Women’s Networks - More Than Business

Issue - Why Women Need a Network of their Own

Mention business networks or associations and either industry-specific, or general business organizations, like chambers of commerce, usually spring to mind. Together, the two appear to cover most business owners’ networking needs. But around the world, there are also a growing number of women’s business networks. Why is this so, and what specific needs do these networks meet that others don’t?

Countering Socio-Cultural Norms
In some countries, cultural and social imperatives discourage women from mixing freely with men, especially men from outside their families. A women’s-only business association in this case makes ready sense, helping women make connections and generating cross-selling opportunities. Business organizations are often also a natural vehicle from which to lobby for a more business-friendly environment for women in general. In Afghanistan, one of the first tasks of the new Ministry of Women’s Affairs has been to set up the Afghan Women’s Business Council, which is supported by the United Nations Development Fund for Women (UNIFEM).

Formal Connections and Support
Constraints on infrastructure and communication technology in many developing countries, also make it hard for women entrepreneurs to meet other business owners outside of their immediate community. Participation in a formal business organization facilitates sharing of market information, helps members identify business opportunities, generates cross-referrals, and is a support mechanism for individual entrepreneurs who might otherwise feel isolated.

In contrast, it would seem that an executive in for example, New York, who is linked by the Internet and regular newsletters from her school alumni and numerous business associations, should have a much easier time networking.

Survey Findings: Women Remain Excluded
And yet even she can feel disconnected. A recent study done by Catalyst, a research and advisory organization working to advance women in business, found that female corporate executives in the United States are far more likely than men to cite factors related to work culture and environment as being barriers to their advancement in a company.

Figure 1: Barriers to Your Advancement (strongly agree/agree)

<table>
<thead>
<tr>
<th></th>
<th>Men</th>
<th>Women</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exclusion from informal networks</td>
<td>18%</td>
<td>26%</td>
</tr>
<tr>
<td>Gender-based stereotypes</td>
<td>5%</td>
<td>26%</td>
</tr>
<tr>
<td>Lack of role models</td>
<td>13%</td>
<td>43%</td>
</tr>
</tbody>
</table>

Source: Catalyst 2004 (United States)

Specifically, almost one half of women cite exclusion from informal networks of communication, gender-based stereotypes and lack of role models, as barriers to their professional advancement. This compared to 18 percent, 5 percent and 13 percent respectively, of men.¹

No wonder then that increasingly, women are starting to form their own professional networks. Former Goldman Sachs employee Janet Hanson for
example, created an online community to connect current and former female employees of the Wall Street investment bank, with the aim of providing role models and mentoring. The network, called 85 Broads, has now expanded ‘offline’ and has grown to over 4000 members.\(^2\) It espouses a philosophy of “co-mentoring” that encourages mutual learning between younger and more seasoned professionals.

Since even in the U.S. – which has arguably one of the better working environments for women – women still feel their needs are not met, it is not surprising that women in other countries feel the same way too.

**Best Practice Solutions**

**INDIA: An Industrial Estate by Women, for Women**

In Andhra Pradesh (AP), India, small factories employ 22 million or nearly a third of the people in the state. Small scale industry makes use of locally available resources, and taps into the local population’s skills and entrepreneurial ability – including that of women.

At last count, only about six percent of the state’s small industry owners are women,\(^3\) but that is still over a million women entrepreneurs in the sector, not to mention the millions more who are employed by such factories.

Women entrepreneurs in Hyderabad, AP’s state capital, were each doing fairly well in their own factories that were spread throughout the city, but they believed that by banding together, it would be easier to face up to the daily challenges of doing business. In addition, they realized that many of them were in the same industry – food processing – and so felt there might be a way for them to become more productive if they all worked in the same place.

**Strategy**

*Lobbying Government for Resources*

The Association of Lady Entrepreneurs of Andhra Pradesh (ALEAP) approached the state government and managed to secure 30 acres of land in Gujularamaram village, about 15 kilometres away from Hyderabad. They were helped by the fact that the government did have a policy to develop small industries, with women-owned enterprises singled out for special assistance. Still, this was a first for the women of Andhra Pradesh.

ALEAP was also able to obtain a government grant of 2.5 million rupees (US$55,000), which they used to build common infrastructure facilities including roads, water, drainage and a power substation – essential in a country where brownouts are common. That was in the year 2000.

**Business Clustering**

The scheme has been so successful that in 2004, a second “ladies-only” industrial estate has opened outside Vijayawada city, in the same state. This time an even more integrated approach was taken for the estate, namely to develop a business cluster based on the food processing industry.

Businesses such as processing mango pulp for making mango sweets, processing of cocoa powder, tomato, tamarind and ginger powders, boiled rava and wheat, and ghee-making were given priority for units on the estate.

The idea was to bring all these factories together, to benefit from shared costs for common facilities. For example, plans are in the air for a food testing laboratory, the first of its kind in the district, and which is badly needed in order to ensure quality and safety standards in the food products produced.

In addition, the women on the two industrial estates have benefited from mutual support, and sharing business and marketing costs.

**Results**

- Successful government lobbying by ALEAP for land for a women-run industrial estate.
- Creation of an innovative business operating environment that is more friendly towards women.
- Cost sharing of equipment and marketing among ALEAP members.

**NEPAL: Collective Marketing**

The Women Entrepreneurs Association of Nepal (WEAN) realized the power of collective marketing, and has spun off a separate arm dedicated to marketing its members’ products for sale. This arm, known as the WEAN Cooperative was established in 1993, six years after the original WEAN was formed.

**Filling a Market Niche**

There have been a number of success stories from the WEAN Cooperative – one of the most well known is that of its pickles, marketed under the brand name ‘Navaras’. The pickles – which in the past had been produced by individual families mainly for home con-
sumption – have become so popular that they have largely displaced imported Indian pickles from the local market. The Navaras brand is also being sold online on various websites that target Nepalese working overseas.

Learning Sparks Business Idea
The development of the pickles and other food products under the Navaras brand was a direct result of the activities conducted by WEAN. In 1994, Hajuri Bista attended a food processing training course conducted by the WEAN Cooperative. Inspired, she began experimenting with pickle recipes together with another person she met on the course, Keshar Shrestha. Eventually they each put in 40,000 Nepalese rupees (Rs; about US$555) and started business from Hajuri’s kitchen. This was the genesis of what was to be the Navaras brand, involving different groups of Cooperative members. Each group makes the pickles, as well as a range of other food stuffs, such as jam, candies, and spices, according to standards and specifications set out by the Cooperative. They then hand the products over to the WEAN Cooperative for marketing.

By 2001, the original group started by Hajuri and Keshar were making an annual turnover of 4.5 million Rs (US$62,500). In 2003, Hajuri was named “Woman Entrepreneur of the Year” by Laxmi Bank in Nepal.

Besides training in technical skills such as in food processing, WEAN also holds courses on various aspects of business including marketing, entrepreneurship, accessing credit, and business accounting.

Results
- Technical skills training by the business association results in a successful business idea, replicable among members.
- Flexible and diverse production units formed by small groups of network members.
- Uniform product standards set by WEAN Cooperative means better quality control.
- Scaled up marketing and distribution of members’ products.

SOUTH AFRICA: Government Led Creation of a Women’s Network
In South Africa, the government actually took the initiative to launch a women entrepreneurs network, because they saw a wide array of obstacles for women to start, grow and sustain their own enterprises.

The Department of Trade and Industry approached the IFC’s regional Africa Project Development Facility (APDF) in 2001, to help with the initial ‘business plan’ of the South African Women Entrepreneurs Network (SAWEN), and the APDF remains involved by providing technical assistance for business skills training.

Although SAWEN is a government-led initiative, one of its objectives is to enable women entrepreneurs to collectively lobby government, public and private institutions on issues, policies and legislation of concern to them, as well as to generally get their views heard. For example, in September 2004 SAWEN hosted a national workshop to assess how the Black Economic Empowerment process in South Africa has benefited women.

Results
- Approximately 2000 SAWEN members, mainly small and medium-sized enterprises.
- A national vehicle for bringing the country’s women entrepreneurs together.
- Business skills training programs, including information on accessing finance.

GLOBAL: Linking Women Internationally
A number of organizations exist to link women entrepreneurs around the world. While this may seem like a new idea, one leading organization, Business and Professional Women International (BPWI), was established in 1930. Another, Les Femmes Chef d’Entreprises Mondiale (FCEM – World Association of Women Entrepreneurs) was founded in France in 1946 and began going international in 1960.

Both these networks have a focus on influencing policy dialogue and change that advances women’s entrepreneurship and economic independence, at both the national and international levels. The FCEM has consultative status with the United Nations and the Council of Europe; and both FCEM and BPWI have representatives throughout the UN system as well as
the European Union.

For women trading internationally, the Organization of Women in International Trade (OWIT) provides networking and educational opportunities.

By bringing women together on a regular basis, international networks are promoting knowledge sharing across borders. For example, members of FCEM’s British chapter shared the UK’s Sex Discrimination Act 1975 with their Mauritian counterparts, who were able to use it in new equal opportunity legislation.

**Results**
- Effective global representation of women’s business interests.
- Sharing of business experiences and expertise internationally.
- Advocacy for policy change.

## Summary - Creating a Network that Addresses Women’s Concerns

### Development Challenge or Business Opportunity?
In many countries the entrepreneurial potential of women is evident, especially in the number of micro, small and medium-sized businesses run by women. The challenge is how to harness the business potential of these individual entrepreneurs, and create programs that will enable their businesses to grow. From global experience, supporting women’s business networks may be productive on several fronts – such networks not only provide women business owners with the technical and emotional support they require, but also help spread new business ideas, are platforms for advocacy, and in addition to cross-referrals, can be avenues for larger-scale marketing and distribution.

### Best Practice Solutions
Identify the key needs of a network’s members, and tailor activities and role of the network to those needs. A network’s function can be general, or specialized. Examples of functions a network can perform are:
- To create mentoring opportunities, e.g. 85 Broads (United States).
- Marketing and distributing members’ products, e.g. WEAN Cooperative (Nepal).
- To create linkages between individual organizations, on a regional, nationwide or international level, e.g., FCEM, BPWI, OWIT.
- Advocate or lobby for resources and policy change, e.g. ALCAP (India); FCEM, BPWI.
- To provide training in technical and business skills, e.g. WEAN (Nepal).

### Want to Join a Women’s Network?
The Global Directory of Women’s Business Associations, prepared by the World Bank/IFC, can be found at:


This database can be searched by country, region or organization name.

---

**PSD Gender Notes prepared by June-wei Sum under the guidance of Amanda Ellis.**

The PSD-Gender Initiative, managed by Amanda Ellis (telephone: +1 202-473-1028, e-mail: aellis@ifc.org), was launched in October 2003. The Initiative considers gender dimensions of public policy development through the World Bank, and practical initiatives to support women entrepreneurs through the International Finance Corporation.

If you are interested in more information about the upcoming work program, please visit our website at [http://www.ifc.org/ifcext/enviro.nsf/Content/Gender-Initiative](http://www.ifc.org/ifcext/enviro.nsf/Content/Gender-Initiative) or contact Aya Okajima (telephone: +1 202-487-7836, e-mail: aokajima@worldbank.org).

**Notes**
2. See website [http://www.85broads.com](http://www.85broads.com)