

Women's Economic Empowerment: Mission Learning Seminar Series

LEARNING BRIEF

Seminar 3: Measuring transformational results: Engaging the private sector to capture and apply evidence

Key Take-aways

- Three standard private sector engagement (PSE) indicators are being introduced focusing on: the number of USG engagements jointly undertaken with the private sector to achieve development objectives, the number of private sector enterprises that engaged with the USG, and the number of private sector enterprises with improved participation in the local economy.
- Two key aspects to measure for inclusion with the private sector are: as a partner in co-designing solutions that increase access and agency for women and marginalized populations, and as a beneficiary, engaging in capacity building to spur inclusive services and improve internal practices by the private sector partner.
- Making the inclusion business case for capturing and applying evidence is critical; this helps to increase sustainability after program support ends by increasing the likelihood that the private sector will see value in continuing to measure and adapt business models or practices to be inclusive beyond the life of a project.
- Ensure inclusion metrics are integrated across tools and processes when engaging with the private sector; a value-add of engaging with development is the help provided to the private sector for collecting quantitative and qualitative data on inclusion impacts more efficiently and effectively.

As USAID increasingly recognizes inclusive market systems development as an instrumental approach for achieving sustainable and equitable impact at scale, [the Feed the Future Advancing Women's Empowerment \(AWE\) Activity](#) launched a virtual **Mission Learning Seminar Series** to capture and share lessons learned and best practices on how to advance inclusion outcomes in programs through co-creation and private sector engagement. This learning series aims to provide guidance to USAID missions and practitioners on how to intentionally integrate inclusion across the project life cycle of agricultural growth and market systems development programs.

[In the first seminar](#), AWE explored ways for USAID to find alignment with the private sector to co-define shared value and to find economic incentives for inclusion and empowerment. [In the second seminar](#), AWE provided an overview of inclusive market research and highlighted ways it can be used to inform activity design. In the third seminar, AWE provided actionable insights for USAID missions to capture and apply evidence from engaging with the private sector. During the third seminar, a representative from the USAID Private Sector Engagement (PSE) Hub, introduced three new standard PSE indicators and discussed the importance of measuring for social inclusion through private sector engagement. A representative of USAID/Guatemala's Creating Economic Opportunities (CEO) Activity discussed during a fireside chat with partner Walmart the case for

Seminar 3 took place on Thursday, March 31, 2022, and convened USAID staff members from USAID/RFS and three USAID Missions (Colombia, El Salvador, and Guatemala) as well as AWE staff from EnCompass, ACDI/VOCA, and MarketShare Associates. It used a fireside chat approach combined with presentations from key speakers and small group discussions.

investment in social inclusion and what data can and cannot be measured. USAID missions then shared their experiences gathering and applying inclusion metrics during breakout group sessions.

USAID Creating Economic Opportunities (CEO) Activity (\$79mil, 2018-2023) in Guatemala promotes trade and investment, mobilizes financial services, upgrades productive infrastructure, and improves private sector competitiveness, benefiting poor and vulnerable populations, particularly Indigenous youth through a market-led approach.

Measuring for transformational results – an overview

For more sustainable and market-driven integration of inclusion within private sector-led activities, USAID can help private sector partners at different stages and places in a market system understand why and how they can collect data on traditionally excluded groups such as women, youth, persons with disabilities, LGBTQI+ people, and ethnic minorities, and communicate this information in a way that adds business value. USAID methodologies, indicators, approaches, tools, and tactics can not only help missions meet their respective goals, but can also help the private sector in meeting its own goals by demonstrating the commercial value of inclusion and strengthening best practices for informed business decision making.

To build the business case for social inclusion, missions must understand how to work with the private sector to go beyond standard project performance indicators and work together to improve measurement and data collection processes that advance inclusion efforts. An integral part of this process is considering the private sector's perspective in collecting this data, as capturing and applying evidence collectively not only leads to the advancement of inclusion but using data also informs business decision making.

To ensure inclusion when the private sector collects, reviews, and applies evidence, we should consider the following:

- **Understand whether USAID and the private sector partner are positioned as partner/collaborator or donor/beneficiary.** This relationship structure has implications for the type of measurement we focus on. *When the private sector is a partner*, it is important to measure the effectiveness and impact of activities, such as products, trainings, or services, that allow women and systemically excluded groups to develop economically and increase their agency through expanded voice, choice, and control of decisions. *When the private sector is a beneficiary*, it is important to measure the impact of capacity building activities designed to increase access for women and other systemically excluded groups to services that result in the company's growth and improve internal practices that promote diversity, equity, and inclusion.
- **Measure what matters.** What is being measured must be important enough for a business to use the results from the data to inform their own decision-making. While this will not always be immediately apparent, this return on investment for a business is part of USAID's work to help the private sector see the value in measuring for inclusion.
- **Consider the private sector's own capacity and incentives** for engagement in gathering and applying inclusion data. The private sector is not a monolith and understanding their perspectives and incentives will ensure we are meeting firms where they are along their inclusion journey and measuring what also matters to them.

From theory to practical application

The concept of socially transformative interventions is relatively new for development practitioners, let alone methods and tools for measuring that transformation when working with the private sector. Over the past few years, several tools, methodologies, and approaches have surfaced that seek to go beyond standard indicators to ensure inclusion is measured and applied as part of businesses decision-making processes.

As part of Seminar 3, AWE facilitated a fireside chat with Luis Arturo Ramirez, Corporate Affairs Coordinator, Walmart Guatemala and Honduras, and Claudia Vasquez, Business Advisor, USAID Creating Economic Opportunities (CEO) Guatemala. During the discussion, the speakers shared practical examples of how the private sector gathers and applies inclusion metrics within their day-to-day operations. Below are some key take-aways that could be useful for USAID missions to consider:

- **Tracking Small and Medium Enterprise (SME) business growth** (primarily through sales, but also the number of clients SMEs target, and staff SMEs hire) allowed Walmart to **identify women suppliers' trends** in Guatemalan supply chains and strengthen their resilience.
- **Investing in building women's skills to assess business risks and opportunities is a key requirement to empowering women** to be leaders and effective business owners. Walmart and the CEO Activity have seen that through capacity building on a range of technical topics, women increased their confidence in making evidence-based business decisions.
- **Capturing qualitative information on the quality of women's business networks and connectedness with other women in business is useful.** For example, referrals and bouncing ideas around allows women to "grow" and take on more opportunities.
- **Inclusion data is a public sector value-add for the private sector when systems and goals align.** To better engage with the private sector, development practitioners need to develop a deeper understanding of the data collection systems of the firms we are working with and find ways to integrate our data needs into these systems so that they can become sustainable over time. Furthermore, there is a need to discuss the role of the public sector when partnering around data. It is also important to communicate the value add brought by the public sector for collecting additional data that is useful to the private sector, ranging from an internal (i.e., human resources) to external (i.e., (consumer) perspective).

Key lessons from Seminar 3 on engaging the private sector to capture and apply evidence

There are several practical tips to consider when engaging the private sector to capture and apply evidence for inclusion efforts and their impacts.

"Participants need to be at the center of any efforts to collect and apply data to promote inclusion efforts at the pre-design phase."

Include participants and diverse stakeholders as part of early design and data gathering efforts. Integrate inclusion metrics at the pre-design phase and make sure the private sector as well as other market participants are involved in the process. Consider including marginalized populations and civil society in discussions with private sector partners in the pre-design phase to align inclusion perspectives, avoid stereotypes, and mitigate risks or unintended negative outcomes.

Go beyond success stories – work with the private sector to understand the benefits of collecting and analyzing qualitative data. Qualitative data can be an impactful measurement tool to

identify gaps, understand systemic impacts, and assess transformation. Both missions and private sector partners should use qualitative data to explore why outcomes occur and deepen understanding of complex dynamics. It can also help missions identify and engage with the right partners. To develop effective qualitative measures, it is important to work with the private sector to clarify what the partner seeks to understand and what they will use the information for. Often, this information is captured at the evaluation stage, but there are many opportunities to collect and review this information during co-creation to support evidence-based shifts in design.

Align inclusion metrics and data needs to existing private sector data systems. It is important to understand the difference between private sector as a partner vs. beneficiary, as well as their capacity and incentives for collecting and responding to inclusion data. Consider the private sector partner's size, industry, and risk profile and ensure alignment between learning needs and systems.

Look beyond standard indicators and metrics. Sex-disaggregated data is both essential and useful for private sector in a variety of ways. However, there are many more types of data that are useful to the private sector that can illuminate opportunities for enterprises to expand, strengthen their practices, or to support women and marginalized groups' ability to advance economically. Consider other information not historically measured such as women's confidence, networks, decision-making power, risk assessment skills, community engagement and leadership, social capital, time use/unpaid care burdens, risk of violence, and access to healthcare and education. Measuring changes in these areas and in people's lives can translate to broader economic benefits at the individual and sector level. Nonstandard indicators such as these can also help the private sector understand the levels of resilience and capacity an SME may have, which can the private sector design more effective trainings and mentoring services for SME staff.

Reflect on and seek to capture unexpected or unanticipated outcomes. As activities progress, private sector partners may observe changes in a market system resulting from new household, market, or community dynamics; new relationships formed; strengthened linkages; and more. For example, Walmart described that some of the women SMEs in their supply chains are now sourcing raw materials from other women SMEs or recommending clients as well as forming associations to buy products in bulk to reduce costs. One of the ways USAID and implementers can bring value to a private sector partnership is by helping them measure changes in social networks using complexity aware measurement methods tools such as Social Network Analysis (SNA) or Outcome Harvesting. These methods enable the private sector to collect evidence of what has changed to better understand inclusion outcomes, deepen their understanding of their supply chain, and use evidence to target future investment.

The resources below provide additional guidance for engaging the private sector to capture and apply evidence in support of inclusion and transformational results.

**Takeaways for USAID
from a private sector perspective:**

- The private sector is interested in tracking sales, number of clients, and people hired within their supply chains
- USAID can play a role in mitigating the risk of the private sector by helping to gather inclusion data to support investment decisions
- Qualitative data can entice the private sector to gather more and better inclusion information

Key Resources

- [How Can I Conduct More Meaningful Market Systems Analysis? – Check Your Ego!](#)
- [How the Private Sector Measures Social Inclusion and its Return On Investment: A Framework to Inform Future Research](#)
- [Outcome Harvesting](#)
- [Outcome Harvest: Influencing Systemic Changes in Agricultural Market Systems in Southwest Bangladesh](#)
- [Private-Sector Engagement Evidence and Learning Plan](#)
- [PSE MEL: Standard Agency PSE Indicators and Harmonizing Indicator Tool](#)
- [The Return on Investment of Social Inclusion—An Evidence Gap Analysis from Developing Countries](#)
- [Visualizing Your Network for Adaptive Program Decision Making](#)

Looking Ahead

AWE Mission Learning Series pivots to East Africa

Seminar 3 concludes the Mission Learning Series in Latin America and the Caribbean. You can read a summary of this learning series for those regions on Agrilinks for [private sector engagement](#) and [evidence-based approaches and best practices for working with the private sector on inclusive development activities](#).

INTERESTED IN ENGAGING AWE?

[Feed the Future Advancing Women's Empowerment \(AWE\)](#) provides targeted technical assistance to Missions, implementing partners, the USAID Bureau for Resilience and Food Security, and other USAID offices to increase women's participation, productivity, profit, and benefit in agricultural systems.

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