

# The missing link

Cultivating gender-inclusive supply chains



## About the guide

This guide aims to unravel the complexities of inclusive sourcing, offering corporations actionable strategies and data-driven insights for a net-positive transformation through integrating women into supply chains.

The development of this guide was rooted in qualitative research methods, including expert interviews and workshops to gather a broad spectrum of insights and best practices. These methods involved comprehensive engagement with Unilever's Global Procurement & Supply Chain team, as well as interviews with 15 experts across various fields such as international trade and gender equality, gender-inclusive procurement, sustainable supply chains, human rights, sustainability and inclusion.

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## ACRONYMS

Unless otherwise specified, all references to dollars (\$) are to United States dollars, and all references to tons are to metric tons.

**ESG** Environmental, Social and Governance

**HR** Human Resources

**ISO** International Organization for Standardization

**ITC** International Trade Centre

**IWA** International Workshop Agreements

**SME** Small and Medium-sized Enterprise

# Introduction

Fewer than 1% of the corporate tenders are awarded to women-led businesses. However, greater participation by these businesses in corporate supply chains is not just a matter of equity – it's smart business that can give corporations tangible benefits. Women-led businesses represent a vast, yet underused, reservoir of creativity, resilience and fresh perspectives, often leading to innovation and reduced costs for the companies with which they work.

After all, women control a staggering \$20 trillion in global consumer spending each year. By reflecting this diversity in their supply chains, companies can create products and services that truly resonate with a diverse array of customers. Research also indicates that inclusive sourcing enhances the reputation of a company among internal and external stakeholders, including employees, business clients, shareholders and the community.

Moreover, it's about creating a ripple effect. These businesses are powerhouses of economic growth, creating jobs and driving community development. Women are known for giving back – investing as much as 90% of their earnings into their families and communities. This means that every dollar spent in procurement with women-led businesses has a ripple effect, spreading prosperity and well-being.







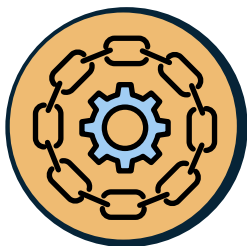
# Understanding the landscape

Sourcing from women-led businesses is a strategic choice that offers a pathway for corporations to drive net-positive transformation within their operations and the broader industry landscape. The net-positive approach extends beyond conventional sustainability to the moral imperative of gender equality to include significant, tangible business advantages that fuel innovation, market expansion, economic empowerment and enhanced corporate reputation.

These elements collectively contribute to a net-positive transformation, where firms not only generate profit, but also create value for society at large.



# Benefits of adopting gender-inclusive supply chains



## Diverse supply chains and innovation

Diversity in supply chains is critical to foster a culture of innovation within corporations. As highlighted by McKinsey & Company (2015), gender-diverse companies are more likely to outperform their less diverse counterparts.

This is because women-led businesses bring a variety of perspectives and experiences that can inspire innovative solutions to complex problems, enhancing the adaptability and resilience of supply chains.

By integrating these businesses into their supply chains, corporations can tap into this wellspring of innovation, driving growth and maintaining a competitive edge in fast-evolving markets.

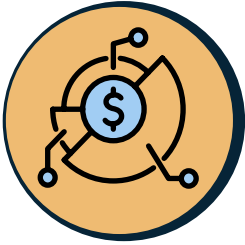
Women entrepreneurs often possess unique insights into consumer needs, especially in market segments that are underserved or overlooked by traditional business models.

By sourcing from women-led businesses, corporations can effectively expand into new markets, catering to a broader and more diverse consumer base.

This not only opens up new revenue streams, but also contributes to a more inclusive economy where goods and services better reflect the community's diverse needs.



## Market expansion through unique insights



## **Economic empowerment as a catalyst for community development**

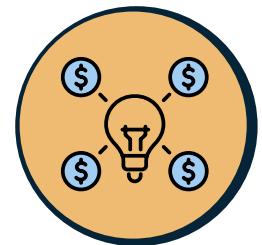
The economic empowerment of women has a profound multiplier effect, catalyzing broader economic growth and community development. The United Nations Economic Commission for Europe (2018) reports that women are likely to reinvest a substantial portion of their earnings into their families and communities, promoting health, education and overall welfare.

Corporations that engage with women-led suppliers contribute to this cycle of empowerment and development, creating a positive impact that extends beyond immediate business interests to foster sustainable and inclusive economic growth.

Engaging with women-led businesses can significantly enhance a corporation's reputation and is a testament to its commitment to corporate social responsibility, diversity and inclusion. Corporate social responsibility initiatives, particularly those focusing on diversity and inclusion, can positively influence consumer perceptions and loyalty.

Corporations recognized for their ethical sourcing practices and support for women-led businesses are more likely to attract and retain consumers who value social responsibility, thereby enhancing brand loyalty and trust (Famiyeh et al., 2016). Furthermore, integrating environmental, social and governance (ESG) considerations reflects adherence to regulatory standards for corporate accountability, promoting transparency and ethical practices.

Such efforts not only exhibit a corporation's commitment to societal values, but also appeal to ethically conscious consumers, reinforcing brand loyalty.



## **Enhancing corporate reputation through responsible sourcing**

In conclusion, the strategic decision to incorporate women-led businesses in supply chains aligns with the broader objective of achieving a net-positive transformation within industries. This transformation is characterized by corporations not only seeking profitability, but also contributing to societal welfare, sustainable development and the promotion of gender equality.

By prioritizing gender inclusivity in supply chains, corporations can harness innovation, expand into new markets, support community development and build a strong, socially responsible brand. Ultimately, this approach positions corporations as leaders in fostering an inclusive, sustainable and prosperous global economy.

# Challenges of integrating women-led businesses into global supply chains

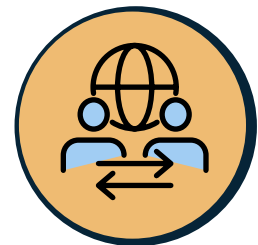
Women-led businesses often find themselves at a crossroads, struggling to permeate and thrive in global supply chains. Although these businesses account for a substantial proportion of small and medium-sized enterprises (SMEs), they face many challenges that stifle their growth and limit their market reach.



## Mobility and access issues

- The mobility of women is limited in certain regions, affecting their ability to engage in global trade.
- Access to technology and essential business skills remains a major barrier (International Labour Organization, 2022).

- Traditional gender roles severely limit women's access to resources and decision-making opportunities.
- Psychological and cultural biases lead to perceptions of women-led businesses as 'risk-averse' or lacking in leadership qualities (Brookings, 2019).
- Gender roles and societal expectations sometimes discourage women from entrepreneurial ventures, affecting their professional performance and growth (Achtenhagen & Welter, 2003; Welter & Smallbone, 2003).
- Societal pressures often compel women to shoulder a disproportionate burden of household responsibilities, causing work-life conflicts and limiting their ability to excel fully as business owners (Panda, 2018).



## Societal and cultural biases



## Financial barriers

- Women entrepreneurs face challenges in securing financing, with issues such as information asymmetry, a lack of credit history and insufficient collateral more pronounced for them than men (Panda & Dash, 2014).
- Government programmes and alternative funding sources are often biased towards male-led firms (Halkias et al., 2011).
- Further obstacles in accessing loans include high interest rates, discrimination by bankers, difficulties establishing lasting relationships with them, and a preference for using family savings over taking on debt to start a business (Panda, 2018).

- Limited access to critical business services and technology hampers modern business operations for women entrepreneurs.
- Opportunities for networking and consulting services essential for business growth and performance are limited (Coleman, 2007).
- High tax rates, political unrest, stringent, complicated and male-biased regulations, corruption, bureaucratic hurdles, economic stagnation, inadequate property rights and legal ambiguity contribute to creating a challenging environment (Panda, 2018).
- Women entrepreneurs also encounter difficulties stemming from a lack of networking groups and business consultants tailored to their needs, as well as limited opportunities for recognition through awards and publicity (Panda, 2018).



## Lack of supportive ecosystems



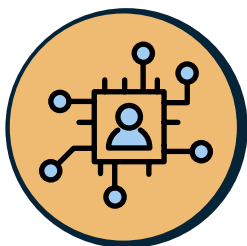
## Educational and training gaps

- Many women entrepreneurs lack formal training in business and entrepreneurship, affecting their ability to manage finances, market and engage customers effectively.

These barriers often hinder the performance and growth of women entrepreneurs, resulting in their disproportionate concentration in micro and small businesses and in traditional industries, or in informal and part-time entrepreneurship. Recognizing these challenges is key to helping them expand and succeed in a wider range of industries.

# Decoding the supply side

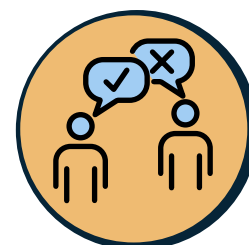
Corporations often face challenges when attempting to integrate women-led businesses into their supply chains. These challenges range from structural and systemic issues in markets and industries to internal corporate policies and practices. Understanding these challenges is crucial to develop effective strategies to promote gender-inclusive sourcing. Some of these challenges include:



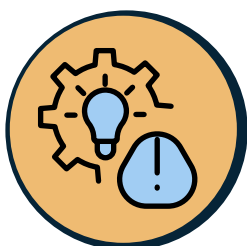
## Lack of visibility and data

- Corporations often struggle to identify women-led businesses due to a lack of visibility and insufficient data. This makes it challenging to reach out and form partnerships. For example, the definition of ‘women-owned and led’ businesses varies across countries, thus hampering the ability of corporations to identify and engage with these businesses. This also underscores the need for standardized criteria to streamline gender-inclusive sourcing efforts.
- The absence of comprehensive databases or platforms that categorize and highlight women-owned businesses impedes the ability of corporations to source from them.

- In some regions, cultural and social norms limit the participation of women in business and trade. These norms may influence corporate decision-making and the inclusivity of procurement practices.
- Corporations may also face societal scrutiny or backlash when attempting to change traditional business norms to include more women-led businesses.



## Cultural and social norms



## Risk aversion

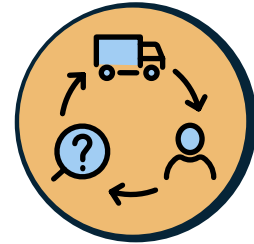
- Corporations often prefer to work with established suppliers to minimize risk. Women-led businesses, being relatively smaller or newer, might not have an extensive track record, leading to perceptions of higher risk.
- Changing suppliers or incorporating new, smaller suppliers into the supply chain can be seen as a risk to the stability and reliability of the supply chain.



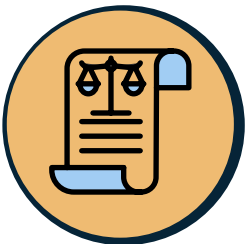
## Internal policies and practices

- Existing procurement practices and policies may unintentionally favour larger, more established suppliers, making it difficult for smaller, women-led businesses to compete.
- Lack of internal mandates or incentives for sourcing from women-led businesses can result in limited motivation to alter existing procurement practices.

- Women-led businesses may not have the capacity or scalability to meet the large volume or quality demands of big corporations, especially in their early stages.
- Corporations may find it challenging to integrate smaller suppliers into their supply chain without compromising on efficiency or performance.



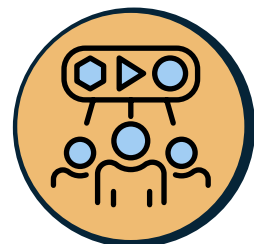
## Capacity and scale limitations



## Legal and regulatory hurdles

- Navigating the legal and regulatory requirements for onboarding new suppliers can be complex and time-consuming, especially for international corporations.
- Women-led businesses may lack the resources or knowledge to comply with complex corporate policies and standards, making it difficult for corporations to engage with them.

- Building trust and communication channels with new suppliers, especially those from different cultural or regional backgrounds, can be challenging.
- Corporations may lack the understanding or resources to engage effectively with women-led businesses and foster long-term, mutually beneficial relationships.

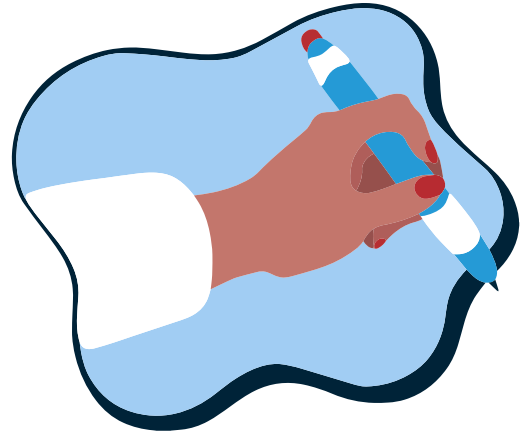


## Communication and relationship building

Addressing these challenges requires a multi-faceted approach, including altering internal policies, increasing awareness and education, and developing supportive networks and platforms. By understanding and tackling these challenges, corporations can make great strides towards more inclusive and diverse supply chains.

# Self-assessment for corporations

This self-assessment encourages corporations to critically evaluate their practices and policies on gender equality and inclusion within their supply chains, providing a clear scoring system to identify areas of strength and opportunities for improvement.



- 1. Does your corporation have a formal policy or commitment to gender equality and inclusion within the supply chain?**
  - A. Yes, we have a well-defined policy and specific targets for gender equality.
  - B. We have a general policy, but no specific targets or measures for the supply chain.
  - C. No, we do not have a formal policy.
  
- 2. How does your corporation approach supplier diversity, specifically regarding gender?**
  - A. We actively seek and prioritize suppliers owned or managed by women.
  - B. We recognize the importance of supplier diversity, but don't have specific initiatives targeting women-owned businesses.
  - C. We do not have any supplier diversity initiative.
  
- 3. How inclusive is your corporation's workplace, particularly for women and underrepresented groups?**
  - A. We have a strong inclusivity programme, including flexible work arrangements, maternity/paternity leave and anti-discrimination policies.
  - B. We have some inclusive policies, but they are not comprehensively implemented.
  - C. We do not have specific policies to ensure workplace inclusivity.
  
- 4. How does your corporation monitor and report on gender equality in the supply chain?**
  - A. We have a robust monitoring system and regularly report on gender-specific indicators.
  - B. We monitor our supply chain, but we do not have gender-specific indicators.
  - C. We do not monitor gender equality metrics in our supply chain.



## Scoring guide

Refer to the guide below to evaluate and interpret your score.

### How to evaluate your score

Each answer is assigned a corresponding score:

- 3 points for answer A
- 2 points for answer B
- 1 point for answer C

---

**Total Score:**

\_\_\_\_/12

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### How to interpret your score

**10-12 points**

Your corporation demonstrates a strong commitment to gender equality and inclusivity within the supply chain. Continue to monitor, improve and innovate your strategies.

**5-9 points**

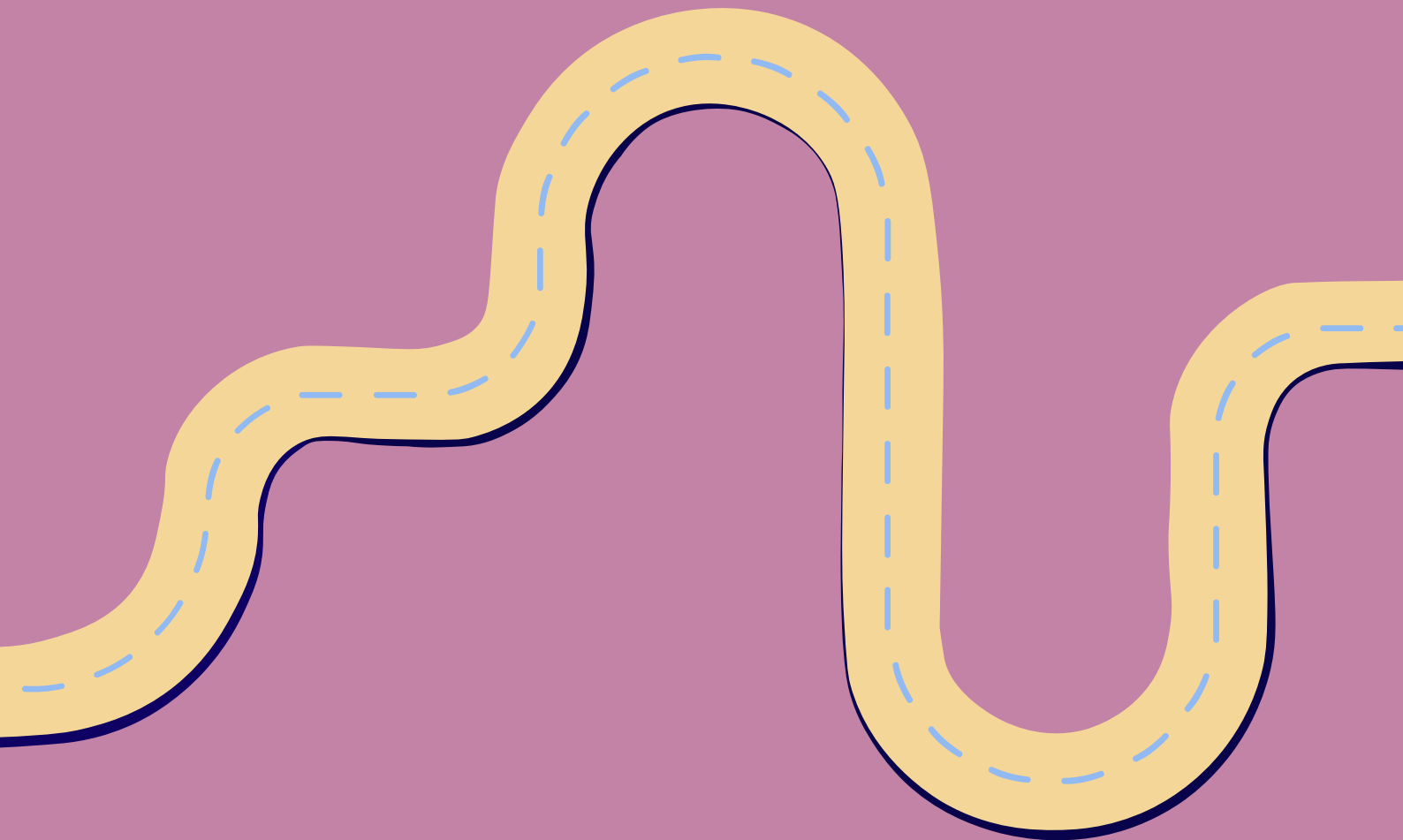
Your corporation has made some progress in gender inclusivity, but has room to improve.  
Focus on developing specific initiatives, targets and comprehensive implementation.

**0-4 points**

Your corporation has a critical need to develop and implement strategies for gender inclusivity in the supply chain. Consider establishing formal policies, monitoring systems and developing inclusive practices as immediate steps.

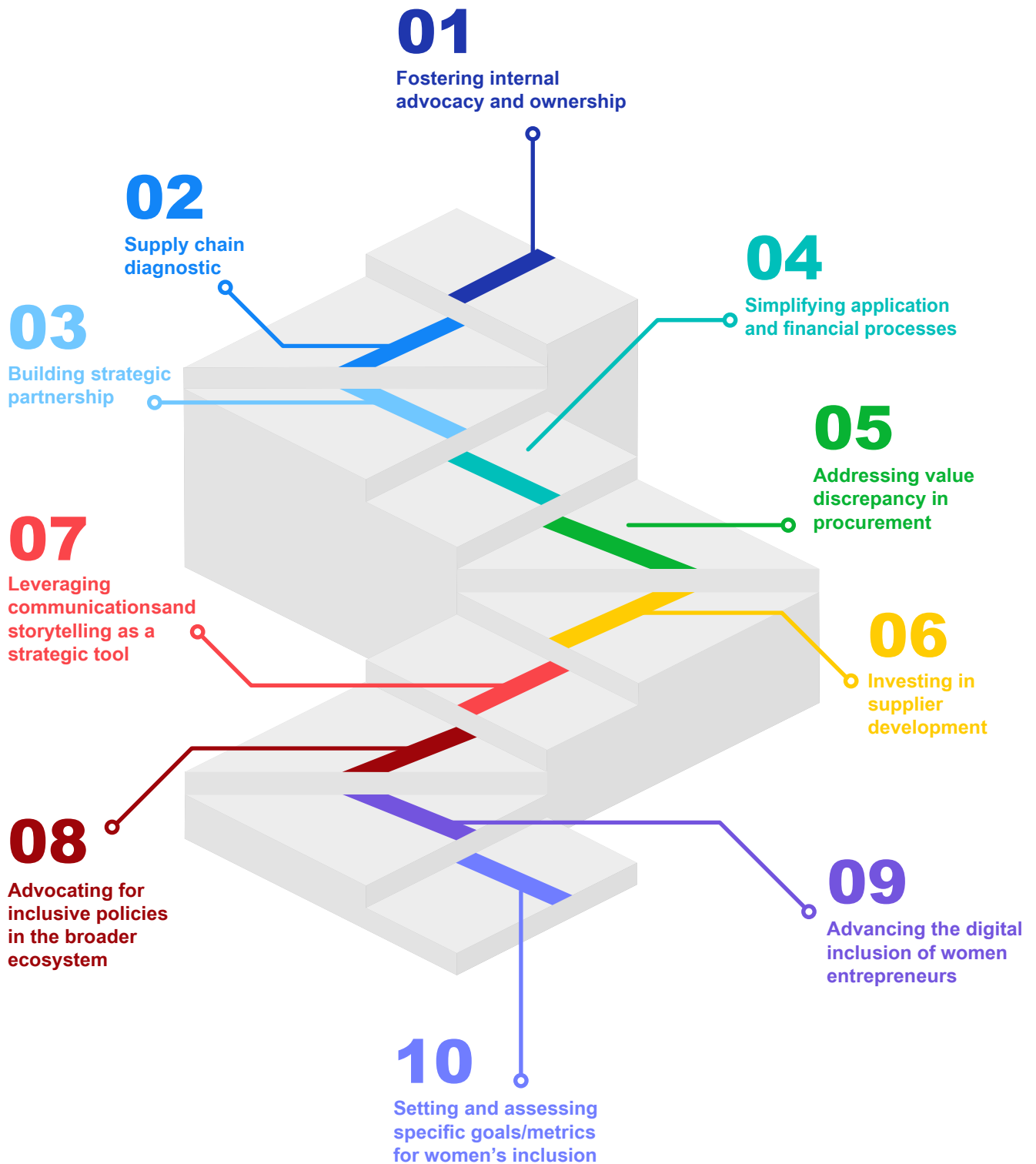


# Crafting a gender-inclusivity roadmap for your corporation



In this section, we present a comprehensive roadmap tailored for corporations as a strategic blueprint addressing key challenges and capitalizing on opportunities. This roadmap encompasses 10 distinct goals, each accompanied by actionable steps aimed at guiding corporations towards tangible and impactful outcomes.

Here, we'll explore:



# 01 Fostering internal advocacy and ownership

## Objective:

Cultivate a culture of gender inclusivity within the corporation by identifying key internal stakeholders ('problem owners') who possess the influence, resources and motivation to champion gender-lens sourcing

## Steps:

- Conduct stakeholder mapping (see **Table 1**) to identify potential problem owners across various levels, including C-suite executives, procurement officers and diversity and inclusion champions.
- Engage these stakeholders through workshops and discussions to align their interests with the goals of gender-inclusive sourcing, emphasizing the business case and social responsibility aspects while aligning all efforts with the company's broader strategic objective.
- Develop a cross-functional task force dedicated to implementing and monitoring gender-lens sourcing initiatives, ensuring ownership is distributed and supported across the organization. Highlight case studies where such partnerships led to innovation or cost savings, or enhanced supply chain resilience.
- Develop training modules for procurement and supply chain management teams that emphasize the strategic value of working with women-led suppliers. Explore ITC's SME Trade Academy and SheTrades Academy for a repository of pertinent courses, such as Women and Procurement.

**Table 1: Inclusive stakeholder mapping template**

Stakeholder category	Stakeholder group	Value addition/role of the stakeholder	Influence level	Impact on diversity efforts	Collaboration opportunity
Internal or External	<p><b>Internal:</b> Include different teams in the organization</p> <hr/> <p><b>External:</b> Suppliers, government, community organizations, customers, etc.</p>	Describe the potential value addition of the stakeholder	Indicate one of the following: 'High', 'medium' or 'low'	Identify the degree of impact: either 'Direct' or 'Indirect'	Describe the collaboration opportunity
<b>Example:</b>					
Internal	HR Department	Policy development and enforcement	High	Direct	Organizing diversity training and workshops

This template is designed to assist you in identifying and organizing key stakeholders who impact your organization's diversity and inclusion initiatives. Proper stakeholder mapping can enhance your strategic approach to building a more inclusive work environment.

### How to Use the Template:

#### 1. Indicate stakeholder categories:

- **Internal:** Include different departments or teams within your organization that are or can be involved in diversity efforts.
- **External:** Identify any outside entities that affect or are affected by your diversity policies. These might include suppliers, governmental bodies, community organizations, advocacy groups, and customers.

#### 2. Identify stakeholder groups:

- List specific groups under each category. For example, under Internal, you might list HR, Senior Management, Project Teams, etc. Under External, list specific suppliers, local government contacts, community organizations, etc.

#### 3. Describe value and role of each stakeholder group:

- Describe how each stakeholder group contributes to your diversity efforts. This might include resource allocation, policy making, advocacy, or community engagement.

#### 4. Assess influence level of each stakeholder:

- Gauge and categorize the influence level of each stakeholder as either 'High', 'Medium' or 'Low' based on their power to effect changes or make decisions that can impact diversity and inclusion within your organization.

#### 5. Ascertain impact on diversity and inclusion efforts:

- Determine whether the impact of the stakeholder on your diversity and inclusion efforts is 'Direct' (e.g., implementing diversity and inclusion programmes) or 'Indirect' (e.g., influencing public perception).

#### 6. Map out collaboration opportunity:

- Describe potential collaborative actions or initiatives you can undertake with each stakeholder to promote diversity and inclusion. This could include joint workshops, shared goals projects or advocacy efforts.

Regularly update the stakeholder map to reflect changes within your organizational structure and/or external environment and incorporate feedback from stakeholders to refine strategies and strengthen collaboration.

## 02 Supply chain diagnostic

### Objective:

Evaluate the current state of the supply chain and procurement policies to identify gaps in gender diversity among suppliers and barriers hindering the participation of women-led businesses.

### Steps:

- Review procurement policies and practices for conscious and unconscious biases that may favour established, larger suppliers over smaller, women-led enterprises (see **Table 2** for a checklist to identify and address these biases effectively).
- Analyze the supplier base to assess the representation of women-led businesses, including the nature and scale of their engagement. Refer to **Table 3** for definitions on businesses owned and led by women. If not currently tracking gender-disaggregated data, refer to **Table 4** for proposed indicators to aid these efforts.
- Regularly review and update procurement policies to align with current ESG frameworks and social standards. This involves taking stock of evolving ESG criteria and ensuring that gender diversity and inclusion are integral components of these standards. Refer to ITC's Standards Map and ITC's Sustainability Map for a detailed overview of the global trends, reporting frameworks, etc.
- Set realistic targets for increasing gender diversity within the supply chain based on baseline metrics, incorporating feedback from women suppliers on their experiences and challenges. For example, in industries like automotive, where the participation of women is exceptionally low, working with a smaller number of women-led businesses should not be seen as a failure, but rather as a targeted effort to break into highly male-dominated spaces. In such contexts, setting realistic targets might mean focusing on deepening relationships with a few women suppliers, supporting their growth and using these success stories to encourage more women to enter the sector.

**Table 2. Conscious and unconscious bias checklist**

Category	Checklist Item	Check
Self-reflection and Awareness	Engage in regular self-reflection on personal biases and their impact on decision-making.	<input type="checkbox"/>
	Participate in implicit bias training to identify and mitigate unconscious associations.	<input type="checkbox"/>
Developing Procurement Criteria	Base procurement criteria on factual data such as past performance and qualifications.	<input type="checkbox"/>
	Ensure requests for proposals and quotes use inclusive language.	<input type="checkbox"/>
Supplier Outreach and Sourcing	Use women supplier databases to reach a broad pool of potential suppliers.	<input type="checkbox"/>
	Actively seek women-led suppliers outside of your immediate network to counter network bias.	<input type="checkbox"/>
Evaluating Proposals and Suppliers	Implement blind evaluation processes to focus solely on the merit of the proposal.	<input type="checkbox"/>
	Create diverse panels for supplier selection to bring a variety of perspectives to the process.	<input type="checkbox"/>
During Negotiation and Selection	Provide equal negotiation opportunities to all suppliers, assessing based on merit.	<input type="checkbox"/>
	Evaluate offerings against market rates, quality, and value, not assuming lower prices.	<input type="checkbox"/>
Monitoring and Improving Procurement Practices	Understand that meeting diversity quotas does not mean compromising on quality.	<input type="checkbox"/>
	Set and track clear goals for supplier diversity.	<input type="checkbox"/>
Promoting a Culture of Inclusion	Develop cultural competence to understand how cultural differences might influence business interactions.	<input type="checkbox"/>
	Appoint champions within procurement teams to promote diversity and inclusion.	<input type="checkbox"/>
Feedback and Continuous Improvement	Recognize and address confirmation biases that might skew interpretation of information.	<input type="checkbox"/>
	Challenge the status quo by considering new, diverse entrants.	<input type="checkbox"/>
Additional Considerations	Allow first impressions to evolve with more information.	<input type="checkbox"/>
	Be conscious of similarity bias and evaluate companies based on capabilities.	<input type="checkbox"/>

Use this checklist regularly to audit your internal processes and ensure that your procurement practices align with your commitment to diversity and inclusion. Check off each item as you implement or revisit the corresponding practices. Regularly update and review the checklist to reflect new insights, changes in your organizational structure, or updates in diversity strategies.

**Table 3. ISO International workshop agreement 34 definitions**

<b>Women-owned business</b>	Business that is more than 50% owned by one or more women, whose management and control lie with one or more women, where a woman is a signatory of the business's legal documents and financial accounts, and which is operated independently from businesses that are not owned by women.
<b>Women-led business</b>	Business that is at least 25% owned by one or more women, whose management and control lie with one or more women, which has at least one-third of the board of directors composed of women, where a board exists, where a woman is a signatory of the business's legal documents and financial accounts, and which is operated independently from businesses that are neither led nor owned by women.
<b>Women-led cooperative</b>	Women hold more than 50% of the votes, most board directors are women, and women hold the majority of leadership positions, if applicable.

**Table 4. Potential indicators to assess women-led businesses.**

Category	Indicator	Details
Type of organization	Is the entity a women-owned or led business?	Refer to the definitions mentioned in Table 3 to track type of business.
Workforce Composition	Number of women employees	Total number of women employees in the business.
	Number of women in management/ leadership	Total number of women in management or leadership roles.
Ownership and Management	% of business owned by women	Percentage of the business ownership that is held by one or more women.
	% of business managed and controlled by women	Percentage of the business management and control that is held by women.
Social Impact	Is the business creating a social impact? (for example, supporting the economic empowerment of women, marginalized communities, education, health, etc.). If yes, please explain.	The extent to which the business contributes positively to societal issues beyond its primary commercial activities.
Certifications	Is the business interested in securing new certifications? If yes, please specify.	Understanding the business' interest in obtaining certifications to enhance credibility and compliance.
Professional Development	Please indicate the areas where you would like to enhance your skills/ knowledge.	Evaluate the business's commitment to the ongoing professional development and skill enhancement of its workforce.

# 03 Building strategic partnerships

## Objective:

Develop partnerships that enhance the corporation's understanding of and responsiveness to the unique challenges faced by women entrepreneurs in different regions.

## Steps:

- Collaborate with women's business associations, trade promotion organizations, business support organizations and initiatives such as ITC SheTrades to gain insights into the sociocultural and economic barriers that women entrepreneurs face.
- By engaging these organizations, raise awareness and promote campaigns aimed at encouraging women-led businesses to become suppliers, thus expanding their opportunities to participate in procurement processes.
- Form alliances with other corporations and industry groups to share best practices and leverage collective influence for broader systemic changes supporting women-led suppliers.

# 04 Simplifying application and financial processes

## Objective:

Leverage supply chain financing solutions to improve cash flows and reduce financial risks for women-led suppliers.

## Steps:

### 4.1 - Implement

Implement a streamlined process for registering women-led businesses in the company's supplier database. Reduce paperwork and use simpler digital procurement platforms for bidding and applications. This process should be accessible and designed to minimize barriers to entry for women-owned suppliers. This can allow more women to participate in tenders and submit bids, as a complex tender process can exclude women who juggle multiple roles and have time constraints.

### 4.2 - Revise

Revise internal payment processes to ensure that invoices from women-led suppliers are processed and paid promptly, ideally within a shorter time-frame than standard payment terms. This can alleviate cash-flow pressures on women-led businesses, enabling them to reinvest in their growth and operations more effectively.

### 4.3 - Introduce

Introduce an advance payment programme for women-led suppliers, notably those engaged in large projects or long-term contracts. This programme would provide partial advance payments before the delivery of services or goods, helping them manage their cash flow and financing initial project costs. Establish clear criteria and processes for advance payments, ensuring they are accessible to women entrepreneurs and do not impose undue administrative burdens.

### 4.4 - Forge

Forge partnerships with financial institutions that specialize in supply-chain financing, facilitating access for women-led suppliers to services such as invoice financing, receivables purchasing and tailored insurance coverage for risks such as contract cancellations and delayed payments.

### 4.5 - Organize

Organize informational sessions and workshops to educate women-led suppliers about the benefits of supply-chain financing and insurance products, guiding them on how to leverage these tools to secure their businesses.

# 05 Addressing value discrepancy in procurement

## Objective:

Ensure equitable distribution of contracts to women-owned businesses, addressing the disparity in contract value and scope

## Steps:

### 5.1 - Review

Review current procurement practices to identify opportunities where large contracts can be logically divided into smaller contracts. This strategy aims to lower the entry barriers for women-led suppliers who may not have the capacity or resources to bid for large contracts but can effectively deliver on smaller projects.

### 5.2 - Adopt

Adopt guidelines for procurement officers on how to assess contracts for potential disaggregation, ensuring that this practice does not compromise quality or efficiency, but opens up opportunities for a more diverse supplier base.

### 5.3 - Split

Split larger contracts into smaller, more manageable segments that are feasible for women-owned businesses to deliver. This segmentation helps reduce the entry barriers for smaller enterprises that may lack the capacity to compete for larger projects.

### 5.5 - Implement

Implement specific policies to support women-led businesses directly:

- Set aside certain contracts for exclusive bidding by women-led businesses. This ensures that they have a reserved space in competitive procurement and can win contracts without having to compete against larger, more established companies.

### 5.4 - Adjust

Adjust the procurement evaluation process to include preferential scoring for women-led businesses. For example, bids from these firms could receive extra points or be evaluated on a curve that acknowledges the unique challenges they face, thereby levelling the playing field. This may include considerations such as the share of the business owned by women, the firm's engagement in sectors where women are underrepresented or its commitment to gender diversity and inclusion in its operations (see Table 4 for related indicators). Determine how much weight or additional points will be given to bids from women-led businesses. This requires a balanced approach to ensure that the advantage is significant enough to make a difference without undermining the competitive nature of the procurement process.

- Create a price preference policy where bids from women-owned businesses are given a price advantage. For instance, a bid from a woman-led business that is up to a certain percentage higher than the lowest bid could still be considered the most advantageous. This margin reflects a commitment to supporting diversity and inclusion, recognizing the added value that these businesses bring to the table.

## 5.6 - Engage

Engage aggregators and Tier I suppliers to participate actively with women-led Tier II suppliers. Incorporate clauses in contracts with Tier I suppliers mandating a certain percentage of their procurement from women-led Tier II suppliers and offer incentives for those who meet or exceed these diversity targets. Incentives could range from recognition programmes and financial bonuses to preferential contract terms, serving as a dual strategy to encourage Tier I suppliers to engage actively with and prioritize women-led businesses in their sourcing efforts.

## 5.7 - Enhance

Enhance transparency and accountability in procurement processes, including regular feedback loops, audits and public reporting on progress towards gender equity in sourcing.



This table is designed to facilitate the assessment and prioritization of women-led businesses by evaluating their alignment across key value proposition areas: Strategic alignment, economic impact, social and environmental impact, risk management, and development and growth opportunities. Start by exploring these areas to understand the broader impact of collaborating with these suppliers. Apply preferential scoring based on the supplier’s alignment with these areas and your organization’s priorities, giving special consideration to parameters where women-led suppliers excel.

Use these insights to recognize and reward women-led businesses for their unique contributions, thereby strengthening gender-inclusive business practices.

**Table 5. Assessing value proposition/preferential scoring for women-led suppliers**

Value proposition areas	Parameter(s)	What to look for?
Strategic alignment	Alignment with corporate sustainability goals	<ul style="list-style-type: none"> <li>Assess the supplier’s contributions to these goals.</li> </ul>
	Innovation	<ul style="list-style-type: none"> <li>Identify the innovative products, services or processes introduced by the supplier.</li> </ul>
Economic impact	Cost savings achieved	<ul style="list-style-type: none"> <li>Quantify savings through efficiency or innovative solutions.</li> </ul>
	Revenue impact	<ul style="list-style-type: none"> <li>Estimate the impact on revenue, if applicable.</li> </ul>
Social and environmental impact	Contribution to corporate diversity and inclusion goals	<ul style="list-style-type: none"> <li>Describe the impact of engaging with the supplier on corporate diversity and inclusion metrics.</li> </ul>
	Social and environmental sustainability	<ul style="list-style-type: none"> <li>Summarize the supplier’s impact on the community and environment, to track the multiplier impact.</li> <li>Assess the supplier’s reporting and compliance with ESG standards, if applicable.</li> </ul>
Risk management	Risk mitigation strategies	<ul style="list-style-type: none"> <li>Detail strategies implemented to mitigate risks.</li> </ul>
	Dependability and resilience	<ul style="list-style-type: none"> <li>Assess the supplier’s ability to deliver consistently</li> </ul>
Development and growth opportunities	Potential for scale	<ul style="list-style-type: none"> <li>Evaluate the potential for growth and scaling within the supply chain.</li> </ul>
	Partnership opportunities	<ul style="list-style-type: none"> <li>Identify opportunities for enhanced impact by collaboration with Tier 1/Tier 2/Tier 3 suppliers.</li> </ul>

# 06 Investing in supplier development

## Objective:

Strengthen and sustain relationships with women-led suppliers through transparency, capacity building, collaboration and consistent engagement, underpinning a successful gender-lens sourcing strategy.

## Steps:

### 6.1 - Implement

Implement targeted training programmes designed to enhance the business skills, technical knowledge, pitching and negotiation skills and operational efficiencies of women-led suppliers. Leverage partnerships with business support organizations, women's business associations and other institutions to deliver and amplify the impact of these programmes.

### 6.2 - Mentorship

Implement mentorship initiatives pairing women-led suppliers with experienced business leaders within the corporation or industry, facilitating knowledge transfer and business growth.

### 6.3 - Create

Create pilot programmes or innovation labs that encourage collaboration between corporate teams and women-led suppliers to co-develop new products or solutions.

### 6.4 - Flexible

Remain flexible in the partnership approach, being open to adapting contract terms, engagement models or support mechanisms as the business environment and the needs of women-led suppliers evolve.

# 07 Leveraging communications and storytelling as a strategic tool

## Objective:

Elevate the profiles and contributions of women-led suppliers through strategic internal and external communications, employing storytelling to showcase their unique value and address misconceptions related to business engagement with them.

## Steps:

### 7.1 - Launch

Launch targeted awareness campaigns in the organization to educate employees about the importance and benefits of diversifying the supply chain with women-led businesses. Include success stories, testimonials and data-driven insights.

### 7.2 - Include

Include interactive workshops that allow for direct interaction between internal teams and women-led suppliers, fostering relationships and understanding.

### 7.3 - Establish

Establish a supplier recognition programme that annually honours outstanding women-led suppliers for their contributions to the company's supply chain, innovation, sustainability and community impact.

### 7.4 - Collaborate

Collaborate with women-led suppliers to co-create content that highlights joint projects, innovation and case studies demonstrating the tangible benefits of these partnerships.

### 7.5 - Use

Use industry conferences, forums and online platforms to share the stories of women-led suppliers, reaching a broader audience and advocating for gender inclusivity in supply chains across the industry.

### 7.6 - Partner

Partner with media outlets and industry influencers to feature stories of women-led suppliers, increasing visibility and reinforcing the narrative of their value to the corporate supply chain and the wider economy.

# 08 Advocating for inclusive policies in the broader ecosystem

## Objective:

Influence policy changes that create a more favourable business environment for women entrepreneurs.

## Steps:

### 8.1 - Lobby

Lobby for simplified regulatory processes that remove unnecessary barriers for women-led businesses, including streamlined customs procedures and easier access to business licences.

### 8.2 - Support

Support gender-responsive trade policies that address the unique challenges facing women entrepreneurs, advocating for policies that facilitate their participation in local and international markets.

### 8.3 - Leverage

Leverage the corporation's influence to advocate for policies and industry standards that support women entrepreneurs, especially those leading impact-driven ventures. This includes engaging in dialogue with policymakers, industry associations and international bodies to promote gender inclusivity and sustainability in business practices.

# 09 Advancing the digital inclusion of women entrepreneurs

## Objective:

Champion women entrepreneurs by enabling them to leverage digital technologies and platforms effectively, thereby facilitating business growth, operational efficiency and expanded market access.

## Steps:

### 9.1 - Develop

Develop and offer comprehensive training programmes focused on digital skills and platforms, specifically designed for women-led businesses. These programmes should cover a range of topics from basic digital literacy to advanced digital tools and technologies relevant to various business operations such as marketing, sales, e-commerce, and social media.

### 9.2 - Partner

Partner with tech companies and educational institutions to offer comprehensive digital literacy and skills training programmes at subsidized costs or for free and provide grants or subsidies for purchasing necessary hardware or software, ensuring accessibility and enabling effective digital business operations for women entrepreneurs at various business stages.

### 9.3 - Launch

Launch a digital hub and community for women entrepreneurs to access educational resources, collaborate on projects and showcase their ventures, fostering peer learning and digital adoption.

# 10 Setting and assessing specific goals/ metrics for women's inclusion

## Objective:

Develop and implement a comprehensive framework to set specific inclusion goals for women-led businesses in the supply chain, and rigorously monitor and evaluate the impact of these initiatives on women's economic empowerment and the overall diversity of the supply chain.

## Steps:

### 10.1 - Adopt

Adopt a clear definition based on international standards, such as those set by the [IWA 34:2021 ISO standards](#) (see **Table 3**), to identify businesses that are majority owned and led by women, managed by women and/or have a large percentage of women in leadership positions. This definition will serve as the basis for all inclusion efforts.

### 10.2 - Partner

Partner with standard bodies, chambers of commerce and other relevant organizations for the verification of women-led businesses. This support from third-party verification upholds the integrity and credibility of the business's status as women-led or owned and provides an added layer of trust and confidence in the inclusion metrics.

### 10.3 - Define

Define quantifiable goals for the inclusion of women-owned suppliers, such as a percentage of total procurement spend or number of women-led businesses in the supplier base.

### 10.4 - Establish

Establish robust monitoring systems to track progress against the set goals. This includes developing data-collection methodologies, reporting templates and analysis tools that enable a thorough assessment of how well the initiatives are performing (see Table 6 for proposed key performance indicators to support these efforts).

### 10.5 - Cultivate

Cultivate accountability and enhance corporate culture by incorporating inclusion metrics into performance evaluations and reporting, and by developing policies that reward departments for engaging with women-led businesses through procurement, collaboration or innovation opportunities. Simultaneously, promote employee involvement in supporting these businesses via volunteer programmes, mentorship and direct project partnerships, enriching the workplace with purpose and community engagement.

### 10.6 - Engage

Engage external auditors or consultants as needed to provide an unbiased assessment of the impact of the programme on women's economic empowerment and supply-chain diversity.

### 10.7 - Adopt

Adopt a holistic approach to evaluation that goes beyond mere participation numbers: analyze how these initiatives contribute to enhancing women's decision-making capacity, control over financial resources, and personal and professional growth, and consider the sustainability of this impact to ensure long-term improvements.

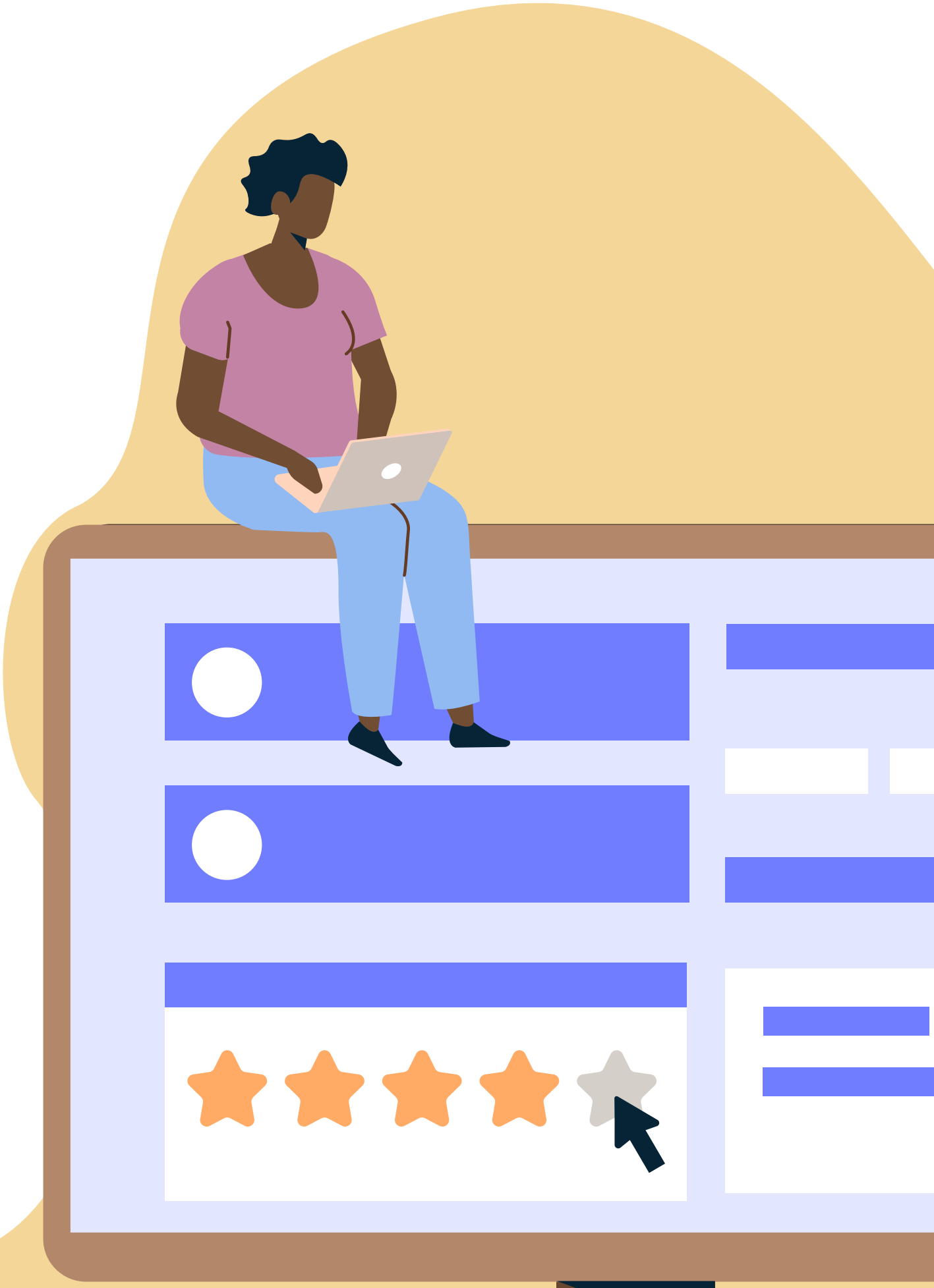
### 10.8 - Conduct

Conduct semi-annual reviews of sourcing strategies, using procurement data and supplier feedback to adapt and refine approaches responsively. Foster a culture of innovation and continuous improvement within procurement teams and across the organization to support and improve gender-lens sourcing strategies.

Develop and implement a comprehensive framework to set specific inclusion goals for women-led businesses in the supply chain, and rigorously monitor and evaluate the impact of these initiatives on women's economic empowerment and the overall diversity of the supply chain.

**Table 6. Potential indicators for assessment**

Indicator Name	Description
Diversity Spend Percentage	The proportion of total procurement spend directed towards women-led and other diverse suppliers.
Supplier Diversity Growth	Year-over-year growth in the number of women-led suppliers and the volume of business awarded to them.
Innovation Index	A measure of the innovative contributions from women-led suppliers, such as new products, services, or process improvements.
Sustainability Impact Score	An evaluation of the environmental and social sustainability contributions of women-led suppliers to the corporate supply chain.
Supplier Resilience Score	A composite score reflecting the supplier's ability to withstand disruptions and maintain consistent delivery and quality standards.



# Conclusion

The journey towards a more gender-inclusive supply chains is both a challenge and an opportunity. It requires us to rethink traditional procurement processes, challenge unconscious biases and embrace innovative practices that support gender inclusivity. By doing so, we not only contribute to the economic empowerment of women and underrepresented groups, but also enhance the agility, creativity, and sustainability of our supply chains.

The benefits are clear: from driving innovation and opening new markets to improving risk management and corporate reputation. The case for gender-inclusive supply chains is compelling, both from an ethical standpoint and a business perspective.

However, understanding the ‘why’ is only the first step. The real change comes from action. Every stakeholder in the supply chain has a critical role to play. Procurement officers and corporate leaders alike must ensure their commitment to gender inclusivity is reflected in concrete strategies and practices that benefit women-led businesses.

By adopting the 10-step action plan described above, corporations can make major strides in fostering a more inclusive and diverse business environment. Implementing these strategies allows companies not only to support a more inclusive business ecosystem, but also to explore new markets, enhance their brand and grow sustainably. The impact of gender-inclusive supply chains goes beyond individual companies, contributing to widespread economic empowerment and societal advancement.

The power of collaboration cannot be overstated. Joining forces with initiatives such as ITC SheTrades offers a key opportunity to be part of a global movement that not only champions – but actively supports – the growth and integration of women entrepreneurs into the global market. Through such partnerships, companies can leverage a wealth of resources, knowledge and networks to accelerate their journey towards a more inclusive supply chain.

In conclusion, the path to gender-inclusive supply chains is both a moral imperative and a strategic advantage. The time for action is now. Let’s commit not only to envisioning a more inclusive future, but also to making it a reality through our daily decisions and business practices. Together, we can forge supply chains that empower every link, creating a stronger, more resilient and equitable economy for all.



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By working with governments, business support organizations, the private sector, and women producers and entrepreneurs, we create the right capacities and conditions for sustainable impact at scale.