Gender equality: it’s your business

Practical advice on achieving gender equality:

- Within your business;
- In your value chain;
- When purchasing food commodities;
- When providing services and products in developing economies.
Gender equality gives businesses the opportunity to hire from a wider pool of talent, gain greater insights into consumers’ needs, and improve the security and quality of supply. Is your business taking it seriously?

Enlightened businesses are realising that enabling women’s full potential delivers returns. For business, equal treatment of women and men means access to the most talented pool of workers, a more balanced and talented board, greater appeal to the consumer base, an enhanced corporate reputation, and even a more stable supply of basic commodities.

Tackling gender inequality is also the right thing to do, as inequality increases women’s vulnerability to poverty and suffering.

And yet aggregate performance on gender equality in the business sector has been poor:

- Only 13 of the largest 500 corporations in the world have female CEOs.¹
- Women are over-represented in precarious, low-waged, or informal sectors of the economy in most countries.²
- Female food producers have less access than men to the resources that are crucial for efficient food production (training, inputs, extension services, and financial services).

Oxfam recognises that significant factors contribute to gender inequality that are neither within the direct control of companies nor their sole responsibility to fix. These include factors such as poor educational provision for girls or cultural restrictions on women’s freedom of movement. However, Oxfam does not accept the myth that gender inequality is a social and cultural phenomenon for governments to deal with, and from which business is somehow separate.

Like every part of society, companies can seek to profit from gender inequality, do nothing, or seek to redress it. Throughout this briefing paper, we make the case that the responsibility of business to treat women and men equally in its operations, and the business advantage in stepping up on gender equality, are entirely compatible. There are strong ethical, legal, and business imperatives for delivering far better and far faster on gender equality throughout business operations and value chains. We also point business to resources to get on with the task, and call on them to step up – and communicate how they are stepping up – as leaders in this area.

Jeremy Hobbs
Introduction

This Briefing for Business is intended for senior managers in global and national companies, especially those retailing and producing food and fast-moving consumer goods (FMCG), and which source goods or labour in developing countries. Although many companies already do much to protect human rights in their operations and value chains, there is more that they can and must do.

We concentrate on gender equality and the responsibilities of business to uphold and promote it, in recognition that business can have a positive impact on the lives and status of women as well as men, while enhancing companies’ own productivity and reputation.

We set out why companies should pay attention to gender equality, giving compelling reasons related both to women’s rights and to the business case for doing so. We then show how to better address gender equality within a business, recognising that some business leaders are convinced of why they should address this issue, but struggle with how.

The four separate areas in which business operations most clearly interact with, and influence, women’s rights and participation in markets considered within are:

• Business as a large, direct employer;
• Business as a key player in value chains;
• Business as a purchaser of food commodities;
• Business as a provider of products and services in developing countries.

We therefore address each of these in turn, with recommendations for action and useful case studies of existing company practices.

Debunking popular myths

1. ‘Gender inequality is a social and cultural phenomenon for governments to deal with – my business does not create or influence it.’

Business does not operate in a vacuum. Modern markets and economic and corporate policies can maintain and create gender inequality every bit as much as culture and society do. As the latest World Development Report observes, institutions governing markets tend to reflect the interests of those who hold more power in society. Within these often inequitable market structures, businesses can apply practices that enable them to benefit from inequality between the sexes. Commonplace examples include the practice of gendered job segregation, where women are clustered in the lowest-paid sections of the workforce, or the employment of school-aged girls, often earning less than a living wage, who are thus denied education.

2. ‘If my company hires women, women are better off.’

The true costs and rewards to women and society from employment depend on the conditions of that employment. Women are far more likely than men to be in precarious and informal employment. This means being unprotected by written contracts or employee status, without regular hours or fixed incomes, and often being paid well below a living wage. This type of labour force participation carries a cost to those who undertake it – precarious work presents serious risks to an individual worker’s health, safety, and income – and the majority of those in precarious work are female.
The equality arguments

There are both compelling equality and efficiency arguments for tackling gender inequality in your business. Taking equality first, women and men face different challenges and may have different aspirations, but they have the same rights and thus must have the same opportunity and support to realise them. Currently, women bear a disproportionate share of household and domestic labour, performing 80 per cent of unpaid caring roles globally. Women in the paid workforce and throughout value chains are statistically far more likely than men to be undertaking significant domestic labour on top of paid employment. A UN survey on gender and care and non-care work across six countries found that ‘for all countries, the mean time spent on unpaid care work by women is more than twice that for men’ and that when paid and unpaid care work are combined, ‘women are found to do noticeably more work than men in all countries’. Women in the paid workforce and throughout value chains are statistically far more likely than men to be undertaking significant domestic labour on top of paid employment. A UN survey on gender and care and non-care work across six countries found that ‘for all countries, the mean time spent on unpaid care work by women is more than twice that for men’ and that when paid and unpaid care work are combined, ‘women are found to do noticeably more work than men in all countries’. Women in the paid workforce and throughout value chains are statistically far more likely than men to be undertaking significant domestic labour on top of paid employment. A UN survey on gender and care and non-care work across six countries found that ‘for all countries, the mean time spent on unpaid care work by women is more than twice that for men’ and that when paid and unpaid care work are combined, ‘women are found to do noticeably more work than men in all countries’.

While Oxfam supports a more equitable distribution of household labour between men and women and recognises that gender inequality in domestic labour is not the responsibility of business alone to tackle, business needs to recognise that it gains essential social goods from the household. Business could not function without the largely unpaid work required for healthy, educated, and rested employees to come to work each day. Certain abuses of working conditions therefore – such as long working hours and obligatory, unannounced overtime – are not only wrong in themselves, but also disproportionately affect and disadvantage women, and conflict far more with their greater domestic burdens.

Debunking popular myths (cont’d)

3. ‘All profit generation and business activity that creates opportunities for women is good for them and for society – I’m contributing to gender equality.’

In the environmental arena, the tension between immediate gain and future survival is now well understood. Businesses are aware that reducing pollutants and carbon usage is critical for future economic growth. Yet in the area of gender equality, the cost of short-term, profit-driven approaches towards gender and labour is understood only by the most progressive. Women currently contribute significantly more to the unpaid economy than men. A 2008 UN study of contributions by gender to unpaid care work across six countries found that ‘the mean time spent on unpaid care work by women is more than twice that for men’. In India, the gap is greatest, with women spending almost ten times more time than men on unpaid care work. It is this type of unpaid labour that enables healthy, educated, and rested employees to come to work each day. Concentrating women in precarious employment that endangers their health threatens not only their own well-being but also the health of the broader workforce.

‘Gender equality is a critical component of social progress. It is a basic right that does not need economic justification.’

– Evidence for Action, Gender Equality and Economic Growth, p. vii
The equality instruments

Gender equality is also enshrined as an international human right. Most countries now have legislation on equal rights for women and men in the workplace, covering wages, conditions, representation, and promotion, plus fair access to livelihoods and resources.

Oxfam believes that companies should ensure the implementation of core human rights conventions across their value chains. International instruments provide a guide as to what this requires. These include the Universal Declaration of Human Rights (UDHR), which recognises that all human beings share the same equal and inalienable rights. Other crucial international instruments that guide and set out the responsibilities of business include the Core Conventions of the International Labour Organisation (ILO) and the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW).

A number of legal and voluntary frameworks have been developed or updated that set out standards for business in the area of human rights, each of which has implications for businesses with regard to gender equality. These frameworks are proof of growing demand from government and society for businesses to demonstrate that they are meeting their legal and moral obligations on gender equality. More information is provided on these in Annex II. In the recommendations that follow in the rest of this paper, Oxfam highlights good practice that both runs throughout these instruments and reflects the experience of companies and gender experts in addressing gender equality in business operations.

The equality status check

Despite an increasing number of global instruments and legislative protections on gender equality that apply in most countries of the world, men’s and women’s conditions of participation in markets, and their rewards from that participation, remain woefully unequal.

Our map of ‘Inequality and Women’s Work Worldwide’, next page, gives a flavour of the extent of inequality which remains.

Oxfam recognises that significant factors contribute to gender inequality that are neither within the direct control of companies nor their sole responsibility to fix. These include factors such as levels of educational provision for girls or cultural restrictions affecting women’s freedom of movement. However, there are ways in which corporate practice can aggravate and perpetuate gender inequality. Examples of this include reinforcing the practice of taking girls out of school through the provision of employment: girls are often willing to accept poorer labour employment conditions than their male counterparts. There are also areas in which the moral and legal obligations of business to address inequality are clear, yet aggregate performance is poor. For example, even where companies are following local laws and international treaties that recognise and protect women’s rights, many women work in temporary, informal positions in value chains, which are ‘invisible’ and not covered by laws, treaties, or codes of conduct.

‘The peoples of the United Nations have in the charter reaffirmed their faith in fundamental human rights, in the dignity and worth of the human person and in the equal rights of men and women.’

– UDHR (1948)
Inequality and women’s work worldwide

Women’s experience of work and the sources of their livelihoods vary across the world. However, in all countries women face barriers to equal rights both at work and in the home.

1. In the USA in 2009, 89 per cent of the S&P 500 (Standard and Poor’s stock market index of the top 500 companies) had at least one woman director on their board, but women comprised on average only 16 per cent of board directors (Spencer, 2009).

2. In Latin America, 50 per cent of women work – a 21 per cent increase in ten years, due in part to a leap in exported goods (UN, 2009). In flower and vegetable greenhouses in Ecuador, Guatemala, and Mexico, women are the majority of workers but are often hired repeatedly on short-term contracts. In sectors such as fruit production, women are typically brought in for seasonal jobs (Raworth, 2004).

3. Colombia is the world’s second biggest flower exporter, employing 110,000 workers, 65 per cent of them women (Ferm, 2008). During peak times a female worker has to work up to 80 hours a week, earning as little as $1 a day.

4. In Italy, Spain, and Portugal, women spend three to four times the amount of time on domestic work than men (UN, 2009).

5. In Kenya, women own half of all small and medium enterprises, but these experience less growth than male-owned businesses, due to a lack of support and resources (IFC, 2009).

6. In 14 of the countries in the EU group of 27, there is no woman CEO in any of the top 50 publicly quoted companies (Bettio and Verashchagina, 2009). In the EU, the pay gap increases with age, level of educational attainment, and years of service. For example, it exceeds 30 per cent in the 50–59 age group compared with only 7 per cent for those under 30 (EC, 2007).

7. Eastern Europe is the only region where the proportion of women in industry exceeds 20 per cent (UN, 2009).

8. In sub-Saharan Africa nearly 80 per cent of women workers are in vulnerable employment (UN, 2009). In Mali, 67 per cent of women work in agriculture (ILO, 1997). Girls marry young and inherit only one-eighth of their husbands’ land, which is usually poor in quality (World Bank, 2010).

9. A study in Nagpur, India showed that 62 per cent of women had experienced violence in the past year and that 9 per cent had suffered injuries serious enough to prevent them from working in a job, in the household, or both, for an average of seven days per incident (ICRW, 2000).

10. In Southern Asia, 36 per cent of women participate in the labour market. Less than 50 per cent of these are on a payroll, and are concentrated in informal, subcontracted, and home-working economies (UN, 2009). In Bangladesh, women make up 80–90 per cent of the textiles industry (ActionAid, 2007). Although Bangladesh achieved gender parity in primary-level education in 2005, 30 per cent of female factory workers are illiterate (compared with 17 per cent of men) and earn on average 21 per cent less per hour than men (Kapsos, 2009).

11. In Asia, women spend just under 1.45 hours a day preparing meals, while men spend just 15 minutes (UN, 2009).
Gender differences in access to land, credit and labour disadvantage women in China where firm managers prefer to sign export contracts with men because women have limited access to productive assets, lack statutory rights over land, and have less authority over family (and therefore over potential farm labour) (World Bank, 2012 p 227).

In Asia, the Philippines and Thailand both have comparatively high proportions of women among directors and chief executives, with 48 and 32 per cent respectively; the Republic of Korea has the lowest proportion in the region, with just 3 per cent. Averaged over all occupations, women in the Republic of Korea earn 68 per cent of what men earn (UN, 2009).
The efficiency arguments

At the level of the global economy, the macro-efficiency argument that gender inequality curtails economic growth is now largely uncontested. The World Bank’s 2012 World Development Report on Gender Equality and Development10 dedicates over 400 pages to demonstrating how greater gender equality enhances economic productivity, human development, and institutional performance, and how gender inequality harms growth. There is also global recognition that increasing women’s control over household income is essential for international human development, with influential studies showing that women re-invest a higher proportion of income earned in their family’s upkeep and well-being than men.11

A similar efficiency-inspired approach is being adopted by the most enlightened businesses in relation to gender equality. There is widespread corporate awareness that reducing carbon use and pollutants is in the long-term interests of business. A smaller number of leading companies are recognising that short-term, gender-inequitable practices harm business sustainability and productivity, and that long-term business interests hinge on maximising the productive contribution that women can make.

There is also growing recognition that work conditions that threaten women’s well-being are a risk not only to women themselves, but also to the broader health of society, the workforce, and business, given the disproportionate role that women play globally in performing essential unpaid caring work.

Initiatives being taken by companies include reducing overtime, improving gender wage parity and status, sourcing more products from female producers, and enabling employees and producers to achieve a comfortable balance between caring and income-earning roles. The approach has an intrinsic value, but is being adopted by enlightened businesses as it also brings long-term rewards by enabling a more stable supply of commodities, access to the most talented pool of workers, enhanced productivity, more balanced and talented boards, more appeal to the entire consumer base, and an enhanced corporate reputation.

‘Gender equality is smart economics ... [it] can have large impacts on productivity. Women now represent more than 40 per cent of the global labour force, 43 per cent of the agricultural workforce, and more than half of the world’s university students. For an economy to be functioning at its potential, women’s skills and talents should be engaged in activities that make the best use of those abilities.’

– 2012 World Development Report, World Bank
Women's roles as food producers and entrepreneurs
There is a significant business case for food companies to invest more in supporting and purchasing food commodities from female smallholders, as the right kind of investment in this area can have a hugely significant impact on rural poverty.

‘If women in rural areas had the same access to land, technology, financial services, education, and markets as men, agricultural production could be increased and the number of hungry people reduced by 100–150 million.’
– FAO (2011) ‘Closing the gender gap in agriculture’

Agricultural production depends heavily on women’s labour. Women are responsible for the majority of food production in many developing countries, despite having restricted access to markets, land, and credit. Women now produce up to 80 per cent of food in some regions. For example, Pakistan is the world’s fifth largest producer of milk, with women performing 60–80 per cent of cattle feeding, caring, and milking tasks. Global and national food companies need to increase the security of food supply in the face of current threats to agricultural yields from climate change and a growing world population. With women heavily engaged in primary food production, it will be investment in women producers – in technical training, in access to inputs and land ownership, and in infrastructure – that offers food companies a better chance of increasing supply and productivity. At the same time, this will promote gender equality, given the inequities in access to land, inputs, and crucial services that confront women producers and entrepreneurs in many parts of the world.

Women’s growing role in the labour force
Women now form the majority of workers in many industries, and represent 40 per cent of the global labour force. The policies and practices of business, both as a direct employer and as an influencer of employment conditions in other parts of the value chain, have a huge impact on the lives and status of working women globally.

Yet, while non-discrimination is enshrined in local and international employment laws, gendered job segregation can be found in most sectors and all countries. Women in the global labour force have less stability in contracts, lower-skilled positions, and lower wages. Yet it is businesses – as well as women and society – that suffer from gendered labour segregation. Simply put, where the higher-value end of the labour market is closed to many on the basis of gender, business is forced to recruit from a smaller and more restricted pool of talent, which reduces productivity. Moreover, where women are concentrated in precarious employment, this threatens the well-being of those who depend on the caring, unpaid labour that they provide.

‘If women do not have equal access to the labour market, then the quality of the labour force will be lower. If firms are not able or willing to employ the most productive workers, then output, and growth in output, will be lower than it could be.’
1) Business as a large, direct employer

Large companies could do much more to improve their business by better representing and supporting women employees. For example, in the EU, the gender pay gap increases with age, level of educational attainment, and years of service: it exceeds 30 per cent in the 50–59 age group, compared with 7 per cent for those under 30. The periods in which pay gaps increase are often linked to the years when families have young children.

The equality requirements

Companies are obliged in most countries where they directly employ personnel to promote the rights of women, guaranteeing that female workers enjoy equal wages, adequate working conditions, and fair career prospects. Equal pay for equal work is a human right, enshrined in Article 23 of the UDHR, while the ILO Core Conventions enshrine the rights to freedom from discrimination, sexual harassment and harsh treatment, and the right to safe working conditions. The ILO Constitution’s Preamble also stresses ‘the provision of an adequate living wage’.

The CEDAW, adopted in 1979 by the UN and signed by 64 countries a year later, is an international bill of rights for women, and dedicates a chapter to women’s rights in employment.

The efficiency drivers

Addressing gender equality in the labour force and in the boardroom of your own company enables you to attract and retain the best employees, increase productivity, improve morale, reduce absenteeism, increase return on investment in staff training and career development, enhance your corporate image and reputation, and increase innovation.

There is also evidence on the link between numbers of women in management and on the board, and a company’s financial performance.

Companies with women at the top ‘make better decisions, produce better products, and retain several key business advantages over more homogenous companies’.

Finally, evidence suggests that commercial teams that reflect the demographic characteristics of the market are better positioned to respond to changing consumer needs, and that products developed in this way can better respond to the needs of the consumer base.
What a responsible business needs to do

• Understand your current position: analyse and report on where your company is on the issue of gender equality by disaggregating by gender across job positions, pay, geography, and career progression. A useful tool for analysis and presentation is offered in the third generation of the Global Reporting Initiative’s Sustainability Reporting Guidelines.

• Ensure that you understand why gender differences exist, and put in place a remedial plan. Recruit actively for diversity and to find skilled women, and offer training, mentoring, and career development. Report publicly on your progress against this plan.

• Follow ILO conventions and local laws – whichever give greatest protection to women and men. Take responsibility for understanding how gender discrimination manifests itself in the countries where you operate by talking to trade union bodies, women’s groups, and ministries of labour.

• Pay a living wage. This applies to all employees, both female and male, but women tend to be concentrated in the lowest-paid sections of the workforce.

• Practice a policy of equal pay, benefits, and promotion for women and men.

• Sign up to the seven Women’s Empowerment Principles of UNIFEM and the Global Compact, implement these within your business, and demonstrate through public reporting how your business is living up to them. See Annex II for more information.

• Enable and support women who wish to participate in working groups and trade unions.

• Ensure confidential and accessible means for workers to report exploitation and abuse without fear of recrimination.

• Practice ‘parent-friendly’ policies, e.g. flexible working, parental leave, child-care support.

• Promote a healthy work/life balance, allowing women and men to complete assigned work in reasonable hours.

• Lobby for pro-women, pro-poor policies at national and international levels.

Case study 1: British Telecom (BT)

BT embraces diversity as a real means of enhancing its business, including gender diversity; attracting, promoting and retaining more women through its recruitment, retention, talent management, and pay policies and practices, thus gaining competitive advantage by securing a more talented workforce.

BT monitors pay equality and has pay structures in place to ensure that employees who provide equal value receive equal pay. The reward structures in place ensure that, for all roles, salaries are based on the skills required by the role.

BT’s flexible and remote working policies enable employees to deliver to customers while also fulfilling responsibilities to their family and wider community. BT provides employees with access to a wide variety of information and services through its Family and You portal. The portal identifies a range of critical life stages and the provisions made by BT and others to support employees. For example, new parents are linked to guidance about Childcare Vouchers, and employees who become Carers are linked to the BT Carers Network. BT’s Women’s Network provides support for women, to enable them to get into management or hold senior management positions. In BT, 99 per cent of new mothers return to work after maternity leave. BT regularly compares its practices and approaches to those of other organisations by benchmarking; in the UK, BT is currently in the Top 10 employers for Opportunity Now (Gender) and Working Families (working parents, carers, and work life balance). The company also received a 2011 listing in The Times’ Top 50 Employers for Women.
2) Business as a key player in value chains

Companies sourcing goods and services from other companies in global value chains\textsuperscript{25} must make more effort to ensure that workers who produce the goods and services that they purchase enjoy the same rights as those they directly employ. Gendered job segregation – whereby women are over-represented in precarious, low-waged, or informal sectors of the economy – is commonplace in most countries within value chains.\textsuperscript{26} Examples of this include the preponderance of women in low-paid and low-status positions in Bangladesh’s ready-made garments industry and the female worker/male supervisor pattern common in horticulture in sub-Saharan Africa.

The equality requirements
The recognition that companies have a duty to improve gender equality within their supply chains has grown significantly in the past ten years. However, women and girls still on average earn less while working in more precarious jobs, and struggle to balance caring for family with earning a decent income. They thus have fewer opportunities than men to work themselves out of poverty.

The efficiency drivers
Being aware of the real conditions in your value chain, and engaging in a constructive dialogue that drives continual improvement in gender equity, greatly reduces a company’s risk of sudden reputational damage. Consumer and media interest in supply chain conditions is growing as the world becomes smaller and more interconnected. Adopting an honest, longer-term relationship with your supply base, rewarding suppliers who best meet your gender equality and human rights standards and buyers who source product from the best suppliers, will result in higher standards throughout your chain, longer-term commercial relationships, and a more stable business model.

What a responsible business needs to do\textsuperscript{27}
Driving gender equality improvements within supplier companies is more challenging than where business is a direct employer. However, there are many levers that a responsible business can pull:

- Ensure that all parties in your value chain follow ILO conventions and local laws – whichever give greatest protection. Ensure that you understand the local context and how gender discrimination manifests itself by talking to local authorities (e.g. trade union bodies, women’s groups, and ministries of labour). Discrimination is not always obvious: in some industries, for example, women will be allocated to less fertile orchards, different piece rates or plucking rates will apply, women will only be issued temporary employment contracts, or sites may practice enforced pregnancy testing when recruiting. Ensure that you understand the recruitment, payment, and supervision systems used, and how and where discrimination and sexual harassment are liable to occur.
• Ensure that you fully understand and map your supply chain to understand where ‘hidden’ informal parts of production or services are being contracted out to vulnerable, informal sectors of the workforce – who are highly likely to be women. Work with local women’s groups, NGOs, and trade union bodies who understand the local context. Commit to working with these sectors to improve conditions.

• Ensure that you are aware where your value chain operates in countries or industries where there is a high percentage of female migrant labour, and treat this as a red flag demanding that labour conditions experienced by this section of the workforce are expertly audited, and immediately remedied where necessary. Where migrant workers are overwhelmingly female, they face a greater likelihood of discrimination, sexual harassment, and poor wages, presenting a threat to your company’s reputation.

• Ensure that the price paid to your suppliers enables a living wage to be paid to their employees. Workers are frequently forced to work overtime to supplement sub-standard wages that are well below living wage rates.

• Use your power as a purchaser of goods and services to drive better practice in the value chain. For example, require your suppliers to implement programmes of action on equality issues as a condition of contract.

• Educate suppliers about the business benefits of doing all this, e.g. reduced staff turnover, retention of women workers, increased productivity, and better access to workers.

• Source from countries that respect rights to Freedom of Association (FoA) and give legal force to them. Legally respected bargaining and negotiating power is crucial for the most disempowered workers to improve their pay and labour conditions. Ensure that any new sourcing is from countries where the right to FoA is respected.

• Engage with, support, and learn from efforts to improve or provide alternatives to social audits. Centres of expertise on this include the Ethical Trading Initiative, the Fair Wear Foundation, and national trade union centres. Social audits are poor at picking up gender discrimination and sexual harassment issues; however, until better regarded alternatives are developed, choose social auditors with an established reputation and expertise, who can ensure worker anonymity during the process and protect workers from reprisal.

• Employ local staff, including women, in ethical and compliance positions in your company rather than parachuting in head office staff – they will better understand likely areas of gender inequality in the value chain, and have better knowledge of which product processes women are traditionally involved in.

• Financially reward buyers who source from suppliers that best meet ethical requirements, such as those who demonstrate equal treatment of men and women. Use balanced scorecard systems with buyers, or other mechanisms that monitor the criteria that buyers use to select suppliers.

• Ensure that lead times given for orders do not prevent suppliers from upholding workers’ rights. Educate buyers and technical managers on the consequences of changing order specifications at short notice. Where the time demanded to effect changes is very tight, employees frequently have to do compulsory overtime.

• Ensure that your suppliers collect gender-disaggregated data to monitor current supply chain improvement programmes, and use these to feed into your own gender data reporting.

• Encourage suppliers to increase the ratio of permanent to temporary jobs and to ensure that women have the same opportunities as men to be in permanent employment.

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**Case study 2: MAS Holdings**

While gendered labour segregation can all too often be a feature of women’s participation in garment manufacturing, enlightened companies have taken strides to address this. MAS Holdings, a textile supplier in Sri Lanka, realised that its women workers were leaving as they married or had children, creating a talent shortage. The company polled its workers to see what would help them stay at work. Nursery facilities, IT and English language education, and career development training have all led to lower staff turnover and a bigger pool of future managers. Despite competition from other suppliers with cheaper costs, a commitment to women’s rights and empowerment has won MAS contracts with companies such as Victoria’s Secret, Gap, Nike, Adidas, and Marks & Spencer. MAS has stayed ahead of the curve by investing in its female workforce, and is seeing its commitment pay off.
Case study 3: The Body Shop

Women have always been central to The Body Shop’s Community Fair Trade sourcing programme. Working with over 25,000 farmers worldwide, five of the company’s partners are women-led smallholder associations, which sustain and harvest the land’s natural resources to produce raw materials for The Body Shop. The associations also develop social projects that directly benefit members’ families and communities. These include projects such as building schools and health care centres in rural villages and educating the women members on the importance of financial security, such as saving accounts. The women producing The Body Shop’s raw materials are also encouraged to trade at local markets and use organic practices. This means that the women are able to grow their own businesses and develop their own communities, while The Body Shop maintains a quality and reliable supply base.

- Support suppliers to improve their HR practices, encouraging better relations between management and staff, and rewarding better suppliers with more business and longer contracts. Reward suppliers with preferential purchasing agreements that can demonstrate more gender equity across their companies and implement best practice in maternity and paternity rights, benefits, and child-care facilities.

- As some of the most enlightened retailers and brands have done – including Adidas, the Co-operative, Levi Strauss and Co., and Nike Inc. – release the names and addresses of your suppliers and the social audit reports of their sites. Enabling this degree of transparency in your supply chain is very best practice, and enables independent groups to verify the conditions for women workers in your chain.
3) Business as a purchaser of food commodities

Women in all regions have less access to resources than men. For those developing countries for which data are available, women account for only 10–20 per cent of land owners. Female food producers also have less access than men to the other resources necessary for efficient food production, such as training, inputs, financial services, and extension services. Private extension services are playing an increasing role in some countries, but severe gender bias exists throughout extension services globally.

The equality requirements

Women make up a growing percentage of the global agricultural labour force. The UN Food and Agriculture Organisation (FAO) estimates that in the Caribbean and sub-Saharan Africa women produce 80 per cent of all basic foodstuffs. They account for at least half of employees of export-oriented agriculture in many parts of sub-Saharan Africa and Latin America. However, women face unequal access to essential inputs, land ownership, and services – such as credit and extension – all of which are crucial for successful farming. Women are also under-represented in workers’ groups, committees, and co-operatives. When women are part of such groups, the leaders and decision-makers tend to be men. In Ethiopia, only 2 per cent of women, as opposed to 13 per cent of men, are members of agricultural co-operatives, and men are five times more likely than women to hold a leadership position within a co-operative.

There is no legislation compelling companies to ensure they source from female producers as much as they do from men. However, there are clear moral imperatives to ensure that women and men are rewarded equally for the food that companies purchase from them in the value chain.

The efficiency drivers

There are also compelling business cases for purchasing more from women smallholders, and for providing better inputs and training. Global and national food companies need to guarantee a stable food supply in the face of rising demand from a growing world population, volatile markets, and current threats to agricultural yields. Women, who form the majority of the agricultural producer base in many parts of the world, are critical to enabling food companies to increase that security of supply. Evidence shows that enabling women to have equal access to inputs, services, and land improves yields. It also shows that female smallholders often pay greater attention than men to crop quality and that productivity tends to increase as a result of increasing their access to technical training.

Case study 4: Kraft Foods

Kraft Foods has identified the need to invest in smallholders, especially women, to guarantee access to high-quality cocoa beans, because its core cocoa supply bases are largely smallholder-based. Kraft recognises that investing in women smallholders is a key part of ensuring a sustainable smallholder-based supply chain. The Cadbury Cocoa Partnership programme in Ghana focuses on increasing the viability of smallholders in cocoa farming, working in partnership with government and NGOs CARE International, World Vision Ghana, and VSO. One of the core themes of the programme is women’s empowerment.
The FRICH (Food Retail Industry Challenge Fund) project is supporting tea company Finlay’s outgrowers in Kenya to set up five new co-operatives. To ensure that female as well as male outgrowers can join the co-operatives in their own name, the project bases membership eligibility on the grower having been assigned land where they have control over the produce: formal land titles are not necessary (which is important as most African women do not own land). Moreover, as women producers are often registered under their husbands’ names even when the husband is not involved in farming, the project insists that, in such cases, the woman must be registered as the member. Finally, to ensure that women (and youth) are represented in the co-operatives’ governance structures, quotas have been established at the various management levels: for example, each buying centre must elect one older man, one older woman, one young man, and one young woman to form its committee.

What a responsible business needs to do

- Ensure that prices paid for products enable growers to receive a living wage.
- Ensure that more women benefit from technical training, extension services, and production inputs provided by your company – for example, by recruiting female as well as male extension staff, and by making training methods appropriate for women.
- Ensure that membership criteria for contract farming schemes and smallholder supplier groups offer equal opportunities for women.

Recent research commissioned by the Bill & Melinda Gates Foundation shows that by increasing women’s participation in smallholder sourcing programmes, many international food companies can improve crop productivity and quality, grow the smallholder supply base, and improve access to high-value markets. – M.K. Chan (2010)
4) Business as a provider of services and products in developing economies

Increasingly, companies are recognising the potential of previously untapped and less affluent markets in developing countries, and are looking to women both as potential sales agents and as distributors of products to reach these markets. They are also looking at women themselves as an untapped customer base, as women tend to acquire goods and services on behalf of the entire household. This trend – described as selling to the ‘bottom of the pyramid’ – involves the design of products such as micro-credit or micro-insurance financial products, mobile phone banking facilities, smokeless stoves, or simply medicines and cosmetics in smaller pack sizes, that are seen to fit the needs of poor groups.

The equality requirements
Where companies are direct employers – for example, of female distribution agents – in developing countries, all legal obligations to protect the rights of workers apply, guaranteeing equal wages, adequate working conditions, and fair career prospects, as set out in Section 1.

The efficiency drivers
‘Bottom of the pyramid’ products and services enable companies to identify new markets and, at best, get genuinely essential services to those who have previously been disregarded as unprofitable by commercial markets. They can open up completely new business avenues for companies.

What a responsible business needs to do
• Where you are a direct employer, follow ILO conventions and local laws – whichever give greatest protection. In the case of mobile distribution agents, the safety of distributors is a primary concern: women travelling alone for business are exposed to risks that companies have a duty to minimise. Ensure that all workers in your value chains are safe in their day-to-day operations. This may require providing mobile telephones for reporting on their location, or providing security coverage where they are selling to homes.

• Where ‘bottom of the pyramid’ products are designed with female markets in mind, ensure that products are genuinely meeting the needs of women consumers. Companies should keep themselves abreast of current debates around the development of products and sales models being trialled in developing countries and use well-regarded social impact assessment frameworks to assess the social and gender impact of products intended for ‘bottom of the pyramid’ markets.

• Companies that understand the different needs of women and men at different levels of society make more appropriate products to meet consumer demand. Companies therefore need to ensure a balance of women and men in their product development and marketing teams. They also need to perform market testing with female consumers, larger sections of the community, and local NGOs, who will have a picture of social needs in their market area.
As well as there being strong ethical and legal imperatives for promoting gender equality within your business and value chains, this briefing shows that there are also compelling business case arguments for supporting greater gender equality, including increased productivity, staff retention, wider talent pools for recruitment, and greater security of product supply. Ensuring that your business and its operations are non-discriminatory and uphold the rights of women and men is a clear business responsibility. Significant resources have been developed to assist businesses in this task (see Annex II). It is business’ responsibility to get on with the task, and to communicate what and how much they are doing, openly and publicly.

Case study 6: Vodafone

Poor access to cash, savings, and insurance are problems faced by many poor women in Africa. In Kenya, Vodafone has launched M-PESA, a mobile phone banking facility, which allows people to make payments, send money to relatives, transfer cash, and repay loans. Recent reports cite evidence that mobile banking, crucial in rural areas with few resources, allows women to control their own money, increases the scope for entrepreneurship, and reduces the strain of travelling to their male relatives – often in the city – for money, saving journeys that can take up to a week.

The service reaches nine million Kenyans, and expansion into India, South Africa, Tanzania, and Afghanistan is rapidly progressing. As Vodafone’s former CEO, Arun Sarin, explained, ‘M-PESA is not a charity. It’s actually good business and good for society. If we can help improve the quality of life for millions of people, there is no better thing that a company like Vodafone can do.’
Annex I: Further reading

UN Women’s Empowerment Principles (2010)
Eight principles connected to the Global Compact that focus on women’s rights in business operations.
For the list of CEO signatories and statements, as of November 2010, see:

Specific guidelines for collecting and reporting on gender-disaggregated data in specific parts of the value chain, such as in the community, the supply chain, and the company.

Sets out two key labour issues based on Oxfam’s current analysis, and two business behaviours that hinder rather than help.
www.oxfam.org.uk/resources/policy/private_sector/better-jobs-better-supply-chains.html

Report on adapting business models to incorporate smallholders into supply chains.

Detailed report on gender and trade, with more information on the situations and problems faced by women in supply chains.

Published from research funded by the Bill & Melinda Gates Foundation, this document sets out the business case, evidence, and a series of concrete steps that international food companies can take to increase sourcing from female smallholders.

Offers examples of frameworks, best practice, summary checkpoints, and recommendations for adapting the frameworks to different sectors.
www.ilo.org/empent/Whatwedo/Publications/lang--en/docName--WCMS_106538/index.htm

Consolidates the empirical evidence for gender equality and economic growth and indicates how working on gender equality also boosts the likelihood of achieving the Millennium Development Goals.
www.chathamhouse.org.uk/publications/papers/view/-/id/952/

The GET Ahead training package focuses on developing women’s confidence, creating a ‘business mind’, managing people and risks, and grasping opportunities in the business environment.

Ethical Trading Initiative website
Arguably the leading multi-stakeholder initiative concentrating on working conditions in supply chains. Contains plenty of resources, case studies, and information about joining the ETL.
www.ethicaltrade.org

Provides practical guidance and tools on how to conduct a gender audit within your organisation, which will allow you to assess the degree to which gender equality is being institutionalised. The manual is based on training materials used to train facilitators in the ILO.


The Goldman Sachs ‘10,000 Women Initiative’

10,000 Women operates through a network of more than 70 academic and non-profit partners to develop locally relevant coursework for students, and to improve the quality and capacity of business education.

www2.goldmansachs.com/citizenship/10000women/index.html

Women in Informal Employment: Globalizing and Organizing (WIEGO)

This organisation has developed statistics to paint a picture of the informal economy throughout the world and presents findings by country, sector, and gender.

www.wiego.org


A study focusing on developing countries; includes ‘Gender Equality Tools for Projects/Portfolio Companies’.

www.genderatwork.org/sites/genderatwork.org/files/resources/Implementing_Gender_Equality..._Private_Sector-FINAL.pdf


Statistics and information, including survey questions, which can ‘serve as a useful tool from which companies can design their own effective measures for reducing gender gaps’.


The Gender Principles website

Features hundreds of searchable resources on all areas concerning gender and the private sector, as well as practical standards, toolkits, and a self-assessment tool.

www.genderprinciples.org/index.php


This guide assists companies to incorporate gender analysis into community assessment and planning tools, including social baseline studies, social impact assessments and risk analysis, community mapping exercises, and monitoring and evaluation. These tools are particularly relevant to the extractives sector, but would also be helpful for other large-scale infrastructure projects, such as agribusiness and hydropower.


This video documentary provides practical insights into how women and men at various levels in the coffee value chain in Uganda address gender issues for pro-poor wealth creation and value chain upgrading.

www.youtube.com/watch?v=2ZWgm6ZYMUU; and www.youtube.com/watch?v=HcyGLZ8e1M0

Key Demands from Women Workers

Aims to guide concrete action by companies in the African horticulture sector.

women-ww.org/index.php/horticulture-project/horticulture-six-key-demands

The Dutch Agri-ProFocus Partnership Initiative

Provides practical tools to work on gender in value chains, knowledge brokering, and a network of knowledge institutes, development practitioners, and companies linked with a forum.

http://genderinvaluechains.ning.com
Annex II: Legal and voluntary frameworks on equality

UNIFEM Women’s Empowerment Principles
The ‘Women’s Empowerment Principles’ were adopted in March 2010 as a joint initiative by UNIFEM and the UN Global Compact to showcase best practice on women’s rights and gender equality in private sector operations. Since their launch, CEOs of over 100 leading companies have signed up to the Principles. See: [www.unifem.org/partnerships/womens_empowerment_principles](http://www.unifem.org/partnerships/womens_empowerment_principles)

OECD Guidelines for Multinational Enterprises
The OECD Guidelines for Multinational Enterprises are recommendations made by 42 governments covering all major areas of business ethics, including the steps that multinational companies must take to obey the law and observe internationally recognised standards. The Guidelines provide voluntary principles for business conduct consistent with applicable laws and internationally recognised standards. The OECD Guidelines are generally supported by multinational enterprises, and corporate codes of conduct often refer to them. Commentators see these as the most important international mechanism seeking to set standards of behaviour for international corporations and point out that, unlike the ILO Core Conventions, the OECD Guidelines are targeted specifically at corporations rather than governments, and are more comprehensive in coverage than the UN Global Compact or the ILO’s Tri-partite Declaration on Multinational Enterprises ([www.ergonassociates.net/?p=98&option=com_wordpress&Itemid=161](http://www.ergonassociates.net/?p=98&option=com_wordpress&Itemid=161)). On 26 May 2011, an update of the Guidelines was released. The biggest change was the inclusion of the concept of ‘due diligence’.

Global Reporting Initiative
The Global Reporting Initiative (GRI) produces one of the world’s most widely used frameworks for sustainability reporting, combining economic, environmental, and social performance. The framework has been developed with input from civil society, academia, labour, accounting, investors, and governments. The third generation of GRI’s sustainability reporting guidelines were launched in 2006, and these indicators demand gender-disaggregated data from businesses by indicator. See: [www.globalreporting.org/Home](http://www.globalreporting.org/Home)

UN Global Compact
Established by then UN Secretary-General Kofi Annan in 2000, the UN Global Compact is a United Nations initiative to encourage businesses worldwide to adopt socially responsible policies and to report on their implementation. The Global Compact is a principle-based framework for businesses, endorsing ten principles in the areas of human rights, labour, the environment, and anti-corruption. The Global Compact is the world’s largest corporate citizenship initiative, but is not a regulatory instrument, and critics point to its lack of monitoring and enforcement provisions. See: [www.unglobalcompact.org](http://www.unglobalcompact.org)

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ILO Core Conventions
The core conventions of the International Labour Organisation (ILO) are those adopted at its 86th International Labour Conference in 1998 in the Declaration on Fundamental Principles and Rights at Work. This declaration identified four principles as being core or fundamental, meaning that all ILO member states have an obligation to work towards them. These fundamental rights concern: freedom of association and collective bargaining, discrimination, forced labour, and child labour. The ILO Conventions, which embody the fundamental principles, have now been ratified by most member states. These core conventions form the constituent parts of most codes of conduct and inform the codes adopted by multi-stakeholder organisations, such as the Ethical Trading Initiative.


ILO Decent Work Agenda
The ILO has adopted the Decent Work Agenda (DWA) in the last decade. This builds on the fundamental workers’ rights enshrined in the ILO Core Conventions, but extends the provisions of these by also encouraging employers and governments to work together to provide employees with skills training and lifelong learning opportunities, flexible hours, job security, increased labour market access, and better work-life balance. In this, the DWA goes significantly further than the ILO Core Conventions, and calls for better legislation and practice from both business and states in the areas above, which are of central importance to women, due to their reduced access to skills and training, and the disproportionate domestic burden they carry. See: www.ilo.org/global/about-the-ilo/decent-work-agenda/lang--en/index.htm

UN Guiding Principles on Business and Human Rights (2011) and the UN ‘Protect, Respect, Remedy’ Framework (2008)
In March 2011, the Human Rights Council of the United Nations adopted the Guiding Principles on Business and Human Rights. These are principles by which the UN ‘Protect, Respect and Remedy’ Framework – developed in 2008 under the leadership of John Ruggie, the UN Secretary-General’s Special Representative for business and human rights – can be implemented. The Protect, Respect, Remedy framework rests on three pillars:

1. The state’s duty to protect against human rights abuses by third parties, including business;
2. Corporate responsibility to respect human rights, demanding that businesses act with due diligence to avoid infringing the rights of others;
3. Greater access by victims to effective remedy of human rights abuses.

The framework has been endorsed by individual governments, business enterprises and associations, civil society and workers’ organisations, national human rights institutions, and investors. It has been drawn on by the OECD and ISO in developing their own initiatives. As observers note, ‘a key point to make about the Framework is that it does not establish any new legal obligations on companies or States … The core rights which are being supported through the framework are those found in a range of international instruments … what the guiding principles seek to do is provide guidance on how respective parties should operationalise the “Protect, Respect, Remedy” Framework’. See: www.ergonassociates.net/blog/?p=7

The principles developed in 2011 include the integration of business responsibilities in relation to gender.

The Guiding Principles developed in 2011 offer practical, road-tested recommendations for implementing the framework. They apply to all states and business enterprises (transnational and others), regardless of size, sector, location, ownership, and structure, and apply both to companies’ own operations and to their supply chains. See: www.business-humanrights.org/SpecialRepPortal/Home/Protect-Respect-Remedy-Framework/GuidingPrinciples
Notes


3 FMCG are retail goods that are generally replaced or fully used up within a short period, loosely defined.


17 For details on such inequities, see: www.fao.org/news/story/en/item/52011/code


23 Ibid.


28 For detailed advice on how to map and track informal labour in complex supply chains, see the Ethical Trading Initiative’s Homeworker Guidelines, www.ethicaltradesummit.org/2004/08/24/etis homeworker-gdlines/our-gap-analysis.

29 For more information on how technology and information will reach female producers, and which greatly reduces the likelihood that services and information reach female producers, and thus reduces their productivity, see FAQ (2011) ‘The State of Food and Agriculture: Women in Agriculture: Closing the Gender Gap for Development’, p.32, www.fao.org/docrep/010/02503e/02503e03.pdf

30 FAQ (2011) op. cit. p20


33 In Zambia, enabling women to invest in agriculture in the same way as men – for example, through enabling equal access to high-quality fertiliser – has increased overall outputs by an estimated 15 per cent (Gates Foundation, Gender Portfolio White Paper, 14 November 2008, p.7).


35 20 recommendations for this section are from M.K. Chan (2010). ibid.

36 The most renowned social impact assessment framework is arguably the ‘Bottom of Pyramid’ Social Impact Assessment Framework developed by Ted London at the University of Michigan. For an outline of this model, see www.giz.de/de/dokumente/en-konferenz-innovativen-geschaeftsmodell-base-of-the-pyramid-research-initiative-2008.pdf. For details on how technology company Movilfys is applying this to its own product research, see www.movilfys.com/internationale-werkstatt-direct/item/87-wdi-collaboration-press-release

References for ‘Women’s Work Worldwide’ p.6


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