I. The New Investors

The Changing Face of Economic Influence

The World Economic Forum reports that the investment world is entering a time of flux. Over the next four decades, Generation X and the Millennial Generation will potentially inherit an estimated US$41 trillion from the Baby Boomer Generation. Although women are still often referred to as a “niche market” in the wealth management industry, they are set to inherit 70 percent of that intergenerational wealth transfer and will control an estimated US$3 trillion in financial wealth by 2020.

Women already control about US$20 trillion in global consumer spending; by 2028 they will be responsible for about two-thirds of consumer spending worldwide. The “female economy” is estimated to represent a growth market more than twice as big as the opportunity of China and India combined, yet the female consumer is widely considered underestimated and underserved.

Women will be proactive in wielding this influence: 75 percent of female wealth creators say they are the primary financial decision-makers. Women are more strategic in their charitable giving, with 78 percent creating an annual giving strategy compared to 72 percent of men. How will women and the younger generations shape the world economy?

To Do Good While Doing Well

Women and young people expect more from their investments, and they will call on business to play a more active and responsible role in society. In a recent study of 5,000 Millennials across 18 countries, respondents ranked “to improve society” as the number one priority of business.

Primary Purpose of Business According to the Millennial Generation, % of Survey Respondents

While the next generation of investors will continue to seek market returns, they will push companies to define their impact on the world around them. According to the Center for Talent Innovation, 77 percent of women want to invest in companies with diverse leadership teams. New research from Morgan Stanley’s Institute for Sustainable Investing suggests that 40 percent of female investors consider the impact of their investment along with financial return when making an investment decision, versus only 23 percent of men. The report also found that members of the Millennial
generation are nearly twice as likely as the total investor population to invest in companies or funds that target specific social or environmental outcomes.

II. The Top Trillion and the Bottom Billion

Women are the Leaders We Need

The world needs this new generation of leaders to face “wickedly” complex 21st century problems. At a time when World Economic Forum studies show that C-Suite executives are kept awake at night by wicked problems such as volatility in food and financial markets, large-scale involuntary migration, lack of access to water, and climate change, women offer a new paradigm for the future.

According to leadership and wicked problems expert Keith Grint, complex and seemingly intractable challenges require leaders who have strengths in empathy, collaboration, and team building. Leaders also need to possess the ability to create a higher vision and imagine ambitious future scenarios. These visions, in turn, can be achieved through resilience, adaptability, and transparency. Recent studies by Zenger and Folkman showed that women score significantly higher than men in understanding and leveraging all of these characteristics.

Moreover:

- A 2015 study by MSCI shows that companies in the MSCI World Index with strong female leadership have an increase in return on equity of roughly 36 percent compared to other companies.
- Women-owned hedge funds produced an average return of 9.1 percent compared with 5.8 percent among male-dominated funds, yet women manage only about 3 percent of the 9,000 hedge funds in the US.
- Women leaders have enormous potential to enhance the effectiveness and ethics of their organizations. According to research by the Academy of Management, women leaders have the ability to reshape their organizations to create a better environment for themselves and other women.
- Statistics show that in countries where more women are in political office, there is less corruption, even compared to countries with the same income, civil liberties, education, and legal institutions.

Despite this massive economic potential and the global buzz about moving women into positions of power, deep-seated patriarchal systems continue to exist—even for women of privilege and talent. Addressing this inequality is itself a wicked problem that will require concerted effort and multiple avenues to address at a systemic level. The reality of the data:

- Globally, women hold fewer than one in four senior management roles, and just one in seven businesses have a female CEO.
- Of Financial Times 500 companies, women represent only 1.8 percent of CEO’s and hold about 10 percent of board seats.
- In the US, women constitute an estimated 2.2 percent of Fortune 500 CEO’s and about 15 percent of these companies’ board seats and corporate officer positions.
- According to Grant Thornton’s 2013 survey with International Business Review of women in management, women hold 19 percent of board roles around the world. This holds true throughout most of the developing world; for example, even taking all senior management positions
into account, women hold just 19 percent of such positions in India, and 23 percent across Latin America.\textsuperscript{xiii}

- The 2015 GuideStar Nonprofit Compensation Report studying over 1,000 organizations showed that the share of women among non-profit CEOs is 43 percent, with greater inequality in numbers and compensation at larger and wealthier organizations.\textsuperscript{xxiv} Only 18 percent of the largest non-profits have women CEOs, and women CEOs at organizations with large budgets between US$2.5 million and US$5 million earn 23 percent less than their male peers.

**Helping Women Helps the World**

At the same time that some women are gaining wealth and agency, women worldwide remain vulnerable, making up 70 percent of the world’s 1.5 billion poorest people.\textsuperscript{xxv} While the world needs women to lead, it also urgently needs to help women.

In its most recent study, McKinsey Global Institute (MGI) estimates that that a “best in region” scenario for gender equity, in which all countries match the rate of improvement of the fastest-improving country in their region, could add as much as US$12 trillion, or 11 percent, in annual 2025 GDP.\textsuperscript{xxvi} In a “full potential” scenario in which women play an identical role in labor markets to that of men, as much as US$28 trillion, or 26 percent, could be added to global annual GDP by 2025. This impact is roughly equivalent to the size of the combined Chinese and US economies today, and would impact developed and developing countries.

If every country matched the progress toward gender parity of its fastest-improving neighbor, global GDP could increase by up to $12 trillion in 2025.

<table>
<thead>
<tr>
<th>Region</th>
<th>Incremental 2025 GDP over business-as-usual scenario, $ trillion</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>0.7</td>
</tr>
<tr>
<td>Latin America</td>
<td>1.1</td>
</tr>
<tr>
<td>China</td>
<td>2.5</td>
</tr>
<tr>
<td>Sub-Saharan Africa</td>
<td>0.3</td>
</tr>
<tr>
<td>North America and Oceania</td>
<td>3.1</td>
</tr>
<tr>
<td>World</td>
<td>11.8</td>
</tr>
<tr>
<td>Middle East and North Africa</td>
<td>0.6</td>
</tr>
<tr>
<td>South Asia (excl. India)</td>
<td>0.1</td>
</tr>
<tr>
<td>Western Europe</td>
<td>2.1</td>
</tr>
<tr>
<td>Eastern Europe and Central Asia</td>
<td>0.4</td>
</tr>
<tr>
<td>East and Southeast Asia (excl. China)</td>
<td>0.9</td>
</tr>
</tbody>
</table>

\textsuperscript{1}Sample = 95 countries.

Sources: IHS: ILO; Oxford Economics; World Input-Output Database; national statistical agencies; McKinsey Global Growth Model; McKinsey Global Institute analysis

- A global consensus is emerging that women’s leadership and inclusion is essential for meeting not only UN Sustainable Development Goal No. 5—gender equality—but the 16 other global goals as well. Ellen Iskanderian, President and CEO of Women’s World Banking, says, “The Clinton Global
Initiative used to have a ‘girl and women track.’ Now, women and girls are much more the fabric of the organization.xxxvii

- Studies have indicated that increasing women’s economic opportunities and entrepreneurship can contribute to per capita income growth, poverty reduction, and sustainable development. According to the International Monetary Fund, for example, a gender gap in labor force participation reduces GDP growth.xxxviii

- Focusing assistance efforts on women has been shown to create a unique “multiplier effect” far beyond what could be achieved by gender-blind investments.xxx Women reinvest resources into their families, communities, and the next generation at greatly higher rates than men.xxx

- Because women and girls are the most vulnerable to global problems like slavery (75 percent of trafficking victims, according to the UN Global Report on Trafficking of Persons) impact investors can create additional impact multiplier effects when they invest in improving the lives of women and girls.xxxi Women are the social linchpins needed to keep children and whole communities safe from trafficking and moving women out of slavery and giving them education and economic opportunities can be powerful drivers for profit.

- On average, in developing countries, poor women account for 43 percent of the agricultural labor force and about two-thirds of the world’s 600 million livestock farmers. However, they receive only a fraction of the credit, land, information, training, and inputs allocated to men. The Food and Agriculture Organization of the United Nations estimates that if women received resources on par with men, the additional yield could reduce the number of undernourished people by 100 million to 150 million (12-17 percent).xxxii

And yet, despite the vast need and potential for social impact, work on issues related to women and girls remains curiously underfunded through traditional charitable sources. To date, only seven percent of the philanthropic giving in the United States is “allocated to needs specific to women and girls.”xxxiii Out of 145 European foundations surveyed, only one in five said that they explicitly named women or girls in their mission statement or grant making guidelines as a population group they seek to support.xxxiv

Is there a way to close this gap?

### III. The Gender Lens

One answer may lie in applying a gender lens to investing. In its foundational *State of the Field Report*, the Criterion Institute defines gender lens investing as “the intentional integration of a gender analysis into financial analysis to make better investment decisions.”xxxv Similarly, USAID describes gender analysis as a “systematic analytical process used to identify, understand, and describe gender differences and the relevance of gender roles and power dynamics in a specific context.”xxxvi

For the purposes of impact investors, such a gender analysis might include any of several interrelated approaches, including providing capital to women-owned enterprises, focusing on workplace equity or opportunities for women, or investing in products and services that benefit women and girls.xxxvii

The figure below compares conventional and gender lens views of an investment portfolio.
The Women Effect further notes that investors with a variety of priorities may choose to use a gender lens. Some want to incorporate social justice into their investing, while others are primarily concerned with a bottom line insight that women and girls are undervalued and present a market opportunity; investors may even have a blended portfolio where these approaches are weighted differently among several investments.

The Gender Lens for Smart Investing

As discussed, the evidence clearly supports those investors who use a gender lens to invest in women in order to create a multiplier effect for social good. However, the benefits for investors of using the gender lens go beyond social conscience alone. As Jackie VanderBrug, senior vice president at U.S. Trust says, “This is a lens and not a limitation. A gender lens helps you see opportunity and mitigate risk.” Examining investments with an eye on gender can make investments better targeted and more profitable.

Research by the United States Agency for International Development (USAID) suggests that gender lens investing is currently perceived by the field as being primarily about investments in women-led micro-businesses. In fact, gender-lens analysis can increase the accuracy of the assumptions behind any sort of investment. It can also guide finance as a tool to achieve bigger-picture gender equity, allowing for a broader understanding of a program’s social effects on women and girls.

The Women’s Funding Network was one of the first investors to show how bringing gender into the equation in social change requires taking a deeper look at underlying systems. Similarly, the Global Fund for Women has found that for grassroots organizations to be successful addressing complex issues, they require not only adequate funding, but an understanding of power and systems change grounded in local knowledge, knowledge of how gender norms are in play, and an understanding of how power operates in systems.

Beyond simply funding women-owned businesses or counting women directly served by a program, a gender lens enables impact investors to ask questions such as, “What role do women play as influencers in a community?” Or, “Do the people we are trying to impact make use of offered products and services in gender-specific patterns?”

For example, the Global Alliance for Clean Cookstoves (Global Alliance) illustrates the limitations of a traditional market-based approach—even if that approach is motivated by a desire to do good. Having determined the importance of cleaner cooking for public health and the environment in Sub-Saharan Africa, it has found that relying only on market forces to roll out improved cookstoves in developing countries is not enough. It has also learned that the success of such an initiative depends on addressing the underlying social and economic systems that perpetuate the use of traditional cookstoves. The Global Alliance has therefore taken a gender lens approach to its work, recognizing that women’s participation in the labor force and their ability to purchase and use new cookstoves are critical factors in the success of its programs.
Africa, the Global Alliance has discovered that it is not enough simply to create an efficient new cookstove product and sell it through a company. Even for this seemingly straightforward initiative, a gender lens allows investors to peel back the layers that can cause many well-intentioned investors to fail:

- The stove’s design must be aligned with women’s actual wants and use patterns, which may differ significantly from the expectations of designers who come from a very different cultural and gender context.
- In many target communities, women cannot simply buy what they want, when they want it. The company might need to change existing systems of distribution.
- Empowering women in a community with control of the purse so that they can buy cookstoves may require the Global Alliance to recalibrate how it intervenes in family systems.
- Ultimately the project may entail a profound shift in how women’s lives are valued. Given that cooking-related deaths disproportionately involve women, how can this problem achieve enough attention and priority that the community will take action to make costly changes in household fuel?

The Global Alliance has discovered that looking at patterns in how women actually work and live in the world leads to an understanding of deeper systems and structural inequities that are not easily solved—but which cannot be ignored without risk.

Weaving gender into investment practice, impact investors have also shown the power to bridge the gap between the finance sector and veteran nonprofits like Bachpan Bachao Andolan (BBA), for example. BBA views the wicked problem of human trafficking and forced labor in India from a social dynamics perspective that might otherwise be difficult to reconcile with business narratives about profits, loss, and supply chain management.

Investors such as Lotus Impact, a private equity firm in Vietnam, are using a gender lens to understand exploitative practices in the Southeast Asian hospitality industry and have designed industry-level collaborations that will create positive social change for women there. Lotus Impact’s success has drawn the attention of USAID, which will be conducting a study of the firm during 2016 to better understand and replicate Lotus Impact’s methods in a USAID experimental investment portfolio.

### Gender Lens Frameworks and Tools

The best general tools for investors seeking a gender perspective on impact may be the frameworks tested and used successfully in the larger gender development field. Oxfam’s Guide to Gender Frameworks identifies and discusses the following approaches as being the most significant:

- **Harvard Analytical Framework.** One of the earliest such tools, it is designed to demonstrate that there is an economic case for allocating resources to women as well as men. The Framework maps the work and resources of men and women in a community and highlights differences. It uses a grid or matrix for collecting data at the micro-level (i.e. at the community and household level), offering a useful way of organising information that can be adapted to many situations.

- **People-Oriented Planning Framework (POP).** Adapted from the Harvard Framework for use by the United Nations High Commission on Refugees. POP’s central purpose is to ensure an efficient and equitable distribution of resources and services. Taking into account social change and activity, the framework aims to promote more appropriate targeting of development assistance, and more efficient use of donors’ resources.
• **The Moser Framework.** Frequently used in conjunction with Harvard or POP frameworks for greater strategic depth, it analyses women’s “triple role” in reproductive, productive, and community-managing activities. It also questions assumptions that project planning is a purely technical task and claims that gender planning:
  - Is both political and technical in nature.
  - Assumes conflict in the planning process.
  - Involves transformative processes.
  - Characterizes planning as debate.

• **Gender Analysis Matrix (GAM).** Useful at various points of a project cycle, it is able to gather rich data despite constrained budget or time. It also aims to help determine the different impacts that an intervention will have on women and men, by providing a community-based technique for identifying and analyzing gender differences. Gender roles are analyzed by the subjects of the analysis (the community members), with limited facilitation.

• **Capacities and Vulnerabilities Analysis (CVA).** Helps plan in crisis settings so that interventions meet immediate needs, while building on strengths of people and their efforts to achieve long-term social and economic development. Analysis matrix uses categories of physical, social, and motivational capacities and vulnerabilities of individuals and social groups.

• **Women’s Empowerment (Longwe) Framework.** Particularly useful for long-term monitoring and evaluation, it questions what women’s empowerment and equality mean in practice and to what extent an intervention supports this empowerment. Longwe defines empowerment as enabling women to take an equal place with men, and to participate equally in the development process. It moves beyond assessing equality in terms of separate economic and social sectors and instead measures five overall levels of empowerment: welfare, access, consciousness, participation, and control.

• **Social Relations Approach.** Analyses existing gender inequalities in the distribution of resources, responsibilities, and power. Also used for designing policies and programs that enable women to be agents of their own development. Uses concepts rather than tools to highlight how gender inequality is formed and reproduced in individual institutions or to reveal how gender and other inequalities cross-cut each other through different institutions’ interaction, thus producing situations of specific disadvantage for individuals.\(^1\)

While there is a profusion of such general tools available, impact investors are still learning how to apply gender lens perspectives to the new situations with partners from different backgrounds. Success on the ground requires careful engagement with all stakeholders and an iterative process of learning and recalibrating.

**Gender Lens in Action: Calvert Foundation**

In March 2012, the Calvert Foundation launched its Women Investing in Women Initiative (WIN-WIN) as a way that anyone could make impact investments in women. WIN-WIN was designed to raise capital from retail and institutional investors and then lend to organizations and projects around the world that empower women through microfinance, small business lending, affordable housing, and other critical services.\(^2\)
Calvert Foundation President Jennifer Pryce has said that wise partnerships were the key to making WIN-WIN possible. Calvert complemented its 20-year track record of raising capital from private investors by working with Citi Foundation to develop philanthropic aspects of the investment product and by soliciting the Criterion Institute’s expertise to incorporate a gender lens into social impact analysis.

WIN-WIN also required Calvert to lay new groundwork on both ends of the investor-investee equation. On the investor side, Calvert envisioned WIN-WIN as an on-ramp for women investors, the starting point for conversations between women and their financial advisors about larger values and investment goals. On the investee end, Calvert found that its current borrowers did not yet incorporate a gender lens in their work. Calvert therefore had to invest time and money into educating both investors and borrowers in order to create a pipeline of gender lens investments. Additionally, creating this pipeline required Calvert to adjust its own internal systems to absorb, track, and analyse new data from both ends.

By December 2013, WIN-WIN had surpassed its initial goal of $20 million invested, drawn from 800 individual and institutional investors. It supported 18 organizations in 11 countries throughout Latin America, Africa, South Asia, and the US across multiple sectors, including affordable housing, microfinance, and healthcare.

WIN-WIN has had unexpected consequences for Calvert beyond the original goals. In the course of developing the initiative, Calvert also discovered correlations between women’s empowerment and access to clean energy. In November 2014, this led the Foundation to commit to lending an additional $20 million to financial intermediaries and social enterprises for clean energy technologies in off-grid communities. Additionally, Calvert Foundation has also expanded the gender lens focus to their entire portfolio. It now uses WIN-WIN as an incubator to test new ways to invest with a gender lens and advance the field.

Gender Lens in Action: Root Capital

Root Capital is a non-profit social investment fund that focuses on environmentally vulnerable places in Africa and Latin America. In 2012, it launched a Women in Agriculture Initiative to provide reliable economic opportunities for women by investing in businesses led by women entrepreneurs and managers, as well as industries that traditionally employ large percentages of women, such as shea nuts and other wild-harvested crops, staple food products, and agro-processing. Root Capital’s ultimate aim was to magnify its impact over time by better understanding how women help grow rural prosperity.

With the support of its donors, Root developed a gender scorecard to integrate a meaningful gender lens into all of the investments. The scorecard uses eight metrics to determine a borrower’s gender inclusiveness, including the number of women farmers, women leaders, and women borrowers from the organization’s internal loan funds.

This analysis has given the organization a deeper understanding of how its investments affect men and women differently, the cultural barriers still holding women back, and the opportunities to improve the livelihoods of women and their households. For example, cooperatives appear to help to level the playing field between men and women members and their households, if training and credit is provided equally to both genders. Systems of social and cultural traditions and limited land access may hold women back more than explicit discriminatory membership policies.

Studying agricultural value chains through a gender lens, Root was then able to discover “hidden influencers,” leaders who would not otherwise have been noticed, but who will be key to long-term change. Root Capital is seeking out ways to bring these women into the conversation and discover...
new opportunities for impact, such as training female accountants and managers in advisory financial management and targeting investments to programs demonstrating gender equity. Expanding loan offerings to include more for income diversification may offer disproportionate benefits to women.  

The Nahuala coffee cooperative in the Guatemalan highlands is an example of the kind of rural agricultural business Root invests in. Nahuala buys beans from 70 women smallholder farmers (along with about 90 male farmers). Since 2008, Root Capital has disbursed US$936,000 to Nahuala in short-term trade credit and longer-term working capital. Most of the Nahuala-sourced coffee is certified organic and fair trade, fetching higher and more stable prices than standard beans. The co-op gains an additional premium of two cents per pound by exporting through the exporter Cafe Femenino, which sources coffee exclusively from women farmers. In 2013, Nahuala exported 20,000 pounds through Cafe Feminino.

The Women in Agricultural Initiative’s 2016 goal is to finance 200 such gender inclusive businesses, reach 200,000 female producers, and to build the financial management capacity for 100 gender inclusive businesses. Over the long term, Root Capital hopes that the Initiative will demonstrate the viability of lending to gender inclusive businesses and spur the development of financial markets that serves these enterprises.

IV. Gender Lens Landscape: An Emerging Field

While impact investing itself is quite new, and its gender lens subset even more so, there is a growing web of organizations united by an interest in gender perspectives on investing and business models. Around the world, microfinance banks are prioritizing female borrowers, impact investors are looking at the gendered impact of the companies in which they invest, and public investments come with requirements tied to governments’ priorities around women and girls. NGOs like The Women’s Foundation, research organizations like the International Center for Research on Women, and philanthropic organisations like the Ford Foundation and the MacArthur Foundation have all recently expressed interest in connecting their program priorities to the broader field-building efforts of gender lens investing.

While not comprehensive, the figure below offers a snapshot of the density of the gender lens investing ecosystem.
The Gender & Investing Ecosystem

Although the field is global, literature and visible leadership in the field have been concentrated in North America and Europe until recently. However, potential leaders are increasingly convening platforms or membership groups to support the expansion of the gender lens investing field. Global impact investing networks like Toniic and the Aspen Network of Development Entrepreneurs have incorporated gender lens investing as a priority and are spreading their reach beyond the Global North. They are joined by regional players like Intellecap in India, where gender lens investing has been introduced as a topic at Intellecap’s Sankalp Global Forum two years in a row, in partnership with Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) and USAID.

Gender Lens innovation takes a range of forms and is creating financial returns and social impact in every region:

- **Shared Interest** is a social investment fund that mobilizes the financial and human resources of South Africa’s lowest income communities of color.1xx Partnering with the Women’s Development Bank and the South African Thembani International Guarantee Fund, Shared Interest is offering a guaranteed portfolio of loans to women becoming commercial farmers for the first time – obtaining credit and contracts and establishing new precedents and opportunities for other women and girls in their communities. Shared Impact finds that women borrowers use the guarantees to build both financial capital and social capital. Guarantees to microfinance institutions such as the Small Enterprise Foundation (SEF), for example, have enabled SEF to expand its network to more than 110,000 rural women who save and borrow together. They have used their community networks (borrowing groups and village centers) to launch additional local health and empowerment projects that range from mobilizing their villages to prevent HIV/AIDS to improving the services of local health-care centers.
• The Pax Ellevate Global Women’s Index Fund focuses on investing in companies that are committed to gender diversity on their boards of directors and in executive management and that embrace policies and programs, such as the Women’s Empowerment Principles, to elevate women in the workplace.\textsuperscript{xxi} Pax says that women hold 31 percent of board seats and 24 percent of senior management positions, on average, in the fund’s portfolio companies, while globally, women only hold 11 percent of senior management positions. At least 97 percent of companies in the new Fund have two or more women on their boards and nearly 70 percent have three or more.

• Sankhya Partners is a new fund focused on female investors and investing in early-stage women-impact businesses in India. Investments have a 7-9 year life span, with a commitment to a minimum of three years for each investment.\textsuperscript{xxii} The fund believes in intensely supportive relationships with investees, taking either a board member or observer position within each company. Sankhya believes its Women Impact Fund is a field-building platform that can scale globally, and the firm has plans to replicate the fund in the United States.\textsuperscript{xxiii}

• Agora Partnerships is an impact investing organisation that advises and works with 400 small and growing businesses—40 percent of which are owned and operated by women—to fight poverty in El Salvador, Honduras, Nicaragua, and other Latin American countries.\textsuperscript{xxiv} Since 2011, Agora’s Accelerate Women Now program has connected 43 companies with investors and brokered more than US$4.1 million in capital investments for them. The 18 women-owned and co-owned businesses—from 11 countries—accepted into the 2014 Agora Accelerator include enterprises that are providing affordable solar lighting in Peru; market access and employment for artisanal communities in rural Guatemala; training programs and employment opportunities for the visually impaired in Mexico; and financial education and access for the ‘bottom of the pyramid’ populations in Colombia.

• State Street Global Advisors new SPDR Gender Diversity ETF (exchange traded funds), SHE, is the first ETF to focus on the niche of gender diversity.\textsuperscript{xxv} Until now, that theme was only accessible through the Barclays Women in Leadership ETN. But SHE also marks the first time State Street is self-indexing. The SHE Index screens the top 1,000 companies in the US for gender diversity, narrowing to an index of between 125 and 150 companies based on their inclusion of women at the CEO, board, or senior management levels (with adjustments by sector). State Street plans to give a percentage of its profits from this ETF to a donor-advised fund contributing to charitable organisations that partner with K-12 schools to address gender bias and prepare girls for future business leadership roles, particularly focusing on the STEM industries of science, technology, engineering, and math.

V. Next Steps

The first step in improving the scope of gender data is identifying where key gaps exist. In its inaugural 2014 report, Data2X (named for the power women have to multiply progress in their societies, an initiative with many partners that is housed at the United Nations Foundation) identified 28 high-priority data gaps related to women and girls. These gaps span five subject areas essential to female wellbeing and empowerment: health, education, economic opportunities, political participation, and human security. In the area of economic opportunities, many data gaps relate to women’s participation in the informal economy. This issue was first brought to light in 1996 by Ela Bhatt the pioneering founder of India’s Self-Employed Women’s Association.
Metrics are important for creating incentives and for tracking progress, but our current methods are often not sophisticated enough to measure all that is important. Counting the number of women—on corporate boards of directors, in hedge funds, for example—is a good start, but it is not enough. Asking about metrics, collecting data, and reporting the results trigger dialogue and actions to reduce inequities and uncover opportunities, but creating comprehensive metrics that can reveal systemic issues is hard. As University of Oxford professor Linda Scott and her colleagues show in their three-year field study of Avon resellers in South Africa, we cannot understand the impact of women’s entrepreneurship until we define success according to the criteria of the women themselves.\textsuperscript{1xxvi}

The assessment revealed that gender lens investing principles appear to be a fundamental part of many organisations’ business models already. However, the lack of deliberate attention to the inherent value of these practices prevents an accurate accounting of their benefits. In other words, the introduction of a gender lens investment perspective suddenly broadens the business context and further validates the commercial importance of gender analysis. As the chief executive officer of The Women’s Foundation in Hong Kong said, “Just imagine the potential for change, if women’s needs were properly considered in project financing for infrastructure projects like the building of new roads and subways or sanitation systems.”\textsuperscript{1xxvii}

Staff at the International Finance Corporation in Indonesia and the Philippines have expressed the need for analytical frameworks to expand the relevance of data beyond women-led small and medium enterprises, so that gender analysis might be integrated, for example, into decisions about climate financing.

Gender lens investing will continue to grow as an opportunity area for women and Millennials as they seek greater social return on investment. In addition, mainstream finance and investors recognize that incorporating gender into their operations and portfolio from board representation to funds makes economic and equity sense.
Notes

\textsuperscript{i} World Economic Forum, \textit{From the Margins to the Mainstream: Assessment of the Impact Investment Sector and Opportunities to Engage Mainstream Investors} \url{http://reports.weforum.org/impact-investment/1-introduction-to-the-mainstreaming-impact-investing-initiative/1-2-motivation/}

\textsuperscript{ii} Goldman Sachs, 2010, Womenomics 3.0: The Time Is Now.

\textsuperscript{iii} Ibid.

\textsuperscript{iv} \url{http://www.talentinnovation.org/assets/HarnessingThePowerOfThePurse_ExecSumm-CTI-CONFIDENTIAL.pdf}


\textsuperscript{vi} World Economic Forum, \textit{From the Margins to the Mainstream: Assessment of the Impact Investment Sector and Opportunities to Engage Mainstream Investors} \url{http://reports.weforum.org/impact-investment/1-introduction-to-the-mainstreaming-impact-investing-initiative/1-2-motivation/}


\textsuperscript{viii} Ibid.

\textsuperscript{ix} \url{http://impactalpha.com/morgan-stanley-women-millennials-driving-sustainable-investing/}

\textsuperscript{x} Ibid.


\textsuperscript{xiii} Zenger Folkman, Inc., “A Study in Leadership: Women do it Better than Men” (2011)

\textsuperscript{xiv} MSCI, “Women On Boards: Global Trends In Gender Diversity” \url{https://www.msci.com/www/blog-posts/women-on-boards-global-trends/0263383649}

\textsuperscript{xv} Benchmarking Women’s Leadership 2013

\textsuperscript{xvi} Robin J. Ely, Herminia Ibarra, Deborah Kolb, “Taking Gender into Account: Theory and Design for Women’s Leadership Development Programs” \textit{Academy of Management Learning and Education} (September 2011)


\textsuperscript{xix} Catalyst, \textit{Women in Europe} (2010).


\textsuperscript{xxi} Carter & Silva, 2010.


\textsuperscript{xxiii} Ibid.


\textsuperscript{xxv} The Global Poverty Project


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\textsuperscript{xxviii} International Monetary Fund, \textit{Women, Work, and the Economy: Macroeconomic Gains from Gender Equity} (2013)


\textsuperscript{xxx} Ibid.

\textsuperscript{xxxi} IMF “Women, Work, and the Economy: Macroeconomic Gains from Gender Equity” (2013)