institution run by and for women. It was set up to address the barrier to finance faced by illiterate women in rural communities. Started in 1997, they are now the second largest micro-finance bank in India, supporting 25,000 women entrepreneurs a year, with a repayment rate of 98 per cent.

4.5 Giving women a voice in their communities

Many social enterprises give women a greater voice in their community as an unintended consequence of their activities, simply by bringing groups of women together and providing them with a collective voice. Self Help Groups often play this role, although not all women necessarily have an equal voice and quieter or less confident women may still find their views unheard.

Other social enterprises specifically set out to increase the voice of women within community structures, institutions or in the democratic process.

- **EquiDiversity Foundation:** works with women *panchayat* (local government) members, training them to play a more active leadership role and imparting management skills such as budgeting; political parties are interested in investing to partner with EquiDiversity to train their local women leaders.

4.6 Childcare

Appropriate, affordable childcare can be a significant barrier for women wanting to return to work. Some social enterprises have been started to address this issue.

- **Proeves** is a social enterprise working with the day care industry to up skill providers and ensure more transparency. They assist centres in improving their safety standards and measures, staff quality and transparency. Currently, Proeves works with over 500 day cares in Delhi, Gurugram and Mumbai and provides a listing of these centres to women looking to return to work.

In addition to providing information about available, good-quality childcare, Proeves helps working women with the decision about day care and helps them reintegrate back to work by providing them counselling. Proeves connects mothers with her other parents and shares success stories of other parents using day care services

4.7 Tackling human trafficking

Social enterprise is sometimes used as a model to provide alternative employment for women who have been trafficked into the sex trade. Some deliberately challenge gender stereotypes, while others utilise activities more traditionally carried out by women such as producing handicrafts.

- **Odanadi** is a Mysore based anti-trafficking NGO that has created a number of social enterprises including a taxi company, beauty parlour, ice cream parlour, artisan products and bakery. These help to help provide vocational and soft skills as well as to integrate marginalised women into mainstream society.
- **Impulse Social Enterprises:** started as Impulse Social Network, a social development organisation working on issues of human rights, especially human trafficking and HIV/AIDS intervention. They market the region's rich tribal handicrafts and integrate local artisans and workers into the greater frame of economic flows between India, Asia and the rest of the world in a responsible and sustainable manner.

4.8 Section 4 conclusion

Section four gives a sense of the sheer breadth of different approaches being employed by social enterprises across India. It demonstrates the impact on women's empowerment that can be achieved using social enterprise models; tackling gender inequalities; enabling women and girls to reach their full potential. And it showcases models that could potentially be replicated in other areas to extend that impact to even more women.

Even when social enterprises are not specifically targeting women, they often empower women through their services to a different target group. For example social enterprises that are set up to provide confidence building for disadvantaged young people will impact upon girls as well as boys.

The next section explores the impact on the women who set up some of these social enterprises.

5 Women as social entrepreneurs

So far, we have considered the impact that social enterprises can have when they are specifically set up to address challenges and inequalities facing women and girls in India.

This section looks at women who set up a social enterprise and the impact this has on them.

For the purpose of this research, we have used the term ‘social entrepreneur’ to refer specifically to someone who sets up or leads a social enterprise, even if that venture is at an early stage.

When it comes to for-profit entrepreneurship in India, less than nine per cent of companies are led by women, whereas 24 per cent of social enterprises in India are started by women^{xiv}.

Despite this seemingly positive picture, social enterprise reflects many of the gender inequalities seen in the wider economy in India. A recent Thomson Reuters Foundation report placed India 36th out of the world’s 44 largest economies in terms of the gender pay gap in social enterprise. Women report additional barriers compared to men when starting social enterprises, including prejudice and discrimination. Social enterprises run by men are, on average, two and a half times larger than those run by women². And there is significant gender segregation by industry sector.

The following sections explore some of these issues in more depth.

Section 5.1 looks at the differences between social-entrepreneurship and for-profit entrepreneurship;

Section 5.2 examines the drivers for women to become social entrepreneurs;

Section 5.3 considers the barriers and enablers for women social entrepreneurs;

Section 5.4 explores the impact on women of being a social entrepreneur; and

Section 5.5 looks at how women social entrepreneurs are being supported.

² British Council survey data 2016, (average size, removing outlying 10 per cent)

5.1 The differences between social entrepreneurship and for-profit entrepreneurship

If we want to understand the impact on women's empowerment of social entrepreneurship, we also need to look at for-profit entrepreneurship. Is the impact on women of starting a social enterprise similar to the impact of starting a for-profit business? Which is a more effective tool for women's empowerment?

For-profit entrepreneurs and social entrepreneurs share some common characteristics but also exhibit important differences. Many of the enablers to women's entrepreneurship are similar to those for women's social entrepreneurship: access to appropriate business support, government policies and legislation, finance, education, and role models. Equally, many of the barriers are shared. Among these are confidence in abilities, fear of failure, and family responsibilities.

The primary drivers for social entrepreneurs are quite different however to those of their for-profit counterparts. While many do want to earn a reasonable income and have flexible working around family commitments, the overwhelming aim of almost all social entrepreneurs, men and women, is to address a social or environmental concern or to benefit their community. **Ninety five per cent of women social entrepreneurs responding to our survey cited these as their primary motivation.**

These comparisons are important because there is considerably more data on women entrepreneurship than social entrepreneurship. While recognising that the same type of enabler might look slightly different for social entrepreneurship (appropriate finance, business support and legislation, for example), many of the recommendations made to address barriers and enablers for women entrepreneurs also apply to women social entrepreneurs.

When governments, funders or intermediaries seek to identify, communicate with and encourage women social entrepreneurs, however, they need to employ different approaches from the ones used with for-profit entrepreneurs. One of the primary reasons why very few social entrepreneurs transition to become for-profit entrepreneurs is that the drivers for the two types of entrepreneurship are different. **In our survey less than five per cent of women said they had any ambition to work in the for-profit sector.** Social entrepreneurship does not act as a bridge into the for-profit sector.

Another crucial difference between social and for-profit entrepreneurship is the expected economic return for the individual. Social entrepreneurship is likely to create higher rates of social return for the community and society at large. Social entrepreneurship is also likely to create proportionally more jobs for women (See section **Error! Reference source not found.**). But rates of pay in the social enterprise sector tend to be lower than other sectors. There is also a substantial gender pay gap in the social enterprise sector.

So women social entrepreneurs are likely to earn less than their male counterparts and less than their for-profit counterparts and are unlikely to move into the for-profit sector.

This means that social enterprise delivers less economic empowerment for women entrepreneurs than for-profit businesses, but more economic empowerment for women generally. It also offers financial independence to proportionally more women than for-profit entrepreneurship.

If we consider the holistic view of women's empowerment in the UN definition, social enterprise also offers significant opportunity beyond economic empowerment. It enables women *'to influence the direction of social change to create a more just social and economic order.'* And, as we have seen, for 95 percent of women social entrepreneurs this is more important than economic empowerment.

5.2 Drivers for women to become social entrepreneurs

As already stated, 95 per cent of social entrepreneurs have started their venture to achieve social impact. While this was equally true of men and women, many research participants of both sexes felt that women were more drawn to social roles than men, and that they were better equipped for such roles.

While women are better represented as leaders of social enterprise than leaders of SMEs, with twenty four per cent of social enterprises are led by women compared to only nine per cent of for-profit SMEs^{xv}, some participants felt that women becoming social entrepreneurs was less remarkable, and therefore perhaps less impactful on society's and women's own perceptions, than women becoming commercial entrepreneurs.

“Social labour is something that is expected of women and simultaneously devalued. Women are expected to perform social activities but not be paid for it.”

In some discussions participants went so far as to say that women become social entrepreneurs rather than commercial entrepreneurs not so much out of choice but because they are not sufficiently skilled or educated to become commercial entrepreneurs (but can pursue 'social work' without such qualifications). As a result, those female social entrepreneurs who are well-educated feel that they constantly have to defend their choice to pursue social enterprise and share their whole biography to show that they did not choose social enterprise as a “last resort.”

Another factor that may be driving rates of both social and for-profit entrepreneurship among women is **the need to balance work with family commitments**.

- Fifty one per cent of women who responded to our survey felt the social enterprise sector offered better opportunities for flexible working than other sectors.
- Thirty two per cent of women with care responsibilities said the prospect of 'flexible working around family commitments' was a motivating factor in starting a social enterprise. This compares to less than four per cent of men with caring responsibilities.

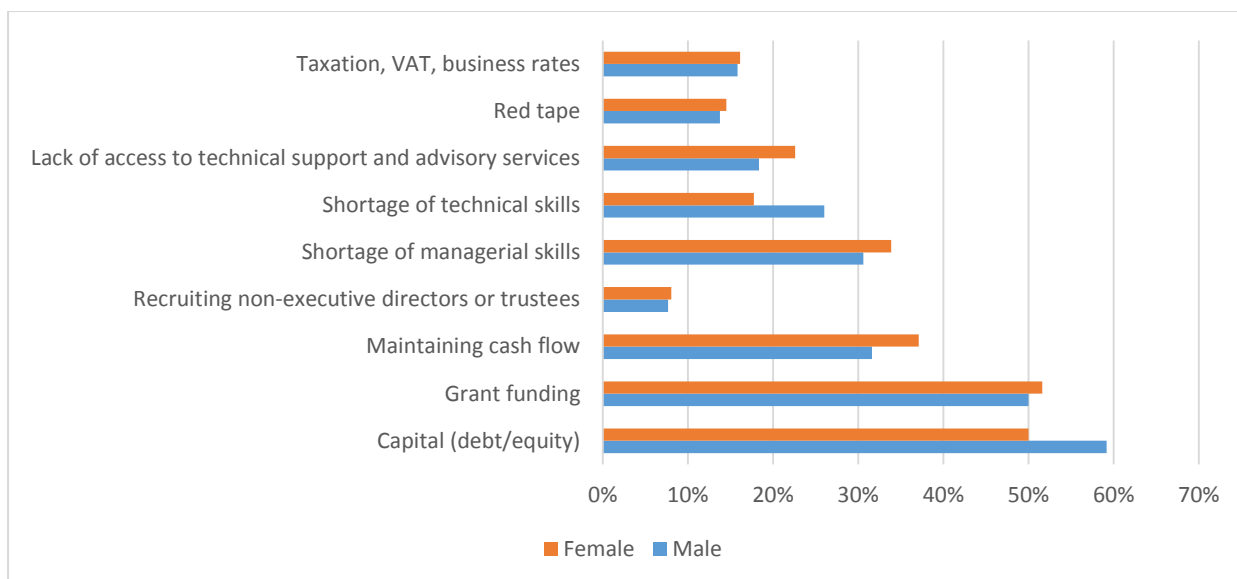
5.3 Barriers facing women social entrepreneurs

Although women are better represented in social entrepreneurship than for-profit entrepreneurship, there are still four times as many social enterprises led by men as by women and, on average, social enterprises led by men are two and a half times larger than social enterprises led by women in terms of turnover³. This suggests that there are huge differences in terms of the barriers facing male and female social entrepreneurs.

What is interesting is that the data from our survey and the data from the earlier British Council mapping exercise show no significant differences in the barriers reported by male and female social entrepreneurs.

Reported barriers facing social entrepreneurs in India

³ British Council survey data 2016, (average size, removing outlying 10 per cent)



Furthermore, while 30 per cent of women social entrepreneurs reported that their gender had an impact on the barriers their social enterprise faced, this was lower than all the other countries in our study:

Does gender impact on the barriers your social enterprise faces? (women)

	Brazil	India	Pakistan	UK	USA
Yes	62%	30%	50%	31%	56%

However interrogating this data through interviews and focus groups a very different picture emerged, where women faced considerably greater barriers than men.

5.3.1 Funding and finance

‘If I were a man it would be easy for me to generate funds. Even in my own family they think it's better to spend on my wedding then my business because they don't know if my husband will allow me to run it.’ – Survey participant

Our research supports the findings of an earlier British Council report on social enterprise in India, which found that women social enterprise leaders face greater challenges in securing funding than men:

“Female entrepreneurs and leaders of social enterprises interviewed for the study identified challenges around gender biases when trying to source funding and investments. They claimed that they are often asked questions around family, maternity leave, and work-life balance as a means to judge their performance and capability. Assets and businesses, moreover, are generally inherited by men, which means that women often face constraints with regard to a lack of collateral.”

Participants in our focus groups also cited various reasons for lower availability of funding for women. This included:

- lack of assets in a woman’s name
- lack of knowledge due to lower social capital or education
- lack of professional skills due to lower rates of participation in the economy
- intimidating funding procedures
- the unhelpful stereotype that women are incapable of managing funds

- lack of women investors

These barriers are also ones that are equally likely to be faced by female for-profit entrepreneurs.

Some women social entrepreneurs reflected that they had been flatly refused by commercial banks for loans; they had to have their husband as a co-signer. They also face additional questioning and types of scrutiny that male social entrepreneurs do not face.

One female co-founder of a social enterprise, during presentations to funders, would get questions about work after marriage, while her male co-founder would not get these questions.

Government funds were felt to be challenging and overly bureaucratic. Furthermore, participants in focus groups had often not heard of government funds from which they could have benefited, suggesting that communication and marketing of social enterprise funding is not reaching women.

Other participants suggested there was a particular problem of funding for women social entrepreneurs, with most funding for women going to NGOs and not Social Enterprises.

Examples of good practice in this field include

Mann Deshi bank is India's first rural financial institution run by and for women. It was set up to address the barrier to finance faced by illiterate women in rural communities. Started in 1997 they are now the second largest micro-finance bank in India, supporting 25,000 women entrepreneurs a year, with a repayment rate of 98 per cent. Participants also mentioned government policies in Tamil Nadu which have increased the number of female led social enterprises; and National Bank for Agriculture and Rural Development (NABARD) funding for Farmer producer organisations (FPO), Puduvazhvu Thittam has led to 150 new FPOs.

5.3.2 Networks

Female entrepreneurs frequently lack a robust network, so raising funds without a male co-founder can be a challenge, especially for younger and relatively small-scale female social entrepreneurs without much PR support.

Also as a woman, it is more challenging to network informally with men as demonstrated by one of our survey respondents.

"I feel barriers sometimes because of my gender. It is far more challenging to network with men in power circles. Most of the decisions are taken in informal setting over drinks or coffee. Being a single woman it is far more challenging to build informal relationships with men. It takes far more effort to prove my capability to gain support from bureaucracy."

5.3.3 Family responsibilities

'Work, life balance is not respected in India' – Survey participant

Women in India spend three times as much time on unpaid domestic work, household chores and care, than men^{xvi}. Of the 781 million Indians not in paid employment, 96.5 per cent of those who list their main activity as "household work" were women^{xvii}.

Of the women social entrepreneurs responding to our survey, 73 per cent have caring responsibilities in the family, either a child or parent.

Women's responsibilities at home may make it more difficult to develop the networks needed for funding and partnerships in social enterprise, as attendance at after-hours or out-of-town networking events may be more difficult.

There are also issues of the double-burden and guilt because women feel that they must take care of their families as well.

One female social entrepreneur (a doctor) waited years to start her social enterprise idea because she feared that, once she did, she would not be able to give enough time to her sons.

Thirty two per cent of women with care responsibilities said the prospect of 'flexible working around family commitments' was a motivating factor in starting a social enterprise. This compares to less than four per cent of men with caring responsibilities.

5.3.4 Stereotypes and prejudice

Many women social entrepreneurs reported having encountered the perception that women cannot manage funds. There are misconceptions about women not being skilled with technology and "numbers" and prejudices against women being the "boss."

At an event in which a grant-giving organisation (Feminist Access to Technology) invited presentations from women's rights organisations, all of the organisations brought a male member to present; this generated a conversation at the event itself about why this was, including embedded ideas about men being better with "technology" (even if it was just changing PowerPoint slides) and with public speaking.

The work that female social entrepreneurs do is assumed to be more a "home-run business" or "hobby" rather than a serious undertaking.

Especially in smaller cities, retailers are unreceptive to women trying to start businesses (social or otherwise); however, once they begin receiving profits from the business relationship, female entrepreneurs begin to gain respect.

5.3.5 Social roles and expectations

'When enterprises turn profitable, the male members of the family start exerting more influence on how they are run'

One of the greatest barriers is the lack of support for women social entrepreneurs from their families. Particularly in the early stages of setting up a social enterprise women social entrepreneurs can find themselves experiencing resistance, resentment, hostility and even violence. Fifteen per cent of women in our survey said they had experienced violence or hostility as a result of setting up their social enterprise.

'It is difficult being a female entrepreneur especially if you are working all alone'

Women can also find it difficult to meet with men alone, and many women, especially young women, experience barriers of mobility especially in the evenings as some families may feel it is unsafe supported by high levels of crime against women as well as social norms where it is considered unacceptable for women to be out in the evenings.

However there are some aspects of the social norms that can benefit women social entrepreneurs over men:

- Unlike men, women are not usually expected to be the primary earner in the family; they may therefore have more freedom to take economic risks and accept lower pay or financial loss in their effort to start a social enterprise. However, in our survey only 33 per cent of female social entrepreneurs were not the main wage earner in their family. This compared to 20 per cent of men.

- Women are expected to undertake social work, so social enterprise is seen as an acceptable role for a woman.
- Many participants believed that women are better at empathetic team leadership and aiding social causes than men.
- Women can more easily engage with other women (especially in rural settings, where separation of the genders is more pronounced) for the purposes of bringing them into the social enterprise as beneficiaries, customers, employees, and/or affiliate micro-entrepreneurs.

Two rural social entrepreneurs shared their experiences as social entrepreneurs

Vaishali Pawar, health entrepreneur, Osmanabad, shared her struggles when she took up the preventive health diagnostic work in her village. She would go door to door to make people aware about the benefits of these check-ups but she faced lot of challenges in convincing people. Then one day when she detected the low blood pressure of a woman in her village who had to be rushed to the hospital, people started realising the importance of these check-ups and started approaching her to avail the service. She has expanded her market to nearby villages. She is now a strong community health leader and is recognised as one.

Uma Shitole, shared her experiences and challenges and how it helped her in turning them into opportunities. "I had decided to end my life due to continuous demands of dowry by my in-laws....(However,) I survived violence and was determined to set an example for other women like me." So, she decided to start her own enterprise and become a role model for others. Uma Shitole is now not only an energy entrepreneur in Osmanabad but also an active community leader. When Uma started her business as a clean energy entrepreneur – selling off solar products in her village, she did not have any family support. Seeing the health and environment benefits, Uma was so determined to start the clean energy business that despite no family support, she mortgaged her gold jewellery. This was quite a risk for her and to prove it to her family and recover the loan, Uma went out of her way to make her business a success. She carried out a large number of demonstrations and market stalls, visited Gram Sabhas and schools and as a result, her business is now turning over Rs. 1.5 lakhs.

5.3.6 Other reported barriers

Participants in focus groups highlighted a number of barriers relating to bureaucracy faced by social entrepreneurs, regardless of gender. However it was felt that these may disproportionately affect women entrepreneurs as women are often less familiar with navigating a mostly male-led bureaucratic system.

Participants reported that social enterprises incorporated as private limited companies are viewed with scepticism by the government and assumed to have the same financial capacities as commercial enterprises. For example, to set up a stall in a particular handicrafts market, NGOs have to pay Rs24,000, while other organisations have to pay Rs125,000. And social enterprises seeking to work with the government often have to open an NGO wing in order to do so.

NGOs attempting to set up e-commerce portals for social enterprise activity need to register for VAT and file a return even if they are not making enough money to pay VAT. This is a strong disincentive for smaller and especially non-profit operations to get into e-commerce, which could be a potential way to reach new and more lucrative markets.

Applying for government funds can require multiple years' worth of tax returns and paperwork.

5.4 Types of women starting and running social enterprises

Most female social entrepreneurs in India come from privileged backgrounds. However, Self-Help Groups and cooperatives at the grassroots level engage women in productive and income-generating activities that also have a social purpose who are from lower-income, less-educated, and rural backgrounds. However, these groups are often facilitated by a larger business or NGO (non-governmental organisation).

It was observed that women who witness hardships are more likely to start social enterprises. Ambitious women who always look for new challenges, particularly with regards to solving societal issues, were also considered likely to become social entrepreneurs.

There was consensus that many female social entrepreneurs come from families with high levels of social awareness or commitment and are well-educated and relatively well-off financially. These women are likely to come from urban backgrounds and may have easier access to financial and knowledge capital.

Our survey confirmed these findings. Of the women social entrepreneurs responding:-

- 61 per cent had at least a comfortable standard of living when growing up
- 21 per cent were better off than many in their communities
- 66 per cent were still in education at the age of 21

However, there was also recognition of diversity among women social entrepreneurs, particularly when the definition of social enterprise is expanded to include informal or micro-entrepreneurial activities.

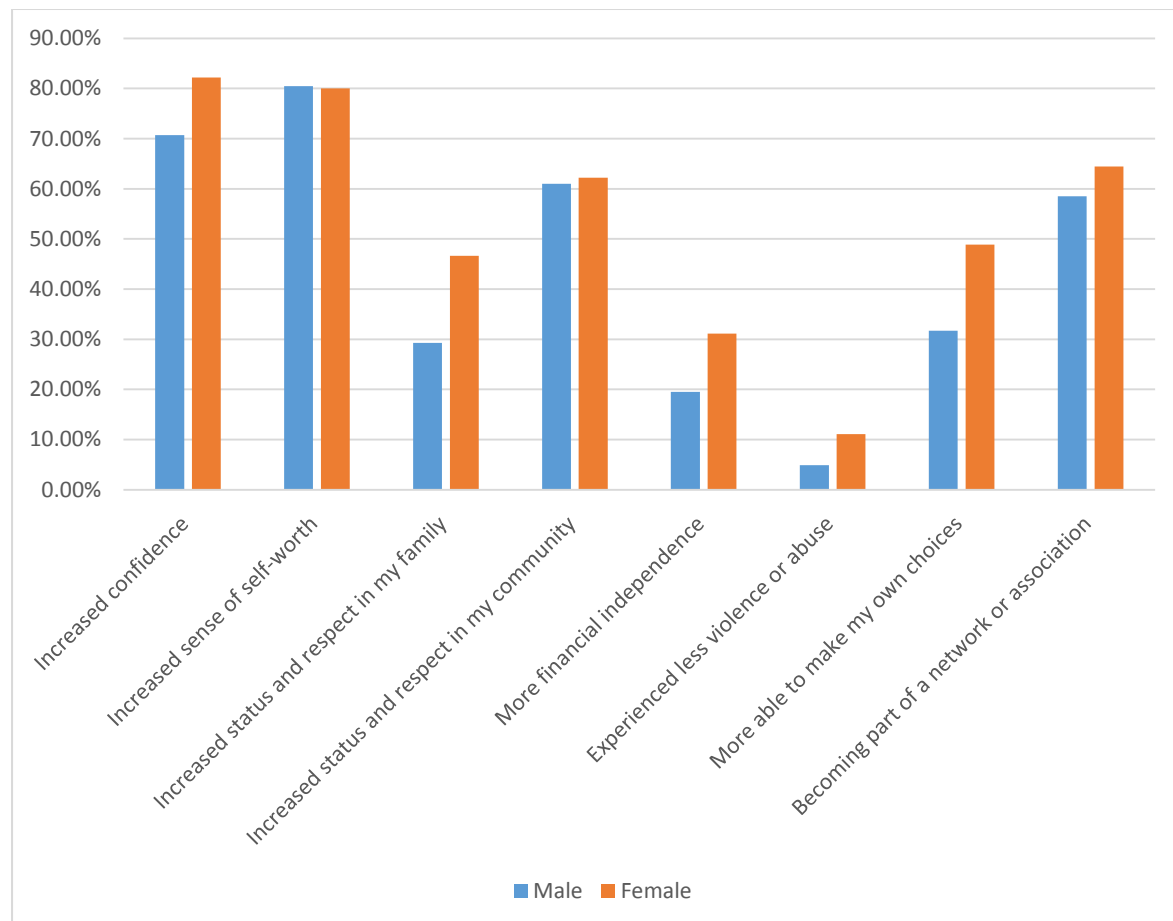
Some female social entrepreneurs come from the particular context that they are working to improve. These could include women from lower-income backgrounds and those in difficult social circumstances (e.g., widows, child marriages, acid attacks).

Some women become social or micro-entrepreneurs out of the need to meet their and their family's basic needs and improve their own circumstances (e.g., Self-Help Group members). The capacity and extent to which women in the Bottom of the Pyramid experience and benefit from social enterprise should be further explored as this has great potential to alleviate poverty and further address gender issues at the grassroots levels.

5.5 Impact on women social entrepreneurs

Becoming a social entrepreneur has both positive and negative effects on women. On the whole, male and female social entrepreneurs experience broadly the same impact, and for both sexes the positive impact appears to be considerably greater.

- 82 per cent reported increased confidence;
- 80 per cent of female social entrepreneurs responding to our survey said that starting a social enterprise had given them an increased sense of self-worth;



Women who start social enterprises were seen to become role models in the community. *‘They are able to provide a better future for their children as well as open up opportunities for other women in the community who are similarly placed.’* Capacity building and skill development by social enterprises helps in women empowerment and also translates to better lives for her children and their communities.

Where starting a social enterprise seems to have a particularly positive impact upon women, even more than men, is within their own families:

- 47 per cent reported increased respect within their families compared to only 29 per cent of men;
- 49 per cent said they were more able to make their own choices, compared to 32 per cent of men;
- 31 per cent reported greater financial independence compared to only 19 per cent of men.

Participants also indicated that social enterprises help women's confidence through networking opportunities, and improving their skills.

But, although participants were clear that becoming a social entrepreneur positively impacts on women's positions in their families and communities, this positive impact is neither immediate nor guaranteed. Even if women are the boss in the office this may not be possible in the home.

For example, one young woman who has been working on developing her social enterprise for the last six years related some of her experiences.

My parents are telling me I have to get married. My father and brother tell me I will not be able to attract funds for my social enterprise and want my brother's profile on my website to have a better chance of getting funding. My brother says that what I have achieved so far, I have done as a 'social worker'. I have given 50 people jobs, but he says that is not such a big deal: he has a big company with 1000 employees. I have asked my father to invest in my business but he would rather pay for an expensive wedding.

In all, 49 per cent of female social entrepreneurs reported experiencing some negative impact of setting up their social enterprise. This was mostly was around financial insecurity and stress.

- 29 per cent of female social entrepreneurs responding to our survey said they had experienced debt or financial insecurity as a result of starting their social enterprise;
- 44 per cent said they had experienced stress; and
- 24 per said they had experienced conflict between family responsibilities and the demands of the social enterprise.

5.6 Supporting women social entrepreneurs

Social enterprise in India, especially when interpreted broadly to include informal and grassroots activity, is enacting incremental changes that improve the position of women and girls in society. Social enterprise's role in income generation and asset formation was seen as key to empowering women and giving them a greater say within the family and community. However, several study participants cautioned that providing the material basis for change was insufficient without holistic approaches that change mind-sets about gender roles as well.

It is difficult to develop a common vocabulary and support system that can foster all the many diverse forms of social enterprise needed for effective women's empowerment. AT present in India social enterprises often fall between two stools when it comes to support. While debt and equity funders seek polished business models and substantial predictions for scalability that favour for-profit setups, governments are willing to contract only with non-profit organisations to provide services on their behalf.

The pressure on social enterprises to make the transition from the stage of surviving on grants to the stage of sustainability is extremely high, and there is a lack of requisite support at the early stages of incubation and piloting. This lack of support is even more acute for female social entrepreneurs, who often have smaller networks and fewer role models in the space and encounter significant gender-based barriers to business development and gaining funds. Like female commercial entrepreneurs, female social entrepreneurs face problems of banks, business partners, and other funders or investors not taking them seriously if they are not accompanied by a male co-founder or co-signer. Family members may consider a woman's ventures to be more of a "hobby" than a serious occupation, and family pressures, lack of mobility and caring responsibilities may also make it more

difficult for women to network as extensively as men. There is still societal prejudice against the idea of a woman as a “boss,” even though women’s leadership in the social sector is viewed positively in Indian society.

Since social enterprise has a strongly positive impact on women’s empowerment, this is something that governments and other stakeholders should support. One framework that should be considered is that offered by the Gender-Global Entrepreneurship and Development Index (Gender-GEDI) for for-profit entrepreneurship.

Gender GEDI categorise female for-profit entrepreneurs into six groups^{xviii}:

- Privileged Entrepreneurs
- Die-Hard Entrepreneurs
- Promising Entrepreneurs
- Potential Entrepreneurs
- Reluctant entrepreneurs
- Resistant Entrepreneurs

They argue that any policy initiatives to encourage entrepreneurship should be aimed at the middle two groups to have most impact. The top two groups are likely to become entrepreneurs anyway, the bottom two groups unlikely even with interventions.

This approach would also be useful to adopt when considering encouraging women social entrepreneurs. Further work is needed to identify the characteristics of these groups for social entrepreneurs however.

5.7 Section 5 conclusion

When it comes to for-profit entrepreneurship in India, less than nine per cent of businesses are led by women. By contrast, 24 per cent of social enterprises are led by women.

Women social entrepreneurs share many characteristics with for-profit entrepreneurs. They share many of the same barriers and enablers. Their motivations however are quite different, as social entrepreneurs are driven almost entirely by a desire to create social impact.

Ninety five per cent of women in our survey started a social enterprise to address a social or environmental concern, or to benefit their community. Only five per cent started purely for career opportunity or flexible working. However, both of these were important secondary considerations.

Fifty one per cent of women who responded to our survey felt the social enterprise sector offered better opportunities for flexible working than other sectors.

Thirty two per cent of women with children said the prospect of 'flexible working around family commitments' was a motivating factor in starting a social enterprise.

Women social entrepreneurs face the same barriers as their male counterparts, and also additional barriers as a result of their gender. These include

- prejudice and discrimination
- barriers to accessing funding and investment
- greater demands on time through home and family commitments

Becoming a social entrepreneur has both positive and negative effects on women. While many of the benefits of social entrepreneurship are experienced by both men and women, those relating to financial independence and respect within the family are markedly more impactful on women.

- 80 per cent of female social entrepreneurs responding to our survey said that starting a social enterprise had given them an increased sense of self-worth;
- 82 per cent reported increased confidence;
- 47 per cent reported increased respect within their families compared to only 29 per cent of men;
- 49 per cent said they were more able to make their own choices, compared to 32 per cent of men;

However 49 per cent of female social entrepreneurs reported experiencing some negative impact. The negative impact reported was around financial insecurity and stress.

Compared to for-profit entrepreneurship, social entrepreneurship is likely to create higher rates of social return for the community and society at large. It is also likely to create proportionally more jobs for women. But rates of pay in the social enterprise sector tend to be lower than in other sectors. There is also a substantial gender pay gap in the social enterprise sector.

So women social entrepreneurs are likely to earn less than their male counterparts and less than their for-profit counterparts. They are also unlikely to move into the for-profit sector.

Considering the UN's definition of women's empowerment, social entrepreneurship can offer women an important opportunity to *'influence the direction of social change to create a more just social and economic order, nationally and internationally.'* It also offers financial independence and increased agency to proportionally more women than for-profit entrepreneurship.

6 The impact of the social enterprise sector as an employer

As we have seen, many social enterprises empower women as ‘beneficiaries’ of their services. Social enterprises empower the women entrepreneurs who set them up. And many social enterprises also create jobs that empower the women who work in them.

There are three important questions to consider as we evaluate the impact of social enterprise employment on women’s empowerment:

- Are proportionally more women employed in social enterprise than other sectors?
- Are the jobs created good jobs?
- Do the jobs created challenge or reinforce gender stereotypes?

6.1 Female proportion of social enterprise workforce

Social enterprise sector employs proportionally more women than the workforce as a whole, and more than the private sector.

- 26 per cent, of full-time employees in social enterprises are women and 65 per cent of part-time employees in social enterprise are women.
- This compares to only 24 per cent of all employees in the workforce as a whole.

Furthermore, many of the women employed by social enterprises are from particularly disadvantaged backgrounds, for example through poverty or abuse, and would not otherwise find employment.

There may be a number of reasons why the social enterprise sector employs proportionally more women:

- Many participants of both sexes felt that women are more drawn to work with a social benefit.
- Social enterprises are over-represented in industries in which women are over-represented such as care, education, and catering.
- As we have already noted, social enterprise is seen as providing more flexible work than other sectors, which is attractive to women. A large number of jobs in the social enterprise sector are part-time for example.

Recent research^{xix} shows that, in India, 63 per cent of women quit work on account of childcare, 75 per cent would like childcare support from employers, and fewer than 20 per cent of companies actually provide such support. The flexibility of the social enterprise sector is therefore important in providing access to the labour market for women with children.

The British Council mapping survey also found that 71 per cent of female-led social enterprises employ more than the average 25 per cent women, compared to 55 per cent of male-led social enterprises.^{xx} This may indicate that women are more likely to hire other women, but equally, it may be that women led social enterprises are predominantly in industries that have a high proportion of female staff.

6.2 Are social enterprise jobs good jobs?

Social enterprise jobs are perhaps best split into two broad categories:

- Jobs specifically for beneficiaries – i.e. jobs deliberately created to employ someone disadvantaged in the labour market.
- Jobs NOT specifically for beneficiaries – i.e. those needed simply to run the social enterprise.

6.2.1 Jobs for beneficiaries

Those jobs created specifically for beneficiaries are typically entry-level jobs to provide employment for people who would otherwise be unemployed. Sixty eight per cent of social enterprises in our survey said that if they did not employ them, their workforce would either be unemployed or working elsewhere in worse conditions and for less pay.

And, while these jobs may only be entry level, they typically involve training and development. Ninety two per cent of social enterprises responding to our survey that cited creating employment as one of their areas of impact on women also cited developing skills.

So, the evidence suggests that jobs created by social enterprises specifically for beneficiaries are likely to be better jobs than those available through for-profit businesses.

It should be noted, however, that some social enterprises, have the same issues as the private sector in providing a decent working environment for women. For example toilet facilities for women (which may be poorly maintained or, as one female social enterprise leader noted of a project site she had once managed, completely absent from the workplace).

In our surveys there was a clear indication by participants that social enterprises performed better in terms of the gender wage gap than other sectors. For example, women reported the highest proportion of equal pay in social enterprise (39 per cent), although men reported this to be highest in the public sector (44 per cent). A representative of one prominent social enterprise support organisation said that, although it is tempting to believe that social enterprises do better on these indicators, they may not in reality.

In the Jaipur focus group, however it was suggested that social enterprise does create opportunities for change in the gender pay gap in traditional sectors such as crafts. Among a village of block print artisans in Rajasthan, women support the printing process at many levels, but the male printers are paid 5-6 times more for their work. Social enterprises are bringing about an awareness that women can challenge these norms. One social enterprise asked women to take over the finishing process for their products, a higher-paid role traditionally performed by men.

6.2.2 Jobs not specifically for beneficiaries

Jobs in the social enterprise sector that are not created specifically for beneficiaries can be lower paid than in other sectors, certainly public and corporate sectors, although micro, small and medium-sized enterprises (MSMEs) can pay as poorly as social enterprise. Social enterprises tend to be small and under-resourced compared to NGOs and corporates. Often they rely on the sense of mission their staff feel to compensate for the lower wages. Eighty five per cent of survey respondents felt that other sectors offered better employee benefits such as paid maternity leave.

To compare employment opportunities in the social enterprise sector to those in other sectors, it may be necessary to disaggregate management-level work from lower levels of employment.

Many social ventures are eager to attract educated, professional employees at the leadership or management level in order to help grow the company. Therefore, some research participants felt leadership and management level employees in a well-established social enterprise can enjoy the same or even better compensation than in an established NGO. However, when it comes to hiring below the management level, it is like '*any other business-as-usual hiring*'; social enterprises have to economise on their resources and may pay these employees less than NGOs.

For social enterprises that still rely on grant funding to some extent, particularly those in early stages there was a particular problem in paying good salaries, even at management level. Most funders do not want to pay administrative costs of more than 10-12 per cent, but this makes it very hard to offer good salaries and benefits.

Furthermore work that is socially beneficial is often seen in India as 'women's work', under-valued and correspondingly under-paid.

But women felt there were many positive factors to working in the social enterprise sector. Positive traits of acceptance, warmth, comfort and openness were associated with the working conditions in social enterprise. It was felt that social enterprise provided more flexible working arrangements for women including working at home and flexible leave. They also felt they experienced less discrimination than in other sectors. Workplace politics in was seen as less of a problem in social enterprises due to less hierarchy and the importance of the social enterprise's value proposition.

The main disadvantages of employment in the social enterprise sector reported, apart from the lower pay, were the lack of infrastructure such as access to technology especially when working in rural areas, and the poor work/life balance. Women reported that in social enterprises they felt as if they worked 24/7 as they could also work at home.

Focus groups summarized the advantages and disadvantages of working in the social enterprise sector as follows:

Advantages	Disadvantages
Positive culture	Unpredictable hours
Recognition	Lack of work/life balance
Flexibility	Less pay
Less discrimination	Lack of Infrastructure
Opportunities in leadership	Fewer employment benefits

6.3 Do social enterprise jobs reinforce gender stereotypes?

Sixty three per cent of our survey respondents believe social enterprises are challenging gender norms

'Social Enterprises have, in the recent past, changed the stereotypical mind-set of the society that only men can run successful businesses. Women now are challenging the set norms, pushing themselves beyond boundaries, excelling at running successful as well as sustainable businesses across diverse sectors.' – Survey Participant

Eight per cent believe they are reinforcing them.

'I see most social enterprises use the same old method of using women and men in their typical roles. For example in handicrafts we see more women than men. Or other industry manufacturing enterprises we see more men than women. Social enterprises I feel are still using the typical gender roles in creating job opportunities.' – Survey Participant

The reality is that there are strong elements of both.

In the for-profit sector women are over-represented in low-paid jobs particularly in textiles, craft and agriculture, and under-represented in manufacturing and tech, for example. In social enterprise, we also see a similar degree of gender segregation.

There is good reason for this, particularly where social enterprises are trying to create employment opportunities for disadvantaged women. It is easier to create employment opportunities where women do not feel they are conflicting with cultural norms to join, where women may have some of the skills needed, and where there is a ready market for women's services. What this means is that the economic opportunities created (jobs or self-employment) tend to be in roles that are considered traditional for women, such as craft and textiles. They empower particular groups of women but in a way that conforms to existing stereotypes of appropriate female employment.

Some social enterprises are deliberately challenging such gender stereotypes by training and employing women in industries where they are under-represented. The Women on Wheels programme, for example, empowers resource-poor women to become professional drivers.

6.4 Section 6 conclusion

Social enterprise sector employs proportionally more women than the workforce as a whole, and more than the private sector. Furthermore, many of the women employed by social enterprises are from particularly disadvantaged backgrounds, for example through poverty or abuse, and would not otherwise find employment.

For those disadvantaged in the labour market social enterprise generally offers better employment opportunities than those available in the private sector. But for those in leadership and management positions, pay and conditions in the social enterprise sector can be lower than in other sectors. Also, as in the wider economy, there is a substantial gender pay gap with men earning more than women. Part of the pay gap is due to a gender segregation and the undervaluing of work in sectors dominated by women.

The social enterprise sector generally conforms to the same gender segregation as the wider economy in each country, with women over-represented in lower-paid sectors such as textiles and agriculture, and under-represented in higher-paying sectors such as tech, for example. One reason the social enterprise sector may have a high proportion of women staff is that there are more social enterprises in sectors dominated by women than in those dominated by men.

There are, however, some striking examples of social enterprises addressing this gender segregation by training and employing women in non-traditional industries such as taxi driving.

7 Conclusion

The World Economic Forum ranks India only 87th out of 144 countries in terms of gender equality^{xxi}. Women and girls in India continue to face challenges based purely on their gender, including unequal access to resources; unequal opportunities in employment, entrepreneurship and leadership; and an unequal risk of violence and abuse.

Social enterprise offers several opportunities to address this gender inequality:

- it offers a proven, effective means to support vulnerable or disadvantaged women into employment, and to tackle many of the specific challenges facing women and girls today;
- it provides an opportunity for women to *'influence the direction of social change to create a more just social and economic order, nationally and internationally'*;
- it offers more opportunities for women's entrepreneurship and leadership; and
- it is creating proportionally more jobs for women, than the for-profit sector, particularly for those disadvantaged in the labour market. .

Social enterprise is not an alternative to other models of women's empowerment and it is not a new tool for empowering women. It is under-utilised, however, and where it is used could be even more effective.

In order to realise these opportunities, more resources and investment should be focused on encouraging social enterprises to tackle issues of gender inequality and women's empowerment. Globally less than 1 per cent of impact investment goes to women's empowerment^{xxii}.

The research uncovered many well-regarded, independent social enterprises working in the area of women's empowerment. On the whole, they are not well known or well networked. There is considerable opportunity for sharing best practice and replicating successful business models and approaches. This would help increase the number and effectiveness of social enterprises with a focus on women's empowerment.

While social enterprise does offer significant opportunities for women's empowerment in India, there remain inequalities within the sector itself that need to be addressed as well.

- Women social entrepreneurs face greater barriers than their male counter-parts, including prejudice and discrimination.
- There is a significant gender pay gap in the social enterprise sector.
- And social enterprise demonstrates the same gender segregation seen in other areas of the economy with women over-represented in low-paying sectors such as education and care, and under-represented in well-paid sectors such as construction and tech.

Governments, funders, investors and intermediaries also have an important role to play in addressing these inequalities.

Social enterprise is a key part of women's empowerment initiatives in India, but it is only one piece of a much larger effort. Setting social enterprise apart from other models (both commercial and non-profit) that open up leadership, employment, and income-generation opportunities for women may be counter-productive to the spirit of cooperation needed for the movement toward women's empowerment. At the same time, for social enterprise to flourish as its own sector in India rather than as an uncomfortable in-between, many stakeholders are calling for clearer policies and legal recognition. Both of these perspectives will need to be practically accommodated in order for social enterprise to maximize its effects in the field.

8 Recommendations

Based on our research and particularly on the discussions of our focus group of social enterprise and women's empowerment experts, we have drawn together some recommendations to increase the effectiveness of social enterprise as a model for supporting women's empowerment. These are grouped into recommendations for funders and investors, social enterprises and intermediaries, and governments. Some of the recommendations apply to one or more group, and all stakeholders need to work together to ensure the successful implementation of these recommendations.

It is critical that both men and women are involved in considering and implementing these recommendations. Many of the issues are underpinned by gender norms that affect, and are reinforced by, both men and women.

8.1.1 For social enterprise support organisations and the broader ecosystem

Many of the recommendations for the social enterprise sector will also require support from government and/or funders.

Women's social enterprise networks

- Facilitate networking between gender-focused social enterprises and women's organisations nationally and internationally with a view to sharing best practice and replicating successful models.
- Create a women's social enterprise network to increase the peer support available specifically for women social entrepreneurs and board members. This will help women social entrepreneurs share best practice, provide mentorship, and discuss the unique challenges of social enterprise.

Training for women social entrepreneurs

- Provide training specifically for women to address confidence and skills gaps, particularly focusing on:
 - Financial literacy
 - Business planning
 - Business skills
 - Pitching for funding and investment
 - Technology

Social enterprise incubators and accelerators

- Increase the number, quality and sustainability of social enterprise incubators in India, with particular incentives for women-led social ventures.
- A quality control system for incubators should be introduced which monitors and evaluates impact on a range of measures, including gender equality and women's empowerment.
- Some 'women only' incubators could be established. These could be cross-sector, supporting social and for-profit enterprises.

- Online accelerator programmes could also be established, including a programme marketed specifically at women social entrepreneurs. These will have a greater reach than individual incubators, although the anticipated success rate will be lower.

Increase awareness

- Make effective use of media and communications to ensure women social entrepreneurs are seen and heard.
- Ensure a gender-balanced portrayal of social enterprise in the media to ensure that the social value created by both female and male social entrepreneurs in a range of sectors is recognised.

Challenges and competitions

- Instigate competitions to start social enterprises specifically to tackle gender inequality and women's empowerment with an appropriate mix of grant, equity and loan finance, and mentoring and support for the winning enterprises.
- These could be cross-sector and potentially focus on those at the Bottom of the Pyramid (BoP), supplying beneficial products and services to the poorest communities in India.

8.1.2 For funders and investors

Gender lens to investing

Gender lens investing is the practice of investing for social and/or financial return while also considering the benefits to women. Many argue that adding a gender lens to investing can help promote female led social enterprises as well as providing role models to women.

- Use a 'gender lens' when making investment decisions; understand the additional barriers faced by women social entrepreneurs, and the strengths of women-led social enterprises.
- Provide training for funders and investors to understand the differences between male and female social entrepreneurs and the potential of gender based markets.
- Set specific targets for a funding or investment portfolio that is balanced for gender. Consider launching products or services that are specifically targeted at under-represented sectors of the population.

Build the financial spectrum.

- A particular gap in finance for social enterprise was identified in early stage investment, particularly small amounts of seed funding. This could be met through a variety of tools such as grants for R&D (research and development), preferential lending and exemptions and incentives. Doing this using a gender lens will ensure the increase in social enterprise start-ups and growth will benefit women social entrepreneurs as well as men.
- A collaborative effort on the part of the funding agencies and the government is required to build an ecosystem where starting up a social enterprise becomes easier and addresses the specific barriers to women social entrepreneurs and employees. A transparent model to select projects for funding and promote women throughout the journey was also recommended.
- One observation was that certain fields in which women social entrepreneurs tend to participate more (e.g., community-based production and activities) are less scalable, or perhaps scalable in

different ways, than, for example, IT-based social enterprises. Therefore, there should be accessible funds available for more localised and smaller-scale social enterprises, as well as more funds for scaling and replication.

Women investors and funders

Globally there is a shortage of female investors. Our recommendations are to:

- set targets to ensure a gender balance in the boards and senior leadership teams of funders and social investors
- ensure a gender balance in all panels making lending and investment decisions
- record and publish data on the level of investment into male and female-led social enterprises, the gender composition of leadership teams and boards, and the impact of those investments.

Encourage gender equality and women's empowerment amongst investees

- Funders and investors should set criteria for social enterprises to meet before receiving a grant or investment including:
 - have gender-balanced boards
 - record and measure their social and environmental impact, and include gender equality as a metric.

Raise the profile of women role models

- Promote and celebrate the role of women as social investors and women as social entrepreneurs.

Corporate social responsibility (CSR)

- Apart from funding social ventures, CSR should also consider in-kind support. Corporates have many resources such as mentors, labs, experts and facilities that can help contribute to the social cause through social enterprises. These should be particularly targeted at women, helping to address the gender-gap in social entrepreneurship and leadership.
- Government should amend the CSR law so that such in-kind support be considered as a part of CSR spending and can in turn help Social Enterprises. It could also include impact investment into for-profit social enterprises as a form of CSR. This should include a requirement to invest using a gender lens.

8.1.3 For governments

Many of the barriers facing female social entrepreneurs are the same as those facing male social entrepreneurs. Some of these recommendations will be of equal benefit to both.

Governments should bear in mind that any policies to support women into work will actively support the social enterprise sector, which has a disproportionately high female workforce, particularly part-time workers. And equally, that any policies that support the social enterprise sector will support women's empowerment in India.

Facilitate the work of funders, investors and intermediaries

- Governments should look to facilitate the above recommendations to social enterprise intermediaries, and funders and investors, by supporting through policies, convening, and provision of finance.
- Governments should also ensure coordinated and effective communication of the support and funding available for social enterprises. This communication should be especially targeted at women to help reduce the gender gap in social entrepreneurship.

Social enterprise taskforce

- The Government of India should set up a social enterprise taskforce with a specific remit for considering gender equality, to provide expertise and recommendations for policy.
- The taskforce should have cross sector representation with stakeholders from business, government, academics, and social entrepreneurs and should be balanced for gender.

Produce a white paper on social enterprise

- With the support of the Social Enterprise Taskforce (8.2.2), the Government of India should look to build on this research, and on the 'National Skill and Entrepreneurship Policy' with a white paper on social enterprise.
- The white paper should include examples demonstrating the benefits and the social impact of women-owned business, and an accurate mapping of the numbers and types of social enterprises in this space. This will enable better policy decisions and more focused interventions by governments and other stakeholders.
- The government white paper should also include a definition to support understanding, communication and engagement. India does not have an official definition of a social enterprise, and governments are unwilling to engage with private, for-profit companies to provide social services.
- The government white paper should include suggested policies to ease the administrative burdens for social enterprises. The hybrid nature of social enterprises also makes them slower to grow in comparison to other mainstream enterprises. The government should recognise this fact and provide relevant support in the form of tax subsidies, separate schemes and incentives.
- The white paper should consider a framework for encouraging governments to procure from social enterprises, possibly modelled on the UK Social Value Act.
- A specific legal structure that could be adopted by social enterprises, such as the Community Interest Company in the UK, is also recommended.

Social enterprise education

- Governments and social enterprises should work in partnership to increase the use of social entrepreneurship education in schools, including a specific focus on addressing gender inequality. This should begin in primary school.
- This programme should prioritise working with girls, increasing business skills, confidence and the social acceptability of female entrepreneurship.

- Public awareness regarding social enterprises can also be increased through changes in school, college and university curricula, with mandatory lessons on social entrepreneurship.

References

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