EMPLOYMENT OPPORTUNITIES FOR WOMEN IN INDIA’S GROWING FINANCIAL SECTOR

A quick study across four States

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Abstract: India’s financial services sector has been among the fastest growing sectors in the economy, a trend that is likely to persist given the diverse opportunities that continue to emerge as the sector expands. There clearly exists potential employment for first-generation educated women from the informal sector who aspire to be gainfully employed in financial services. However, women’s share in employment in Scheduled Commercial Banks remains at a dismal 22 percent and 12 percent in microfinance institutions. This paper aims to identify the opportunities available for women in India’s financial sector, and the obstacles they face in accessing them, both from the demand and supply side. The study has been undertaken by the Self-Employed Women’s Association (SEWA), which has, for years been working to improve women’s access to financial services in India, particularly for women who work in the informal sector and are in need of finance. It draws on multiple, small area studies that SEWA has conducted in different parts of India on barriers women face to accessing funds, as well as qualitative interviews commissioned as part of the World Bank’s Skill India Mission Operation (SIMO). Finally, the paper presents recommendations aimed at improving occupational choices and employment for women in financial services in India.

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INTRODUCTION AND STUDY OBJECTIVES

Despite the rapid and consistent growth of the financial sector in India, there is a widening gender gap in the country’s financial industry, with women underrepresented in employment at nearly every level. Total female employment continues to form a small proportion of India’s scheduled commercial banks (SCBs). As of 2014, women accounted for only 22 percent of overall employment in all SCBs in India\(^1\). Additionally, women are not adequately represented at high and managerial positions in financial institutions and at 11 percent, fall significantly below the 16 percent global average of being represented at an executive or board level in such institutions\(^2\).

At the same time, there is massive potential for women to participate in the financial sector. There are many women in the informal sector who aspire to be gainfully employed as financial intermediaries. Moreover, women are also seeking to participate in the finance sector from the demand side: they need to save and borrow funds from formal financial institutions to finance their entrepreneurial ventures. The other big shift in India has been that of an increase in girls’ education. In the last decade or so, the percentage of girls enrolled in higher secondary education has more than doubled from 25 percent to 56 percent and in college education has almost tripled from 9 percent to 23 percent\(^3\). The shift is largely seen in rural India, where many girls are among the first women to set out of their homes for an education\(^4\). These girls are seeking work and income, and the financial sector can be a potential source of employment and income generation for girls and women with school or college education.

Women’s ownership of bank accounts has increased, but utilization remains low. India witnessed a surge in bank account ownership during the period 2014-2017: 80 percent Indians owned a bank account in 2017; an increase of 45 percentage points since 2011, and 27 percentage points since 2014\(^5\). This surge has been attributed to the Pradhan Mantri Jan Dhan Yojana (PMDJY). Among women, there was an increase of 51 percentage points in account ownership between 2011 and 2017. Following the launch of this scheme, the number of Basic Savings Bank Deposit (BSBD) accounts rose rapidly from 255.4 million in July 2014 to 1.09 billion by March 2017. Of these, women account holders stood at 436.5 million.

However, this push for financial inclusion has not fully achieved its objective of financial inclusion as 48 percent of accounts remain inactive. The gender gap in these inactive accounts is notable: 54 percent women account holders report not using their accounts, while 43 percent men report inactive accounts. Furthermore, only about 20 percent of accounts are being used for savings, with most savings still being held in informal avenues. Borrowing is a major need of households, and in one year about 45 percent of Indian adults borrow, but only 10 percent borrow from formal sources\(^6\).


The objective of this study is to identify the work opportunities available for women in India’s financial sector, and understand the obstacles they face to accessing them both from the demand and supply side. The study has been undertaken by the Self-Employed Women’s Association (SEWA), which has, for years been trying to improve women’s access to financial services in India, particularly for women who work in the informal sector and are in need of finance. It draws on multiple, small area studies that SEWA has conducted in different parts of India on barriers women face to accessing funds, as well as qualitative interviews commissioned as part of the World Bank’s Skill India Mission Operation (SIMO) which proposes to increase access to quality and market relevant training for both men and women who comprise India’s workforce.

STUDY METHODOLOGY

Between August and November, 2017, and as part of SIMO, SEWA drew on its network of organizations across Indian states to test the scope of employment for women in the financial sector. The study involved primary interviews with managers and staff of financial institutions, financial technology service providers, and women themselves in four states: Delhi, Bihar (rural-Katihar), Maharashtra (urban-Nagpur) and Punjab (urban-Chandigarh). These states were selected on the basis of financial sector coverage and SEWA’s own presence. A total of 38 interviews and 12 Focus Group Discussions (FGDs) were also conducted with women to understand the barriers they face to entering the sector.

A wide range of stakeholders were targeted for primary data collection. To cover the spectrum of the Indian banking system, five kinds of financial institutions were identified: public sector banks, private sector banks, cooperative banks, regional rural banks and microfinance institutions (MFIs), and non-banking financial companies (NBFCs). In addition, interviews were also conducted with financial technology service providers who provide a viable source of employment for women in the financial sector. Among the women interviewed, the study covered a wide range of female financial intermediaries, whose nature of operation and scope of work, at times, differed only in nomenclature. They included, for example, Banking Correspondents (BCs), Bank Sakhis, Customer Service Points (CSPs), Bank Mitras, Vitya Saathis, Bank Saathis, Microfinance and Housing Finance Companies’ (HFCs) Loan Agents, Direct Selling Agents, and Saving Products Agents. Finally, FGDs were held with a general population of women who use banking services. Discussions were held with two groups of women: older women who use financial services or are new entrants into the banking system as account holders (mostly of Jan-Dhan accounts); and young, educated women seeking employment opportunities. Organizations such as Sa-Dhan provided the introduction to Small Finance Banks, MFIs and NBFCs. Female employees in these organizations led SEWA to companies providing financial services as BCs, and who, for example, had tie-ups with public sector banks to provide technological support in the financial domain. A list of questions asked as part of the primary interviews is appended as Annex 1.

Finally, secondary data was used to understand the current landscape of the financial sector. Drawing on SEWA’s internal studies, as well as a few others, provided further insights into the financial sector from women’s perspective.
KEY FINDINGS

The increasing potential of employing women as financial intermediaries

The importance of financial intermediaries, particularly for the purposes of opening bank accounts, is increasing. Figure 1 below shows the trend in the number of savings accounts opened in SCBs. As of March 2018, 536 million basic savings accounts had been opened in India, a sharp rise compared to the 73 million accounts opened by March, 2010. Of these, 231 million accounts, or nearly one in every two, were opened through business correspondent agents or financial intermediaries. This is indicative of two important factors. First, financial intermediaries are capable of carrying out financial functions and are more effective than a brick-and-mortar financial institution in reaching out to remote areas owing to their mobility. Second, there is ample opportunity for roles in the financial sector for mobile agents to act as representatives of financial institutions, especially given the fast pace at which the sector is expanding.

Figure 1: Sharp rise in number of saving accounts opened with Scheduled Commercial Banks

Female staff comprises a very small proportion of the MFI workforce. The Bharat Microfinance Report (2017) by Sa-Dhan reveals that the total microfinance workforce in 2017 stood at 89,785 workers. This excludes six large MFIs that now fall under the Small Finance Banks category. Field staff make up 60 percent of the total workforce. Women comprise only 12 percent of the total workforce and 11 percent of the total field staff. Figure 2 depicts the yearly trend of female staff in MFIs. Interestingly, it shows that while in 2014, women comprised 19 percent of the total MFI workforce, this number has shown a steady decline since in the following three years.

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Figure 2: Ratio of female staff to total staff in MFIs

Source: Sa-Dhan (2017), Note: 168 MFIs and 4 Small Finance Banks reported data for this study

Another report published by the Helix Institute of Digital Finance (2015) on the Indian financial agent network finds that of the 2,682 active financial agents surveyed across rural and urban locations, only 9 percent were women.

The potential for hiring women in MFIs however is high. The International Finance Corporation (IFC), for example, recommends promoting a friendlier environment for women customers through hiring and training more female staff. An IFC study (2017) reveals that the finance gap for women-owned MSMEs is Indian rupees 6.37 trillion ($116 billion), or 73 percent of total demand (Table 1).

Table 1: Finance demand, supply, and gap for women-owned MSMEs

<table>
<thead>
<tr>
<th></th>
<th>Total demand Indian rupees trillion ($ billion)</th>
<th>Total supply Indian rupees trillion ($ billion)</th>
<th>Financing gap Indian rupees trillion ($ billion)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Micro</td>
<td>2.05 (37.36)</td>
<td>0.76 (13.76)</td>
<td>1.30 (23.58)</td>
</tr>
<tr>
<td>Small</td>
<td>6.42 (116.70)</td>
<td>1.43 (25.91)</td>
<td>4.99 (90.79)</td>
</tr>
<tr>
<td>Medium</td>
<td>0.21 (3.75)</td>
<td>0.13 (2.38)</td>
<td>0.08 (1.36)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>8.68 (157.80)</td>
<td>2.31 (42.05)</td>
<td>6.37 (115.75)</td>
</tr>
</tbody>
</table>

Source: Micro, Small, and Medium Enterprise Finance: Improving Access to Finance for Women-Owned Businesses in India, IFC, 2017

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Using Women’s World Banking and IFC’s finding/recommendation that women entrepreneurs prefer engaging with women sales staff, the demand of covering a finance gap of INR 6.37 trillion can give a major push in employing and training more women in the financial sector.

**The National Skill Development Corporation (NSDC)** estimates 3.7 million incremental jobs for financial intermediaries between 2016-2022. As per the estimates from The Helix Institute of Digital Finance, women currently account for approximately 10 percent of financial intermediaries. If these levels were raised to 30 percent, then of the 3.7 million projected jobs, 1.1 million could be taken up by women financial intermediaries.

**The potential for employing female financial intermediaries has also increased with the introduction of new types of financial institutions.** With an emphasis on financial inclusion, the Reserve Bank of India (RBI) has granted licenses to ten new small finance banks and eleven payment banks. As of 2017, seven small finance banks had already started operations. These banks are geared up for expansion across the country, which would mean massive employment generation. These new kinds of institutions have been introduced to expand banking services and achieve financial inclusion among the masses, who had been hitherto financially excluded, especially the low-income households. Needless to say, such institutions avail the services of financial intermediaries as an important part of their customer outreach. The Utkarsh Small Finance Bank in Nagpur is one such institution that was also covered by the study. Utkarsh has a total of 7 branches in Nagpur, two of which are all-women branches and are performing well according to an interview with a branch manager. Utkarsh is planning to diversify further across different states. Additionally, a new multi-state and multi-branch business correspondent model has also emerged. HCL Infotech – a provider of IT services – is a business correspondent company which serves six States in eastern India. The BC Company has a strength of more than 3,000 financial intermediaries or sub-agents. With a rapid increase in the number of branches of such banks pan India, there is tremendous opportunity for women to tap into the role of a financial intermediary.

**Box 1. How does a Banking Correspondent Company operate?**

Oxigen Services India Pvt. Ltd., a Gurugram based company is an example of a BC Company which has 100,000 outlets and 19,000 sub-agents spread across India. Oxigen is a BC for State Bank of India (SBI) and provides SBI kiosk and Micro ATM agents’ services in remote areas.

Oxigen is currently working with the Jharkhand Government, collaborating with the National Rural Livelihood Mission (NRLM) for training tribal women as BCs. This is a pilot project under which 2,000 BCs will be trained in rural Jharkhand. So far, 125 tribal women have been trained as BCs. For this project, Oxigen reached out to self help groups (SHGs) of women in villages, who identified women interested in taking up banking as a livelihood opportunity and who had minimum educational and technical qualifications for the job. The company is targeting girls who have passed class 6 or 8 and have basic knowledge of mobile phones for its mobile Micro ATM based BC services. In order to be a CSP (customer service point) or a Kiosk-based BC, one should be 12th pass or a college graduate with basic computer skills. The shortlisted women are then given training on financial literacy, basic banking, banking products and use of technology in banking.

The company gives handholding support to newly trained BCs till they reach a minimum earning level (INR 2,000) from their banking operations. At the same time, they also reach out to the community and build their capacity on financial literacy and banking.

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Using women to tap into latent female demand for financial services

Women (especially informal sector workers) need to save, and in order to achieve that, they need reliable doorstep banking, which is best provided by mobile banking agents. Women are intrinsic savers and therefore, it is crucial to address women as part of the country’s demographic who need access to financial services, especially savings. Their savings may be erratic and small given the largely informal nature of their employment in the country. Nevertheless, their need to have a safe place to save their money is ubiquitous. Women’s World Banking points out that on an average, women tend to save about 10 to 15 percent of their earnings. Even the much younger section of girls accumulate money on a regular basis. Given the societal and mobility restrictions that women often face, the prospect of saving within a formal institution is achievable if female professionals on-ground were to provide them with doorstep banking.

SEWA’s internal studies suggest that women tend to save and borrow more when they are served by female financial intermediaries. A basic income pilot conducted by SEWA in the state of Madhya Pradesh (MP) in 2011-12 compared the extent of financial inclusion in villages where SEWA operated through its network of *vitya saathis* (female BCs) and villages where SEWA was not present. Figure 3 describes the percentage of households with specified forms of savings, by village type. It was found that in non-SEWA villages where no basic income was transferred, women held only 24 percent of their savings in formal financial institutions such as banks and cooperatives. In comparison, in SEWA villages, 64 percent of women’s savings were in formal financial institutions.

**Figure 3: More women put savings in financial institutions in MP when in touch with a female BC**

Similarly, SEWA has been organizing its members into SHGs in a few districts in Bihar, including Munger, Bhagalpur and Katihar for almost 15 years. In 2012, SEWA started using financial intermediaries, or *vitya saathis*, to collect money door-to-door. Their employment was made possible through the registration of a formal Thrift and Credit Cooperative, which currently has a strength of

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around 18,000 women members. SEWA observed that these members were saving about INR 100 per month in 2011 before the outreach from the *vitya saathis*; their savings increased by nearly 5 times, to INR 525 month in 2014 after the *vitya saathis* started approaching them door-to-door (see Figure 4).

**Figure 4: Rise in women’s monthly savings in Bihar following the involvement of female financial intermediaries**

![Figure 4: Rise in women’s monthly savings in Bihar following the involvement of female financial intermediaries](image)

Source: Figures based on SEWA’s internal research (2014)

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**Box 2. SEWA’s Bihar Thrift and Credit Cooperative**

Bina Devi is the President of the Bihar Cooperative and has worked with SEWA since 2002. She used to make *agarbattis* at that time. She has studied till class 8 and was engaged as a frontline health worker. She had received training from SEWA and started forming women’s Self Help Groups. In 2012, she inspired several women to form their own financial cooperative by encouraging them to contribute at least INR 100 each as share capital. With other women leaders, she also set up a cadre of 20 young girls as Financial Literacy Trainers. Bina *ben* believes that community resources need to be strengthened and services must be provided by and to them.

Today, the Cooperative network has spread in Bihar due to this conviction. Financial intermediaries are chosen from the community, trained and compensated through the revenue of the cooperative. There has also been a gradual shift from manual to technology driven services through women who had never operated a mobile phone. Loan and savings products are designed by the board members, based on the demands that originate from the field, and are carefully assessed. Bina *ben* commands respect in society because of her achievements and the generous gestures she has offered through her activities. She feels women suffer from the lack of information that keeps them from achieving much in life. She strongly feels that the right training would bring more women to the forefront in the financial sector. Bina *ben* mentioned that in any training session, women have to stay overnight in other districts. SEWA provides guest house facilities, which has addressed serious issues of security and has provided opportunities to women to grow in this sector.

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Much as the case in Bihar, the introduction of female CSPs selected from within the communities by SEWA in Uttarakhand has led to significant increases in the number of saving accounts opened as well
as an increase in the amount of savings mobilized by SEWA members. Nearly 81,880 savings accounts were opened in the year 2016, of which 75 percent accounts belonged to women and 25 percent to men. Total savings in these accounts in 2016 was INR 17.8 million, of which 48 percent were amounts saved and mobilized by women in their accounts, and 52 percent by men (Figure 5). This was in sharp contrast to the distribution in 2010-12 where only 20 percent of savings came from accounts held by women. The increase was facilitated largely by women’s network of CSPs, who earned a monthly income in the range of INR 4,000 to INR 5,000.

**Figure 5: Increase in savings by women after introduction of female CSPs in Uttarakhand**

![Chart showing increase in savings by women after introduction of female CSPs in Uttarakhand]

Source: Figures based on SEWA’s internal research (2016)

SEWA studies also show a positive impact of an increased presence of female financial intermediaries on livelihoods of women. A study on the expansion strategy of SEWA Bank in Ahmedabad, Gujarat revealed the positive and long-term impact of increased access to microfinance on female labour force participation. It was observed that through the introduction of bank saathis (loan collections officers) as part of SEWA’s expansion strategy, the participation of women in the labour market increased by 7 percent and 3.2 percent in 2009-10 and 2014-15 respectively. This increase in women’s employment was sustainable and also enhanced women’s ability and independence in making household decisions, especially those related to finance. Moreover, an increase in the number of bank saathis in Ahmedabad was accompanied by a steady increase in the number of formal borrowings (loans taken increased more than deposit accounts)\(^\text{13}\).

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The number of women employed in financial institutions is dismally low. Our study seemed to reaffirm the macro numbers presented earlier in figure 2. Most of the field agents and employees of the financial institutions we interviewed were male. Perhaps the most dramatic example was that of the micro finance institutions where we found that while all the clients were women, all the officers in the field were male. In the banks, although there were women in the back office, most of the sales executives were men. The Katihar branch of a public sector bank reported only male sales executives.

There seemed to be multiple reasons why women were not entering this field and most of them seemed to be related to the socially determined roles that women have been traditionally assigned. Both men and women viewed women’s abilities and aspirations through these lenses and this determined why women were either unaware of the opportunities, or were hesitant to enter the field, and why managers did not encourage them to apply or assigned them only back office jobs when they did apply.

Women are not aware of jobs in the financial sector. There are few counselling centres in schools and colleges that expose girls to opportunities in the job market. Girls in one FGD told us that they did not know what jobs were available to them. They were only aware of government jobs and private jobs, and sought the government jobs. Girls in an FGD in Muktsar, Punjab said that they were all planning to take up jobs but none of them had heard of banking as a possibility. Many of them said that they did not know what educational qualifications were required and how they would go about finding that out. This lack of knowledge closes out options for most girls as the allure of a decent government job remains.

“Our guardians stress on Government jobs, they say our life will be easier. There are many facilities in government jobs, especially retirement benefits”.

– A young girl in an FGD

“In our family everyone believes government jobs are the best, and not private jobs, but few people get them”.

– Another FGD participant

Guidance is often lacking.

“Most girls who only finish 12th class do not know where to go from there. There is no one to guide them. Their parents are usually not educated and teachers do not take on this responsibility.”

– Sushma Kumari, financial intermediary with an MFI (Punjab)

Women as business correspondent agents

“We have employed more than 4,000 bank mitras, of which 1 percent are women.”

– A BC company in Bihar

A Gurugram based BC company reflects the same scenario. The company has 19,000 bank correspondents all over India but data on women correspondents is not available.
‘traditional’ government jobs are hard to come by and the private ones they know about are low paying. Monika, the daughter of a domestic worker in Bihar had just completed class 12. She sometimes accompanies her mother to work, but says, “I am willing to work in any job, I need guidance. I have studied to work in a job and not in somebody’s house.”

Box 3. Sukanya’s story
Sukanya works as a CSP near Faridkot (Punjab). Earlier in her life, she had some experience in money exchange but later opened a ladies’ parlour and decided to pursue her studies simultaneously. She chanced to meet a male CSP and observing him realized it could be a potential employment opportunity for her. She met the CSP’s Bank Manager and expressed her desire to work as a CSP. She received a day’s training and shadowed the CSP for a month. She felt confident to take up this role. She finds the work very fulfilling as not only is she able to provide financial services through her role as a CSP, but many people often come to her seeking financial guidance. She feels she has bridged the gap between the customer and the bank. Since her interaction with another CSP, and exposure to banking at large opened the window to this opportunity, she insists that in rural areas especially, awareness must be generated for young girls willing to work.

Women feel that they do not have the skills required to have a career in finance; some fear the pressure of targets.

Women often feel that they do not have the requisite skills for a career in the financial sector. Many girls did not perform well in mathematics in school and feel intimidated by the fact that they need to keep accounts and make calculations. Another fear is that of handling other people’s money. Most of them are used to handling small amounts of their own money but they feel that if they have a large sum they may not be able to manage it. They also feel that if they make a mistake or if ‘something went wrong’ with other people’s money or public money, it would lead to a loss of face and respect and may even invite legal repercussions. They are worried that their families would be upset if that happened.

Many women and girls said that they did not know what banking was all about. But, this too has been changing. All the women we spoke with had accounts and the girls too had accounts throughout the schooling years. However, many of the women said that they did not handle these accounts on their own, but let their husbands carry out the transactions.

Financial responsibility largely remains with the male members of the households.

“Our parents, mostly our father, would handle the transactions. But often we would help him to fill in the deposit or withdrawal slips”.

– Young participants in FGDs

A few women and girls said they had never been to a bank, but many said that they did go to open their accounts and to withdraw or deposit money. Some had even used ATM cards. So, women’s familiarity with banks has been growing in recent years. Also, since most MFIs deal with women’s groups, women tend to be familiar with the role of loan officers and sales agents.

It is crucial to note that a woman associates family prestige with the money she handles, and she is afraid that if it gets stolen she will be answerable not only to the institution, but her entire family’s reputation would be at stake. According to her, men are used to taking risks and gambling with money, and

Women can also at times feel pressurized by the community and their peers for getting their loans sanctioned.
Most young respondents were intimidated by the idea of targets.

“We do not have the skills or the self-confidence…. if we are given targets, we would not be able to manage them”.

— Young participants in FGDs across all four States

Box 4. Prerna Kumar – The thirst to learn often transcends all constraints

Prerna Kumar is a 22-year old financial intermediary who works with a private housing finance company in Nagpur. She quit her previous job (also with a private housing finance company) because of processes that led to delays, which she did not enjoy. In her previous job, Prerna’s role was to popularize a loan product designed for women customers as it had not been doing well. But she quit that job as there were no incentives offered. She quit after, however, after one year because she wanted the experience. Prerna said that her exposure to the field encouraged her to take up this role. “I feel one can only gain true experience by setting foot on the field and not behind a desk”. She made the switch to sales; her health was severely impacted as she was not used to travelling so much. Her parents were worried and wary of her resuming work, and suggested she switch back to operations. However, Prerna stood her ground and continued working in sales. She especially enjoys being on the field as she gets to interact with many people. She said, “even if I get paid more for another job, I would not take it up. I want to grow in my field only and learn the most”. Gaining knowledge seemed to be her biggest motivator. She talked about the targets set up by the management as a big challenge which creates pressure on financial intermediaries. She believes that the right kind of training is very important to include women. The training should be such that the importance of doing this work comes out. Also, the policy knowledge should be properly imparted during the training.

In another interview, the Assistant Branch Manager of a private sector bank in Katihar spoke about their group loans where women members are the beneficiaries. These group loans are managed by sales executives, all of whom were male, with an outreach of 300 clients each. Though the branch does not work with intermediaries, the manager felt that women’s reach would be limited and that they would not have the skill to handle too many clients.

The Manager of a Housing Finance and Mortgage Company in Nagpur also believed that women in this sector lack adequate knowledge about home loans and mortgages. Their lack of awareness, coupled with the late hours required for this role, would prohibit them from taking up such roles, which will further deter managers from recruiting them.

An informant who was on the board of a financial services company and was a veteran in the sector, stressed on the lack of sensitization on the part of managers. According to her,

are not answerable to anyone. In India, it is the first or the second-generation women who are handling public money. For men, it is not the same. Men have been handling public money since ages.

Another fear is that of pressure and targets. This was expressed most by the male managers who said that women were unable to handle pressure and would start crying if reprimanded. They said that women often could not meet targets as that required them to be aggressive. Some women managers did not agree and said, that being in this sector depended on the personality and mentality of the person. If she had the right professional approach, she would be able to manage. Many of the girls from the FGDs too were intimidated by the idea of targets.

The nature of work is perceived to be aligned towards men more than women.

“The MFI sector requires a lot of hard work, we have to travel to far distances. At times we even have to skip meals. Women employees require protection and have to work closer to their homes”.

— A Branch Manager in an MFI (Delhi)

Women are thought of as less competent and lacking in sufficient skills.

“Daudne wali sales officer chahiye”, or in other words, loan officers who are capable of running are required.

— Collection Manager of a bank (Nagpur)

A woman, he thinks, would get tired and the late work hours would only aggravate the problem.
they have never been trained to see issues through a gender lens. They make assumptions about women with regards to their travel restrictions and their immobility in rural areas. This mindset surely has a bearing on the recruitment process.

**A male culture in the sector also serves as a barrier.**

Finally, the main barrier to women entering the sector seems to be the lack of women in the sector, especially in field work. The sector seems to have developed a ‘male culture’, and there seems to be resistance towards women, both from the managers and field workers in the sector, as well as from girls themselves who are worried about entering a sector where there are few women.

Furthermore, there is significant ‘male bonding’, with the male staff socializing over a meal or a drink, at places where a woman would feel uncomfortable. As a result, being left out of such bonding activities implies that a woman is often left out of many networks and does not gain the kind of knowledge or understanding that her colleagues have.

On their part, young girls express their discomfort saying that they would not like to join a company where there are hardly any women. They say that they themselves would feel uncomfortable, and that their parents would too.

Indeed, most of these barriers are not restricted to the financial sector and can be applied across sectors. However, there is a need to gain better understanding of the specific barriers related to the finance sector as it offers significant potential for employment creation and inclusive growth. The creation of new jobs for women as financial intermediaries ultimately rests on the viability of the BC model. Existing regulations and constraints limit it from operating optimally. Demand side growth constraints include low levels of financial literacy and a lack of awareness and/or understanding of financial offerings, irregular income, and a lack of trust in the formal banking system. On the supply side, frameworks need to be adapted to the context of women. For instance, in order to extend the reach of financial services beyond savings and deposits to the small credit needs of women through the BC model, it is important to develop a more flexible credit-scoring system whereby women who lack access to land and other property titles are not disadvantaged. Women’s share in bank credit has steadily risen over the past decade. However, the uptake has been slow – as per RBI data on small borrowal accounts (SBA), in 2015, women accounted for around 19 percent of the bank credit under SBAs while the larger share was taken up by men.

**Constraints on mobility and security concerns present restrictions.**

Awareness, knowledge and guidance is just one issue; an equally important one is that of women’s mobility. Many socio-cultural norms intervene to restrict women’s

“*When targets are not met, the Branch Manager speaks in a rough language “gaali golooh ho jata hai kabhi kabar”. However, he cannot speak in this manner to a woman loan officer”.*

– A male sales agent in Nagpur

This is the kind of language that a ‘male culture’ entails and if a woman enters this space, she, as well as, the male colleagues feel uncomfortable.

Married women too face the same restrictions.

“A woman must obey her husband at all times. She is like the shoes on his feet.”

– A well-educated respondent in Delhi whose husband did not allow her to work outside.

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The concept of shame also afflicts these women.

“Society does not approve of women going door-to-door to strangers’ houses.”

– FGD participants from Jalandhar
mobility, norms that are tied up with fears of safety, with family ‘respect’ and with control of her activities. For young girls, parental permission, and for older women, permission of husbands or marital family, is necessary before they can step out of the house.

In earlier times, girls were not allowed out of the house when they reached puberty. Now, while they are allowed to go to school and get an education, their movements are strictly curtailed. There is reluctance to let them get a job, especially one which needs them to work after dark, or a job which requires them to travel far from home. This is partly due to fear of ‘what society will say’, or what rumours about them might arise which may, in turn, affect their future marriage prospects, or that they may have an affair or want to marry an unsuitable boy. However, many of these norms are changing, and women who are actually working feel that they are exaggerated. In an FGD with women in Delhi who worked as community mobilisers, it was underlined that while people surely talked about them, they did not feel it was important and after a while everyone got used to them working. In the end, they gained respect for their work.

The work field remains unsafe for women.
“My branch office is 15 kms away from my home and on the field, I have to suffer harassment of men posing unnecessary questions to me just to waste my time as they are not really interested in taking a loan.”
– A female BC

“Being a woman, you are going out to work. You have come here to spoil our women too.”
– Sunita, HFC loan officer quoting an incident when two drunk men chased her. The next day she went back with her supervisor and confronted the men, who apologised. She says, “It was necessary to do that and I needed to make sure that those men did not bother me as I did not want to leave my job (usko chhudana thha, hame kaam nahi chhodna thha).”

Families are reluctant because it is sometimes unsafe for a girl to be out. In Delhi, the highly publicized cases of rape have scared parents to let their girls to take field jobs. In other cities too, girls say that they do face harassment when passing boys and men. Another issue concerning mobility is that of covering large distances. Men travel on motorcycles, which allows them to cover greater distances, while women, for the most part, use public transport and are unable to reach as many clients as men. This is changing as more women have started to travel by scooter. However, in poorer families, investing in a scooter becomes a constraint. In general, families tend to be more willing to invest in a man’s vehicle but much less on a woman’s vehicle, especially if she is a daughter-in-law.

Societal norms are changing.
“Women do not have these issues. Society does”
– Kamlesh Kumari, Delhi

“It is often a mindset within women themselves. Women get ‘lazy’ about leaving their homes”
– A female BC with an MFI (Punjab)

Box 5. Namita – Self-belief and confidence goes a long way

Namita, who is a young EDO with an MFI in Delhi told us that she always wanted to work in a role where she could help someone in need. She is confident that her role as a financial intermediary would allow her to do that. She finds encouragement within herself as she expressed, “I was interested in the microfinance sector and wanted to work because I believe whatever men can do, women can do too”. However, Namita has had to face some issues. She told us that even though her branch office is 15 kms away from her home, her parents are usually scared about her security, “in the field, there is the usual harassment due to men posing unnecessary questions to me just to waste my time as they are not really interested in taking a loan”. Her advice to women who are financial intermediaries is that a woman must be cautious about her safety in the field and keep her distance from strangers.

As part of her job, Namita was able to learn how to use tablets and other technical skills that provide her with a marketable skillset, “If a woman is looking for a job, then one must become a financial intermediary as it will really allow one to grow professionally”. She is quite proud of her job as she can see that on the field, potential customers open up their hearts to her, which they would not in case of a male EDO. They share everything with her. For her, her job has made the biggest impact on the female customers who want to avail such financial services.
Interestingly, care and other household responsibilities are not the primary reason for not choosing a career in the financial sector. In fact, only a few of the older women in the FGDs mentioned home responsibilities and care of children as the main reason for not choosing a financial career. In India, the care of home, cooking, child care, elderly care, are all responsibilities of the woman, and they are expected to manage both home and work.

However, this is true for any job and not only for a job in the financial sector. As one woman in an FGD in Bihar said, “This job requires convincing people, organizing their documents, and depositing money in the office, which does not have a definite time. Returning home can be very late in the evening and that might be a problem. But things are changing now, even women who are in government jobs return late as they have to commute to other places”.

RECOMMENDATIONS

1. **Employing more female financial intermediaries**: Our study indicates that women-to-women financial inclusion works best. Women, particularly those in the informal sector, respond better to financial intermediaries. To increase women’s financial inclusion, more women should be employed as financial intermediaries. The potential to do so is large given the RBI’s recent effort to open more small finance banks and payment banks. These banks can provide massive employment opportunities. Equally, more women serving as intermediaries to these banks can help connect financial institutions with female clients and help the latter in availing the products offered by them.

2. **Collection of gender-disaggregated data by all financial institutions on employees, agents, BCs, CSPs and other financial intermediaries**: During our research, it was obvious that neither the government nor the private institutions were looking at the financial sector through the gender lens. It is a male-dominated sector and the difference is more stark at higher management positions. Women clients constitute 97 percent of total MFI clients and despite this, the number of women employed in the financial sector is less than 20 percent. Most financial institution managers we interviewed were not aware of the number of women employed but were aware that the percentage was very low. These figures need to be made publicly available to highlight the gender-based discrepancies prevalent in the financial sector.

3. **Raising awareness, knowledge building and career counselling**: There is an urgent need for career counselling around banking sector job opportunities at the school level. In all avenues with high concentration of students such as schools, colleges, coaching centres and vocational skills training institutes, career awareness and counselling should be given by sector experts and practitioners. Students and prospective job seekers should be informed about various opportunities this sector offers and educational qualification and other skills required for them.
SEWA Bank’s decades of successful experience with Bank Saathis as bank intermediaries show that the banking sector can open plenty of livelihood opportunities for marginalized women with minimal education and good communication skills, provided they are given training. This sector has tremendous scope and potential for expansion in rural, as well as urban areas. Lack of knowledge about employment opportunities and the qualifications needed for these financial sector jobs must be dealt with.

Banking is considered a specialized field in which educational qualification in mathematics, accounts or commerce is required. Contrary to this belief, banks provide multiple rounds of training specific to their products and services, so much so that with such training, graduates and post graduates from any academic stream can become banking professionals. There is a need to remove doubts about the sector and help students at an early stage realize the potential in this sector.

During the course of our study, we observed that women garner more support from their families and peers about the possibility of gaining employment when they come across instances of other women working successfully. Women themselves gain confidence and assurance when they see other women in their locality stepping out of their homes for work.

This study has elucidated a few good practices in the country’s financial sector and such examples should be incorporated in the training material. This could potentially be effective even among hiring professionals to reflect on documented success stories of female employees. Awareness materials and dissemination methods used in training need to include role models and best practices.

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<th>Role</th>
<th>Skill Required</th>
<th>Skill Gaps</th>
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| Field outreach-Community relations | BC 6th to 10th class pass | – Awareness training on basic bank products  
– Training and gathering of resources that enable provision of bank products (e.g. portable machines, two-wheelers etc.) |
| Banking | CSP 12th class pass | – Awareness about the existence of the job (preferably through trainings in schools) |
| Banking | Entry level worker Graduate in any subject | – Awareness in schools and colleges  
– Counselling of community  
– Training |
| Banking | Manager Graduate in any subject | – Training in soft skills on leadership and time management |
4. **Awareness among potential employers about the advantages of employing women and what they need to do to attract and retain them:** Having observed the positive impact of awareness among managers on both women’s recruitment and job satisfaction, it is imperative that potential employers be made aware as well. The study describes how recruiting women for the role of a financial intermediary contributes immensely to outreach (especially in the informal sector); women are observed as being more sincere and hard-working; and their professional prowess in back-office operations is well-established. With the right kind of mentoring, women can perform at least as well as their male counterparts. Managers need to realize and appreciate their potential and change their mindset about them.

5. **Provision for capital to buy laptops, POS machines, two-wheeler vehicles, for women who wish to become intermediaries:** All women respondents in the study invariably emphasized the need to facilitate their physical mobility to work. Most of them did not have access to a suitable mode of transportation and shared their concerns about travelling. The role of a financial intermediary entails plenty of travel. Basic investments to help the women get started will be required for them to be successful in the role. Given the less-than-adequate state of public transportation in India, women would need to learn to drive and be given loans to buy their own two-wheelers so they are able to efficiently and effectively cover the geographical area assigned to them.

6. **Enabling access to technology:** Enabling women to become technologically deft would have a definite positive impact on their performance at work. However, the ability to benefit from new job opportunities created in the financial sector also depends on access to technology. As per a recently released study by Harvard Kennedy School, only 38 percent of women own mobile phones as compared to 71 percent men. Digital technologies can enable women to learn about the possibilities open to them and thereby boost their participation in the labour force. Government initiatives are needed to address this asymmetry to ensure that women can reap the benefits of digital technology.

7. **Examine existing training modules and re-orient them towards training women as financial intermediaries:** Women intrinsically have a desire to work outside their homes but lack of awareness and knowledge about the financial sector is a big deterrent. An effective training module meant for women as financial intermediaries must have the following elements:

   (i) It needs to include aspects of finance, technology and operations. For example, training in basic mathematics and record-keeping would be helpful, as would be training on driving, taking photos, scanning documents, digital literacy, and other such skills that would help enhance productivity.

   (ii) There should be a focus on understanding outreach and the financial products that the financial institution has to offer.

   (iii) How to deal with the issues of safety and mobility is an imperative part of any successful training module for women. Self-defence and how to pre-empt trouble must be taught to all women.

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(iv) Counselling to family members is as important as training women as financial intermediaries, so they offer them support to join such work that involves extensive travel.

(v) Confidence-building exercises must be included in the training modules.

Finally, in order to create a sensitive environment where women employees are valued, workshops to educate and sensitize the trainers, managers, and peers of women financial intermediaries should be conducted. This has the potential to address a range of concerns, not only in relation to recruitment and retention of women in such roles, but in also shedding gender stereotypes and embracing new gender roles at the workplace.

**Box 6. Project Kaushalya and the GAIL-SEWA Project**

Project Kaushalya, is a program of National Skill Development Corporation (NSDC) in Gujarat wherein women micro-entrepreneurs are provided training, followed by credit from SEWA Bank. During the first year of the project, 2015-2016, 4,937 women were trained and were also extended credit. Eighty percent of the women took training in financial literacy and financial management. It was observed that women who had taken training in Entrepreneurship and Financial Management (EFM) worked a full hour more per day than those who were in the control group and had not taken training, going from 5 hours to 6 hours. It was most encouraging to see that new skills created new opportunities, while loans gave the requisite financial backing that allowed women who had taken training in the EFM course to increase their incomes as sub-agents by nearly 30 percent (see Figure 6).

**GAIL-SEWA Bharat Project**

Exposure to the financial system improved the saving habits (in formal financial institutions) of the women as well. In recalling the training, women recalled particularly one story ‘Ganga-Jamuna’, about two sisters, one who saved regularly and one who did not, and how their lives played out.

**Training to be financial intermediaries helped develop financial literacy skills in many women.**

A GAIL-SEWA Bharat project on financial literacy and skill development was undertaken in Ujjain in 2015-2017. The project was successful in its main goals of increasing financial literacy among approximately 2,000 women drawn from low income and informal occupations; and increasing income earning capacity of around 400 skill development trainees. All women who participated gained a minimum level of financial literacy (use of bank accounts, ATMs and understanding of value of savings) and the younger, literate ones were also confident in
8. **Awareness among communities and discussion of social norms**: Although many unfavourable social norms exist that deter women from entering financial sector jobs, many women are determined to change them. A sustained awareness campaign is needed among communities, and at the household level, that highlights the efforts of such women and the importance of employment for women. This will have a positive impact on creating a conducive atmosphere for women to work.

9. **Companies should use their CSR initiatives to train women for the financial sector**: Companies can use their CSR funds to provide training modules for marginalized women with no formal education so they can be introduced to the financial sector.
10. Build Partnerships between NSDC and the Sector Skill Council, Banks, NBFCs, Small Banks, Associations of banks, of MFIs, training institutes and NGOs who can mobilize women: The above-mentioned organizations are important actors in promoting and ensuring employability of women as financial intermediaries. A synergetic approach from all said organizations is a necessary requirement to open up job opportunities for women in the financial sector; amend behaviours and conceptual blocks to make them amenable to women and their work; create a secure ecosystem for women within the financial sector, financial organizations and society at large; and acknowledge and appreciate women as equal co-workers to men, both in policy and in practice.

Surely, a boost to the scheduled commercial banks in India and the financial sector at large must be accompanied by a boost to the employment of women in the sector as well. Providing opportunities to women for gainful employment in the financial sector will have a lasting positive impact on the sector from both the supply as well as the demand side.
ANNEX 1: List of Questions for Primary Interviews

To the financial institution manager

- What are the kinds of financial services offered?
- Are any of them targeted to rural areas/the informal workforce?
- How many services are targeted at women? Who avails these services? How do you ensure that these services reach women?
- Do you work with financial intermediaries? If so, how many of them are women? (If this ratio is low) why are women not taking up the role of a financial intermediary? If more women became financial intermediaries, do you think that women would be more forthcoming in availing your financial products as customers? How will it impact financial literacy and inclusion?

To bank intermediaries and other staff

- Why do you think women do not take up positions as financial intermediaries? What can be done to employ more women in these roles? Do you think more women will be willing to avail financial services if another woman approached them as a financial intermediary?

To women financial intermediaries

- Why did you take up this role? What has been the impact that you have seen of this role, both in your professional and personal life? What challenges do you face? How can we include more women in such roles?

To women who are looking for jobs but not doing this work

- Why do you not take up the role of a financial intermediary? If you were not adequately skilled, will you take up this job? If you were not adequately paid, will you take up this job? What are the challenges that you have faced in finding a job? What are the challenges you think you might face in finding a job as a financial intermediary? What do you think are the pitfalls in doing such work?

To the ‘demand’ side

- Why and how do you avail of a financial service? If there is a female financial intermediary, would you be more willing to and more active in availing a financial service?
About SEWA Bharat

Established in 1984, SEWA Bharat is the all-India federation of Self-Employed Women’s Association (SEWA) member organizations, which emerged out of the need to address the SEWA movement’s challenges with geographical expansion and coordination. Its mandate is to highlight issues concerning women working in the informal economy, and to strengthen the capacity of the organizations that serve the interests of these women, especially to achieve their goals of full employment and self-reliance.

About SEWA Bank

In 1974, SEWA Bank was established as an Urban Co-operative Bank, at the initiative of a few poor self-employed women. The objective of SEWA Bank is to provide credit to self-employed women with the view to empower them and reduce their dependence on money sharks, and in the process has proved itself to be a viable financial venture. SEWA Bank has broken the vicious circle of indebtedness and dependence on middlemen and traders, and this has increased the bargaining power of the women.