



ASPEN NETWORK
OF DEVELOPMENT
ENTREPRENEURS

aspens institute

Finding Solutions to Systemic Challenges with a Participatory Design Approach

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USAID
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About the Organizations Behind This Report

ASPEN NETWORK OF DEVELOPMENT ENTREPRENEURS

The Aspen Network of Development Entrepreneurs (ANDE) is a global network of organizations that propel entrepreneurship in developing economies. ANDE members provide critical financial, educational, and business support services to small and growing businesses (SGBs) based on the conviction that SGBs create jobs, stimulate long-term economic growth, and produce environmental and social benefits.

As the leading global voice of the SGB sector, ANDE believes that SGBs are a powerful, yet underleveraged tool in addressing social and environmental challenges. Since 2009, ANDE has grown into a trusted network of nearly 300 collaborative members that operate in nearly every developing economy. ANDE grows the body of knowledge, mobilizes resources, and connects the institutions that support the small business entrepreneurs who build inclusive prosperity in the developing world.

ANDE is part of the Aspen Institute, a global non profit organization committed to realizing a free, just, and equitable society.

THE VISA FOUNDATION

The Visa Foundation is a U.S. registered 501(c)3 entity. The Visa Foundation seeks to support inclusive economies where individuals, businesses, and communities can thrive. Through grantmaking and investing, Visa Foundation prioritizes the growth of gender-diverse and inclusive small and micro-businesses. The Foundation also supports broader community needs and disaster response in times of crisis.

U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

The United States Agency for International Development (USAID) is the world's premier international development agency and a catalytic actor driving development results. USAID's work advances U.S. national security and economic prosperity, demonstrates American generosity, and promotes a path to recipient self-reliance and resilience. USAID's Partnering to Accelerate Entrepreneurship (PACE) initiative catalyzes private-sector investment into early-stage enterprises, including women-owned businesses.

Acronyms

- AGEI** ANDE Gender Equality Initiative
- ANDE** Aspen Network of Development Entrepreneurs
- BDS** Business Development Service
- GBI** Grassroots Business Initiative
- GLI** Gender Lens Investing
- MSME** Micro-, Small and Medium-sized Enterprises
- PACE** Partnering to Accelerate Entrepreneurship
- SDGs** Sustainable Development Goals
- SGBs** Small and Growing Businesses
- USAID** United States Agency for International Development
- WSME** Women-led Small and Medium enterprises

Executive Summary

In 2019, ANDE announced an exciting partnership with USAID and the Visa Foundation to launch the ANDE Gender Equality Initiative (AGEI), which aims to support women as leaders, employees, and consumers in the emerging market SGB sector.

As a pilot project under AGEI, each of [ANDE's eight regional chapters](#) hosted a 9-12 month Gender Equality Action Lab.

ANDE's Action Lab uses a participatory design process in which a group of regional stakeholders, with deep and diverse experience and expertise on an issue, gather to define problems and then create and test potential solutions together.

The benefits of the Action Lab's approach include its ability:

- + To focus on a systems-level constraint that a single organization may be incapable of diagnosing or addressing alone. Action labs identify solutions that solve the problem for the whole system, rather than a single organization;
- + To produce a broad set of committed stakeholders who care about the success of the resulting project and see themselves as collaborators within a given ecosystem;
- + To generate outputs the learnings that can be brought to a receptive audience who is more likely to put them into practice.

Key learnings for ANDE from the AGEI Action Labs:

- + There is no one-size-fits-all methodology to run Action Labs: facilitators need the flexibility to adjust the methodology to fit regional contexts as well as participants' needs and interests;
- + A participatory design process is a high touch, high investment process that, depending on the challenges to be addressed, may or may not be suitable;
- + The expansive range of participants' skills, work experience, and expertise on the subject matter facilitated the identification of systemic challenges as Action Lab participants could consider a broad set of possible systemic challenges and potential issues based on their diverse perspectives;
- + While not all the solutions identified are entirely novel, the collaborative process helped validate findings and allowed for innovation.

ANDE has allocated seed funding to operationalize the solutions that resulted from each Action Lab.

Introduction

ANDE GENDER EQUALITY INITIATIVE (AGEI)

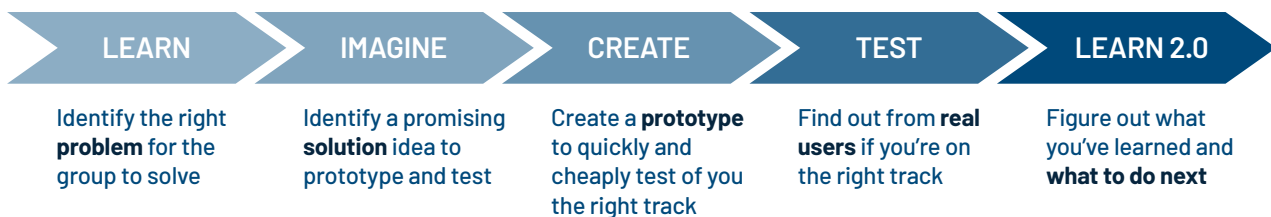
ANDE, in partnership with USAID and the Visa Foundation, launched the AGEI in 2019. The purpose of the initiative is to support women as leaders, employees, and consumers in the emerging market SGB sector. AGEI provides a platform for ANDE members and the wider SGB sector to elevate SGBs as contributors to Sustainable Development Goal (SDG) 5: “Achieve gender equality and empower all women and girls.” The Gender Equality Action Labs (“Action Labs”) are one of the AGEI’s three key workstreams.

GENDER EQUALITY ACTION LABS

As a pilot project under AGEI, each of [ANDE’s eight regional chapters](#) hosted a 9-12 month Gender Equality Action Lab.

ANDE’s Action Lab process uses a participatory design in which a group of regional stakeholders (“Action Lab participants”) with deep and diverse experience and expertise on an issue gather to define problems and then co-create and test potential solutions together. The Action Lab seeks to push sector participants from discussion to action: to put into practice new or not-yet-implemented solutions. The Action Lab can focus on a number of potentially promising solutions that can be tested in the given time frame with the available resources and connections. The end-point is fundable pilot project proposal(s) backed by evidence supporting the approach’s success.

The curriculum for the Action Labs was developed in collaboration with MIT D-Lab, an ANDE member organization that specializes in participatory design approaches to international development challenges. The structure of the curriculum is outlined below.



All use, reproduction and distribution of MIT D-Lab frameworks, facilitator guides, and manuals are subject to a [CC-BY-NC-ND license](#) (CC = Creative Commons BY = note attribution NC = non-commercial and ND = no derivatives). This means that neither modifications nor commercial use are permitted, but one is permitted to share with attribution to MIT D-Lab as the author and email notification for approval of use to vogels@mit.edu and nadams@mit.edu.

An Action Lab consists of:

- + **Experienced facilitator(s)** (ANDE staff or contractor) to recruit an advisory committee and participants; organize, facilitate, and document meetings; and establish platforms and prompts for between-meeting communication.
- + An **advisory committee** to inform problem scoping and recruitment strategy, help to recruit participants and guest experts, potentially help plan and deliver meeting programming, and perform a leadership role in enacting Action Lab experiments and between-meeting communication.
- + **Action Lab participants** to participate in meetings and contribute to Action Lab activities.
- + **Local and U.S. based ANDE staff** to provide support for monitoring and evaluation, lead project management, research, and fundraising for resources.

Before problem identification and solution generation began, ANDE's project team conducted an in-depth literature review of four macro-regions - Latin America and the Caribbean, Sub-Saharan Africa, East and Southeast Asia, as well as India - to map key barriers to gender equality in the SGB sector. The resulting map served as an orientation tool for each regional advisory committee as they evaluated and decided on which systemic gender challenges their Action Lab would tackle. ANDE selected five to seven key resources per region and extrapolated distinct problems and solutions from each. The problems were clustered into categories depending on whether they could be classified as: (1) a root cause of gender inequity (for example, conscious/unconscious bias, overt sexism or discrimination against women, etc.), or (2) an SGB sector symptom (for example, lack of institutional strategy or knowledge to address gender inequality, barriers to finance, and barrier to entry or access to financing/ opportunities, uneven match between the needs of women entrepreneurs and the financial packages on offer, etc.). The resulting map can be accessed [here](#) (pw: andeagei).

The funding process for the Action Labs is competitive. Action Labs conclude with a final pitch session, where Action Lab participants present the project(s) their group(s) have been working on to compete for funding. Based on pre-defined scoring criteria, Action Lab participants then peer select the most promising project(s) to apply for seed funding. The peer selection process is another mechanism to ensure that the project(s) selected to be scaled and implemented have been reviewed and endorsed by a number of sector experts with different backgrounds. ANDE was able to allocate seed funding to implement peer-selected projects that resulted from each of the eight regional Action Labs. A summary of the projects can be found in Annex I.

Methodology

Information for this report came almost exclusively from semi-structured interviews with ANDE staff who facilitated an Action Lab, MIT D-Lab staff, a consultant Action Lab facilitator, as well as several Action Lab participants and advisory committee members. Interviews were conducted in November and December 2021. Questions explored perspectives on challenges and benefits of the collaborative design process and whether the solutions generated differed from what a traditional grantmaking process would achieve. Additional information was drawn from ANDE's anonymous Action Lab participant survey that was issued after the final pitches.

Lessons Learned From the Action Lab Process

The learnings in the following section are divided into three parts – Action Lab Planning, Action Lab Implementation, and Action Lab Outputs. A summary of each Action Lab’s final projects can be found in Annex I.

ACTION LAB PLANNING

Five learnings emerged from ANDE’s process of planning the Action Labs:

- 1/ Action Lab facilitators should carefully select a diverse group of experienced participants to bring in the necessary experience and subject matter expertise.
- 2/ Incentives should be clearly defined up-front to avoid participant drop-out.
- 3/ Potential language barriers should be considered prior to starting the Action Labs to make sure all participants can benefit from the sessions.
- 4/ Prior to starting the Action Lab, facilitators should walk participants through the methodology to set participant expectations and avoid confusion.
- 5/ To make a lasting impact, challenges tackled by the Action Labs need to be addressable using the available time and resources.

Action Lab facilitators should carefully select a diverse group of experienced participants to bring in the necessary experience and subject matter expertise. Participation in ANDE’s Action Labs was, by design, not an open call. ANDE deliberately invited senior leadership participants who have the necessary expertise and the capacity to build internal processes within their own organizations. Participant profiles varied across Action Labs but generally included investors, accelerators, entrepreneurs, and in some cases, government representatives. However, depending on their motivation to join the Action Lab, keeping certain types of participants (e.g., government representatives) engaged throughout the process proved to be difficult. An option could be to bring in guest contributors with a specific background or expertise for select sessions.

In the East and Southeast Asia Action Lab, the diversity of participants allowed for a wide spectrum of perspectives and provided for a better understanding of the challenges women-led SGBs face, such as the lack of skills to access and strategically use capital. This has also led to a variety of possible solutions. The Action Lab participants came up with over 30 ideas and voted for the ideas they thought to be worth exploring further:

- + A self-paced investment readiness virtual curriculum;
- + An access to finance platform bringing together women entrepreneurs, investors, and other technical assistance supporters, and sharing of resources;
- + A financial product shopping application or tool that compares offerings and interest rates for loans (useful in countries with many financial institutions).

The collaborative process enabled participants to develop and complete the final project, which aims to bridge the gender financing gap in Southeast Asia by building an access-to-finance platform that enables women entrepreneurs to connect to capital, content, and a community.

While the majority of people working in the gender issues field are women, the Action Labs have been a good opportunity to engage on gender issues with a few male participants. A male participant from the South Africa Action Lab reported: "It is great to have a few men in the group as supporters of gender equity and gender inclusion. Being a part of the Action Lab process really opened up my eyes to why men need to be the biggest supporters of gender equity!"

ANDE's Action Labs were largely conducted in macro-regions with widely different ecosystems, governments, and legal structures. This can make it challenging to recruit Action Lab participants with relevant backgrounds and interests. However, having participants from different countries can also be enriching. One Action Lab participant from the Andean region mentioned that they joined the Action Lab to learn from the experiences of participants from other countries that they could apply to their own country.

Incentives should be clearly defined up-front to avoid participant drop-out. Before recruiting participants, the incentives to join the Action Lab should be very clear. ANDE was able to secure funds for the output projects in advance, which helped to encourage deeper engagement with the process, as stakeholders knew this is not a theoretical exercise but will result in tangible action. Without prospective funding, the participatory design process can be abstract and the nature of the end result less obvious at each stage of the process, so maintaining consistent participation can be challenging. For ANDE's Action Labs, the project(s) to be funded were peer selected by Action Lab participants to ensure the final project(s) have been reviewed and endorsed by a number of sector experts. As such, potential participants should be made aware that funding through the Action Lab is a competitive process and is not guaranteed for all projects. Other than funding, the main incentives mentioned by participants were exposure, visibility, reputation, networking, learning from others and personal passion to address gender issues.

For most Brazil Action Lab participants, funding was not the main incentive to join the Action Lab. In fact, many of the Action Lab participants' organizations were not eligible for U.S. government funding. Smaller organizations were unable to comply with the reporting requirements associated with the funding. However, Action Lab participants were eager to support the lead organization in developing a solution to challenge the status quo in Brazil by strengthening the practice of more inclusive procurement among large corporations. As such, networking, learning, and passion about gender issues have been the main incentives.

Potential language barriers should be considered prior to starting the Action Labs to make sure all participants can benefit from the sessions. A few of the Action Labs had to consider language barriers when recruiting participants. Some of the Action Labs also needed translation during meeting sessions to accommodate participants' needs.

In the West Africa Action Lab, participants had to be bilingual in order to join the Action Lab. The sessions were held in English, but participants needed to be able to report back to their organizations in French.

Prior to starting the Action Lab, facilitators should walk participants through the methodology to set participant expectations and avoid confusion. As the MIT D-Lab methodology is complex, the Action Lab facilitator should explain the methodology and operational aspects ahead of time. To effectively use meeting times and to allow participants to prepare for each session, the next steps should be forecasted at the beginning and end of each Action Lab phase.

To make a lasting impact, challenges tackled by the Action Labs need to be addressable using the available time and resources. While Action Labs are a useful process to address complex challenges, attempting to tackle deep underlying roots of problems that may require major social changes or a change of political systems may not be ideal due to limited time and resources. Final projects from ANDE's Action Labs will be implemented within a one-year timeframe. The projects to be implemented should, therefore, be able to make a notable impact within one year.

ACTION LAB IMPLEMENTATION

The five learnings that emerged from ANDE's Action Labs implementation process:

- 1/ Action Lab facilitators must be experienced to achieve successful outputs from the collaborative design process.
- 2/ Where possible, a hybrid model (online/in-person) could be considered to improve participant engagement.
- 3/ The curriculum should be adjusted to meet participants' needs to avoid participant drop-out.
- 4/ To keep up engagement, Action Lab participants can be split up into different project groups.
- 5/ Action Labs should allow for sufficient time to test potential projects.

Action Lab facilitators must be experienced to achieve successful outputs from the collaborative design process. According to MIT D-Lab, participatory design frameworks are best as a tool for those who are already comfortable as facilitators. Ideally, the facilitator is already familiar with facilitating workshops, but it is also possible to start with a mid- or senior-level staff member who has experience facilitating research groups and working with high-level executives. MIT D-Lab noted that facilitators experience the participatory design process through the design sprint, but they are not experts until they have practiced facilitating the process multiple times. In addition, facilitators should be able to adapt the curriculum to the regional needs and the specifics of the scenario. An inexperienced facilitator can make mistakes or miss important steps, which can potentially harm the collaborative design process. The facilitator should ensure that participants keep the end goal in mind, even while working on smaller milestones.

The progress and development of the East and Southeast Asia Action Lab were inspired by various factors. The MIT D-Lab curriculum allowed the facilitator to design well-structured, interactive sessions and exercises to share insights with the group. An experienced facilitator helped ensure that input from all stakeholders is channeled into creating shared outputs that can be built upon.

Example from the India Action Lab: The design of each Action Lab session required a lot of flexibility to accommodate members' busy work-life schedules. Consequently, the number, frequency, and content of the sessions constantly changed and evolved, which was more time-consuming for facilitators than initially anticipated.

Where possible, a hybrid model (online/in-person) could be considered to improve participant engagement. The MIT D-Lab curriculum was initially developed to be interactive. However, due to COVID-19, the curriculum had to be adjusted to an online format. Initially, this caused some confusion, but, in the end, it was useful for staff and participants to be able to go back to the online Miro board or session recordings. Generally, the online format was preferred by the Action Lab staff and participants due to the ease of accessibility. However, it can be very challenging to keep the participants engaged with a virtual format throughout the duration of the Action Labs. Some of the Action Labs reported that it would have been helpful to meet in person for the design exercises. However, the time commitment and additional expenses to travel would have been challenging for participants.

Example from the Central America and Mexico Action Lab: The collaborative work process has presented challenges as it was difficult to balance the time spent on each topic, as well as the different interests of each organization. Especially because of the virtual modality, participants started to lose interest over time. As a result, the facilitator completed the entire operational process of the Action Lab in advance, which participants were thankful for. Out of the eight Action Labs, the Central America and Mexico Action Lab was the first to conclude. The final project aims to help investors take actions toward the improvement of the lives of women and/or girls and promote gender equality through funding women-led and gender-forward businesses.

The curriculum should be adjusted to meet participants' needs to avoid participant drop-out. As the Action Labs progressed, facilitators noticed less engagement from some of the participants. This can be due to many reasons, including Zoom fatigue, pandemic fatigue, lack of experience or interest in the challenge that was being addressed, or insufficient guidance on the next steps. Given that most of the Action Lab participants hold very senior positions within their organizations, it was difficult for them to commit a significant amount of time to this project.

Due to a lack of experience or interest in a particular topic, not all Action Lab participants were involved with testing potential solutions. As a result, some participants were less engaged. An Action Lab participant suggested that it would have been helpful if each participant had been assigned a direct task by the facilitator.

To keep up engagement, Action Lab participants can be split up into different project groups. During the testing phase, most of the Action Labs ended up breaking up into smaller project groups to allow participants to work on topics of interest. Each Action Lab still met regularly as a whole to report on individual project progress and to solicit input from the other groups.

To allow participants to work on topics of interest, the East Africa Action Lab facilitator formed two groups where members were allowed to self-select. The first group was interested in exploring the need for different types of lending products tailored to women-led businesses. The second group wanted to work on a more sustainable networking model for women entrepreneurs.

Action Labs should allow for sufficient time to test potential projects. Testing potential solutions was the most time-intensive but also one of the most rewarding and important steps of the Action Labs. While the Action Lab timeline can generally be shortened by conducting significant research ahead of time, sufficient time should be allowed for testing. During this phase, participants and facilitators need to commit significant time for research and testing outside of the monthly meetings. Participants should be made aware of the additional time commitment required for this phase ahead of time.

Although the Action Lab process includes an initial discussion of challenges, it is important to avoid 'analysis paralysis' and start testing solutions. The problem identification phase should not take more than 2-3 meetings over a 1-3 month period.

The testing phase should be conducted in 3-6 meetings over a 3-5 month period. In Action Labs where the problem identification phase took longer, the participants experienced a time constraint to fully test solutions.

ACTION LAB OUTPUTS

ANDE will be funding a total of 11 projects from the eight Action Labs. A summary of the 11 projects can be found in Annex I. The projects are scheduled to kick off in January 2022.

Five key learnings and takeaways emerged from interviews with ANDE staff and Action Lab participants after the Action Labs concluded:

- 1/ A participatory design process is a high touch, high investment process that may or may not be suitable to address systemic challenges.
- 2/ The expansive range of participant skills, backgrounds, experience, and expertise worked well to identify systemic challenges.
- 3/ While not all the solutions identified are entirely novel, the collaborative process helped validate the findings and allowed for innovation.
- 4/ There are learnings to be captured from potential failures.
- 5/ Action Lab participants were able to establish partnerships and connections and advance their own skills and knowledge around systemic gender issues.

A participatory design process is a high touch, high investment process that may or may not be suitable to address systemic challenges. The Action Labs bring a lot of different sets of people together, which presents a huge opportunity for peer learning and understanding of gender issues. In addition, the Action Labs have allowed for engagement with targeted women entrepreneurs to better understand their needs. However, the participatory design process calls for a high degree of commitment from participants. It is a high touch, high investment process. Depending on the challenge and stakeholders, it may or may not be worth the time commitment. The MIT D-Lab concluded that a participatory design is most helpful as an approach when the following conditions apply:

- + The challenge to be solved is complex;
- + There are several diverse stakeholders who are highly motivated to work on the challenge and open to new solution ideas;
- + There are sufficient resources or incentives to compensate for stakeholder's time and support the solution ideas that are generated through the Action Lab process.

If these elements do not currently exist, a participatory design process may not be the right approach.

The expansive range of participant skills, backgrounds, experience, and expertise worked well to identify systemic challenges. The diverse perspectives of the Action Lab participants allowed them to consider a very broad set of possible systemic challenges and potential issues. The participatory design approach also ensured that participants challenged each other's ideas and thoughts to come up with a near-comprehensive list of challenges.

An Action Lab participant noted that their group started out with more ambitious, systemic idea solutions, which became less so as the teams considered the practicalities involved in implementation.

At this point, the focus was on the capacity and interests of the lead implementing organization. While there is a need to choose solution ideas that can be implemented within the given time, budget, and capacity, it would have been beneficial to capture the more ambitious solutions and bring them to fruition.

Another participant reported that it was challenging at times to find a common denominator that everyone could agree on. Some of the more creative solutions or thoughts were shut down because not everyone agreed or had sufficient experience to tackle the issue.

The Central America and Mexico Action Lab initially discussed challenges around the lack of existing business models that take into account the unequal home care burden faced by women. Possible solutions initially discussed during the Action Lab include:

- + A social economy model;
- + Mapping the care burden that women entrepreneurs bear in order to determine the degree or magnitude of the problem; and
- + Supporting gender lens institutionalization in investment funds by using a self-assessment tool and an investor club (process, awareness, and pipeline creation)

Through the testing process of the Action Labs, the participants discovered that most investors in the region do not understand the concept of gender lens investing and rarely incorporate inclusive practices across business operations and within their own workforce. One Action Lab participant's organization has an extensive network and gender lens investing experience. It was decided that the most viable project for the timeframe and available resources would be to develop an online platform to connect investors, gender lens investing experts, and entrepreneurial intermediaries.

While not all the solutions identified are entirely novel, the collaborative process helped validate the findings and allowed for innovation. Overall, the collaborative design process has been very valuable to participants and ANDE staff. While not all solutions were necessarily novel, the process allowed for innovation around what already exists. With a traditional grantmaking process, just one group of people decides what goes into a proposal. The participatory design process allowed for input from different ethnicities, cultures, countries, and experiences, which encouraged innovation and allowed for deliberate selection of potential solutions.

Action Lab participants were able to establish partnerships and connections and advance their own skills and knowledge around systemic gender issues. Throughout the Action Lab process, participants have been extensively working with and learning from other experts in the field. As a result, many of the Action Lab participants jointly developed proposals, building off each other's strengths and skill sets to achieve better outcomes.

Example from Central America and Mexico Action Lab:

Even though Action Lab participants are experts in their field, some found new types of challenges within their expertise, moving outside their common fields of work. For example, Fundación Haciendas del Mundo Maya has historically been working directly with donors and/or rural communities. However, they were less informed about investment fund dynamics around gender. Working with other organizations on issues around gender lens investing has helped them better understand the challenges on the supply side.

Many of the final projects that emerged from the Action Lab are partnerships among the organizations of Action Lab participants. For the final project of the Central America and Mexico Action Lab, two firms are collaborating to link women-led and gender smart businesses with investors. The project brings together a gender lens investing assessment platform by Value for Women and an impact investing pipeline generation project led by SVX.

There are learnings to be captured from potential failures. Many of the potential solutions that were initially discussed were found not to be viable after testing them with potential end-users. This experience was valuable as it prevented the team from further pursuing the topic or potentially requesting funding for a solution that would likely not have succeeded.

Participants in the Brazil Action Lab targeted the barriers to access to capital for women entrepreneurs. They initially planned to develop an app that would connect entrepreneurs with bank and fintech loans. The idea was that the entrepreneurs would fill in information about their businesses, and the app would automatically indicate the best type of loans available and who offers them. The Action Lab invited representatives from two banks as well as five entrepreneurs to test the idea by presenting it and asking the entrepreneurs if they ever considered taking a loan, what they knew about the process, and their opinions on the app idea. During the test, the Action Lab participants also asked the banks if they had any specific credit line for black women entrepreneurs in Brazil or any public outreach strategies. This test showed that:

- + None of the five entrepreneurs have ever considered taking loans;
- + The entrepreneurs had no idea of costs nor knew any information about possible credit lines.
- + All of the entrepreneurs were afraid of not being able to pay back the loan.
- + The banks had no specific credit product available for this sector.
- + As a result, the Action Lab came to the understanding that more advocacy on this topic is needed before creating the app.

The Action Lab pivoted to test a platform where businesses would share best practices on inclusive procurement to allow more diverse-led SGBs to be contracted. The group talked to three certification organizations, all of which confirmed that there is a need to include more corporations and diverse SGBs in their database. Based on these findings, the group jointly decided to move forward with this project and hired a black women-led programming enterprise to create a prototype of the platform.

ANNEX I:

Action Lab Outputs

📍 LATIN AMERICA

📍 Andean Region Action Lab

❓ PROBLEM SCOPE

Women, women-led/owned businesses, and businesses offering products for women receive less financing (e.g., loans or investments) than their male counterparts.

There are few women-led businesses in the Andean region due to structural and cultural constraints, funding and support organizations' biases, or the organizations' lack of knowledge in implementing a gender lens. Hence, women entrepreneurs lack empowerment and technical skills. Women entrepreneurs have limited access to information, which hinders their ability to make use of existing financial instruments and opportunities.

The Andean Action Lab has been tackling the gap between the services women-led SGBs need to scale and the products or services currently being offered. Specifically, Action Lab participants have been addressing the disconnects between:

- + The financial needs of women and financial packages available to them;
- + The leadership opportunities and women willing, empowered, and/or invited to take them;
- + The technical services available and the real needs of women entrepreneurs;
- + The lack of intersectional policies and the need for inclusion;
- + Existent networks/access to information services and the needs of women entrepreneurs.

✅ PROJECTS

PROJECT 1: EMPRENDE

▶ **Led by:**
Pro Mujer



Pro Mujer is an evidence-informed program with more than 30 years of expertise empowering women in Latin America. Pro Mujer, with its partners and funders, uses a gender and diversity lens to harness the potential of women entrepreneurs as key agents of development in their communities. Pro Mujer's mission is to empower underserved women to realize their full potential.

Project objective: To provide Latin American women access to quality entrepreneurial content that empowers them to thrive and become economically independent.

Pro Mujer's project provides entrepreneurship training and support services to female entrepreneurs during all stages of their business journey by providing them access to their platform, leveraging both digital technology and existing physical Pro Mujer branches. Entrepreneurs are offered multi-format resources, coupled with social networking integration. The project will create a community of female entrepreneurs all along the capital curve in Latin America.

PROJECT 2: CONSCIOUS PROCESSES

► **Led by:**
Fundes



Fundes is the largest Latin American non-profit organization dedicated to the sustainable growth of micro and small businesses and their ecosystems. Fundes works with large companies in successfully integrating local micro and small businesses into their supply chains.

Project objective: To reduce the gender gap in financial opportunities caused by unconscious biases of entities in their prospecting, selection, evaluation, and approval processes.

Fundes' project plans on designing a protocol for the four financial entities or investment funds that have expressed interest in piloting this program, ensuring that their internal processes are equitable and inclusive. After monitoring protocol implementation, Fundes will adjust the protocol based on their findings and plans on promoting the protocol to other entities. The intended outcomes are to increase the level of financing in women-led companies and reduce the gender gap in access to finance for women entrepreneurs.

Brazil Action Lab

PROBLEM SCOPE

Small and medium-sized companies led by women, black women, and urban women in Brazil face additional barriers to accessing capital and markets.

PROJECT: THE GOOD BUSINESS PROGRAM

► **Led by:**
Fundação Tide Setubal



► **Partner Organization:**
Impact Hub Manaus



The Tide Setubal Foundation is a non-governmental organization of family origin created in 2006. Its mission is to: foster initiatives that promote social justice and sustainable development in urban peripheries and contribute to confronting socio-spatial inequalities in large cities, in conjunction with various agents of civil society, research institutions, the State and the market.

Impact Hub Manaus is a global network of 24.250 people driving change – made up of 100+ communities in 60+ countries across 5 continents. Project Objective: To change the status quo by strengthening the practice of more inclusive procurement among large corporations with a gender and race lens in Brazil. The goal is to significantly increase the number of companies led by black women being hired as suppliers by large companies.

The Good Business program will achieve its objectives through two main strategies:

- + Creating a major national campaign to identify SMEs led by black women who are willing to sell to large corporations. The program will then prepare and connect them to large corporations.
- + Creating a trustful space for raising awareness of large companies with high procurement power through best practice sharing on inclusive procurement, sensibilization meetings, and trainings.

Central America and Mexico Action Lab

PROBLEM SCOPE

Many investors do not invest with a gender lens because they do not know how to align their processes and investing theses with gender criteria. Many investors think that Gender Lens Investing (GLI) means providing capital to women-led businesses, and they do not consider the other multiple opportunities to incorporate inclusive practices across business operations and internally within the workforce.

PROJECT: INVESTING IN EQUALITY PARTNERSHIP

▶ **Led by:**
Value for Women (VfW)



▶ **Co-implemented by:**
SVX.MX



VfW is a key player in the GLI space. They launched the Gender Smart Nexus platform (Beta) in January 2021 and 55 investment funds, which have been used by 100 intermediaries in Latin America, Africa, and Asia. VfW has provided gender lens advisory services for dozens of investors and over 300 SGBs worldwide.

SVX designed and delivered a GLI workshop for 150 Latin American investors with WeAmericas Accelerator, BIVA, and Deetken Impact. SVX MX has grown a Latin American Community of impact investors and entrepreneurs during their impact investing training which spans more than 5 years. In 2021, SVX MX created a platform to connect investors with social businesses, with a focus on gender and the environment.

Project objectives:

- + To help investors take action toward the improvement of the lives of women and/or girls and promote gender equality through funding women-led and gender-forward businesses.
- + To connect investors with an active pipeline through an online platform.

In order to increase the amount of investment directed towards women-led and gender-inclusive businesses in the Central America and Mexico region, a community of investors, gender lens investing (GLI) experts, and entrepreneurial intermediaries will be created to:

- + Increase the number of investors that apply a gender lens;
- + Encourage more investors to apply a gender lens by creating benchmarks and identification of at least three lessons learned through the use of the Gender Smart Nexus (GSN);
- + Share GLI lessons learned from investors at different stages of the GLI journey;
- + Identify a leading regional “influencer” investor that will receive gender lens advisory from VfW and be a spokesperson for GLI in the region;
- + Identify and make visible investment-ready women-led and gender-forward businesses;
- + Create a component in the SVX Pipeline Navigator platform which links women-led and gender-forward businesses to investment funds in the community.

AFRICA

East Africa Action Lab

PROBLEM SCOPE

Women consumers, entrepreneurs, and employees struggle with self-excluding beliefs that undermine growth.

PROJECTS

PROJECT 1: INCREASING ACCESS TO CREDIT FOR WOMEN ENTREPRENEURS IN EAST AFRICA

► **Led by:**
M-Kyala Ventures



M-Kyala Ventures is a specialized strategy and advisory firm that supports organizations to build robust strategies and interventions to increase access to finance for women entrepreneurs in Africa. M-Kyala Ventures work with organizations to provide strategies on gender lens investing as well as entrepreneurial programming for women entrepreneurs with the aim of enabling more capital to reach them.

Project objective: to address systemic gender issues that drive the low levels of lending to women entrepreneurs, including restrictive credit terms, such as high collateral requirements, high-interest rates, and gender bias, as well as the lack of capacity of financial institutions to customize their products and processes to the needs of women entrepreneurs.

M-Kyala Ventures will be developing a gender smart lending toolkit. The gender smart lending toolkit is a practical, efficient, and customized set of practices that will be implemented by financial institutions to enable increased lending to women entrepreneurs in East Africa.

PROJECT 2: 360° WOMEN ENTREPRENEUR NETWORK

► **Led by:**

Capital Solutions



Capital Solutions Ltd is a social enterprise incorporated in Uganda in 2008 with a purpose to inspire, transform, and build the capacity of women and youth social businesses working in Africa. Capital Solutions Ltd offers a 360-degree solution to social businesses in Africa through a 6-month accelerator program, network platform, advisory services, and financing.

Program Objectives: To break down systemic barriers to finance for 100 women enterprises by addressing needs from both the supply side (Grassroot Business Initiative - GBIs) and the demand side (women entrepreneurs).

The initiative provides a 360° solution to tackle the most pressing challenges women entrepreneurs persistently face. In East Africa, there are no networks providing this end-to-end solution to foster an ecosystem to support women-led businesses and drive the gender lens ecosystem.

📍 West Africa Action Lab

❓ PROBLEM SCOPE

Women-led SGBs in West Africa are scaling at a slower rate than male-led teams due to a lack of capacity and access to finance to grow and scale businesses.

PROJECT: AMPLIFYING THE CAPACITY OF WEST AFRICAN WOMEN ENTREPRENEURS TO GROW AND SCALE THEIR VENTURES

► **Led by:**

**Ashesi University and supported by
a number of Action Lab participants.**



Ashesi University is a private, non-profit university located in Accra, Ghana. The mission of Ashesi University is to educate ethical, entrepreneurial leaders in Africa and to cultivate, in every student, critical thinking skills, concern for others, and the courage to transform the continent. The group, of which 70% are women, consists of leading experts in business development and management, funding, policy, and strategy with over 20 years of combined experience.

Project objectives: to help early- and medium-stage women entrepreneurs to scale their businesses successfully.

The project team is developing a robust, gender-lens-focused digital platform that enables them to provide women entrepreneurs with tailored capacity building, entrepreneur training, technical advice,

bespoke venture building support, and access to funding sources so they can scale their businesses. This tech-based solution will be accessible online and offline. The proposed solution is housed at the entrepreneurship center of one of West Africa's leading private universities. The team behind the design and implementation of the solution consists of academics, business specialists, business accelerator and incubator leads and managers, funding experts, as well as policy specialists.

South Africa Action Lab

PROBLEM SCOPE

A lack of access to finance is stifling the growth of women-owned SGBs in South Africa and their ability to create jobs. As women-owned SGBs are more likely to create jobs for women, this has a compounding effect on the gender income gap.

Women-owned SGBs are less likely to:

- + Know of available finance opportunities, including those targeted specifically at Women-owned SGBs;
- + Be a part of networks or have connections that may help them understand their financing options and how outside capital can drive business growth;
- + Know what potential investors & debt providers need from SGBs seeking funding or how to talk to them;
- + Approach funders directly, as a result of the above;
- + Have the opportunity to practice critical finance access skills like storytelling and negotiation.

PROJECT: ACCELERATED ACCESS TO FINANCE FOR WOMEN-LED SGBS

► **Led by:**
African Management Institute



Project objectives: to establish or form support programs (i.e., investor readiness and matching, access to finance, and output-based mentorship) where women can share their experiences and receive guidance on how to (a) approach funders and (b) structure sellable or bankable business plans.

The program aims to source 60 SGBs from the local Business Development Service (BDS) provider ecosystem based on a true need for finance and a need for extra support to access financial opportunities. The selection will include both women-owned SGBs and funders in the design of a results-driven, research-backed BDS program. The program will address both technical finance access skills (e.g., understanding provider requirements) and 'soft' finance access skills (e.g., storytelling, advocating for yourself, and negotiation). The project will match participants directly with potential funders (debt or equity) after completion of an access to finance program that was co-designed with these funders.

ASIA

East and Southeast Asia Action Lab

? PROBLEM SCOPE

Women-led SGBs lack the skills to access and strategically use capital.

PROJECT: WE RISE COMMUNITY ASIA

▶ **Led by:**
Villgro Philippines



▶ **Partner Organization:**
SanThit



Villgro Philippines is a women-owned and led gender smart incubator that funds, mentors, and nurtures early-stage entrepreneurs solving the biggest social and environmental challenges. Villgro provides hands-on incubation support along with seed capital to help impact entrepreneurs test and validate their models for scale. They focus their efforts on unlocking catalytic capital for early-stage entrepreneurs, especially women.

SanThit is the first gender-smart startup accelerator in Myanmar. It was founded via a partnership with Emerging Markets Entrepreneurs, Sasakawa Peace Foundation, and Village Capital. SanThit provides capital and acceleration support to early-stage small and growing businesses run by women and/or supporting women. Their multi-layered program phases include asynchronous learning, a teaching-intensive curriculum, and up to three rounds of hands-on, tailored support over nine months.

Project objective: to build an access-to-finance platform for women entrepreneurs to connect to capital, content, and a community with a mission to bridge the gender financing gap in Southeast Asia.

The platform developed by the project will:

- + Host a self-diagnostic tool to help women entrepreneurs understand their investment readiness and needs;
- + Create a safe space for women entrepreneurs to learn and share with peers and experts through community activities;
- + Deliver a self-paced virtual learning curriculum on the basics of finance and investment readiness;
- + Create a virtual resource hub including a loan product search tool to identify capital sources in the Philippines and Myanmar;
- + Onboard investors, banks, and financial institutions with the objective to connect them to potential deals and build bridges with women entrepreneurs.

📍 India Action Lab

❓ PROBLEM SCOPES

Scope one: There are explicit and implicit biases in the investment process; while the gender composition of funding teams is not conducive to bringing out the best in most women entrepreneurs, leading to lower funding outcomes for women entrepreneurs. Therefore, the lab will work with investors to make funding teams & processes more gender-aware, leading to an increase in opportunities for accessing funding for women entrepreneurs.

Scope two: There isn't a roadmap or model which allows more women entrepreneurs to move from solopreneurs to SGBs and move beyond SGB to scale. Only seven percent of women entrepreneurs in India fall in the SGB category. Of these, ninety-nine percent have cited a lack of financial models for women as a challenge for growth and scale.

✅ PROJECTS

PROJECT 1: INVESTOR EQUITY ALLIANCE

▶ **Led by:**

Village Capital



▶ **Partner Organizations:**

Green Artha Innovations, Aureolis Capital, Caspian Debt, Krishi Janani, Enviu, and WIN



Village Capital is one of the largest organizations in the world supporting impact-driven, seed-stage startups. Since 2009, the team has directly worked with more than 1,100 entrepreneurs in 28 countries that have gone on to raise more than \$4 billion in follow-on capital. Village Capital's affiliated fund, VilCap Investments, has invested in 110 startups. Their matching platform, Abaca, has a network of more than 5,000 entrepreneurs and investors. Since 2016, Village Capital has worked with more than 100 other entrepreneur support organizations to globally unlock a high-potential, diverse pipeline.

Project objective: to address the disparity in funding to female founders of SGBs.

The project aims to create an alliance of industry insiders and veterans to co-create, demonstrate, and promote models & processes that will improve funding outcomes. Intended outcomes include:

- + A robust, self-regulating investor equity alliance with a strong knowledge sharing & dissemination mandate;
- + Growing awareness & adoption of more equitable processes, systems, and teams;
- + Improved funding outcomes for female founders of SGBs, including access to and quantum of funding.

PROJECT 2: INSIGHTS INTO MAKING LENDING INCLUSIVE

▶ **Led by:**
Villgro Innovations Foundation



▶ **Partner Organizations:**
Kinara Capital and Caspian Debt



Villgro supports social innovations that have the potential for democratizing innovation/technology and delivering impact at scale. Villgro India has supported 315 social innovators who have created 4,500+ new jobs & positively impacted 20 million lives.

Kinara Capital is providing collateral-free loans to Micro-, Small, and Medium-sized Enterprises (MSME) entrepreneurs, with a special focus on women entrepreneurs.

Project objectives: To execute primary research followed by a detailed analysis to understand the barriers that prevent women-led small and medium enterprises (WSMEs) from accessing affordable debt funding opportunities in India, from the perspectives of both entrepreneurs and lenders. To help lenders develop debt products that are amenable, affordable, and accessible.

The project aims to conduct surveys and in-depth interviews with women entrepreneurs and lenders to better understand the barriers women entrepreneurs are facing and why lenders may be hesitant to lend to women entrepreneurs. The research will be shared with relevant lenders. The project aims to support the building of collaboration amongst lenders and convince them to use the research in their risk modeling. In addition, the project will map research insights across the relevant offerings, including short-term overdraft, working capital, revenue-linked financing, and financing for asset creation.



**ASPEN NETWORK
OF DEVELOPMENT
ENTREPRENEURS**

 **aspen institute**

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