

‘Gender and Enterprise’: Need for Evidence based Policy.

ISED Policy Briefs



Institute of Small Enterprises and Development



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Need for Evidence based Policy.**

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by
ISED Small Enterprise Observatory
jointly with
ISED Centre for Social Development

Institute of Small Enterprises & Development

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About 'ISED Policy Briefs' Series

The purpose of 'ISED Policy Briefs' series, of the Institute of Small Enterprises and Development, is to present a short and informative analysis of some of the current issues relating to development of this constituency. It offers a brief background of issues, as also the latest analysis and findings. Monographs under this Series carry policy recommendations that can further be deliberated among policy circles, the media, and the general public.

PREFACE

In most debates on 'gender and enterprise', the major emphasis is on preferential treatment of policy, finance, and training opportunities as the key drivers of equalizing opportunities for women entrepreneurs. However, several studies on enterprise development in general, and SME development in specific, have brought to the fore the crucial role of knowledge inputs in enterprise development. While in the present knowledge- driven economy, such inputs are crucial, gender brings in an added dimension as well. Knowledge has emerged as one of the most important development resources, and it is perceived that full utilization of knowledge can dramatically accelerate India's development. There is a growing gap between knowledge generation and knowledge application in India. While there are a range of strategies to close this gap and accelerate progress, such strategies need to be examined. Therefore, it is important to discuss the rationale of knowledge systems in enterprise development, especially in the context of women enterprises, in a context where women's access to resources are generally considered to be weak.

The Prime Minister's new focus on gender based development is evident from the Start-up India Stand-up India programme. The process of 'standing up' by the marginalized sections of the society can best be achieved through a focus on gender empowerment. Without knowledge systems, this is impossible. However, the concept of gender empowerment require the support of strong knowledge systems. It is important that the country moves forward on these lines expeditiously.

Kochi
March 05, 2016

P.M.Mathew
Project Director

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Abstract

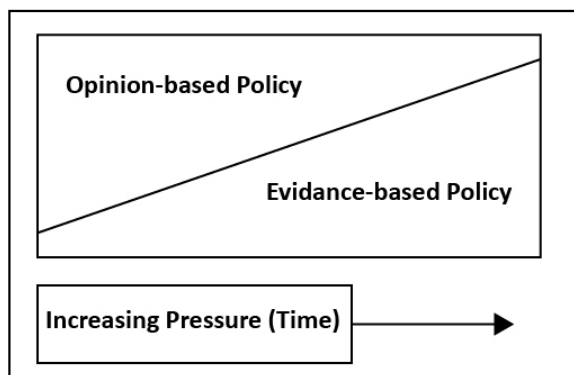
In most debates on 'gender and enterprise', the major emphasis is on preferential treatment of policy, finance, and training opportunities, as the key drivers of equalizing opportunities for women entrepreneurs. However, several studies on enterprise development in general, and SME development in specific, have brought to the fore the crucial role of knowledge inputs in enterprise development. While in the present knowledge-driven economy, such inputs are crucial, gender brings in an added dimension as well. Knowledge has emerged as one of the most important development resources, and it is perceived that full utilization of knowledge can dramatically accelerate India's development. There is a growing gap between knowledge generation and knowledge application in India. While there are a range of strategies to close this gap and accelerate progress, such strategies need to be examined. Therefore, it is important to discuss the rationale of knowledge systems in enterprise development, especially in the context of women enterprises, in a context where women's access to resources are generally considered to be weak.

Keywords: Gender and enterprise constituency, knowledge bas, knowledge systems.

1.0. Introduction

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Dynamics of Evidence Based Policy



The speed and extent of development depends on the availability of material, technological, and financial resources. But in its essence, development is a human process that is determined by the response of people to their external environment. Human beings become aware of opportunities and challenges, formulate responses, make decisions, and initiate organized actions. This process follows the sequence from knowledge to inspiration, to action. As, human beings acquire knowledge, they become aware of opportunities and challenges. When that knowledge matures, they acquire a motivation or inspiration to translate it into action; without that knowledge, no adaptive response occurs. Knowledge is fundamental to each step in the development process. It is essential for creating awareness of opportunities and challenges, a proper evaluation of alternatives, formulating responses, effective planning, organization of initiatives, and practical implementation of those initiatives.

Development depends on a very broad range of knowledge-technical knowledge of productive processes, commercial knowledge of markets and business practices, personal knowledge of human health and nutrition, knowledge of laws and legal processes, knowledge of political and administrative processes and public policies, knowledge of organization and management, knowledge of emerging fields of science, and perhaps, most important of all, a conceptual knowledge of the nature of the development process itself, so that we may have the wisdom to unleash and harness the energy, resourcefulness and creativity of the people.

The words, knowledge, information, and data, need to be distinguished. In the ascending phase that leads from experience to knowledge, raw data is distilled into information and ideas. Raw, unprocessed physical facts or data is the lowest grade. At the next higher

level, these facts get categorized and organized as information. At a higher level, organized facts are processed and distilled into ideas, concepts, and theoretical propositions that provide a perspective which reveals their significance and interrelationships. In the descending phase that leads from knowledge to action, ideas and theoretical concepts are applied to generate plans, organizational patterns, technological processes and physical skills that express themselves in action.

Knowledge contributes to development in several different ways: 1) as a productive resource; 2) as an essential input for education, scientific research and industrial technology; 3) as a catalyst for social change and economic development; and 4) as a basis for civilization and cultural values that promote social integrity and harmony, which is the essential foundation for development.

In the earlier stages of economic development, land and minerals constituted the key resources for development. Technology was rudimentary. Human beings were valued mainly for their physical labour. As time pass by, the process of economic development is becoming increasingly knowledge-intensive. According to a recent estimate, 50-60% of global industrial output is based on information. Modern manufacturing industries depend as much for their success on the management of information relating to quality, cost and scheduling as they do on the management of production processes. The services sector, which is the greatest source of new jobs and economic growth in the world economy, is essentially knowledge-based. Knowledge creation and its dissemination have a key role in the process of development. However, its nature and content varies according to the socio-economic system. Knowledge has some positive effects, neutral of social stratification. In a democracy, there are significant opportunities, but the experience so far is mixed. Media has a key role in a knowledge-driven economy. Curan et al() addresses the implications of the movement towards entertainment-centered, market-driven media by comparing what is reported and what the public knows in four countries with different media systems. The different systems are public service (Denmark and Finland), a 'dual' model (UK) and the market model (US). The comparison shows that public service television devotes more attention to public affairs and international news, and fosters greater knowledge in these areas, than the market model. Public service television also gives greater prominence to news, encourages higher levels of news consumption and contributes to a smaller

within-nation knowledge gap between the advantaged and disadvantaged. But, the wider processes in society take precedence over the organization of the media in determining how much people know about public life.

3.0.Perceptions and Practice

Studies on knowledge management show that knowledge management plays an important role to improve SME's performance, as knowledge or information is one of innovation driver that will support SME competitiveness. In the domain of *economic governance*, something more than such a too general approach to knowledge is needed. 'Gender and Enterprise' is a new and emerging area of interest, not only in research and policy, but in the mainstream of business as well. Various studies suggest that when women are at the table or in leadership positions, companies perform better. Where gender diversity reaches a critical mass of three or more women on a board, governance improves and so does financial performance. Yet, despite the powerful business case for women, gender inequality stubbornly persists. The business-side of gender diversity in the work place, is a crucial area of interest today. That ,in itself, hints at the need for knowledge systems that can monitor developments.

Gender, in essence, brings in the issue of diversity in development theory and practice. Diversity in SMEs is an emerging area of interest around the world. While diversity in the developed countries, essentially implies ethnic minorities, in developing countries like India, the dimensions of diversity are different. It generally means the weaker sections of society. Despite these differences, the general principles of diversity remain the same. The very purpose of knowledge systems should be, to capture these various dimensions under the 'gender and enterprise', paradigm in such a way as to sharpen our understanding and to support policy making.

Oxfam's 'Gendered Enterprise and Markets Programme', for example, is a cutting edge gendered market system approach to sustainable livelihoods development. It offers a GEM solution to the problem. Oxfam America's 'Women in Small Enterprise (WISE) Programme' starts with a systemic understanding of these barriers and attracts partners with expertise in the areas of financial services, women's rights, advocacy, community development, and vocational training to support women in overcoming these challenges. Countless women around the world are building successful small businesses. But the odds against women entrepreneurs in many developing countries

can be staggering. Often, they face limited access to credit and property, household obligations that consume their waking hours, and cultural standards that discriminate against them. Oxfam believes in people's power to change their lives, and builds on the organisation's extensive experience in the areas of financial inclusion, community development, and policy influencing, with a focus on gender equality.

Oxfam's is a good example. An approach, as above, needs both information management and knowledge management. **Information Management (IM)** is the collection and management of information from one or more sources and the distribution of that information to one or more audiences. This, sometimes, involves those who have a stake in, or a right to that information. Management means the organization of and control over the planning, structure and organisation, controlling, processing, evaluating and reporting of information activities in order to meet client objectives and to enable corporate functions in the delivery of information. In short, information management entails organizing, retrieving, acquiring, securing and maintaining information. It is closely related to an overlapping with the practice of data management.

Knowledge Management(KM) ,however ,is different. It is the process of capturing, developing, sharing, and effectively using sectoral or organisational knowledge. It refers to a multi-disciplined approach to achieving sectoral or organisational objectives by making the best use of knowledge. Knowledge management efforts typically focus on objectives, such as improved performance, competitive advantage, innovation, the sharing of lessons learned, integration and continuous improvements. KM efforts overlap with organisational learning and may be distinguished from that by a greater focus on the management of knowledge as a strategic asset and a focus on encouraging the sharing of knowledge.^{[2][11]} It is an enabler of learning with an organization, sector, or the economy as a whole.

Information management, on the other hand, deals with organizing information such in databases forms; while KM deals with exploiting explicit and implicit knowledge of others as their experiences in which such shortcuts could enhance and transform a whole business. Thus, KM is so crucial and beneficial if management play it right. These, however, cannot be stand-alone activities. Structured systems and procedures are crucial in order to ensure sustainability.

4.0. International Experiments and Practices

It has now been internationally recognised that, sustained efforts, supported by an effective knowledge

system, is crucial in the agenda of gendered enterprise development. It is in this context that experiments, general or specific, on sustained efforts from elsewhere in the world, become relevant. Over time, several models have been reported from elsewhere in the world. A discussion on some of the experiments, specific to the gender context, would be useful in the present context.

4.1. European Gender Observatory(CEMAR)

In the context of local self government, the European gender Observatory (CEMR) has been reported to be an interesting experiment. Since 1983, the Council of European Municipalities and Regions (CEMR) works actively to promote equality between women and men in the decision-making process. In 1983, two hundred women representatives of European municipalities, provinces and regions met on the occasion of the first "Meeting of women local and regional elected representatives of the European Community" organised by CEMR in order to allow for the debating on "Renewal of European Society". By emphasizing the principle according to which local and regional authorities have a primordial role to play in ensuring a "balanced development" of the European Community, women elected representatives insisted on three points: the participation of European women in local and regional assemblies, the actions carried out by the European Institutions to promote equal opportunities and the impact of Community policy on local and regional authorities.

The turn of the century brought to light CEMR's political commitment in favour of equality on the international scene. In June 2000, a CEMR delegation of women local and regional elected representatives participated in the "Beijing+5" Conference organised by the United Nations in co-operation with IULA. The European women local and regional elected representatives were able to share their experiences of local life in Europe with their counterparts from all over the world and speak of the results achieved in this area as well as persisting barriers.

Five years after the World Conference on Women in Beijing, at which time a Platform for Action for the development of the status of women was launched, the New York Conference provided the opportunity to assess the progress accomplished since then. The theme of the 23rd Special Session of the United Nations General Assembly was, "Women 2000: gender equality, development and peace for the twenty first century". At the close of this event, the role of local authorities was recognised in the action plan for the implementation of "Beijing+5".