

PATHWAYS FOR SUCCESS:

Women's Entrepreneurship in Southeast Asia

A report outlining what women
social entrepreneurs need to succeed

SUMMARY REPORT





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Introduction

From ending poverty to reducing environmental degradation, **solutions driven by women are under-invested in and women-led ventures are under-represented in acceleration.** Furthermore, **acceleration** has little to no effect on the ability of women-led startups to raise equity and in fact **exacerbates gender gaps** by increasing the amount of equity men-led startups raise by 2.6 times more than women-led startups.^{1,2} **Though accelerators and incubators in Southeast Asia are increasingly seeking to improve their services for women entrepreneurs, to date there have been few accelerator program design elements that overcome these gaps.**

As part of its Catalyzing Gender Smart Small and Growing Business³ Growth & Investment in Southeast Asia initiative, Value for Women (VfW) has conducted 21 in-depth interviews with successful women entrepreneurs in Southeast Asia across a wide variety of industries to **identify how business development services can include the challenges and opportunities that are specific to women leading early stage social enterprises in the region.** The following summary report shares the highlights of these findings, with the full findings and profiles of successful women entrepreneurs included in the complete report [“Pathways for Success: Women’s Entrepreneurship in Southeast Asia”](#).

1 Global Accelerator Learning Initiative (2020). Accelerating Women-led Startups: A Knowledge Brief. Available at <https://www.galidata.org/publications/accelerating-women-led-startups/>

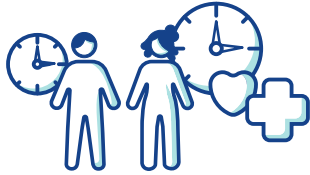
2 International Finance Corporation (2020). *Venture Capital and the Gender Financing Gap: The Role of Accelerators*.

3 This report uses ANDE’s definition of Small and Growing Businesses: commercially viable businesses with five to 250 employees that have significant potential, and ambition, for growth. This term is often used interchangeably with “Small and Medium-Sized Enterprises” (SMEs) and “Micro, Small and Medium-Sized Enterprises” (MSMEs).

Three Reasons to Focus on Women Social Entrepreneurs

01

MORE SOLUTIONS ARE NEEDED TO SOLVE TODAY'S CHALLENGES, INCLUDING THOSE THAT DISPROPORTIONATELY IMPACT WOMEN



Women spend 4.1 times more time on unpaid care work than men.⁶



During economic shocks, women's concentration in informal and insecure work means they are **more vulnerable and more likely to lose incomes.**⁷

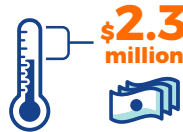
02

SOLUTIONS DRIVEN BY WOMEN ARE UNDER-INVESTED IN



9%

9% of venture capital and private equity funding in East Asia goes to women-led firms.⁸



The finance gap for women-led MSMEs in East Asia is estimated at \$2.3 trillion.⁹



And investors are starting to see the opportunity. In just 2017-2019, the total worth of gender lens investing deals in Southeast Asia increased by almost 8x over that of 2007-2016.¹⁰

03

ACCELERATION PROGRAMS MAY BE EXACERBATING GENDER GAPS AND NOT ADEQUATELY SUPPORTING THE GROWTH OF WOMEN-LED BUSINESSES



Male-led startups that participated in an accelerator see, on average, an increase of \$58,000 in equity financing raised, while their female-led counterparts experience an increase of only \$22,000, and the latter is similar to the increase seen by those women-led startups that were not accelerated.¹¹

Applying a gender lens to supporting entrepreneurs along their growth pathways can help ensure that capital goes to profitable investment opportunities that may otherwise not be seen.

4 International Labour Organization (2018). *Care work and care jobs for the future of decent work: Key findings and messages, Asia and the Pacific*. Available at: https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_633305.pdf

5 UN Women (2020). *COVID-19 and its economic toll on women: The story behind the numbers*. September 16. Online article at: <https://www.unwomen.org/en/news/stories/2020/9/feature-covid-19-economic-impacts-on-women>

6 International Finance Corporation (2019). *Moving Toward Gender Balance in Private Equity and Venture Capital*. IFC. Available at: https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/gender+at+ifc/resources/gender-balance-in-emerging-markets

7 SME Finance Forum. MSME Finance Gap Database. Accessed: January 27, 2020. Available at: <https://www.smefinanceforum.org/data-sites/msme-finance-gap>

8 The Intelcap report does not necessarily capture all GLI investments, limiting its study to GLI investments impact investors make. In addition, the landscape relies on publicly reported data, and not all GLI activity may yet be in the public domain, as the methodology section of the report clarifies. Intelcap (2020). *The Advance of Impact Investing in Southeast Asia – 2020 Update*.

9 International Finance Corporation (2020). *Venture Capital and the Gender Financing Gap: The Role of Accelerators*.

Pathways of Successful Women Social Entrepreneurs in Southeast Asia



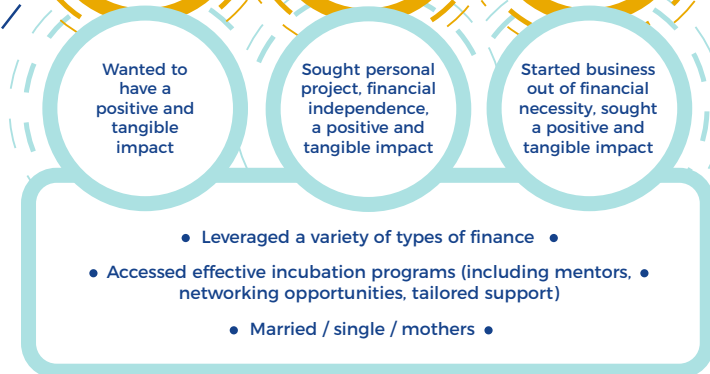
EARLY LIFE YEARS



JUMPING IN



VENTURING

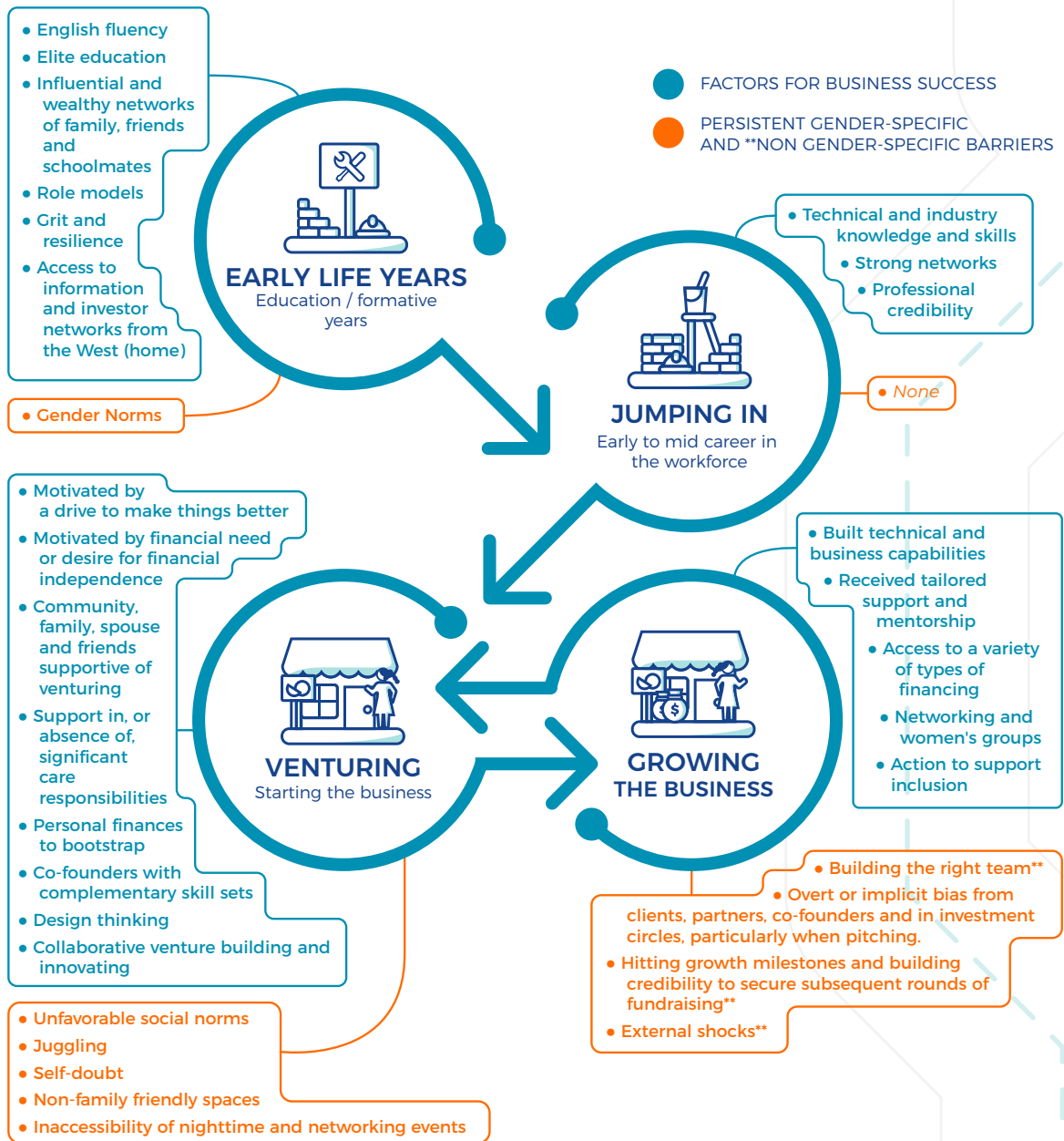


GROWING THE BUSINESS



Success Factors of Women Social Entrepreneurs in Southeast Asia

SUCCESS FACTORS AND CHALLENGES AT EACH LIFE STAGE FOR SUCCESSFUL WOMEN SOCIAL ENTREPRENEURS IN SOUTHEAST ASIA





For business development services to succeed in engaging and supporting women founders, **a concerted focus on overcoming challenges created by structural bias, discriminatory social norms, and gendered conditioning should be at the core of their programming.** Accelerators can commit to doing this during the participant identification and selection process and as part of the business support they provide (*see specific strategies in the following infographic*).

Additionally, the women founders interviewed issued a clear call for accelerators to **build the gender awareness of investors and reduce ingrained bias within the investment community.** The UN Women Care Accelerator, Women's Initiative for Startup and Entrepreneurship (WISE), and WE Rise are examples of what this can look like. Furthermore, given women founders' priorities and styles, **investors may need to align more closely with the social business' core values and vision** (*see specific strategies in the following infographic*). Village Capital and the Beacon Fund are excellent examples of this alignment.

Yet accelerators only pick women who come in with the success factors outlined previously, and

then address the structural bias, social norms, and gendered conditioning, business development services could increase the likelihood of supporting future "winners." However, **they would be missing many women** who are leading solutions and have the grit, motivation, and key skills to have a high level of impact but who may be outside the main cities, lacking access to the same privileges to grow and thrive, and potentially not seeking double-digit financial returns—, **and in so doing leaving money on the table and exacerbating certain inequalities.** **Entrepreneurial intermediary programs have the opportunity to select for these women too and provide them with the specific success factors they need to also become "winners."**

The women social entrepreneurs interviewed for this report as well as those just now entering incubators and accelerators are creating powerful solutions for the global challenges disproportionately impacting women. These solutions will, in turn, give more women the possibility of themselves venturing, creating a virtuous cycle. **By applying a gender lens to the business support process, accelerators, incubators, and investors will restack the deck for all women and communities.**

Recommendations: Applying a Gender Lens to the Business Support Process for Social Entrepreneurs

01 Committing to Apply a Gender Lens

- Make a commitment
- Set targets
- Wear your social and gender values on your sleeve



02 Business Support

- Develop tailored support based on specific needs
- Strengthen public speaking and pitching skills, including in English
- Put women's time constraints and gender-related roles center stage
- Ensure women's voices are given space and heard
- Provide mentorship and networking opportunities
- Embed collaboration
- Engage entrepreneurs on developing gender-forward business practices
- Employ blended learning approaches

03 Identifying and Selecting Participants

- Seek new sourcing channels
- Create specific calls for WLBs or gender-forward businesses
- Loosen selection requirements for certain profiles
- Provide scholarships
- Reduce the reliance on pitching as a selection tool
- Create opportunities for other team members to participate



04 Providing and Linking Women to Finance

- Create opportunities for women entrepreneurs to develop signalers
- Build the investment community's awareness of gender bias
- Take women's requirements into account for financing products



05 Walking the Talk

- Advance workplace equity across the accelerator or incubator





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