Applying the Gender Lens in EELA

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Overview

• Opportunities in EELA
• Gender imbalances and biases
• The business case for gender
• Gender mainstreaming at PFAN
PFAN Working with Entrepreneurs

- Working with various local Financial Advisors who understand country context and dynamics
  - Business Model improvements
  - Refining the Capital Structure
  - Financial Modelling
- Linking into local, regional and international FIs in supporting the financing needs of Project Developers
- Contextualizing global trends for local content
- Enhance Project Developers capacity to access financing

- Helping to develop gender balanced teams
- Providing female entrepreneurs with strategies to deal with investors biases
- Some Examples EELA
  - SHS – Vitalite (solar pumping, TVs, Radios)
  - Cooling in Agriculture (dairy, fish, flowers)
  - Solar Milling, other PUEs
Investor Biases

- Women entrepreneurs get asked “prevention” oriented questions (concerned with safety, responsibility, security, and vigilance)
- Male entrepreneurs get asked “promotion” oriented questions (focusing on hopes, achievements, advancement, and ideals)
- No difference whether investor is male or female
- Entrepreneurs who managed to switch focus by responding to prevention questions with promotion answers went on to raise 14 times more funding

Our coaches prepare project developers to respond to these investor biases!

The “business case for gender”

Better financial performance

A gender-diverse workplace can lead to higher profits. The higher average quarterly net profit would be **19%**

New perspectives and more innovation

A most-equal workplace culture can increase a company’s innovation mindset **six-fold**

Macroeconomic impact

If gender parity in employment were achieved, in some countries GDP could increase by **34%**

The rise of gender-lens investing

Definition:
“Incorporating a gender analysis into financial analysis in order to get to better outcomes”

Two broad categories:
1. Investing with a specific focus on women;

• Gender lens investing is a rapidly growing movement
• A growing body of research clearly links gender diversity in leadership and the workforce to **financial returns, lower risk, and sustainable growth**

Why is this relevant?

Two main reasons:

1. Increasing pool of financing only accessible to gender balanced companies
2. Pursuing gender balance more and more turning into business best practise
   - Enhanced customer centricity
     Diverse workforce is better able to understand customer needs, when the workforce reflects the diversity that can be found in the customer base, they are able to improve the quality of the offerings
   - Stronger businesses
     Attracting a diverse and inclusive workforce will stimulate creativity, innovation and a wider range of opinions
   - More effective marketing
   - Improved performance

Higher chance of reaching financial closure
PFAN recognizes not only its responsibility but also the **opportunity to contribute** towards the overarching goal of gender equality and the empowerment of women within **both its internal operations and market facing activities**.
Improved data collection

In the application form we ask the following questions:

• Gender split of ownership (shares in %)
• Gender split of board (in numbers)
• Gender split of executive management (in numbers)
• Gender split of current employees (in numbers)
Improved data collection (cont.)

- Number of people who would benefit from the project’s proposed product or service
  - Directly (male / female split)
  - Indirectly (male / female split)
- Number of jobs created once a project obtains required financing
  - Number of female employees / number of male employees
  - Number of female commission-based agents / number of male commission-based agents
- Targeted number of jobs created (female/male split)
- Gender responsiveness of project with dropdown options including explanations
  - 0 (No expected contribution to gender equality)
  - 1 (Limited expected contribution to gender equality)
  - 2a (significant expected contribution to gender equality)
  - 2b (gender equality / women’s empowerment is main focus)
- Text box to explain project benefits to women
Thank you!

Questions?

Please reach out to teresa.oberascher@pfan.net

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