WORKING PAPER

CGAP

WOMEN AGENTS FOR FINANCIAL INCLUSION: EXPLORING THE BENEFITS, CONSTRAINTS, AND POTENTIAL SOLUTIONS

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CONTENTS

EXECUTIVE SUMMARY

A STRONG RELATION HAS BEEN OBSERVED GLOBALLY BETWEEN Cash-In, Cash-Out (CICO) agent network coverage and a greater use of Digital Financial Services (DFS), especially by low-income and rural customers. This has motivated CGAP to explore the benefits, opportunities, and barriers to include more women agents as part of these networks, and how this may translate into further financial inclusion. The expansion of agent networks in peri-urban and rural areas, where most financially underserved and excluded people live, does not automatically imply an increase in the proportion of women as customers or as agents, nor in the benefits they receive. There is limited evidence of the barriers that prevent women from participating in, and benefiting from CICO agent network expansion and the solutions to overcome these barriers. Despite the lack of global figures on the number agents that are women, all empirical evidence suggests a significant gap in the number of women agents compared to men. For example, only 10 percent of India's two million agents are women.

This working paper presents learnings from CGAP research, to show how gender dynamics can influence agent networks to be more inclusive of women and other vulnerable customer segments. This paper contributes to the main questions that address existing gaps in the literature.

First: "What are the benefits of increasing the number of women agents, for women agents themselves, for customers, their communities, and for DFS providers?"

Second: "What are the constraints experienced by women as agents?"

And third: "What are the potential solutions to these constraints, that promote women agents at scale?".

We answer these questions using evidence generated by CGAP together with industry partners, in addition to a comprehensive review of the literature and select key informant discussions. Our analysis acknowledges that there are relatively few studies that focus on gender dynamics in agent network development. Therefore, the authors attempt to complement available evidence in the literature with further analysis of those relatively few in-country efforts dedicated to increase the number of women agents that have been sustained over time and have scaled. For this reason, our analysis draws heavily from relevant experiences in India, where such mature experiences exist, and triangulates this with limited evidence elsewhere to offer insights that the authors consider generalizable.

The paper presents insights on the benefits that women agents bring at the individual, household, and community levels. At the individual level, there are two main considerations. First, engaging women agents can lead to a wide range of benefits for women agents themselves, related to their capabilities and assets, such as increased individual income, increased confidence and agency inside and outside the household. Second, relative to men, women agents can increase the financial inclusion of individual women customers, mostly in contexts where gender norms are highly restrictive towards women. In other contexts where gender norms are less restrictive, women agents tend to be better than their male counterparts in promoting the financial inclusion of other marginalized groups composed of both men and women, like poorer individuals, youth, the elderly, or people with disabilities (PwD). Looking at all contexts together, there consistently seems to be a benefit brought by women agents, given that they tend to reach new underserved customers.

At the household level, women can gain greater decision-making power by becoming agents, allowing them to better influence household resource allocation. This tends to benefit other household members, especially children, through greater investments in health, nutrition, and education. A study In Ghana evidences greater household harmony and a reduction in Gender-Based Violence (GBV) incidents as a result of women becoming agents.

At the community level, making women more visible as financial actors, both as agents and customers, creates role models for other women and girls, which is expected over time, to relax gender norms that constrain the engagement of women in community affairs and the world of paid work.

Increasing the number of women acting as CICO agents also brings benefits to DFS providers. These benefits include expanding their customer base to traditionally hard-to-reach segments, improving customer service in general, and increasing customer engagement with a growing number of financial products over time, which can increase revenues. For example, new customers served by women agents report superior customer service that increases customer engagement, starting with checking their balances more frequently and later leads to the use of other services such as bill payments and remittances. Furthermore, women agents can provide market intelligence to DFS providers that help them tailor financial products and services for rural populations.

To capture the many benefits that women agents bring, there are several central constraints that need to be overcome. These constraints all have gender norms as a root cause; however, they influence women agents at three different levels. The first level is structural, related to policies and regulations such women's property rights or customer due diligence regulation. The nature of these constraints and their potential solutions have been well documented in the existing literature. This paper focuses on the effect of gender norms on two additional levels that have not been explored much: (1) the individual capabilities and asset deficits that prevent women from performing as agents, such as confidence, motivation, leadership, literacy, market knowledge, as well as limited working capital; and (2) community attitudes that dictate what women can do, their mobility, and who they can interact with, like being allowed to work in the financial services space, serve certain types of customers or be able to move freely from one place to another. These constraints have implications for the performance of women agents that translate into a number of operational challenges for DFS providers when trying to recruit them.

The evidence is robust that engaging women agents is clearly not a performance trade-off, as long as there is a good understanding of the barriers they face, the support they require and how public and private actors can coordinate their efforts to provide this support. The nature of the constraints, as explained above, implies the need for public-private collaboration to overcome them. When these constraints are addressed with adequate support from both public and private actors, women agents have shown to perform as well, or even better, than male agents. For example, in India, Bank Sakhis (i.e., women agents trained by the government) are increasingly being recruited by private banks, when at the beginning only public banks were doing so. In this case, as key gaps in women's skills and assets caused by gender norms were addressed by the public sector, private DFS providers found it viable to invest in support systems that onboard more women agents to improve their business performance. Another example from Rwanda shows how the success of a time-bound pilot to onboard women agents supported by local policymakers and funders, led Tigo Cash, a private DFS provider, to launch a fund to continuously onboard more women agents in the country. The experiences documented suggest public investments are required initially to address key gaps in individual capabilities among women, which in turn unlock investments from providers to onboard them, as explained below.

The social and private benefits that women agents bring require that DFS providers and public sector partners consider how they can work together to address constraints that prevent more women from working as agents. This in turn increases the benefits for women agents, their customers, families, and communities; as well as for DFS providers. The paper concludes with a discussion of potential solutions that local DFS providers and policymakers —with temporary support from funders— can implement to address these constraints.

The experiences referenced here suggest that public investments focused on reducing norms-induced gaps in women's skills and assets can be catalytic in unlocking DFS provider investments to onboard and support women as agents. Our analysis suggests that public investments in training and asset build-up —two key aspects for agent performance— among women can accelerate their recruitment as agents by local DFS providers. Left to providers alone, these investments are hard to justify, with the private returns that can be generated, at least in the short run. However, the social returns from the benefits of increasing the number of women agents mentioned above can justify public investments to reduce those skills and asset gaps that restrict the participation of women in agent networks.

Policymakers can play a complementary role in supporting women as agents by:

1. **Promoting and funding training programs to address skill gaps.** One of the most common norms-induced constraints observed across countries is women's lag in hard (e.g., accounting, electronic device operation, financial transaction processes) and soft skills (business entrepreneurship, socio-emotional skills, behavioral agency), which are all needed to perform well as agents. Public investments in trainings that promote these skills among women can accelerate private sector DFS provider capacities to recruit them as

agents and start investing in more operational support, such as marketing, onboarding processes, liquidity management, system troubleshooting, or customer grievance and protection protocols. The content of training funded by public actors should be coordinated with DFS providers to ensure market-relevant skills are promoted.

2. **Providing working capital through interest-free loans and subsidies to address asset gaps**. Another common norms-induced constraint observed across countries is an asset gap faced by women, which prevents them from being able to start and grow their agent business. Time-bound public subsidies (e.g., partial grants or interest-free loans) can enable more women to acquire the electronic devices agents need to process transactions, such as smartphones, point-of-service outlets, or computers, or accumulate the minimum working capital needed to start processing customer transactions. This type of public investments should be coordinated with DFS providers to ensure any device offered to women agents meets industry-wide standards. This type of time-bound supplement to the assets of women can accelerate the onboarding of women agents by DFS providers and promote investments to maintain women agents operating in the long-run.

3. **Coordinate efforts to promote women agents with other public interventions that aim to change restrictive gender norms, which can further accelerate women participating as agents.** Efforts to make social norms less restrictive for women can, in the longer-term, reduce constraints faced by women to act as agents. Public interventions to support the participation of women in more economic sectors such as financial services, that encourage young girls to engage in education and markets, or that promote free mobility of women, can all contribute to more women becoming agents. Including the role of women agents as examples of acceptable women livelihoods can help too.

DFS providers can intentionally support the capabilities of women agents by:

4. **Using a gender lens in market expansion strategies to increase their understanding of the potential women have as agents and customers, assessing their profiles and needs.** DFS providers should invest in rural market assessments when they aspire to expand agent networks into regions with large numbers of underserved and excluded customers (see Hernadez and Martinez 2023). It is critical that they use a gender lens when conducting these assessments, as it reveals how the experience of women as agents and customers may differ from those of men. It will further inform the DFS provider's strategies to tailor products and agent management processes to include women more effectively as agents and ensure their good performance. This will contribute to addressing norms-induced gender skill gaps. These assessments will also help DFS providers inform public sector partners on how to make public investments more effective in addressing the skills and asset gaps that women face, as part of public-private collaboration efforts.

5. **Recognizing and supporting the participation of family members in a women-owned agent business, to circumvent community gender norms**. Given that prevailing gender norms are hard to change in the short-term, it is common to see women agents having to juggle many household responsibilities in addition to the business of being an agent. DFS providers can design agent support mechanisms that include the family members on which women often rely, to keep the agent business operating while women

meet their many other household responsibilities. Ensuring these support mechanisms are facilitated tends to make it easier for more women to enroll as agents and perform well. For example, providers can register family members as alternate operators of the agent outlet and include them in training and operational support processes. This recommendation also applies to public interventions.

Funders, as external actors, can provide time-bound support to develop local stakeholder capacities by:

6. **Providing knowledge and funding support to local policymakers to design and operationalize interventions that promote women agents.** For many policymakers in developing countries, funding for such focused initiatives can be an important constraint. However, sharing of global knowledge on the social gains of promoting women agents can be crucial to help justify and build political will to approve public investment, especially in contexts where there are many other competing priorities. Once there is the will to make required public investments, technical advice may be needed to design and create support mechanisms that deliver points 1-3 mentioned above.
7. **Supporting DFS providers to develop a growth strategy that leverages the unique capacities of women agents to reach new underserved customers.** Funders can provide temporary financial support and technical assistance to help DFS providers apply a gender lens to design viable growth strategies that include reaching women, both as agents and customers. This may include early investments to conduct rural market assessments and demand-side analysis that intentionally target women profiles as potential agents and customers. In doing so, funders need to understand and align the incentives of providers to reach lower income customers, especially women (see more details in Hernadez and Martinez 2023).

Finally, the global experience compiled in this paper reveals there is a scarcity of larger scale and longer term private and public efforts focused on promoting women agents to learn from. This limits the availability of more nuanced and operational insights into how to onboard more women agents to certain geographical locations, most notably in South Asia. Evidence should be gathered in more diverse contextual settings by public-private initiatives that are sustained for longer periods of time, not just short-term pilots. This should generate a wider toolkit of interventions and help recognize solutions that can be generalized versus those that are unique to the local context.

INTRODUCTION

IN 2019, CGAP LAUNCHED THE "AGENTS AT THE LAST MILE" INITIATIVE, which aimed to understand which Cash-in, Cash-out (CICO) agent network business models have the most potential to extend digital financial services (DFS) to rural areas and promote financial inclusion. Recognizing the persistent gender gap in access and usage of DFS (Demirguc-Knut et al. 2018), we also set out to research how inclusive CICO agent networks could impact the financial inclusion of women and identify good practices that could help close this gap. In particular, we focused on better understanding:

1. The benefits of increasing the number of women agents, for themselves, customers, their households, their communities, and DFS providers.
2. The constraints experienced by women agents.
3. Potential solutions to these constraints.

This paper draws on a compilation of the global evidence related to gender dynamics in agent network development and reduces knowledge gaps identified in this literature. Much of our analysis centers on a few mature examples where market stakeholder efforts to recruit women agents have been sustained over several years and have scaled. In particular, we draw from CGAP research of the Bank Sakhi initiative in Bihar, India; specific findings from the Guddi Baji project in Pakistan implemented by Women's World Banking; Grameen's Foundation Grameen Mittra Model and BEADS Initiative in India; the American Bar Association Rule of Law (ABA ROLI) WE GAIN initiative in Ghana; and a number of key informant discussions[1].

This paper summarizes our findings and offers insights for local DFS providers and policymakers. We also provide general recommendations for funders, as external actors, that can help support local stakeholder actions to build more inclusive agent networks.

1 Key informant discussions were held with Bobbi Gray from the Grameen Foundation and Catherine Mclennan Highet from CGAP. The authors are extremely grateful for their time and insights. We're also grateful to the Finequity community who responded to our call for evidence with great enthusiasm.

Key project experiences referenced throughout this study

The Bank Sakhi Progam in India

In 2016, the Government of India's National Rural Livelihood Missions (NRLM), in partnership with the World Bank, launched the Bank Sakhi program to train women members of Self-Help Groups (SHGs) to become banking agents. Today, this program represents one of the largest and longest-standing government initiatives globally focused on promoting women as CICO agents. Currently, it is active in 20 states across the country and has onboarded over 100,000 women as agents.

The program has a dual objective of empowering rural women by providing them with economic opportunities and deepening financial inclusion for rural women. As a typical agent, Bank Sakhis help customers to open bank accounts, perform CICO transactions and access loans. They also tend to provide financial advice to help customers, especially women, become more financially independent.

Given the global scarcity of experiences that onboard women as agents at scale, in February 2022, CGAP conducted a mixed methods deep-dive study of the Bank Sakhi model in Bihar, India. In Bihar, the Bank Sakhis program was implemented by the State Government's rural development agency called JEEViKA. The study had five main objectives: (1) provide an overall assessment of the effectiveness and viability of the Bank Sakhi business model; (2) better understand the contribution of Bank Sakhis to improving financial inclusion, especially for women; (3) identify any broader social impact in the communities they serve; (4) compare the service quality and performance of Bank Sakhis to other (male and female) banking agents; and (5) identify challenges that Bank Sakhis face both from business and cultural perspectives. As the Bank Sakhi progam is one of the largest and longest-serving programs world-wide, it has provided a unique opportunity to assess how effective public and private interventions have been in expanding the participation of women as agents and the results it has had for various stakeholders.

More information on the study can be found here.

The Guddi Baji project in Pakistan

The Women's World Banking implemented the 'Guddi Baji or 'Good Sister' pilot project in Pakistan in 2017. The project —done in collaboration with JazzCash and Unilever— trained and supported 32 women to become entrepreneurs managing a distribution outlet for both (1) household goods and (2) financial services. The project aimed to close the prevailing financial inclusion gender gap by giving women in rural Pakistan the tools to become entrepreneurs. These women were trained on how to perform as CICO agents and merchants to offer various goods and services to their rural communities. The training leveraged the know-how that JazzCash, as a DFS provider, and Unilever, as a fast-moving consumer goods business have.

More information on the study can be found here.

The Grameen Mittra initiative in India

In 2017, Grameen Foundation India began a three-year project focused on scaling the use of DFS among vulnerable customers through the support of women agents. The program trained and onboarded 418 women as agents who reached 75,266 rural customers. Women agents ('Mittras' or 'friends of the village') were recruited from rural and low-income communities to offer clients high quality financial literacy training. Grameen Foundation collaborated with DFS partners in new and underserved areas to provide products and financial literacy. The objectives included (1) encouraging low-income women's identification of medium-term financial goals; (2) building the capacity of field level workers to help women select appropriate financial products; and (3) scaling up targeted financial literacy training via Interactive Voice Response (IVR) messaging.

More information on this program can be found here.

(continued on next page)

Key project experiences referenced throughout this study (continued)

The Business Correspondent Network Managers (BCNM) Experiment and Demonstrating Scale (BEADS) in India

From 2019 to 2023, the Grameen Foundation India, launched this project with the objective of testing different interventions to improve the business viability of women agents. The Foundation engaged with six BCNMs to test the different hypotheses through three main pilots:

Pilot 1: Diversifying the bundle of financial and non-financial products that women agents offer to increase their income sources.

Pilot 2: Building the capacity of agent network managers and agents on change management, customer centricity and gender sensitization to increase customer satisfaction and repeat usage of DFS.

Pilot 3: Designing low-cost marketing interventions to build awareness of the agents and the products they sell.

A total of 334 women agents participated in this program.

More information can be found here.

The Women Entrepreneurs in Northern Ghana Gain Access through Integrated Networks (WE GAIN)

From 2021 to 2023, the American Bar Association Rule of Law Initiative together with the Grameen Foundation launched a pilot in Northern Ghana, with the objective of empowering women through the creation of women agent networks that both provide more access to DFS to women customers, as well as create a new source of income for women who become agents. The initiative worked with civil society associations to identify, recruit and train 90 women agents. And it partnered with various private sector providers to create financial and non-financial products that women agents could sell to make their agent business viable.

More information about program can be found here.

Framing how gender dynamics affect agent networks

The analytical framework used acknowledges that, generally, the systematic exclusion of women in agent networks has prevailing gender norms in society that put women at a disadvantage as root cause, at three distinct levels.

1. **Structural**: Institutional rules that prevent women from being eligible to participate in financial markets. For example, the prevalence of regulation that makes it hard for women to acquire formal identification (ID), register their own business, inherit assets, or open financial accounts. These disadvantages are generally well understood and proven solutions have been documented (e.g., Hasan, 2018, Pinto et al. 2020; Sinha and Sinha, 2022; Tiwari et al., 2022).
2. **Individual**: Disadvantages that women face in terms of their capabilities and assets. Through a lack of exposure to education and market experiences, individual women can show lags in literacy, confidence, market knowledge and working capital that prevent them from being eligible to become agents.

3. **Community**: Attitudes that dominate a community dictate what women can do and who they can interact with - like being allowed to work in financial services, serve certain types of customers or being able to move freely from one place to another.

The literature has scarce analysis of how the disadvantages at the individual and community levels create operational challenges for DFS providers to onboard women agents. The analysis presented in this paper focuses on understanding these two levels of disadvantages and exploring what the global experience reveals as potential solutions.

WHY WOMEN AGENTS ARE CRITICAL

Engaging women as agents can lead to a wide range of benefits for themselves, in terms of their income, assets and capabilities

Many studies evidence a notable increase in women's income as a result of becoming agents. The 'Guddi Baji' project in Pakistan demonstrated that participation in the program resulted in increased income of US$9.40 per month, with top performers tripling their earnings (Women's World Banking 2018). Similarly, in Bihar, India, Bank Sakhis experienced an increase in their monthly income, all of which came from the agent business, from US$30 to US$84.50 after two years of work (Arora et al. 2023). The BEADs project in India also shows an increase in women agents' income before and after the three pilots: with 71 percent of women earning at least US$60 at the end line, in comparison to 34 percent before the interventions (Sinha et al. 2023). In Ghana, top performers also saw an increase in their income, with 34 percent of women earning more than US$44 dollars, in comparison to 7 percent at the baseline.

Becoming an agent has also improved the financial inclusion and literacy of women agents themselves. In India, Bank Sakhis have increased their investments in physical assets: 52 percent reported that their ability to invest in personal assets, such as jewelry, home appliances and tools improved since becoming an agent. Furthermore, many have acquired insurance, pension and loans, which has allowed them to better manage risk and invest in their businesses (Arora et al. 2023). In Ghana, women agents have increased the number of financial services and frequency with which they use these services. Beyond simple operations like depositing, withdrawing and transferring money, there were also notable increases in using digital money for bill and merchant payments, and loan repayments. Participants of this program also felt they had better coping mechanisms to find additional resources in case of emergencies (WAGE, forthcoming).

Trainings tend to improve women capabilities, which are particularly important for those who belong to marginalized groups. This is the case with India's Bank Sakhis, who are from remote rural areas, and often have limited education and few other livelihood opportunities beyond working on household farms. The technical, business, and financial skills training and ongoing support provided by JEEViKA —the State Government's rural development agency— has equipped these women with basic computer skills, facilitating banking services and operating their own electronic devices (Arora et al. 2023).

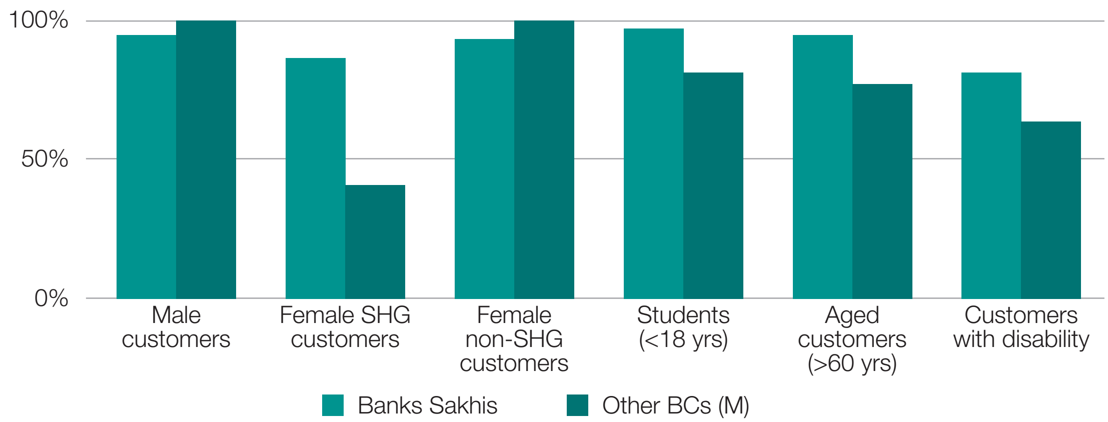
In addition to these "hard" capabilities, women agents have also experienced an improvement in "soft" capabilities. Bank Sakhis attribute improvements both to the skills they have gained in training and to those they have built in conducting their work, identifying technical, financial, entrepreneurial, interpersonal, and social skills as key (Arora et al. 2023). The BEADs program in India also concludes that interventions in capacity building related to customer centricity and gender sensitization has led to an increase in customer acquisition and retention. In turn, women agents also recognized training in communication and customer satisfaction as the most valuable skills gained with the program (almost 70 percent of the agents that received this training reported an income increase during the program, Sinha et al. 2023).

Becoming agents also increases women's self-esteem, self-worth and confidence both inside and outside their households. The BEADS program in India found that key drivers for the agents were hope in the future, the possibility to increase their well-being, as well as the pride that the job brought them by being able to serve their communities (Sinha et al. 2023). The Bank Sakhis show similar sentiments when becoming agents, reporting that the most significant improvement in their capabilities has been in their confidence and ability to engage and interact with the communities they serve (Arora et al. 2023). In Ghana, many participants decided to become agents to help their communities and to become more financially independent. "There is generally, the feeling of the sense of pride, enhancement of personal worth and self-image among the agents which they have attributed to their successes in the business," according to the authors of the report (WAGE, forthcoming).

Women agents bring benefits to women and other marginalized customers, who are typically underserved

Global evidence suggests that women agents reach more marginalized customers than male agents. A comprehensive review on the role of digital financial services in promoting access to finance has highlighted that women are more likely to work in rural areas (The Alliance for Financial Inclusion 2020) and tend to continue working as agents for longer than men (Pinto et al. 2020), which allows them to provide continued access to the local community. This helps explain the tendency for women agents to serve more marginalized communities, relative to male agents. However, there are important nuances. Women agents can disproportionally serve more women customers, but this seems more common in contexts where gender norms are relatively more discriminatory towards women. Where gender norms are less restrictive, women agents tend serve other marginalized groups composed of both men and women, like poorer individuals, youth, elderly or People with Disabilities (PwD), in greater numbers than men agents.

FIGURE 1. **Percentage of Bank Sakhis vs. other agents, also known as Business Correspondents (BCs), serving different customer segments**



For example, in Bihar State, India, Bank Sakhis do not serve more women in general compared to male agents (see graph below). However, they do serve more women who are lower-income (members of SHGs) and vulnerable customer segments like students, elders and PwD.

Studies from other parts of the world suggest different behaviors are possible in different contexts. A study in Ghana suggests that, in relatively more liberal societies, women agents can discriminate against women customers by overcharging them, relative to male agents (Annan 2021).

By contrast, in highly socially conservative communities where the 'Gudi Baji' pilot project in Pakistan took place, the women agents studied, served more women than male agents (Women's World Banking 2018). A "Women and Money" study by IDEO.org and The Bill & Melinda Gates Foundation (BMGF) conducted in seven countries, found that the physical ability to stand side-by-side with a female agent, in contexts where this would be deemed inappropriate if the agent was male, was critical as it enabled women clients to observe and learn from transactions (IDEO.org and BMGF 2021). In the Democratic Republic of Congo (DRC), an analysis of Micro Finance Institutions agent banking transactions found that female customers were 1.5 times more likely to transact with female agents than with male agents (Reitzug et al. 2020). Lastly, Grameen Foundation also finds a preference of women to transact with women in both India and Ghana (Sinha et al. 2023; and WAGE, forthcoming). In Ghana, women customers feel dismissed by male agents, and many times are afraid that they will be accused of being unfaithful with male agents (WAGE, forthcoming).

Convenience and proximity are key to financial inclusion, and women agents often provide local, doorstep services. Agent networks increase accessibility and proximity and are critical enablers of a women's ability to use of core banking services (Sanchez and Courbois 2023). On average, women are six percent more financially excluded when they are not free to travel outside their home, in comparison to men (The Alliance for Financial Inclusion 2020). Time poverty due to the greater responsibilities of women in the home, exacerbates access issues.

In CGAP's Bank Sakhi study, 87 percent of customers surveyed report 'time saved' as the most important benefit, and 83 percent of customers chose 'proximity' as a key reason for seeking an agent (Arora et al. 2023). Furthermore, Bank Sakhis are more likely to provide out-of-hours and doorstep services than male agents, increasing the chances of women, the elderly and PwD having access to formal financial services. One hundred percent of the Bank Sakhis who possess a Point of Sale (POS) machine provided doorstep services to marginalized customers, compared to only 66.7 percent of male agents. Likewise, approximately 36 percent of households with a customer who has a disability reported being served by a Bank Sakhi compared to less than 11 percent by other agents working in the same area (Arora et al. 2023). This is likely a result of Bank Sakhis living in more remote rural areas, where the nature of the demand encourages them to proactively look for customers. A Grameen Foundation pilot in India found that women agents at 50 percent were significantly more likely than male agents, only 5.2 percent, to offer doorstep services (Sinha and Sinha 2022).

Women agents tend to be perceived as being more approachable and trustworthy, yielding higher customer satisfaction, than male agents in many contexts. MicroSave Consulting (MSC) research in a number of markets across Asia and Africa has found women agents to be more attentive, helpful, and diligent than their male counterparts. The findings suggest that providers should actively invest in women agents as they demonstrate better interaction with customers, in particular other women and later digital adopters. (Bersudskaya 2016). Research in India finds that customers feel that female agents have more patience and are more willing to address queries or explain product features. As they experience a high preference to interact with people of the same sex, this enables female customers to share their family's financial needs more openly with female agents, and thus can receive appropriate financial advice[2]. The BEADS program found that "female agents were more likely than men to instill a sense of security and confidence, provide realizable and consistent services, and appear knowledgeable and empathetic," according to authors of the report (Sinha et al. 2023). In India, the Grameen Foundation's research showed that women customers found it easier to work with women agents compared to their male counterparts, who - in contrast - thought it was 'challenging' to work with women customers, as women, argue male agents, have "lower levels of education, limited decision-making power and less interest in engaging in financial matters," according to the report (Sinha and Sinha 2022). In Rwanda, women agents from the Tigo Cash study were found, both by men and women customers to offer better customer service than male agents. These findings have led Tigo Cash to launch the Tigo Women Entrepreneurship Fund to further invest and expand the number of women agents in their network (GSMA, 2017).

Women agents also help to overcome capability barriers experienced by marginalized customers and first-time users. This includes barriers related to knowledge, literacy, financial literacy, digital literacy and confidence faced by customers. One study in India revealed that customers felt that women agents were more patient and inclined to answer any questions from customers or offer financial advice (Thakur et al. 2016). The Alliance for Financial Inclusion (AFI) study in multiple countries finds that women customers are more likely

2 Email exchange with Vidyuth Sreenivasan (2023) FinEquity member.

to ask questions and, given that they feel more comfortable talking to other women about financial topics, women agents may be better placed to respond to these needs (AFI 2020). In India, Bank Sakhis tend to guide customers without making them feel ashamed about gaps in their knowledge, the process or the products (Arora et al. 2023). The benefits of Bank Sakhis in CGAP's study in Bihar, include increased knowledge about banking services among customers, confidence in performing bank transactions, and access to other banking services.

Female agents also provide a number of value-add services to their customers. Grameen Mittras provide their clients with a "basket of products,' including micro-insurance, assistance with job applications and hygiene products. MSC similarly report that 80 percent of women agents provide Government-to-Person payments, like cash transfers, insurance, pension and scholarships registrations, and linking customers to India's National Digital Identification - the Aadhaar (only 68 percent of male agents offer such services) (Chatterjee et al. 2018). More interestingly, WE GAIN also tested training women agents to provide information or referrals to other women about GBV incidents: by the end of the program, 35 percent of agents reported they were approached by a woman seeking this type of information (WAGE, forthcoming).

Increasing the number of women agents, and the customers they serve, has benefits at the household and community level

At the household level, women agents contribute to increased livelihoods and wellbeing. More independence and familial respect enable women to exert higher decision-making power in the household and influence its resource allocation. The Bank Sakhi program has been particularly successful in shifting attitudes and behaviors associated with women's decision-making and asset management at the household level. Bank Sakhis report that improved social and technical skills gained through their work have given them greater confidence in their ability to function independently and successfully undertake day-to-day responsibilities. As reported by Bank Sakhis, this has resulted in them having greater involvement in decision-making associated with spending the money they earn. Over 22 percent of Bank Sakhis attribute the increase in their ability to make spending decisions to becoming a Bank Sakhi. This has led to an increase in the variety and quality of food consumed at the household level, reported by 67 percent of Bank Sakhis; improved access to medical facilities, reported by 63 percent of Bank Sakhis; and improved access to educational facilities for children, reported by 70 percent of Bank Sakhis. This has been validated by family members including husbands, in-laws, parents and children, who report that Bank Sakhis have more respect from their families and better self-esteem since working as agents (Arora et al. 2023). WE GAIN in Ghana also found that the women who became agents during the program faced less food insecurity: one participant stated that "there is always food at home. This has brought so much joy" (WAGE, forthcoming).

The evaluation of the Grameen Mittras model has also shown changes in women client's financial agency within the household. Women reported increased participation in financial decision-making, however this was largely limited to being consulted. At the endline, about 52 percent of Grameen Mittras participated in decision-making related to how money earned by their spouses was spent, compared to the baseline value of 23 percent. Qualitative insights suggest that this might be a result of the increased economic participation of women during COVID-19 and the increased trust that this has built amongst Grameen Mittras families. About 55 percent of these families reported that they could spend their income on personal items without anyone's permission, and 79 percent used income to accumulate personal savings. Similar to Bank Sakhis, most Grameen Mittras felt that their family members understood their role and supported them in their work. According to the authors, almost 80 percent of the participants wanted to continue working as agents at the endline, with 82 percent citing the respect they earned from their family and communities as the prime reason (Romero et al. 2021).

The increased income and capabilities among women agents clearly benefit households, but household support is also critical for women to succeed as agents. CGAP's Bank Sakhi study revealed that the acceptance, support and participation of husbands was critical for women agents to succeed in business. The study finds that only 2.5 percent of Bank Sakhis work independently without any moral, technical or financial support from family members. Husbands play an important role in reducing the risk of carrying cash when their wives need to rebalance their float at a financial institution. Nearly 25 percent of the Bank Sakhis report this as a challenge. Furthermore, Bank Sakhis report finding it difficult to establish a good rapport with DFS providers; therefore, husbands often support or even lead these interactions. In the WE GAIN program, some husbands provided seed capital for their wives to start their agent business (WAGE, forthcoming). While engaging men and other household members has been found to be beneficial to women agents' businesses, there are risks that need to be considered. We will discuss this further in the following section.

Evidence from the work of Women's World Banking with Bank Rakyat Indonesia on services for ultra-micro businesses through agents, suggests that families can be the biggest obstacle to women entrepreneurs, and that the active involvement of husbands has been key in supporting women agents and their successful business expansion[3] (Ang et al. 2022). In Ghana, 88 percent of women agents in the program reported that their husbands accompanied them to the WE GAIN training, and many felt supported by their partner. Furthermore, 33 percent of agents felt that the support of their husbands helps them promote and grow their business (WAGE, forthcoming).

At the community level, making women more visible as financial actors (as agents and customers) can both improve their status in the community and provide effective role models for other women and girls. Ninety-four percent of Bank Sakhis reported improved relationships with others in their community since becoming a Bank Sakhi (Arora et al. 2023). Grameen Mittras valued the increase in their 'social status' and 'prestige' within the community as "village bankers" (Romero et al. 2021).

3 Interview with Rebecca Hausberger, Women's World Banking, May 20.

There is also broad evidence that making women more visible as economic and financial actors can help to relax gender norms, for example related to women's participation in paid work and mobility (Marcus and Harper 2015). Quantitative data from the Bank Sakhi study shows an increase in the mobility of women customers transacting with Banks Sakhis. Female customers saw a 22 percent improvement in their ability to travel outside of their homes without a spouse or male family member since transacting with a Bank Sakhi. The study does not provide additional details concerning why engagement with a Bank Sakhi would lead to greater mobility. Whether this indicates a behavioral or normative change is unclear, but it is important to promote the exposure of women to community life, as well as help change perceptions within the community regarding women walking by themselves. The evaluation of the Grameen Mittras model presented very positive results related to the mobility of women clients in India. There was an increase from 41 percent at baseline to 95 percent at the endline in the ability of women to move around the community without requiring permission; and an increase in the ability of women to move about the community without an escort from 37 percent at baseline to 73 percent at the endline (Romero et al. 2021).

Furthermore, increasing the economic opportunities of women can also influence the balance between pain and unpaid work within a household. In Ghana, the WE GAIN endline results shed light on spouses increasing their participation in household chores and other caregiving activities thanks to the women becoming agents, and accompanying measures of the program. This has resulted in increased household harmony and, in some cases, even reduced GBV incidents (WAGE, forthcoming).

Providers benefit from women agents via expanded customer bases and engagement, which can increase revenue

Women agents have increased customer trust, which has directly benefited financial service providers. The pilot of an all-female network in Egypt and Jordan found that using women agents increased awareness and trust in DFS, enabling providers to increase reach and retain additional women customers (Gueguen et al. 2020). A study in the Democratic Republic of Congo found that women were more likely to carry out larger transactions with agents of the same gender and are more likely to go to women agents when they have higher account balances – which could indicate a higher level of trust with female agents (Reitzug et al. 2020). Women's World Banking reports that a key "advantage of women agents is that they are often better at creating connections with their customers, leading to higher transactions." (Women's World Banking 2023). Anecdotal evidence emerging from their work with Bank Rakyat Indonesia suggests that these women agents in Indonesia had loan drawdowns worth 1.7 times more, and loan disbursements that were 2.4 times higher than their male counterparts[4]. While this is a huge benefit for providers, building connections takes time and effort away from families and other income generation activities, and this is a benefit that providers tend not to reward women agents for.

4 Interview with Rebecca Hausberger, Women's World Banking, May 2023.

ank Sakhis have also contributed towards more access and usage of financial services among their customers. Looking at the customer base served by Bank Sakhis in Bihar over time, services provided by Bank Sakhis have resulted in a 30 percent aggregate increase in account ownership amongst female customers; a 26 percent increase in female customers accessing banking services on their own; a 12 percent increase in women customers opening bank accounts for other family members, and a 15 percent increase in women customers making deposits. Other positive behavioral changes amongst customers include better tracking of balances (passbook updates and balance inquiries) and customers making utility payments through agents. Another study in India reports that 80 percent of ANMs see that "the presence of female agents encourages women to transact more at the BC outlet and without depending on family members" (Tiwari et al. 2022).

In Ghana, WE GAIN saw a significant increase in the engagement of clients with agents. Among the customers interviewed, 96 percent indicated they knew where to find information on DFS, in comparison to 74 percent at the baseline. With regards to usage, the program saw increases in deposits, withdrawals and sending money, as well as the frequency with which customers were engaging in these activities. Furthermore, they saw an increase from 1 to 22 percent in taking loans from agents, and savings from 3 to 23 percent of customers who responded to the survey.

Providers benefit from the unique abilities of women agents to foster partnerships and bring in new market intelligence. Grameen Mittras provide informal market intelligence to DFS providers to help them target their products and services better. They also interact with other MSMEs, local institutions and create stronger linkages between them, resulting in increased coverage of various state and central government schemes (Romero et al. 2021). Similarly, Guddi Bajis in Pakistan were able to support two companies at the same time to expand their retail footprint in harder-to-reach areas. In a partnership model, Unilever and JazzCash were able to offer non-competing financial and retail products through the same network of women, which resulted in increased customers and revenue for both companies. This model also shows promise in the long run to digitize payments throughout Unilever's distribution channels and generate business growth for JazzCash (Women's World Banking 2018).

In India, the BEADS project gender sensitization workshops and change management exercises with BCNMs led to a general recognition from their private sector partners of the social and business case for hiring more women as agents. As a result of the initiative, these partners have created internal programs to continue identifying, recruiting and supporting women agents (Sinha et al. 2023). In Ghana, one of the partners shared an appreciation for learning how to recruit and manage women agents, which has greatly reduced the agent gender gap in the region. Furthermore, he has also noted an increase in the revenue of providers, which has led to more investments in their corporate social responsibility. The report states that their private sector partners "feel inspired to replicate the lessons learned so they can continue to grow a female agent network and reach greater numbers of women as mobile money users," (Sinha et al. 2023).

The experiences described above suggest that when there are public investments by governments or the funder community aimed at reducing the skills or asset gaps faced by women, then there are leading DFS providers who are willing to invest in exploring and capturing the potential benefits that women agents bring to their overall growth strategies. For example, in Bihar, India, by March 2022, after two years of public investments supporting women to become agents, most Bank Sakhis - 62 percent - were hired by private banks, when initially only public banks did so (Arora et al. 2023).

Onboarding more women agents is not a performance trade-off, as long as their constraints are understood and addressed by public and private actors. A number of studies reveal that women agents are able to surpass their male counterparts on some key performance indicators, as long as constraints are addressed with adequate support mechanisms from public and private actors. Some studies show that women agents can perform as well or better in terms of the number of services offered, number of customers served, transaction volume and number, average commissions per transaction and overall income (Calder and Busiello 2022). Evidence from a study conducted by the Agent Network Accelerator (ANA) in India suggests that women agents are also likely to be equally or more enterprising than men. For example, women who provided more services than male agents, had similar profitability, losses, and ability to achieve break-even (The Alliance for Financial Inclusion 2020). MSC also reports that, in rural India, there is no significant difference in female agents' profitability levels compared to male agents (Chatterjee et al. 2018). In the DRC, a quantitative study found that female agents are more efficient and profitable than male agents, transferring higher volumes per transaction, and reporting a higher number of transactions per month (12 percent more), even though they may operate for shorter hours than male agents. This study concludes that even though women agents are often operating in more rural with less commerce, they report 16 percent higher profits when taking into account their overall business Harten and Rusu 2016).

CONSTRAINTS FACED BY WOMEN AGENTS

ALTHOUGH THE GLOBAL EVIDENCE PRESENTED SHOWS THE MANY benefits of recruiting women agents, there are substantial barriers that, in practice, result in few women being part of agent networks. Prevailing gender norms create barriers at different levels. Structural barriers are well described in the CICO and gender literature (See Romero et al. 2021; Pinto et al. 2020; Sinha and Sinha 2022; Tiwari et al. 2022; Sinha et al. 2023) and include the limited ability of women to own a smartphone, get IDs or register their business. In this section, we will highlight new, more granular, findings on barriers at individual and community levels, which pose direct limits for women to act as agents and customers, which are less well studied in the literature.

Norms-induced skills gap among women

Key norms-induced constraints at the individual level relate to gaps in hard and soft skills that are crucial for good agent performance. While hard skills gaps related to digital and financial literacy and business acumen have been well studied (Bersudskaya 2016; and Katica 2022), there are almost no studies that focus on the barriers that women might face due to select soft skills deficits. Some evidence suggests that, although women agents often exhibit stronger soft skills around relationship building and empathy for customers, they may have limited confidence, agency, motivation, and leadership skills in contexts where gender norms are restrictive (Calder et al. 2021). When norms restrict the opportunities of women and girls to engage in financial decision-making inside the household and paid work outside it, and when there are few role models of successful women entrepreneurs, women are more likely to experience these particular soft skill deficits. Therefore, there is a need to solve for gaps in soft skills and build the entrepreneurial acumen of women, so that they can perform well as agents (Chang et al. 2020; and Calder et al. 2021).

Norms-induced asset gap among women

Women can experience delays in setting up and running sustainable CICO businesses due to the absence of assets and resources such as working capital, collateral, and finance (Bersudskaya 2016; and Sinha et al. 2023). These limitations make it difficult for women to fit the regulatory or provider-desired agent profile. Data on the performance of women agents analyzed by MSC, acknowledges that while women are capable of managing their liquidity needs, they report holding 10-30 percent less cash across East African wallet-based markets (Bersudskaya 2016). The CGAP Bank Sakhi study highlights that nearly 88 percent of Bank Sakhis interviewed, indicated that the lack of access to finance for the purpose of operating and expanding their businesses, was the main challenge that they faced (Arora et al. 2023). Similarly, WE GAIN in Ghana also identifies a lack of initial capital as an important barrier to entry, and difficulties in managing liquidity as an obstacle for business growth (WAGE, forthcoming).

Norms-induced community constraints on women's time and activities

Norms-induced constraints at the community level represent another strong barrier to the success of women as CICO agents. These include their disproportionate responsibility for unpaid care and domestic work in the household imposed by gender norms used by the local community, which limits the time and effort they can put into growing the agent business. For example, Bank Sakhis operate their business for approximately nine hours per day, which is comparable to male agents. However, unlike male agents, theyare still expected to carry out most of the unpaid household work, and it is believed their 'duty' to balance their household care and domestic work with their professional responsibilities. As a result, they spend three to four hours a day more on unpaid care work than men (Arora et al. 2023).

While many women agents receive moral, technical and operational support from their husbands to manage their business responsibilities, the involvement of men in household work remains minimal, which can create an undue burden and stress on women managing a business and the household. Gender norms encourage a limited role for men in household work, which is also reflected in the ability of male agents, for example, being able to carry out more than two-times the number of transactions per day, relative to Bank Sakhis. Male agents further report that they have 'fewer distractions,' and better proximity to DFS providers and main markets, perhaps due to greater mobility and better access to public spaces. This directly impacts the (slower) rate at which Bank Sakhis are able to achieve business viability, which, on average, is 41 months (Arora et al. 2023). The burden of household duties logically makes it harder for agents to invest further effort and time in reaching more customers or optimizing their agent activities.

The WE GAIN program sounds an alarm on how some women agents are now *expected* to bring income to their households in addition to their unpaid work responsibilities, or that husbands have stopped providing them with funds to maintain the households. The study found that 60 percent of their women agents used negative coping mechanisms to balance their business and their personal lives, feeling stressed and “struggling to keep-up”. Equally worryingly, three percent reported taking the kids out of school to help them with the business, and five percent to help with household chores (WAGE, forthcoming).

Anecdotal evidence from CGAP’s work in Indonesia also reveals that the double burden of paid and unpaid work among women means they operate their businesses differently than men. In Indonesia, women agents reported that their shops are open for twelve hours or more; however, this does not mean they are always there. They often leave the care of their shops and agent businesses to elder children, husbands or other family members while they cook, clean and take care of their children. Or, they close the shops for short periods of time if no one can cover for them. Additionally, even when they are attending to their agent businesses, they are doing this alongside other activities, such as hair salons, or child minding. By contrast, when male agents are working as agents, that is the only thing they need to do.

Many women agents (like in India and Ghana) still face mobility constraints as a result of gender norms and unfamiliarity with interacting with financial service providers. This means that husbands and other male family members are generally the ones who travel to banks and interact with bank staff in order to help manage the liquidity of Bank Sakhis. Similarly, an MSC report states that that “women agents find it difficult to establish a good rapport with the staff of service providers, who are mostly male,” (Chatterjee et al. 2018). Although when women agents have good support mechanisms and are empowered by DFS providers, they can provide good market intelligence about those vulnerable customers they tend to reach. However, in more restrictive contexts, surveys across India suggest women agents find it difficult to get answers and support from DFS provider staff, which excludes them from taking advantage of other opportunities to grow their business. (Chatterjee et al. 2018).

SOLUTIONS

THE NORMS-INDUCED CONSTRAINTS AT THE INDIVIDUAL AND community levels described above have clear operational implications when recruiting women agents, which can be addressed by interventions from local public and private actors. The gaps in hard and soft skills and assets that women tend to face in addition to restrictions on what they can and cannot do imposed by their community's gender norms, all limit how well women can perform as agents. This in turn limits their eligibility to be recruited as agents by DFS providers.

This section offers some solutions revealed by the experience of leading DFS providers, policymakers and funders, that have intentionally addressed specific constraints experienced by women agents. The nature and complexity of the constraints suggests the need for public-private collaboration to overcome them. Only when these constraints are addressed with adequate support, can women agents reach their full potential.

The experiences referenced throughout suggest public investments focused on reducing gaps in women's skills and assets are most catalytic in unlocking DFS providers investments to onboard and support women as agents. Our analysis suggests public investments in training and asset build-up —two key aspects for agent performance— among women can accelerate their recruitment as agents by local providers. Left to DFS providers alone, these investments are hard to justify with the private returns that can be generated, at least in the short term. However, the social returns from increasing the number of women agents mentioned in this paper, such as the overall economic inclusion and improvements for women and other marginalized groups in household members well-being, can justify public investments needed to reduce skills and asset gaps that restrict the participation of women in agent networks.

As these gaps between women and men reduce, the experiences studied show DFS providers can find it viable to make investments that target women as agents. These investments include the provision of operational support designed with a gender lens, like onboarding processes, liquidity management, system troubleshooting, or customer grievance and protection protocols that fit the needs of women agent. Over time, it can be expected that public investments are reduced, as provider-led investments increase, to recruit women agents at scale. Below, we discuss potential roles that DFS providers and policymakers, as well as external funders, can play to address the constraints faced by women agents.

Policymakers and funders can play a complementary role in supporting women to overcome skills and asset gaps

Policymakers and funders can fund initiatives to train women in critical hard and soft skills. Programs referenced throughout this paper —like Bank Sakhis, Grameen Mittras and BEADS in India, Guddi Bajis in Pakistan, WE GAIN in Ghana, or the funder supported DFS provider initiatives in DRC— all have a common approach of delivering a training curriculum to rural women, through local sector support organizations, that focus on accounting, marketing, basic computer skills, facilitation of online and offline banking services, and operating electronic devices to perform transactions. Soft skills, such as confidence and business entrepreneurship, were also strengthened and women received a lot of field support during their initial months as agents. The content of these training courses was jointly created with partner providers, which have direct know-how regarding the type of skills agents should have.

Evaluations of business training programs targeting women across Africa and South Asia that delivered standard business training, combined with additional training elements to support women's agency such as confidence, gender equality and self-efficacy, were effective in generating positive business outcomes for women-owned businesses. These include revenue, turnover, profits and customer base. By contrast, those business training programs that did not include elements to support women agency, were not consistently effective in improving the business outcomes of women (Chang et al. 2020; Calder et al. 2021; Buvinic and O'Donnell 2019; and World Bank 2019). There is no reason to question the applicability of these findings to women CICO agents, and it is critical to build soft skills into any training and support offerings.

For example, in the Guddi Baji model in Pakistan, Unilever, as a private multinational entity, partnered with a local sector support organization funded by Women's World Banking. This local sector support organization brought deep knowledge and expertise about how to effectively train women entrepreneurs on various financial and non-financial topics. This enabled these women to act as agents offering services to customers on behalf of two different service providers like Unilever – a Fast-Moving Consumer Goods (FMCG) distributor – and Jazz Cash – a DFS provider (Women's World Banking 2018).

WE GAIN in Ghana worked with three civil society organizations to train the women agents on financial and digital literacy, and business management. This included topics on record keeping, types of DFS, and customer care (WAGE, forthcoming). The BEAD project focused their training on customer centricity and gender sensitization capacity-building, which, they report, was one of the main drivers for increased customer acquisition, engagement and retention (Sinha et al. 2023).

The Grameen Mittras model in India builds women's business skills and trains them as digital financial entrepreneurs within the agent-banking system. Grameen's work has identified five key enablers to scaling female agent networks, which go beyond hard skills and integrate soft skills and attention to social norms. These include the following:

1. "Developing innovative and responsive solutions to improving the customer support experience for agents.
2. Providing blended support to agents by integrating agent profiling tools and improving agent access to targeted content, training, and support.

3. Improving digital learning tools and related processes to ensure greater knowledge, attitude and behavior change among clients and agents alike.
4. Leveraging technology solutions, including Grameen's G-LEAP e-learning and agent network management platform.
5. Incorporating more gender-transformative recruitment and support interventions for agents that fully acknowledge the social norms that inform her self-selection into an agent network. And in addition, that inform the growth and sustainability of her agent business.: (Romero et al. 2021).

Women agents also need to diversify their business to be more economically viable. This includes the provision of more diverse value-add services which can include non-financial goods and services such as facilitating the trade of FMCG, or the sale of goods through e-commerce. Women agents who are supported to offer a wider range of value-add services seem to be more successful. It is clear from the Bank Sakhi study that 15 percent of women agents who out-perform men were those who received additional training and operational support to offer a number of high-demand value-add services, such as opening bank accounts, updating customer passbooks, and offering insurance (Arora et al. 2023).

The increased transaction volumes over time among Grameen Mittras were partially due to the program's significant efforts to increase the margin and the expansion of the product basket, as this contributes to client satisfaction and agent income. As a result of the increase in the suite of services women agents offer, including micro-insurance, assistance with job applications and hygiene products, the profit margin for Grameen Mittras increased by 70 percent (Romero et. al 2021).

In Ghana, women agents reported that their incomes increased in the past year by an average of 47 percent, mainly explained by the initiation of new offerings within their agent businesses. This implies that DFS providers should focus on creating the internal systems and processes that enable women agents to offer more diverse services. These types of investments to diversify valued services make sense for all agents, men and women. But the performance gains are particularly helpful for women agents, who are confronted with relatively more constraints (Redmond and Gray 2022). Different intervention in those dimensions can be found in the WE GAIN and BEADS Reports (Sinha et al. 2023; and WAGE, forthcoming).

To address asset gaps, programs supported by the public sector can provide interest-free loans for women to acquire electronic devices to process transactions and initial business subsidies, allowing them to supplement their limited working capital. Time-bound public subsidies such as partial grants or interest-free loans, can enable more women to either acquire the electronic devices that agents need to process transactions, including smartphone, point-of-service outlets or computers, or to accumulate the minimum working capital needed to start processing customer transactions. This type of public investments should be coordinated with DFS providers to ensure that any device offered to women agents meets industry-wide technical standards. These time-bound supplements to a woman's assets can accelerate the onboarding of women agents by DFS providers and promote investments to maintain them operating in the long-run.

As an example, JEEViKA in India offered an interest-free two-year loan through the Bank Sakhi program to all women who successfully concluded the training program, so they could acquire the electronic devices required to process transactions on behalf of the providers they represented. In addition, JEEViKA offered a direct six-month cash transfer to complement their limited working capital required to process customer transactions. This time-bound subsidy enabled many more women to start agent operations than would otherwise have been possible, given their limited working capital. WE GAIN also provided startup capital and tablets to support women in kick-starting their agent business (WAGE, forthcoming).

Finally, policymakers should coordinate efforts to promote women agents with other public interventions that directly target restrictive gender norms, which can further accelerate the participation their participation as agents. Efforts to make social norms less restrictive for women can, in the longer-term, reduce constraints faced by women in their role as agents. Public interventions to promote the participation of women in economic sectors such as financial services, can build awareness of discriminatory norms for example through television campaigns, that encourage young girls to gain interest with education and markets, or that promote free mobility of women. All these interventions promote the role of women as economic actors and provide examples of acceptable women livelihoods that can increase the participation of women in agent networks.

DFS providers can intentionally support women agents by using a gender lens to design agent expansion strategies in underserved regions

Although public sector investments have shown to be critical to promote women agents, providers should proactively invest to better understand the potential of women as agents and customers, to maximize their long-term growth strategy. This includes investing in understanding the profiles of women agents and the needs of underserved customers in rural and peri-urban areas, where most. As a market expansion strategy, providers can invest in rural market assessments where they aspire to reach (see Hernadez and Martinez 2023). This rural assessment should reveal important differences in needs and capabilities among rural agents and customers, that are crucial to inform product tailoring, and agent and customer onboarding strategies. These include differences between rural and urban agents, and customer preferred transaction volumes, marketing needs, grievance redressal mechanisms, and liquidity management. Rural market assessments with a gender lens will also help DFS providers inform public sector partners about the kind of investment needed to effectively address skills and asset gaps that women face, as part of public-private collaboration efforts.

DFS providers can develop agent support processes tailored to help women agents improve liquidity management —one of the most common operational challenges faced by agents in general. DFS providers need to find local solutions to the liquidity management challenges that women agents face, as these limit the number of customer transactions and the revenue that they can make. For example, Bank Sakhis in India suffer from particularly large imbalances between Cash-In and Cash-Out requests from customers. This increases the frequency with which they need to travel to bank branches, which raises their operational costs and reduces their earnings. CGAP's work with local partners found that local SHGs have a great need to do Cash-In transactions, which would help the Bank Sakhis' liquidity management. However, DFS providers would need to modify transaction limits imposed on the accounts of Bank Sakhis as well as inter-bank account fees to promote SHGs to do Cash-In services with these agents. These adjustments are currently being explored by providers participating in the Bank Sakhi program (Arora et al. 2023).

WE GAIN in Ghana also identified liquidity management as the main operational constraint facing women agents. Although this issue was not addressed during the program, this finding created awareness among the program's partners, who have committed to testing different strategies to better support women in this dimension.

DFS providers should invest in supporting women agents with grievance redressal and enabling agents to support customers with troubleshooting. Women agents often face initial skepticism around their ability to fulfill agent roles, and also face additional reputational risks if they are unable to allay the financial concerns of customers. The Bank Sakhi program experience in India revealed that women agents want better grievance redressal systems that allow them and their customers to transact with confidence. However, assessments of the program reveal that there is a gender gap in the support given by DFS providers on these aspects. This is likely due to the relatively more remote location of Bank Sakhis, or the DFS provider staff perceptions that women agents are less productive and thus they do not prioritize women during field visits (Arora et al. 2023). These types of gender gaps in agent support mechanisms should be addressed, for example, like the change management and gender sensitization trainings of the BEADS initiative (Sinha et al. 2023).

Programs and interventions designed by DFS providers, as well as policymakers, should include design features that acknowledge and leverage the role of the household, family, and husbands in a given context. Family support is necessary for women agents to succeed in business. The experiences presented in this paper provide evidence that, for women to become successful agents, they need the support of husbands or family members to run their agent business. Without this, it is unlikely that they will be able to perform well due to the heavy household responsibilities imposed on them by community gender norms. These norms do not change quickly.

The norms-induced constraints that women experience imply the need for flexibilities that allow women to delegate services when they have to take care of other duties. It is important for DFS providers and policymakers to be conscious of this to successfully onboard more women. Their practices, policies and regulations need to be flexible enough to allow and enable such family support. For example, allowing husbands or family members to operate the agent business during certain moments in the day when women agents are busy, or making it feasible for husbands to rebalance their wives' agent accounts at a bank branch, given limited mobility. While all the programs under review promote the involvement of family members, the Grameen Mittra program is currently considering how to formally onboard husbands and other family members to agent businesses[5]. This will need to be done carefully, in order not to undermine important gains made from women having ownership and control over their agent businesses and the income flowing from them. Training and sensitization efforts on the role of family, the importance of joint decision making and gender-sensitive training approaches can support women in navigating traditionally male-dominated environments and can reduce the risks of Gender Based Violence (GBV) and backlash against women agents.

Further research on the benefits and disadvantages the involvement of husbands in the business of women agents - is warranted. In conservative environments, enabling husbands to help women to run their businesses more successfully, can increase the agency of women generally, and could also reduce the risk of GBV, as evidenced in the WE GAIN initiative (WAGE, forthcoming). In environments where gender norms are more relaxed, this may not only be less necessary, but could reduce the ability of women to exercise agency by unnecessarily involving other family members. Furthermore, it is also important to understand the added economic burden on women when becoming agents, and how this can potentially shift the financial responsibilities within a household and create unintended consequences for women, as evidenced in the WE GAIN initiative (WAGE, forthcoming). Understanding the contextual benefits and disadvantages of the engagement of family members - and particularly husbands - would help DFS providers to either design "design men in" or "design men out" interventions to reduce risks. For example, Grameen's Foundation's work in Ghana is working together with local providers to address GBV risks to women agents and women customers, by providing GBV training to women agents (WAGE, forthcoming). Or, by enabling biometric fingerprint technology that minimizes the security risks and improves the privacy of cash transactions carried out by both women customers and agents[6].

Funders, as external actors, can provide time-bound support to develop local stakeholder capacities

Funders can provide knowledge and funding support to local policymakers and civil society organizations to design interventions that promote women agents. For many policymakers in developing countries, funding for such focused initiatives can be an important constraint. In many cases, sharing global knowledge about the social gains of promoting women agents can be critical to justify and approve public investments, especially in contexts where there are many other competing priorities. Once there is the will to make required public investments, technical advice may be needed to design training and operationalize programs that can address norms-induced skills and assets gaps that women face.

5 Interview with Bobbi Gray, Grameen Foundation, May 2023.
6 Interview with Catherine Highet, CGAP, April 2023.

Funders can also support DFS providers to develop a growth strategy that leverages the unique capacities that women agents possess to reach new customers. Funders can provide temporary financial support and technical assistance to help providers design viable growth strategies that include reaching underserved customers in rural areas and use a gender lens to include more women as agents and customers. This may include early investments to conduct rural market assessments and demand-side analyses that intentionally target women profiles. In doing so, funders need to understand and align provider incentives to reach lower-income customers, especially women (Hernadez and Martinez 2023).

CONCLUSION

AT THE ROOT OF ADDRESSING CONSTRAINTS TO SUCCESSFULLY onboard women agents, is the need to increase awareness and understanding among DFS providers about the benefits that female agents bring, and the distinct constraints and needs that women have compared with men. Further, it is important for DFS providers to know and understand what they can do to tackle these constraints, and how policymakers and external funders can provide support.

The incentives for DFS providers to better understand the benefits and constraints of onboarding women agents are clear and relate to achieving long-term market growth. Women agents are critical for providers to reach new customers and increase their market share, particularly in underserved areas. Women agents, when properly supported, can perform as well as, or in some cases better than their male counterparts, whilst providing higher quality services, especially to women and marginalized groups. This success depends on access to support mechanisms that enable women to address key constraints. Women agents are also a relatively untapped and underutilized source of information to improve current product offerings and create new services and products.

This is a huge opportunity, but it will be missed unless key constraints are tackled, and women agents are set up to succeed. These constraints are complex and cannot be tackled by DFS providers alone. Public sector investments should be made, as part of public-private partnership arrangements to increase the number of women agents. Policymakers can focus on training and providing targeted and time-bound subsidies to women to address norms-induced skills and asset gaps that are critical for good agent performance. These types of public investments have shown to unlock provider investment to onboard and support more women agents.

DFS providers should proactively make investments needed to understand better the challenges women face in their role as agents and customers, to capture the benefits for long-term growth. A stronger focus on using a gender lens in all assessments is critical to design products and agent processes that will address the constraints of women. Such processes include designing effective grievance redressal and liquidity management mechanisms for women agents who work in remote areas with marginalized populations; enabling women agents to offer a wider range of high-demand, value-add services; or purposively engaging supportive husbands and family members in to support the women agent's businesses. DFS providers who make these investments to respond to the needs of women can help inform public investments about which skills and assets gaps should be reduced among women to enable them to perform well as agents.

Finally, the global experience compiled in this paper reveals that there is a scarcity of larger scale and longer-term private and public efforts focused on promoting women agents to draw from. This limits the availability of more nuanced and operational insights about how to onboard more women agents to certain geographical locations, most notably South Asia. Evidence should be gathered in more diverse contextual settings by public-private initiatives that are sustained for longer periods of time, not just short-term pilots. This should generate a wider toolkit of interventions and help identify those that can be generalized, versus those that are unique to the local context.

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