

Closing Financial Inclusion Gender Gap

Norm transformative interventions needed

In South Asia, women are 38 per cent less likely to own a mobile phone than men. In addition to social norms around women's phone ownership, collective attitudes concerning women's paid and unpaid work, inheritance and ownership, and mobility outside of the home impact the division of labour within the household. These social norms negatively affect women's ability to benefit from outside economic opportunities—in turn, many women are not able to access and use financial services that would help them.

Social norms refer to the rules and accompanying behaviours that govern social behaviour, perceptions, and conduct. Social norms shape how people behave and how people expect others to behave. These informal rules are often highly gendered in that different norms apply to men, women, boys, and girls, and they impact and resonate in varying ways.

There are two types of social norms: injunctive norms and descriptive norms. Injunctive norms reflect what an individual person feels or understands internally to be the most appropriate behaviour. Descriptive norms reflect what an individual sees or believes to be the most common behaviour of others around them.

For example, a poor woman may abide by the injunctive norm that it is socially acceptable to work outside of the home out of economic necessity, but they may be restricted by descriptive norms around women's mobility in society at large, which keeps them from interacting with financial institutions for fear of strong public disapproval or sanctions. Descriptive norms can be easier to influence than injunctive norms because they are very often derived from misperceptions.

In women's financial inclusion efforts, social norms change programming is rarely embedded in the project design. The focus is mostly on product development and roll out. A majority of these interventions are norm aware—initiatives that work within existing social norms to address market constraints for women. These interventions do not attempt to change unequal power relationships between individuals within a community or challenge deeply rooted expectations regarding women's unpaid care work, ownership rights, or appropriate professions.

Norm-aware programming that works to increase women's access to economic opportunities is no doubt critical for achieving gender parity in development interventions. However, it is

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increasingly recognised that creating workarounds to address norms barriers without changing underlying social dynamics can limit the effectiveness and impact of these interventions and, in some cases, can lead to unintended negative consequences, such as loans diverted to male relatives, increased workloads that do not alleviate other household/community responsibilities, and increased intimate partner violence.

Norm transformative interventions that explicitly work to change social norms through direct engagement of men, women, and the broader community around these barriers are much less common, but increasingly being considered. Unlike norm-aware approaches that seek to create alternative channels for women's financial inclusion, norm transformative solutions attempt to change or remove those barriers and open up equal access for women to the formal financial sector.

This requires thinking beyond traditional partners in financial inclusion (i.e., financial services providers and regulators) to engage a range of individual, community, and institutional actors (e.g., family members, community groups, media, enterprise support providers) needed to challenge perceptions of women's roles that limit their ability to be economic actors and to create scalable and lasting change.

Understanding the social norms at play and the potential influence they may have on financial inclusion programming is not always straightforward, given the hyperlocality of informal rules, which can

differ dramatically by context, even within the same country. Common norms, such as restrictions on women's mobility and safety, intra-household decision-making, unpaid work and perceptions of appropriate roles for women in the community, tend to restrict women's access to and use of finance. Knowing exactly how norms apply in any given context and the opportunities for shifting behaviours through both norm aware and norm-transformative efforts will be critical for closing the gender financial inclusion gap.

It is important that programmes specifically targeting women incorporate a social-norms dimension to any upfront diagnostic work to look beyond classic supply side constraints to access and use of financial services. Diagnostics that explore how women use existing financial services, expectations around women as financial actors, perceptions around access, and ownership of new technology will be critical to designing programmes that bring together men and women to promote development goals that benefit the entire community.

A client-centric approach, where practitioners and implementers collaborate with organisations that understand social norms change and experiment to imbed this learning into future programming will be essential as we think about impactful and transformative approaches to women's financial inclusion.



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