

## **More women vendors in supply chains**

With the globalizing economy and the increase in multinational corporations, diversity management no longer refers solely to the heterogeneity of the workforce within one nation but often refers also to the workforce composition across nations. "Diversity in the work places" is used to refer to differences among people that are likely to affect their acceptance, work performance, satisfaction or progress in an organization. Racial and ethnic backgrounds, gender, sexual preferences, health, age, religion, class-based differences are the major factors that causes discrimination in the forms of pay gap, career attainment, unemployment rate, occupational and job segregation.

The reason to speak of "managing diversity", is the need to make these differences among people into an asset rather than a liability for the organization. By managing diversity, companies have much to gain competitive advantage, diverse customer pool, increased creativity and innovation, improved corporate image, greater organizational effectiveness and high profitability. According to Cox (2001), Diversity Management has to create conditions that minimize performance barriers for the workforce and maximize overall performance of the company at the same time. Cox notes that the globalization of business is a trend that makes diversity competency crucial for many organizations because both large and small companies increasingly derive a significant portion of their revenues from other countries in the world. Thus "diversity management" involves systematic and planned programs or procedures to enhance recruitment, inclusion, promotion, and retention of employees. Although equal rights legislation and affirmative/positive action policies have helped disadvantaged groups obtain access to a variety of jobs not previously open to them, they have still barriers to contribute to and benefit from the working environment.

Women own only 1 per cent of the world's wealth, earn only a 10 percent share of global income, occupy just 14 per cent of leadership positions in the private and public sector, while women produce half of the world's food, they own a mere 1 per cent of its land. In 1986, the term of "Glass Ceiling" was used in Wall Street Journal for the first time. In this report, it was mentioned that the reason of few women at decision making levels mostly depends on old-line institutional culture of the companies. It is possible to gather discriminations that affect women in business life into 4 groups: Discriminatory treatments in recruitment policies; Discriminatory treatments in pricing policies; Discriminatory treatments regarding career development and inadequate women representations in decision making levels; Sexual harassments in working places.

Even though, treating women as the second gender means ignoring and underestimating huge potential human resources. There is a significant gender gap in the entrepreneurial activity rate across the world (Allen et al. 2008). A GEM study of 18 economies from 2002 to 2010 suggests that women's entrepreneurial activity is lower than that of their male counterparts at different stages of development (Kelley et al. 2011). This staggering gap between male and female businesses reminds us that women's economic energy is still an enormous untapped resource for global growth. This gap is partially due to persistent challenges including discriminatory regulation, less access to education, and societal norms.

Although there is a consensus among scholars that women can play key role in the entrepreneurial phenomenon, women-owned businesses are said to comprise between one-quarter and/or one third of all businesses. It means that the world market relies heavily on male-owned businesses. WEConnect International, estimates that on average less than 1% of global corporate or government spend is on women-owned businesses in any country.

In fact, women's difficulty in achieving economic success is a big reason why women make up 70% of the global poor. However, gender sensitive supply chain is critical to fight with poverty and achieve sustainable development goals. In this context, Sustainable Development Goal 8 has been designed to promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all by 8 targets. Target 8.3 directly aims to support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services.

Providing diversity in supply chains- ***when a company actively promotes and develops the inclusion of minority and women-owned businesses in their procurement processes***- has become a top entrepreneurial phenomenon in the last decade. Many businesses like Walmart, Cisco, General Motors, IBM, Toyota, and Microsoft have been enormously successful with supplier diversity in the U.S. – each company reaching more than a \$1B per year on diverse procurement. Now, they are replicating the successes and lessons learned to other countries – linking women from all over the globe to their massive supply chains. Globally it plans to double its sourcing from women-owned businesses in its international markets over a five-year period ending in 2016.

Although, each company uses different strategies to source women vendors, the following steps will be relevant to most:

- Develop your business case for inclusive sourcing,
- Secure support and a public commitment from the organization's leadership,
- Develop an inclusive sourcing policy; embed the policy throughout the organization as purchasing and service engagement decisions are often made in all business areas (procurement, IT, marketing, finance, legal etc.),
- Analyze current levels of sourcing from women-owned businesses and set inclusive sourcing goals (e.g. double current spend with women-owned businesses by end of year),
- Connect with relevant certification schemes and women business owner networks that can help identify women-owned businesses,
- Make the policy and process for applying to become a supplier clear and available on your website (e.g. is there a tendering or application process? what does it require? what criteria is used to decide which suppliers to engage?),
- Identify potential obstacles to women-owned businesses joining your supply chain (e.g. do your supply chain policies include technical environmental compliance/certification requirements that smaller companies may not be familiar with or may find difficult to satisfy?). Offer support where possible to improve engagement and success,

- Encourage your prime suppliers to source from women-owned businesses,
- Use sex-disaggregated data to track, measure and report on progress,
- Take action to support the development of women-owned businesses through mentoring and incubator programs,
- Collaborate women's business organizations and other trade support institutions at decision making levels and during implementations,
- Establish a system for transparent and sustainable monitoring and evaluation to ensure compliance with preferential policies and programmes and measure progress towards relevant policy objectives,
- Work with women vendors in your supply chain to develop their businesses and improve their sustainability performance by encouraging them to buy from other women.

In the post-2015 development era, multi-stakeholder partnerships are expected to play an increasingly important role in the implementation of sustainable development. The proposed Sustainable Development Goal 17, which reads "Strengthen the means of implementation and revitalize the global partnership for sustainable development", recognizes multi-stakeholder partnerships as important vehicles for mobilizing and sharing knowledge, expertise, technologies and financial resources to support the achievement of the sustainable development goals in all countries, particularly developing countries.

Collective action through social networks and civil society groups has been a formidable force in advancing gender equality. Policy reforms arise from a political process where state and non-state societal actors vie to shape their environment. Policies require trade-offs in allocating resources to competing priorities within budget constraints and financial and political costs. Societal actors have a direct hand in shaping the policy and institutional environment-by advocating policies, designing interventions and implementing programs.

Today, there are many UN Agencies are working on Gender Equality from different perspectives. UN Women is the global champion for gender equality, working to develop and uphold standards and create an environment in which every woman and girl can exercise her human rights and live up to her full potential. UN Women, the UN Global Compact (business and other stakeholders) in more than 160 countries, and other leading UN agencies, the World Bank and the World Economic Forum, reinforce the findings. Governments also recognize that women's inclusion drives development, and acknowledge that achieving the Sustainable Development Goals and national economic and development plans requires rapidly moving towards gender equality.

The Women's Empowerment Principles subtitled Equality Means Business, a partnership initiative of UN Women and UN Global Compact which is the world's largest corporate sustainability initiative with more than 12,000 participants (UNGC) provide a set of considerations to help the private sector focus on key elements integral to promoting gender equality in the workplace, marketplace and community. Principles forged through an international multi-stakeholder consultative process, provide a "gender lens" through which business can analyze current initiatives, benchmarks and reporting practices.

The Principles emphasize the business case for corporate action to promote gender equality and women's empowerment and are informed by real-life business practices and input gathered from across the globe. As well as being a useful guide for business, the Principles seek to inform other stakeholders, including governments, in their engagement with business. From the women's entrepreneurship perspective, Principle 5 which focuses on the enterprise development, supply chain and marketing practices, should be evaluated. Principle 5 recommends governments and corporations to take required actions to expand business relationships with women-owned enterprises, including small businesses, and women entrepreneurs, support gender-sensitive solutions to credit and lending barriers, ask business partners and peers to respect the company's commitment to advancing equality and inclusion, respect the dignity of women in all marketing and other company materials and ensure that company products, services and facilities are not used for human trafficking and/or labor or sexual exploitation

The Women's Entrepreneurship Development (ILO-WED) programme has been started by International Labour Organization to empower women entrepreneurs in developing countries and supporting them in starting and growing their businesses since the mid 2000's. The programme works with service providers promoting entrepreneurship development (financial, non-financial, public, private, associative, freelance etc.) and builds their capacity to better support women entrepreneurs to start and grow their businesses. It also works towards creating a more positive enabling environment for WED, by supporting assessments of the situation, and working with governments and policy makers to remove the specific gender barriers that women entrepreneurs may face.

United Nations Industrial Development Agency (UNIDO) also collaborates with partners across the UN system, the private sector and at the country level to advance gender equality and women's economic empowerment by encouraging investment in women-owned businesses, strengthening female networks, improving access to markets and providing training, technology and clean energy solutions for inclusive and sustainable industrial development.

UNESCO has started a program for Women Entrepreneurs on financial planning, management and resource mobilization skills. The aim of the program is summarized as "equipping the women entrepreneurs with knowledge and skills on basic principles of financial planning and management and ensuring that they are able to plan, control and analyze financial information for their various women groups". It also aims at improving their capacities to explore and select suitable methods for raising revenue for their business activities in their respective counties.

Global Platform for Action on Sourcing from Women Vendors has a 10-year strategy of International Trade Center that has become firmly fixed by the Principle 5 of the United Nations Women's Empowerment Principles (UNWEP's) and Gender-based analysis of the United Nations Conference on Trade and Development (UNCTAD). The major aim of the Platform is to increase the amount of corporate, government and institutional procurement secured by women vendors for the ultimate purpose of bringing economic benefit to women and their communities. It was established in September 2010. To date, over policymakers, international organizations, buyers, trade support institutions (TSIs), women's business associations and women business enterprises from 48 countries including 39 least developed countries have participated in Global Platform activities.

Participants have received training and market linkage opportunities through Buyer Mentor Groups and participation in the annual Women Vendors Exhibition and Forum. United Nations Global Compact, WEConnect International, Vital Voices Global Partnership, BPW International and the International Women's Coffee Alliance are the partners of the Platform. WEConnect International educates, registers, and certifies women's business enterprises based outside of the U.S. that are at least 51% owned, managed, and controlled by one or more women, and then connects them with multinational corporate buyers. Vital Voices and BPW International are the other global initiatives which provide services for increasing in number of women entrepreneurs in global value chains by developing their skills, strengthening their connections and visibility.

Besides the United Nations, there are a lot of regional institutions that spent efforts to develop women's entrepreneurs at global level. Even though there are more women than men in Europe, female entrepreneurs represent only a third of the self-employed in the EU. There are some additional factors (such as reconciling business and family) that make entrepreneurship a less attractive option for them than for men. The European Commission is working with EU countries to overcome these and encourage more women to start their own companies. In this context, the European Network to promote Women's Entrepreneurship (WES) is a policy network with members from 31 European countries (the EU-28, Iceland, Norway, and Turkey). They are responsible for promoting women entrepreneurs in order to increase in the numbers of them in various supply chains.

Another important stakeholder regarding women's entrepreneurship is the International Finance Corporation (IFC) which is the largest global development institution established by the World Bank Group. IFC support women-owned enterprises to provide access to credit, markets, housing, savings and insurance products, information, and technology and more place in global supply chains.

Consequently, all studies point to the multifaceted aspects of the interplay between trade and gender, whereby trade can create opportunities for women's empowerment and well-being, though it can also magnify existing gender-based inequalities. Country-specific, contextual analysis is needed when assessing the gender ramifications of trade policies. In particular, context-specific socio-cultural factors should be fully acknowledged and factored into the economic analysis. In parallel with the efforts of intergovernmental bodies at global level, we should call on our national Governments for taking measures which could be processed into 8 priority pillars:

- Collecting sex disaggregated data, analysis and dissemination in order to craft policies that harness a valuable but largely untapped resource in procurement and global value chains – women entrepreneurs,
- Revising current national trade policies which have little or no gender awareness of the embedded disadvantages faced by women entrepreneurs,
- Restructuring public procurement policies to help shape and increase the participation of women-owned businesses in procurement markets,
- Creating gender sensitive corporate procurement programmes that continue to lead the way in embedding diversity and inclusion in global value chains, and which can promote collaborative efforts to advance procurement from women's business enterprises (WBEs) through the formation of institutions to advance corporate procurement from WBEs,

- Developing globally recognised certification to validate the ownership and confirm eligibility of women-owned businesses,
- Taking measures and/or developing strategies for organizing programmes for capacity and skills development of women entrepreneurs to ensure women entrepreneurs' integration and market readiness, creating gender sensitive non-tariff measures that affect, often disproportionately, the ability of women-owned businesses to benefit from full participation in trade,
- Embracing innovation for all stakeholders as well as information and communication technologies in order to increase the competitiveness of women-owned businesses,
- Developing secured ownership rights which make it possible for women to start businesses and to provide the collateral necessary to finance growth and internationalisation.