

FLICKing the Switch: Closing the Gap for Women Entrepreneurs

In the Caribbean, women aren't just breaking into business, they're owning it. In 2022, women-led small and medium-sized enterprises (MSMEs) accounted for about 50% of all businesses. Caribbean women are among the world's most entrepreneurial: in Jamaica, more than two-thirds of formal businesses have a woman owner; in Grenada, the figure is 57.3%; in The Bahamas, over 58%. Yet despite this formidable presence, women-led businesses remain concentrated in low-growth sectors and face some of the steepest financing barriers globally, leaving billions in untapped economic potential on the table. The result? Lost gross domestic product (GDP) and unrealized innovation and export potential.

This problem is not unique to the Caribbean. Across Latin America and the Caribbean, women-led businesses face an estimated US\$93 billion financing gap, the unmet capital women need to grow. Data from the wwX Insights 2024 report by IDB Lab shows that 38% of women entrepreneurs in STEM fields identify lack of financing as their biggest barrier. The report, which analyzed data from 1,700 women-led STEM companies, over 600 equity funds, and interviews with 375 entrepreneurs and 35 venture capital investors, also found that only half of these entrepreneurs have a STEM academic background, a factor that can reduce investor confidence due to perceived skill gaps.

Breaking Barriers: The Real Challenges Facing Women Entrepreneurs

Despite growing investor interest, women-led businesses in the Caribbean continue to face three core obstacles:

1. Financing gaps – Over 60% struggle to secure funding (IFC, 2020) due to lack of collateral, gender bias, smaller loan sizes, and limited exposure to venture capital and gender-lens investing networks. These challenges worsened during COVID-19, when many women-led micro and small enterprises lost over half their revenues. The IDB's 2017 report on Best Practices for the Financing of Women MSMEs in Latin America and the Caribbean, noted that while 8.5% of women and 10.7% of men had access to loans, only 4.7% of women borrowed from financial institutions to invest in their businesses compared to 6.6% of men.

FLICKing the Switch: Closing the Gap for Women Entrepreneurs

2. Coaching and mentorship limitations – Women often seek collaborative mentorship but have less access than men to competitive, growth-focused coaching.

3. Networking barriers – Under-leveraged strategic networks reduce market access and investor visibility.

Other structural obstacles compound these issues, including societal and cultural biases, disproportionate unpaid care responsibilities, legal and regulatory constraints, skills gaps, and limited access to digital tools and training, all of which affect competitiveness in a rapidly digitizing economy.

Pioneering Solutions: What's Already Working

The challenges are significant but not insurmountable. Across the region, targeted initiatives are proving effective. For example, the Caribbean Development Bank has led targeted efforts. The SheTrades Caribbean Hub, launched in 2023, has connected over 1,500 women entrepreneurs to global markets through technical training, mentorship, and export opportunities. In 2025, the SheTrades Caribbean Grow and Go Grant Facility introduced US\$500,000 in funding to help women-led MSMEs expand capacity and enter export markets.

The FLICK Framework: A Gender-Smart Blueprint for Inclusive Entrepreneurship

Based on data and extensive experience, the authors propose the FLICK framework, five universal pillars essential for business success: Financing, Leadership, Innovation, Coaching, and Knowledge. The pillars are universal, but delivery must be tailored to gender-specific needs. This tailored approach is the key to impact.

FLICKing the Switch: Closing the Gap for Women Entrepreneurs

The FLICK Framework: A Gender-Smart Blueprint for Inclusive Entrepreneurship

Pillar	Typical Male Approach	Typical Female Approach	Main Challenge	Proposed Solution
Financing	<ul style="list-style-type: none">Actively pursues multiple funding sources, including VC	<ul style="list-style-type: none">More cautious; passively pursues non-traditional funding sources	<ul style="list-style-type: none">Need more investor readiness support; gender bias, smaller collateral, less VC exposure, STEM credibility concerns	Create blended finance products with gender-lens criteria, simplify credit, anonymize pitch reviews
Leadership	<ul style="list-style-type: none">Confident decision-making; informal governance	<ul style="list-style-type: none">Benefit from formal governance and board training	<ul style="list-style-type: none">Gaps in governance skills and investor readiness	Offer governance bootcamps, board mentors, and leadership fellowships with clear goals
Innovation	<ul style="list-style-type: none">Use personal networks to drive innovation	<ul style="list-style-type: none">Insufficient structured links between innovation and markets	<ul style="list-style-type: none">Limited access to high-value STEM markets and commercialization	Public procurement set-asides and vouchers for prototyping and lab access
Coaching	<ul style="list-style-type: none">Seek and hire competitive, growth-focused coaches	<ul style="list-style-type: none">Prefer collaborative mentors; limited competitive coaching	<ul style="list-style-type: none">Insufficient growth-focused coaches preoccupied with women coaching	Provide subsidized competitive coaching incubators and peer-learning groups with measurable outcomes
Knowledge	<ul style="list-style-type: none">Learn skills independently	<ul style="list-style-type: none">Thrive with peer-based, structured learning	<ul style="list-style-type: none">Skills gaps and lack of gender-disaggregated data	Deliver hybrid training modules and collect ongoing gender-specific data

From Insight to Impact: Power Moves for Entrepreneurs, Policymakers, and Investors

Policymakers, governments, academics, development agencies, and entrepreneurial ecosystems have, in one way or another, identified the main challenges above and started to offer solutions. The IDB, for example, has, through its **Development Effectiveness Overview Report 2024**, revealed that over 3.4 million women participated in economic empowerment initiatives last year, contributing to innovation-led growth across the region. While core entrepreneurial success factors are similar for men and women, how support is delivered shapes the degree of entrepreneurial change, effect on GDP, and other institutional outcomes. To maximize impact, stakeholders should:

FLICKing the Switch: Closing the Gap for Women Entrepreneurs

- **Entrepreneurs:** Seek networks and mentors that encourage both collaboration and competitive growth.
- **Policymakers:** Back incubators integrating gender-specific coaching and governance training.
- **Investors:** Target women-led ventures through inclusive outreach focused on new value creation and bias-free evaluation processes.

Targeted priorities under FLICK:

- **Financing:** Blended finance funds with gender-lens criteria, simplified credit rules, and anonymized pitch reviews.
- **Leadership:** Mandatory governance and investor-readiness training, board mentorships, plus measurable leadership fellowships.
- **Innovation:** Procurement quotas for women-led STEM firms and innovation vouchers for prototyping/regulatory support.
- **Coaching:** Subsidized competitive mentorship incubators paired with peer-learning cohorts.
- **Knowledge:** Modular, hybrid training programs and continuous gender-disaggregated data collection.

The time to **FLICK** the switch is now. Every year of delay costs the Caribbean billions in lost innovation, export expansion, job creation, and inclusive growth.

Written by: Ms. Dania Bogle - Technical Consultant at Growth Perspectives Ltd., and

Dr. Joel Allen – Co-Founder and Managing Director at Growth Perspectives Ltd.