

TOOL 2.2

Self Assessment of Supply Chain Gender Diversity and Inclusion

- » **GOAL:** Assess the current degree of engagement with women-owned businesses
- » **TARGET UNIT:** Procurement

This scorecard tool helps companies assess the extent to which they currently engage with women-owned businesses in their supply chain. It also looks at the state of existing support for increased engagement with women-owned businesses, including what senior management is doing and what types of corporate systems are in place. It draws on guidance from IFC and other organizations.

The scorecard lets you rank your company's current engagement with women-owned companies, its existing procurement policies, and the extent to which you currently support the development of local women-owned suppliers.

Using the Scorecard

The scorecard looks at several aspects of the current procurement environment.

- **Current engagement with women-owned businesses as contractors and suppliers:** How many women-owned businesses are currently engaged as Tier 1 and Tier 2 suppliers? Are suppliers and subcontractors required to engage with women-owned businesses as subcontractors? Are they held accountable for this?
- **Awareness and outreach to women-owned businesses:** To what extent is the company aware of local women-owned businesses? How could they fit into the supply chain? To what extent is the company working to develop these opportunities?
- **Current procurement practices and criteria:** Does the company facilitate and incentivize working with women-owned businesses? How are these priorities expressed, within the company—for instance, are they included in the procurement plan? Or are there other ways in which these priorities are laid out?
- **Corporate climate for prioritizing engagement with women-owned businesses:** How is management demonstrating leadership on the topic? What building blocks have been put in place to proactively support the strategy?
- **Monitoring and evaluation:** Does the company monitor and track engagement with women-owned businesses? If so, to what extent?

Scoring

Score each of the criteria on a scale of 1–8.

- **1–2 points:** From zero activity to little activity
- **3–4 points:** From ‘some work, but primarily in response to crisis’ to ‘some work, but not regularly’
- **5–6 points:** From ‘regularly working on these issues, although not comprehensively’ to ‘working on these issues regularly and comprehensively’
- **7–8 points:** From ‘excellent implementation’ to ‘outstanding implementation’, including continuous feedback and improvement

Repeat this assessment every year to track progress. Use the results to reflect on progress and identify ways to improve engagement, either by updating procurement criteria or through outreach to local women-owned businesses.

See **TOOLS 2.3–2.9** for specific guidance on how to address bottlenecks identified in the scorecard.

TABLE 2A | Gender Equity in Procurement Scorecard: Assessing the Supply Chain, Policies, and Activities

Current Engagement with Women-Owned Businesses as Contractors and Suppliers

SCORE 1–8 SCALE (1 is low; 8 is high)

Assess the current ratio of Tier 1²¹ women-owned suppliers/contractors compared to all Tier 1 suppliers/ contractors

Assess the ratio of company spend with women-owned businesses compared to total company supply/ contracting spend

TIPS: For additional assessment and deeper understanding:

- Break down spending on women-owned businesses by department
- Identify departments with the highest and lowest ratio of spending with women-owned businesses.
- Identify reasons for departmental disparities

²¹ A Tier 1 supplier, for the purposes of this tool suite, is a supplier from whom the company contracts directly for goods or services—i.e., not via a third party. A Tier 2 supplier subcontracts to the company one degree removed (via Tier 1 suppliers) and in the same manner. A Tier 3 supplier is a subcontractor two degrees removed.

Awareness and Outreach to Women-Owned Businesses

SCORE 1-8 SCALE (1 is low; 8 is high)

Does the company maintain (or have access to, through a chamber of commerce or other entity) a current database of local, regional, and national women-owned businesses that meet supplier criteria?

Is the database updated regularly? Would it be updated if supplier criteria is updated?

Does the database identify key services or sectors where women-owned businesses are clustered?

In a standard RFX²², does the company currently include any language encouraging women-owned businesses to apply?

In vendor outreach activities, does the company take steps to include women-owned businesses or to target sectors where there is a cluster of women-owned businesses?

Has the company conducted any assessment/inventory/analysis to identify viable local women-owned businesses as suppliers or subcontractors?

Does the company make specific outreach efforts to women-owned businesses, for instance through community workshops, seminars, or trade fairs?

Does the website specifically encourage women-owned businesses to respond to RFX?

Are local partnerships in place to support procurement from women-owned contractors/suppliers?

Does the company support events to inform local women-owned businesses about procurement opportunities?

Does the company hold or support capacity-building activities to develop local women-owned suppliers?

Does the company have in place mentoring or training activities to help develop local women-owned businesses?

Does the training include business fundamentals as well as technical skills?

Does the company support initiatives to build access to finance for local female entrepreneurs, for instance through partnerships with local finance institutions?

²² RFX is a standard acronym used in procurement to cover all iterations of 'Request for Proposal'.

Current Procurement Practices and Criteria

SCORE 1-8 SCALE (1 is low; 8 is high)

Is there a local procurement policy or commitment that specifically mentions increasing the number of women-owned businesses in the supply chain?

Does the company have a clear policy that defines what is meant by women-owned business—i.e., female ownership or number/ratio of women employees?

If a policy exists for Tier 1 suppliers on engagement with women-owned subcontractors, does it extend to subcontractors/Tier 2 or 3 suppliers?

Does the company have in place a procurement audit process that specifically assesses the degree of engagement with women-owned businesses?

Are procurement criteria defined in such a way that may disadvantage smaller business or other types of businesses where women are more heavily represented? (For instance, are vendors required to have been in business for a certain number of years, have a certain amount of income, have a formal bank account, or require Internet access?)

TIP: Consider whether these criteria are absolutely necessary, or if they could be modified so they do not preclude newer, smaller vendors.

Is engagement with women-owned businesses highlighted during orientation and training for procurement staff?

Do procurement staff receive ongoing training and capacity building on ways to engage with and support women-owned businesses?

Are there incentives in place to encourage engagement with women-owned businesses as subcontractors and/or suppliers?

Have local procurement plans, targets, and opportunities been reviewed to identify areas where specific women-owned businesses could be encouraged to engage?

Have local procurement plans and targets been reviewed to identify areas where capacity-building initiatives would enable local women-owned contractors to meet supplier/procurement demand?

Corporate Climate for Prioritizing Engagement with Women-Owned Businesses

SCORE 1-8 SCALE (1 is low; 8 is high)

Has the gender equity champion (or other staff member) developed a business case for incorporating women-owned businesses in procurement?

Have the CEO and senior management team communicated their commitment to increasing the number of women-owned businesses in the supply chain?

Does the company have in place a dedicated local procurement team with a mandate that includes a specific objective to increase engagement with women-owned businesses?

Has the company allocated a specific line item in the budget to support increased engagement with women-owned businesses in the supply chain?

TIP: Examples include engaging with WEConnect or organizing assessment and training for procurement staff on gender issues.

Do annual reports include information about engagement with women-owned businesses and progress towards increased gender diversity in the supply chain?

Monitoring and Evaluation

SCORE 1-8 SCALE (1 is low; 8 is high)

Are there clearly stated goals on the number (or percentage) of women-owned businesses in the supply chain the company aspires to?

Does the monitoring and evaluation system include tracking of the number of women-owned businesses in the supply chain and amount of procurement spend with them?

TIP: This includes total spend as well as departmental data.

Are the above numbers tracked and reported quarterly?

Does the monitoring and evaluation system include an indicator related to contracts with women-owned businesses?

Do performance evaluations for purchasing department managers include recruitment targets for increasing the number of women-owned businesses contracts?

Are improvements in engagement with women-owned businesses included in annual reporting?