

Inclusive Sourcing

Women's Empowerment Principle 5 encourages companies to expand their business relationships with women-owned enterprises

Supply chains offer a unique opportunity and means for companies to promote human rights and have a positive impact on economic development by offering economically disadvantaged groups, including women, an equal opportunity to compete for business. Inclusive sourcing is a key pillar of sustainable procurement.

Why source from women

It makes business sense

- Inclusive sourcing broadens your vendor pool and provides access to new product and service options, while also creating vendor competition which can lower costs
- Diversity generates innovation, which can lead to competitive advantage
- Supplier diversity and inclusion recognizes the diversity and needs of your customers, and can strengthen brand recognition and customer loyalty
- Women business owners are at the cutting edge of building more sustainable businesses, products and services
- Sourcing from women-owned businesses contributes to women's economic empowerment, which in turn contributes to sustainable development

"Women business owners can play a powerful role in driving innovation and increasing competitive advantage. We must build more inclusive global value chains to increase economic opportunity and prosperity for all." Elizabeth A. Vazquez, CEO and Co-Founder, WE Connect International



"Muscovado sugar is better for health, it is the perfect addition to coffee and is also produced by Filipina women entrepreneurs" – Pactita Juan, co-chair and president of the Philippine Coffee Board

How to source from women

Each company is different, however 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 made

Take it further...

- Take action to support the development of women-owned businesses through mentoring and incubator programs
- 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 and introducing them to broader sustainability commitments such as the UN Global Compact
- Join the Global Platform for Action on Sourcing from Women Vendors (www.intracen.org/womenandtrade)



For further details and resources, see <http://www.weprinciples.org/Site/Principle5/>

Photo credits: Business Woman in Turkey: World Bank

Company example: Accenture sourcing coffee from women suppliers in the Philippines

Global consulting company Accenture's procurement team connected with Pacita Juan, co-chair and president of the Philippine Coffee Board, at the Women Vendors Exhibition and Forum in China in 2011, where each was seeking opportunities to enhance women's supply chain participation. Juan spent six months working to understand Accenture's requirements, and match them with women coffee suppliers in the Philippines, where Accenture has around 25,000 staff. 'Accenture is now purchasing roasted coffee from our suppliers and the Philippine Coffee Board is thrilled to be opening up new markets to its women entrepreneurs', says Juan.

Accenture is also working to change its call tenders to highlight its interest in receiving bids from women-owned companies, and is identifying inclusive sourcing opportunities in other sectors. Accenture is already in discussions to source muscovado sugar and gift baskets from women entrepreneurs.

International Trade Center, <http://www.intracen.org/Working-with-partners-to-empower-women-and-power-trade/>

Company example: RBS Group- A Diverse Supply Chain is a Sustainable Supply Chain

A key component to a sustainable supply chain is diversity.

Understanding this, RBS has adopted and implemented the Supplier Diversity & Inclusion Programme (supported by a Voluntary Code of Conduct), which specifically affirms the bank's commitment to providing a level procurement playing field for small and medium enterprises (SMEs), women-owned businesses and other under-represented suppliers, across its supply chain.

The Programme aims to not only create sustainable competitive advantage for all supply chain participants, but also to strengthen social fabric and support wider economic growth in relevant local and international markets.

Through adopting the Programme and its associated Code of Conduct, organisations can begin to strive for a supply chain that is diverse, inclusive and reflective of the markets it serves, and one which is accessible and efficient for all of its suppliers.

It is widely recognized that small and medium sized enterprises (SMEs) and women-owned business play a critical role in the recovery of local economies. Therefore, key to the Code of Conduct is its ability to be translated and adopted by a wide range of organizations worldwide, supporting them in their journey towards a more diverse and inclusive supply chain.

Royal Bank of Scotland, <http://www.rbs.com/sustainability/citizenship-and-environmental/sustainable-sourcing-of-suppliers.html>

Company example: Nestlé –Action Plan on Women in the Cocoa Supply Chain

In March 2013, Nestlé announced its commitment to scaling-up its business-related activities and programmes to focus on promoting gender equality and education for women and girls. One of the initiatives is improving the lives of women in its supply chain. The Action Plan will focus on gathering sex-aggregated data, changing sector-wide activity on gender and a robust assessment by the Fair Labor Association of mapping the current role of women in Nestlé's supply chain; examining the risks and obstacles women are exposed to and analysing the potential role women can play in improving labour conditions on farms. The plan will initially focus on Côte d'Ivoire and eventually extend to other countries supplying cocoa. Nestlé is committed to rolling out the Nestlé Cocoa Plan to cover 100,000 tonnes of cocoa (approx 25% of Nestlé global usage across all categories) by the end of 2015, and to progressively integrate gender aspects into its programme.

Nestlé, <http://www.nestle.com/csv/responsible-sourcing/women>

About the organizations



The **UN Global Compact** is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with [ten universally accepted principles](#) in the areas of [human rights](#), [labour](#), [environment](#) and [anti-corruption](#). In 2010, the UN Global Compact, in partnership with [UN Women](#), launched the [Women's Empowerment Principles](#) – seven Principles for business on how to empower women in the workplace marketplace and community. Sub-titled Equality Means Business, 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. Rather than being prescriptive or a new initiative to which business is asked to subscribe, the Women's Empowerment Principles seek to point the way to best practice by elaborating the gender dimension of good corporate citizenship, the UN Global Compact and business' role in sustainable development. As well as being a useful guide for business, it is hoped that Principles will inform other stakeholders, including governments, in their engagements with business.



International Trade Centre (ITC) is the joint agency of WTO and the United Nations and is devoted to helping small and medium enterprises in developing countries become more competitive in global markets and thus to speed up sustainable economic development and contribute to the achievement of the Millennium Development Goals. Through ITC's strategic objectives: building awareness, strengthening TSIs, enhancing policies, building the export capacity of enterprises and mainstreaming inclusiveness and sustainability ITC builds inclusive trade and international business development opportunities.



INTERNATIONAL

WEConnect International, a corporate-led non-profit, helps build sustainable communities and economic growth by empowering women business owners to succeed in global markets. WEConnect International has since 2009 provided certification, resources, mentoring, and peer and corporate connections to businesses based outside the United States that are at least 51 percent owned, managed and controlled by one or more women. WEConnect International corporate members represent \$700 billion in annual purchasing power and are true pioneers in inclusive sourcing and global supplier development: Accenture, Alcatel-Lucent, Apple, AT&T, Boeing, Cisco, Coca-Cola, Cummins, D.W. Morgan, Dell, Dun & Bradstreet, Ernst & Young, ExxonMobil, Full Circle Exchange, GlaxoSmithKline, Goldman Sachs, HP, Hospira, IBM, Intel, Interpublic Group, Johnson Controls, Johnson & Johnson, Manpower Group, Marriott International, Microsoft, Motorola Solutions, Pfizer, PG&E, RBS, Sodexo, Verizon, Walmart, WellPoint and Wyndham Worldwide. Learn more at <http://www.WEConnectInternational.org>.



What the world needs now is leadership and the time to lead is now. **The International Federation of Business and Professional Women (BPW International)** is an influential international network of business and professional women from over 100 countries in 5 continents with Consultative Status at ECOSOC/United Nations. Founded in 1930, BPW International has advocated for workplace equality, the right to vote, equal pay and represents women in the economy and women in leadership, power and decision making roles. BPW International is bringing the voice of women to business by leading the awareness of the Women's Empowerment Principles: Equality Means Business; Equal Pay Day Campaigns and bringing greater economic benefit to women entrepreneurs through the Global Platform for Action on Sourcing from Women Vendors.