

A faded background image of two women smiling and working in a field. The woman on the left is wearing a patterned top and a headwrap, while the woman on the right is wearing a floral top. They appear to be engaged in agricultural work.

FINANCIAL SUPPORT CRITICAL TO **GREATER** **FEMALE** **LEADERSHIP**

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Foreword by: Calyn Ostrowski, Worldwide Foundation Executive Director, World Council of Credit Unions





In many areas of the world, girls with ambition are seen as insolent, audacious children in need of censure. Rather than nurturing this determination, parents are encouraged to stifle their daughters' drive, steering them down more traditional roads. To the bright girls and women caught in this pervasive snare, their dreams for more can seem hopeless. Yet there are inspiring stories of tough young women who have spoken out, broken the mold and made professional and personal achievement possible. One of these stories comes from within the credit union movement. It's that of Shazia Manus, CEO of TMG (The Members Group) and a leader within the World Council of Credit Unions' Global Women's Leadership Network. Her upbringing, in a society where customs and beliefs relegated females to second-class status, is proof the dreams of repressed young women can be realized. Brave, educated men and women willing to push against cultural, societal – and even more importantly, familial – pressures can change the course for these women and the world they are reshaping. What follows is some of Shazia's story, as well as her insights on the important role of financial support in helping more women around the world achieve career success. Woven within are my suggestions for how you can help advance this support within your own community.

CALYN OSTROWSKI

*Worldwide Foundation Executive Director,
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Coming of age in Bangladesh was not easy for an individual like me. From a very young age, I found intellect, curiosity and an intense yearning to defy the odds hard to squash. Fortunately, my grandfather recognized these qualities in me and moved mountains to ensure his granddaughter would have the same opportunities as his grandsons to succeed in business. Against what I can only imagine were immense pressures, he encouraged me to take challenging entrance

exams, apply for highly competitive scholarships and even start a home-based business at the age of 17.

Now a U.S. citizen and CEO of payments processor TMG (The Members Group), I feel a calling to put the same bold spirit into play for other women around the world – women who with the right combination of mentorship and financial support can achieve great things for themselves, their families and their communities.



SHAZIA MANUS
CEO of TMG (The Members Group)

The influence of mentors is deeply important, yet the criticality of financial support cannot be overstated. My grandfather's consistent reassurance alone, as important as it was to my development, would not have been enough to propel me to the influential positions I've been honored to hold thus far in my career.

As I was writing this paper, I learned of a [28-year-old mother in rural Sindh, Pakistan](#) who faces dangerous physical threats each time she attempts to access everyday financial services. Just to get herself and her young son through the bank line safely, she pays an illegal agent for protection. Stories like this underscore the global need for the delivery of more fair, dignified financial services.

Three practical methods for injecting financial support into the lives of promising young women across the globe are ***scholarship, microfinance and equal pay***. This paper takes a look at how each of these approaches is already helping advance female leaders to deserving success. It's our hope this examination will inspire more leaders in the credit union movement to design programs that will continue this advancement globally.



MALAWI



NEPAL



THAILAND

Global Women's Leadership Network

THE CYCLICAL BENEFITS OF MENTORSHIP

Because seeing is believing, mentorship is crucial to the empowerment of more women in business. Emulating the professional and personal successes of strong female leaders is much easier when someone helps you believe in your abilities and also illuminates the path with practical steps. Mentoring is something that must be viewed as evolutionary. My own professional development journey is only just beginning, and I continue to seek out mentors and look for opportunities to mentor others.

One program already having terrific impact on the mission of mentorship is the World Council of Credit Unions' [Global Women's Leadership Network's Sister Societies](#) initiative. As local chapters, Sister Societies offer women personal, professional and community development opportunities and provide participants with mentoring and networking on a grassroots level. To date, 23 Sister Societies have been established in nine different countries.

Scholarship

Today, [more women than men are enrolled in college](#), and scholarships have undoubtedly played a major role in that trend. Financial assistance not only helps a deserving female get to college; it can also help young women pursue a career in law, medicine or other advanced-degree professions they may not otherwise be able to afford. What's more, scholarships awarded to women present a better return on investment, as women are [more likely than men to complete college and attend graduate school](#). Without the burden of student loans, these women can more readily leverage the income generated by higher-level careers to help finance the next generation of college graduates.

In the U.S., educational scholarships are generally aimed at financing college. Yet in many parts of the world, secondary – and even

primary – education is dependent on a family's ability to afford enrollment. Standing in the way are more than just school fees; there are costs associated with transportation, uniforms/attire and childcare for younger siblings. If a family can only afford to send one child to school, it is often the oldest son who will receive the benefit. In Somalia, for example [only 36 percent of girls go to school](#).

Of course, lack of family finances is only one of many obstacles facing children – both female and male – who can't attend school. Displacement due to wars, conflicts and natural disasters, childhood physical and learning disabilities, a shortage of qualified schools and teachers, child marriage and societal resistance to female education are very real hindrances that keep young people from attending school. We also know scholarships

will not be able to address the need of every determined child. But those benefactors and programs that change the course for even one girl can create the sort of ripple effect that lifts up entire communities.

For many young women, scholarships represent more than money. As [one young woman studying to be a nurse](#) explained, they also build confidence and a sense of community responsibility:

“It wasn't just the financial help; their support gave me hope, knowing there were people I didn't know who believed in me, and I wasn't going to let them down.”



In other areas of the world, competitive scholarships are points of pride for young women. In Dhaka, Bangladesh, where I grew up, only a few hundred scholarships were awarded for secondary education each year. Had I not received the encouragement and support from my grandfather to study my way to be a recipient of one of the financial awards, I would never have had the courage to try for that scholarship.

In my childhood, encouragement and support was far from universal. In fact, like many young women in male-dominated societies, I was told from a very young age I would never be as good as my older brother, particularly when it came to academics. That's why it was paramount to take full advantage of every opportunity that came my way. To create a better life for themselves, women need encouragement to shift their mindset, to ignore even the most influential naysayers.

Earning that scholarship was a key and pivotal moment in my quest to prove myself, as I was the only person in my family to have been awarded scholarships for both secondary and higher secondary education and the only student to have ever scored 100 percent on the exam for Elective Math. Indeed, I had earned more than money to send me to school; I had earned dignity and respect from my family and community, all while hopefully setting an example for other young women in my corner of the world.

Beyond surprising the people around me, this was a defining moment in my drive to pursue academic excellence. The next time a rigorous test was before me was in the 10th grade. The outcome of this examination test – the Secondary School Certification Examination, which is similar to the ACT test in the U.S. – would determine which field of higher education I would be allowed to pursue, as there was no such thing as choice in academics. Because of my success in the 8th grade scholarship exam, I approached this scholarship opportunity with much greater confidence. Ultimately, my score earned me the chance to pursue the math/science track I felt so strongly about. The highly competitive university exam followed. Entrance into university, even the opportunity to apply to university, was extremely limited.

Yet, my determination to keep exceeding expectations is ultimately what allowed me to earn yet another scholarship and the funding to obtain a coveted seat at Dhaka University's Economics Honors program.

Of the young women I knew who also attained this level of academic excellence and beyond, some went on to have very successful professional careers. Others chose to focus on marriage and family. I can't say for certain what propelled them to do so. However, given the cultural environment in which they were raised, I assume societal expectations, a lack of female role models and non-existing professional support networks had an impact on their decisions.

Such circumstances, where women are obligated to settle for a lifestyle not by their own choice but due to societal prejudices, are heartbreaking to me. At the same time, they make me even more determined to influence and empower women across the globe.

Of course I know I am only one person and can't change the world alone. That is why I am committed to aligning myself with organizations like the Global Women's Leadership Network. It will be these types of organizations, ones that are developing additional scholarship opportunities for more women around the world, that will be the catalyst to helping women feel less alone in their pursuits of better lives.



SCHOLARSHIP

What *You* Can Do

Explore ways to develop or support scholarship programs for up-and-coming female leaders, social entrepreneurs and others who have the potential to reshape their corners of the world. Credit unions have a long history of scholarship support that continues today. Here are just a few recent programs that have set a great example within the movement:

Global Women's Leadership Network Scholarship

The World Council of Credit Unions has developed the [Global Women's Leadership Network Scholarship](#) program. The scholarship benefits emerging credit union leaders by offering an opportunity to join the Network's professional development and training opportunities. Scholarship winners may apply for the Network's Empowerment Grant that solves a problem or meets a credit union and/or a community need. In 2014, the Network awarded six scholarships to women from around the world, including TMG-sponsored Elenita San Roque, CEO of the Asian Confederation of Credit Unions, Thailand.

The SECU Foundation

The State Employees Credit Union Foundation teamed with Appalachian State University to deliver a rural teacher education scholarship program to the Appalachian region. The SECU Foundation recently presented a [\\$1.76 million grant in support](#) of the teacher scholarship program.

Women Helping Educate Every Lady

LAFCU, a Michigan credit union, developed the [Women Helping Educate Every Lady \(WHEEL\) scholarship program](#) for women who want to enter or re-enter the workforce. The scholarship was designed to help overcome the financial obstacles met by adults who want to return to school.

If developing or supporting a scholarship is too large a prospect, research the availability of existing scholarships for women with career and social ambitions. Then, tap your personal and professional network to spread the word, encouraging as many women as possible to apply for the funds. Share opportunities you find on your social networks, within your credit union communication channels and inside your community networks.

Microfinance

Like a lot of women living in developing countries, I was acutely aware of the needs of the people around me – particularly my academic peers – as I was coming of age. Rather than wait for someone else to fulfill those needs, I figured, “Why not me?” So, at 17, I started a home-based tutorial business alongside my brother, giving math, English and science lessons to students in grades six and above. Over time, I founded two other businesses, including a cafeteria supplying box lunches to one of the largest public schools in Bangladesh and a boutique with three other women. My experience was both fortunate and uncommon, as Bangladesh remains one of the worst places to be a woman starting a business, according to the [2014 Gender Gedi report](#). Working at all – let alone running a company – is incredibly difficult for women in many parts of the world. [Fewer than one in five women work outside the home](#) in Algeria, Iran and Syria, for instance.

It was during this period of my life I was introduced to the concept of microfinance, which describes broad financial services for entrepreneurs and others lacking access to traditional credit and other banking services. Microcredit is among these services, and with [loans as low as \\$125](#), it has proven to be life changing in many parts of the world.



It's not surprising I came to learn about microfinance so early, given the area of the world in which I grew up. Much of the research and advancement of the self-help concept has taken place in Bangladesh. More than 50 years ago in 1959, Dr. Akhtar Hameed Khan began experimenting with microcredit. He organized a rural development initiative that eventually became the Bangladesh Academy for Rural Development (BRAC), one of the first microfinance institutions in the world. BRAC worked by lending small sums of money to Pakistani entrepreneurs. Another study coming out of the region documented that, despite common misconception, poor people – many of whom are women – are [economically active](#). This means they use very limited resources extremely effectively; they have to or they will not survive. This study, among others, fueled the fires of microfinance, persuading donors, community activists and financial institutions to rally behind the idea.

I have seen firsthand the life-changing benefits of microfinance. When I was growing up, many of the upper-class families in Bangladesh had in-home servants. Often, beggars off the street or those dwelling in slum quarters of the city would take a servant's wage-paying job in exchange for food, shelter and nominal wage. It was a merciless and cyclical circumstance faced by a lot of women in my city. In the early

1990s, however, fewer individuals were clamoring for maid servant work, and I recall clearly elite friends of my family often talking about their observations of the dramatic change. What had caused the dramatic reduction in competent, available servants was an influx of large clothing manufacturers (e.g. garment factories). They were setting up facilities left and right, each creating better paying jobs that also gave workers a new and marketable skill. Those who aspired for more eventually used those skills in combination with microfinance programs to set up their own businesses. The empowerment that came from running a successful venture led to a contagious sense of freedom and feeling of great accomplishment that spread to more women. In essence, the changing business environment was a catalyst for inspiring women to determine and control their own destinies.

There will never be enough charitable outreach to solve the problem of world poverty. By providing credit to start small businesses, microfinance is empowering the poor to raise themselves out of the cycle of poverty.

[WOMEN'S MICROFINANCE INITIATIVE, *wmionline.org*](#)



The beauty of microfinance is the beneficiary decides how to put the funds to the most impactful use. The Women's Microfinance Initiative (WMI) [explains it best](#): "While third-party institutional aid programs that try to dictate development in emerging nations from the top down have historically failed, microfinance has the promise of promoting in-country development from the bottom up. The key is focusing on improving the capacity of motivated local populations – the very people who are most vested in promoting long-term, lasting economic improvements in their families, communities and countries."

In Khairo Dero, a village in southern Pakistan, a small team of community workers at the Ali Hasan Mangi Memorial Trust saw the results of [allowing microcredit funds to be used in the manner its female beneficiaries found best](#): "We listened to their ideas which were far better than ours. Someone set up a vegetable stall in her neighborhood, someone bought a freezer and made ice-cream to sell in the hot summer months, someone else bought sandals and cosmetics from the city and sold them in the village at a profit."



According to WMI, women, in particular, have been shown to be ideal beneficiaries of such programs. Despite the fact they suffer a higher unemployment rate and earn lower wages than men, women have proven to be more reliable microfinance clients than men. WMI says they are more likely to repay their loans in a timely manner and less likely to default. As well, when women are empowered, often their entire family – even their community – is improved. Over eight years, nearly half of the families with credit from the Grameen Bank in Bangladesh [rose above the poverty line](#). During the same period of time, only 4 percent of the poorest, with no credit service of any type, did the same.

Throughout history, we've seen impoverished women tap their collective ingenuity to survive. During the [1990s famine](#) that killed an estimated 800,000 to 1.5 million people, North Korean women began [selling foraged mushrooms and scrap copper cable](#) to feed their families.

Working women have especially poignant potential to change the trajectory of their families. Kathleen McGinn, a professor of business administration and co-author of a new study from Harvard Business School, said women who were raised with moms who worked outside the home [earn more money and are significantly more likely to hold supervisory responsibility](#) in their jobs.

Microfinance goes beyond microcredit to include insurance, funds transfers and savings. The World Council of Credit Unions' approach to microfinance, for instance, emphasizes the mobilization of member savings as the primary source of financing. This savings-based approach allows credit unions to reach great scale in financial service provision and instills a level of financial discipline that ensures long-term sustainability. In India, the Self Help Group-Bank Linkage Programme was designed to [supplement formal credit delivery](#) with a focus on savings first followed by credit. Nearly 85 percent of the program's beneficiaries are all-women groups, and [as reported by the Financial Express](#), the poor rural women in India now control a financial business with a turnover of nearly R1 lakh crore (equivalent to 10 million U.S. dollars deposits plus credit).

Interestingly, many refer to microfinance as a movement, similar to the credit union industry. Community leaders, philanthropists and even average consumers are increasingly compelled to contribute financially to mission-based organizations through this model. Attracted to the cultural integrity of a "people helping people" philosophy, these benefactors want to be part of something that will help make the world a better place. By strengthening credit unions, particularly those focused on strong financial management and delivery of fairly priced financial services to poor and low-income people, we will naturally increase access to high-quality financial services for women worldwide.



MICROFINANCE

What *You* Can Do

Invest in Development

Look for opportunities for you and/or your organization to invest in credit union development and microfinance institutions (MFIs). Such an investment may be an altruistic effort aimed at empowering more women; it may also provide a financial return. In 2013, the return on assets among 100 MFIs studied by responsAbility was [nearly 3 percent](#). To learn more about the supply, demand and facilitation of capital within the microfinance market, visit the [MIX market online](#).

Find Your Value

Determine how your individual skillset may be of value to the growing credit union and microfinance movement. Credit unions and microfinance bring together [professionals with varied backgrounds to work in collaborative teams](#).

Make A Local Impact

Lend your individual skillset and make a local impact through the Global Women's Leadership Network. Participate in the Network's Empowerment Grants by providing technical expertise, guidance and mentorship to grantees. Projects increase access to credit, loans, savings and leadership opportunities for women in their communities.

Equal Pay For Equal Work



A lack of education is often used as a scapegoat for the gender pay gap that exists throughout the world. However, a 2014 American Association of University Women study found greater education does not significantly close the gender wage gap, at least here in the U.S. At every academic achievement level studied, [women's median salaries were less than men's by at least 21 percent](#). Evidence like this suggests the problem goes beyond the academic content of a woman's resume.

American equal pay advocates have successfully maintained a steady drum beat for their cause, earning a great deal of awareness and inspiring a decent amount of action. Over the more than 100 years they have been calling for change, the U.S. has experienced a series of legislative solutions, private-sector policies and even the declaration of April 14 as Equal Pay Day. Today, the call for equality in women's compensation is still a hot-button issue. The subject, for instance, has become a [topic of debate](#) among 2016 presidential candidates. Still, the U.S. ranks 65th in wage equality out of the 142 countries examined in the [2014 World Economic Forum report](#).

Outside the U.S., even less action is taken to address the gender pay gap. This is likely because women in developing countries are often viewed as less worthy of legislative or civil intervention.

Yet, often against staggering odds, the natural leadership characteristics of the female race shine through. In Jamaica, Colombia, Lesotho and Fiji, [more of the countries' legislators, senior officials and managers are women](#). In Rwanda, women hold [64 seats in the 100-seat parliament](#). In male-dominated North Korea, women earn [more than 70 percent of household income](#). Many of these women are working in grey-market businesses, exercising their natural self-reliance and entrepreneurial skills.

When women earn more, they are empowered to save more. As Sallie Krawcheck, former Merrill Lynch and Smith Barney CEO and current chair of [Ellevest Network](#), has said, "The retirement savings crisis is also a woman's

crisis." Today, [women retire with two-thirds the savings of men, yet they live six to eight years longer](#). Naturally, this leads to higher medical costs during a time of their life when 80 percent of women are single. "And it may actually be getting worse," writes Krawcheck. "Because retirement savings tend to be driven by lifetime wages, we may be moving in the wrong direction, as women's labor force participation declines."

Women in business have a responsibility to look out for themselves – something of which I've become more aware over time. When I was first offered a C-level position, I allowed the sheer flattery of the offer to cloud my diligence. I jumped at the opportunity without hesitation, accepting the salary and benefits that were offered, simply because I had the opportunity to prove myself. A male counterpart, given the same opportunity, may have taken the time to consider all of his options and negotiate a compensation package based on his worth

assessment. [Forty-six percent of men surveyed](#) recently say they always negotiate salary following a job offer, compared to just 30 percent of women. Since that time, I've learned the importance of knowing your worth and the artful skills of negotiation – both critical factors for those who support fair pay regardless of gender. With every new career advancement opportunity, I find there are lessons learned for what to do differently when the next opportunity comes knocking.





EQUAL PAY FOR EQUAL WORK

What *You* Can Do

Three actions women in the credit union movement can take to narrow the pay gap: *audit, negotiate, advocate.*

Audit

For those of us in high-level leadership positions, it is important to have a complete understanding of the wages paid to our employees. Conducting salary audits will help us proactively monitor and solve any gender-based pay differences that exist within our organizations.

Negotiate

When possible, promote deserving women who have the skills, competencies and drive to help the organization succeed.

Companies with more women in senior leadership [have lower gender pay disparities throughout their organizations](#). In a [recent white paper](#) co-sponsored by the World Council of Credit Unions, [Filene Research Institute](#) encouraged leaders in the credit union movement to track how many women are leading in their organizations. This, the paper's authors argue, will allow credit unions to know whether women leaders are arriving by accident or intentionally, as well as how fast the organization is improving.

Women taking jobs and earning promotions can also take steps to narrow the pay gap. Learning – and teaching – strategies for better negotiation of fair pay will go a long

way toward equalizing the statistics. Do your research and understand what your skill set, experience and contributions are truly worth.

Advocate

Advocating for fair pay with legislators is another important action both women and men can take. The Paycheck Fairness Act would improve the scope of the Equal Pay Act, which hasn't been updated since 1963. The proposed legislation calls for stronger incentives for employers to follow the law, enhancement of federal enforcement efforts and the prohibition of retaliation against workers asking about wage practices.

In Summary

Anne Sweeney, the co-chair of Disney Media Networks and president of Disney-ABC Television Group, said, "[The smartest thing you can ever do is to constantly ask questions.](#)" Ask what role you and your organization can play in the formation of scholarship, microfinance and equal pay initiatives. But don't stop there. Allow your curiosity free reign. Ask yourself what you – an ambitious individual full of your own potential – need and then strive to meet that need for others. The results will be cumulative, and more women in the credit union movement will achieve their dreams, ultimately improving the financial lives of more people around the world.

Don't be afraid to take calculated risks or to push against preconceived ideas. Prove people wrong; defy the odds. And then help others do the same.



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