



From Aspiration to Action:

BUILDING INDIA'S

400 million

WOMEN WORKFORCE

A roadmap to doubling the female labour force participation rate by 2047

About the authors

Arpan Sheth is a Partner in Bain & Company's Washington, DC, office. He leads the firm's Asia-Pacific Technology, Vector, and Advanced Analytics practices, as well as the Private Equity and Alternative Investor practices in India.

Navneet Chahal is a Partner in Bain & Company's Bengaluru office, a leader in Bain's Consumer Products, Retail, and Customer Experience practices.

Matthew Spacie, the Founder and Executive Chairman of Magic Bus Global, has dedicated over two decades to empowering youth through education and employability programmes. A social entrepreneur, TED Fellow, Ashoka Fellow and an Asia Centre for Social Entrepreneurship and Philanthropy (ACSEP) Fellow, he was awarded an Member of the Order of the British Empire (MBE) for his services to children in the Commonwealth.

Jayant Rastogi is the Global CEO of Magic Bus India Foundation. Under his leadership, Magic Bus has impacted over 30,00,000 adolescents and 371,406 youth, and expanded across 23 states in India since 2016. His aim is to reach over 65,00,000 adolescents and 500,000 youth over the next five years. With over 35 years of experience in multinational corporations and start-ups, he has transformed Magic Bus into India's leading direct-implementation NGO, recognised for its impactful programmes, innovation and successful acquisition of a Development Impact Bond while upholding ethical standards.

Contents

The economic imperative: Dissecting India's female workforce dynamics	04
Potential solutions: Livelihood creation for rural women	08
■ Addressing barriers to workforce participation	09
■ The E4 model: Enabling entrepreneurship	12
Potential solutions: Livelihood creation for urban women	14
■ Challenges for workforce participation	15
■ The PROGRES model: Creating jobs	15
Impact players and operating models for successful solution delivery	18
Comprehensive livelihood solutions for improving workforce participation	20

The economic imperative: Dissecting India's female workforce dynamics

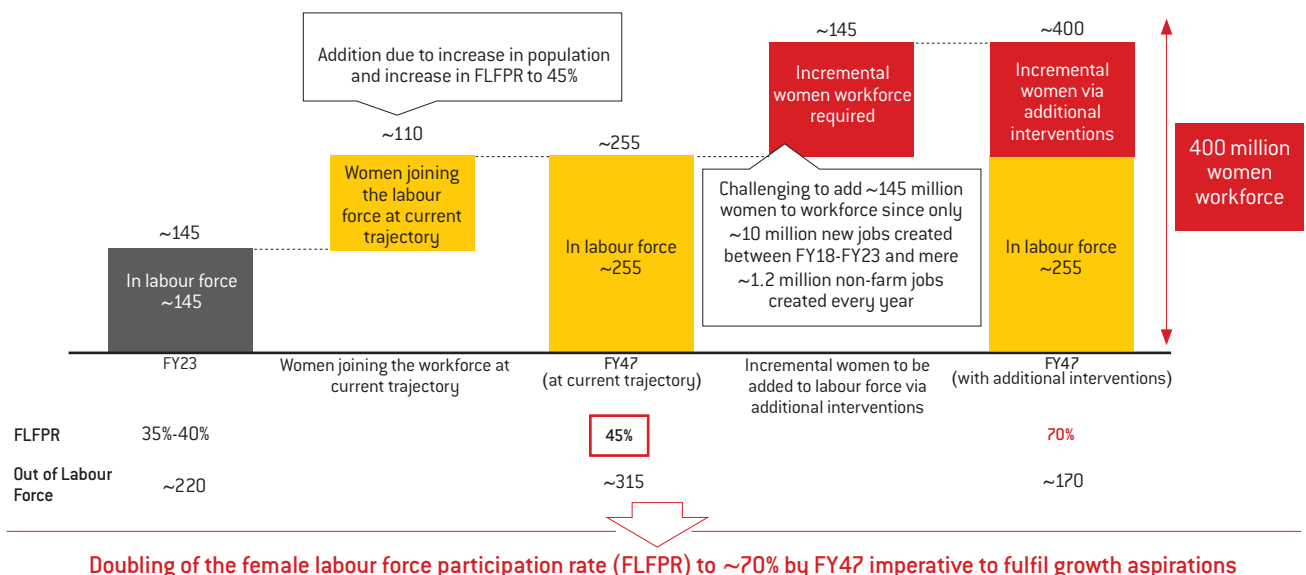


The Government of India has set an ambitious target to achieve a GDP of \$30 trillion by 2047, the centenary year of India’s independence. A nearly 45% (\$14 trillion) contribution from the country’s women workforce will be integral to achieving this economic goal. This entails doubling the female labour force participation rate (FLFPR) among Indian women aged 15 to 59 years from 35%-40% currently (around 145 million) to approximately 70%, thus creating a formidable 400-million-strong women workforce by 2047. Increase in FLFPR boosts per capita GDP as well as elevates the quality of household earnings, intensifies focus on education, and diminishes the incidence of domestic violence as the socio-economic power of women grows.

The FLFPR gap is formidable, however, despite favourable tailwinds—a positive demographic dividend, supportive policies, and improving perception of women in the workforce—India is projected to expand its women workforce by only around 110 million by fiscal 2047. This would increase the country’s total women workforce to around 255 million (FLFPR of nearly 45%), falling notably short of the required 400 million mark. That’s a staggering gap of nearly 145 million ‘missing women’ from the workforce [see Figure 1].

Figure 1: Additional ~145 million women need to be brought into the labour force to achieve the goal of a \$30 trillion economy by FY47

India’s women in working age: 15-59 years (in millions)



Note: 'In labour force' includes 1% unemployed as well
 Source: Periodic Labour Force Survey, World Bank, Bain analysis, Ministry of Labour and Employment

The country will need to solve the unique challenges faced by urban and rural women to bring these additional 145 million women into the workforce. An estimated 70% of those out of the labour force in FY47 are anticipated to reside in rural areas, where factors like limited job opportunities and higher dropout rates—with women primarily engaged in unstable, low-income work—contribute to low FLFPR. On the other hand, nearly 30% women who reside in urban and peri-urban (on the periphery of cities) areas grapple with issues such as finding jobs that match their education levels, higher perceived value of domestic work compared to entry-level market jobs, and persistent wage disparities.

Given the magnitude and complexity of these challenges, a differentiated approach is needed to address the root causes of low FLFPR among disparate segments of women. Based on our methodology, which includes rigorous analysis of industry databases, extensive primary surveys with 100+ women across rural and urban India, and insights from experts, we have identified seven distinct archetypes of women within the In-Labour-Force (ILF) and Out-of-Labour-Force (OLF) categories, and the underlying barriers faced by each (discussed in later sections). These archetypes have been classified on the basis of demographics, aspirations, employment needs, barriers faced, and capacity to work.



The OLF category comprises three archetypes:

- ▶ **Aspirational Homemaker (~86 million)**: Homemakers aged 18-59 still aspiring to join the workforce
- ▶ **Settled Homemaker (~75 million)**: Homemakers from affluent families expressing low preference for formal employment, and
- ▶ **High-Potential Youth (~37 million)**: Educated youth seeking employment opportunities

Among these, Aspirational Homemakers and High-Potential Youth still seek to join the workforce, with the former representing the largest share among OLF archetypes.

The ILF category encompasses four archetypes:

- ▶ **Family Enterprise and Farm Assistors (~52 million)**: Women actively contributing to family enterprises such as kirana stores or rural women assisting in farm-related tasks
- ▶ **Home-Based and Nano Entrepreneurs (~39 million)**: Women operating small-scale local businesses
- ▶ **Casual Labour, including Gig Workers (~26 million)**: Daily wage labourers, maids and so on, and
- ▶ **Salaried Women (~23 million)**: Those employed in stable, salaried positions such as accountants and sales representatives

To ascertain which of these archetypes can materially contribute in plugging the FLFPR gap, we evaluated them on their impact potential based on their segment size, need for support, receptiveness to change or support, agency to make livelihood decisions, and policy environment. Four archetypes of women—Aspirational Homemakers, Home-Based and Nano Entrepreneurs (specifically in rural India), High-Potential Youth, and Casual Labour, including Gig Workers—have emerged as the priority segments that need to be addressed on an immediate basis. Demonstrated success in these segments could potentially lead to ecosystem solutions for the remaining archetypes.

Potential solutions:

Livelihood creation for rural women

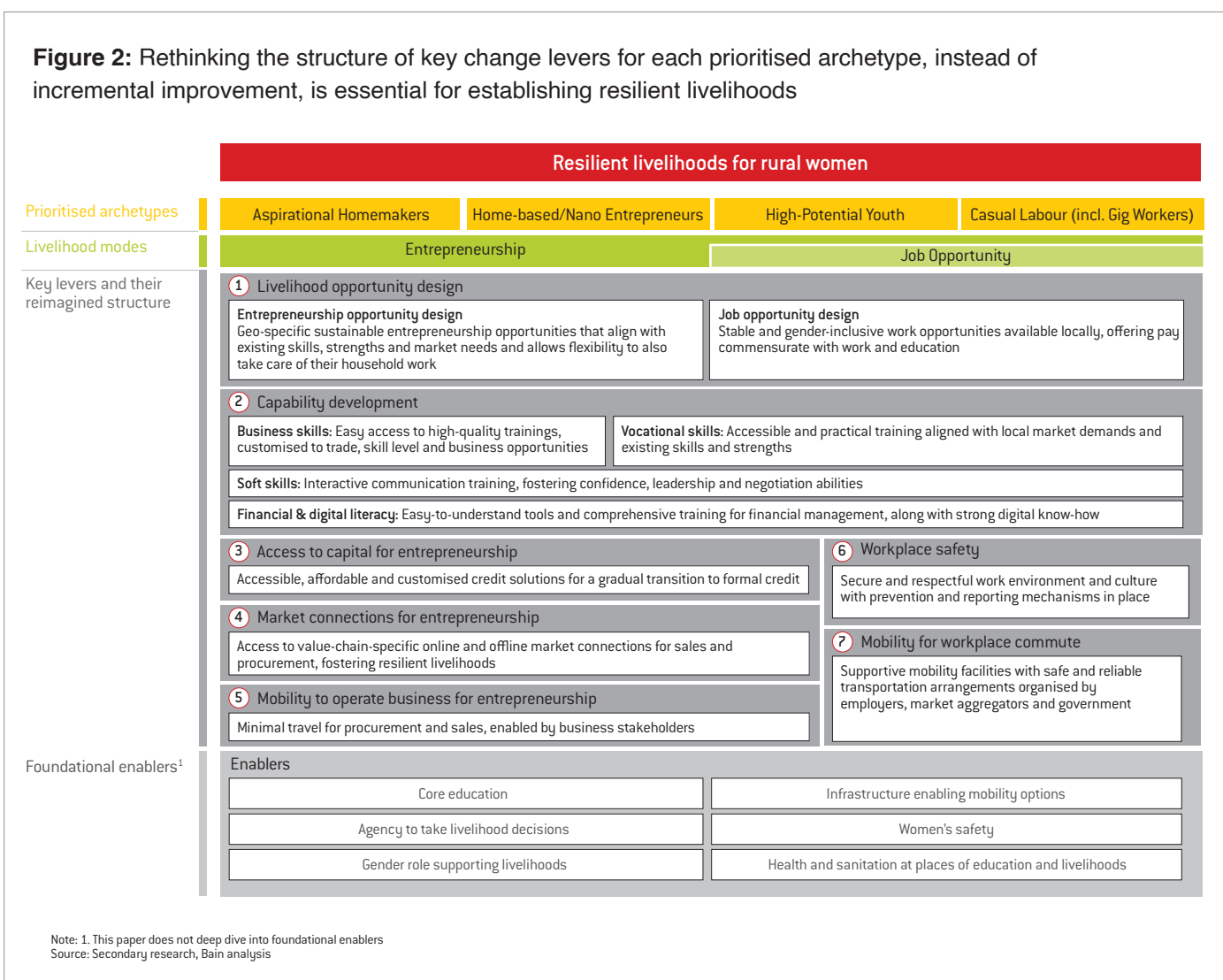


Addressing barriers to workforce participation

Since the archetypes face diverse barriers that prevent their participation in the workforce, the livelihood solutions need to be specific to them to be effective and impactful. For instance, entrepreneurship is the preferred livelihood option for Aspirational Homemakers and for Home-Based and Nano Entrepreneurs as it aligns with their flexibility requirements—the women in these segments spend a significant amount of their time on domestic chores and their geo-mobility is often restricted, too. High-Potential Youth and Casual Labour, including Gig Workers, on the other hand, are open to both jobs and entrepreneurship.

Needless to say, incremental improvements in FLFPR are not enough. Hence, the key change levers need to be reimagined and new ‘ideal state’ solutions devised to enable a meaningful growth in women’s workforce participation (see Figure 2).

Figure 2: Rethinking the structure of key change levers for each prioritised archetype, instead of incremental improvement, is essential for establishing resilient livelihoods



Note: 1. This paper does not deep dive into foundational enablers
 Source: Secondary research, Bain analysis

Entrepreneurship reimagined

Five key change levers need to be reimagined to make entrepreneurship a viable livelihood option for Aspirational Homemakers and Nano Entrepreneurs:

- ▶ **Rethink livelihood opportunity design:** Create local and home-based entrepreneurship opportunities and focus on products that have existing market demand that can also factor for women's time for household chores.
- ▶ **Build capabilities:** Impart business, trade and soft skills to overcome gaps in awareness and resources, low familiarity with technology, and lack of mentorship.
- ▶ **Improve access to capital:** This is a major barrier for women entrepreneurs. Envisioning a reimagined future state necessitates ensuring seamless access to affordable, customised credit options with minimal collateral requirements along with solutions to enhance creditworthiness of women.
- ▶ **Strengthen market linkages:** Poor access to markets and inadequate infrastructure create barriers for women entrepreneurs wanting to sell their products. Robust economic connections between local businesses, corporates, governments and end consumers must be built to facilitate seamless procurement and sales. Self-Help Groups (SHGs) can play an important role here.
- ▶ **Address mobility challenges:** Limited transportation options and personal safety concerns are



major constraints for women's participation in the workforce. In an ideal state, safe and reliable transportation, including well-developed road infrastructure, is necessary to enable women entrepreneurs to achieve material and competitive business outcomes.

Job-creation reimagined

When it comes to job-creation, four key pillars need to be reimagined:

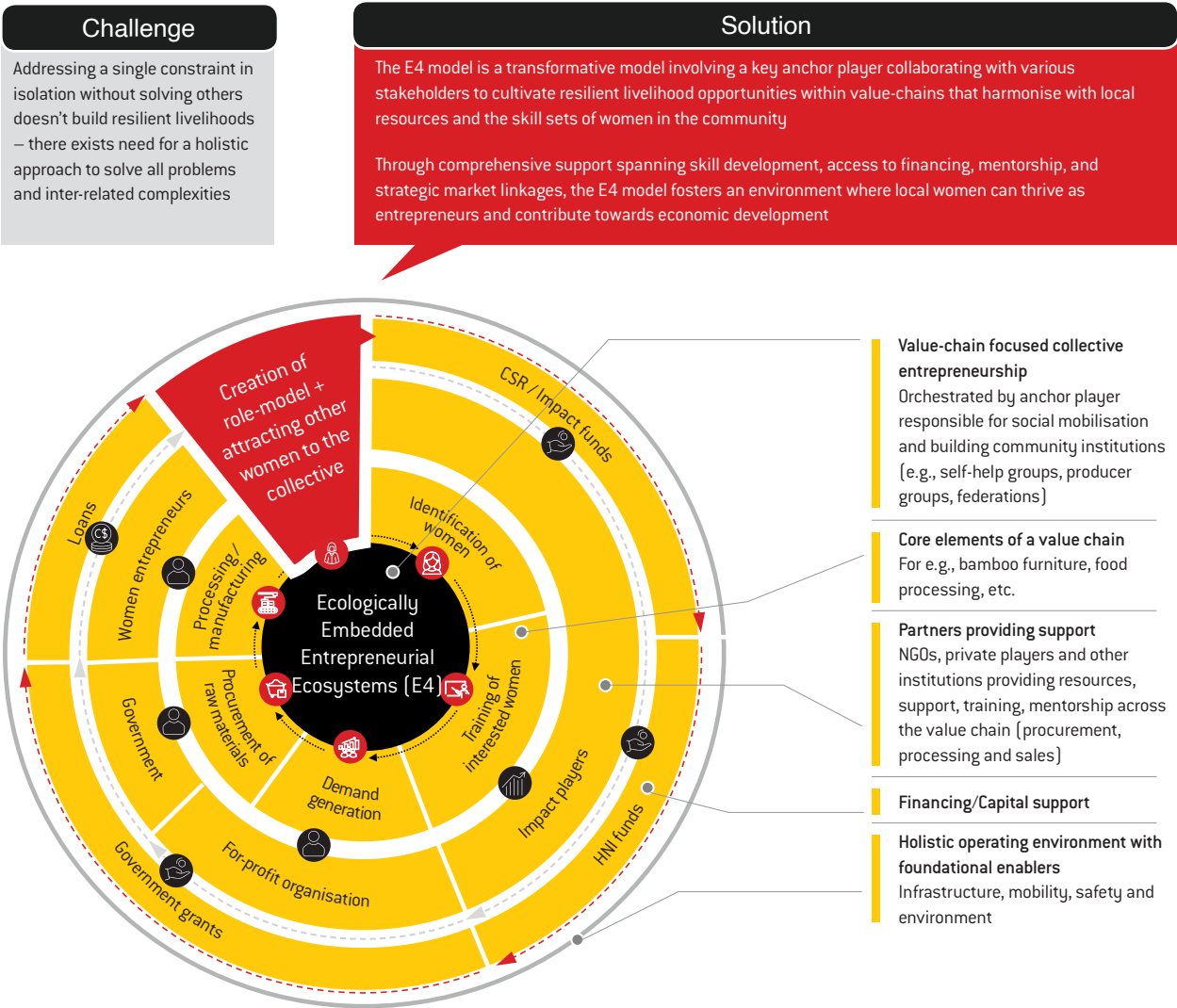
- ▶ **Job design:** The ideal state entails elimination of barriers such as inherent gender biases in selection and remuneration, and pivoting to locally available, accessible, gender-neutral, sustainable job opportunities.
- ▶ **Capability development:** Envisioning a reimagined future state necessitates empowering women with practical, STEM-based skills tailored to local market needs.
- ▶ **Mobility challenges:** These can be overcome if employers provide access to safe and reliable transportation, and boarding and lodging facilities to their female workforce.
- ▶ **Women's safety:** These concerns, indicated by rising sexual harassment complaints, can be mitigated by implementing measures such as confidential reporting mechanisms, anti-harassment committees, and regular training sessions to increase awareness of appropriate behaviour to achieve a reimagined future state.

Reimagining these livelihood levers also depends on ongoing progress on the foundational enablers—education, socio-cultural norms (agency and gender roles), and health and sanitation at both educational and livelihood locations. To this end, government initiatives on improving digital public infrastructure and gender inclusion, such as the Pradhan Mantri Jan-Dhan Yojana, Aadhaar and Unified Payments Interface (UPI), have created pathways for the economic empowerment of women and provided avenues for building networks.

The E4 model: Enabling entrepreneurship

Entrepreneurship far outperforms jobs in generating large-scale, sustainable employment for target archetypes, especially among rural women. Bain & Company’s Ecologically Embedded Entrepreneurial Ecosystems (E4) model (see Figure 3) outlines attainment of the ideal state across key enabling levers of entrepreneurship.

Figure 3: Ecologically Embedded Entrepreneurial Ecosystems (E4) model aligned with local opportunities will create self-sustaining flywheel for entrepreneur-based resilient livelihoods



Source: Secondary research, Bain analysis

The E4 model offers a transformative, community-embedded approach for crafting self-sustaining entrepreneurial ecosystems. Using an anchor player, it cultivates locally tailored businesses, fosters flexible work structures, and facilitates collaboration among diverse stakeholders, thereby creating an environment where local women can thrive as entrepreneurs.

Once established, the E4 model can be replicated by industry stakeholders across diverse geographies. Four key success factors are essential for creating a replicable E4 model:

- ▶ **Entrepreneurial design and identification of geo-specific value chains and opportunities:** It is important to identify value chains that have high growth potential and are aligned with the skill sets of the target audience while considering demand-side factors, availability of relevant ecosystem partners, and favourable government policies.
- ▶ **Identifying potential women champions:** This requires training at scale. A train-the-trainer model can create a ripple effect among beneficiaries. This can be combined with tailored online and offline learning-based trainings, learning options (such as text-, video- and app-based learning and gamified learning) and customised expert advice.
- ▶ **Providing access to low-cost capital:** A blended finance model entailing the repayment of returnable grants to establish an alternative credit score can enable the gradual transition from an informal credit to formal credit market.
- ▶ **Creating market linkages:** Partnering with value-chain-specific online and offline platforms is an imperative for impact players (non-profits) to support rural women.

In addition, it is critical to identify sustainable funding avenues such as corporate social responsibility (CSR) funding, family philanthropy, and institutional and retail philanthropic capital to help create continuous access to funds for this segment. Catalytic capital can overcome the limitations of both philanthropic capital in terms of scale and of commercial investing, which requires risk-adjusted returns.

Anchor players play a crucial role in ensuring the successful implementation and scaling of the E4 model by building partnerships with diverse stakeholders, enhancing capabilities of local women entrepreneurs through tailored support, tracking the model's progress for continuous improvement, and by securing necessary funding. The role of anchor players can be played by non-profits, for-profits, government agencies, industry associations and public-private partnerships.

Potential solutions:

Livelihood creation for urban women



Barriers to workforce participation

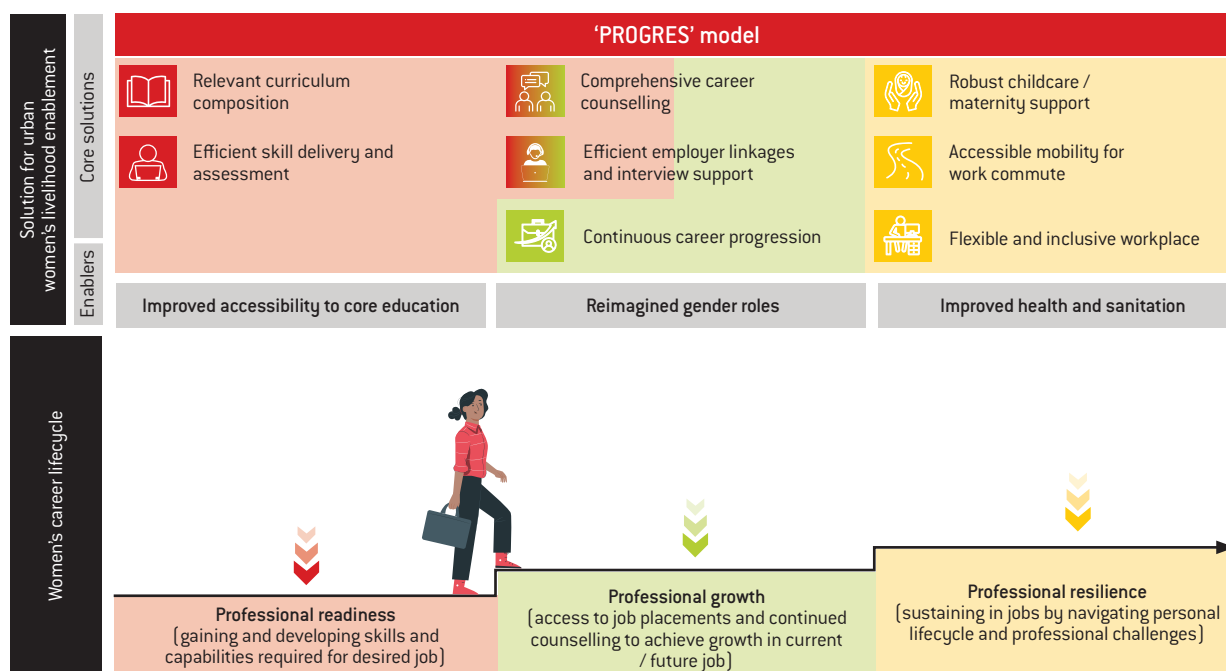
To arrive at the right livelihood modes and solutions for urban women, we identified four broad themes of barriers: patriarchal socio-cultural norms, non-inclusive livelihood opportunities, non-female-friendly infrastructure, and limited access to education and skill-building.

Over multiple interviews with women across archetypes, we found lack of skill sets and caregiving responsibilities as the top two barriers preventing women from entering the workforce, irrespective of their livelihood mode. Additionally, other critical barriers inhibiting job participation were lack of job linkages, workplace commuting and flexibility challenges. Lack of credit and market linkages were counted as key inhibitors for self-employment and entrepreneurship.

The PROGRES model: Creating jobs

Given that two of the three prioritised archetypes for urban women—High-Potential Youth and Casual Labour, including Gig Workers—place a high priority on job stability, we developed a PROGRES model to enable job readiness among urban women (see Figure 4).

Figure 4: The ‘PROGRES’ model identifies job-based solutions corresponding to different phases of a woman’s career, thus providing support across the career lifecycle



Source: Secondary research, Bain analysis

The PROGRES model entails three pillars covering the career lifecycle from professional readiness (skilling) to professional growth (placements and continuous growth opportunities) to professional resilience (creating support systems to reduce dropouts from workforce and build resilience).

Professional readiness: This covers all aspects that are essential to make beneficiaries employable for the desired job. It includes relevant curriculum comprising a mix of vertical, trade-specific skills, horizontal skills relevant across sectors, and future-ready skills in view of emerging job opportunities in new-age sectors. In addition, it covers efficient skill delivery and assessment, which involves choosing the right mode (grassroots implementation, alumni referrals, volunteer networks and so on) to mobilise beneficiaries, and effectively delivering training through a balanced mix of offline and online modes.

Professional growth: This entails comprehensive career counselling to recommend suitable career options and build workplace awareness while challenging regressive socio-cultural norms. Counselling delivery should be flexible based on the individual's preference and receptiveness. It can range from one-on-one offline counselling to artificial intelligence and machine learning (AI-ML)-based online counselling. Efficient employer linkages and interview support are other focus areas for ensuring that the right avenues are available to connect women with potential employers and to successfully convert



job opportunities. Ongoing learning opportunities, mentoring, and guidance support are also imperative for ensuring professional growth.

Professional resilience: These measures aim to alleviate the disproportionate burden of caregiving and household responsibilities on urban women, which is compounded by the lack of affordable, safe and well-connected transportation options. This involves providing accessible commuting options to the workplace such as women-friendly mass transit systems by the government, employer-sponsored women-only transport, and priority rides for women. Inclusive workspaces should offer flexibility in terms of the number and distribution of working hours and work location. Robust childcare and maternity support can be solved by ecosystem players by provisioning for childcare facilities in four ways: community childcare centres, non-profit-run childcare centres, employer-enabled childcare facilities, and for-profit childcare centres.



**Impact players
and operating
models** for successful
solution delivery



The successful delivery of both the E4 and PROGRES solutions necessitates the active participation of impact players with diverse capabilities. Four categories of impact players have emerged based on their potential scale of impact and degree of control: Enablers, Implementers, Orchestrators and Advocators.

Enablers generate and disseminate deep research to assist other stakeholders. Implementers use deep community relationships to implement initiatives, while Orchestrators facilitate stakeholder coordination to maximise collective outcomes, Advocators create systemic change by influencing public opinion and advocating for policy reforms.

These four impact players can choose their role from a range of seven operating models to collectively ensure the successful delivery of the prescribed solutions.

The end-to-end (E2E) grassroots implementer concentrates on executing initiatives on the field and plays a pivotal role in piloting new interventions. The collaborative implementer directly participates in key interventions and leverages the expertise of different partners in secondary areas to amplify the scale of targeted interventions. The Project Management Unit or PMU driver supports the government in implementing existing schemes and policies by working closely with grassroots players. The capacity builder enables other players, such as non-profits, private sector players and government institutions, to deliver targeted interventions at the grassroots. The policy shaper plays a critical role in influencing policies (through political and apolitical advocacy) and enabling systems design for policy implementation. The knowledge disseminator provides critical insights and inputs to other ecosystem players.

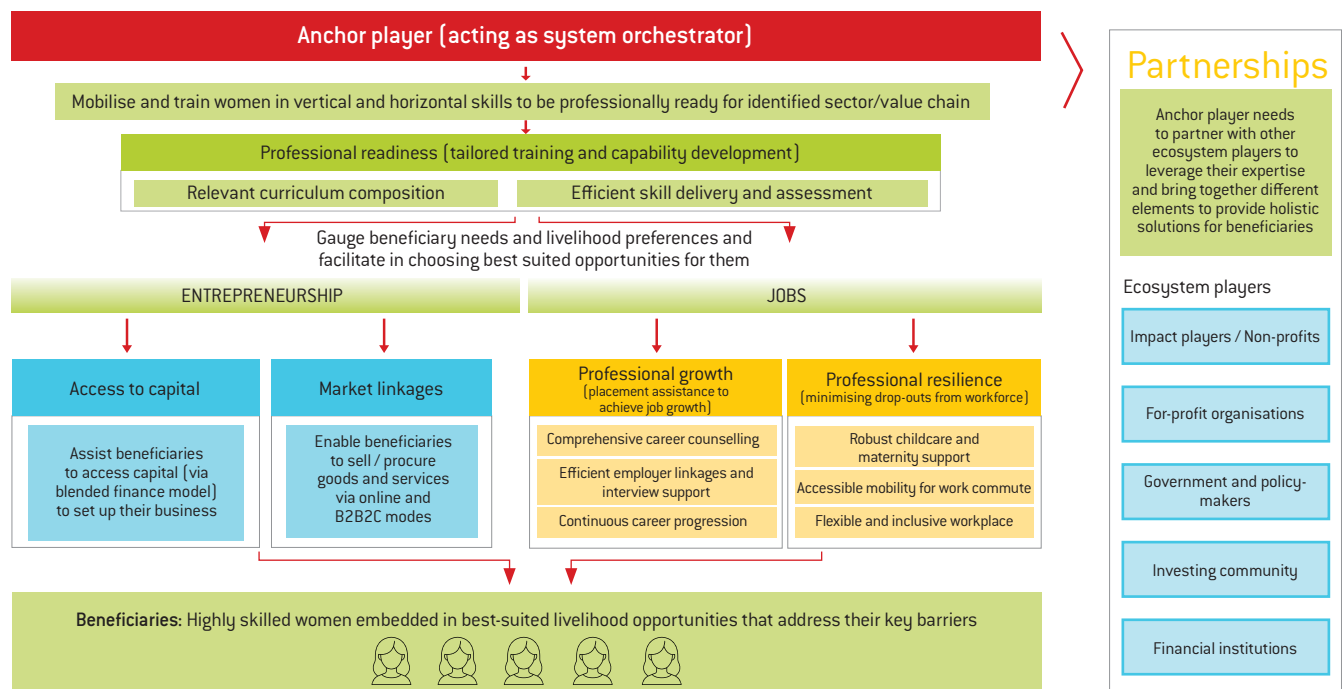
**Comprehensive
livelihood solutions**
for improving workforce
participation among
women



The implementation of the entrepreneurship-based E4 and job-based PROGRES solutions can offer a viable pathway for bringing an additional 145 million women into the Indian workforce by 2047. Among prioritised archetypes, while High-Potential Youth and Casual Workers, including Gig Workers, prefer the stability and lower risks associated with a steady job, Aspirational Homemakers and Home-Based and Nano Entrepreneurs favour the entrepreneurship mode because of its inherent independence, autonomy, flexibility and growth potential.

Enabling both these solutions requires an anchor player, who would play a pivotal role in orchestrating the ecosystem (see Figure 5), building capacity and monitoring progress to ensure sustainable impact. The anchor player can partner with other ecosystem players (such as non-profit and for-profit organisations, governments, financial institutions, and the investing community) to leverage their expertise, and coalesce different elements to provide holistic solutions for the beneficiaries.

Figure 5: Anchor player plays a pivotal role in bringing together the ecosystem, building capacity and monitoring progress to ensure sustainable community impact



Source: Secondary research, Bain analysis

Other ecosystem players also need to deliver on their key imperatives to create meaningful impact. Governments and policy-makers can incentivise women entrepreneurs and SHGs by increasing their share of procurement from these groups, conceiving favourable policies that mobilise corporate support, developing women-centric infrastructure, and promulgating gender equality in school and college curriculum. They can also introduce conducive policies to further encourage employment for women across sectors (especially retail, IT/ITeS, BFSI) as well as increase women's representation in political and legal institutions.

Impact players such as non-profits should build the E4 model to offer E2E support to women entrepreneurs. To promote both job growth and entrepreneurship, they should collaborate with government organisations to maximise the benefits of existing policies and deliver relevant skilling programmes. At the same time, they must work closely with for-profit players to create employment opportunities for those acquiring relevant skills.



For-profit players, on their part, should support women entrepreneurs by increasing representation of women-led businesses in their supply chain. They must enable rural women to become sellers on their e-commerce platforms and drive the distribution of their products. They should also provide safe commuting options, improve digital literacy, and ensure gender-neutral policies to aid women at work.

The investing community, too, should invest in women-led startups to support entrepreneurship and create specialised funds for infusing capital in local and rural value chains. They should also invest in businesses that are committed to creating opportunities for women. Finally, financial institutions can encourage women entrepreneurs by developing innovative credit products for new-to-credit and new-to-income women and by spreading financial literacy for women in jobs. A cohesive and collective effort by all stakeholders will drive the expansion of the country's women workforce and unlock the untapped demographic dividend that will emerge as a key contributor in India's journey to become a \$30 trillion economy by 2047.



Acknowledgements

This report has been jointly produced by Magic Bus and Bain & Company.

The authors wish to thank Deepak Madan, Nishtha Jain, Mahima Goel and Anant Gupta from Bain & Company for their analytics support and research assistance in preparing this report. They are grateful to Jonali Saikia Khasnabish, Philip Mathew KM, Nikhil Pingle, Dhanashri Brahme and Arun Nalavadi from Magic Bus for their invaluable support, guidance and insights in developing this report.

The authors would also like to thank the following industry experts and academicians, who contributed rich insights to this report through their conversations with the authors:

- ▶ Ingrid Srinath, Board Chair, Resource Alliance
- ▶ Harish Hande, Founder and Chief Executive, Selco Foundation
- ▶ Gayathri Vasudevan, Chief Impact Officer Sambhav Foundation
- ▶ Prof Sourav Mukherji, Professor – Organization Behaviour, IIM Bangalore
- ▶ Jyotsna Sitling, Ex Joint Director, MSDE, GOI
- ▶ Neeti Sharma, CEO, Teamlease Digital
- ▶ Malavika Chauhan, Ex- Head, Rural Development, Tata Trusts
- ▶ Jolly Varghese, Associate Director, Industree Crafts Foundation
- ▶ Dr Sunil Kaul, Co-founder, the ants
- ▶ Yamini Atmavilas, Director, Dasra
- ▶ Sanjiva Jha, Co-founder BroadArks and Partners, Social Venture Partners
- ▶ Megha Chawla, Partner, Bain & Company
- ▶ Vandana Bhatnagar, ex The Udaïti Foundation
- ▶ Prof Vasanthi Srinivasan, Professor – Organizational Behavior & Human Resources Management, IIM Bangalore
- ▶ Roshika Kumari Singh, Senior Country Officer, IFC



Bold ideas. Bold teams. Extraordinary results.

Bain & Company is a global consultancy that helps the world's most ambitious change makers define the future.

Across 65 offices in 40 countries, we work alongside our clients as one team with a shared ambition to achieve extraordinary results, outperform the competition, and redefine industries. We complement our tailored, integrated expertise with a vibrant ecosystem of digital innovators to deliver better, faster, and more enduring outcomes. Our 10-year commitment to invest more than \$1 billion in pro bono services brings our talent, expertise, and insight to organisations tackling today's urgent challenges in education, racial equity, social justice, economic development and the environment.

For more information, visit <https://www.bain.com>



Magic Bus India Foundation:

Magic Bus India Foundation is one of the leading NGOs in the education and skilling space in India. Over 25 years, the organisation has established its presence across 23 states and UTs of India. Magic Bus works with young people from underserved communities between the age group of 12-25 years, providing them with life skills and employability skills. The NGO offers two distinct life skills programmes—the Adolescent Programme and Livelihood Programme.

The Adolescent Programme is designed to empower adolescents (12-18 years) with life skills and education enhancement, ensuring they complete their secondary education. The organisation has established an impressive network of 335 Community Learning Centres (CLCs) and has partnered with eight State Governments. The Livelihood Programme equips youths (18-25 years) with transferable skills that enhance their employability and enable them to enter the sustainable workforce. Magic Bus has established 117 Livelihood Centres, 1052+ college partnerships, and multiple Entrepreneurship Incubation Centres to support aspiring entrepreneurs from underserved communities.

Over the past 25 years, Magic Bus has empowered over 30 lakh adolescents and 3.7 lakh youth, enabling their transition from childhood to livelihood.

For more information, visit: <https://www.magicbus.org/>