

YOUNG WOMEN BUSINESS CIRCLES

BATONGA'S LEARNING JOURNEY
THROUGH ITS PILOT YEAR



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**THE BATONGA FOUNDATION IS PROUD TO
BE WORKING IN PARTNERSHIP WITH THE
MASTERCARD FOUNDATION TO SHARE
THIS PUBLICATION ON BATONGA'S
LEARNING JOURNEY THROUGH ITS PILOT
YEAR OF THE YOUNG WOMEN BUSINESS
CIRCLES PROJECT.**

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Since 2016, the Batonga Foundation's Adolescent Girls Leadership Clubs have offered safe spaces across central Benin for girls and young women to build their skills, social networks, and self-confidence. With the support of local female mentors, adolescent girls have spent the last six years exploring a curriculum including everything from reproductive health to human rights, financial literacy, and how to manage small, collaborative income-generating activities. Program participants, particularly the original cohort recruited in 2016 and 2017, have played a pivotal role in the co-creation and development of the Batonga Foundation's activities and methodology, providing feedback on lessons, highlighting important gaps in services, and helping us learn more about the greatest challenges and opportunities facing girls and young women like them.

In 2019, many of the earliest-recruited program participants, all of whom had turned 18 by this time, made their voices heard once again, this time to suggest a new way of working with the Batonga Foundation. These young women expressed a desire for more flexibility, more self-governance, and stronger business management skills. As they grew older, their lives grew fuller with responsibilities and their needs for financial independence grew more urgent. In response, Batonga set out on a journey of co-design and co-creation with participants to identify the right strategies to support them on their economic empowerment journeys.



Many women and girls in rural and off-grid communities in Benin turn to informal, small-scale entrepreneurship to meet their economic needs. However, independent entrepreneurship can be risky even once a woman launches her own business. There are still significant barriers to overcome if she wants to take her business to a level that is dignified and sustaining.

After a four month planning phase, with young women as the driving force, the Batonga Foundation launched a one-year pilot project called The Young Women Business Circles program (YWBC). The aim was to test different strategies for engaging and supporting rural women entrepreneurs and professionally active young women in Benin in their journey towards professional and financial self-sufficiency.. This report explores the key results and learnings from the pilot.



DID YOU KNOW?

Young African women across the continent are leading vibrant small and medium income-generating activities that are the backbone of their communities and families alike, despite the disproportionate structural, cultural, social, and economic barriers they face.

Gender-based discrimination, a dearth of capital, and limited skill-building opportunities keep many African women working in low-income jobs in the informal economy. In Benin, 72% of women workers from poor

households are in informal employment rather than formal. In rural, off-grid villages in Benin in particular, formal, waged employment opportunities are rare, even for those equipped with the right knowledge, skills, and resources. Moving out of their home communities to urban centres to pursue economic opportunities is an option that many young women pursue, but also one that also poses its own unique challenges for the young women who set off with little to no social or financial capital.



1. PLANNING TOGETHER: LESSONS FROM THE PILOT DESIGN PHASE AND CO- CREATING WITH YOUNG WOMEN



1. PLANNING TOGETHER



A central tenet of the Batonga Foundation's mission has always been to ensure the voices of African girls and young women are heard and valued. Program design always begins with consideration of the needs and priorities of the participants. As an organization that focused entirely on adolescent girls for the first decade of its work, Batonga needed to gain a better sense of the young women who would make its pilot program a reality.

1. PLANNING TOGETHER

The Batonga Foundation approached its pilot design with as much importance as the actual implementation, through a three step process



**Data speaks volumes:
Understanding the pre-test**



**Conversations lead to
collaborations: Listening to
young women**



**Turning vision into action:
Setting goals to create a
path to success**

Understanding the pre-test

To establish a clear and quantifiable baseline of understanding, Batonga designed a pre-test survey to explore the knowledge, attitudes, and skills of potential program participants. During the pre-test, conducted in February 2021, Batonga Foundation surveyors spent five days collecting data from 60 young women aged 18 to 30 years in four rural areas in central Benin: the communities of Logbo, Azokangoudo, Gbangnanmey, and Tovigome.

1. PLANNING TOGETHER

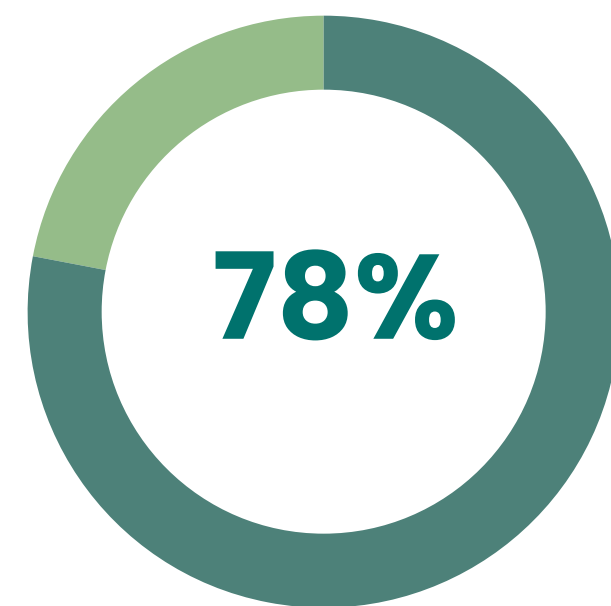


These communities were chosen to give a range of various demographic and geographic contexts.

Communities	Commune / Department	Rural vs. Peri-Urban*	Population
Logbo	Savalou / Collines	Peri-Urban	3,750
Azokangoudo	Savalou / Collines	Rural	1,500
Gbangnanmey	Cana / Zou	Peri-Urban	5,450
Tovigome	Bohicon / Zou	Peri-Urban	5,000

**In this context the term Peri-Urban means areas that are zones of transition from rural to urban land, located between the outer limits of urban and regional centers and the rural environment.*

Batonga discovered a wealth of important information about its program participants, including that, **despite the high rates at which young women were already engaging in entrepreneurship in these communities, they were not being adequately equipped with the skills that they needed to do so effectively or sustainably.**



In fact, 78 percent of respondents had never received any kind of professional or technical training related to their income-generating activities. Over 91 percent of those surveyed said that they did not use any tools or formal strategies for managing their businesses and that they did not know the purpose of such tools. In addition, young women surveyed said overwhelmingly (98 percent) that despite their current activities, their

revenues remained insufficient to cover their basic needs. Young entrepreneurs need financial support and a safe, low-risk space to operate income-generating activities but they are also in dire need of practical management skills, without which their income generation will likely only ever remain at the simplest, subsistence levels. Gaining this perspective on young entrepreneurs' skill sets and economic realities helped Batonga refine its model and tailor its approach, ultimately focusing on the need for professional and financial skill-building.

Listening to young women

When Batonga began workshopping program model ideas with potential participants, it found that they consistently prioritized and preferred collective work, as opposed to individual entrepreneurship.

To launch the co-creation process, Batonga organized a series of conversations with young women across four villages (Sodohomey and Tovigome in Bohicon and Covedji and Tchogodo in Savalou). For each conversation, five representatives from the soon-to-be-formed Business Circles in each community were convened, ultimately bringing together a total of 62 young women to participate in these strategic discussions.



Listening to young women

The original idea was to offer each individual Business Circle member the opportunity to apply for small business seed funding that would help them launch their individual businesses.



However, Batonga found that there was near-unanimous support from participants to pursue collective rather than individual businesses as a means to mitigate risk, share resources and responsibilities, and ultimately create greater social and economic impact. Given the low access to capital and often intense pressures and responsibilities outside of their business, risk and resource sharing can give women the flexibility they need to successfully navigate entrepreneurship. With the strong support of all the discussion group participants, this collective model became the one used across the board when providing funding to Business Circles after their launch.

Setting goals to create a path to success



Following years of experience working with young entrepreneurs in Benin, the learning from the pre-test, and the many productive conversations with prospective participants about their preferences, the Batonga Foundation began setting concrete goals and objectives for its pilot program.

Batonga wanted to provide young women 18-30-years-old

with access to safe, women-only spaces in which they could learn together, share experiences with one another, and launch and test small business ventures in a low-risk environment. Batonga's vision for these Young Women Business Circles was one in which participants could build their professional skills and work readiness while generating a more stable and sustainable income of their own.

Setting Goals

GOAL 1: TO CREATE SAFE SPACES TO NURTURE YOUNG WOMEN'S PROFESSIONAL AND SOLIDARITY NETWORKS

Batonga's Young Women Business Circles are safe, women-only spaces that connect entrepreneurs 18-30 years old with a trained Batonga Business Coach and a group of 20 to 25 of their peers.

GOAL 2: TO PROVIDE BUDDING ENTREPRENEURS WITH THE RESOURCES TO DEVELOP COLLECTIVE SMALL BUSINESSES

Young Women Business Circles were so named because they initially all centered around at least one small business managed by participants themselves. A small business seed fund was created for participants to access as funding for entrepreneurs who can put together a thoughtful and innovative business plan and budget. Following the approval of each business plan, Circles would receive their seed funding and launch their first business. The intention was always that participants would have full and immediate control of the income this business generated.

GOAL 3: TO BUILD THE PRACTICAL KNOWLEDGE AND PROFESSIONAL SKILLS OF YOUNG BUSINESS WOMEN THROUGH BATONGA'S BUSINESS MANAGEMENT TOOLS AND CURRICULUM

To ensure the sustainability of young women's new incomes and that participants had the tools and skills they needed to successfully manage their businesses and savings. Batonga has developed and trained our Business Coaches on a set of easy-to-use business and income management lessons and tools designed to accommodate low literacy entrepreneurs. To achieve this goal, all Young Women Business Circle members would be trained on the use of these tools as well.

2. READY TO LAUNCH:
**A LESSON IN CONTINUOUS
LEARNING**



BATONGA BEGAN BY GIVING THE BUSINESS CIRCLES FULL CONTROL OF DECISIONS RELATED TO THEIR VENTURES- THEIR CHOICE OF BUSINESS, THEIR INCOMES, THEIR MEETING SCHEDULES, AND THEIR PROFIT SHARING MODEL.



2. READY TO LAUNCH

After months of planning and preparation during the height of the COVID-19 global pandemic, the Batonga Foundation launched its Young Women Business Circles in October 2020. Though the added obstacle of ensuring program participants' health and safety elongated the pilot planning process, it also gave the Batonga Foundation the opportunity to intentionally emphasize listening and learning before Business Circles and their businesses officially launched.



2. READY TO LAUNCH



Interestingly, **following their launch, all 50 Young Women Business Circles across 15 communities chose to follow the same annual profit saving and sharing model.** Business Circles chose to use their seed funding to launch a collective business and save 30 percent of their income in the Business Circles' lockbox, managed by an elected Treasurer (a Business Circle participant, not a

staff member of the Batonga Foundation) and divide it between members at the end of the year. Participants expressed a desire to save money collectively and then use their portion to launch their own individual businesses.

When one-size does not fit all...

As the pilot year progressed, Batonga learned that a contextualized strategy for young women entrepreneurs needed to evolve with the participants as they gained skills in financial management.

In the second half of the pilot year, Natacha Agbahoungba, the Batonga Foundation's Women's Economic Empowerment (WEE) Manager, conducted a monitoring, evaluation, and learning visit to hear from the members of the Business Circles to provide them with advice and explore the difficulties that some were facing. During this trip, Batonga found that two Business Circles were struggling significantly with financial management, causing several members to withdraw their participation. A series of discussions and reflection sessions among the women revealed that the collective nature of their work had become a disincentive for all members to contribute equally. Forced collaboration was increasing tensions, decreasing trust, and spoiling the groups' cohesion.

2. READY TO LAUNCH

Luckily, being nimble, flexible and adaptable, are some of the Batonga Foundation's greatest strengths. Hearing that this model was not working in their context, the WEE Program Manager proposed a new model to test. These two Business Circles would share the seed funding equally among all participants at the outset, and use the Business Circle primarily as a resource for knowledge and experience sharing. Participants were interested in this scenario and additionally proposed that their Business Circles function as a tool to help facilitate 'safe savings'. This is a system where participants bring 10 percent of their income back every 15 days and save it in the

Business Circle's lockbox to be safely kept until the end of the year when it is redistributed to all who contributed. Their explanation for the idea behind their model was that each year, each individual entrepreneur would receive more funds to support and improve their individual businesses, as they would be able to safely save more and more through their Business Circle. Understanding that the autonomy to make financial decisions is critical, the Batonga Foundation welcomed the participants' proposed model and immediately set to work helping them make it a reality.

3. POST PILOT IMPACT



3. POST PILOT IMPACT

The number of women who described their personal incomes as “insufficient to meet their needs” decreased by nearly half from pre-test to post-test.



As the pilot year came to a close, Batonga conducted a post-test survey to understand the impacts and achievements of the pilot. While changes in attitudes about income are necessary but not sufficient to bring about economic change in women’s lives, this change in perception denotes progress towards breaking the cycle of poverty in which many women find themselves trapped. If young women can consistently meet their financial needs through safe and dignified work with their Business Circles, instead of relying on male partners or unsafe work for financial support, it will give them more agency in their lives. Batonga is hopeful that the number of women meeting their financial needs through their work with their Business Circle will continue to climb as the program continues.



3. POST PILOT IMPACT

Their confidence in their skills is clear in their actions as well

68 %

of respondents report they are confident in keeping records of their sales and sustaining their ventures as a result of their business management tools and learnings from the Business Circles.



102

young women have taken their share of their income from their Business Circle business and invested it in launching their own independent small businesses.

Young women are also demonstrating this new level of confidence into their everyday lives outside of their Business Circles

3. POST PILOT IMPACT

These are **102** young women who were not previously engaged in entrepreneurship but who, through their participation in their **Business Circles**, gained the skills, confidence, and capital to strike out on their own.



4. APPLYING THE LEARNINGS



4. APPLYING THE LEARNINGS

As successful and well-received as the pilot year for this project was, the Batonga Foundation is a learning organization and internalized the following lessons through the course of the pilot.



Getting the Business Community Involved Sooner

The post-test results were a reminder of the difference between short- and long-term economic impacts. While women's immediate incomes increased across the board, changes to women's formal employment were much slower to take hold. Only five percent of surveyed participants were formally employed- a number which hasn't changed since the pre-test. It is critical to remember that incomes can increase quickly but employability takes more time. As Batonga refines its program model, it will incorporate employability skill-building and work closely with local employers to start engaging young women as apprentices and employees even sooner.



Empowering Participants to Choose their Ideal Model

Like the women that manage them, every small business is different and needs its own tailored approach to thrive. The realities that young women entrepreneurs in these communities face are diverse and ever-changing. While some aspects should remain consistent across all communities (Business Circles are led by a local female Business Coach, business and financial skills are built through lessons, seed funding is provided to participants), how women choose to use their capital and skills will now be completely up to participants.

Young Women Business Circles will be presented with a menu of business model options (collective, individual, hybrid, etc) and several financing options (monthly vs annual payout, microcredit vs collective management) and will be asked to decide as a group. Batonga will also advise Business Coaches to encourage flexibility and change if participants find that their chosen model isn't working for them.

Growing IGAs into Flourishing Businesses

Though the income-generating activities (IGAs) that the Young Women Business Circles have launched have been successful and earned consistent incomes, they have remained relatively small, localized, and only semi-formal. Where year one of this project focused primarily on establishing the Young Women Business Circles, building participants' knowledge and skill base, and refining the model, year two will build and expand the program to suit the needs of young women entrepreneurs outside the Business Circles. Activities that include the entire community will include Vocational Training Centers, Community Business Fairs, Exemplary Women Speaker Series, and building relationships with



local business owners in predominantly male-dominated fields. Batonga expects this to build buy-in as well as participants' skills and networks.

4. APPLYING THE LEARNINGS

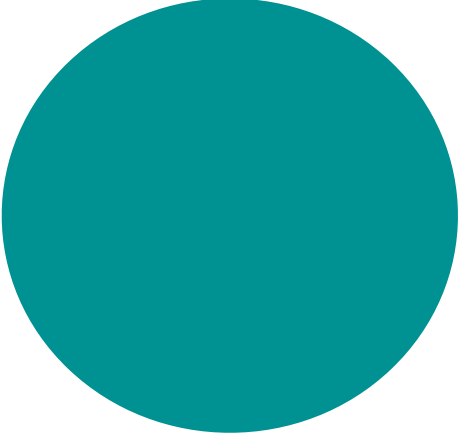
Year two will also include greater efforts to connect Business Circles to local, regional, and national markets to encourage growth when local demand is insufficient. Business Coaches will also work with Business Circles to seek funding outside of the Batonga Foundation. The building of an entrepreneurial network for young women business circles will improve commercial relations as it will enhance promotion of complementary products by linking for example, producers of raw materials with those who process them. Community Business Fairs and markets will also be used to promote Business Circle

products and services and make them known nationally or regionally. Overall, the strategy of year two will build on the knowledge base that both the Batonga Foundation and its program participants have built, to create even more powerful and sustainable income-generating opportunities for young women entrepreneurs.

5. CONCLUSION




5. CONCLUSION



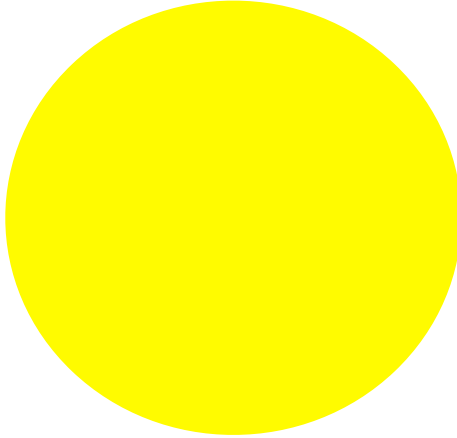
This pilot was a strong reminder for the Batonga Foundation that young women know best what they need to succeed. It reinforced Batonga's core commitment to young women-led programming, co-creation, and collaboration. Young women's economic empowerment is an iterative process with no one-size-fits-all solution and any programmatic blueprint needs to provide the opportunity for alteration.

When given concrete financial resources to launch income-generating activities and businesses, young

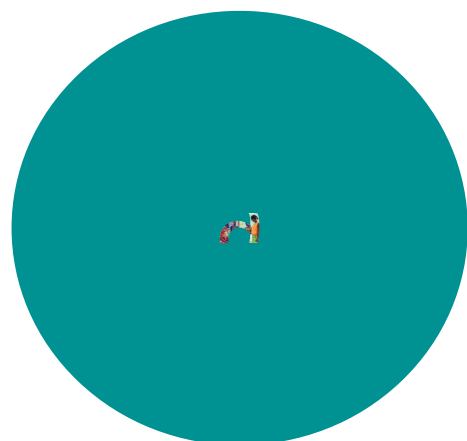
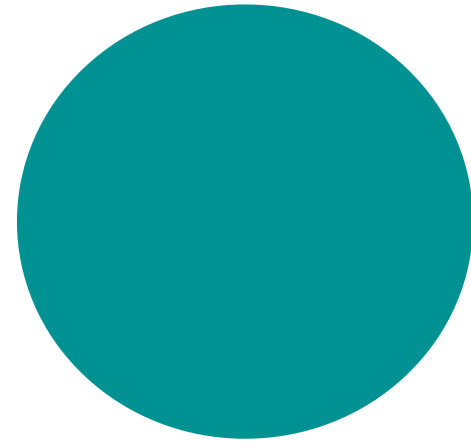
women mobilize themselves, each other, and their communities to succeed.



They are the engines of their own economic empowerment. Batonga understands that the whole ecosystem around them must be rallied to ensure their success: parents, communities and most importantly, the local business community. It needs to be a collective endeavour that is centered around the wellbeing and economic success of the young women, while also lifting up the whole community.



5. CONCLUSION



This pilot built the foundation for the Batonga Foundation's Women's Economic Empowerment program and emphasized the importance of meaningful economic activity and peer-to-peer connection as young women start their journey into adulthood. With its Young Women Business Circles program, Batonga will continue to build and launch these Circles in rural areas where young women need them the most. A new programmatic phase has been launched for the Batonga Foundation: one in which young women can thrive, build sustainable and fulfilling work opportunities and take their rightful place in the economic and social fabric of their communities.

THANK YOU

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