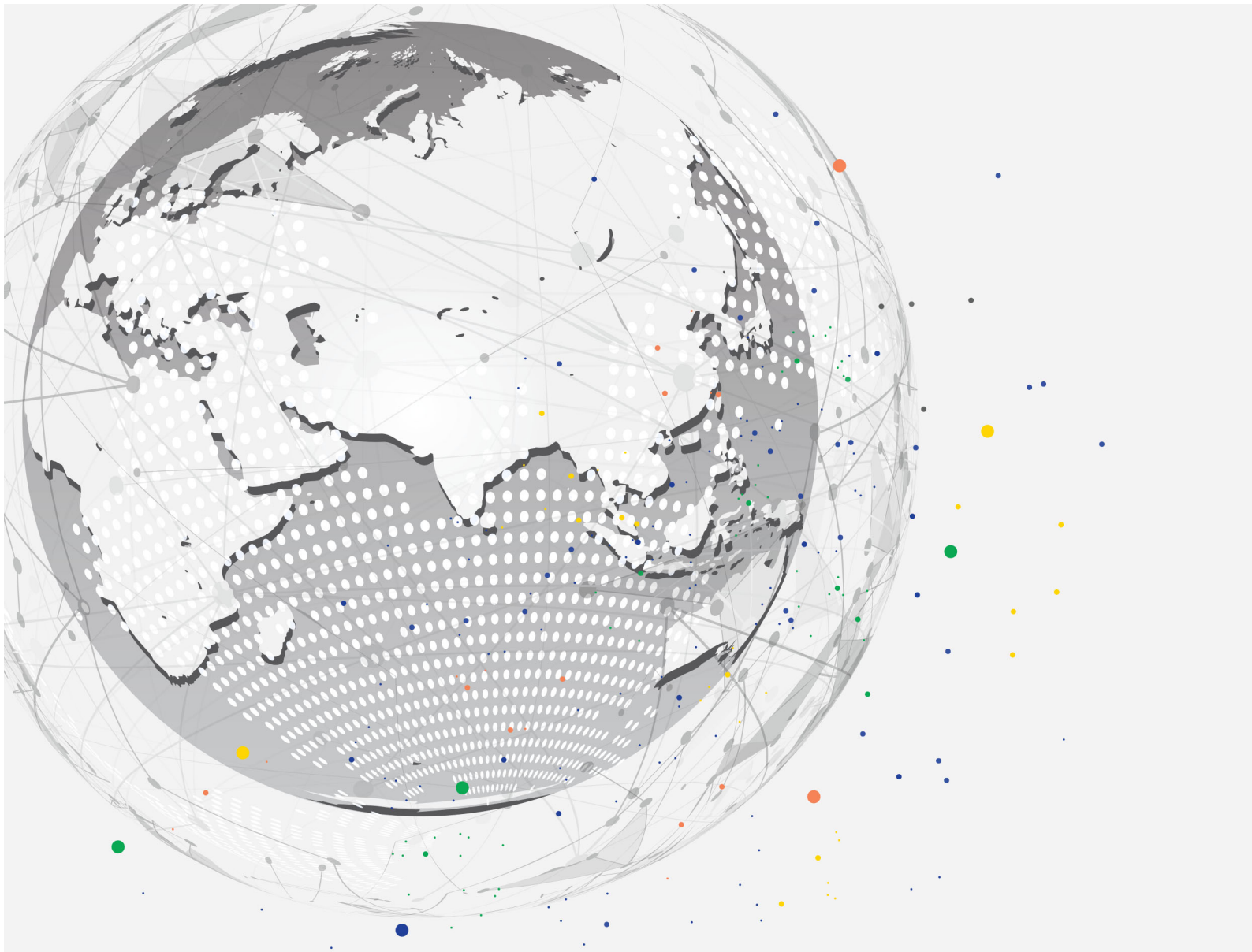




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RSMEDP Gender Equality and Social Inclusion Results Measurement Framework

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Opportunities Unlimited

September 2022

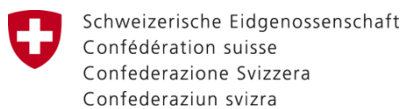


Project supported by:



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This report was supported by the Swiss Agency for Development Cooperation (SDC) financed Rural SMEs Development Project (RSMEDP). The RSMEDP seeks to increase income and employment in rural Georgia in line with the Swiss Cooperation Programme South Caucasus Region 2022-2025.

Project implemented by:



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Abbreviations and Acronyms

ACT	Analysis and Consulting Team
BSS	Business Support Services
DFID	Department for International Development
GESI	Gender Equality and Social Inclusion
ICRW	International Centre for Research on Women
IDS	Institute of Development Studies
LNOB	Leave no one behind
MRM	Monitoring and Results Measurement
MSD	Market Systems Development
RSME	Rural small and medium enterprises
RSMEDP	Rural Small and Medium Enterprises Development Project
SIDA	Swedish International Development Cooperation agency
SDC	Swiss Agency for Development and Cooperation
UNSDG	United Nations Sustainable Development Goals
WEAMS	Women's Empowerment and Market Systems
WEE	Women's Economic Empowerment

Executive Summary

This GESI Results Measurement framework has been developed to serve as a technical guidance to the Swiss Agency for Development and Cooperation (SDC)-funded Rural SMEs Development Project (RSMEDP) on measure impact on women and Leave No One Behind (LNOB) groups. The paper is structured around the following chapters:

Chapter 1 is an introduction to the RSMEDP project. It explains RSMEDP approach to reaching women and LNOB by explaining how the project aims to catalyze Gender Equality and Social Inclusion (GESI) related impact predominantly through GESI mainstreamed interventions and with a do-no-harm policy on women and LNOB. In certain cases, RSMEDP might also do more GESI focused interventions to increase the depth of impact. The GESI Results Measurement (RM) framework is developed to specifically help the project define how its interventions will reach beneficiaries with an emphasis on women and LNOB groups; possible tangible benefits that may be incurred by them as a result of the interventions; and how to measure such impact.

Chapter 2 draws on learnings from existing literature from external resources and internal project documents to build on the experiences of other market development projects and emerging research on measuring GESI-related impact. Important literature from International Centre for Research on Women (ICRW) and Institute of Development Studies (IDS) shows that there is a strong relation between economic advancement and empowerment. However, it cannot be assumed that one leads to another without any form of validation. So RSMEDP would need to test the logic on how any anticipated economic growth of enterprises caused as a result of RSMEDP's work will cause an impact on women and LNOB's empowerment. In relation to defining who may benefit as a result of RSMEDP's work, external research and RSMEDP's own experience shows that different categories of people may be part of the constellation of SMEs (owners, paid and non-paid workers, family members). A good understanding of these different categories of people (which was attempted through the investigative research described in Chapter 3 and also suggested as part of RSMEDP's ongoing RM) will help RSMEDP to identify who may benefit as a result of its work. This chapter also introduces the internationally recognized Market Systems Development and Women's Economic empowerment (MSD and WEE) framework which was part of DFID¹, SDC and SIDA effort to define the different domains of WEE and how RSMEDP interventions may contribute towards these domains:

- ✓ Economic advancement – increased income and return on labour
- ✓ Access to opportunities and life chances such as skills development or job openings
- ✓ Access to assets, services and needed supports to advance economically

¹ Now replaced by the Foreign, Commonwealth & Development Office (FCDO)

- ✓ Decision-making authority in different spheres including household finances
- ✓ Manageable workloads for women

Chapter 3 draws from a short investigative field research that was conducted to primarily check how women and LNOB are involved in SMEs and how they may benefit as a result of RSMEDP interventions. Research findings validate how women are involved in different roles in an SME, even if they are not owners. It also shows that SME growth and income generated through such is channeled towards paying debt, hiring more workers, purchasing business related inputs and assets for expansion.

Chapter 4 defines the potential benefit on women and LNOB as a result of RSMEDP interventions as it is currently understood. It explains that RSMEDP interventions can result in different tangible benefits:

- ✓ Increased income through revenue increase or cost reduction
- ✓ Reduced debt
- ✓ Improved resilience
- ✓ Employment generation
- ✓ Better employment
- ✓ Increased agency²

Depending on these benefits four possible quadrants beneficiaries may be impacted through RSMEDP interventions (explicitly or implicitly):

- ✓ Head of enterprise and family members who work at the enterprise on a fixed or part-time basis
- ✓ Non-working dependents
- ✓ Paid labor including both fixed and seasonal labor
- ✓ Dependents of paid labor

Chapter 5 describes the practical tools and methods on measuring results. As RSMEDP's MRM system is designed to be aligned strongly to the DCED Standard for Results Measurement, the project also plans to measure GESI impact following the same features of good practice in results measurement as defined in the DCED Standard. The Intervention-specific results chains will clearly articulate specific impact for women and LNOB. Measuring along the results chains will help RSMEDP assess whether any likely impact on women or LNOBs are occurring as a result of RSMEDP intervention and hence establish the attribution. This chapter also explains what will be measured against each tangible benefit for different beneficiary types and how it will be tailored to take into account GESI related impact. Annex I to III includes more information on how to customize checklist of questions to capture the different dimensions of GESI impact on agency (decision-making), resilience and improved workspace caused as a result of RSMEDP interventions.

² Agency is defined by the World Bank, in their 2014 [Voice and Agency report](#) as the capacity to make decisions about one's own life and act on them to achieve a desired outcome, free of violence, retribution, or fear.

The concluding chapter suggests some steps towards operationalize this GESI RM framework by:

- ✓ Conducting more qualitative field research to understand relevance of RSMEDP interventions on women and different LNOB groups
- ✓ Updating the current intervention-specific results chains to map out the anticipated impact on women and LNOB and ensuring that all results chains that are developed in future map out the specific impact on women and LNOB
- ✓ Conducting early impact assessments to validate initial hypothesis
- ✓ Reflecting on and refining the GESI strategy and RM framework.

1. Objective of this GESI framework

1.1 Introducing the RSMEDP project

The Swiss Agency for Development and Cooperation (SDC) financed Rural Small and Medium Enterprises Development Project (RSMEDP) uses a Market Systems Development approach to increase employment and income opportunities for rural men and women in Georgia, contributing to the reduction of poverty and inequalities, including gender inequality.

In order to achieve this, RSMEDP works through two main intervention areas:

- Increasing access to finance: Partnering with private and public organizations to improve availability of loans and grants for existing and start-up RSMEs and
- Increasing access to business support services: Partnering with private and public organizations to offer Business Support Services (BSS) for RSMEs

The project is engaging in a range of intervention strategies which can lead to enterprise growth and resilience for rural SMEs. The project's main target group includes rural micro, small and medium enterprises (MSMEs) and their employees.

In particular, the project also applies a GESI lens in strategy and intervention design to specifically impact women and other vulnerable groups in the spirit of leaving no one behind. Other vulnerable groups identified by the project include Azeri/Armenian minorities (400,000 people approximately), unemployed youth (47,000 people), people under the absolute poverty line for Georgia (27.5% of the rural population in 2019) and people with disabilities (72,000 people, excluding Tbilisi).

The project logframe specifically set targets for benefiting women and vulnerable groups through a select few indicators, which are as follows:

- 1) # of rural women and men who realize a tangible benefit that contributes to the reduction of poverty and inequalities.
e. Proportion of women with a positive perception on their influence on business and economic-related decision-making
- 2) # of people having new or better employment
- 3) # of smallholder farmers with increased incomes from agricultural production
- 4) Net Additional Income Increase of individuals due to wage/self-employment
- 5) # of SMEs benefitting with additional income, reduced costs, and/or improved resilience:
of female owned/ led SMEs benefitting
of ethnic minority owned/ led SMEs benefitting

1.2 RSMEDP's approach to reach women and vulnerable groups

In most market systems development projects, their GESI objectives are shaped by project objectives and time and resource constraints. Outlined here is the spectrum of five common WEE approaches, which can also be applied to other vulnerable groups developed by Erin Merkel from the DCED publication on ['Measuring WEE in Private Sector Development'](#).

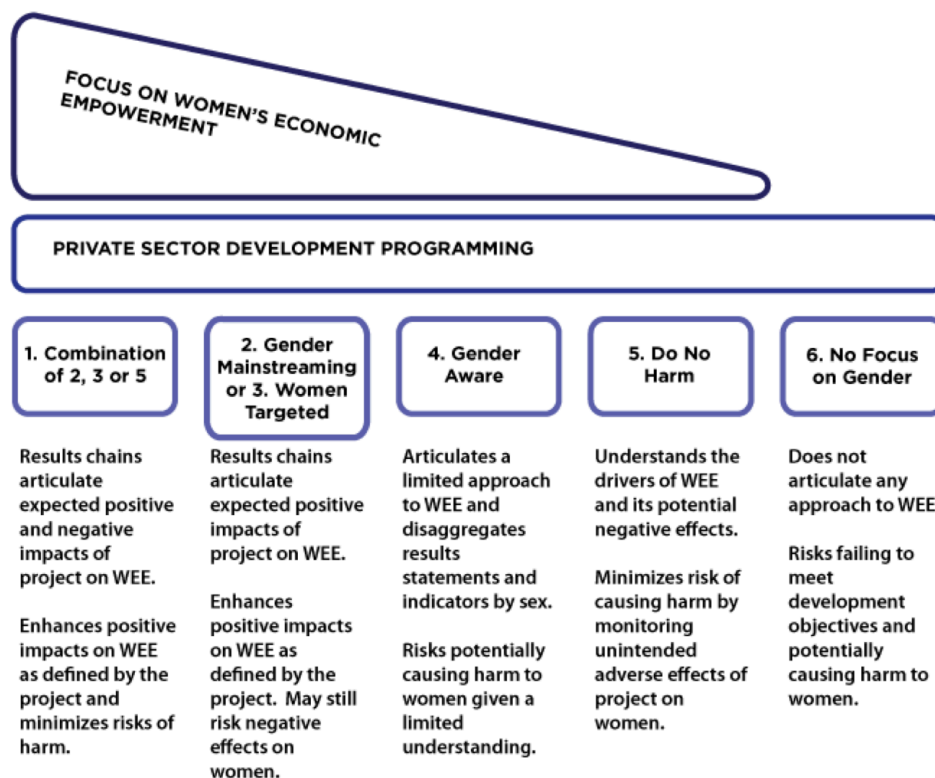


Figure 1 The PSD-WEE Continuum from 'Measuring WEE in Private Sector Development' by Erin Merkel

Projects aiming to catalyse changes in women's economic empowerment and gender equality usually articulate a strategy with objectives that could include Mainstreaming Gender (#2) throughout the overall project, Targeting Women (#3) specifically or using a Combined approach (#1) of Mainstreaming, Targeting and/or Do-No-Harm. Combined approaches (#1) tend to integrate Do No Harm into project planning practices, and then identify whether to Mainstream Gender or Target Women specifically at an intervention-specific level.

RSMEDP'S GESI approach would be closest to 1 in the diagram above (leaning more towards 2 and 5 with some 3):

- 1) GESI mainstreaming (2): RSMEDP works in sectors which are either led by women or jointly-led by men and women, i.e. key ownership, management and decisions are made either by women or jointly by men and women. For example, in tourism sector according to Care and ISET, 2020, based on GeoStat data, there are 41% women-led enterprises in accommodation and food services.

RSMEDP aims to create opportunities for WEE by supporting women in women-led or co-led activities as well as creating opportunities where women are less visible, to support their roles in male-led sectors, to participate in joint decision-making and/or benefit through enterprise growth.

- 2) Do No Harm: RSMEDP will take a do-no-harm policy to mitigate unintended negative results to women or other vulnerable groups by monitoring any adverse, unintended effect of interventions. For example, by monitoring whether increased economic activity is considered manageable by women or other vulnerable groups or whether it negative effects their well-being.

- 3) GESI targeted: In some cases GESI targeted interventions may be important for depth of impact by RSMEDP. For example, by targeting ethnic minorities or socially vulnerable groups who may have limited access to financial or business support services due to language and other social barriers. The project aims to address some specific needs of women and LNOB owned SMEs, as well as women and LNOB employees of SMEs where specific gender or vulnerability related gaps are identified.

Overall RSMEDP aims to have a gender and LNOB sensitive intervention design, so that interventions specifically include women and LNOB-owned SMEs and women and LNOB employees in their outreach.

In addition to specifically targeting women as SME owners and employees, RSMEDP also recognizes gender in relation to business ownership as a continuum rather than in binary terms. While there may be a male or female owner in terms of formal business registration or ownership, often such businesses are operated in a joint basis by a family where both men and women take part in decision making and enterprise management. As such, a GESI RM framework should try and map out SMEs and their employees who may be directly impacted as a result of RSMEDP interventions as well as other family members or employees who may also be impacted as a rest of the directly impacted SMEs or their employees' growth.

More on RSMEDP's GESI approach can be found in their GESI context and strategy document which identifies vulnerable groups in the project context, describing gender and other inclusion gaps that exist, and laying out potential entry points for considering in the project's intervention strategy.

1.3 Objective of this WEE and LNOB results measurement framework

The objective of this document is to draw from existing research and international thinking on GESI particularly in the context of market systems development projects and define a results measurement framework that can be used by RSMEDP to measure and report on impact for women and other vulnerable group. In particular this GESI RM framework aims to provide RSMEDP-specific and context specific guidance on:

- What influence the anticipated growth/resilience of enterprises caused as a result of RSMEDP will have on women and LNOBs.
- Defining the quantifiable and qualitative tangible benefits from SME growth for women and map to LNOB and non-LNOB groups.
- Monitoring methodologies and instruments/tools to estimate impact for women and LNOBs

2. Findings from desk review – How women and LNOB can contribute to and benefit from growth

2.1 How women and LNOB can contribute to and benefit from economic growth

Women and vulnerable groups are vital economic actors. According to UNSDG, *attention to groups left behind and addressing inequalities is a central element of the successful economic transformations required in most countries to achieve sustainable economic growth*. From the 1990s to 2006, the increased numbers of women employed in developed countries accounted for more global economic growth than that of China (The Economist, 2006). According to [UN Women's Facts and Figures on Economic Empowerment](#), *women's economic empowerment boosts productivity, increases economic diversification and income equality in addition to other positive development outcomes. For example, increasing the female employment rates in OECD countries to match that of Sweden, could boost GDP by over USD 6 trillion, recognizing, however, that growth does not automatically lead to a reduction in gender-based inequality*. Another study done by Deloitte in 2019 on the economic benefits of improving social inclusion estimates that the economic dividend to Australia from having a more inclusive society to be \$12.7 billion annually.

There is growing evidence that shows the importance of women and other vulnerable group's empowerment is a key lever for development impact and poverty reduction. However Diana Wu in a literature review on Measuring Change in Women Entrepreneurs' Economic Empowerment in 2013 identifies, the inverse relationship – that economic growth and development are good for women's empowerment and gender equality – has been less explored. An [IDS working paper on Gender Equality and Economic Growth](#) prepared by Naila Kabeer and Luisa Natali looks at existing studies to explore to what extent gender equality contribute to economic growth and vice versa using cross-country regression analysis. The literature review suggests that *the relationship between gender equality and economic growth is an asymmetrical one. The evidence that gender equality, particularly in education and employment, contributes to economic growth is far more consistent and robust than the relationship that economic growth contributes to gender equality in terms of health, wellbeing and rights. From a growth perspective, therefore, the promotion of certain dimensions of gender equality may appear to offer a win-win solution but from a gender equity perspective, there is no guarantee that growth on its own will address critical dimensions of gender equality. Either growth strategies would need to be reformulated to be more inclusive in their impacts or redistributive measures would need to be put in place to ensure that men and women benefit more equally from growth*.

On the other hand, there is some research show that economic growth, by reducing poverty and increasing opportunity, can indeed have an important positive impact on gender equality (see box below based on a literature review on [Women Empowerment and Economic Development by Esther Duflo, Abdul Latif Jameel Professor of Poverty Alleviation and Development Economics, Massachusetts Institute of Technology](#)).

How Economic Growth can influence GESI

Recent research suggests that economic growth, by reducing poverty and increasing opportunity, can indeed have an important positive impact on gender equality and social inclusion.

Relaxing the grip of poverty through economic development: Economic development increases the ability of households to withstand crisis and the ability of governments to insure their poorest citizens against sickness and hunger. Thus, by reducing the vulnerability of poor households to risk, economic development, even without specifically targeting women or other vulnerable groups, disproportionately improves their well-being.

Economic development, fertility and maternal mortality: While maternal mortality depends on a number of factors, it is less likely to occur if individuals are richer (and are able to deliver in a high quality facility) and if health systems function better.

Giving women hope by expanding their opportunities: Gender-blind policies that improve the economic welfare of households can improve gender equality. Diversifying the economy and increasing women's options in the labor market can cause households to adjust their behavior, moving them toward gender equality. For example, recent study looking at economic development and women's empowerment in China and India found that increasing labor opportunities for women is linked with better outcomes in terms of girl survival and education, women's employment rates and birth-rate imbalances.

Freeing up women's time: Economic development can lead to the empowerment of women by freeing their time which can then be used for market activities or for other things. Greenwood, Seshadri, and Yorukoglu (2005) argue that the diffusion of appliances in the United States between 1930 and 1950 was a key driver of the increase in the labour market participation of women during that period and beyond. On the other hand, Devoto et al. (2011) find no impact on time devoted to market activities when households became connected to piped water in Morocco, but a significant increase in leisure and reduction in stress levels and intra-households conflicts.

Economic development and women's rights: Empirically, there is a strong correlation between economic development and women's and other vulnerable groups legal rights, in areas as diverse as property rights, access to land, access to bank loans, violence against women and other vulnerable groups, abortion policy, etc.

In 2011 the International Centre for Research on Women (ICRW) published important work on women's empowerment in the realm of economic development: [Understanding and Measuring Women's Economic Empowerment: Definition, Framework and Indicators](#). *This document streamlines the definition of empowerment into two strands - A woman is economically empowered when she has both the ability to succeed and advance economically and the power to make and act on economic decisions.*

- To **succeed and advance economically**, women need **the skills and resources** to compete in markets, as well as fair and equal **access to economic institutions**.
- To **have the power and agency** to benefit from economic activities, women need to have the ability to make and act on decisions and control resources and profits.

Both these components are iterative - stronger agency may result in better access and better access and economic advancement may result in stronger agency (*ibid*).

**While the ICRW publication talks about empowerment in the context of women, the same thinking could be applied to other vulnerable groups as they face similar challenges related to discriminated, lack of access to skills and resources and human rights.*

In conclusion, while there is a strong interrelation between economic development and economic empowerment are inter-related, it cannot be assumed that one leads to another without any form of validation. So RSMEDP would need to test the logic on how any anticipated economic growth of enterprises caused as a result of RSMEDP's work will cause an impact on women's empowerment, equality and social inclusion. Such a logic will also need to be validated through the project's life cycle to claim impact on women and LNOB, particularly if interventions do not directly aim to address empowerment issues through its activities.

2.2 How women and LNOB are involved in SMEs

According to Geostat data set 2019, at a national level, out of all self-employed women and men, 46.3% are women (vs 52.7% men) (Geostat data set 2019). Also, roughly 26% of enterprises are co-owned by women (BEEPS data set 2017) and 19% of enterprises have women in top management. This is also validated through the baseline SME survey done for RSMEDP by Analysis and Consulting Team (ACT) with 149 SME owners where 83% of surveyed SME owners say they do not have women managers in their business. In addition, roughly only about one third of all SMEs involve female ownership, and on average, women are half as likely to start their own business than men (Care and ISET, 2020). According to the 2014 census, ethnic minorities make about 13% of the Georgian population. With LNOB there is often also the issue that there is often inadequate data of those who are excluded. In a similar vein, despite being present in the economy, women often tend to work behind the scenes in many sectors. For example, in agriculture, women often perform a wide range of functions from tending to livestock, to land preparation and harvesting. So while the proportion of women-led enterprises in agriculture might appear to be low (16% based on Geostat data set 2020), in reality they are playing a bigger role as unpaid family members who contribute to enterprise growth and also benefit through the growth.

In addition to the aforementioned group of female-led and LNOB-led SMEs, their family members and paid employees who work in these enterprises, other women and LNOB are also interconnected to SMEs and dependent on them for their incomes, namely the family members of employers and employees. However, family enterprises, their dynamics and roles are an under analysed area in the private enterprise literature. In the baseline survey done by ACT, 28% of the surveyed SMEs had family members employed as unpaid labour, while 21% had family members employed as paid labour.

As defined in their logframe RSMEDP aims to count all potential female and LNOB who may be involved in an SMEs through working for it or in their role as family members of SME owners and employers. Thus, the results measurement framework needs to elaborate the roles and functions they play in an enterprise, define how they may possibly benefit as a result of RSMEDP interventions and measure these results.

2.3 The different dimensions of WEE in market systems development (inclusive of other vulnerable groups)

In 2016 an important paper '[The WEAMS framework: women's empowerment and markets systems concepts](#)' was developed by Linda Jones which gives guidance on how to operationalize WEE in M4P projects. As explained above the same logic could be applied to other vulnerable groups such as LNOB as often they face similar challenges and constraints

due to their more vulnerable status. This paper suggests five relevant dimensions of WEE for MSD projects. These dimensions include:

- 1) Economic advancement – increased income and return on labour:
- 2) Access to opportunities and life chances such as skills development or job openings
- 3) Access to assets, services and needed supports to advance economically
- 4) Decision-making authority in different spheres including household finances
- 5) Manageable workloads for women

These domains define the areas in which projects can and should advance WEE and the areas they need to explore when analysing the economy, designing a partnership and analysing results. However, these dimensions are flexible and can be nuanced to fit a project’s strategy and vision for change. Table 1 below shows RSMEDP’s elaboration along the five domains to show how RSMEDP interventions will specifically benefit women and LNOB through their empowerment:

Table 1 Different domains of empowerment through RSMEDP’s work

Domain of empowerment	RSMEDP interventions
Access to assets, service and needed support to advance economically	RSMEDP interventions aim to improve the market connections to enable women and LNOB SMEs utilize of obtain financial and business support services that is required to become more productive. For example, by making grants more accessible to ethnic minorities.
Access to opportunities and life chances	RSMEDP interventions aim to provide opportunities for women and LNOB such as access to finance to start up their own businesses or grow existing business, which will enable growth. For example, by enabling women and LNOB SMEs to use more business support services such as promotions that may help them to access new markets.
Economic advancement – increase income and return on labor	This correlates to the impact level change that RSMEDP tries to create through economic impact on women and LNOB through better access to services and opportunities. For example, as a result of accessing more financial services, SMEs can expand their business and make more revenue.
Decision-making authority in different spheres including household finances	This corelates to the impact level change over agency that RSMEDP aims to influence as a result of access to opportunities and economic advancement of women and LNOB. For example, as a result of SME growth, women family members have more power and decision-making authority.
Manageable workloads	RSMEDP interventions do not directly target this dimension of empowerment through its work. However, the project hypothesizes that certain interventions that increase productivity might decrease workloads. This is also validated through the field research, where SMEs confirmed that they want to invest in machinery in future, which might reduce the physical workload.

3. Investigative field research to identify specific challenges faced by women and LNOB

Following the literature review an investigative research was conducted by the RSMEDP team in the last week of July 2022, to answer the following key research questions:

- How are women and LNOB involved in SMEs? What roles do they play?
- As a result of SME growth, what potential tangible benefit may be incurred by women and LNOB who are involved as SME owners, employees, and family members of?
- In the sub-sectors that RSMEDP is working in, are there specific constraints faced by women and LNOB led SMEs, that RSMEDP might in future address through their work. Understanding such challenges could help RSMEDP determine whether any of these could be addressed specifically through their work and consequently also ensure that the results measurement framework captures measurement of changes in a relation to.

Given the logistical and time constraints, the field research only covered Kakheti and Kvemo Kartli regions where more ethnic minorities are based.

A total off 22 in-depth interviews were conducted with a break down per type of respondent given in table 2 below. The respondents were purposively chosen to represent the different sub-sectors that RSMEDP is working in. A combination of male-led and female-led SMEs and male LNOB-led and female LNOB-led SMEs were purposively selected to get representation of the different constituencies.

Table 2: Sample size and category

Category	Respondents	Respondent type
Male-owned SME	8	3 Construction, 2 Dairy Processor, 1 Dairy Farm, 1 Guest House, 1 Wine
Female-owned SME	7	2 Dairy Processor, 2 Guest Houses, 2 Wine, 1 Poultry
Male LNOB-owned SME	4	1 Auto repair shop, 1 Construction, 1 Dairy Processor, 1 Guest House
Female LNOB-owned SME	2	1 Carpet Stitching, 1 Bakery
Male led Cooperative	1	1 Wine
Total	22	

3.1 Summary of findings

How are women and LNOB involved in SMEs? What roles do they play?

- The average family size of the SMEs comprised of four family members, with responses ranging from two to eight individuals. Most respondents (SME owners) were living as nuclear families with their parents and children, or in some cases, with extended families

including siblings and their families. **65% of the SMEs had at least two or more members of the family involved in the business** (typically spouse or in some cases parents or older children). These family members involved in the business were found to divide roles between each other and often work full time without a fixed salary. Instead of drawing a fixed salary they would distribute business income towards the end of each month.

- **Key decisions related to businesses are distributed among members in relation to their roles. In most cases it was observed that regardless of whether a SME is male owned or female owned, male members of the household, took a lead in purchasing inputs or making deliveries related to the business and female members would manage labour relations and marketing of the business.** For example, in a guest house, women are responsible for food, housekeeping while men are responsible for buying groceries and managing expenses. In dairy, women are responsible for managing labour (usually women for livestock husbandry and milking), while men are responsible for selling milk in the market for the business. Household decisions were claimed to be made jointly or led by business owners in consultation with other members of the HH.
- The annual revenue earned by the different SME constituencies is presented in Table 3 below. This does not necessarily suggest that female and male-owned LNOB SMEs make relatively less revenue per year, as the revenue primarily depends on the type of business (shown in table 2). However, **it could indicate that the ethnic minority LNOB groups that RSMEDP primarily aims to reach through their interventions are generally involved in smaller businesses as compared to non-LNOB groups.**

Table 3: Revenue per type of SME

Category	Under GEL 100,000	GEL 100,000 to GEL 200,000	More than GEL 200,000
Male SME	2		6
Female SME	2	1	4
Male LNOB SME	1	3	
Female LNOB SME	1	1	
Male led Cooperative			1
Total	6	5	11

How SMEs grow and tangible benefits for women and LNOB

- **Almost all SMEs interviewed across the different categories had grown over the past five years.** Growth in business translated to expansion by employing more staff, increasing the number of products sold, increasing capacity for production, or potential revenue. This expansion was mostly facilitated by taking up loans or getting a grant. This growth in the SMEs has not been linear over time but has had a dip, especially because of the COVID-19 pandemic.
- **All the family-led SMEs jointly decided on their vision for growth and how business income was used.** For example, A female SME owner of a guest house in which her parents and sister worked, described that instead of drawing a fixed salary, the business income was distributed among all of them by the end of the month depending on their need. They collectively decide on whether there is any urgent household need that needs to be

catered to using the money, otherwise the first priority is to put money back in the business. **Any growth in the business in terms of income will eventually benefit all family members in the future.**

- **Regardless of the type of SME, most of the revenue from the business was invested back into the business for gradual expansion.** However, this had been difficult for most businesses during the pandemic and with the high level of inflation. **SMEs also increased household expenditure in the last five years due to rising inflation.**
- The use of additional revenue was dependent on the type of business instead of the type of owner. **For most businesses, their priority was to pay off their existing debt. After that, most businesses want to increase their business capacity by producing more by investing in equipment, infrastructure, labor or increasing business cashflow** (as shown in table 4).

Table 4: Use of additional revenue per type of SME

Category	Loan repayment	Hired more people	Increase inputs/raw material	Equipment/ Infrastructure
Male SME	6		1	
Female SME	5		1	3
Male LNOB SME	1			3
Female LNOB SME	1	1		
Male led Cooperative				1

Constraints faced by women and LNOB SMEs

- **The ease of access for business registration did not seem to be a constraint for female or LNOB-SMEs.** Business registration was usually in the owner’s name. Some respondents indicated though that for grant purposes, **men may register property under women’s names even though women from their household might not be aware of or be involved in the business.** RSMEDP through earlier field research is also aware that **in some ethnic minorities, there is a traditional inclination for registering businesses under the names of male household members.** However, due to the small sample size, this was not clearly evident from this particular research mission.
- **The salary/wage for staff was dependent on the type of job and the business they worked in.** Daily workers were paid an average of GEL 50–80 per day. Most of the labour engaged in construction was male. Most of the labour engaged in guest houses was female (for housekeeping). In Kakheti, there was a general shortage of labour, as individuals preferred working part time jobs and getting paid in cash while maintaining their socially vulnerable status and get benefits from the government instead of working full-time for SMEs. Hired full time staff had set working hours (8 hours) with periodic coffee breaks and lunch breaks through the workday. (e.g., labour in construction, milkers/feeders in dairy farms etc.).
- **Regardless of the type of SME, for family-run businesses, both male and female members involved in the business tended to work all day without a fixed work**

schedule. This was because they were very hands-on in all aspects of their business and tended to micro manage operations.

- **All SMEs suggested that they would either sell directly to markets and procure inputs directly, through a family member or an employee.** There did not seem to be a barrier for SMEs to access markets based on the type of owner.
- **Access to loans did not appear to be a problem for male or female-owned or LNOB-owned SMEs (as shown in table 4). Businesses had been able to access loans if they were able to provide a collateral for the loan.** Some members of the Azeri community (LNOB) were reluctant to take loans due to their religion inclination. For the collateral, businesses relied on their other household businesses or land owned by households, again indicating how household dynamics play a big role in SMEs, and SMEs operate as family unity rather than a binary unit.

Table 5: SMEs that have previously taken a loan through a formal institution

Category	Taken a loan	Not taken a loan	No response
Male SME	7		1
Female SME	6	1	
Male LNOB SME	2	2	
Female LNOB SME	1	1	
Male led Cooperative		1	

- **All respondents that had received a co-finance grant, took a loan to cover their part of the co-finance agreement.** Non-agri loans have a high interest rate (from 12% to 15%) and were taken by SMEs for their business from TBC Bank or the Bank of Georgia, whereas agri loans under the preferential Agrocredit Project implemented by the Rural Development Agency with different commercial banks and financial institutes had a much lower interest rate of 5%. SMEs could only get a preferential interest rate for specific agri activities in their business. Almost all dairy businesses had received some grant, as development projects in Georgia over the past 10 years have had an emphasis on dairy businesses. This may also be because of a sampling bias for dairy business interviews (Interviews with businesses who have been reached through previous projects)
- **All SMEs were aware of different grants that they could access regardless of ownership or type of business. However, they were not clear on the reasons for rejection or exclusion if they did not get a grant.** SMEs had previously accessed grants through EG, Land O Lakes, FAO, and Mercy Corps. Non-Georgian speaking communities, such as Azeris, needed help in filling the application form for grants (in Georgian), and they would sometimes have to pay as much as 1000 GEL just for filling in the application in Georgian.

3.2 Limitations of the research

While the investigative research was helpful to understand the involvement of women and LNOB (specifically ethnic minorities) in SMEs, it was also limited in its scope. The SMEs who were covered in this research were selected through the project partners' existing database.

As such they might represent the more better off SMEs in the sense that they have already been reached through other projects or grants. As such they do not give a full and accurate picture of women and LNOB specific constraints that may apply to others.

While the SMEs covered through this research did not show specific constrains related to access to finance and business support services, there is much literature that shows that there are indeed more women and/or LNOB specific challenges related to these. For example a [CARE and ISET research in 2020 on challenges and prospects for Women-led businesses](#) explained that there are three common driving factors behind disproportionate gender roles in Georgian enterprises. *The first being the significant amount of unpaid care work for women. Secondly, due to the lack of economic empowerment, a shortage of financial resources and property ownership, women have little seed money to establish enterprises, while their access to commercial bank credit has also been restricted. Lastly, there is also a prominent lack in entrepreneurial skillsets among Georgian women. According to the findings of the Global Entrepreneurship Monitor (GEM), 26.7% of the women surveyed in 2014 reported having adequate skills for starting a business (in comparison with 43.3% of men), which further engenders female reluctance to engage in business activities.*

Similarly, LNOB groups such as ethnic minorities also face specific constraints due to that social status. A research by [World Bank on social exclusion in Georgia](#) in 2017 explains that a larger share of Azerbaijani population is rural and is employed in agriculture but earn less from agriculture than Georgians. The evidence suggests that belonging to the Azerbaijani minority in Georgia is consistently correlated with lower outcomes in incomes, education, and earnings from employment. The document explains that there are multiple factors that can potentially explain lower earnings: access to productive assets such as land and finance, access to information, markets, and networks, among others.

Given the conflicting nature of some of the findings, further research would be needed in relation to specific interventions when RSMEDP collects baseline data on specific interventions, to check if women and LNOB face specific constrains to capture any potential impact created in relation to those.

4. Defining the benefits of SME growth on women and LNOB in the RSMEDP context

4.1 How an SME can benefit through growth

In order to design a measurement framework, it is firstly important to define RSMEDP's impact pathway on what benefits are anticipated through its work. RSMEDP's impact logic builds on the logic of the MSD approach, where the project will partner with market players to improve the operations of rural SMEs through access to finance and business support services. Figure 2 depicts this overall theory of change. The boxes in green shows how RSMEDP interventions will trigger systemic change by improving the capacity of market actors to work more efficiently and inclusively and respond to the needs of rural SMEs. This will lead to growth of the rural SMEs and contribute to the overall impact of decreasing poverty and reducing inequality among 12,6000 rural men and women, shown in orange.

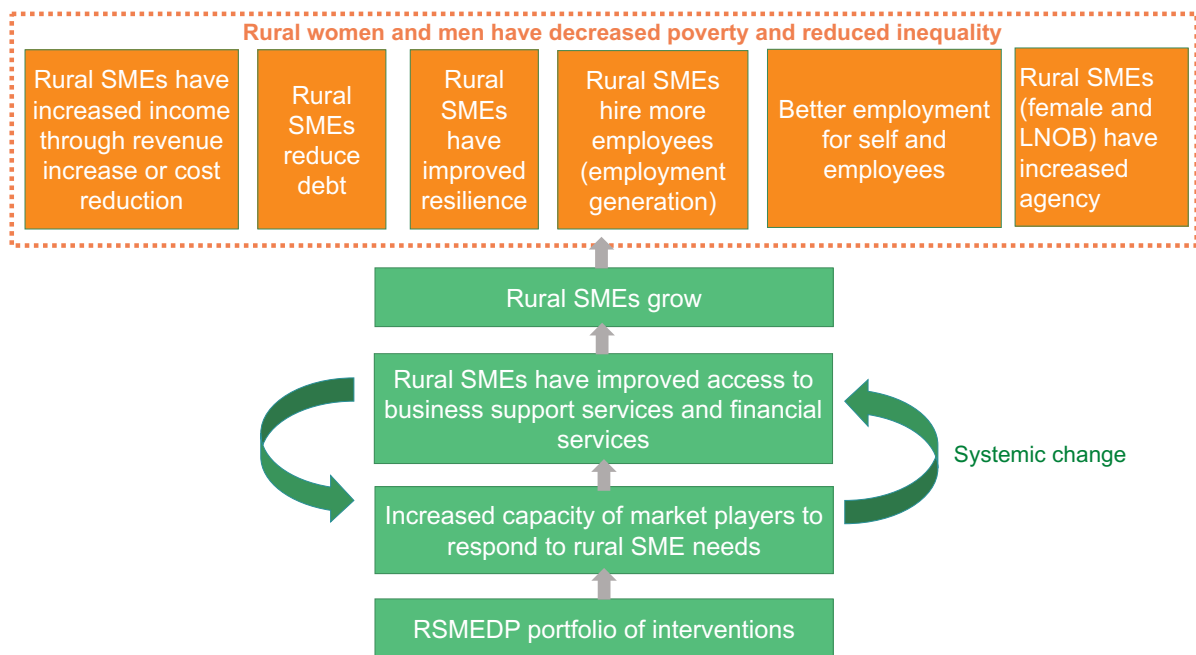


Figure 2 RSMEDP theory of change

The top boxes in orange further break down the different possible ways in which rural SMEs may benefit which are all components of poverty and inequality reduction. These benefits have been defined on the basis of the literature review and field research. These benefits are often overarching, having one benefit may lead to another. For example, if an SME has increased income, he/she can use it to improve his or her working conditions. They can also take place on their own. For example, if an SME accesses a financial product and uses it to employ more staff. All the benefits apart from the last one on improved agency, can benefit male and female-owner LNOB as well as non-LNOB SME owners as well as others involved in the enterprises as family members or employees, more on who benefits is explained in section 4.2 below.

These potential benefits include:

- ✓ Increased income through revenue increase or cost reduction: At impact level most MSD projects tend to use increased income as a proxy for poverty reduction. Increased income may happen as a result of SMEs reducing their costs, or increasing their revenues as a result of RSMEDP interventions.
- ✓ Reduced debt: In the field research it was observed that most SMEs tend to use any revenue generated through their business on debt reduction to clear of their dues, which can pave way for future investments and expansion.
- ✓ Improved resilience: Resilience is defined by USAID guidance on [Building Resilience to Recurrent Crisis](#) as *the ability of people, households, communities, countries, and systems to mitigate, adapt to, and recover from shocks and stresses in a manner that reduces chronic vulnerability and facilitates inclusive growth*. In RSMEDP’s context, as seen through

the field research, stability of income coupled with access to finance when needed helps SMEs to respond in the face of shocks and stresses.

- ✓ Employment generation: As seen in the field research, SMEs grow and create more workers in both part-time and full-time roles. This creates more employment opportunities for rural men and women who would take up these roles.
- ✓ Better employment for SME owners, family members working in SMEs and employees: RSMEDP defines better employment based on ILO's decent work deficits which would translate to SMEs growing and making working conditions easier, increasing income for self and employees (SME income increase is already covered in the first point above), investing in selfcare, increasing time for leisure or reducing workload.
- ✓ Increased agency: As the literature shows, there is a strong relation between economic advancement and empowerment. Increased growth can particularly help more vulnerable groups such as women and LNOB exercise more decision-making authority and influence in different spheres, including household finances and trade relations.

More detail on measuring these benefits are detailed out in Chapter 5.

4.2 Who may potentially benefit through SME growth as a result of RSMEDP interventions

RSMEDP needs to also be clear on who specifically may benefit from women and LNOB groups, so that the results measurement framework can measure benefits in relation to these specific categories of beneficiaries.

As explained in the literature review and verified in the field research, most rural SMEs that RSMEDP aims to reach through its work do not operate on a binary basis. Regardless of whether a SME is male-owned or female-owned (even for LNOBs), both male and female members of the family have clearly defined roles with the business, take a part in management and decision-making and share risks as well as benefit through any economic advancement of the unit.

This means that income or other benefits from SME growth that are listed above in section 4.1 should not be attributed only to the owner as other people also contribute to the income-generating activity. As evident from the field research, any benefit from SME growth is also shared by the contributing family members. Furthermore, the distribution of benefits may often go beyond the SME and working family members to their dependents as well as employees, depending on the kind of benefit. This is depicted in Figure 3 below.

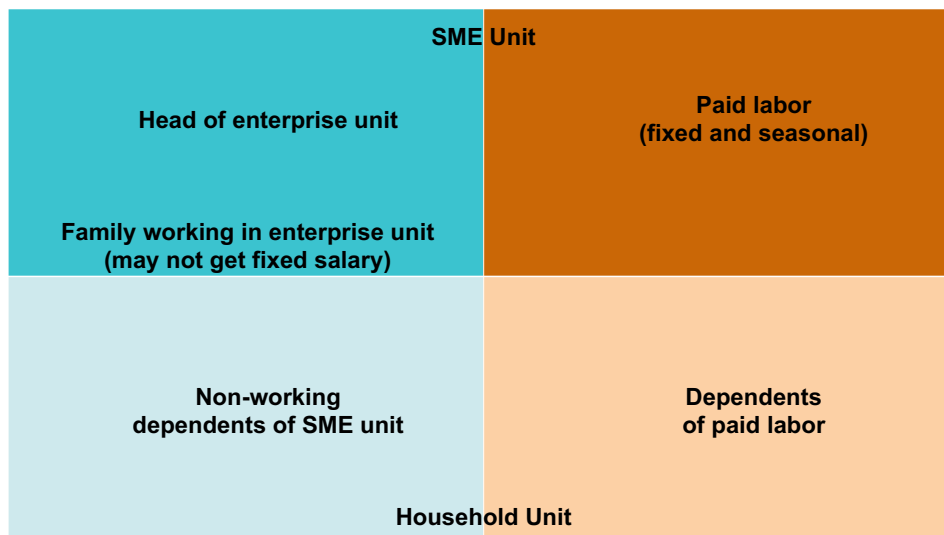


Figure 3 Identify who may potentially benefit from enterprise growth

The top two boxes in dark blue and brown represent an SME unit, which comprises of the head of the enterprise or owner, any family members who are working in the enterprise and any paid labor (including fixed or seasonal). The bottom two boxes in light blue and brown represent the dependent family members of the enterprise head and paid labor. Depending on how an SME grows and how that growth benefits are distributed, potentially all four quadrants involved through the SME (explicitly or implicitly):

- Head of enterprise and family members (dark blue box in top left): As mentioned before the head of the enterprise and family members involved in the business all contribute to the business and thus are in all likelihood impacted through both positive and negative effects on business.
- Non-working dependents (light blue box in bottom left): Growth and subsequent benefits generated through a business may also be distributed to others in the family unit who may not have contributed to the business itself depending on the benefit itself. For example, additional income generated by a business can go towards household expenditure such as in healthcare, education, food that benefits the non-working members.
- Paid labor (dark brown box in top right): SME growth may also lead to particular benefits which extend beyond the enterprise owner and his family members to others who are employed in the business. For example, if a business grows and creates employment opportunities for more workers or improves their salary.
- Dependents of paid labor (light brown box in bottom left): As with dependents of an SME owner, depending on the kind of benefit that is translated for paid labor, their dependent family members may also benefit. For example, higher salary to paid labor, translates to the paid labor using it towards their own household expenditure.

Ultimately who to count as a beneficiary would be dependent on the benefit itself. Chapter 5 below describes in more detail, how to assess who may be benefited through RSMEDP interventions and how to measure the benefit.

5. How to measure the impact of RSMEDP work on women and LNOB

RSMEDP's MRM system is designed to be aligned strongly to the DCED Standard for Results Measurement which provides a framework for measuring results in private sector development projects. As such the results measurement for capturing GESI impact will also need to follow the same features of good practice in results measurement as defined in the DCED Standard. This is described in more detail below.

5.1 Articulating intervention-specific results chains that show expected impact on women and LNOB

For each intervention, RSMEDP already develops results chains which shows the anticipated pathway of change from project activities to impact level changes. These results chains are pivotal to intervention design and monitoring in market systems development projects as they show the critical steps and link between different activities to what should happen for whom and when to lead to ultimate impact for the project, so that these can be monitored and measured. For example, this process can relate to checking whether a GESI targeted activity under an intervention was executed well or if GESI assumptions hold true, such as, the assumption that in a GESI mainstreamed intervention, markets players will also reach women and LNOB through business support services.

In M4P projects, where interventions do not directly work with beneficiaries, results are dependent on changes or on several intermediaries. For example, if RSMEDP partners with a training provider to improve skills of Accounting Service Providers (ASPs), so that the ASPs provide better financial advice to rural enterprises, then the results are dependent on both the training providers passing on successful training and the ASPs offering the newly learned skills to clients SMEs. In relation to ensuring gender-responsive changes, this may become reliant on even more factors, such as training provider ensuring outreach to female ASPs and these female ASPs reaching women SMEs or other women involved in SMEs. Therefore, it is vital that RSMEDP measures along each step of the results chains for each intervention to assess whether any likely impact on women or LNOBs are occurring as a result of RSMEDP interventions. If one or several of the changes outlined in their results chains have not occurred, then the ultimate impacts economic advancement or empowerment cannot be attributed to the project.

Thus, it is important to first design specific results chains which very clearly articulate all projected changes for female and LNOB owned SMEs, female working family members of LNOB and non-LNOB SMEs, male and female employees and all dependents of SMEs and their employees (all the beneficiary groups identified in Chapter 4.3). This will allow RSMEDP to measure and collect attributable female and LNOB specific data corresponding to the empowerment domains on access, economic empowerment and agency and report against the key lograme indicators. Table 6 below shows how the results chains need to be elaborated for different types of interventions to show changes at different levels for different beneficiaries who may be reached.

Table 6 Elaboration of GESI impact in results chains

	GESI targeted	GESI mainstreamed	Do-no-harm
Activity	Specific activities that are undertaken which are tailored to reach women or LNOB SMEs.	<i>In most cases no specific gender or LNOB related activities</i> If any commitment is made to increase female or LNOB participation, then include.	
Output	Gender and LNOB-responsive system-level changes made by market players.	<i>In most cases no specific gender or LNOB related outputs.</i> If any commitment is made to increase female or LNOB participation, then include.	<i>Women or LNOB related data not shown in results chains unless they are explicitly reached through the intervention</i>
Outcome	Enhanced access of women and LNOB-led SMEs.	Gender and LNOB disaggregated outcomes to show how access is also extended to women and LNOB-led SMEs.	
Impact related to the enterprise unit for SME owners, working family members working and employees.	Impact related to economic advancement for female and LNOB SMEs and agency for female SMEs Gender and LNOB disaggregated data on economic advancement and better employment for employees	Gender and LNOB disaggregated impact related to economic advancement for female and LNOB SMEs and agency for female SMEs Gender and LNOB disaggregated data on economic advancement and better employment for employees	
Impact related to the household unit comprising of dependents for SMEs and their employees	Gender and LNOB disaggregated impact related to economic advancement on family members (disaggregated for women and LNOB)	Gender and LNOB disaggregated impact related to economic advancement on family members (disaggregated for women and LNOB advancement on family members	Gender disaggregated impact related to economic advancement on family members (disaggregated for women and LNOB

In order to help RSMDP decide which specific benefits can be extended to the different beneficiary categories, Table 7 breaks down the tangible benefits identified in section 4.1 to show its outreach to the different beneficiary categories:

- **Benefits of economic advancement for SME owners, through increased income, increased resilience and reduced debt will be extended to all family members working the enterprise as well as any non-working dependents** as they are all reliant on the enterprise earnings for their livelihood.
- Similarly **benefits of economic advancement for paid employees, through increased employment opportunities for new employees or higher pay for**

existing employees will be extended to all their non-working dependents as they are reliant on the employees income which counts towards their household income.

- **Better employment specifically through reduced workload or increased workspace will only benefit SME owners, family members working in the enterprise and paid employees** as this benefit cannot be directly extended to any of their dependents.
- **Improved agency on female SMEs and LNOB SMEs measured through their authority and influence in different spheres, including household finances and trade relations will only be measured for SME owners and their family members who are working in the enterprise**, as RSMEDP does not have any influence on whether such benefit may be extended beyond an SME to their family members.

For every intervention results chain, RSMEDP will identify which tangible benefits are expected at the impact level and based on that make projections on who will be impacted as a results of the intervention. See the example on Box 1 below.

Example of making projections:

RSMEDP does an intervention, where it expects that 40 wine SMEs (20 which are female-led and 20 which are male-led) will benefit through using promotion services which leads to them growing and increasing income. The project knows that in these businesses typically the spouses also work in the businesses. Following table 8, the projected number of potential beneficiaries include:

Head of enterprise: 20 female and 20 male

Family members working in enterprises: 20 male and 20 female

Non-working dependents: $40 * 1.5 = 60$ (30 male and 30 female) (Total family size is 3.5, out of which 2 is already working in the enterprise. Assuming an equal divide between male and female non-working dependents)

. NB: These projections will always need to be verified during the impact assessments.

Table 7 Extending benefits to different beneficiary categories

Beneficiary category	Tangible benefits						Better employment and/or improved agency due workload reduction		Improved agency
	Economic advancement						Directly reached SME improves working conditions for self (reducing work load, improving work space)	Directly reached SME improves working conditions for employees (reducing workload, improving work space)	
	Directly reached SME increases income through revenue increase or cost reduction	Directly reached SME improves resilience	Directly reached SME reduces debt	Directly reached SME hires more labor creating employment opportunities	Directly reached SMEs pay employees more	Directly reached female SMEs and LNOB SMEs have authority and influence in different spheres, including household finances and trade relations			
Head of enterprise	✓	✓	✓				✓	✓	
Family members working in enterprise	✓	✓	✓				✓	✓	
Non-working dependents	✓	✓	✓						
Paid labor (seasonal and permanent)				✓	✓		✓		
Family members of paid labor				✓	✓				

5.2 Measuring specific benefits for women and LNOB

As outlined in RSMEDP’s project document, for each intervention, RSMEDP will elaborate a measurement plan that includes indicators, measurement methods, timelines, responsibilities, and resources needed to measure the defined indicators. Based on these measurement plans, impact assessments will be conducted for each individual intervention. Measurement of GESI impact will also fall under these impact assessment where women and LNOB beneficiaries will be assessed to check on impact created for them. The impact assessment will be used to validate the projections in the results chains and also measure the tangible benefits. One of the key findings in the field research was that household compositions, particularly in relation to who works in the SMEs varies quite a lot from sector to sector. Similarly benefits of growth for SMEs also varied across different sectors. Hence for every intervention, individual impact assessments will need to be conducted to verify the projections related to outreach and also measure the tangible benefits for the outreach.

The table below shows what will be measured against each tangible benefit for different beneficiary types and how it will be tailored to take into account GESI related impact.

Tangible changes	What to measure (disaggregated for non-LNOB male, non-LNOB female, male-LNOB and female-LNOB SME)	GESI tailoring
Increased income for SME through revenue increase or cost reduction	Additional net income accrued to an enterprise as a result of the project	How is this income shared with female family members who are working in the enterprise and other female dependents?
Improved resilience for SME	Improved business, financial, organization and market resilience of an enterprise	Perception on how improved resilience affects female family members who are working in the enterprise and other female dependents
Debt reduction for SME	Existing debt of enterprises How additional income generated as a result of project is used towards debt reduction	Perception on how debt reduction affects female family members who are working in the enterprise and other female dependents
Employment creation	Total number of FTEs created as a result of the project Total number of people for whom the FTEs are created as a result of the project	How is income shared with female dependents of the family?
Improved pay for employees	Additional income increase for employees	How is income shared with female dependents of the family?

Working conditions improvement for SMEs and employees	Improved working conditions	Is there a reduction of workload for women? Do women/LNOB have an increased sense of wellbeing?
Increased authority and influence of women in different spheres, including household finances and trade relations	Ability to make decisions	Perception of women on their influence on business and economic related decision making

Annex I to III includes more information on how to customize checklist of questions to capture these different dimensions of GESI impact on agency (decision-making), resilience and improved workspace caused as a result of RSMEDP interventions.

6. Next steps on operationalizing the GESI RM framework

This document is developed at a very preliminary stage when RSMEDP is still trialing and piloting different interventions and refining its GESI focus. As such this document will need to be periodically reviewed and adapted based on the project's strategy. The following key considerations can help the project to further strengthen the GESI measurement framework:

- ✓ **Conduct more field research to understand relevance of RSMEDP interventions on women and different LNOB groups.** As mentioned in Chapter 3, the field research conducted to develop this framework had some caveats due to time and mobility restrictions. More in-house research carried across different categories of women and LNOBs involved in SMEs, specifically owners, working family members, employees and dependents, will help the project to understand and validate how its work can affect these different beneficiary categories. Such research will help RSMEDP to further fine-tune its approach on GESI strategy (see below, last step) and consequently improve measurement related to it.
- ✓ **Update intervention-specific results chains to map out the anticipated impact on women and LNOB.** As explained in Chapter 5, update all results chains to articulate specific impact on women and LNOB. This exercise will help RSMEDP to have a more clear and defined focus on how individual interventions aim to benefit women and LNOB.
- ✓ **Conduct early impact assessments to validate initial hypothesis.** At the time when this GESI RM framework is developed, interventions are still in their early stage of implementation. Hence this document is based on current literature and initial hypothesis and assumptions on anticipated impact of RSMEDP's work on women and LNOB. It is crucial to test this hypothesis by measuring along each step of intervention results chains to check to validate whether the tangible benefits anticipated for women and LNOB take place and which beneficiaries are impacted as a result of.

- ✓ **Reflect on and refine the GESI strategy and RM framework** RSMEDP's GESI context and strategy document was defined early in the life-cycle of the project. As the project is maturing and adapting based on learning from initial interventions, it is important to also reassess the strategy and this RM framework to ensure that the project can maximize impact on women and LNOB and measure these in a credible manner.

Annex I: Checklist of questions to check on women's perception on business and economic-related to decision-making

The questionnaire below has been adapted from Linda Jones' Women's Empowerment and Market System's Framework (2016) and Adam Smith International's guidelines on Measuring Gendered Impact in Private Sector Development.

The first checklist below should be used by RSMEDP to check whether female-led SMEs as well as spouses of male-led SMEs who perceive themselves to play a leading role in business and economic-related decision making, play such a function. The second checklist should be used to check whether female employees of SMEs play a leading role in their business and economic-related decision making. The questions should be asked to the female members involved in the SME directly (not to male).

Key decisions related to enterprise	Decision maker Male (M) Female (F) Joint (MF)
Questions for female SME owners and wives of male SME owners who manage the business jointly:	
1) What activities members of the enterprise does?	
2) Who to hire in the enterprise?	
3) Whether to apply for loan?	
4) What to do with loan?	
5) Which inputs to buy?	
6) Which productive assets to buy?	
7) Where to sell products/services?	
8) How is revenue invested?	
9) What money is saved?	
10) How much money to allocate for household expenditure?	
Questions for female employees of SMEs	
1) Whether to take this employment opportunity?	
2) How to allocate time for this work (in the case of seasonal labor only)?	
3) Negotiations on the terms of employment?	
4) How to use the salary earned from this employment?	
5) Whether to save money earned from this employment?	
6) How much contribution to make for household expenditure out of the money earned?	

Take the following steps to calculate the index for the owner or for the employee:

- Count every response where the decision-maker is F or MF as 1.
- Calculate the total number of points per each respondent

- Count the total number of answered questions. (Exclude the questions that may not be relevant for the respondent. For example, a respondent might not be able to answer question 4 for SME owner, if the SME has not taken a loan)
- Divide the total number of points by the total number of answered questions, for example, 5 divided by 9 for SME owner in 0.6. The result is the respondent's score on enterprise decision-making.
- To calculate the average value of the index for a specific intervention, take the average of all respondents.
- The closer this index is to 1, the more women are involved in enterprise decision-making. 0.5 is the cutoff point. If the average score is higher than 0.5, then those respondents will be considered to have a positive perception on business and economic-related decision-making.

Annex II: How to assess resilience of an enterprise (inclusive of female and LNOB enterprises)

An enterprise's resilience can have different resilience factors that influences its ability to respond to external socio-economic and environmental shocks. While there is some emerging research and frameworks to assess market systems resilience by USAID, Mercy Corps, GOAL in the context of market systems development projects, there is lack of proposed methodologies attempting to measure enterprise resilience. This may be due to the fact that measuring enterprise resilience requires an understanding of the complex interconnections and interrelationships of an enterprise with its environment. Secondly resilience is an attribute, which may not be measured during the 'normal' operation of an enterprise. Thus, in RSMEDP's context in order to measure whether interventions lead to increased resilience, the measurement needs to focus on checking the 'resilience gaps' an intervention might address and how it fills those gaps. For example, if an intervention works to make it easier for all SMEs including women and LNOB-owned SMEs to access a loans quickly, is that indeed happening and then verifying at the SME level on whether indeed it has become more easier or difficult.

The checklist below includes some questions that can be used at the enterprise level to check the various dimensions of SME resilience. However, the measurement of increased resilience would be entirely dependent on whether the intervention contributed to towards improving any of these dimensions of resilience. This checklist draws from the [UNDP, UN Environment and IUCN's SEED Fund's work in mapping enterprise resilience](#). The questions should be asked to make a comparison on whether circumstances related to the different dimensions have improved during the intervention timeline.

Business resilience: Whether SMEs have the ability to adapt their business model to meet changing circumstances. For example, SMEs can get support from value chain actors to continue operations

1. Has your business portfolio expanded to have additional income streams?
2. Can you rely on other value chain actors who you are connected in your business (e.g. suppliers, manufacturers, dealers) to help you in events of shocks and stresses? How so? Has the situation changed recently and how?

Financial resilience: Whether SMEs have the ability to deal with circumstances related to irregular cashflows and/or cash strapped environments. For example, SMEs have quicker turnaround times to get fast loans from financial institutions

3. Has your cash reserves or savings improved? How has it improved and why?
4. Do you have access to suitable loan and/or grant products? Has this improved and how so?
5. Do you think that you have the financial reserves to manage your cashflow in the case of a shock or stressor? Has this situation improved?

Organizational resilience: Whether SMEs have agile organization structures with people with different skills to switch and maintain roles in different circumstances. For example, SMEs have people playing multiple functions with similar skill sets who can take over each other's roles

6. Do you have family members in your SME who can take over your role and functions if needed? Has this improved?

Market resilience: Whether SMEs have the ability to change their target markets based on pressures in target markets. For example, SMEs can use promotions services to target different clients.

7. If the economic environment changes for your target market, do you have the ability to switch to different markets?

Annex III How to assess better employment related to reduced workload and improved workspace for women and LNOB

Reduced workloads for women and LNOB:

In order to assess whether RSMEDP interventions have an effect on women and LNOB's workloads, the project will need to carefully trace out the link between intervention activities and its impact on reducing women and LNOB's work burden. This could happen in different ways, such as when an SME uses a loan that was made more accessible through RSMEDP's intervention, to invest in mechanization of physical labor. This can be measured by checking the following:

- the time saved due to an intervention (number of hours saved in a day related to project-related intervention). This could even be further quantified in monetary terms if the time saved is used to invest in an economic opportunity.
- If the additional time is used for leisure, then satisfaction of available time to use towards leisure.

The latter indicator is important to assess whether women would 'like' more free time and whether they want to use it more leisure or work. RSMEDP should be careful not to assume that more or less time spent on economic activity leads to empowerment. It is thus important to check whether women can exercise control over how they use their time.

Improved workspace:

It is difficult to pre-set indicators and questions related to workspace improvement, as it can happen in multiple ways. Thus, most importantly it is first important to identify how a workspace improvement can happen as a result of RSMEDP interventions, then determine who it may benefit and how. This would help establish the questions that can help to measure changes against the workspace improvement. For example, if due to RSMEDP's intervention to increase HACCP certification among guest houses, guest houses choose to get certified and improve their physical facilities such as by setting up different toilet facilities for male and female employees. In such a case, RSMEDP can measure this specific impact by checking whether guest houses have established separate toilets for male and female employees, and whether the employees are satisfied with this.



Rural Small & Medium
ENTERPRISES DEVELOPMENT
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