

Driving Women's Business Growth in
India
Endline Survey analysis for Batch I
of
DMBA program



Driving Women's Business Growth in India

- Project Period: April 2015 to July 2017
- **Objective:** 550 women entrepreneurs from Satara and Pune Districts of the Maharashtra region to be supported to grow their micro enterprises into profitable and sustainable businesses, and become role models
- Project also aims to help the women entrepreneurs have a stronger voice in their community, as they expand their confidence, capability, access to financing and markets .
- Mann Deshi Foundation started implementation of this program in April 2015 with 300 women entrepreneurs in the first batch of the DMBA program.
- For the first batch of 300 participants, baseline data was collected on a census basis. In April 2016, an endline survey was conducted with 286 participants who successfully completed the one year DMBA program run by Mann Deshi Foundation.
- For the endline study, primary data collection was done by the Foundation's team where they interviewed all the participants after undergoing a training on the survey tool which was conducted by Grameen Foundation India. The findings from the endline survey are presented in the following sections.

Participants' association with Mann Deshi Bank and Mann Deshi Foundation

Of the 300 participants who joined the DMBA program 95% (286) participants who successfully completed the program were interviewed during the Endline survey

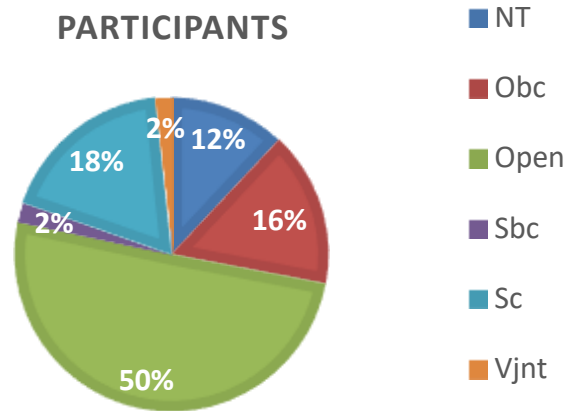
- Nearly 97% of the DMBA participants have participated in programs conducted by Mann Deshi Foundation before joining DMBA program
- Most popular programs are the Chamber of Commerce and Financial literacy (90% of the participants have attended)
- Almost 66% of the them have attended more than one program conducted by the Foundation
- 53% of the participants from Batch 1 of DMBA program had a account with Mann Deshi Bank before joining the program

Training Centre	# Baseline_Participants	# Endline_Participants
Dahivadi	51	47
Dhayari /Pune	50	49
Lonand	64	62
Mhaswad	37	34
Satara	59	56
Vaduj	39	38
Batch 1_Total	300	286

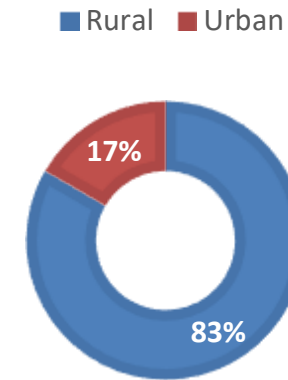
Training Centre	Baseline_related to Mann Deshi Bank	Endline Qt-Association with bank prior to program
Dahivadi	61%	49%
Dhayari /Pune	76%	53%
Lonand	39%	52%
Mhaswad	41%	35%
Satara	80%	64%
Vaduj	77%	61%
Batch 1 Total	62%	53%

Participant Demographics

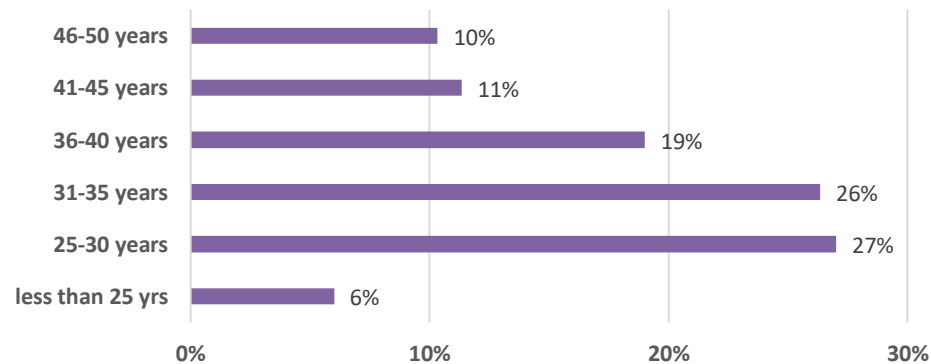
CASTE WISE DISTRIBUTION OF PARTICIPANTS



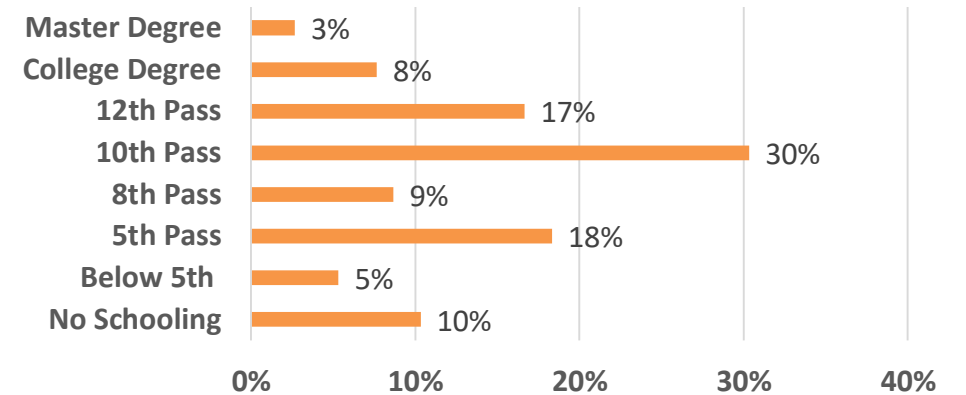
REGIONAL DISTRIBUTION OF PARTICIPANTS



AGE DISTRIBUTION



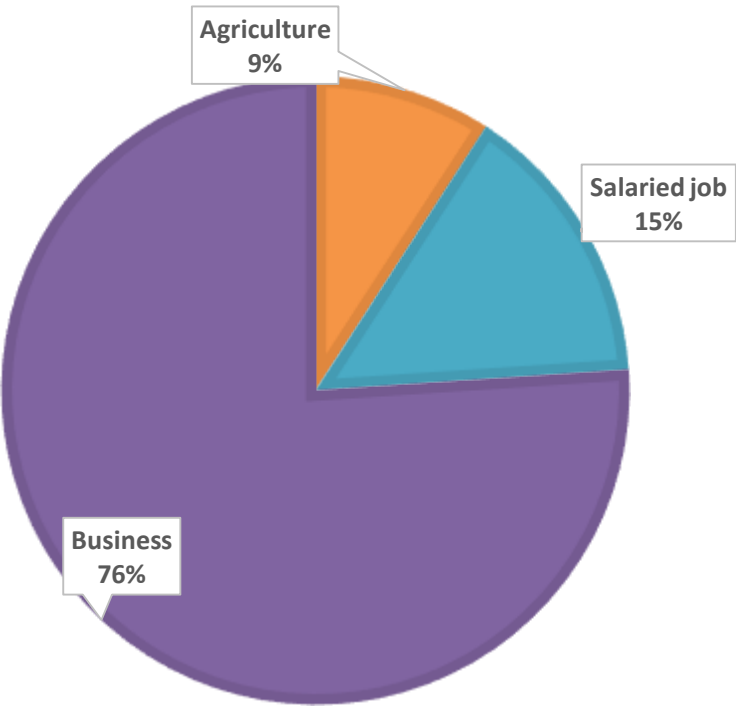
EDUCATION LEVELS OF PARTICIPANTS





Participants' Primary income source-

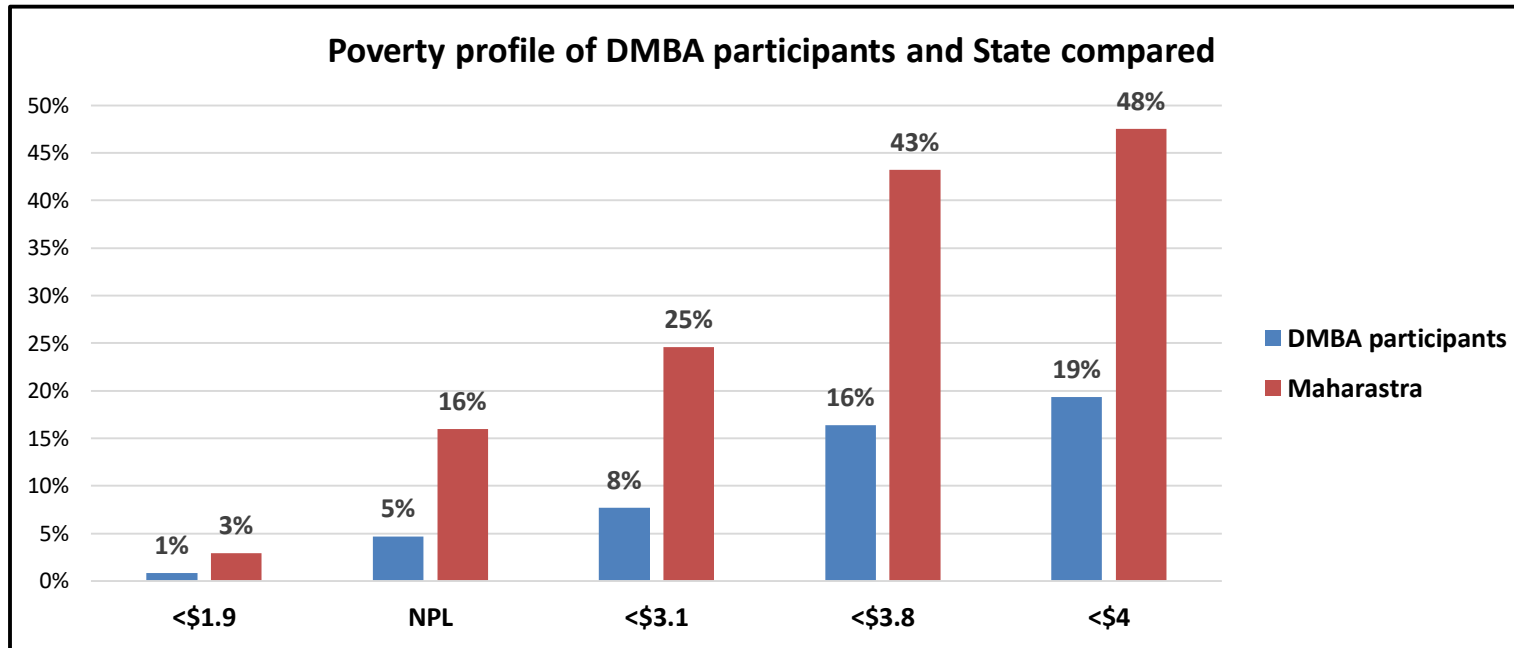
Primary Income source



Average of Total Family Income in INR	
Region	(INR)
Rural	2,57,026
Urban	81,020
Overall_Participants	2,26,871

- Majority of the participants depend on their individual business activities for managing their households .
- The second largest contributor to primary income source is through salaried wages, which is mostly reported by participants from Dhayari/Pune
- *No participant household draws its income from livestock or wage labour.*

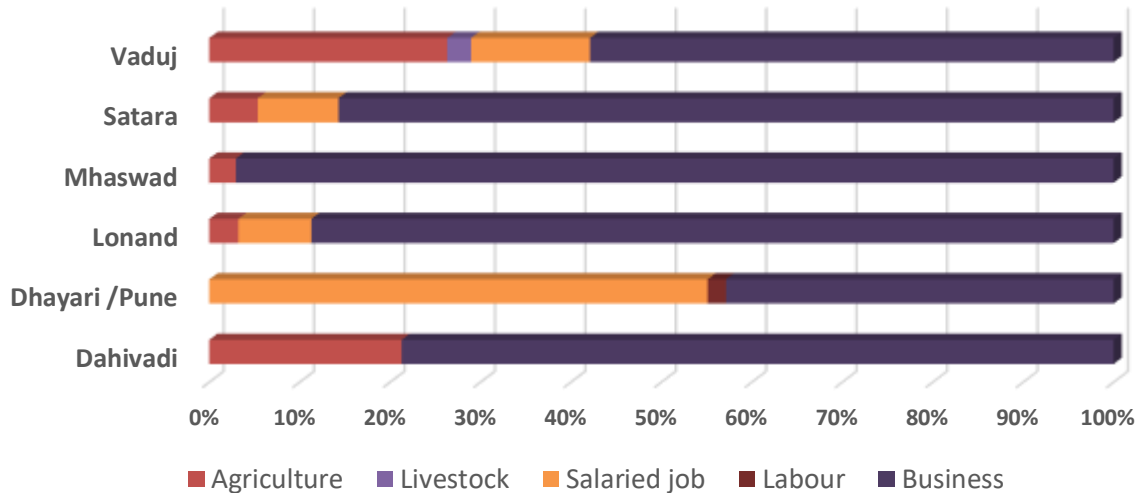
■ ■ ■ Poverty Profile of participants



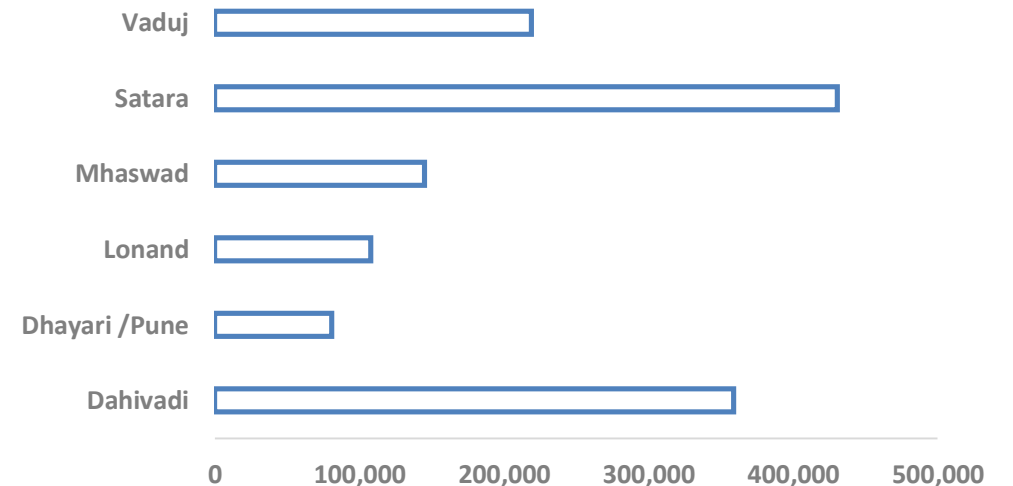
- Nearly 4.7% of the women entrepreneurs from the first batch fall under the National Poverty Line. whereas , for the base population in the state of Maharashtra 16% of the households fall below this Poverty Line.
- Also, about 80% of the participants from Batch 1 lie above \$4 poverty line and for Maharashtra, 52% lie above \$4 poverty line.
- The above poverty segmentation of participants is based on the Progress out of Poverty Index for India

Annual Household Income

Primary Source of Income for Participant HHs



Average of Total Family Income (INR)



- Overall , 75% of the Participants have reported Business activity as primary source of Income.
- The average total Household income is highest for the participant group from Satara where Business activity is primary livelihood source
- The lowest household income value is for the participant group from Dhayari/Pune where over 50% of the participant households have reported salaried jobs as primary source of Income

■ ■ ■ Status of Participants' businesses

- **Employees and Labour**

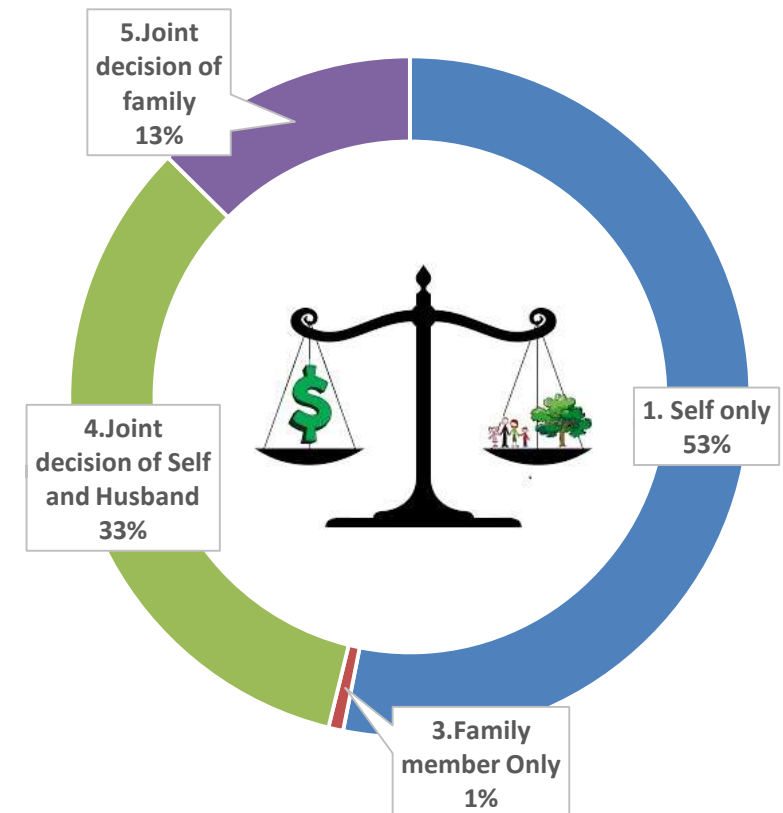
- Baseline data shows that 8%(24) participants employ labour or employees
- Endline results show that 16% of the participants employ help to run their businesses and 9%(26) participants hire labour

- 72% of the participants maintain cash flow records

- 7%(19) participants have reported having registered businesses in endline survey, during baseline only 1 participant had a registered business entity.

- 53% (152) participants make decisions independently on how to utilize the business profits

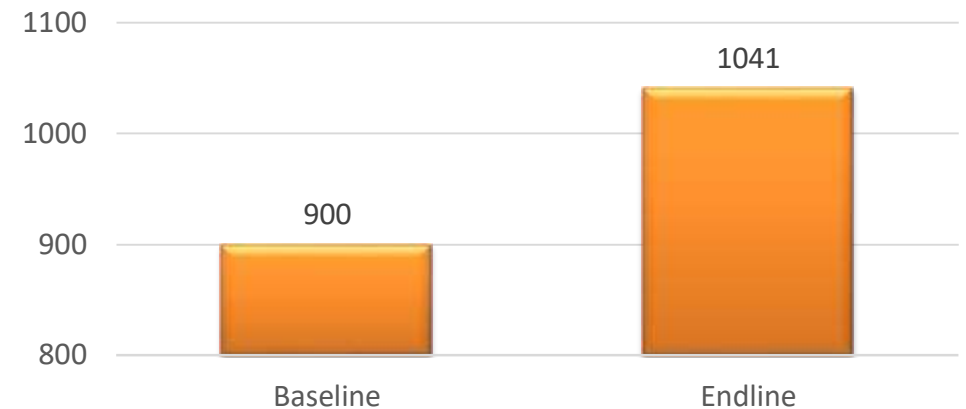
Who decides how to use Business Profits?



Customer Base

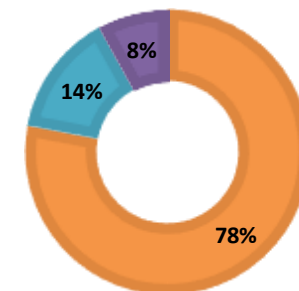
- **Institutional and Individual Customers**
 - During baseline, the average number of business customers serviced on a monthly basis was reported to be 900 which has increased to 1041 in the endline data. Overall ,15% increase in the monthly customer footfall is observed.
 - Also 22 participants reported that they dealt with Institutional buyers like wholesalers, traders etc to sell their products
- 78% (223) – participant business reach out to customers from their own village and 14% (39) reach out to one additional village (other than their own)

Average Monthly Customer Footfall

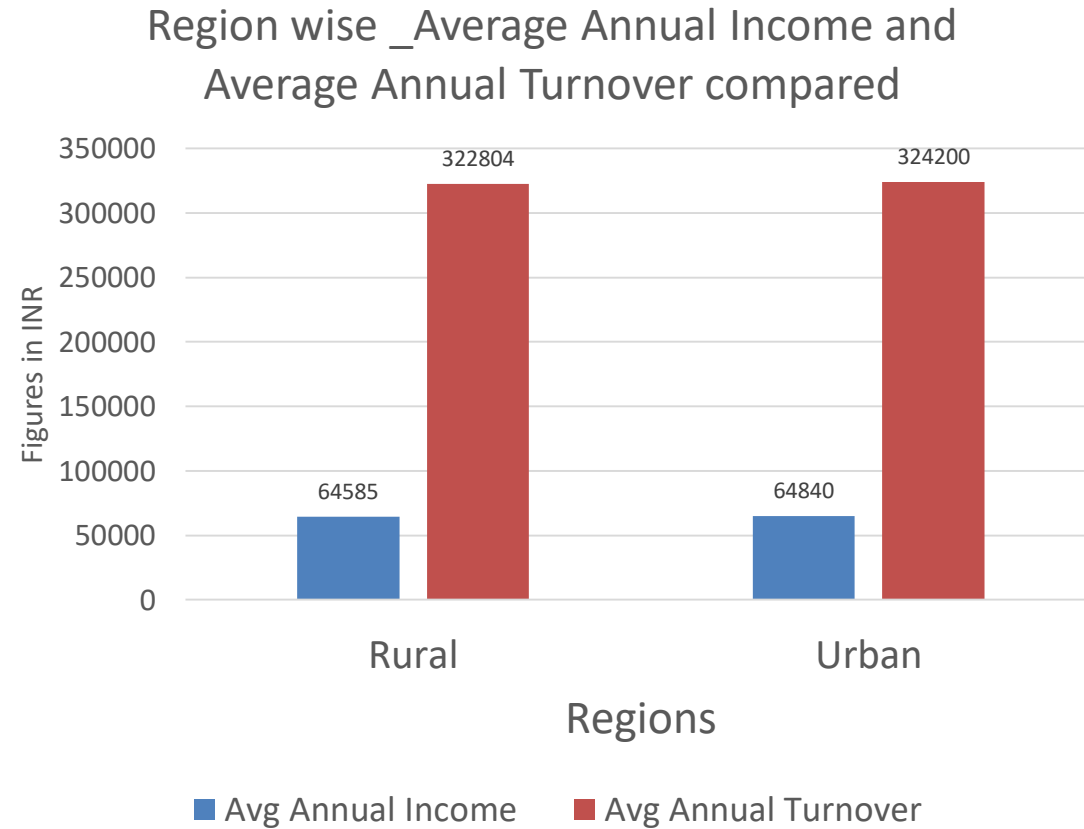


BUSINESS SCALE

Single Village Two Villages 3 or more Villages



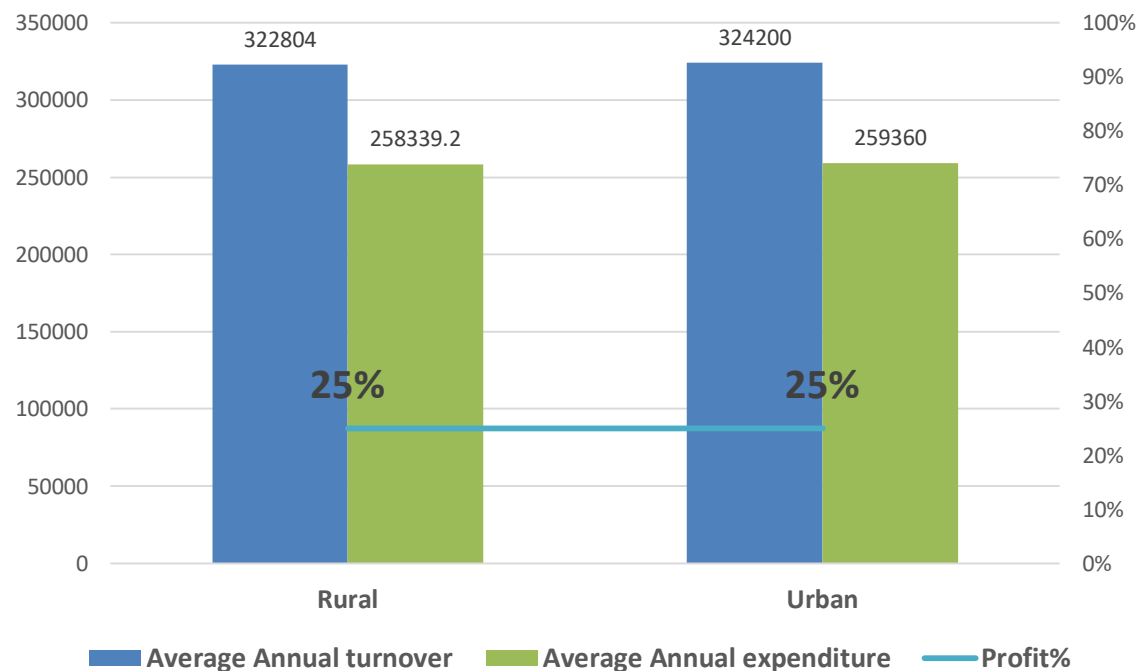
Annual Incomes compared- Baseline



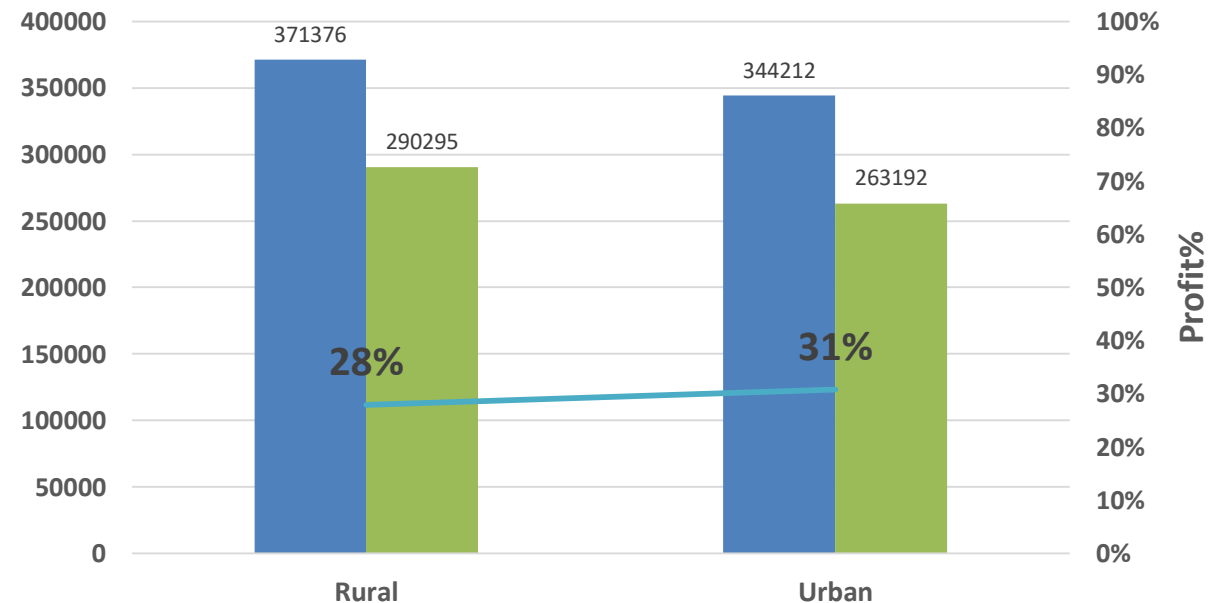


Business Turnover: Rural-Urban Comparision

Baseline_Business Profitability



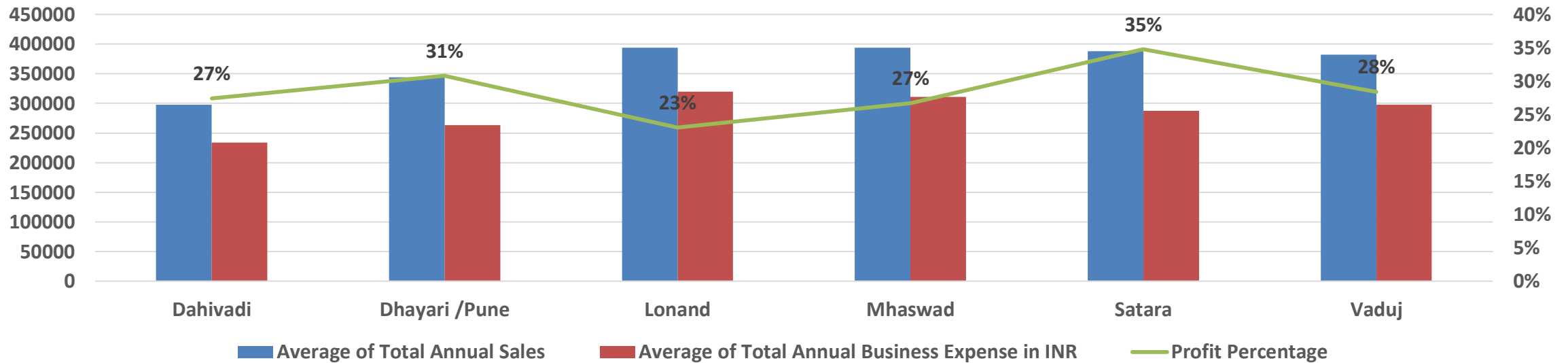
Endline_Business Profitability



- At endline, performance on the profitability of micro enterprises in rural and urban regions has improved by 3 percent and 6% respectively



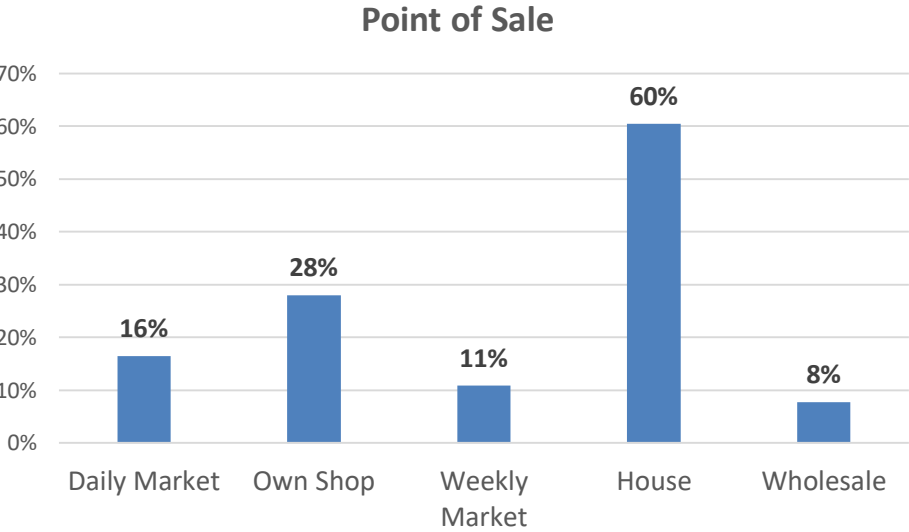
Business Turnover: Training centers compared



- During endline, Business revenue and profits were calculated for the primary and side businesses for each participant.
- Profit= (Business Sales- Business Expense)/Business Expense)
- The profit percentage reported for each participant from Batch 1 was 25%.
- Except for participants from Lonand, all other participants have reported profit percentage higher than the baseline average.
- Participants from Satara have reported the highest profit earnings at 35%



Where are Participants operating their business



Training Centres	Daily Market	Own Shop	Weekly Market	House	Wholesale
Dahivadi	2%	17%	11%	62%	19%
Dhayari /Pune	14%	49%	18%	78%	18%
Lonand	39%	16%	2%	47%	0%
Mhaswad	6%	47%	12%	47%	0%
Satara	18%	16%	14%	66%	7%
Vaduj	8%	34%	11%	63%	0%

- Over all, the most popular point of sale for the Batch 1 participants during the endline survey is their homes followed by their own shops. This preference was observed during the baseline study as well.
- Weekly market participation was negligible at baseline , endline results show 11% participants operating here.
- Also a reverse trend is seen wrt daily markets , at baseline data 21% reported operating through daily markets , almost a drop of 5% is observed at endline
- 8% of the participants conduct their business through the wholesale markets. This aspect was not probed separately at baseline.

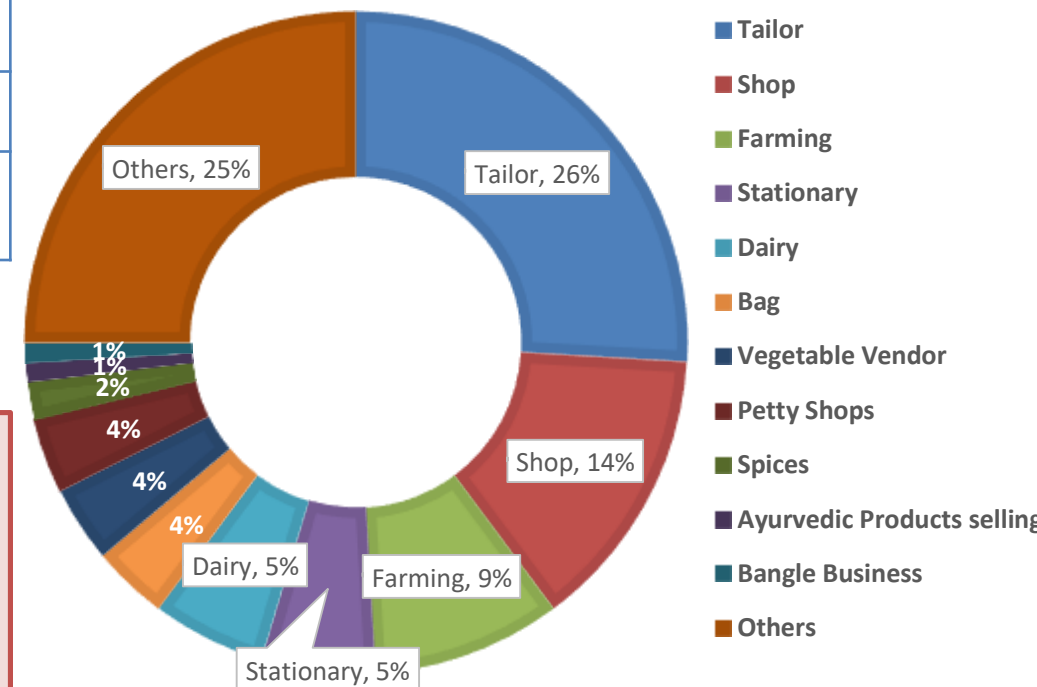
New Business

Region	Training Centre:						Grand Total
	Dahivadi	Dhayari /Pune	Lonand	Mhaswad	Satara	Vaduj	
Rural	16	-	15	24	18	27	100
Urban	-	16	-	-	-	-	16
Grand Total	16	16	15	24	18	27	116

At ENDLINE:

- 40% (116) participants have started new side businesses in the last one year, Vaduj has highest number of new business kickoffs
 - 32% of the Urban and 42% of the Rural participants have started new business.
- Among these, significant are- 26% tailoring business, 14% have opened own shops, 9% have started farming activity.

TYPE OF NEW SIDE BUSINESS





At ENDLINE -Business Planning and Marketing

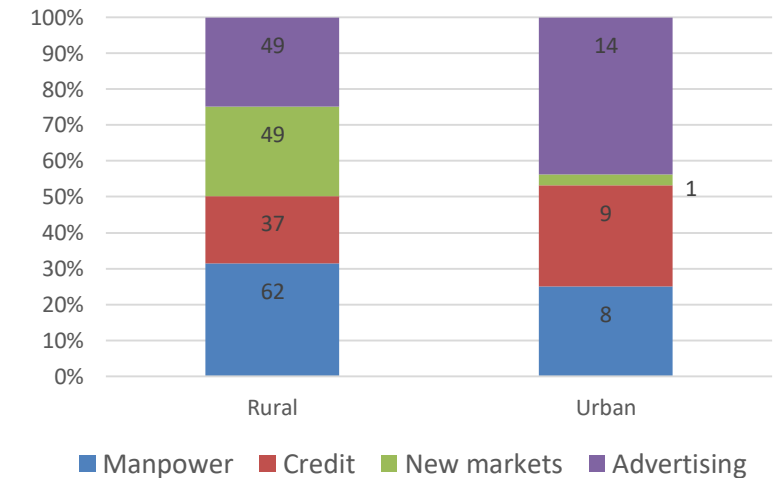
- **Business Planning**

1. At endline , 86% of the participants know about business seasonality, they were able to tell how many months in a year their businesses peak
2. 82% participants also reported make business purchases on a regular basis and rest depend on their spouse/ family members to make the purchases at endline
3. The difference is significant since the baseline, where only 32% of the women reported that they had a business plan

- **Business Marketing**

1. 21% of the participants reported during baseline that they had a marketing plan.
2. During endline, they were asked if they know how to take their business to new villages/customers to which 94% participants responded positively
3. Marketing Material provided by Mann Deshi team is used by 45% of the participants
4. 27% participants work with the traditional medium of publicity , ie. word of mouth

What do participants plan for Peak Business Months

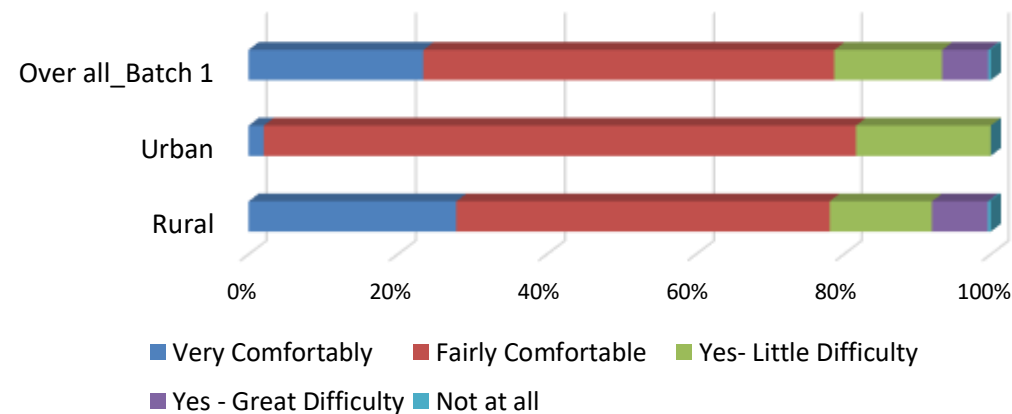


Questions on business plan ,marketing plan and Risk management plan were simplified in the endline survey. Lack of understanding of these terms could have affected the responses during baseline.

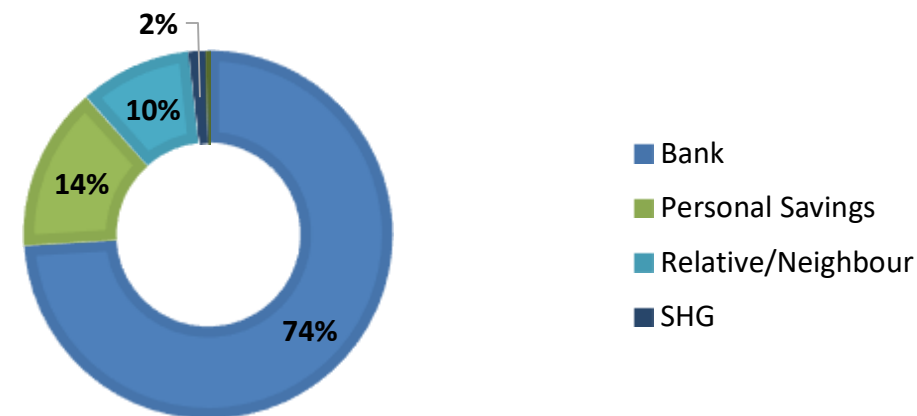
Risk Management

- Batch 1 participants had shared that none of them had a Risk management plan during the baseline survey
- During endline , risk management ability was defined as the capacity to organize funds for business emergency
- Over all 78% participants are comfortable with the idea of organizing emergency funds. Only 7% participants reported that they would find it extremely difficult to make such arrangements

Possibility of organising funds for business in case of emergency



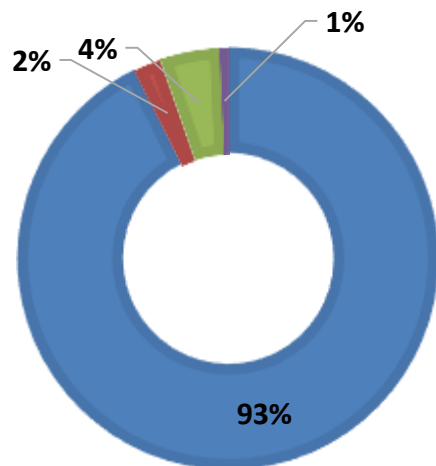
Source of emergency fund



Bank Account

Access to bank account

■ Personal account ■ Joint Account ■ Personal+Joint accounts ■ NO Account

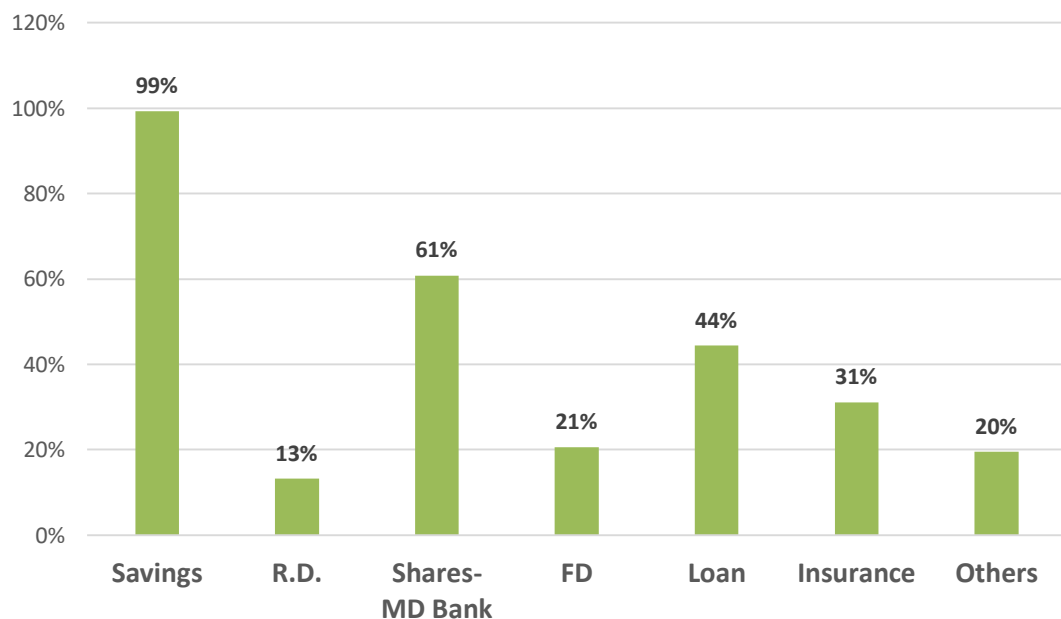


Operation of Bank Account by self		
Training Centre	Yes	No
Dahivadi	46	1
Dhayari /Pune	49	0
Lonand	62	0
Mhaswad	34	0
Satara	56	0
Vaduj	32	6
Grand Total	279	7

- As per the World Bank Financial Inclusion Database, nearly 53% of the Indians have access to Bank account/financial institution. As compared to this national level statistic, 99% of the participants from batch 1 have access to bank accounts.
- 93% of them have a personal bank account
- 97% of the Participants operate the bank accounts on their own



Bank Products

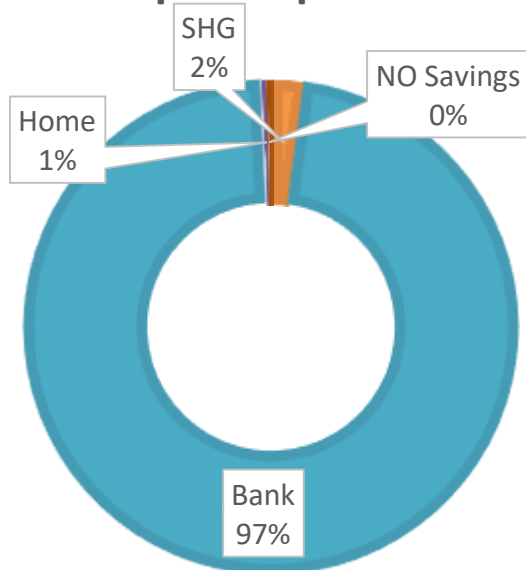


Training Centre	#participant	Savings	R.D.	Shares-MD Bank	FD	Loan	Insurance	Others
Dahivadi	47	98%	4%	36%	0%	38%	36%	0%
Dhayari /Pune	49	100%	0%	80%	100%	0%	0%	0%
Lonand	62	100%	2%	50%	2%	52%	52%	0%
Mhaswad	34	97%	0%	41%	0%	50%	0%	0%
Satara	56	100%	50%	80%	14%	68%	38%	100%
Vaduj	38	100%	18%	74%	3%	58%	50%	0%
Overall_Batch 1	286	99%	13%	61%	21%	44%	31%	20%

- 99% participants from Batch 1 reported experience of savings product at banks during endline as opposed to 89% during baseline survey. Usage of savings product is a very important aspect of financial empowerment and signifies that the batch 1 participants are performing well on this indicator
- Fixed Deposit and insurance were not reported during baseline
- Shares from Mann deshi bank and credit are the also popular products availed by this group through Banks

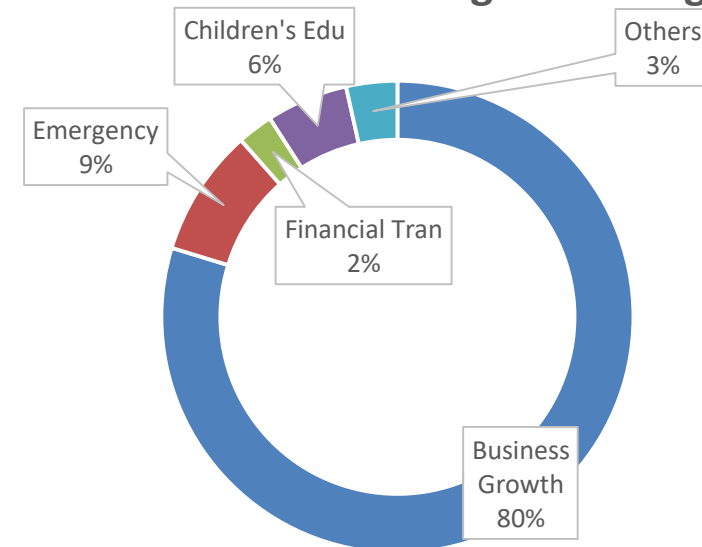
Savings

Where are participants saving?



Average monthly saving amount	
Region	Saving(INR)
Rural	716
Urban	280
Overall _Batch 1	642

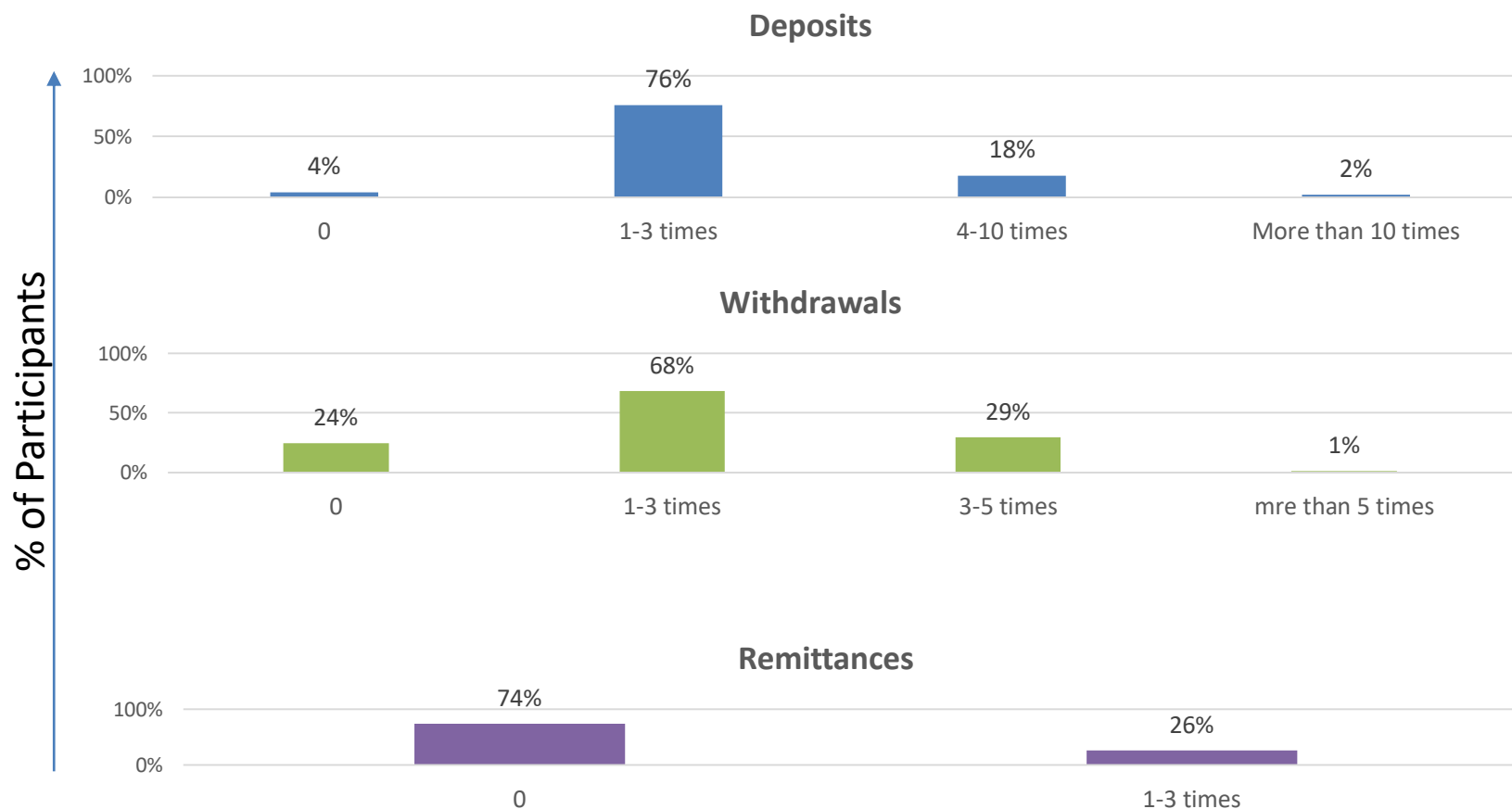
Plans for Usage of Savings



- 66% of the participants had shared that they would use the savings for growing their business, during the endline survey this percentage has risen to 80%
- Baseline results found out that on an average the rural participants managed to save Rs. 1840 in the previous 3 months and the urban participants saved Rs. 16,240/- over the previous 3 months



Financial transactions accessed through Banks in the last 3 months



- Deposits in bank accounts have increased since the baseline survey, only 4 % participants reported zero deposits as compared to 44% during baseline
- Withdrawals from bank account have dropped, only 6% reported zero withdrawals during the baseline, compared to 24% now
- Data reported from remittances shows a increasing trend, 26% have reported transactions compared to only 8% during endline

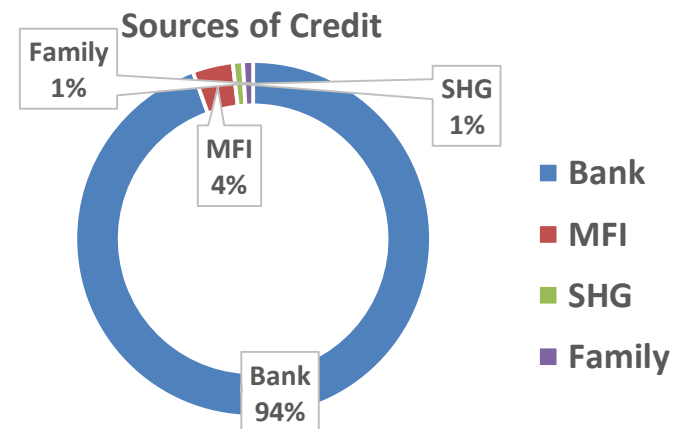
Credit Experience

Loans availed in the last one year

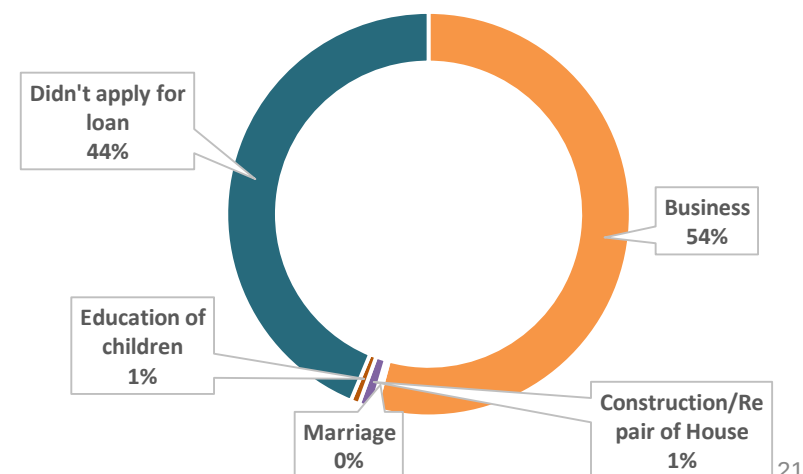
- Of the 286 , 36% of the participants have availed a loan in the last one year
- The loan was taken from a single source
- Average liability of the participants who have availed a loan in the last one year is INR 7285
- The urban participants from Pune/Dhayari training center have not reported any liability. These participants have also shared that they do not need any additional funds for their businesses.

Need for Business Capital

- At endline, 32% of the participants require additional funds for their business activities. The fund required is in the range of INR 10,000 to INR50,000
- At endline nearly 84% of participants reported need of additional funds for business.

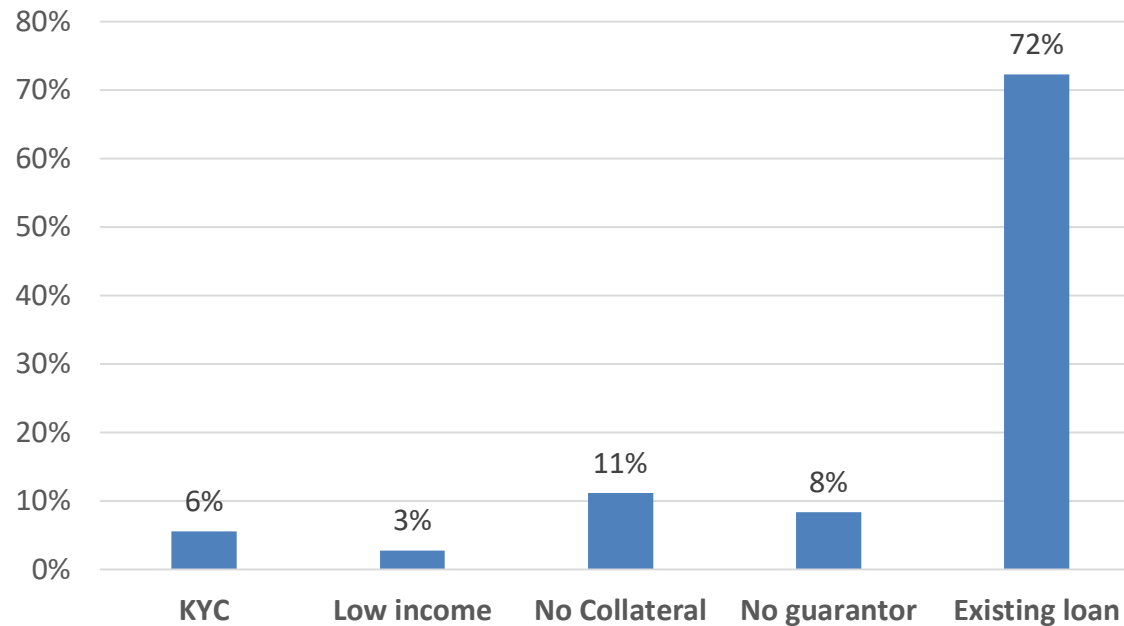


Loan Application to Bank



Loan Application Rejection from banks

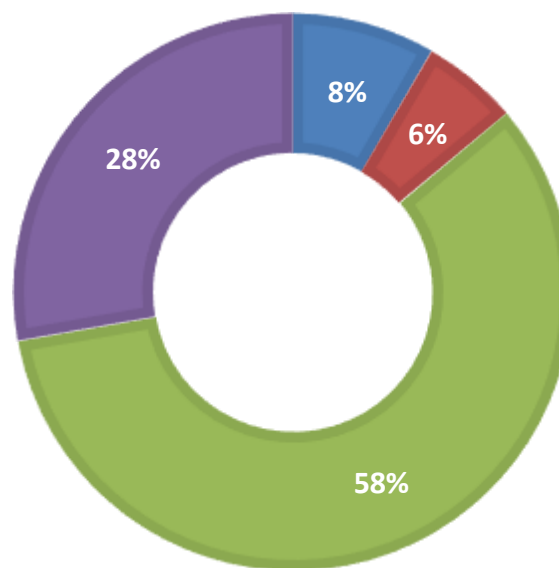
- 36 participants from the Rural centers have reported that their loan applications to banks were rejected in the past .During the baseline study, 99 participants had reported loan application rejections.



Network Association

- 12% (36) Participants have reported to join a new business network in the past one year
- Of these 58% participants have joined Women's Business Association, 6% have joined the MannDeshi's CoC and 8 % have joined Cooperatives

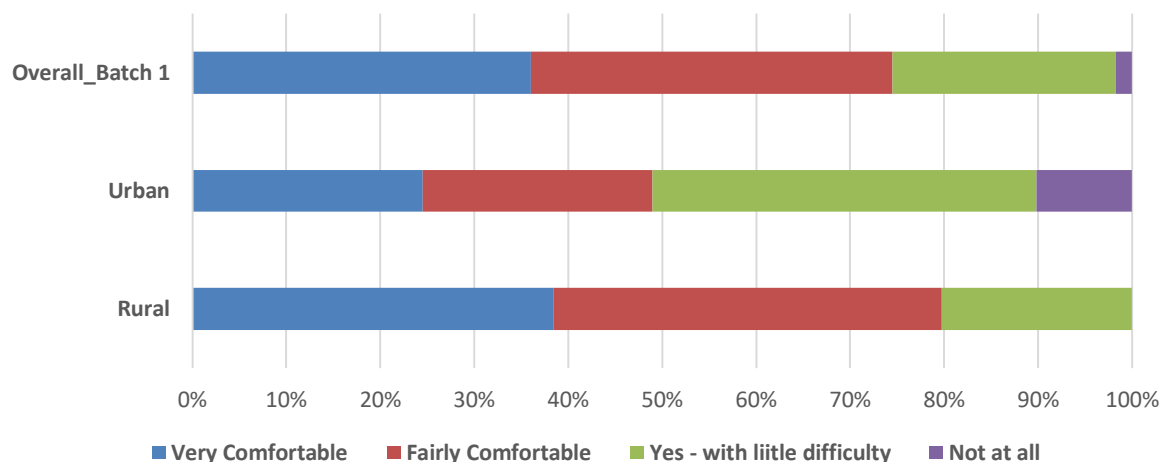
■ Cooperative ■ MD -CoC ■ WBA ■ Others



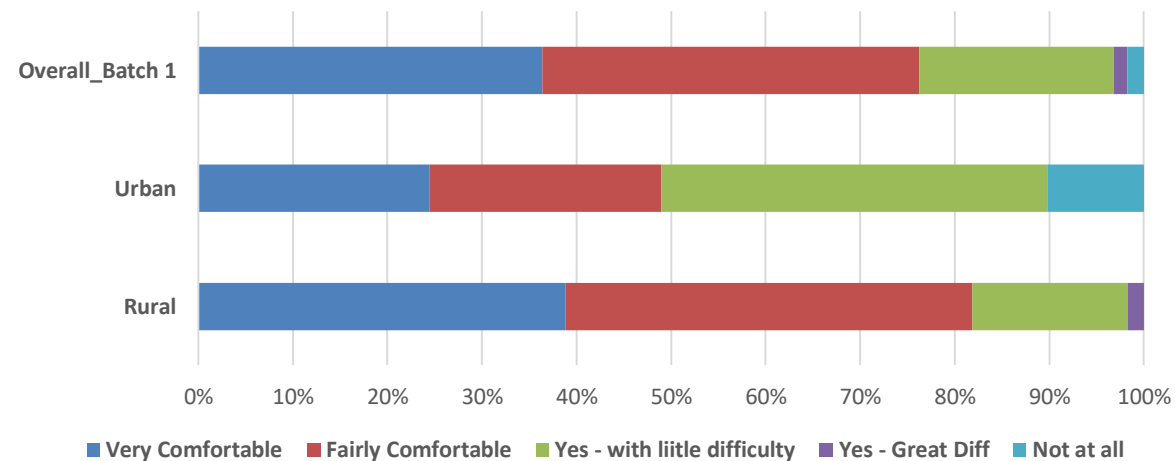


Empowerment

Confidence level in visiting local markets



Confidence level in visiting financial institutions

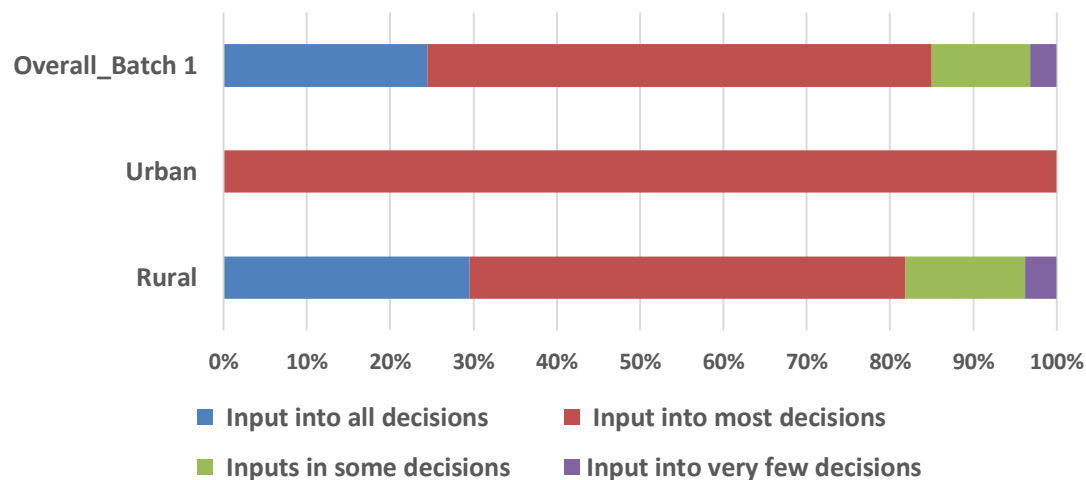


- Over 75% of the participants are comfortable visiting local markets as well as financial institutions
- Proportion of participants who were not comfortable at all visiting markets/ financial institutions is extremely small and a very positive sign which reflects high levels of confidence among Batch 1 participants

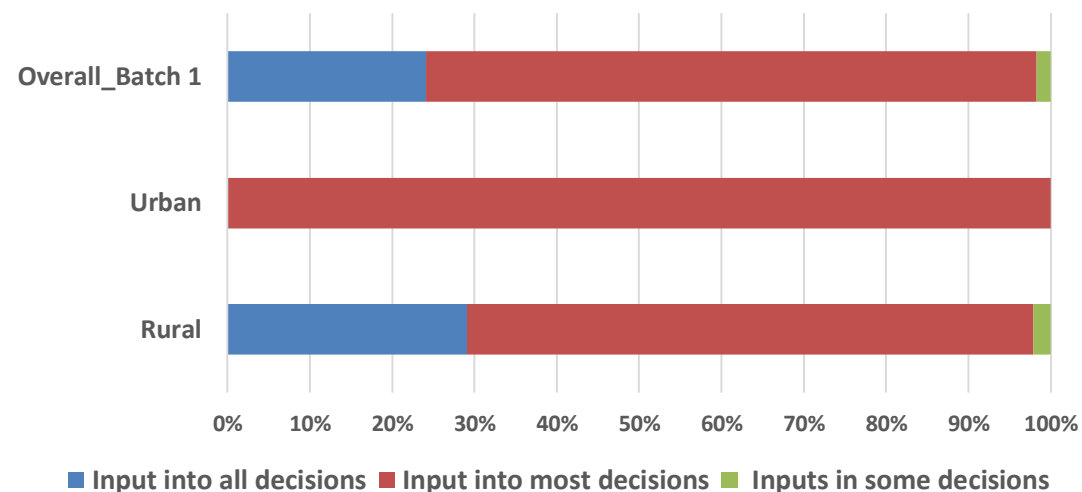


Participation in Decision Making

Do you provide inputs in making decisions about spending for a social event like festivals or wedding?



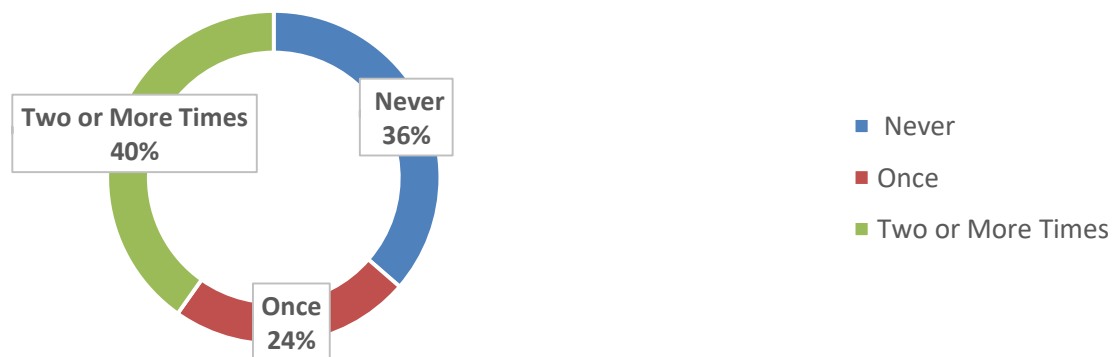
When you fall ill, how much say do you have in deciding what kind of help should be sought for yourself



- Significantly high number of participants from the rural and urban centers have reported to have a say in decision making process in their house hold spending as well as for their personal medical assistance.
- Among the rural participants, nearly 18% of the women have stated that they have lesser say in decision making related to spending money, however all of the urban participants have a say in most such decisions.

Contact with Mentors

How many times did you contact your Mentor during the DMBA program?

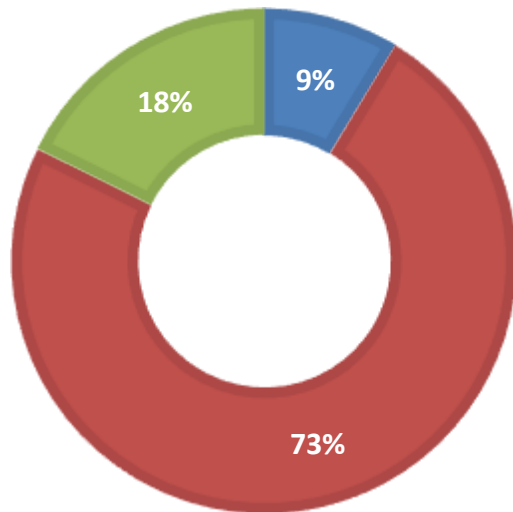


- 64% of the participants contacted their mentors at least once during the one year DMBA program
- 74% of Participants from Lonand and 55% participants from Dahivadi did not contact the mentors. For these centers, it would be important to understand the feedback from Mentors about the participant group. Also the Manndeshi staff who are managing these centers should reach out to the participants for their feedback

Confidence levels of Participants as Entrepreneurs

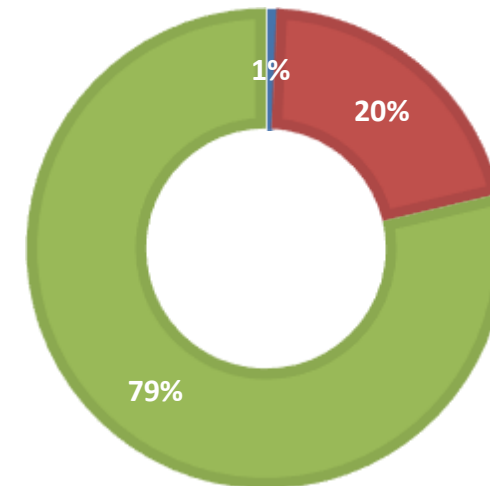
BASELINE_CONFIDENCE LEVELS

■ Slightly confident ■ Confident ■ Very confident



ENDLINE_CONFIDENCE LEVELS

■ Slightly Confident ■ Confident ■ Very Confident



New Women's businesses

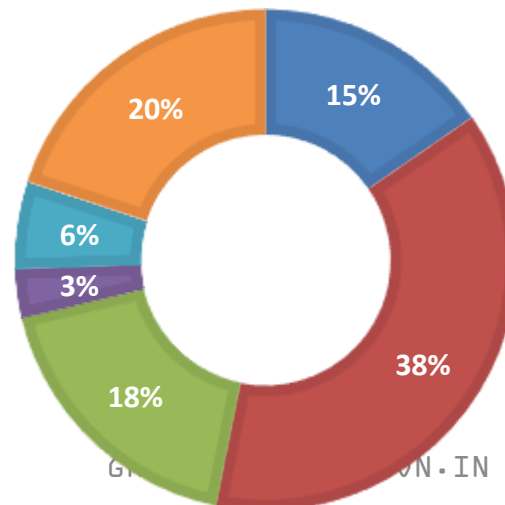
- 17% of the participants have reported that they encouraged other women in their village or relation to start business activity.
- As reported by these participants, 51 women have started new business activity

Business Problems that need solution

- 38% of the participants feel that business planning is the biggest challenge for them, whereas another 18% feel business competition is the challenge.
- 15% also feel marketing is still a big challenge for them
- Additional handholding of participants on business planning and driving marketing activities can help them further leverage the learning from the one year MBA program.

Biggest challenge in business other than capital requirement

■ Marketing ■ Business Planning ■ Business Competition ■ Personal Expenses ■ Others ■ None



Annexure: Progress Out of Poverty Index

The Progress Out of Poverty Index® (PPI®) is a poverty measurement tool for organizations and businesses with a mission to serve the poor. With the PPI, organizations can identify the clients, customers, or employees who are most likely to be poor or vulnerable to poverty and integrate objective poverty data into their assessments and strategic decision-making.

How does the PPI work?

- The PPI was designed with the budgets and operations of real organizations in mind; its simplicity means that it requires fewer resources to use.
- PPI is a set of 10 easy-to-answer questions that a household member can answer in 5 to 10 minutes. A scoring system provides the likelihood that the survey respondent's household is living below the national poverty line and internationally-recognized poverty lines.
- The PPI is country-specific. There are PPIs for 62 countries, and a similar poverty scorecard with a different creation methodology exists for use in China. The PPI serves as a poverty score to measure poverty outreach in a given population. When it is used to capture data over time, it serves to measure potential changes in poverty level-or “progress out of poverty.”

More information about the PPI Please visit www.progressoutofpoverty.org for more information about the PPI, FAQs and resource documents.

Annexure 2: Key Poverty Lines

Poverty lines are cut-off points separating the poor from the non-poor. They can be monetary (e.g. a certain level of consumption) or non-monetary (e.g. a certain level of literacy). The use of multiple lines can help in distinguishing different levels of poverty. There are two main ways of setting poverty lines—in a relative or absolute way.

Relative poverty lines

- These are defined in relation to the overall distribution of income or consumption in a country; for example, the poverty line could be set at 50 percent of the country's mean income or consumption.

Absolute poverty lines

- These are anchored in some absolute standard of what households should be able to count on in order to meet their basic needs. For monetary measures, these absolute poverty lines are often based on estimates of the cost of basic food needs (i.e., the cost a nutritional basket considered minimal for the healthy survival of a typical family), to which a provision is added for non-food needs. The latest version of PPI offers the following absolute poverty lines:

Definition — based on household PPI score	% of Population within a Poverty segment		
	All India	All India – Rural	All India - Urban
Households that are below the \$1.9 2011 PPP	5.6	5.4	6.2
Households that are between the \$1.9 2011 PPP and National Rangarajan Line.	18.4	20.5	13.6
Households that are between the National Rangarajan Line and \$3.1 2011 PPP Poverty Line.	9.0	10.2	6.3
Households that are between \$3.1 2011 PPP Poverty Line and \$3.8 2011 PPP Poverty Line.	17.3	19.5	12.5
Households that are between \$3.8 2011 PPP Poverty Line and \$4 2011 PPP Poverty Line	4.0	4.4	3.3
Households above \$4 2011 PPP Poverty Line	45.7	40.0	58.1