



Collecting and Using Banking Data on Women Businesses: A How-To Guide for Financial Institutions

Closing the financing gap for women owned/led micro, small, and medium enterprises (WMSMEs) represents a multi-trillion-dollar business opportunity for the financial services industry. But as with all customer segments, tapping into the WMSMEs opportunity requires data, which is critical to understand the unique needs and preferences of women entrepreneurs and to properly serve them.



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**FINANCIAL
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WOMEN**

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Closing the financing gap for women owned/led micro, small, and medium enterprises (WMSMEs) represents a multi-trillion-dollar business opportunity for the financial services industry. But as with all customer segments, tapping into the WMSME opportunity requires data, which is critical to understand the unique needs and preferences of women entrepreneurs and to properly serve them.

And yet, many financial services providers (FSPs) do not disaggregate their micro, small, and medium enterprise (MSME) data by sex. Of those that do disaggregate their data, most do not use it to its full potential—and risk losing out on a potentially significant business opportunity.

The launch of the Women Entrepreneurs' Finance Code (WE Finance Code) in more than 30 countries has catalyzed action on sex-disaggregating MSME portfolio data—and raised the profile of women businesses as a viable and profitable customer segment for FSPs.¹ Increasingly, national regulators will be asking for this sex-disaggregated financial data (SDD). And increasingly, FSPs are understanding the importance of data-driven insights to underpin their WMSME market strategies. By using this

data to address the WMSME financing gap, FSPs are tapping into new revenue streams, building loyalty, and contributing to social and economic development in their countries of operation.

The evidence bears this out: FSPs that have reported sex-disaggregated portfolio data to the Financial Alliance for Women's Female Economy Analytics Survey for 10+ years have more than doubled the number of women-owned/led businesses in their portfolios. For these FSPs, total lending to WMSMEs has also doubled during the reporting time frame. These FSPs have noted the critical role that sex-disaggregating their MSME portfolio data has played in this success, enabling them to:

- Better understand the financial needs and behaviors of women entrepreneurs.
- Build the business case for targeting WMSMEs.
- Design effective customer value propositions for the segment.
- Measure progress and refine the strategy.
- Enhance their reporting to investors, regulators, and other financial bodies, such as guarantee agencies and credit bureaus.

Know the terminology

Sex-disaggregated financial data (SDD): The division of data based on the sex of the account holder, typically based on national IDs. In most countries this is a binary categorization of male or female based on "sex at birth," while some countries have added a third category.

¹The Women Entrepreneurs Finance Code (WE Finance Code or the Code) is a commitment by FSPs, regulators, development banks, and other financial ecosystem players to work together to increase funding provided to women-led micro, small and medium enterprises (WMSMEs), which is being rolled out in 30+ countries in 2024–2025. All FSPs participating in the Code must commit to monitoring and report out annually on a commonly agreed set of indicators on the level of financing provided to WMSMEs. For more information, please visit: <https://we-fi.org/we-finance-code/>.

This How-To Guide is designed to assist FSPs that want to sex-disaggregate their MSME customer data. The learnings codified within are based on the real-world experiences of FSPs that have built pioneering, commercially-viable strategies to finance women entrepreneurs, supported by best-practice WMSME data capabilities.

This How-To Guide is among the many peer learning and knowledge products offered by We-Fi to support Code implementation. Additional resources for FSP signatories seeking to build their capacity to sex-disaggregate MSME data include the Gender Data Learning Series, a five-week on-line training, and knowledge products.

More tools for FSPs and other Code stakeholders are available at the [WE Finance Code section of the We-Fi website](#).

Contents

This guide lays out a five-step process on how to sex-disaggregate MSME customer data. FSPs that are just beginning to sex-disaggregate their MSME data can use it to assist them as they begin to build their internal WMSME data capabilities. FSPs that have already started the process of sex-disaggregated MSME data collection can also make use of the guidance to enhance their existing capabilities, enabling deeper analysis to reveal new opportunities and potential within the WMSME market.

Each section of the guide includes a specific step along with actions to take, prompts on the key questions to consider, and real-world FSP experiences.

1 **Assess needs and set definitions**

Assess data availability and gaps
Set definitions

2 **Plan for WMSME data collection**

Select the right WMSME data indicators
Engage internal stakeholders

3 **Integrate systems and processes**

Attach gender flags in data systems
Embed WMSME data in workforce procedures

4 **Capture data**

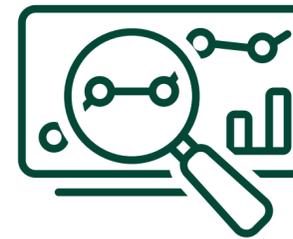
Measure the baseline
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5 **Analyze and use data**

Put data to use to inform WMSME strategy
Report data externally

1. Assess needs and set definitions

The first step in the process of building capacity to sex-disaggregate your institution’s MSME data involves assessing your needs and setting definitions for women owned/led businesses.



Assess data availability and gaps

Start by assessing the current state of data disaggregation in your organization. This involves looking at **what data is currently being collected by sex, how it’s being collected, and where it is stored.**

Understand what data is needed from your business customers

Most FSPs can break down their small business portfolio data by two types of business customers: sole proprietorships and MSMEs with multiple shareholders. For each type of customer, consider the types of data you will need for disaggregation by sex. For example:

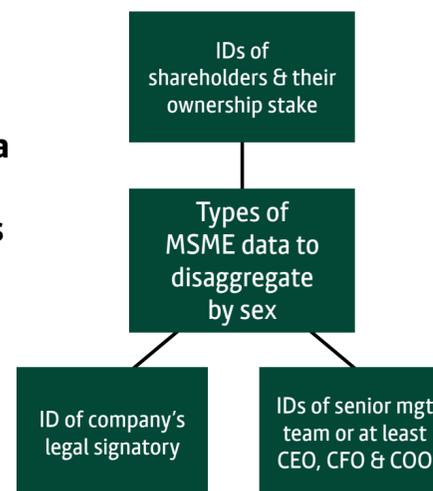
Sole proprietorships—businesses owned and operated by one person—can be sex-disaggregated following the same methods used for individual customers. For example:

- Coming from customers as part of account opening and loan application forms (both physical and digital).
- Recorded based on the gender-specific code in clients’ national identifications (IDs) supplied during the account opening/loan application.

Businesses with more than one shareholder are more complex to sex-disaggregate. Additional data is required to determine if the business meets the minimum threshold of women’s ownership and/or leadership (or other criteria) based on the definition your institution uses. This likely will include:

- **Ownership data:** At account opening, FSPs usually collect information on multiple owners using a certificate of incorporation, or the minutes of the first board meeting and a breakdown by gender for the main shareholders.
- **Leadership data:** Some FSPs also request the management structure to understand who holds leadership positions or has major decision-making rights in the business.
- **Legal representation/control:** At account opening, FSPs typically request information on the legal representative of the company and the main signatories associated with the business. Disaggregated data needs to be collected at this level as well.

Figure 1. FSPs can collect additional data to sex-disaggregate their MSME portfolios



Key questions to consider:

- Are we collecting data on the sex of individual customers?
- Do we request MSME shareholding structure with a breakdown of shareholders? Do we have this by sex?
- Where is this data stored internally?
- Which WMSME definition is the right fit for our market and institution?

Know the terminology

Woman sole proprietorship: A registered or unregistered business that has one owner who is a woman.

Woman (or women) micro, small, and medium enterprise (WMSME): A registered or unregistered business that is owned and/or led by a woman or women, where its size is considered micro, small, or medium, based on set parameters.

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Assess gaps across existing and new clients

When assessing data availability across both sole proprietorships and multiple-shareholder business customers, it is also important to ensure that you are identifying and addressing disaggregated data gaps for both new clients and existing (or legacy) clients:

- **Addressing gaps to enable accurate sex-disaggregation of new client data:** This includes ensuring that they are recorded as women-owned/led businesses in internal systems—critical to maintaining consistent, reliable, and up-to-date SDD. Doing so will require systems and process updates to allow for collection of relevant data and flagging accounts accordingly. Methods to set up gender flags are discussed in Section 3: Integrate Systems and Processes.
- **Addressing gaps to disaggregate legacy client data:** Doing so allows for setting the baseline share of women-owned/led businesses within your institution’s client portfolio. FSPs often tackle this as a standalone project that involves either collecting additional information from existing clients or using proxies to approximate gender. These methodologies are detailed in Section 4: Data Capture.

Locate existing SDD

Look at the internal data flows to identify the progressive systems and processes that track data from the point of collection to a customer, to input and storage, to analysis and usage. Good practice based on FSP experiences suggests gathering and storing all relevant SDD in your institution’s core banking system. This will ensure easy data extraction and facilitate data use to inform business decisions.

FSPs also highlighted several common challenges encountered at this stage and the importance of addressing them:

- **Data is not digitized:** For example, data might be collected on paper forms at the branch level but not consistently entered in the MIS.
- **Data is stored on different systems:** For example, data captured on loan applications might not be stored in the same system as account opening data.
- **Data is not accessible:** For example, data might be captured but not linked to flags in the core banking system that distinguish WMSMEs.

Know the terminology



Data flow: Progressive systems and processes that track data from the point of collection to a customer, to input and storage, to analysis and usage.

Core banking system: A central database used to manage core processes such as customer accounts, transactions, risk management, and loan processing.

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Set definitions

Setting and implementing a consistent WMSMEs definition is crucial to sex-disaggregating MSME data. Use the knowledge about what’s already being collected and what else is available to establish a WMSME definition that can be consistently applied.

Choose the criteria for your WMSME definition

WMSME definitions typically include at least one of three criteria:

- **Ownership:** Women own the majority stake of the business or exceed a certain percentage of the shareholding structure.
- **Management:** Share of women on the management committee or a woman is leading the business (major decision-making role such as the CEO, COO or president; or a woman is the legal representative).
- **Governance/workforce:** Women are well represented on the board of the business and/or in the workforce.

Often, definitions look at ownership criteria alone, at a higher threshold of ownership by women, and in combination with management/governance criteria at a lower threshold of women’s ownership. For example, the International Finance Corporation (IFC) defines businesses as women-owned if:

- They have at least 51 percent ownership by women, OR
- They have at least 20 percent ownership by women, at least one woman as CEO/COO/president/vice president, and at least 30 percent women’s representation on the board, if a board exists.

The WE Finance Code suggests a similar framework, which countries can adopt or adapt as they are setting their own national definitions, as shown in table 1.

Table 1. Women MSMEs definition guidelines for the WE Finance Code

Ownership	Management	Governance
>50% women-owned OR	Female CEO OR 100% woman lead decision-maker and legal representative	
≥ 30% women owned AND	≥ 50% women in leadership OR	≥ 50% board of directors composed of women, where a board exists.

Definitions used by many FSPs follow a similar rubric. A 2024 survey by the Financial Alliance for Women found that most FSPs in its network (68 percent) defined women’s businesses based on women's ownership stake and/or their role in management—like the IFC and We-Fi definitions. A smaller portion of FSPs (18 percent) considered only women's ownership stake in their definition.

Tailor the definition to your market

When deciding on the key criteria and related thresholds that make up your institution’s definition, it’s important to understand the operating context for women entrepreneurs in your institution’s market. Here are several important considerations to keep in mind:

- **The micro and small business environment:** Research MSMEs and WMSMEs in your market to deepen understanding of what constitutes a small business versus a microenterprise, and how to best serve the needs of each segment.
 - For FSPs reporting to the WE Finance Code, We-Fi recommends defining microenterprises as firms with less than 10 employees. SMEs include firms with 10 to 249 employees.
- **The target segments your institution serves:** Most FSPs target businesses of varying sizes—microenterprises, small-to-medium enterprises, and large enterprises or corporates. Note that your institution’s definition for what is classified as women-owned/led might vary, depending on the business segments targeted now or in the future. For example, women’s representation on governing boards and investment committees is not relevant for disaggregating microenterprises but could be used to disaggregate high-growth startups.
- **The social context:** Social norms can influence the types of businesses women own, how they build and manage their companies, and levels of formality, among other things. These factors can directly affect the extent to which women hold ownership and leadership roles in businesses.

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FSP EXPERIENCE: WMSME DEFINITION-SETTING

ATB Financial: Adopting multiple WMSME definitions for more effective targeting

Before setting its WMSME definition, Canada’s ATB Financial conducted interviews with women business owners in its client base and found that they were made up of two distinct segments: business leaders and business owners, each with their own set of needs and behaviors. This informed the bank’s decision to set a definition that would separately classify women-led businesses and women-owned businesses. Doing so gives the bank more in-depth insights, allowing them to target each segment with products and services that meet their distinct needs.

BLC Bank: Integrating the local market context

BLC Bank in Lebanon understood that most Lebanese businesses—especially those initiated by women entrepreneurs—are family-owned. So only a handful of the nation’s MSMEs meet a threshold of 50 percent or more ownership by women. More typically, in family businesses, shareholding is dispersed between both adults/parents. Sometimes, their children hold shares as well. Given this context, BLC decided to establish a definition combining both ownership and leadership, allowing for a lower threshold of ownership. Specifically, the bank considers a women-owned business as a business owned by 50 percent + 1 share by women and a women-led business as a business with a 20 percent women’s ownership threshold and a woman as the legal representative of the company.

COUNTRY EXPERIENCE: NATIONAL DEFINITION SETTING

Setting a standard WMSME definition in the Dominican Republic

The Dominican Republic was the first country to officially adopt the WE Finance Code, led by a coalition of financial sector regulators, government ministries, the Asociación de Bancos Múltiples (ABA)—the country’s banking association—and three leading SME lenders: Banco BHD, Banco Popular, and BanReservas.

The coalition recruited 14 initial signatories, including the main commercial banks and the two largest microfinance institutions. The next area of action was to decide on a unified WMSME definition, which all could use to report their sex-disaggregated MSME data. This involved several steps. First, ABA surveyed all signatories about their existing definitions. Second, ABA presented the findings to a working group of key stakeholders, and finally, the group evaluated the options and voted.

Ultimately, the group opted for a simple definition: Women-owned businesses are those in which women own at least 51 percent of the business. This definition garnered the most votes because it was practical. Since most women-owned businesses in the country are microenterprises, collecting data on management roles would have been more difficult. Collecting data on management roles also had no relevance for disaggregating sole proprietorships, which represent the majority of many banks’ MSME portfolios.

Following the vote, ABA held workshops to align FSPs on the definition and codified it through the [Code Charter](#).

“ Find a definition that works for your institution and market and go forward with it. It might not be perfect from day one. But you will see the results you get from gaining so much new information.”

Yvonne Greeves

Director of Women in Business, NatWest Group

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2. Plan for WMSME data collection

This critical step involves determining the aspects of your WMSME customers' transactional behaviors you want to track. Careful attention here will create direct links between the rationale for additional data collection, the development and expansion of a targeted WMSME program, and your institutional strategy and goals.



Select the right SDD indicators

Decisions on what to track starts with understanding the use cases for your disaggregation—what you want the data to tell you and why—and sets the stage for the next steps in the process.

At the FSP level, indicators can be used to establish the baseline for women entrepreneurs' access to financial services and products, track growth over time, and build the business case for investing in the segment. When aggregated at the national level, they also help policymakers and regulators understand if women MSMEs are inclusively financed. Clearly understanding which indicators can support these efforts, why they are useful, and how they will be measured, is key to effective data planning.

Identify the WMSME program goals you want to track

The main indicators to measure performance should connect directly to the goals of your institution's WMSME program, which also should connect to business goals and strategy. Identifying what the WMSME program should achieve is fundamental to ensuring that the SDD collected will yield the insights your institution needs. Common goals for FSPs with

programs targeting women entrepreneurs include increased revenue, greater profitability, and expanded market share.

Set indicators that track performance toward goals

Once the overall objectives for the WMSME program are set, look at the areas that influence progress towards those goals. These value drivers should be based on an understanding of what factors influence your institution's ability to achieve WMSME program goals, such as the financial and non-financial services offered, customer engagement activities, and women's internal representation at all levels. The indicators—also known as key performance indicators, or KPIs—to track programmatic success should measure the performance of the value drivers, which will help to achieve goals. For example, to measure the performance of:

- **Financial Services for WMSMEs:** track metrics such as WMSME deposit and loan volumes.
- **WMSME Customer Engagement Activities:** track customer satisfaction and loyalty metrics such as average Net Promoter Score for WMSME clients.
- **Non-Financial Services for WMSMEs:** track the impact of business support services, such as the number of WMSMEs trained.

Key questions to consider

- What do we need the data to tell us?
- What indicators should we look at to measure programmatic success?
- Which "must-have" metrics do we need to start tracking right away, and which do we want to track in the long run?
- Which teams and stakeholders are critical to ensuring successful execution of the data initiative?

Know the terminology

Indicator/key performance indicator:

A measure that points to a specific outcome or trend, often used for reporting and accountability.

Value drivers: Factors that generate worth for the program and institution, such as profit and reputational benefits.

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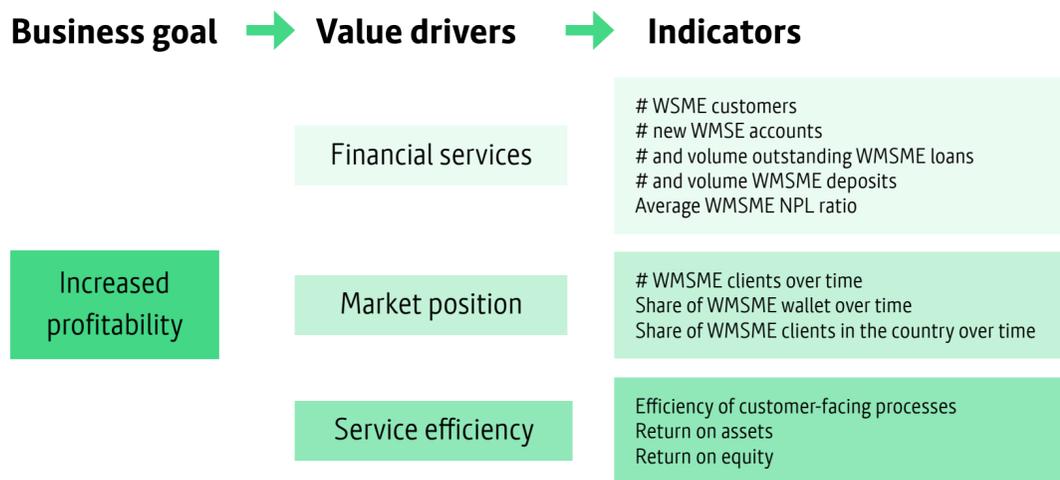
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Figure 2. Identifying specific indicators based on business goals and value drivers



Consider value driver and indicators for key internal and external stakeholders

Beyond tracking programmatic performance, SDD can also be used to demonstrate the impact of your institution’s Women’s Markets programs for internal and external stakeholders. Indicators may be similar to those used to measure program performance. But they also could vary, depending on the specific audience targeted and what drives value for them. See table 2 for examples.

Table 2. Beyond program performance: SDD indicators to measure impact

Target Audience	Goal	Value drivers	Indicators
Internal management	Increased profitability, strength of brand, and risk minimization	<ul style="list-style-type: none"> Profit margin Market position Process and service model efficiency 	<ul style="list-style-type: none"> Overall market share Share of wallet among clients Return on equity, NPL ratios Efficiency of client-facing processes
Donors, impact investors, development finance institutions	Contribution to sustainable economic growth and positive social outcomes	<ul style="list-style-type: none"> Impact on society Contribution to sustainable economic growth 	<ul style="list-style-type: none"> Financial inclusion rate/percent WMSME lending Total amount of financing made available
Policymakers and regulators	Support and sustain a stable and inclusive financial sector	<ul style="list-style-type: none"> Usage of financial products Financial health Consumer protection 	<ul style="list-style-type: none"> Dormancy rates Percentage of clients with active accounts, deposit balances Percentage of failed transactions

Classify indicators: Must-haves or nice-to-haves?

“**Must-have**” indicators are essential metrics to track from day one because they show the current status of the portfolio, providing the basis for measuring progress going forward. When organizations first start sex-disaggregating their small business portfolios, they typically begin with several basics, including:

- **Total MSME customers, by sex:** This indicator measures the number of MSME clients being served with a financial service, including MSMEs with any type of account—such as deposits/ savings—or using a specific financial product, such as bank loans, overdrafts, credit lines, and corporate credit cards. It will uncover any differences between the number of women MSME clients and male MSME clients being served. Tracking these differences can point to the need for action to improve WMSME reach. It also serves as a benchmark against which to measure future growth.
- **Number and value of MSME outstanding loans, by sex:** These indicators measure number and value of all MSME loans, including new and pre-existing loans, overdrafts, and lines of credit at a given point in time. They help to illustrate the distribution of your institution’s MSME credit supply by sex and highlight gender gaps in MSME loan portfolios, setting the stage for further analysis and action to reduce disparities.
- **Percentage of MSME outstanding non-performing loans, by sex:** This indicator shows the proportion of outstanding non-performing loans among MSMEs compared to the total stock of MSME loans. Such tracking is an important way to measure risk. Sex-disaggregated analysis can help build the business case for increased lending to WMSMEs by demonstrating their reliability as borrowers.
- **Number and value of MSME deposits:** These indicators show the total number of MSMEs that hold deposit accounts and the aggregate value of such deposits. Sex-disaggregating MSME deposits can uncover the differences in savings preferences and behaviors between men and women, which can add to the business case by demonstrating women’s propensity to save. It also might reveal opportunities to grow women’s account usage and, in turn, improve segment profitability.

“**Nice-to-have**” indicators are valuable but not urgent metrics that can be added later. What counts as “nice-to-have” depends on your institution’s SDD capacity and progress. For FSPs just beginning to disaggregate their data, these might include metrics that will measure the program’s success after launch. For FSPs already collecting SDD, “nice-to-have” indicators might include more detailed analytics, such as measuring the number and value of loans by both sex and sector to better understand the customer and identify new opportunities.²

² For more information on indicators, please see the OECD/We-Fi [Guidelines for the collection of sex-disaggregated data on MSME financing](#).

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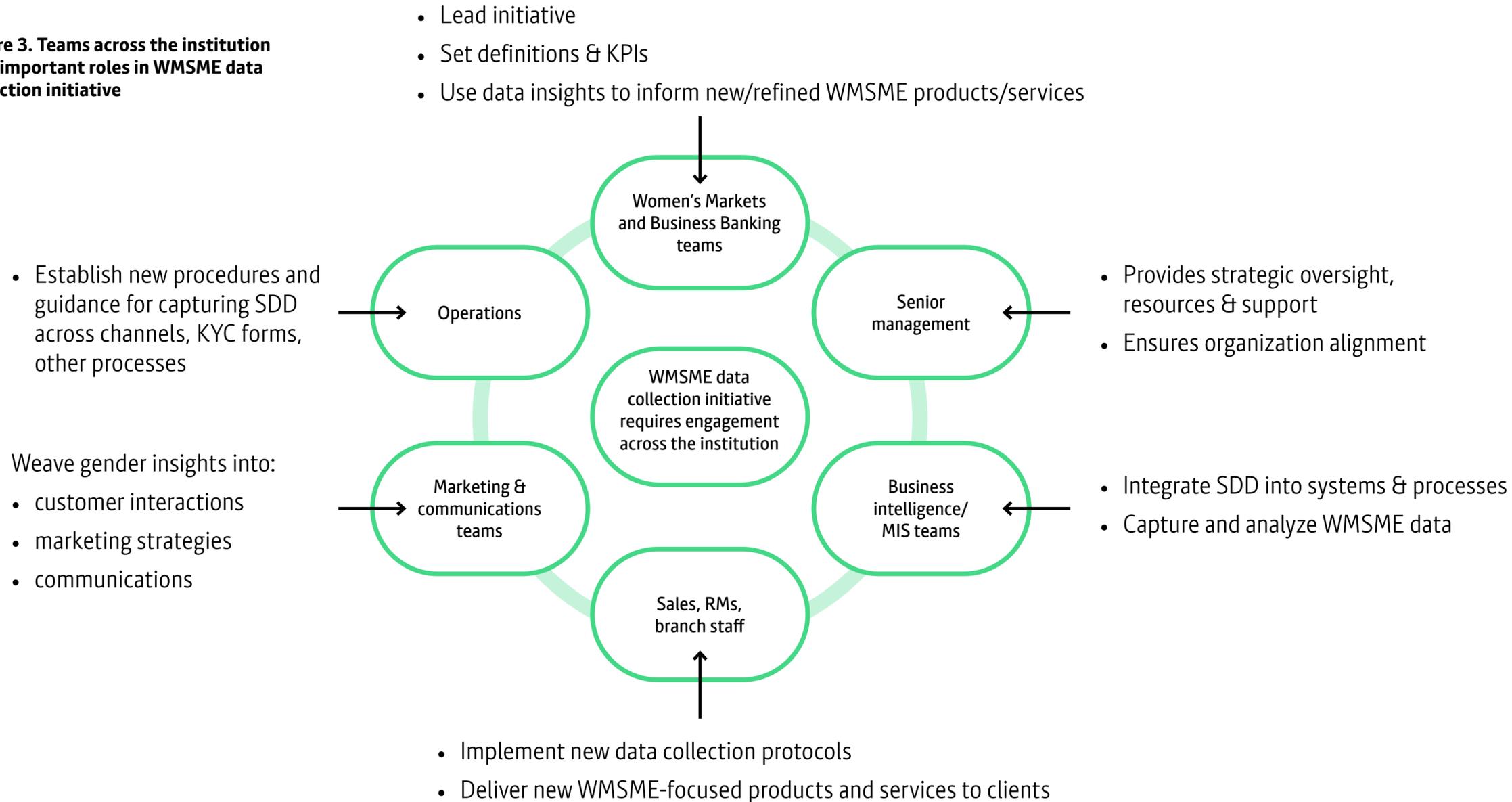
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Engage stakeholders

Successfully implementing systems and process changes to collect high-quality WMSME data requires contributions from teams across the institution. Senior management and key stakeholders must remain aligned and supportive of SDD initiatives to ensure that the initiative has sufficient resources to achieve desired outcomes. See figure 3 for detail on the roles of various teams within the institution.

Figure 3. Teams across the institution play important roles in WMSME data collection initiative



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3. Integrate systems and processes

Assessing needs and developing a data plan will help determine the system and process adaptations needed to begin collecting high-quality, sex-disaggregated MSME data. Support from IT and business intelligence departments will be critical to ensuring that the right modifications are implemented.

Set up gender flags in data systems

Updating internal systems to flag data for gender involves several actions:

- **Create the necessary data fields in the data management system based on WMSME definition.** If your institution's definition is based on ownership alone, then the SDD exercise only requires capturing and disaggregating ownership data. A more complex definition requires setting up additional fields to capture more data points, including:
 - SDD on main owners/shareholders and their respective share of ownership
 - Data on shareholding structure
 - SDD on each of the leaders/board members/senior managers
 - Data on management structure
 - SDD on the legal representative on the account
- **Implement processes to consistently capture sex and MSME ownership/management data for all business clients.** This could mean automatic capture by way of a customer's national ID, or it could involve recording relevant ownership and management data in mandatory fields across all onboarding documents, such as manual account opening forms, digital account opening forms, and loan applications. Often, relationship managers can help with this process.
- **Set up internal data systems to identify WMSMEs by assigning gender flags, based on your WMSME definition.** Gender flags can be added manually by the branch staff, sales staff, or RMs, or programmed to populate automatically based on the data inputs. See table 3 for a comparison of the two methods.
- **Ensure integration of WMSME data into your institution's core banking system.** Identify client data stores that are not linked to the client SDD records. For example, is the gender of credit card holders integrated into the data storage system on credit card usage?



Key questions to consider

- How can we integrate gender flags into our MIS system?
- How can we ensure gender is linked to the business customer ID?
- How can we centralize all SDD stores into our core banking system?
- How can we easily extract WMSME data for internal reporting and use?



Know the terminology

Gender flag: An internal classification system that organizes customers or accounts by gender.

Individual ID: A unique number attributed to individual customers by the bank when they become customers.

Business client ID: A unique number attributed to business clients by bank when they become customers.

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- **Update and validate WMSME designations on a regular basis.** Doing so will ensure a consistent flow of high-quality data. FSPs that have undertaken SDD initiatives recommend focusing on:
 - **Tracking changes in ownership over time:**
 - Record an “As at” date for shareholding and management data to ensure accurate records.
 - Establish a process for regularly updating SME profile data, ideally through automated CRM updates or outreach from relationship managers and sales staff.
 - Maintain source data relevant to WMSME designations. This makes it easier to understand how changes to the ownership or management structure affect the WMSME designation.
- **Confirming true business ownership or control:** In certain countries, men might establish businesses in the names of female family members—particularly when preferential rates, services, or other benefits are available for WMSMEs. FSPs operating in such market contexts have set up additional validation measures, such as calling the woman account owner to ensure she leads the business.
- **Verifying WMSME designations with additional documentation:** Many FSPs pull external data from sources like business and tax registries to affirm that businesses are women-owned. Others collect copies of official documents from the SME during account opening.

Table 3. Manual vs automated gender flagging: A comparison

	Option A: Automated gender flagging	Option B: Manual gender flagging
How it works	<ul style="list-style-type: none"> • Relevant data points are captured digitally at onboarding and automatically populated in the customer relationship management database. • Management information system (MIS) is updated to automatically assign gender flags based on pre-populated SDD in the business account. 	<ul style="list-style-type: none"> • Customer-facing staff manually insert the gender flag into business customer records.
Who is responsible	<ul style="list-style-type: none"> • IT or Business Intelligence 	<ul style="list-style-type: none"> • Branch employees/MSME relationship managers
What’s required	<ul style="list-style-type: none"> • Setting up fields in the MIS that will enable the system to flag WMSMEs based on the definition. • An example: If percentage of ownership is a part of your definition, set up fields to track the sex of the client listed on the account and their respective share of ownership. Undertake a similar process for management data and client business roles. 	<ul style="list-style-type: none"> • Creating the flag on the MIS system. • Providing staff training on the WMSME definition and process to input the gender flag. • Offering incentives to encourage routine flagging.
Advantages	<ul style="list-style-type: none"> • Enables generation of high quality, SDD across all products and services. • Easier updates of gender flags in data, for example if the ownership changes hands from a woman to man. 	<ul style="list-style-type: none"> • Engages staff as part of an important strategic initiative. • Encourages stronger customer interaction and relationship.
Challenges	<ul style="list-style-type: none"> • Could have a margin of error in the automated gender flags, as they depend heavily on the robustness of the data recorded. 	<ul style="list-style-type: none"> • Staff might not consistently fill out forms. • Increased risk of human error. • To address the challenges: <ul style="list-style-type: none"> • Make populating gender fields mandatory. • Provide rules and guidance for completion. • Embed thorough auditing processes.

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Embed WMSME data into workforce procedures

As noted in Step 2, employees and teams across the institution play essential roles in capturing and validating MSME SDD. See figure 2 for detail on the various roles different teams play. A critical aspect of the initiative will involve mainstreaming the need for this data throughout all aspects of operations. Actions here include:

- Ensuring that all the teams involved understand their roles and the overall objectives.
- Regularly communicating updates, sharing insights, and collaborating to align strategies.
- For FSPs in the early stages of sex-disaggregating MSME data: Working with Business Intelligence, IT or MIS teams to start integrating WMSME data into internal systems and processes.
- For FSPs in more advanced stages of sex-disaggregating MSME data: Reviewing data analysis and reporting to understand how the data can be better leveraged to inform the WMSME strategy.

“ The earlier you introduce [gender] flags into the system, the earlier you can capture the growth and success of your programs. Systems change all the time, so be sure that you maintain the gender flags and look for opportunities to upgrade them as your data systems evolve. **”**

Rania Shawakfeh

Director of Business Performance and Analysis, Bank Al Etihad

FSP EXPERIENCES: ADDING AND VALIDATING GENDER IDENTIFIERS

BRAC Bank: Automated gender flagging through use of national IDs

Like many FSPs, BRAC Bank started automating the assignment of gender flags by using the sex identifiers encoded in national ID numbers provided during customer onboarding. The bank found that adding the sex identifiers associated with individuals' IDs to their customer records reduced the effort spent collecting and validating information from customers, minimizing manual intervention and ensuring consistent and accurate data capture.

Nedbank: Engaging customer-facing staff to gather SDD

South Africa-based Nedbank relies on the staff of their contact center to update and verify account holders' gender. When customers contact the bank, a representative asks for gender verification and explains the request by noting that it will enable the bank to personalize their rewards offers. This has proven a strong incentive for customers to respond to the query.

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4. Capture data

Capturing the SDD lies at the heart of the initiative, involving the actual sex disaggregation of the data in the business portfolio and the start of WMSME performance tracking.

Establish the baseline

Establishing the baseline is essential to identify gaps and opportunities, set targets, and track progress with WMSMEs.

Disaggregate existing MSME portfolios

MSMEs come in various types and sizes, and the approach to sex-disaggregation can vary depending on the segment. In general, MSMEs fall into three categories: formal sole proprietorships; formal businesses with multiple shareholders; and informal businesses, often found in the retail portfolio. The approach to disaggregation is slightly different for each.

Formal sole proprietorships are the most common ownership structure for women. Disaggregating this data is based on the sex of the account holder, following this relatively simple process:

- Identify all sole proprietorships within your MSME portfolio.
- Contact the account owners and ask them to update their information by providing a copy of their national ID or any documents that indicate their sex. If your institution's data system is linked with a national business registry or other national data hub, a simple update of the national ID number should be all that is needed to update your system.
- Flag the business by gender on the system, either manually or automatically, depending on the process adopted.

Identifying **businesses with multiple shareholders** as women-owned/led becomes more complex. But doing so is critical to establishing a true baseline for your institution's Women's Markets program. Experienced FSPs have undertaken this in two ways:

- **Manual cleansing:** Reaching out to clients to gather the additional data needed to determine whether they are women-owned/led, based on the institution's WMSME definition.
- **Creating gender proxies:** Larger and multinational FSPs typically take this approach because it would not be practical to reach out and collect data from all their MSME clients. They bypass the manual cleansing step by using clients' titles—such as Mr., Mrs., Ms., and Miss—or their first names as a stand-in for their gender. They code their machine-learning software to recognize these titles in the MIS and sex-disaggregate the portfolio data.

Informal businesses, along with many sole proprietors and very small enterprises (VSEs) often use their personal accounts for business purposes. Identifying these "hidden" WMSMEs involves finding them within your institution's retail portfolio and migrating them to business accounts. To do so, mine the retail account data for indicators of business banking behavior, such as usage rate per channel, transaction volume and frequency, nature of transactions—whether they are to other businesses (B2B)—, and monthly usage days. Once identified, follow up with the account holder to verify whether it is a business.



Key questions to consider

- How do we sex-disaggregate the data in our existing business portfolio?
- How do we set the baseline against which to track WMSME portfolio performance?
- Which KPIs are critical to our WMSME program's success and what targets should we set that link to them?
- How can we track progress in a clear, user-friendly way?
- How can we incentivize the sales team to focus on women business customers?

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FSP EXPERIENCES: SEX-DISAGGREGATING EXISTING MSME PORTFOLIO DATA

BLC Bank: Gathering missing SDD through client outreach

In 2010, BLC Bank launched a data-cleansing project to sex-disaggregate its existing business portfolio, including SMEs and large corporations. The bank created a task force of relationship managers, branch staff, and data analysts to undertake the project. First, they arranged for RMs and branch staff to contact their clients and gather missing ownership and management data information. The task force used this new data and the gender of the legal representative to assign gender flags for all business client IDs. The process took six months in total, enabling BLC to set a baseline and start measuring growth attributed to their Women’s Markets program, the WE Initiative.

Standard Chartered: Disaggregating portfolios with gender proxies

When Standard Chartered initiated the process of sex-disaggregating its business portfolio, it was able to access the names of the main shareholders for each SME client—but not their gender. For about half the countries in its 52-market footprint, the bank was able to extract the gender from customers’ national IDs. In the remaining countries, the bank used a gender proxy model based on first name, with different gender-name matches identified in each country. The proxy algorithm had a 95 percent accuracy rate, which was strong enough to provide a baseline measure of portfolio composition by gender for each country.*

Bank al Etihad: Personal touch helps migrate informal WMSMEs to business accounts

Bank al Etihad identified personal accounts being used for business purposes by looking at transactions in retail current accounts. Accounts with high transaction volumes were automatically flagged for the compliance department. After reviewing the accounts, the compliance team sent a list of the accounts that were likely being used for businesses to the bank’s call center. Call center staff contacted these account holders. In their conversations, staff shared the benefits the bank offered for women-owned/led businesses, such as specialized loan offerings and business support services. They encouraged the account holders to take advantage of these benefits by migrating their retail accounts to business accounts.

*Learn more about Standard Chartered’s [AI model to identify women-owned SMEs in bank portfolios](#).

Generate the first SDD report with baseline data

After completing the data cleansing and thereby sex-disaggregating the business portfolio data, an initial SDD report can be generated. As shown in figure 4, this is an important step, because it establishes the baseline view of your institution’s MSME portfolio composition.

Short-term value

Identifying gaps to address in the WMSME strategy

Estimating revenue/profit potential in closing gaps

Building the business case for targeting WMSMEs

Long-term value

Setting ambitious but achievable targets

Generating reports and scorecards

Measuring the business impact of the WMSME strategy

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Set targets

The pathway to understanding and using the data relies on having a clear picture of programmatic performance, measured through the KPIs that are linked to value drivers and business goals—put in motion as part of Step 2—and by setting targets for what your institution aims to achieve. Target-setting helps to build momentum, drive accountability, and benchmark success. For each KPI:

- Identify the chain of accountability: Who is responsible for progress?
- Establish the baseline
- Set targets
- Report progress regularly

Connect targets to business goals

Effective targets should link to business goals. Use the business drivers identified in Step 2 to set specific targets for progress. For example:

- **Financial services for WMSMEs:** Target an X percent increase in WMSME loan volume/size over a defined time period.
- **WMSME customer engagement activities:** Target an X percent increase in the number of WMSMEs accessing loan service support digitally over a defined time period.
- **Non-financial services for WMSMEs:** Target X number of women entrepreneurs attending in-person events and trainings over a defined time period.
- **Internal representation initiatives:** Target X percent women in senior management roles by a defined end date.

At the very least, progress toward target achievement should be measured on an annual basis to ensure accountability. Depending on stakeholder needs, this could be more frequent, such as quarterly or monthly. This progress should be communicated to all stakeholders, including branch staff, sales force, and relationship managers responsible for tracking the data.

FSP EXPERIENCE: MEASURING THE BASELINE

Banco BHD: Measuring the baseline to track WMSME program performance

Prior to launching its pioneering women-centered program, Mujer Mujer, Banco BHD understood the importance of setting a baseline. First, they decided on a WMSME definition. Since it was possible to have less than 50 percent ownership but still have majority control over a company, the bank opted for a definition based on the sex of the owner with the largest number of shares. After setting the definition, they sex-disaggregated their existing portfolio by tagging women individual account holders and women SME account holders. This process was assisted by relationship managers at all their branches, who manually collected the gender information from their business clients. Disaggregating the data to build the baseline has enabled BHD to track the performance of Mujer Mujer over time, with impressive results.

2-year annual growth (2014-2016)	Total	Retail	SME
Growth in women customers	13%	12%	16%
Growth in loan portfolio to women	19%	16%	26%
Growth in deposits held by women	11%	10%	15%

Integrate targets into staff performance metrics

Target-setting can also be useful as an incentive for staff to drive progress on the WMSME program. Many FSPs integrate SDD metrics into their staff performance metrics to encourage improved outreach and service for women customers.

Developing the specific metrics depends on the employee’s role. This involves:

- Breaking down processes to determine the actions needed to support your institution in meeting its targets.
- Identifying the people or departments responsible for these actions.
- Specifying metrics for the people or departments that will measure their contribution to achieving the targets.
- Regularly tracking the metrics to ensure that responsible teams are held accountable and incentivized accordingly.

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Build SDD scorecards

The SDD scorecard measures KPIs and tracks progress towards targets. It can be a simple table or a live data dashboard with charts and deep data analysis. Regardless of the format, the scorecard ensures that the data is collected, updated, analyzed and regularly reported.

As your institution's SDD becomes more complete and more detailed, scorecards can be built out with additional capabilities, to better understand WMSME customers' needs and behaviors and identify what drives success with the segment.

Figure 5. How to use SDD scorecards

How experienced FSPs use their SDD scorecards



Measure **PROGRESS** toward goals & targets



Understand **CUSTOMER BEHAVIOR** per segment



Identify areas for **IMPROVEMENT**



Use data to **BETTER SERVE WMSMEs**

FSP EXPERIENCE: VISUALIZING PROGRESS WITH SCORECARDS

NatWest Group: Simple scorecard tracks progress of WMSME program over time

In the UK, NatWest Group's clear and simple scorecard measures the success of its Women in Business program. The indicators in their scorecard reflect programmatic goals. For financial services, these include growth in lending to women entrepreneurs, number of new-to-bank women business customers, and number of new accounts for women in business. For non-financial services, they include the number of accredited Women-in-Business specialists within the organization, the number and reach of Women-in-Business events, and the share of women customers using the bank's digital SME support platform, OneConnect.

	2017	2018	2019	2020
Lending	+8%	+19%	+1.6%	+400% due to Covid
Switchers	+15%	+23%	+1.6%	Covid impact
New Accounts	+20%	-5%	-8%	Covid Impact
% of Customers in OneConnect	91%	91%	90%	84%
Events / Reach	200/11000	200/11000	350/22000	48/ Over 100,000 Reach (virtual impact)
WIB Specialists Accredited	152	150	210	330
WIB Specialists pan Bank	500	500	600	800

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5. Use and analyze data

Data is a tool, not the ultimate goal. The key is to leverage the data to make strategic decisions that support your institution’s strategic objectives and achieve outcomes for women-owned/led businesses.

Put the data to use

SDD analysis should result in actionable insights that shape organizational strategies, products, and campaigns. Putting the SDD to use generally follows a straightforward process:

- **Define objectives and identify key questions:** For instance, an FSP might want to understand how to acquire more WMSME clients or investigate whether the introduction of business support services had a measurable impact on client retention.
- **Collect and organize relevant data:** Pinpoint the type of data needed to answer the key questions and measure progress towards objectives.
- **Analyze data to identify trends, patterns, and disparities:** Consider looking at differences between men and women customers and among types of WMSMEs. Various techniques can support this, including segmentation analysis, cohort analysis, and sales funnel analysis.
- **Generate insights and develop actionable recommendations:** Use the data analysis to gain insights into gender gaps in your institution’s KPIs and value drivers, which will help to identify ways to close these gaps.
- **Implement data-driven strategies:** Operationalize the data-driven recommendations to better address the needs of WMSMEs. This might involve launching new women-focused products, adjusting existing services, or optimizing marketing campaigns to better reach women.
- **Monitor and evaluate outcomes:** Use the scorecard or other regular reporting mechanisms to track KPIs and assess whether the changes are delivering the desired results. Continuous monitoring allows for refining the WMSME strategy and demonstrating impact.



Key questions to consider

- What patterns and insights can we identify from sex-disaggregated MSME data?
- What product and service improvements could better serve our women customers, based on the data?
- Are we combining internal and external SDD sources to improve strategies?

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FSP EXPERIENCES: PUTTING SDD TO WORK

Kubo Financiero: Using SDD to optimize the sales funnel

A 2019–2020 gender-differentiated analysis of Kubo Financiero’s sales funnel revealed that while its marketing efforts brought slightly more women than men to its website (51 percent vs 49 percent), the conversion rate for women completing the registration process was lower (59 percent vs 69 percent for men). After exploring the reasons for the disparity, the Mexico-based bank discovered that the registration forms required by the regulator were lengthy and complex. Women typically read through much of the form but exited the process before completion, while men tended to scroll to the bottom and click “agree.”

Kubo Financiero shared this finding with CNBV, the Mexican financial sector regulator, who worked with them to simplify and redesign the form for user friendliness. As a result, women’s conversion rates (from inquiry to completing the registration) increased by 14 percent in 2021. Male conversion rates rose by 4 percent in the same period.

Microfund for Women: Using data to improve loan servicing

In Jordan, Microfund for Women has included an indicator on their dashboard that measures the time it takes for each step in the loan application to loan disbursement process helping MFW identify bottlenecks throughout the process. After addressing the bottlenecks, MFW found that the percent of loans processed in less than 24 hours increased to 38 percent—up from 32 percent the previous year.

KCB Kenya: Measuring NFS Impact on Commercial KPIs

As part of its WMSME proposition, KCB launched tailored non-financial services for women through its Biashara Club. The club offers networking opportunities so women can share best practices. It also partners with local experts to provide skills training for women and showcases high-profile businesswomen as role models. By tracking users of these non-financial services, the bank found that women who were active Biashara Club members had average loan sizes that were higher than women MSME clients who did not participate—and 18 percent higher than their male counterparts.

Report data to national and international aggregators

In addition to internal use, many FSPs report WMSME data to their investors as well as to their governments. Reporting to external stakeholders allows them to track and monitor progress in the market and design solutions to encourage further financing of WMSMEs. Ensuring that internal dashboards align with external reporting requirements will streamline efforts.

WE Finance Code signatories commit to reporting a required set of indicators to their national data aggregators, with optional reporting on “encouraged” indicators. See table 4 for the breakdown.

Table 4. WE Finance Code’s indicators to track WMSME portfolios

Area to track	KPIs <small>All to be reported by women-led and non-women-led, for SMEs and microenterprises</small>
MINIMUM INDICATORS to be reported by WE Finance Code signatories	
1. MSME business customers	<ul style="list-style-type: none"> Total number of MSME financial products
2. MSME business loan applications & loan approvals	<ul style="list-style-type: none"> Total number of MSME loan applications Total value of MSME loan applications Total number MSME loan approvals Total value of MSME loan approvals
3. MSME business outstanding loans	<ul style="list-style-type: none"> Total number of MSME outstanding loans Total value of MSME outstanding loans
4. MSME business non-performing loans	<ul style="list-style-type: none"> Percentage of MSME outstanding non-performing loans
5. MSME business depositing data - waived if you do not accept deposits	<ul style="list-style-type: none"> Total value of MSME deposits Total number of MSME depositors
ENCOURAGED INDICATORS to be reported by WE Finance Code signatories	
6. MSME additional lending data	<ul style="list-style-type: none"> Total number of MSME new disbursed loans Total value of MSME new disbursed loans
7. MSME business lending conditions data	<ul style="list-style-type: none"> Total number of MSME outstanding collateralized loans Total number of MSME outstanding short-term loans Total value of MSME outstanding short-term loans
8. MSME business customer loyalty data	<ul style="list-style-type: none"> Total number of MSME financial products

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WE-FINANCE CODE REPORTING PROCESS

While the reporting structure for the WE Finance Code varies by country, in general, FSPs can expect to report sex-disaggregated data annually to the **national aggregator**; a trusted body (typically a national statistical office, central bank, finance or economic ministry, regulator, or an industry association) that will aggregate the FSP-level data into a unique country datasheet and send it to the Organization for Economic Cooperation and Development (OECD), the **global aggregator** for the WE Finance Code.

FSP responsibilities:

- Collaborate with aggregators to reach consensus on definitions and required indicators.
- Report annually to the national aggregator on core set of indicators measuring the levels of financing to WMSMEs.

National aggregator responsibilities:

- Collaborate with FSPs to reach consensus on a list of indicators to be reported, which may vary by type of FSP.
- Instruct, collect, and ensure quality and analyses of core indicators reported by FSP signatories.
- Share collated data with the OECD on an annual basis.

Global aggregator responsibilities:

- Prepare a standardized template for data collection that countries can customize.
- Provide to guidance to national aggregators on the data collection process, including indicators, definitions, and instructions for global reporting.

Where to go from here

Over 400 million women entrepreneurs around the world have vast potential to grow their businesses, add value to the economy, and create jobs, but they lack the financing to achieve their goals. They represent a \$1.7 trillion growth opportunity for FSPs and \$5–\$6 trillion in potential value addition to the global economy.

With the launch of the WE Finance Code in 30 countries and counting, is it clear that tapping into the WMSME opportunity is a key part of FSPs’ and governments’ strategies to drive sustainable growth, improve financial inclusion, and reduce poverty. And there is growing acknowledgement that access to timely, accurate, and comprehensive SDD sets—including detailed data on women businesses—must underpin such strategies and actions if they are to achieve the desired goals. As the Code is implemented and scaled in the coming years, optimizing WMSME data collection and use will take on even more importance.

Given this context, the takeaway message to FSPs is short but powerful: Keep going! Keep building your SDD capabilities because they will serve you well in realizing your business goals—and in meeting ever changing national and international requirements and standards.

The Financial Alliance for Women continues to work with FSPs to help them maximize the potential of their SDD in building and expanding their Women’s Markets strategies, so they can meet their own business goals while closing gender gaps in financing for women entrepreneurs and contributing to broader economic and societal goals. The Alliance’s partnership with the WE Finance Code is pushing the boundaries of what’s possible, to realize more ambitious women’s financial inclusion goals and enable the world to truly tap into the vast energy, creativity, drive, and potential of women entrepreneurs.

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APPENDIX

Table 4. Supply-side women MSME definitions

Organization	Ownership	Management	Governance/Workforce	Additional
WE Finance Code Guidance* *The WE Finance Code	>50% women- owned OR	Female CEO OR 100% woman lead decision-maker and legal representative		
	≥ 30% women owned AND	≥ 50% women in leadership OR	≥ 50% board of directors composed of women, where a board exists.	
OECD	≥ 51% women-owned OR			
	50% women-owned, considered as dual-ownership			
IFC	≥ 51% female ownership OR			
	≥ 20% owned by woman/women AND	≥ 1 woman as CEO/COO/President/Vice President AND	≥ 30% of the board of directors composed of women, where a board exists.	
EBRD	≥ 51% female ownership OR			
	≥ 20% female ownership AND	≥ 1 woman at senior-level management, such as CEO, COO, or equivalent.		
2X Criteria (Businesses must meet one or more of the following criteria)	≥ 51% female ownership OR ≥50% representation in the founding team	% women in senior management* OR % women on the board or investment committees* <small>*Minimum requirements vary depending on the country and sector.</small>	% women in the workforce* AND One “quality” employment indicator beyond compliance <small>*Minimum requirements vary depending on the country and sector.</small>	Commitment to women in the supply chain AND One “quality” supply-chain indicator beyond compliance OR Product(s) or service(s) that enhance the well-being of women/girls, or enhance gender equality.

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DESIGNED AND DEVELOPED BY

**FINANCIAL
ALLIANCE
FOR
WOMEN**

Special thanks to the Financial Alliance for Women members that contributed their expertise to this publication: ATB Financial, Banco BHD, Bank al Etihad, BLC Bank, BRAC Bank, KCB Kenya, Microfund for Women, NatWest Groupe, and Nedbank, as well as Kubo Financiero and Standard Chartered.

About the WE Finance Code:

The Women Entrepreneurs Finance Code (WE Finance Code) is being rolled out in 30+ countries to expand the amount of financing available to WMSMEs. It will do so by addressing the data gaps that inhibit women-led businesses from accessing finance. The Code will increase the number of financial institutions around the world that are disclosing their level of funding to WMSMEs. It will also create incentives, transparency, and accountability to close the gap. By increasing women's access to finance, the Code will contribute to the economic empowerment and resilience of women around the world in a systematic and high-impact way.

The core of the Code is a simple, voluntary pledge that Financial Services Providers (FSPs) make to endorse the goal of closing the finance gaps facing WMSMEs and to commit to taking action in three areas:

- ✓ **Leadership:** Designate a senior leader to champion the organizations' efforts to support WMSMEs.
- ✓ **Data:** Monitor and report annually on financing provided to WMSMEs.
- ✓ **Activities:** Expand and introduce new measures to support and finance WMSMEs.

For more information, we-fi.org/we-finance-code/

About We-Fi

The Women Entrepreneurs Finance Initiative (We-Fi), housed in the World Bank, is a global partnership that supports women entrepreneurs by scaling up access to financial products and services, building capacity, expanding networks, offering mentors, and providing opportunities to link with domestic and global markets.

For more information, visit: [We-Fi.org](https://we-fi.org)

Engage with us: [@WE Finance Code](https://twitter.com/WE_Finance_Code)

About the Financial Alliance for Women

The Financial Alliance for Women is a leading members' network of 100+ financial organizations dedicated to championing the Female Economy. As peer learning experts, we create sophisticated knowledge-sharing environments, granting our members unparalleled access to best practices and proprietary strategic insights from the most innovative and successful Women's Market Programs globally.

For more information, visit: financialallianceforwomen.org

Engage with us on LinkedIn: [@Financial Alliance for Women](https://www.linkedin.com/company/financialallianceforwomen)

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