

# THE CREATIVE MANUFACTURING SECTOR

INNOVATING FOR SOCIAL AND ECONOMIC EMPOWERMENT



"I realized I'm able to do a good job, that I can be good at my work. I'm now able to help people because I have a salary. I understand myself better and I have the capacity to help people because of that. I think my life is better for being here." - Tanvi, 21

Not only does the creative manufacturing sector have vast untapped potential for growth, it is also a space which allows for innovation in economic and social empowerment. Creative manufacturing (otherwise known as "handicrafts") encompasses the production of apparel, lifestyle and artisanal food, and is estimated to employ over 60 Million people in India.

Creative manufacturing is the backbone of the rural non-farm economy in India. Yet over 90% of creative producers are estimated to exist in the informal sector, and are forced to take up employment in exploitative conditions. Producers struggle to gain access to broader markets and depend on infrequent and underpaid local orders, often placed by middlemen who take a cut. Abuses like low wages, long hours, unsafe working conditions, and harassment are systemic.

# INDUSTREE INCUBATES AND ACCELERATES CREATIVE PRODUCERS



Industree's model gives creative producers a choice to work in self-owned enterprises. Industree has successfully incubated two existing producer enterprises to sustainability. These enterprises have impacted 2,000 producers, many of whom are owner-members through self-help group membership.

#### **Our Mission**

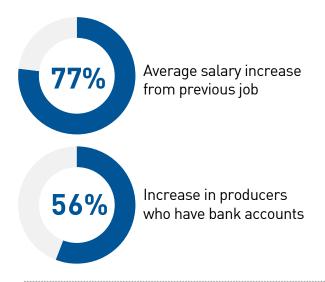
Industree builds sustainable livelihoods in the creative manufacturing sector to ensure that underemployed women can have high and regular incomes, decent and equitable working conditions, and the ability to cope with life crises.

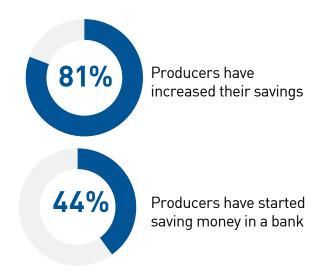
#### **Our Vision**

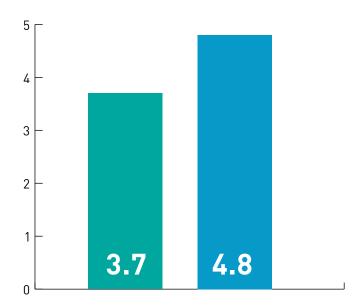
Industree envisions a world in which millions of creative producers rise out of poverty by building sustainable livelihoods in creative manufacturing. We believe that when producers have access to an enabling ecosystem they are able to pursue their futures with dignity, and that when women earn they are empowered at home and in their communities.

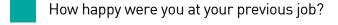


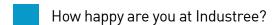
### **OUR IMPACT**













We won't be able to maintain our household because I'm the sole income earner

It will be difficult for my family because my earnings are a substantial part of our income

My family will be able to manage

I don't know

240 producers employed at 2 producer-owned enterprises







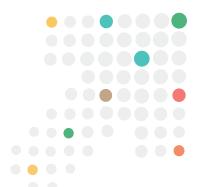
1800 suppliers in the value chain

### **FOCUS ON WOMEN**



Research has shown that empowering women has tremendous ripple effects on their families and communities. Women are more likely to spend their increased incomes on their children, investing in their education and nutrition. At Industree, 43% of mothers said that with an increased income, they were able to transfer their children to higher-quality schools.

An increased income can also change family dynamics. Empowered with a dignified career and salary, women can gain respect and decision-making power both at home and in their communities. 57% of the women we interviewed told us that their families respected them more now that they are earning.



### **HOW WE MEASURE IMPACT**



Industree uses qualitative and quantitative data to measure impact. This year we have created a new Evaluation Plan and will begin to conduct baseline and endline surveys with producers. The surveys will help us measure changes in producer's lives after working with Industree, from work safety to women's decision making power at home.

In the spring of 2017 we spoke with over 35 producers at two producer enterprises incubated by Industree to understand the impact of our work and how we can improve our services. Women told us about their aspirations for their children and the kinds of lives they envisioned for themselves in the future. We left these conversations inspired and uplifted by their agency and power in choosing better lives for themselves and their children

### These conversations led to our discovery of Industree's 5 core areas of impact. We defined them as:

- Increased and regular incomes
- Decent and equitable work conditions
- Resilience to life crises
- Women's empowerment at home and at work
- Increased access to education

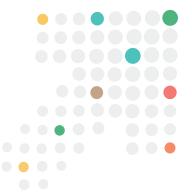
















Producers told us that an increased income gave them more control and agency in their lives. Producers are using their income for a range of crucial activities like supporting elderly parents, paying education fees, and investing in assets.

"I need a job to pay for rent, my children's education, and so that whatever I want to buy, I don't need to ask my husband!"
- Rita, 31

Furthermore, producers told us how having an income increased their sense of dignity and respect at home and in their communities. One producer told us that after becoming a widow at the age of 41, she needed income to sustain her family. Today she manages all the household finances and is supporting her daughter-in-law's career aspirations.

"My brothers treat me differently now. They are proud that I am earning." - Parvati, 29



# DECENT AND EQUITABLE WORKING CONDITIONS



"Thanks to the soft skills training we understand that we are entrepreneurs, not employees. That gives me freedom to choose my work and not be under pressure."
-Sumina

Moving producers to the formal sector means more than a higher income— it also means freedom from workplace exploitation, physical and verbal abuse, and unsafe working conditions. Producers told us that at Industree they feel safer, more respected and happier than at their previous job. Industree's producer-owned companies follow rigorous international safety and compliance standards.

"At my previous work I was not given opportunities for learning or advancement; here I have been promoted. I feel safer here, and I participate in committee meetings. Here they ask about my family."

- Shruti, 29

Industree ensures that producers' work is equitable by training women in leadership, financial literacy and entrepreneurship. We believe that by giving women the tools to own a share of their own enterprise, they will have the freedom to choose their own futures.

"In my previous company the work was harmful. I had to be there by 8:30am.

Now I have time to get my children ready for school,

cook breakfast and lunch, and eat breakfast every day."

- Ashwini, 29





Without a bank account or formal savings mechanisms, many producers in India fall into poverty due to an unexpected economic shock or health crisis. According to the World Health Organization, 100 million people are pushed into poverty every year from health costs alone. Savings and assets can help families recover after a crisis.

"Every month I leave 1000 INR in my bank account.

If there's a problem, I can take it out."

- Nandina, 29

Every producer who joins Industree gains a bank account, ATM card, and training on how to use it. She also receives basic financial literacy training on budgeting, keeping a financial diary and saving. As a result, 81% of producers have increased their savings. Moreover, 78% of producers have purchased assets like gold, televisions and vehicles since joining Industree. Increased savings and assets mean that producers are more protected from unexpected economic shocks.

I didn't know anything [about financial literacy], after coming here and learning about these things I realized I needed to save money.

- Deepa, 28



Research shows that when women earn, particularly in the formal sector, they gain agency in their families and communities<sup>1</sup>. Our interviews showed us that an income can be a powerful gateway to broader social empowerment for women.

"After I joined this company my husband has starting helping to do all the work at home. Before I was stressed by work, now I am less stressed out. I can meet my production goals, I go home happy. My husband helps the children get ready, brings food from the store. Every day he takes the children to tuitions."

- Sheela, 31

Industree empowers women not only at home, but also at work. Our producer-owned companies give producers the opportunity to learn new skills and become leaders. 73% of producers told us that as a result of their work at Industree, they had increased their self-confidence at work and felt that they were learning new skills that helped them advance in their career.

"Now I have the confidence that if there is any critical work, I can do it. I can move up in the company. I don't have fear for any kind of work, I know that I can do it!"

- Manula, 30



# INCREASED ACCESS TO EDUCATION



Giving a woman an income doesn't just mean she can raise her family out of poverty; it also gives her children increased access to quality education. Multiple studies have shown that better educational outcomes have ripple effects throughout the child's life and can break the cycle of intergenerational poverty.<sup>2</sup>

### 85% of producers with children report that they are working to pay for their child's education

Through our interviews we found that not only do most producers use their salary to pay for their children's education, but also that many are able to switch their children to higher-quality schools as a result of their increased income. A better education can open up a world of possibilities for children, including increased lifetime earnings and savings.

"I suffer from not being educated. My only aspiration is that my children get an education." - Veema, 32

## REENA'S STORY: FROM HELPER TO SUPERVISOR

Reena, Supervisor



I work in Bangalore Greenkraft Producer Company as a Supervisor, with a team of 25 people reporting to me. I joined the company 12 years ago as a Helper and today I have evolved to become a Supervisor.

Married at the age of 19, I am the mother of 4 children, 3 girls and 1 boy. I lost my husband to an accident some years ago and I had to learn to provide for my family on my own. Industree Foundation provided me with opportunities to learn and develop leadership skills. This has given me a new sense of confidence.

"Today my entire team respects me and shares all their problems with me. I feel happy when I am able to guide them and they listen to my counsel. We are also one of the high performing teams in the company. We consistently achieve higher production than given targets and have set an example of teamwork amongst all groups. I really appreciate my team's hard work and I feel like they are my extended family."

Seeing my progress at Bangalore Greenkraft, my daughter has also joined the company. She joined the company as a Helper in my team. I was able to train my daughter and today she is promoted to level of a Tailor. I am very proud of her and I hope she also becomes a supervisor like me in the company... or maybe even higher than me.

Bangalore Greenkraft has a very unique culture. We are supported not just by the Directors of our producer company, but at a community level by our Self-Help Groups and at a local level by the Foundation. This support has enabled women to take charge of things.

Today, I am learning how to speak English better and how to train other women who join the company. I hope someday I will be a Production Manager or a Director, but even if my daughter becomes one, I'll be very happy!







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