



CRITERION INSTITUTE

DIRECT SERVICE PROVIDERS

Audiences Roadmap



Creating a Holding Company to Bolster Gender-Based Violence
Direct Service Providers' Power

Identifying alternative structures to finance the reduction of gender-based violence



Gender-based violence intersects with healthcare, housing, financial services, and a range of other industries that often fail to address violence in the design of goods and services. Instead, gender-based violence service providers, such as those providing shelter, legal support, counseling, and/or other services to survivors of violence, are left to fill the gaps and pick up the pieces from a failure to prevent and mitigate violence. These service providers typically receive minimal funding from government and private sector actors despite their complementary and critical work and, as a result, are often under-staffed, under-funded, and face chronic cash flow challenges. Such financial stress can detract from the crucial, often lifesaving work these organizations are accomplishing and inhibit them from scaling their missions.

Imagine a holding company with a feminist governance structure made up of direct service providers and capitalized by existing funds in housing, healthcare, and other sectors that rely on the work of direct services providers to address violence as it shows up in their industries.

Holding company structures in general have a number of benefits, including:

- Increasing operational efficiency by housing back-office functions of many organizations under one entity
- Enabling collaboration across a set of enterprises, governed by bi-lateral and/or multi-lateral contracts

Such a centralized, collaborative structure will unlock the potential of these organizations to do more of what they do best and to scale their work through innovation and collaboration. Above all, it will increase their power by concentrating it in a single, capitalized entity. The holding company can then leverage its collective power to solicit and secure funds from intermediaries (such as funds investing in healthcare, housing, and financial services) and other community investments to ensure their work, informed by the service providers, is assessing and mitigating risks of gender-based violence, leading to greater prevention.

This is a benefit not only to the direct service providers and their constituencies, but also the intermediaries whose products and services can be made more effective and more impactful by addressing the risks of gender-based violence in the design, rather than dealing with it as an unintended consequence. Such a shift will have financial implications, as the often-undervalued costs of gender-based violence are currently born not only by individuals, families, and government agencies, but also by a range of industries. Housing providers, for instance, bear costs related to: delayed or missed rent payments due to disruptions in household finances; damage to property; eviction and re-leasing; and mediation services with neighbors impacted by household violence. All of these costs could be prevented – making an investment more profitable and less risky – by ensuring housing projects account for and address domestic violence by design, for example, by giving tenants knowledge of and access to service providers.

Impact investors are increasingly looking to expand their impact not solely via the amount of resources they invest but also via the structures through which they invest. Creating a holding company prototype for direct service providers gives the field a model for addressing power dynamics within the investment process while also addressing the issue of gender-based violence and its far-reaching social and financial implications.

As a result of COVID-19, gender-based violence is on the rise worldwide as victims of domestic and family abuse are at home with their abusers. At the same time, there is greater public attention on the issue and, in the wake of the #MeToo and #TimesUp movements, less tolerance for it. There is no more urgent time to support innovative partnerships and alliances to address the issue.



Developing a holding company to centralize power among direct service providers and enable them to thrive and increase their impact would entail:

1 Direct service providers coming together to design a feminist governance structure and set of collaborative activities that would reduce their overhead costs and magnify their impact.

2 Engagement of funds operating in housing provision, healthcare, and other sectors particularly impacted by gender-based violence to capitalize the holding company.

This would facilitate a fundamental shift in how society values the work of direct service providers. Instead of bringing these entities in after violence has occurred to clean up the mess left by actors who failed to address the risks of violence in their investments, direct service providers will be consulted upfront, and their expertise valued in the design of how housing, healthcare, and banking services are provided.

Such a shift would channel greater resources to gender-based violence prevention efforts across a range of industries, resulting in a direct impact on reducing gender-based violence and mitigating its effects on survivors.



Audience:	Impact investors, gender lens investors, and gender-based violence service providers
Geography:	United States
Types of capital:	Private debt, private equity, and grants
Sectors:	Healthcare, real estate, and financial services
Investment Approaches:	Blended finance

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