



BUSINESS CALL TO ACTION

Women's Economic Empowerment and Inclusive Business:
OPPORTUNITIES FOR GROWTH AND IMPACT

October 2018

Insights Report



Acronyms

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ACRONYMS

ASEAN	Association of Southeast Asian Nations
BCtA	Business Call to Action
BoP	Base of the Economic Pyramid
BSR	Business for Social Responsibility
ESD	Extending Service Delivery
EAC	East African Community
GDP	Gross Domestic Product
IB	Inclusive Business
ILO	International Labour Organization
MHM	Menstrual Health Management
MSME	Micro, Small and Medium-sized Enterprise
NGO	Non-Governmental Organisation
PPP	Public Private Partnership
R&D	Research and Development
SDG	Sustainable Development Goal
Sida	Swedish International Development Cooperation Agency
SOAS	School of Oriental and African Studies
UNDP	United Nations Development Programme
WEE	Women's Economic Empowerment
WEPs	Women's Empowerment Principles

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Note: In this document, the term 'inclusive business' refers to commercially viable business models that benefit low income communities (those who live on less than USD 10 per day in purchasing power parity) by including them in companies' value chains on the demand side as clients and consumers, or on the supply side as producers, entrepreneurs or employees.



IN BRIEF:

WOMEN'S ECONOMIC EMPOWERMENT AND INCLUSIVE BUSINESS



After a decade of slow but steady progress, 2017 marked a halt in progress towards gender equality. The global gender gap, defined as the difference between men and women 'as reflected in social, political, intellectual, cultural, or economic attainments or attitudes', widened for the first time since the World Economic Forum started measuring it in 2006.¹ According to the Global Gender Gap Report 2017, should the current pace of change persist, it will take an estimated 100 years to close the overall global gender gap, compared to the 83 years projected in 2016. Examining four pillars: education, health, economy and politics, the report found that education and health experienced the widest gap. Additionally, at the current rate of change, the report predicts the gender gap in the economic sphere will not be closed for another 217 years.²

For women at the Base of the Economic Pyramid (BoP), the situation is particularly concerning. Research in various countries has shown that women and girls fare worse than men and boys on a range of factors that may predispose someone to poverty, including having one's own source of income, ownership and control of assets, and decision making power within households³.



The private sector has the power to close this gap. As a key driver of growth and development globally, it is well positioned to play an indispensable role in women's advancement, both within companies and in the communities they work in. There is particularly strong potential for the private sector to deliver sustainable improvements in women's equality by contributing to the Sustainable Development Goals (SDGs) across economic, social and environmental dimensions through inclusive business models.

Defined as commercially-viable business models that expand access to goods, services and livelihoods for low income people, inclusive business initiatives engage populations at the BoP in core business as employees, producers, suppliers, retailers or customers. Inclusive business takes many shapes and can range from being a company's entire business model, such as with a social enterprise, to a specific initiative in a large multinational

¹ The Global Gender Gap Report 2017, The World Economic Forum, 2017.

² Ibid

³ Gender differences in poverty and household composition through the life-cycle: a global perspective, World Bank Group, 2018.

company. What distinguishes inclusive business models from business-as-usual, however, is the value placed on social impact. Importantly, inclusive business has significant potential to improve the lives of women at the BoP. Although sex-disaggregated data is scarce and the data available only provides an incomplete picture of women's and men's lives, it is commonly agreed that women at the BoP outnumber the men and are significantly poorer⁴. For instance, a recent World Bank Group Study revealed that by age 25 (and up to age 34), women are two percentage points poorer than men, a significant and sizeable difference.⁵ By actively involving BoP women in a company's core operations and value chain, inclusive business can directly respond to their need for increased access to goods, services, and income opportunities.

Building on a recent webinar series on Women's Economic Empowerment and Inclusive Business hosted by Business Call to Action (BCtA) in February 2018, this report seeks to catalyse and promote private sector action at the BoP through inclusive business with a specific focus on women's economic empowerment. The webinars brought together inclusive business practitioners who are leading the way in improving the lives of women in the communities they work in. Examples include Bata and DBL, who are co-creating products with local women and training and mentoring female employees and suppliers in Bangladesh, as well as thought leaders like Mahindra Rural Housing Finance and AFRIPads, who are advocating for essential policy and regulatory environment change in India and East Africa respectively that will enable businesses to make the necessary systemic changes to contribute to empowering women along their own value chains.

By imparting the voices of companies and industry experts, BCtA aims to recognise and share inclusive business efforts, learnings and success stories of women's empowerment and build on evidence that it makes "business sense" for companies to address gender inequality while pursuing inclusive growth strategies. Evidence shows that empowering women economically not only promotes their wellbeing, but also drives broader growth, financial performance and long-term business resilience. Including women in core business decisions and operations not only improves the lives of people making, selling, and buying products, but ensures stable and efficient supply chains, develops and retains a more diverse pool of talent and enables businesses to reach new consumer segments.

BCtA promotes a holistic approach to women's economic empowerment that addresses the underlying systemic factors inhibiting women from achieving their full potential. As such, this publication aims to encourage businesses to join in the global effort to achieve gender equality. Furthermore, it offers concrete recommendations as to how inclusive business can advance this cause. We list seven areas of action that have potential for significant long-term economic benefits for both businesses and the global economy. With the caveat that this assessment does not constitute a comprehensive list of all available opportunities, we believe by enacting inclusive policies within their own operations, enabling others, and using their influence to create a favourable environment for women, companies will unlock enormous benefits for themselves and for society.

⁴ A key area of concern has been the extent to which women and men face different levels of poverty and distinct barriers to poverty reduction at the BoP. The understanding of these differences is constrained by the available data. In the standard approach to measuring poverty, the primary source of information is household surveys and the key indicator is a money-metric measure of welfare based on consumption income. Data is collected on the consumption or the income of each household, and not always about each individual living in those households. See World Bank Report above for more information.

⁵ Ibid.



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THE INCLUSIVE BUSINESS CASE

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DEFINING WOMEN'S ECONOMIC EMPOWERMENT

The Swedish International Development Agency defines women's economic empowerment as 'the process which increases women's real power over economic decisions that influence their lives and priorities in society'.⁶ Women's economic empowerment can be achieved through equal access to and control over critical economic resources and opportunities, as well as the elimination of structural gender inequalities in the labour market, including a better sharing of unpaid care work.⁷ It is important to recognise the definition as twofold: not only does it address women's access to market or income earning potential; but also considers agency, which determines how individuals are able to use their resources to access economic opportunities, income and assets, such as property and credit.

As the Global Gender Gap Report 2017 identifies, the gender gap is a critical challenge, particularly in the economic sphere. If women – who account for half the world's working-age population – do not achieve their full economic potential, the global economy will suffer. National economies lose out when a substantial part of the population cannot compete equitably or realise its full potential. The McKinsey Global Institute estimated that in a full-potential scenario, in which women play an equal role to men in labour markets, the global annual GDP could rise by as much as US \$28 trillion, or 26 percent, by 2025.⁸

In regions with sizeable BoP populations, the potential benefits are all the more striking. If the gender gap were to be closed by companies of different sizes, from SMSEs to large national and multinational companies, by 2025, India could boost its annual GDP by \$700 billion, or 16 percent, compared with a business-as-usual case, adding an incremental 1.4 percentage points each year to its GDP growth rate.⁹ In Sub-Saharan Africa, gender inequality costs an average of \$95 billion a year.¹⁰ The magnitude of the loss indicates that low pay is an important factor perpetuating discrimination and exploitation. The loss is not only limited to the direct cost but also indirect costs associated with limited life choices like sexual and reproductive rights, sending their children to best schools and ensuring their families have access to quality health services.¹¹ By empowering women and eliminating gender inequality, it is possible to raise the productive potential of Africa's one billion citizens and propel the continent's development potential forward.

The paucity of women in the workforce means that companies lose out on the benefits associated with greater gender diversity, including more innovation, greater creativity and better performance.¹² Gender gaps are not just an issue of under-representation of women. Women should also have the same chance as men at finding decent jobs. Regardless of the level of women's access to various occupations, opportunities for women to advance in their fields is key to advancing the situation of women overall.

6 Women's Economic Empowerment: Scope for Sida's Engagement, SIDA, 2015.

7 Ibid

8 The power of parity: How advancing gender equality can add \$12 trillion to global growth, McKinsey Global Institute, September 2015. 9 The power of parity: Advancing women's equality in India, McKinsey Global Institute, November 2015.

9 The power of parity: Advancing women's equality in India, McKinsey Global Institute, November 2015.

10 Africa Human Development Report 2016: Accelerating Gender Equality and Women's Empowerment in Africa, UNDP, 2016.

11 Ibid

12 Measuring Gender Diversity with Data from LinkedIn, LinkedIn, 2015.

THE INCLUSIVE BUSINESS CASE

Inclusive business has played and can play a critical role in in this – whether through the development of appropriate goods and services that are specifically tailored to the needs of BoP women, or through job creation and income generation opportunities for low-income women. The ‘business case’ behind women’s economic empowerment has been demonstrated by numerous companies (as outlined in the case studies in following chapter) and inclusive businesses have been extremely successful at empowering women both directly and indirectly.

In light of this, business stands to gain immensely from the economic opportunity that lies at the heart of gender parity. Companies with a diverse workforce are 22 percent more productive, have 27 percent higher profitability and enjoy 39 percent higher customer satisfaction.¹³ By minimising risks such as fluctuation and work loss, women’s empowerment can lead to higher delivery reliability. It also strengthens a company’s attractiveness and reputation as an employer, which can reduce the cost of recruitment and achieve staff retention. A continuous engagement in women’s empowerment may also spawn the interest of investors, who correlate gender equality and predicted growth.

All of this is a natural fit with the ethos of inclusive business. While women’s empowerment may not be the only driver of all inclusive businesses, it should always be an integral one. By improving the lives of low income communities – including women – inclusive businesses are making great strides towards closing the gender gap and achieving the SDGs. Among BCtA members, by 2030, aggregated commitments will result in increased access to financial services for 60 million people, improved access to energy for 80 million people, improved access to healthcare services for over 618 million people, among other impacts. These goals cannot be achieved without the inclusion of women. And on the profit side, private sector actors leading the way have reported increased profits as a result of their efforts to empower women in emerging markets, in particular, targeting market growth by increasing the access to market and services for women across the whole income spectrum.





SEVEN AREAS OF ACTION
FOR INCLUSIVE BUSINESS



SEVEN AREAS OF ACTION FOR INCLUSIVE BUSINESS

Business Call to Action (BCtA) members are businesses delivering societal value. Their innovative inclusive business models and BCtA commitments make concrete strides toward achieving the SDGs. By analysing BCtA's portfolio of companies successfully addressing gender equality, seven areas of action emerged for the broader inclusive business community to follow.

The seven areas provide opportunities for any inclusive business, regardless of their industry.

1. BUILD AND CULTIVATE GENDER-SENSITIVE INCLUSIVE BUSINESS MODELS

Creating a workplace that enables women to achieve their full potential requires a holistic approach. It requires reflecting and acting on a company's policies and practices to shift from being gender-neutral (or gender-blind) to being gender-sensitive. Inclusive business companies must create a culture where diversity and inclusivity are core values for both male and female business leaders. Breaking silos to enable women to see all growth opportunities available to them, strengthening channels for women to voice their concerns and interest, creating flexible work arrangements to accommodate working parents and investing in quality childcare are all key to levelling the playing field for men and women.

Although not the focus of this publication, it should be noted at companies have the ability to pre-emptively address sexual harassment risks by establishing policies and procedures that prevent it, and protect those who do experience it. The fair application of disciplinary measures is just as important as stringent anti-harassment policies.

DATAMOTIVATE: BUILDING AND CULTIVATING A GENDER-SENSITIVE BUSINESS

DataMotivate works with survivors of trafficking and slavery to transform them into a skilled, empowered workforce; 95 percent of their employees are women. Established in the Philippines in 2014, DataMotivate provides high-quality outsourced shared services and back office operations to medium- and large-sized corporates in the US, UK, Australia and Europe while creating meaningful employment for survivors of trafficking and those from ultra-poor¹⁴ communities exploited for trafficking.

Working through Non-Government Organisations (NGOs) to identify and employ trafficking survivors and individuals from low-income backgrounds, DataMotivate upskills participants through a technical training programme that enables them to deliver complex back office services, then sustains them through an employee support programme that substantially improves their ability to succeed. Aware of the additional skills development and support often needed by victims of human trafficking and by women from disadvantaged backgrounds in general, DataMotivate has created a holistic support system for its employees. Its intensive training programme not only covers the technical skills required for specialized client work, but the soft skills needed to succeed in a modern office environment as well as social and life skills.

After completing the training programme, DataMotivate continues to support its employees to feel secure and provides opportunities for them to thrive and grow. From its equal employment and hiring processes and strongly enforced code of conduct to its healthcare coverage, retirement planning, overtime compensation and performance incentives, employee livelihoods are reinforced by well-rounded benefits. To further safeguard a gender-sensitive working environment,

¹⁴ The term ultra-poor was first used by Michael Lipton (1983), where he defined the ultra-poor as those who spend 80% of their total expenditure on food and cannot attain 80% of their standard calorie needs. Seasonality and Ultrapoverty, Michael Lipton IDS Bulletin 17.3, 1986. Institute of Development Studies <https://www.ids.ac.uk/files/dmfile/lipton17.3final.pdf>

DataMotive has partnered with local NGOs to provide childcare for working mothers, safe housing programmes and access to women's healthcare.

This critical support, coupled with well-paid, skilled employment, empowers DataMotive's employees to build better lives while securing a dedicated workforce. The employment of vulnerable groups like trafficking survivors also contributes to sustainable community development and the well-being of entire families. For every woman employed by DataMotive, at least three household members benefit through improved education, nutrition, housing and healthcare.



2. ENCOURAGE PROFESSIONAL ADVANCEMENT

Although women are performing senior business roles at an ever-growing rate, the number of women in vulnerable, low-paid jobs remains extremely high, significantly outnumbering that of men.¹⁵ This issue is both a cause and effect of the lack of gender consideration in business policies and practices. Structural and cultural barriers often prevent women from progressing internally and within their industries. Bias leading to discrimination can be both conscious and unconscious and companies should work actively to understand and reverse them. Establishing fair and transparent processes for human resources management, and ensuring their application, is a prerequisite to ensure women's advancement. Supporting more women in management roles by providing leadership training, as well as creating networks and support groups to empower women through shared experience and access to information, can also lead to their advancement.

DBL GROUP: ENCOURAGING PROFESSIONAL ADVANCEMENT

The ready-made garments industry is the largest employer of women in Bangladesh. Bangladeshi garment company DBL Group has a clear plan for female empowerment: by 2020, half of all its sewing line managers will be female. With its overall workforce already 49 percent women, DBL found it only made sense to promote its existing staff into supervisor roles and encourage its female staff to advance to management positions.

To foster this professional advancement, DBL provides a 165-hour, comprehensive training programme called the Female Supervisors Leadership Program. The training builds both the soft skills and technical skills necessary for leadership positions and addresses safety, personal development, motivational techniques, communication skills, company code of conduct and quality assurance.

As with many efforts to empower women, the programme was met with some initial resistance. At first, workers were not used to having a female manage them. Fortunately, this unease subsided with time. More challenging, however, was pressure from families. Management positions mean longer hours and more responsibility, and family members were not always supportive. To mitigate this, DBL encouraged its existing supervisors to share their experiences with families and motivate them by pointing out the benefits of management positions: higher salary, better schools for their children, an opportunity for higher education in the future.

As more and more DBL women climb up the career ladder, the advantages are shared by employer and employee alike: not only does the workforce feel empowered as they see a clear path to advancing their positions within the company, but DBL benefits as existing employees are already familiar with the systems and company culture. On top of that, DBL has ample evidence that such

¹⁵ Much of women's market-based activities in developing countries is also poorly documented and measured since it takes place outside the formal labor market, in very small firms with few or no paid employees, in single person operations, or on very small farms. Women are overrepresented among microentrepreneurs and smallholder farmers doing low productivity, low paid or unpaid work in firms and farms that is poorly recorded in official statistics, if at all. Check the Data2X report "Mapping Gender Data Gaps" for more information.

efforts are already boding well for the company. In 2012, only 35 percent of DBL's workers in garments manufacturing units were female. Today, in 2018, almost half are female. Climbing alongside female employment was DBL's employee retention rate, efficiency and overall productivity. In 2011, employee annual turnover was 6 percent, compared to only 2 percent today, and absenteeism dropped from 8 percent in 2011 to 3.6 percent today. DBL also discovered that the sewing lines led by females were 3 percent more efficient than the male-led lines, which translates to increased productivity worth up to US\$624,000 every year.



3. PROMOTE EDUCATION AND SKILLS

Skill is the bridge between employment and advancement. Limited access to business training poses a barrier for women, both in terms of “hard skills” development, such as accounting, computer training, and marketing, as well as “soft skills” training, like leadership and effective communication. Throughout BoP markets, women’s lower education levels limit their access to career opportunities, particularly in higher-paying technical or leadership roles. Companies can use numerous levers to strengthen education and skills for girls and women, such as job-specific training at different points in a woman’s career, as well as life-skills training in the workplace. Companies can act internally by investing in learning opportunities for women and externally by advocating for greater investment and support from the public sector. Such actions will ensure the reliability of a pipeline of skilled workers.

JAIPUR RUGS: PROMOTING EDUCATION & SKILLS

Carpet weaving is one of the oldest industries in India. Nevertheless, Jaipur Rugs revolutionised the entire industry with its innovative inclusive business model. Jaipur Rugs cuts out the middlemen that have long controlled the carpet-making value chain in India. In doing so, the company has improved the lives of thousands of women and families in rural India by decentralising its production to villagers, training people in essential carpet-making skills, and connecting rural artisans directly with buyers overseas.

First, Jaipur trains potential contractors in carpet-making skills such as weaving hand-knotted carpets using a manually operated loom. Jaipur selects weavers from villages in the most economically disadvantaged areas of India. Experienced weavers and Jaipur staff deliver the training over 1-3 months, while providing trainees with a stipend. After the training is completed, Jaipur helps the contractors obtain government subsidies to install looms at home. Finally, the artisans are ready to work as independent contractors for Jaipur Rugs or other companies. Rather than obliging its contractors to commute for work, the company brings the work to them.

After reaching thousands of women and families in the decades since Jaipur’s inception, Jaipur decided to move beyond empowering artisans in their craft to also providing management and leadership training to women in order for them to assume managerial positions with the company. Through initiatives like its Young Women Social Entrepreneurship Development Programme, Jaipur aims to train women across India in leadership and communication skills so that they have the confidence and know-how to lead the company forward.

4. SUPPORT WOMEN-LED BUSINESS

Understanding and responding appropriately to the social and economic contexts within which women engage in production, processing and sale of products and services is central to increasing women's participation in value chains. While women make up a substantial share of small business owners, many struggle to access the credit and long-term contracts with buyers needed to grow their businesses.

Each industry interacts with women entrepreneurs in different ways across their value chains, and they can all play a role in transforming entrepreneurship into a stable, sustainable livelihood for women. At the most basic level, companies can provide more transparent information about processes for securing business contracts and expectations of suppliers. They can also create procurement policies that give preference to women-owned businesses, and they can work in close collaboration with local partners to align women and their business with the necessary skills and resources.

IRONBARK CITRUS: SUPPORTING WOMEN-LED BUSINESSES

Rapid growth in consumer spending power in Thailand and Vietnam got Ironbark Citrus thinking. A family owned and operated company from Australia, Ironbark Citrus had been producing and exporting citrus around the world since 1990. When a growing middle class and supermarket sector began to emerge in developing countries in the Asia-Pacific region, there was newfound demand for citrus fruits. In this part of the world, fruits are associated with wealth and gift giving.

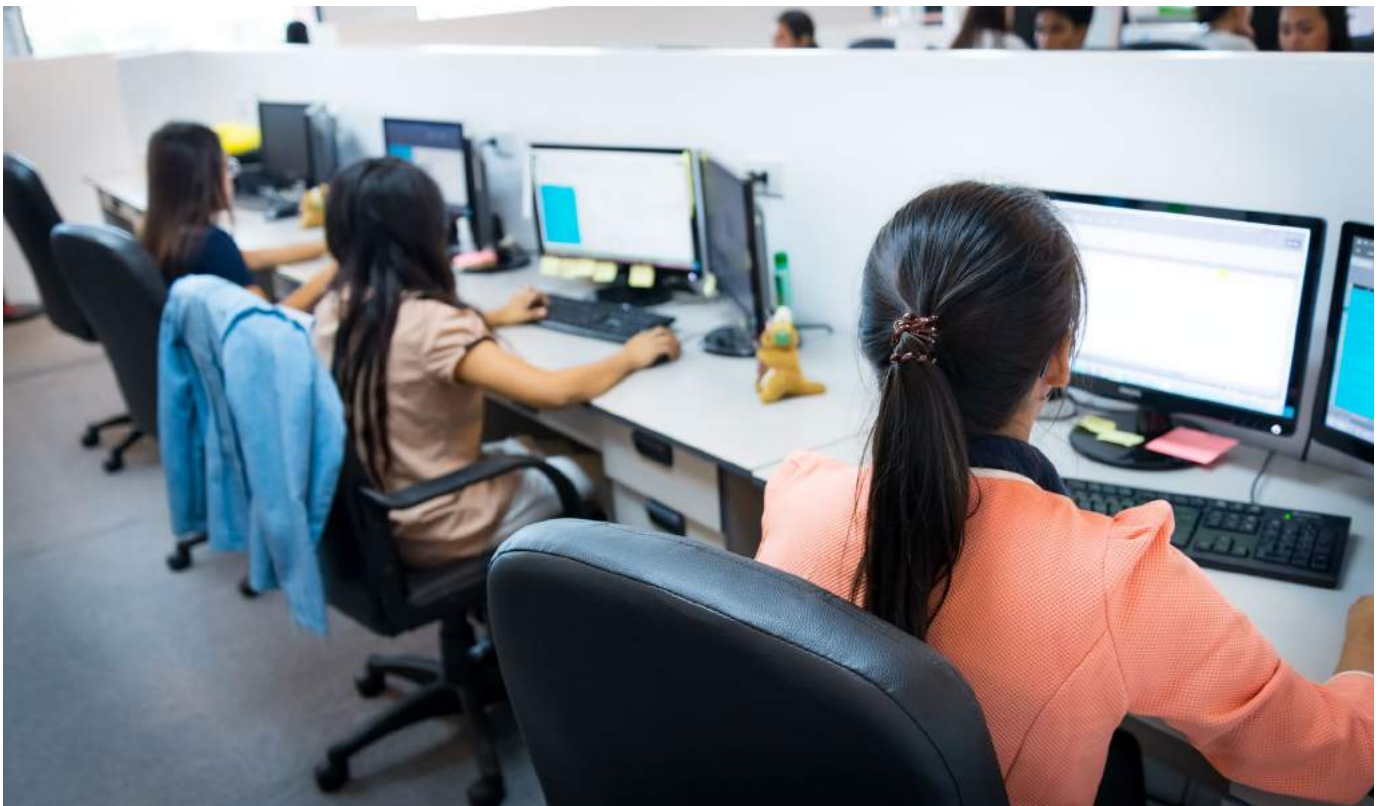
Ironbark Citrus identified Laos to be well-suited to meet the demand. A fertile country positioned in the heart of the Association of Southeast Asian Nations (ASEAN) region, it is already teeming with smallholder farmers whose citrus production is counter-seasonal to Australia's. Thus, began Ironbark Citrus' wholly-owned subsidiary, Ironbark Lao.

Ironbark Lao engages smallholder citrus farming families by providing access to a stable and secure market. To ensure sustained growth opportunities for farmer families, Ironbark Lao enters into long-term take-off agreements with the farmers. Families that sign a contract with Ironbark Lao will benefit from training in sustainable agriculture, receive horticultural extension services provided by Ironbark Lao, and will have access to agricultural loans through Ironbark's revolving loan fund.

Women were a priority for Ironbark Lao from its inception. Women already played an important role in agriculture in Laos, with women undertaking at least half of all farming activities. To support their development, the company put systems in place to proactively seek out and integrate female

farmers into the company's supply chain. Women are encouraged to become the primary point of contact with Ironbark Lao, signing the contract for revolving loans from Ironbark and receiving financial training in return.

After putting women in charge of financial arrangements and strengthening their roles with knowledge and skills training, Ironbark noticed a difference. When Ironbark Lao first began trainings with local farmer families in 2014, women tended to stay quiet and sit on the sides of the room. As engagement with women and their families grew, and women embraced their newfound empowerment, their confidence increased. Ironbark's co-founder Susan Ruth Jenkin said: "After a year or so, we found the women front and centre in the discussions, and not at all shy of putting their opinions and thoughts forward".



5. ENGAGE LOCAL COMMUNITIES

The actions and activities of a business affects women in the communities where they are present, directly or indirectly, and it is critical that companies ensure women's needs and interests are considered in company decisions. Companies can engage more closely with communities in a way that addresses cultural barriers and engages local communities while promoting and advancing women's empowerment.

SEHAT KAHANI: ENGAGING LOCAL COMMUNITIES

Sehat Kahani is on a mission to democratise healthcare in Pakistan. In conservative rural Pakistan, where social and cultural barriers can make it difficult for women to practice a profession or leave the home unaccompanied, jobs and services often need to come to them. Through its innovative e-hub-and-spokes distribution model and its community engagement strategies tailored to local customs, Sehat Kahani is able to reach rural and low-income communities across Pakistan and deliver high-quality health services directly to marginalised women while also garnering support from other community members.

Sehat Kahani not only targets underserved beneficiaries who need a doctor, but also female doctors who need a job. Although over half of medical students in Pakistan are female, less than a quarter of the nation's doctors are women. Social and cultural barriers often make it difficult for even well-educated women to practice their profession outside the home once they have families. To counter this, Sehat Kahani recruits qualified female doctors to consult patients and staff at their e-hubs through teleconsultation. Examination is aided by local nurses and point-of-care peripheral diagnostic tools.

Under the leadership of co-founders Dr Sara Khuram and Dr Iffat Zafar, Sehat Kahani has reached 653,000 beneficiaries to date via telemedicine, yet convincing families to take up their services hasn't always been easy. When the Sehat Kahani team first started delivering services to rural communities, families were unwilling to talk to them. "In Pakistan, it can be a hit to a man's ego when a woman has independence and power," says Sehat Kahani's Director of Operations, Makkiya Jawed.

Changing the mindset of the community requires more than just appealing to the women that Sehat Kahani serves, but rather persuading men and families as well. The company has done just that by deploying community mobilisers – influential and trusted members of the community who know the local culture and customs. Mobilisers go door-to-door, educating, marketing, creating awareness and identifying disease patterns in local communities for targeted healthcare and outreach. Mobilisers work with influential local groups such as madrasas, mosques and elders, as well as area

health offices, to further promote Sehat Kahani's work and endorse its technology-based healthcare solutions. Together with Sehat Kahani nurses, who are also well-known members of the community, mobilisers also conduct weekly impromptu meetings on relevant health topics to maintain ongoing engagement with communities.

Being sensitive to local customs and including all members of the community has been critical to Sehat Kahani's success. Maintaining an ongoing dialogue with communities will play a central role as the company continues its mission to empower marginalised women across Pakistan and make Sehat Kahani a household name.



6. ADVOCATE FOR POLICY CHANGE

Overcoming gender inequality not only requires change within companies but the development of new partnerships as well. Both at a local level and on a larger scale, the private sector can engage more actively with governments and policy influencers like professional associations, working groups and lobbies to drive change to improve the enabling environment and regulatory frameworks for women's empowerment.

Companies have an opportunity to influence the development and implementation of public policies to shape the business environment in support of women's empowerment. Raising awareness on a particular issue, seeking support for a point of view or working to change legislation preventing the advancement of women are some of the actions businesses may take. Influencing policy makers can be done effectively through Business Membership Organisations (BMO). Public-private dialogue can also help to ensure governments and businesses see eye to eye on what is needed to improve gender equality at the local, regional and national levels.

AFRIPADS: ADVOCATING FOR POLICY CHANGE

"Find out if this is safe." These are the words President Yoweri Museveni of Uganda spoke to his Minister of Trade as he appraised AFRIPads' reusable sanitary pad at Uganda's International Women's Day 2017 celebrations.

AFRIPads is East Africa's leading producer and supplier of reusable cost-effective menstrual pads and it has played an important role in creating Uganda's first standards for reusable sanitary pads. AFRIPads is an active member of the National Menstrual Hygiene Management (MHM) Steering Committee, a working group organised by the Uganda Ministry of Education and Sports. The committee includes key stakeholders in the sector, such as government ministries and agencies, NGOs, civil society organisations and the private sector.

Through the MHM Steering Committee, as well as through its own efforts, AFRIPads was able to advocate for the importance of creating a standard for reusable sanitary pads and was able to identify advocates within government who were committed to the menstrual health of women and girls.

The President's request at the Women's Day event accelerated the dialogue around standards for reusable sanitary pads and after nearly eight years of advocacy, legislation was passed in December 2017. The new standard, developed by the Uganda National Bureau of Standards, is one of only two in Africa for reusable sanitary pads and is representative of the Ugandan government's leadership in advancing the menstrual health of women and girls. The standard is significant in that it provides quality assurance for users of reusable sanitary pads while also strengthening the domestic and

export market for reusable sanitary pads. AFRIpads was the first company to be certified under the new standard and, thanks in part to the certification, will be able to expand substantially.

AFRIpads looks forward to more opportunities to advocate for women and girls through government partnerships in East Africa. The Uganda National Bureau of Standards (UNBS) is currently the secretariat for textile standards in the East African Community (EAC) and has the opportunity to help the entire region develop a EAC standard for reusable sanitary pads, which would further open the doors for trade of reusable pads in the region. AFRIpads is eager to take part and will continue to support the process as a technical expert in the sector.

Additionally, AFRIpads is working extensively with the Government of Kenya, who is about to launch the first Menstrual Hygiene Management Policy in Africa. This policy is aimed at ensuring that menstrual health is mainstreamed in the education curriculum and that schools and institutions have appropriate wash infrastructure for girls and women to manage their periods. AFRIpads was an active collaborator in the development of the policy, which is ground-breaking in the region and should provide the basis for the Kenya Bureau of Standards (KEBS) to move forward on establishing its standard for reusable sanitary pads.

Beyond positively influencing policymakers, AFRIpads is also a powerful example of a growing company who understood the case for inclusive business. By manufacturing the sanitary pads locally, AFRIpads is contributing to the development of a rural Ugandan industry that empowers its 90 percent female staff with gainful employment. In just eight years, AFRIpads has grown from a seed idea to over 1.5 million products sold and over 150 full-time positions created, 95 percent of which are filled by young women.

AFRIpads' advice to other companies who wish to have an impact on policy? Identify individuals in government who are passionate about your cause. Find ways to get involved, such as attending national events. Create a group of key stakeholders from across government, and public and private sector, to achieve critical mass for your cause.



7. INVOLVE WOMEN AND GIRLS IN R&D TO BETTER TAILOR PRODUCTS TO THEIR NEEDS

A study of research and development (R&D) teams at more than 4,000 companies found that gender diversity generates dynamics that lend themselves to radical innovation. Research also suggests that women score as well or better than men in key innovation capacities, such as championing change.¹⁶ Involving women in the research, design and development of products, particularly in low-income communities, not only drives innovation and new revenue streams, but also ensures affordable, accessible and adequate products and services for women at the BoP. Ultimately, involving women in R&D helps ensure that suitable products can be offered to low income women and girls but also to boys and men without reproducing gender stereotypes and imbalance.

MAHINDRA

Mahindra Rural Housing Finance Ltd is an Indian financial institution that provides cost-effective and flexible home loans tailored to low-income earners, often in rural areas. Mahindra made a conscious decision to service a customer base that is ignored or underserved, and abides by the motto that “doing well financially is not exclusive from doing good”.

Mahindra’s model does not require customers to submit any formal documents to apply for a loan. Instead, Mahindra assesses what the customer owns, grows and produces. During this assessment, the company closely considers the role of the wife in the household. After long-term observation, Mahindra discovered that a joint decision about whether to take on a loan, rather than a one-sided decision from the husband, had long-term benefits. The finance institution started encouraging women to get involved in the decision-making process. When the wife becomes a co-applicant, she acts as a risk mitigation measure, advising her husband on their ability to take on a loan. At the stage of disbursement, Mahindra ensures that the woman is either a borrower or a co-borrower of the loan. They see such action as a statement that the spouse is a joint owner of the property.

From a social point of view, the role of the wife instantly changes. The family realises the value of her opinion, and she realises the importance of her own voice. From a business point of view, a loan does well if both key members of a household are equal owners. With this in mind, Mahindra made it a policy that all loans need to be co-signed by husband and wife.

Mahindra’s policy change was later adopted by an Indian government scheme. “We are very proud to say that the government of India, as part of the initiative Pradhan Mantri Awas Yojana (or PMAY, the Prime Minister’s housing scheme) has decreed that for certain kind of benefits in a certain category, the wife must be not just the co-applicant, but the co-owner of the property,” says Anuj Mehra, Managing Director and Executive Director of Mahindra Rural Housing Finance Limited. Government policy decrees are practical and important, not only because they increase the rate of repayment of the liability, but also because they give a voice to and empower women.

16 C. Díaz-García; A. González-Moreno; and F. Sáez-Martínez (2013). “Gender diversity within R&D teams: Its impact on radicalness of innovation.” *Innovation: Management, Policy & Practice*, 2013; 15 (2):149



USEFUL HOW TO TOOLS

ADOPTING A HOLISTIC APPROACH

MEASURING INCLUSIVE BUSINESS IMPACT

◁ ADOPTING A HOLISTIC APPROACH ▷

The business and societal benefits of promoting women are clear, yet women remain far from equal in many respects. In developing countries, women usually earn less, own less and have less access to essential products and services. The opportunities for a business to work with women can be found across the full value chain.

Taking a holistic approach to women's empowerment includes looking at consumers, producers, suppliers, distributors of goods and services and employees in inclusive business value chains. Globalisation has brought different opportunities for women to participate more fully in the global markets and access products and services that were previously out of reach. Companies that are focusing too narrowly on actions for impact between the four walls of their firm, only amongst their employees, are missing significant opportunities. Empowering women in the value chain presents an opportunity to improve the lives of women at the BoP that are making, selling and buying products, and to also improve inclusive business performance significantly. Benefits for inclusive businesses include: a more stable and efficient supply chain, the ability to draw in a diverse pool of talents and reaching new clients.

As shared by BSR during the BCtA webinar on Women's Economic Empowerment and Inclusive Business, to be effective at both advancing the empowerment of women and also generating benefits for business, companies need to develop an approach grounded in three key principles:

1. **Be holistic:** think about women's empowerment in the broader social, political and cultural context of your business. How can we remove the underlying systemic barriers women face?
2. **Integrate:** embed gender throughout your operations and not as an individual function within the company.
3. **Be strategic:** prioritise and invest resources effectively based on where your comparative advantage might be.

BSR complements these principles with a four-step process to women's empowerment. We reviewed these four steps and adapted them to the BoP and inclusive business:

Step 1: Establish the Business Case

Understanding "why" inclusive business should prioritise women's empowerment. Each inclusive business initiative and companies will have its own unique rationale.

- Understand how low-income women are impacted by the company along the value chain.
- Clarify how the inclusive business and business partners benefit from women's contributions along the value chain.
- Determine how promoting women's empowerment and equality creates value for the inclusive business and companies stakeholders.
- Understand how the socioeconomic context drives inclusive business action.

Step 2: Set Priorities

Once companies have identified why women's empowerment is important for their inclusive business, they can identify how and where they should invest. This should include a broad and holistic analysis of factors contributing to women's advancement at the BoP.

Step 3: Identify Opportunities for Action

This step requires thinking through the various assets and business levers your inclusive business has to contribute to women's advancement, and how to effectively deploy them.

Step 4: Integrate and Implement

Finally, companies need to think through how to build the right structures, incentives, and culture to ensure action across their inclusive business.

For more guidance, consult BSR's research report, *Women's Empowerment in Global Value Chains a Framework for Business Action to Advance Women's Health, Rights, and Wellbeing*.



UNDP GENDER EQUALITY SEAL FOR THE PRIVATE SECTOR

The Gender Equality Seal is a certification programme that enables businesses to increase productivity, profitability and partnerships. Pursuit of gender equality at the workplace sets in motion employee performance schemes that reduce gender gaps. The process also triggers innovations for gender-appropriate product design and customer services, and enables networking with global companies that support the sustainable development goals. Through the Seal Programme, UNDP provides partners with tools, guidance and specific assessment criteria to ensure successful implementation and certification. For participating organizations, Gender Equality Seal certification supports a more efficient and equitable workplace and contributes to the advancement of gender equality and the achievement of the Sustainable Development Goals.

Originally pioneered in Costa Rica, Uruguay, Brazil and Chile, the Gender Equality Seal Certification Programme is now expanding globally. Over 400 companies across eleven countries of Latin America have been certified since 2009. These companies have reported witnessing a broad range of benefits, including: a better work environment, greater productivity and efficiency, improved relationships among staff, employee commitment, a reduction in absenteeism and attraction of diverse talent.

The Gender Equality Seal is now expanding globally. In response to the growing demand, UNDP is preparing to work with partners in every region to adapt and implement the Gender Equality Seal for Public and Private Enterprises.

While participation in the programme is voluntary, companies are attracted by its benefits, which include higher productivity and a positive corporate image. According to the Chilean pharmaceutical company Bago, participating in the Gender Equality Seal Certification Programme has led to many measurable corporate improvements, including a better work environment, lower employee turnover and absenteeism, increased productivity, and a significant rise in sales. Although not specifically targeting inclusive business, this initiative is a good example of how companies can get support in reducing gender gaps internally, as well as recognition for their contribution to the Sustainable Development Goals.

◀ MEASURING INCLUSIVE BUSINESS IMPACT ▶

Outcomes from the Empower Women initiative, a global platform implemented by UN Women and dedicated to empowering women to achieve their full economic potential by providing relevant resources and opportunities, show that companies today encounter the biggest hurdles at the level of impact measurement. More and more companies understand the need to engage women, often stating their intention to promote gender equality and women's empowerment but need more support in collecting and analysing the right data. The Women's Empowerment Principle 7 covers just that: *Measure and publicly report on progress to achieve gender equality.*

The elusiveness behind the meaning of empowerment as well as the values which tend to be associated with it makes this concept extremely difficult to measure. Most experts agree today that the current methods are not offering a realistic picture of a woman's economic well-being and potential. The almost-exclusive focus on econometrics and quantitative measures – such as the number of women employed or benefiting from a company product or service – to measure women's economic empowerment is increasingly being recognized as insufficient and inadequate. For instance, some studies concluded that the impact of low-paid and vulnerable jobs on women can actually end up being more disempowering than empowering from women at the BoP¹⁷. This growing evidence has allowed the discussion to shift toward a better understanding of how social, psychological, environmental and cultural factors impact women's economic success.

More effort is required to understand the real drivers of human success: fulfillment, agency and power. Organisations like DoubleXEconomy, a platform working to make the economic activities of women more visible and include them in the global economy, and Data2X, a collaborative technical and advocacy platform dedicated to improving the quality, availability, and use of gender data, have been at the forefront of these newest research methods with the private sector.

Professor Linda Scott from DoubleXEconomy has been working on a set of metrics to operate alongside economic indicators and provide a more holistic picture. The business community has also recognised the limitation of traditional strategies for measuring female employees' economic empowerment. Professor Scott worked on several projects with the private sector to develop alternative approaches to capture women's empowerment.¹⁸ The learnings captured the importance of paying attention to the types, conditions and subjective meanings of work itself; local, regional and global contexts; and recognising women's agency as a potential 'missing link' between their work and its impacts¹⁹.

17 For more information check Professor Naila Kabeer's paper, 'Women's economic empowerment and inclusive growth: labour markets and enterprise development' <http://www.lse.ac.uk/gender/assets/documents/research/choice-constraints-and-the-gender-dynamics-oflab/Women's-economic-empowerment-and-inclusive-growth.pdf>

18 For more information check the Advisory Note on Measures: Women's Economic Empowerment: <https://www.doublexeconomy.com/wp-content/uploads/2018/11/advisory-note-on-measures-final2016.pdf>

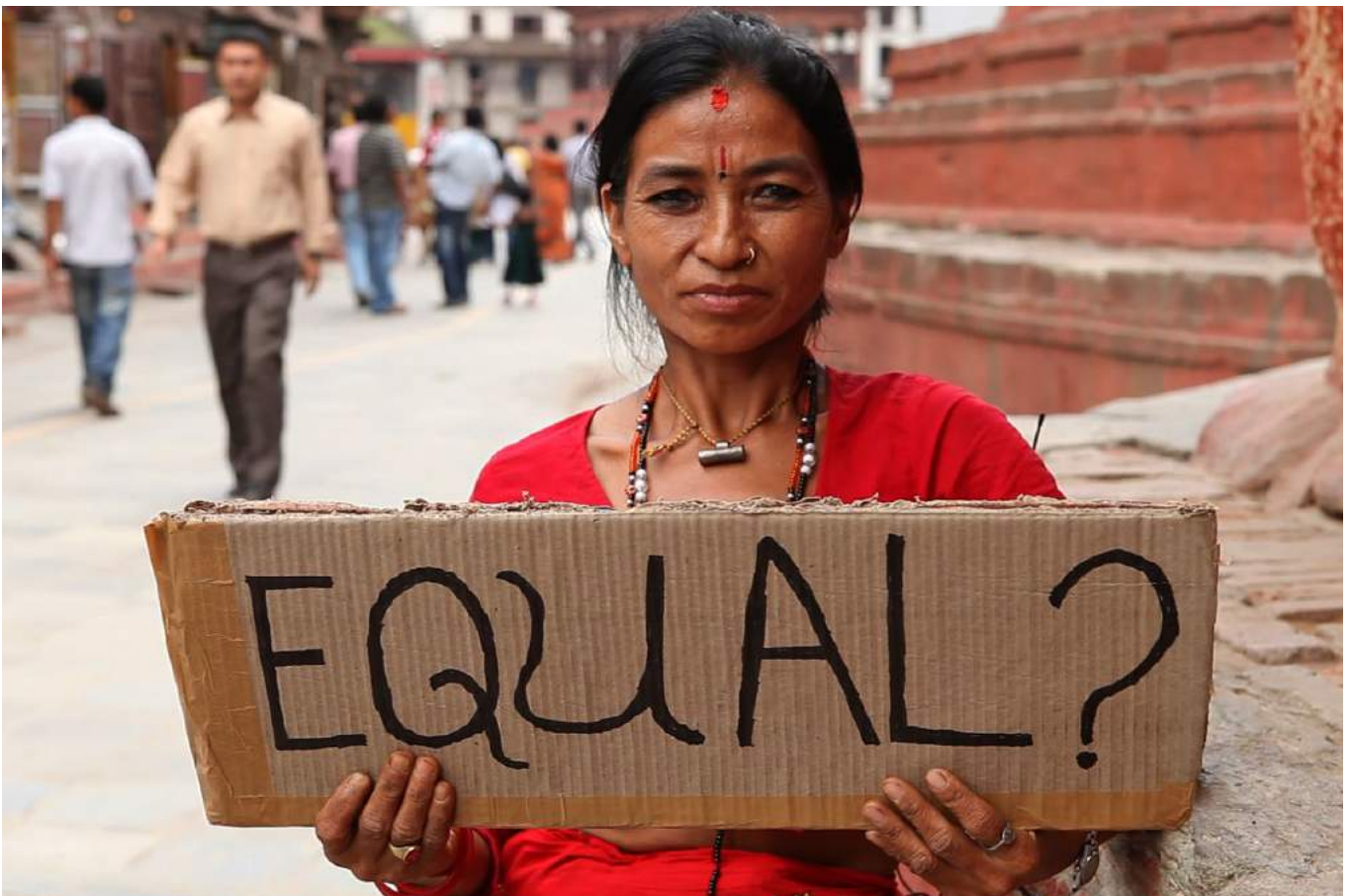
19 Ibid



THE WAY FORWARD

Countries, communities and economies cannot thrive without the equal participation of both women and men. Yet women face greater hurdles in almost all spheres of economic activity, from access to finance and assets to technology and peer-to-peer networks²⁰. Tackling these challenges will require significant commitment and investment by all sectors of society. The need for partnerships and shared solutions through inclusive business has never been stronger. Now, more than ever, we need to respond, together, to the call to action to press forward and progress gender parity at the BoP.

This report intends to provide companies with critical insights and practical guidance on how inclusive business can play a more significant role in making women's economic empowerment a reality. It is critical that companies ground any inclusive business in a holistic view of women's economic empowerment. Without addressing the social, cultural, environmental and legal conditions that hold women back, inclusive business models will fail to make lasting improvements to women's economic empowerment. While the private sector has a key role to play, to truly advance women at the BoP, collaboration is needed across sectors, including with governments, NGOs, and development agencies. However, the private sector cannot and should not wait for these actors; there are many actions companies can take immediately in their own operations and in the way they use their platforms and resources to enable and influence others to advance women's economic empowerment.



²⁰ The World Economic Forum, 2017. "The Global Gender Gap Report 2017." The World Economic Forum.



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Since 2008, Business Call to Action (BCtA) has been working very closely with the private sector in developing countries to ensure all segments of society, including women, are able to participate and benefit from the economy. BCtA aims to accelerate progress towards the Sustainable Development Goals (SDGs) by challenging companies to develop inclusive business models that engage people at the base of the economic pyramid (BoP) – people with less than \$10 per day in purchasing power in 2015 US dollars – as consumers, producers, suppliers, distributors of goods and services and employees. Over 220 companies, ranging from multinationals to social enterprises, and working in 70 countries, have responded to BCtA by committing to improve the lives and livelihoods of millions in developing countries through access to markets, financial services, affordable healthcare, water and sanitation, education and other critical services. BCtA member companies are market leaders that provide examples of successful, profitable and scalable models for reaching poor communities and contributing to global development. Amongst our 220+ members, we have inclusive businesses that have been championing the empowerment of women at the base of the economic pyramid.

BCtA is a unique multilateral alliance among donor governments – including the Dutch Ministry of Foreign Affairs, the Swedish International Development Cooperation Agency (Sida), the Swiss Agency for Development and Cooperation, the UK Department for International Development (DFID), and with the United Nations Development Programme, which hosts the secretariat.



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Pg 1: UN Women

Pg 2: UN Women

Pg 5: DfID

Pg 6: World Bank

Pg 8: DfID

Pg 10: UNDP Lebanon

Pg 11: World Bank

Pg 12: UN Women

Pg 14: World Bank

Pg 16: DBL Group

Pg 19: Data Motivate

Pg 21: DfID

Pg 23: Sehat Kehani

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Pg 31: World Bank

Pg 33: UNDP

Looking forward, more research remains to be done on understanding the position of women at the BoP, the barriers they face daily, their most pressing needs and aspirations, as well as the greatest opportunities that exist for them. The digital era has opened new windows of opportunity for inclusive business to contribute more significantly to gender equality. Building on the Digital Revolution, the Fourth Industrial Revolution – marked by emerging technology breakthroughs in a number of fields including robotics, artificial intelligence, blockchains and The Internet of Things – could improve female participation in economic life and enhance the economic and social autonomy of women in several ways. For instance, mobile and digital technologies can enable BoP women to overcome the traditional cultural and mobility barriers they sometimes face. Innovative technologies are also allowing women to access new markets, work flexibly and remotely, receive training and provide mentoring, and improve financial autonomy.

The digital era also appears to require an increased demand for social skills which can include, for instance, more effective communication skills, better adaptability and less resistance to change, and greater empathy. Some predict that women, given their stronger social skills, will better adapt to the future of the Fourth Industrial Revolution and avoid the enormous employment losses automatization will certainly cause. Others are more pessimistic and anticipate massive job loss at the BoP level. Understanding and addressing these risks proactively is critical, while bearing in mind that forecasts on the effects of digitalization on labour markets in the BoP are not actually supported by much evidence yet. How best to unlock the promises of digitalisation for women at the BoP remain to be seen.

This report was prepared with the objective of providing insights, recommendations and illustrative examples of what inclusive businesses are doing to empower women throughout the world. But much more should be done to answer the questions which need raising, such as the ones around digitalisation, as well as to provide a more definitive portrait of the needs of hundreds of millions of BoP women. However, BCtA hopes the Women's Economic Empowerment Webinar series, and this subsequent report, will act as a catalyst for further work in this area. It is the BCtA team's ultimate hope that this research will lead to increased awareness and action from both private and public sector and more quality partnerships with BoP women on the development of products and services that truly meet their needs. With the right support, we believe BoP women can realise their dreams of a better future for themselves and their families.