

Connecting Rural Women to Global Value Chains via Home-Based Work

Randomized home vs. workshop jobs: higher take-up, attendance, output, hours at home, and evidence on time-use shifts enabling paid work.

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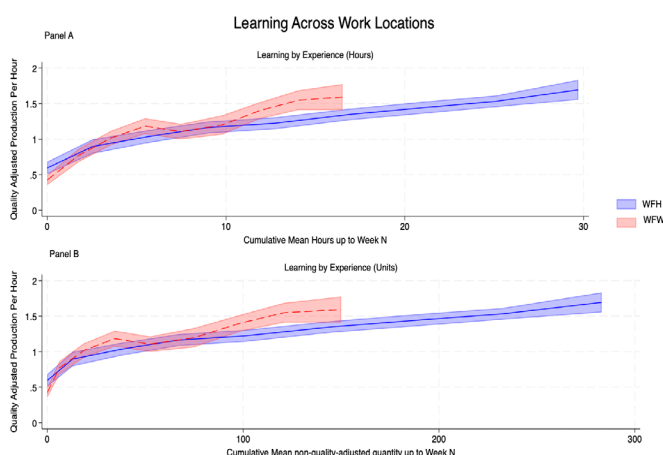


Work from Home vs. Workshop: bringing jobs home raises women's labour supply, productivity but reduces leisure time.

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Topic at a Glance

Female labour force participation in India remains low, constrained by restrictive norms, limited mobility, and extensive domestic work. We provide causal evidence on how flexible work-from-home affects women's labour supply, productivity, and time use in a low-skill handicraft setting. In a randomized controlled trial in Rajasthan, eligible women were trained in crochet and randomly assigned an eight-week piece-rate job at home (WfH) or in a women-only village workshop (WfW). WfH raised take-up (~26%), the probability of working on a given day (~83%), and quality-adjusted weekly output (~84%), with faster per-unit production (~6%). Under WfH, women worked 1.76 additional hours per day, reallocating time primarily from sleep, leisure, and personal care activities; household and care work time shares did not change significantly. A cross-randomized poster arm that varied the public observability of work had no detectable effects. In a subsection of the study sample with a pure control group, any job offer nearly quadrupled two-month earnings and increased paid work without displacing other economic activities.



Caption: Learning curves of efficiency vs. experience. Panel A: cum. mean hours; Panel B: cum. mean output. Lines are means with 95% CIs shaded. WfH advanced further and reached higher productivity by the end.

New Insights

Low female labour force participation (FLFP) in South Asia poses a challenge to both economic development and gender equality. Women face multiple barriers to paid work outside the home: safety risks, travel time and costs, a heavy burden of unpaid housework and childcare, and restrictive gender norms. In response to these barriers, flexible work arrangements, particularly those allowing women to work from home, have emerged as a promising avenue to increase FLFP.

In this study, we provide causal evidence on whether flexible jobs in low-skill manufacturing can expand women's paid work, at what productivity levels, and with what time-use trade-offs. Most prior evidence centres on digital/gig work and rarely measures where the additional work time comes from. We address this gap by evaluating flexible employment in the traditional handicrafts (crochet) sector in rural Rajasthan, India. Eligible women received brief training and were then randomly assigned to an eight-week piece-rate job either at home (WfH) or in a nearby women-only workshop (WfW). We also cross-randomized a poster arm to test the impact of public observability of work, and in the final batch, introduced a pure control to benchmark overall programme impacts.

WfH substantially increases entry and daily engagement.

Assignment to WfH raised job take-up by ~26% among trained, eligible women and increased the probability of working on a given day by ~83%.

WfH lifts output and efficiency.

WfH participants produced units ~7% faster in standardized tests and achieved ~9% higher quality-adjusted output per hour, in contrast to some digital gig-work studies that find negative productivity effects of remote work. Due to higher accumulated hours and output, WfH participants had moved further along the learning curve than WfW participants, resulting in WfH women achieving a higher overall productivity level by the end of the intervention.

Extra work time is drawn from rest/leisure, not domestic duties.

The additional paid work under WfH came primarily at the expense of personal well-being time (sleep, leisure, and personal care), which fell by about 9%. Time spent on domestic responsibilities (household chores and care work) did not decline significantly, consistent with the “second shift phenomenon.” WfH also increased multitasking, often combining paid work with care-giving.

Programme participation raises labour supply and earnings versus a control group.

Relative to a pure control, participation in any work arm nearly quadrupled women’s two-month earnings. Despite the time trade-offs, women reported high job satisfaction and displayed a stronger preference for WfH by the end of the intervention.

Public visibility nudge shows no detectable effects in this setting. The cross-randomized public poster had no statistically significant effect on participation or productivity, suggesting that addressing binding frictions—such as safety, time costs, and the burden of household chores and care work—is more consequential for near-term outcomes than impact of social observability of work.

Together, these results provide new causal evidence that flexible, culturally compatible home-based jobs in a traditional sector can meaningfully expand women’s paid work, raise productivity, and increase short-run earnings, while documenting the time-use trade-offs that accompany these gains.

Policy Recommendations

Make flexible work-from-home (WfH) a core instrument to raise women’s paid work: Well-designed WfH opportunities substantially increase entry and sustained engagement even in a traditional, non-digital handicrafts setting. The pure-control comparison strengthens this case: assignment to any work arm nearly quadrupled short-run earnings for women with few accessible job options.

Tackle the second shift with care policies and worker safeguards: Time-use data show that added labour supply under WfH comes largely from reduced rest, leisure, and self-care, with little reallocation of household duties. Flexible jobs alone cannot address binding time constraints; complementary measures—childcare support, care-leave norms, and efforts to shift gendered expectations at home—are needed to protect well-being. Employers should also institute safeguards, e.g., a lightweight weekly time-use pulse, an accessible grievance channel, and routine monitoring of hours and fatigue

Keep women-friendly local workshops as a complementary op-

tion: Although WfH is often essential given mobility constraints and social norms, purpose-built, nearby women-only spaces can deliver non-pecuniary benefits—peer networks, exposure to new environments, and identity shifts from “housewife” to “working woman.” Programmes should recognize that for many women WfH is necessary, while still offering workshops where feasible.

WfH as a stepping stone to broader labour-market integration: Experience and confidence gained through home-based work may increase openness to outside-the-home jobs over time, especially when those offer economic mobility, social support, and personal growth. This potential “gateway” effect merits deliberate testing in future implementations.

Build the delivery ecosystem required for scale: Success in Rajasthan depended on timely delivery of raw materials, reliable quality monitoring, and accessible managerial support. Scaling WfH models requires robust logistics and sustained buyer demand so that growing worker supply meets stable markets. Public–private investment in these systems is critical to translate flexible work into durable, meaningful employment for women.

Limitations

Context and external validity. Evidence comes from one state and one traditional handicrafts sector with trained women; effects may differ in urban, capital-intensive, or team-production settings.

Time horizon. Impacts are measured over an eight-week production window (plus a six-month follow-up). We cannot speak to long-run retention, sustained time-use reallocation, mental health/fatigue trajectories, or earnings durability.

Spillovers and general equilibrium. The design does not identify market-level spillovers (e.g., local wages), which could amplify or dampen programme impacts.

Ancillary intervention (public-identity poster). The null result should be interpreted cautiously. Self-selection likely attenuated effects (some women declined to have their poster displayed and were excluded from the study), salience of poster was limited (e.g., variable placement, ~8-week exposure), so observability impacts may be underestimated.

Read more → g2lm-lic.iza.org/projects/future-of-work/studying-the-latent-demand-for-female-labour-in-rural-india/

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