

Increasing Women's Economic Power

Investing in women micro-entrepreneurs in Nigeria

Women for Women International invests in women survivors of war and conflict, connecting them with new knowledge, skills, and resources—and each other—to realize their own power through our Stronger Women Stronger Nations (SWSN) Program. Through the 12-month program, women learn to save, build businesses, understand their rights, improve their health, and influence household decisions and societal rules. They pass on this knowledge to their families and communities, creating a world that is more equal, peaceful, and prosperous.

Rigorous research plays an important role in learning what really works in supporting the most marginalized women to make long-term sustainable change. Our two impact evaluations in DRC and Afghanistan provided convincing evidence of the economic and social effects of our SWSN program. This new research delves into the additive impact of program variations including mentorship and Village Savings and Loans Association (VSLAs) to further support women's business development and growth, especially in a context with recurring and significant economic shocks.

Women's Lives in Northern Nigeria

Ultra-poor women in Northern Nigeria face gender inequality and ongoing conflict, limiting their potential to lift themselves out of poverty. Sociocultural norms limit women's income-earning potential, access to education, ownership of assets, safety, and power. With the constraints of care-taking and domestic labor, women are more likely to participate as micro-entrepreneurs in the informal economy, where they may have more control over their hours, wages, and inputs. Ongoing conflict destabilizes communities through destruction of assets, homes, and farms, threatens women's safety, and exacerbates challenges that inhibit women from building or growing businesses.

Throughout the period of this study, women faced lockdowns and restrictions placed on their activities to reduce the spread of COVID-19, amplifying the economic shocks, increased inflation of prices, and constraining ways for women to earn and save money.

Rigorous Research to Understand Program Impacts

In partnership with researchers at Tufts University and Hanovia Limited, Women for Women International conducted a randomized controlled trial (RCT) in three communities in Plateau and Bauchi states in Nigeria. This study was initially planned to take place over 24 months (2018-2020) but was extended to 39 months due to the COVID-19 pandemic and was completed in 2021. The study measured the impacts of adding two program elements on top of the SWSN program on women's earnings, savings, and ways of working. These were:

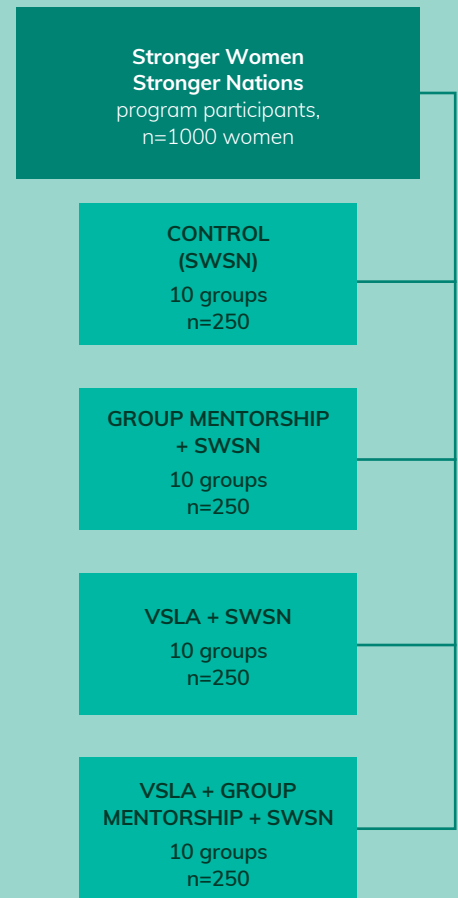
Village Savings and Loans Associations set-up and support: A VSLA is a community-based group where participants come together regularly to save money jointly and take loans from those savings. Participants randomized to the VSLA intervention received training on how to set up a VSLA and support in setting up group governance and by-laws, record-keeping, and meeting procedures.

Post-graduation Group Mentorship: After the completion of the twelve-month program, participants randomized to the Group Mentorship group met every two weeks with a business mentor who provided support and training for six months. Mentorship sessions covered topics including record keeping, business management, budgeting, and customer relations.

All women who participated in the research took part in the SWSN program and were then randomized into either the control arm with no additional interventions, or one of three treatment groups with add-on program components: VSLA, Group Mentorship, or VSLA + Group Mentorship.

At the time of enrolment into the program and study:

- Only 35% of participants attained education higher than primary school.
- Women's average earnings were \$1.49 per week, well below the global poverty line of \$1.90 (USD) per day.
- Women's average savings amount was \$11.54 (USD).
- 83% of the women experienced large economic shocks in the previous year including increases in the price of goods, harvest failure, death of livestock, and business failure.



Summary of Findings

The research demonstrates the impact of adding VSLAs and Group Mentorship to the Stronger Women Stronger Nations program, yielding sustained economic gains for women and their businesses. Results are presented for outcomes at endline for women assigned to the three treatment arms, compared to women assigned to the control arm, on average.



Earnings and ways of working: Across all three treatment arms, women increased their total weekly income by 45-85 percent compared to the control group. This translates to USD \$5 to \$9 more per week, on average. Women in the Group Mentorship arm increased the number of income-generating activities by 21 percent. Women in the VSLA + Group Mentorship arm increased the number of hours worked per week to 21 hours, as compared to 17 hours in the control group.



Savings and access to credit: Women in the VSLA arm and VSLA + Group MentWomen in the VSLA arm and VSLA + Group Mentorship arm held savings in more types of savings vehicles and both requested and took out more loans as compared to those assigned to the control group. Women in the VSLA arm were 20 percentage points more likely to repay their loans in full compared to the control group (70% v. 50%). There were no statistically significant differences in amount women saved across treatment arms.



Business practices: Women in the VSLA treatment arm significantly increased their marketing behaviors such as visiting a competitor's business, talking with former customers, and using special offers.

ECONOMIC INDICATORS			
	VSLA	Group Mentorship	VSLA + Group Mentorship
Weekly income	✓	✓	✓
# of income-generating activities	■	✓	■
# hours worked	■	■	✓

SAVINGS AND ACCESS TO CREDIT			
	VSLA	Group Mentorship	VSLA + Group Mentorship
# of savings vehicles	✓	■	✓
Applied for a loan	✓	■	✓
Rate of loan repayment	✓	■	■
Amount of savings	■	■	■

BUSINESS PRACTICES			
	VSLA	Group Mentorship	VSLA + Group Mentorship
Visited competitor	✓	■	■
Spoke to former customer	✓	■	✓
Offered a special offer	✓	■	■

✓ Statistically significant improvement compared with SWSN alone, p<0.1

■ Positive trend upwards, not statistically significant

Additional research conducted with this data found that VSLAs had a protective impact for women in the face of the challenges of the COVID-19 pandemic. Membership in these groups was positively correlated with economic resilience during COVID-19, as demonstrated by higher rates of maintaining any income-generating activities and lower rates of business closure.

Participants across all study arms, including the SWSN program alone, showed improvements in many arenas including increased social group participation, amounts of money in savings, and self-efficacy.

Programmatic Additions and Achievements

The findings from this study highlight the additive power and promise of complementary programming on women's economic outcomes and success of their businesses. This adds to a growing body of research that supports that utilizing bundled interventions with many different components is an impactful way to address the multi-faceted issues poverty and gender inequality. To support women in these settings we suggest:

- **A bundled, gender-transformative approach** that integrates social power and economic skill-building.
- **Expanding access to a savings mechanism and credit** which allows women to save money and access capital locally to sustain their businesses through hardships.
- **Equipping women with basic foundational skills** including training and continued support in numeracy, finance, business, and market-based innovations like diversifying goods, improving customer relations, and attempting to work in more locations.

Women in the VSLA and Group Mentorship groups both improved the economic outcomes and achieved similar goals of increased earnings; the ways they did so varied. In the VSLA group women improved their outcomes through increasing savings vehicles and loans. In the Group Mentorship group, women increased the number of income-generating activities they had which resulted in increased earnings. Both pathways allowed women to persevere through the economic shocks of the pandemic and conflict.

Women's Future in Nigeria

Even during a pandemic and ongoing conflict that disrupted lives and communities, women maintained and continued to improve their economic outcomes over two years after the interventions. This study shows the power of bundled approaches for supporting women's long-term success.

As we move forward, we are eager to partner with governments, NGOs, and other organizations to continue to support women survivors of war as well as improve that support so every woman can realize her power.

Our roadmap for community partners to improve programming includes investments in:

- **Expanding local options** for women to save money, access credit, make investments and expand their businesses.
- **Supporting financial literacy and entrepreneurship** for women's business profitability and sustainability in post-conflict regions.
- **Increasing support for program graduates** through post-program support such as mentorship, provision of assets, and/or cash transfers.

Learn more at womenforwomen.org.

Acknowledgements

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