

Empowering Women Domestic Workers: Qualitative Investigation on the Impact of Digital Financial Services (DFS) on Women's Economic Empowerment in Nigeria.

Executive Summary

Women domestic workers in Nigeria play an essential role in sustaining households and the formal economy, yet they remain economically vulnerable and largely excluded from the benefits of digital financial services (DFS) (Akalin 2007; Blackett 2011; Chin 2019; Ganle, Afriyie & Segbefia 2015; ILO 2021). Drawing on qualitative interviews with 40 women domestic workers in Southwest Nigeria, this study examines how access to DFS contributes to women's economic empowerment. The findings show that ownership of a mobile phone and a transaction account enables women to save, send, and receive money, and access their income directly. These services strengthen three interlinked dimensions of women's economic empowerment: financial agency, financial privacy, and financial security. The study highlights that DFS reduces women's reliance on intermediaries, limits exploitation, and allows women to manage their resources independently. The results point to the need for policymakers, employers, financial institutions, and civil society actors to strengthen mechanisms that protect domestic workers' financial rights and expand their access to appropriate digital financial tools.

Introduction

Women's economic empowerment has gained increased attention under the Sustainable Development Goals, yet progress has been uneven. Evidence shows that women in marginalized and vulnerable groups continue to be excluded from economic opportunities, including access to formal financial services. Women domestic workers represent one such group. Despite their critical contribution to households and the broader economy, domestic workers often lack legal protection, face insecure employment conditions, and have limited control over their earnings.

Digital financial services offer a potential pathway to address these challenges by improving access to financial resources, reducing dependence on third parties, and strengthening women's ability to manage income independently. While previous research has examined the relationship between DFS and women's economic empowerment, limited attention has been given to domestic workers. This policy brief explores how DFS influences the economic empowerment of women domestic workers in Southwest Nigeria, focusing on the mechanisms through which these services affect their financial lives.

Research Approach

The study is based on qualitative data collected through 40 in-depth interviews with women domestic workers in Southwest Nigeria between October and December 2022. Participants were intentionally selected based on their experience as domestic workers, and some respondents helped identify other eligible participants through their personal networks.

Interviews explored women's experiences with mobile phones, transaction accounts, and other digital financial services. The data were transcribed and analyzed using thematic analysis to identify recurring patterns related to financial agency, privacy, and security. Ethical approval was obtained, and informed consent was secured from all participants.

Findings

Access to mobile phones enables the use of digital financial services

All participants owned mobile phones capable of supporting basic financial and non-financial services. Mobile phone ownership emerged as a foundational enabler of DFS, allowing women to open transaction accounts, communicate with family members, and conduct financial transactions without relying on intermediaries.

Transaction accounts strengthen financial security and control

Women with transaction accounts reported greater ability to save money, manage expenses, and protect their income. Keeping money in accounts reduced unnecessary spending, safeguarded funds from loss or misappropriation, and helped women plan for future needs.

DFS enhances financial privacy and agency

Direct access to personal accounts allowed women to receive wages and transfers without third-party interference. This increased financial privacy and reduced social pressure and exploitation, particularly from family members or employers. Women reported greater confidence in making independent financial decisions.

Reduced exploitation through direct access to income

Participants highlighted experiences where the absence of personal accounts led to lost or withheld wages. DFS reduced these risks by ensuring that money sent or earned was accessible only to the account holder, limiting opportunities for exploitation.

Conclusion and Recommendations

The study demonstrates that digital financial services play a meaningful role in improving the economic empowerment of women domestic workers by strengthening financial agency, privacy, and security. Ownership of mobile phones and transaction accounts allows women to manage income independently, reduce reliance on intermediaries, and protect themselves from financial exploitation. These benefits are particularly important given the unregulated nature of domestic work and the vulnerability of women employed in this sector.

Based on these findings, the following actions are recommended:

- **Policymakers and government agencies** should recognize domestic workers as a financially vulnerable group and support policies that strengthen their access to safe and inclusive digital financial services.
- **Financial institutions and service providers** should develop and promote accessible DFS products tailored to women domestic workers, including transaction accounts and savings options.
- **Employers of domestic workers** should be encouraged to pay wages directly into workers' personal accounts to reduce wage misappropriation.
- **Civil society organizations and NGOs** should engage domestic workers to raise awareness of available digital financial services and support their safe and effective use.

Strengthening these mechanisms can help safeguard domestic workers' financial rights and contribute to broader efforts to advance women's economic empowerment.

References

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