

A comprehensive framework for gender centrality in financial services

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“A global gender gap of 7 percentage points still exists—and it has not moved since 2011”.

The gender gap in financial services

There is an increasing realization that to bridge gender gaps in access to financial services would require a departure from a “[one-size-fits-all](#)” approach. The first step in this direction would be to recognize that women and men have different needs, aspirations, perceptions, and behaviors, which are influenced by prevailing gender norms and inequalities. The next step would be to apply this understanding to the design, delivery, and provision of financial services. By doing so, gender aspects would become a central element of the provision of financial services to achieve gender equitable outcomes.

We refer to this as **gender centrality**. It is important to note that gender centrality does not seek to transform the underlying structural inequalities that result in the marginalization of women and limit their access to and use of financial services. Instead, it seeks to make a compelling case for policymakers, regulators, and financial service providers to focus on gender as they provide financial services.

The premise of this framework is to move away from a standard “male norm” or from merely “addressing gender” to acknowledging gender differences and their impact on women’s access and uptake of financial services. A focus on gender is not about being socially responsible alone. It is also good business¹, as it offers the potential to transform the female 56% of the world’s unbanked into active customers².

What is gender centrality?

Some in the financial services industry have used gender analytical frameworks and concepts for decades. Gender centrality builds on this vast body of knowledge, evidence, and experience to champion women’s access and use of financial services. It seeks to strengthen ongoing global efforts to assist

governments, policymakers, and financial services providers to advance women’s access and uptake of financial services³.

Underlying assumptions

The approach is anchored on the fact that men and women are two different customer segments and thus their financial services needs and behavior vary. Women are particularly disadvantaged due to unequal gender relations and gender-differentiated roles and responsibilities—mostly because of prevailing social and cultural norms. These constraints manifest in different ways, such as limitations on women’s mobility, inequalities in household decision-making, low educational attainment—especially in low-income countries, limited exposure to technology, and lower levels of literacy, among others. Gender centrality also acknowledges the diversity of women’s experience and context in the use of financial services, and strongly advocates an inclusive approach.

Gender centrality revolves around [four dimensions that interplay and influence women’s access to and use of financial services](#). Gender centrality links these four elements to the realms of policy and regulation and to the supply side. We explain this below.

How can gender centrality help promote the gender equality agenda for policymakers and regulators?

Policymakers and regulators seek to develop an environment that allows access to financial services, ensures customer protection, and builds the financial capacity of customers at large. A gender centrality lens, allows policymakers and regulators to ask the following questions:

1. What social norms restrict access to finance for a woman customer?

¹[The business case for gender smart solutions in the private sector](#), IFC; The Business Case for Gender Diversity, ICRW

²Demirguc-Kunt, A., Leora Klapper et.al. [The Global Findex Database 2017: Measuring Financial Inclusion and the Fintech Revolution](#), (Washington D.C.: The World Bank Group) 2018, 4.

³While there are multiple frameworks on gender equality however; no framework specifically looks at the use of digital financial services from a gender point of view.

Gender Centrality Framework, MSC, 2018



2. What steps does a woman customer need to take to resolve or overcome restrictions imposed by socio-cultural norms, such as restrictions on mobility, lack of identity, fear of making mistakes, ownership of assets, among others?
3. Do [distribution channels prohibit—by design or otherwise—a woman’s access and use of financial services?](#)
4. Is she able to use grievance mechanisms to her satisfaction and does her experience vary from that of a male customer?
5. How does a woman customer cope with change in household dynamics resulting from changes in access to finance?

Gender centrality ensures that global and national policies that govern financial services consider women as the central element in the design. It hinges on a key requisite of [gender-disaggregated data](#) so that this information is used to analyze and review progress, and is used to [inform strategies](#) to bridge gender gaps in the use and uptake of financial services. We believe gender centrality can further facilitate the development of legislation to promote gender equality in the use and uptake of financial services.

How can gender centrality help financial service providers serve women customers better?

The gender centrality framework requires financial service providers to reflect an understanding of the diversity and variations in this segment’s experience and use of financial services. It recommends learning from women’s own strategies and tactics to overcome gender barriers, reflecting bottom-up learning.

Gender centrality ensures that the business plan or strategy has a specific focus on promoting gender equitable outcomes, backed by dedicated resources to achieve this goal. It enables the supply side to understand and build on critical gender nuances, such as the ones listed below.

1. Whether awareness and marketing will trigger a

woman user’s journey, including questions like what “[jobs](#)” the product does for the woman customer.

2. What is a woman user’s feedback with respect to specific factors, such as the type of agent, vulnerabilities around fraud, extortion, and harassment, her confidence to use the service, and other such factors, which [in reality inhibit women customers, but do not affect other customers segments?](#)
3. How does the value proposition for the use of DFS grow over time for women?
4. What sub-segments exist within the female customer segment?
5. How do gender barriers, such as male-dominated financial spaces and women’s dual roles and responsibilities (both unpaid domestic and income earning work), place restrictions on their mobility and access?
6. What are the ways to proactively build staff capacity so that customer interaction, grievance resolution, communication, and campaigns, among others, are made gender sensitive?
7. How can gender balance be promoted among staff?

Conclusion

Achievement of gender equality is a long journey and demands structural transformation at all levels—individual, household, community, industry, national, and global levels. Gender centrality is a mechanism to aid this process of change and transformation, in promoting women’s economic empowerment, through improved access and uptake of financial services. It provides a lens by which policymakers and providers can make their contributions to financial services more gender inclusive and thus reduce the gender gap.