

Pledge to accelerate women's economic empowerment through supply chains

Background

The economic empowerment of women is increasingly recognised as critical for societies to thrive. But from wage gaps to childcare responsibilities to access to finance, women face formidable challenges to their full and fair inclusion in economies. For instance, there are approximately 224 million women entrepreneurs worldwide* who participate in the ownership of over 35% of firms in the formal economy†. However, on average, less than 1% of global corporate or government spend is on women-owned business in any country‡. Through their supply chains, governments and large corporations can impact these systemic barriers. They can impact women's empowerment globally by recognising the value of diverse suppliers, by creating equal opportunities for businesses that are owned and led by women, and by encouraging suppliers to implement policies and practices that promote women's equality and empowerment.

Women, and society at large, cannot wait for progress to continue at the current rate. To accelerate the pace of change, collaboration is needed to drive awareness of the business case for supplier diversity and gender-responsiveness in procurement, and to advance best practices at scale. Within Europe especially, corporate and public buyers are at different stages of maturity in recognising the value of diverse suppliers and empowered women entrepreneurs. The ecosystem needs to engage and support organisations at all levels of maturity.

Equally important is engaging the women-owned, women-led, and women-empowered businesses who can benefit from initiatives such as supplier training programmes, informal mentoring relationships, inclusive procurement infrastructure, or public-sector accelerators. Their insights and knowledge on what can make a difference in their businesses and lives is integral to an ecosystem which enables women's economic empowerment in supply chains.

* Kelly, D. et al, 2014. 'Gem Special Report: Women's Entrepreneurship'. *Global Entrepreneurship Research Association*. 2014.

† World Bank. 2018. World Development Indicators: Women and Development. World Bank World View.

‡ Vasquez, E.A. & Frankel, B. 2017. 'The business case for global supplier diversity and inclusion: the critical contributions of women and other underutilized suppliers to corporate value chains'. WEConnect International. Washington.

The Women & Business Daring Circle - Our Commitment

The Women & Business Daring Circle, focused on supporting women's economic empowerment in supply chains, is comprised of corporate and institutional partners and other experts with operations in Europe. Together, we represent a significant portion of the ecosystem working to scale supply chain diversification. Our ambition is to build greater awareness of the value of diversity in supply chains and enable the development of infrastructure needed to support public and private buyers in diversifying their value chains and women-owned business in accessing opportunity to grow and scale.

We believe that research into the state of women's economic empowerment in supply chains in Europe is foundational to supporting advocacy, infrastructure development and best-practice implementation. Our first survey of suppliers was launched in 2019, which will serve as a baseline for future research. Early interest in the power of this research is strong, with nearly 60 organisations requesting to learn more and participate in future surveys.

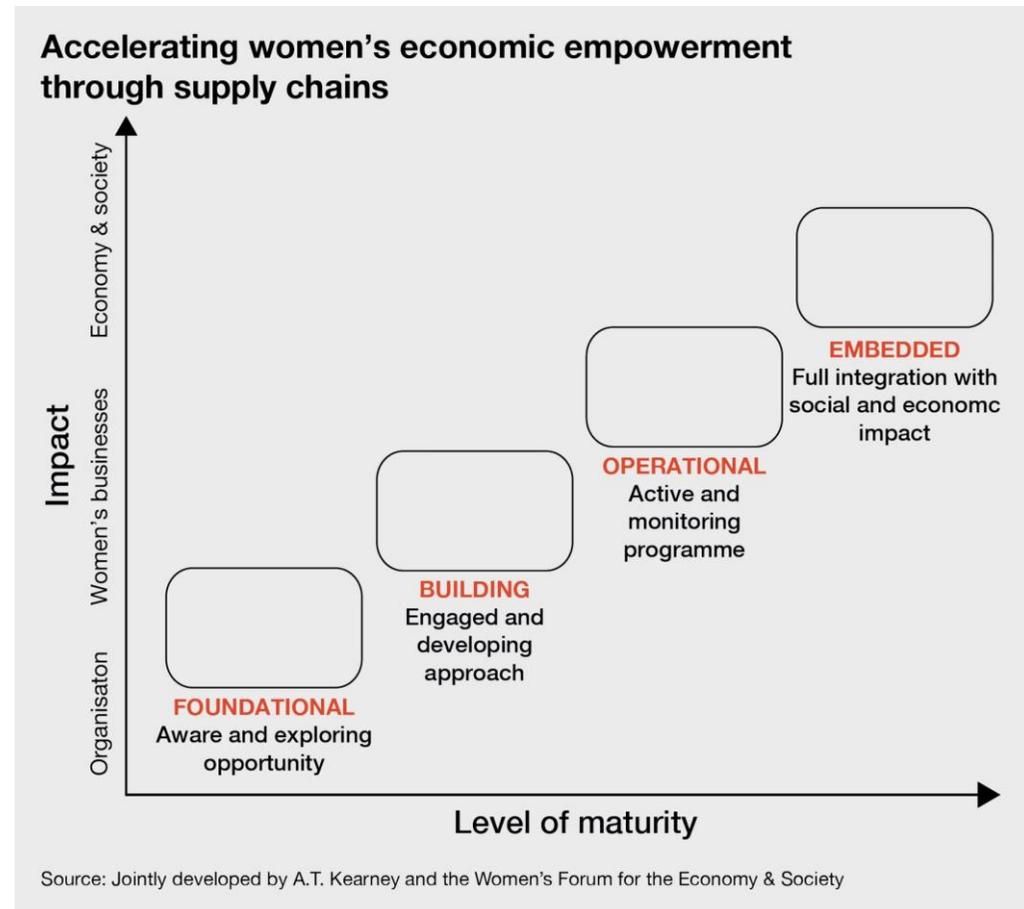
The Daring Circle commits to scaling our work and impact across sectors and industries, by:

1. Doubling the total survey responses by 2020, and measuring, tracking and reporting our collective progress on the following key indicators:
 - Proportion of suppliers practicing supplier diversity and/or gender responsive procurement
 - Drivers of supplier diversity and gender responsive procurement
 - Challenges to implementing supplier diversity and gender responsive procurement programmes
 - Value derived from practicing supplier diversity and/or gender responsive procurement
2. Growing our network of public and private sector organisations involved in the Daring Circle work to reach a critical mass of companies taking strategic action, by each partner confirming at least one new organisation to endorse the pledge below within the next year.

The members of the Women & Business Daring Circle

The pledge of the Women & Business Daring Circle

We call on all large public and private organisations to pledge to join us in identifying their current stage of supply chain diversity maturity on the Women & Business Maturity Model and commit to taking strategic action to progress to the next level of maturity.



Signatories of this pledge can either a) complete the assessment manually or b) sign up to receive a digital diagnostic tool by email at a later date.

Appendix – Women & Business Maturity Model: Stages of Maturity

Stages of maturity – strategy & business case

Category	Foundational	Building	Operational	Embedded
Premise, Vision & Strategy Formulation	<p>Early Foundational</p> <ul style="list-style-type: none"> The organisation has an awareness of diversity and inclusion issues and a will to do the right thing, but the vision is yet to be set out <p>Progressing Foundational</p> <ul style="list-style-type: none"> Supplier Diversity vision is implied as part of overarching Diversity & Inclusion vision 	<ul style="list-style-type: none"> Supplier Diversity vision is specifically defined, either as part of broader D&I vision, or as a dedicated supply chain/ procurement vision Strategy to implement vision is not yet defined, but organisation is exploring ways to implement 	<ul style="list-style-type: none"> Vision for Supplier Diversity is a key element of organisation's D&I vision, and includes a vision for gender diversity within supply base Vision for Supplier Diversity is well communicated throughout procurement and supply chain functions Strategy to achieve the vision has been designed The organisation is known publicly for its dedication to D&I, and specifically its commitment to gender diversity 	<ul style="list-style-type: none"> Vision for Supplier Diversity, and specifically gender diversity in supply base, is a key element of organisation's D&I vision and is well communicated throughout the organisation Strategy to achieve the vision has been designed, aligned, communicated and is being rolled-out The vision & strategy for gender diversity is communicated publicly, the organisation leads by example and is an influencer on gender diversity in supply chain
Business Case	<p>Early Foundational</p> <ul style="list-style-type: none"> Understanding that supplier diversity is good for the business <p>Progressing Foundational</p> <ul style="list-style-type: none"> Organisation is interested to learn more about the business case for supplier diversity 	<ul style="list-style-type: none"> Qualitative business case in place outlining the benefits of supplier diversity Awareness of the business case within procurement Organisation is interested to learn more about the quantitative business case for supplier diversity 	<ul style="list-style-type: none"> Qualitative and quantitative business case in place defining the financial and non-financial benefits of supplier diversity, with specific reference to gender diversity Business case is widely communicated throughout the organisation Gender-lens investments are being considered. 	<ul style="list-style-type: none"> Qualitative and quantitative business cases for increased supplier diversity, including specific reference to gender diversity, are in place and are widely communicated Business case is widely communicated throughout the organisation Business case includes multi-year gender-lens investment plans.
Leadership Involvement	<p>Early Foundational</p> <ul style="list-style-type: none"> CXOs take diversity and inclusion seriously, but no specific focus on the supply chain <p>Progressing Foundational</p> <ul style="list-style-type: none"> Diversity in the supply chain is discussed at CXO level CXOs are looking to learn how to improve diversity in supply chain 	<ul style="list-style-type: none"> CXOs have communicated an intention to improve diversity in the supply chain CXOs have delegated responsibility to improve diversity to the procurement organisation 	<ul style="list-style-type: none"> CXOs have clear targets to improve diversity in the supply chain and are required to report against those targets CXOs have allocated part-time resources to work on initiatives aimed at improving diversity in the supply chain 	<ul style="list-style-type: none"> CXOs have clear targets to improve diversity in the supply chain, with specific targets for gender diversity, and their remuneration is linked to performance against these targets CXOs actively sponsor projects and initiatives aimed at increasing supplier diversity

Source: Jointly developed by the Women's Forum for the Economy and Society and AT Kearney

For enquiries about the **Daring Circle**, please contact Sophie Lambin, Editorial Partner for the Women's Forum, +447710378820, sophie.lambin@womens-forum.com

Stages of maturity – supply chain processes

Category	Foundational	Building	Operational	Embedded
Sourcing Strategy & Processes	<p>Early Foundational</p> <ul style="list-style-type: none"> Procurement would like to increase diversity in the supply chain, but no formal requirements or tools are yet being considered <p>Progressing Foundational</p> <ul style="list-style-type: none"> Organisational sourcing strategy states an intention to increase diversity in the supply chain This message is well communicated throughout procurement and supply chain 	<ul style="list-style-type: none"> Supplier diversity considerations are encouraged to be applied during sourcing efforts, based on the category manager's discretion Requiring category managers to include supplier diversity measures in their category strategies is being considered 	<ul style="list-style-type: none"> Organisation actively and systematically scans the market for suppliers with strong diversity so they can be invited to market events Category managers are required to demonstrate that they have enabled suppliers with strong diversity to participate in market events Supplier diversity is often a consideration when making sourcing decisions 	<ul style="list-style-type: none"> Category managers are required to include initiatives to increase supplier diversity as part of their category strategy Sourcing process/toolkit includes mechanisms to facilitate and encourage participation by suppliers with strong diversity Active consideration of supplier diversity is an embedded part of all sourcing decisions
Supplier Segmentation	<p>Early Foundational</p> <ul style="list-style-type: none"> Suppliers are classified based on spend levels only <p>Progressing Foundational</p> <ul style="list-style-type: none"> There is an ambition to segment based on diversity criteria, but data is not yet collected 	<ul style="list-style-type: none"> Supplier diversity considerations applied for supplier segmentation, but limited data is available to enable this to be implemented 	<ul style="list-style-type: none"> Supplier diversity is part of formal supplier segmentation for specific categories / markets and data is largely available 	<ul style="list-style-type: none"> Supplier diversity is a key criteria for classifying supplier relationships company-wide and across all spend categories
Verification & Certification	<p>Early Foundational</p> <ul style="list-style-type: none"> Procurement would like to learn more about diversity and inclusion, but are not sure where to start <p>Progressing Foundational</p> <ul style="list-style-type: none"> Procurement and supply chain functions actively look-to and take guidance from the wider organisation on D&I topics Procurement and supply chain are fully compliant with the organisation's D&I policy and are always abreast of changes to the policy 	<ul style="list-style-type: none"> Organisation is keen to learn more about supplier diversity initiatives and has joined a NGO/Think Tank or non-profit organisation to help learn more Organisation also sometimes attends events focussed on diversity in supply chain 	<ul style="list-style-type: none"> Supplier diversity initiatives, KPI's and performance benchmarked and verified with industry peers on an ad-hoc basis Presence and representation at diversity in supply chain events and organisations Opportunities for certification are taken as they are presented, but are not actively sought-out 	<ul style="list-style-type: none"> Supplier diversity initiatives, KPI's and performance systematically benchmarked and verified with cross-industry peers Member and contributor to leading NGO's/Think Tanks and non-profit organisations leading thinking on gender diversity in supply chains Systematically seek and achieve external certifications for diversity in supply chain

Partnering: Create cross-organisation partnerships for development and sharing of best practices cross sectors and geographies

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Stages of maturity – enablers

Category	Foundational	Building	Operational	Embedded
Training & Development	<p>Early Foundational</p> <ul style="list-style-type: none"> The organisation is exploring diversity and inclusion training options, but it is not yet systematically offered <p>Progressing Foundational</p> <ul style="list-style-type: none"> Diversity and inclusion training is included as part of the wider organisation training programme Specific focus on procurement and supply chain within this training is being considered 	<ul style="list-style-type: none"> Diversity in the supply chain is included as part of the general D&I training Training sessions on diversity and inclusion are available to all procurement personnel 	<ul style="list-style-type: none"> Training sessions on the benefits of diversity in the supply chain are mandatory for all procurement & supply chain personnel Suppliers with strong diversity are offered training to help them navigate the sourcing process 	<ul style="list-style-type: none"> Supplier Diversity training made a global priority across all parts of the organisation Importance and benefits of diversity in the supply chain is communicated to all suppliers Suppliers with low diversity are offered D&I training
Performance Management & Incentives	<p>Early Foundational</p> <ul style="list-style-type: none"> There is an interest in knowing about diversity metrics in the supply chain, but collecting data is not a priority <p>Progressing Foundational</p> <ul style="list-style-type: none"> Supplier diversity data collected ad-hoc and stored locally Narrow set of leading indicators (e.g. # of employees trained in D&I, # of projects trying to increase diversity) are reported within procurement, where data is available 	<ul style="list-style-type: none"> Supplier diversity data systematically captured as part of the supplier on-boarding process Leading indicators reported for each category (e.g. # of sourcing event actively engaging suppliers with strong diversity), with modest spot-bonuses for strong performance 	<ul style="list-style-type: none"> Supplier diversity data, including specific gender-diversity parameters, systematically captured as part of the supplier on-boarding process and updated during sourcing events Procurement has clear diversity KPI's (e.g. % of spend with female-owned businesses) which are cascaded down to category level Performance against diversity KPIs included in performance review for all Senior procurement staff 	<ul style="list-style-type: none"> Supplier diversity data, including specific gender-diversity parameters, systematically captured and maintained Procurement has a clear set of lagging and leading gender-diversity KPI's which are cascaded down to category level Business outcomes (e.g. new innovations, cost reductions) of increased diversity systematically tracked and reported All Senior procurement staff remuneration linked to performance against diversity KPIs The business invests I infrastructure to make sure that the data can be systematically recorded, analysed and tracked.

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