

Women as Entrepreneurs: The impact of having an independent income on women's empowerment

Summary: This research set out to understand the relationship between women 'having an independent income' (one of CLP's empowerment indicators) and CLP's other nine empowerment indicators (Box 1).

The study had three research questions: 1) How does CLP support women's entrepreneurship on the *chars*?; 2) Is there a correlation between the empowerment indicator 'having an independent income' and other empowerment indicators?; 3) What are the perceptions of male household and community members towards women having an independent income and how does women's economic development affect these attitudes and behaviours?

The combination of CLP's interventions, such as asset transfer, livestock management training and social development group sessions provide an enabling environment for extreme-poor women to participate economically and provides opportunities for them to develop as entrepreneurs.

Significant correlations were seen between having an independent income and six other empowerment indicators: influencing investment decisions; keeping the family cash; having personal savings; being invited to social occasions; attending meetings or trainings; and becoming a member of a committee.

Key changes in male perceptions towards women earning their own income source were seen to develop over time and related to: increased financial stability; an increase and confidence in women's decision-making; women having increased control over family finances; and increased social participation, as well as having the confidence to participate. A reduction in social stigma was noted and overall, women reported an increase in respect from their husbands and other community members.



Rahela, a previous core participant, standing proudly with her cattle

Background

Existing literature has shown impressive results regarding women's entrepreneurship and the effects it has on women's empowerment. Over the last decade, women's entrepreneurship has been increasingly recognised as an important avenue for reducing poverty, building women's empowerment and sustainable development.

Objective

The objective of the research was to understand the relationship women 'having an independent income' (one of CLP's empowerment indicators) had with CLP's other nine empowerment indicators (Box 1). CLP's empowerment indicators are specific to the *chars* context and were developed using a participatory research process with *char*-dwellers to understand how they would identify an empowered woman.

Methodology and key questions

A mixed methods research approach was used. Quantitative data was collected through

a questionnaire with previous CLP participants and qualitative data was collected through a series of focus group discussions with male and female control groups (members had not participated in CLP) and male and female intervention groups (members had participated in CLP). Case studies were also collected.

Box 1: Indicators comprising the Chars Empowerment Scorecard

- Making decisions in the household jointly with male household members
- Having an independent income
- Keeping the family's cash
- Influencing decisions regarding investments
- Having her own savings
- Membership of a committee
- The ability to resolve conflict in the community
- Attending meetings
- Being asked for advice by other community members
- Being invited to social occasions

The research had three key questions:

- How does CLP support women's entrepreneurship on the *chars*?
- Is there a correlation between the empowerment indicator 'having an independent income' and other empowerment indicators?
- What are the perceptions of male household and community members towards women having an independent income and how does women's economic development affect these attitudes and behaviours?

How CLP supports women's entrepreneurship

This research demonstrated that the combination of CLP's interventions provide an enabling environment for extreme-poor women to participate economically. The first key intervention is the Asset Transfer Project. Participants, all of whom are women, are

provided with investment capital of Tk. 16,500 (£137) that they can use to purchase an asset of their choice: 98% choose cattle. This is often the first time women will contribute something of financial value to their household. This increases her status in the household and decreases her dependence on her husband.

Participants are encouraged to diversify their assets. Training on livestock management, poultry rearing, milk and fodder production and homestead gardening best practices provide women with the knowledge required to decide ways in which to diversify their income-generating activities. Other interventions also support participants to build their livelihoods and diversify. Interventions include, CLP's Market Development Project, village, savings and loans groups and training for participants to become *char* health workers, *char* nutrition workers and poultry vaccinators.

CLP recognises that external factors such as social and cultural attitudes and behaviours can limit women's social and economic development. To address this, CLP provides Gender Development Training through a one-day Couple Orientation group meeting. The meeting is attended by core participants and their husbands and addresses issues such as the gender division of labour, joint decision making and family planning. The Programme also engages influential men in the community who attend a two-day residential training where topics such as conflict resolution, dowry, early marriage and violence against women are discussed.

Relationships between indicators

Before participants enrol in CLP, 27% report having earned money in the last six months from activities that they undertook independently from a male household member. This is compared to 90.6% of women who report this once they have left CLP. Having an independent income is extremely

important to CLP participants, with 96% reporting this. It was also significantly correlated with six other empowerment indicators.

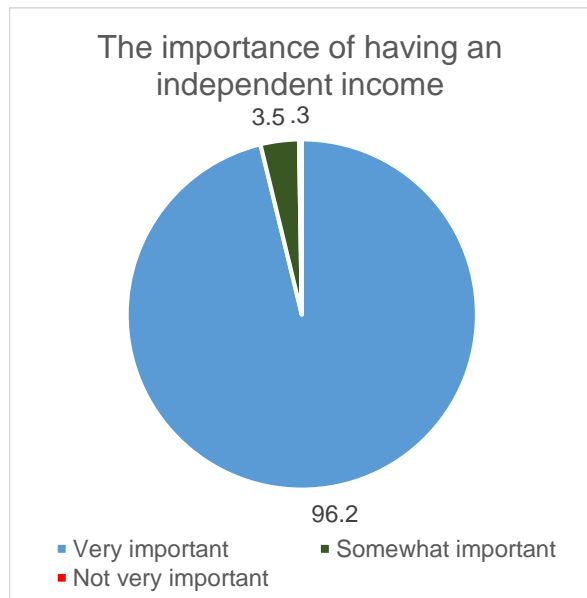


Figure 1: The importance of having an independent income to women on the chars

The most impressive finding was regarding investment decisions. **All** of the women who reported having an independent income also reported the ability to **influence investment decisions**. This is a significant finding as it demonstrates the strong impact having an independent income can have on a woman's status in her household and her ability to influence decisions, which impact her family's economic status. Only 12.2% of respondents report influencing investment decisions before joining CLP.

Further, having an independent income is significantly correlated with a woman's ability to have **personal savings** and **keep the family's cash**. Women who reported having an independent income source were six times more likely to have personal savings than those who did not and were one and a half times more likely to keep the family cash.

Significant correlations were also found between having an independent income and: **being invited to social occasions; attending meetings or trainings; and being a member of a committee**. Women who

reported having an independent income were five times more likely to be invited to social occasions, six times more likely to attend meetings or trainings and seven times more likely to be a member of a committee.

Wider perceptions of women earning an independent income

Financial stability: One of the key reported benefits of women earning an independent income, was the increased financial stability this brought to the family. Financial stability was articulated as a key motivation for women to continue earning an independent income. Male control group members voiced the opinion that if they were not in poverty anymore they would not want their wives to continue working.

Decision-making: In the male control groups, there was a consensus that their wives were not capable of engaging in the forms of work that men do. One reason was their perceived lack of intellect and, therefore, husbands' low confidence in their wives. Within the male intervention groups, however, there was a general consensus that it is beneficial for both husband and wife to make decisions together, particularly on topics such as investment decisions, daughters' marriages and sending children to school. It appears that this shift in attitude took place over time and was catalysed by women earning their own income. Once women made decisions that started to pay off and generate money for the family, their opinions were more respected and they were trusted to make household decisions.

Increased control over family finances: When women were not working they spoke of having no 'rights' over household income. This made it difficult when they needed to decide where was best to spend money for their family. It also restricted them socially: the female control group expressed the want to visit friends and family, but without money to do so they could not. By earning their own income they had greater ownership over household finances and therefore more control over the ways it was spent.

Increased social participation: Of women who are not enrolled in CLP: as few as 2% report being invited to social occasions; no women report attending meetings or trainings; and only 1.4% of women are members of a committee. After CLP, 72.4% reported being invited to social occasions in the last 12 months, 73.4% reported attending meetings or trainings in the last six months and 60.5% reported currently being a member of a committee. This attendance is significantly correlated with having an independent income. This was further supported by male intervention group members who stated the CLP provided income generating asset as a reason for their wives increased social status. Although the act of being invited and attending is itself empowering, active participation is also important. Figure 3 shows results for women's participation.

Increased confidence levels: All women who reported participating: by raising an issue or concern; by casting a vote towards a decision being made; and making a comment or asking a question, reported that they felt confident in doing so. High results were also noted in confidence levels for women who actively took part in discussions in meetings or trainings (98.9%) and during sessions with a committee (98.7%). Results also showed that 95.75% of women agreed to attend another meeting, training or committee session. Similarly high

results were seen with 87.25% committing to work towards a particular action that had been decided on by the group. Further, of the women who reported making a comment, asking a question or participating in a discussion, an average of 96.8% felt that they were listened to or responded to.

Influence of social stigma: One of the biggest challenges of women earning an income was the perception of both women's husbands and the community that women should not work outside of the home. There was, however, a notable change in the male intervention groups regarding the impact of social stigma. At first they were concerned about neighbours' views towards their wives working. However, over time, as men saw the benefit from their wives earning an income their attitudes shifted and pressure from their community did not have as much of an impact.

Increased respect towards women: When asked if they feel respected by their husband and their community, 87.1% of women reported that they felt their husband respected them and 90.6% said they felt their community respected them. Reasons women attributed to increased levels of respect included: being provided the CLP asset; engaging in an income generating activity; attending meetings; being a member of a committee; and being invited to social occasions.

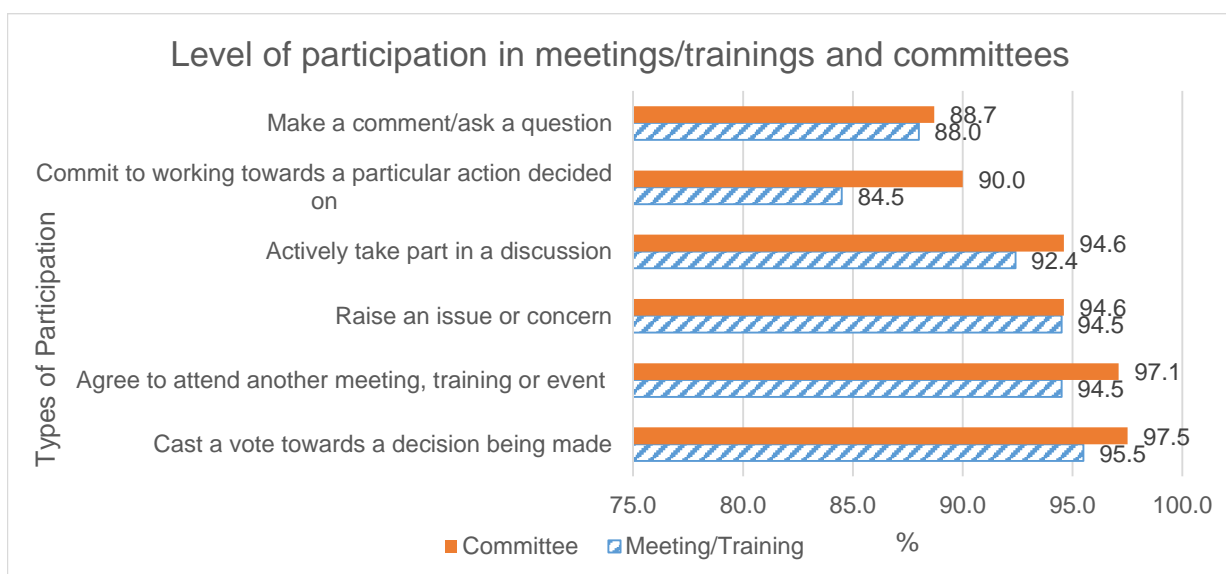


Figure 2: The level of women's participation reported in meetings/trainings and committees