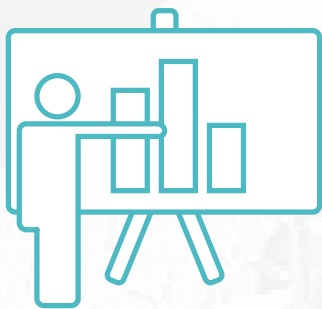


EVIDENCE-INSIGHTS-POLICY

GENDER AND BUSINESS TRAINING

A GENDER-INFORMED BUSINESS TRAINING PROGRAM WAS ABLE TO GROW FEMALE-OWNED BUSINESSES IN KENYA WITHOUT HURTING NEIGHBORING FIRMS, BUT A MICROFRANCHISING PROGRAM FOR YOUNG WOMEN ONLY HAD SHORT-TERM IMPACTS.



Firms that offered training are
3 PERCENTAGE POINTS
more likely to survive after three years, earn
18 PERCENT higher sales,
and make **15 PERCENT** higher profits.



“BUSINESS-IN-A-BOX”
program led to an increase in
SELF-EMPLOYMENT AND INCOME GENERATION,
but this **INCREASE IN INCOME**
was not sustained.

McKenzie and Puerto (2017) test a business training program for women called Get-Ahead, that teaches both basic business skills as well as ways for women to overcome other constraints that sometimes arise for women running businesses. They find firms offered training are 3 percentage points more likely to survive after three years, earn 18 percent higher sales, and make 15 percent higher profits. An innovation in this work was measuring carefully the impact on neighboring firms – the research finds the trained businesses are able to expand the whole market by introducing new products, so that their profit growth does not come at the expense of other women in their markets.

Brudevold-Newman et al. (2017) evaluate a microfranchising program for young women in Kenya, that provided a “business-in-a-box” bundle. They benchmark this against an unrestricted cash grant. Both interventions had economically large and statistically significant impacts on income over the medium term (7 to

10 months after the end of the interventions), but these impacts dissipated in the second year after treatment. Although the two programs increase self-employment, they do not lead to long-run increases in income or other measurable aspects of consumption or welfare; this suggests that the gains from encouraging self-employment are modest at best.

Testing a microfranchising model for young women in Kenya. Early results from a “business-in-a-box” program which provides young women with training and capital for a franchise business finds that it has led to an increase in self-employment and income generation, but this increase in income was not sustained.

Building a better entrepreneur in Togo. This work tested a new psychology-based personal initiative training program against the traditional training approach provided by the IFC’s Business Edge program. It finds the personal initiative training approach to do much better in generating business growth, especially for women. This has led to this personal initiative approach being implemented in several other countries.