

> Women-Inclusive Return on Investment (WI-ROI) framework - improving development outcomes for women & marginalised groups

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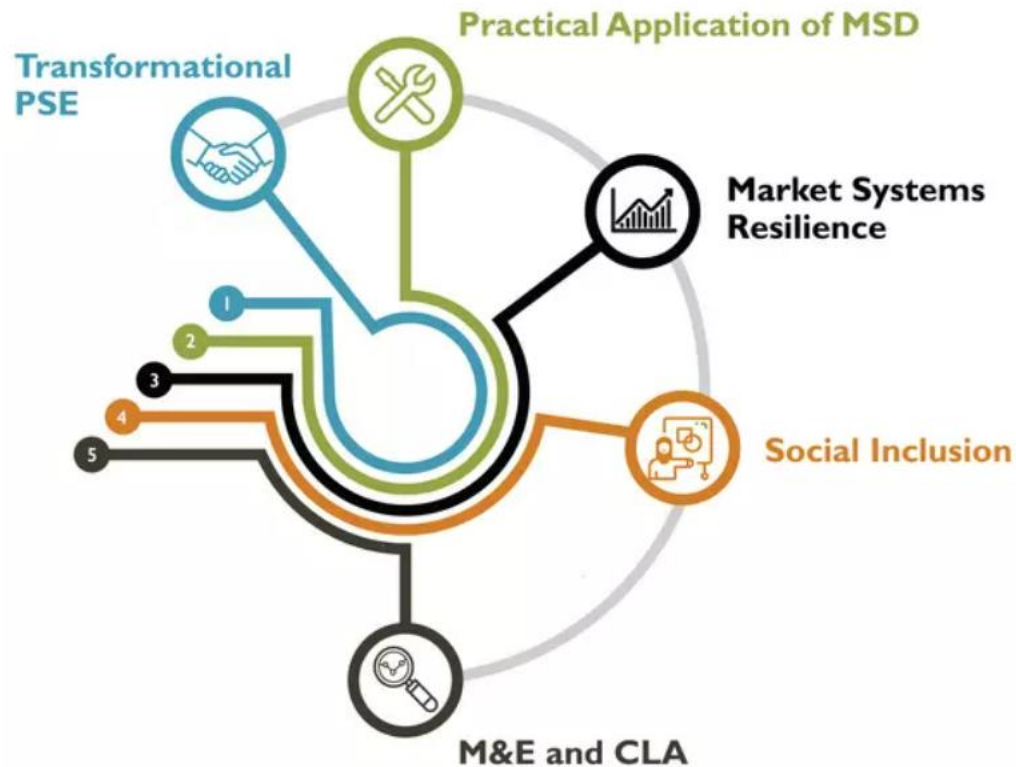
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The Donor Committee for Enterprise Development



MARKET SYSTEMS AND PARTNERSHIPS ACTIVITY



Advancing learning and good
practice on market systems
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SOCIAL INCLUSION WORKSTREAM: WORK TO DATE

LEARNING PRODUCT #1



HOW THE PRIVATE SECTOR MEASURES SOCIAL
INCLUSION AND ITS RETURN ON INVESTMENT:
A FRAMEWORK TO INFORM FUTURE RESEARCH

Accessible [here](#)

LEARNING PRODUCT #2



THE RETURN ON INVESTMENT OF SOCIAL
INCLUSION—AN EVIDENCE GAP ANALYSIS FROM
DEVELOPING COUNTRIES

Accessible [here](#)

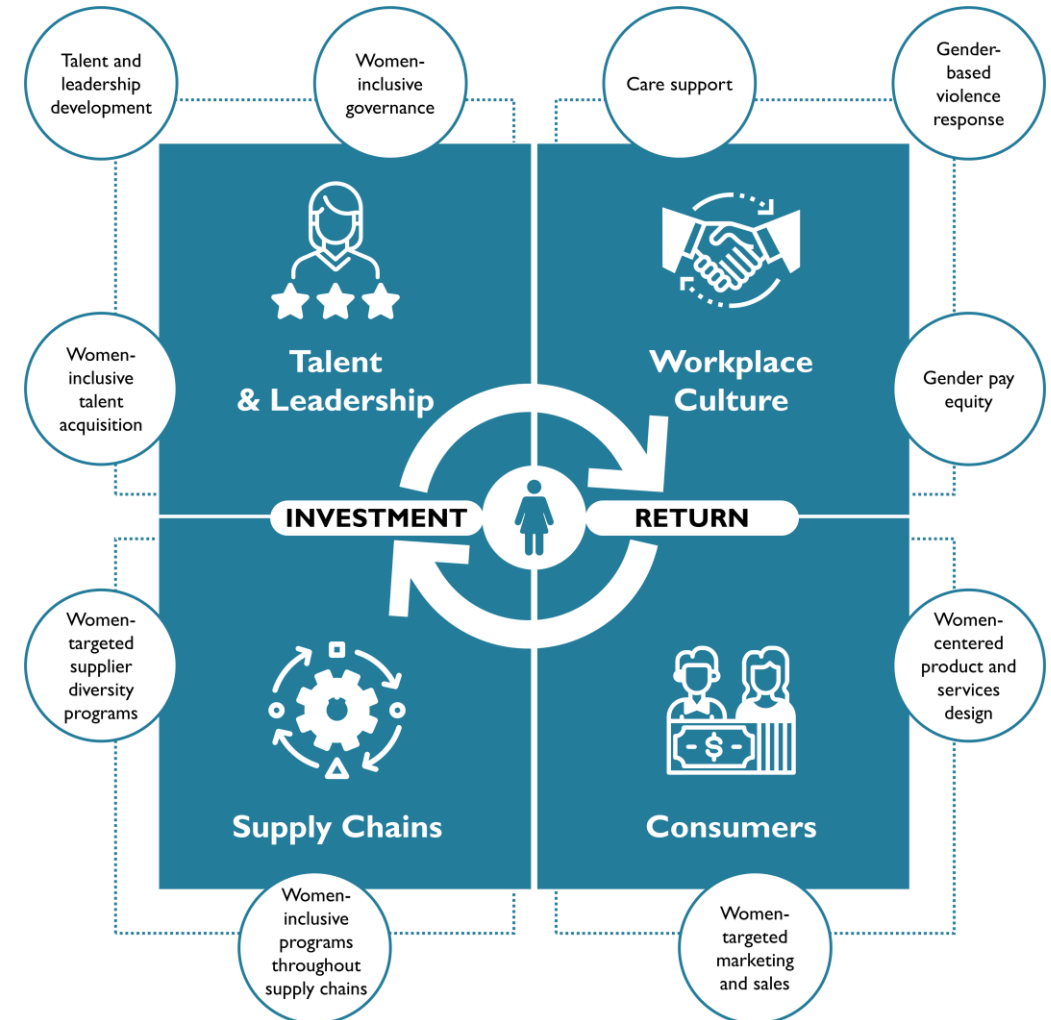
WI-ROI FRAMEWORK OVERVIEW: WHAT IT DOES AND DOES NOT DO

Focus	Not a Focus	Rationale
Lower/Middle income countries	Higher Income Countries	Limited evidence on LMICs to date; focus of MSD/PSE work
Private-held firms	Publicly held companies/investors	MSME focus for MSD/PSE work
Financial outcomes	Social outcomes	Less development focus on this
ROI	Other business metrics	Commonly used metric to determine value for a company
Women	Other inclusion variables	Less evidence on other categories (e.g. youth, LGBTI+, etc)



THE WI-ROI FRAMEWORK

- Builds on an existing body of evidence and research around the business case for investing in women's inclusion
- Refers to a ROI that measures the financial success of investments that specifically aim to include and empower women
- WI-ROI Framework reflects the industry outlook on women's inclusion at the firm level, focusing on the following:
 - Talent & Leadership
 - Workplace Culture
 - Supply Chains
 - Consumers



METHODOLOGY

- **In-depth literature review: >210** journal articles, papers, web-based sources, and news articles on topics related to women's inclusion in the private sector.
- **21 key-informant interviews with industry experts, women's inclusion and empowerment experts, and 6 SMEs based in LMICs** (primarily from the agriculture and agribusiness sectors, based on their relevance to USAID's Feed the Future programming).

Strategy	Company Size			Sector						
	MSME	SME	MNC	Agriculture	Health	Finance	Extractives / Construction	Textiles / Garment	Other	
Talent & Leadership		2	15						2	21
Culture		3	13	1		1		8	2	25
Supply Chain	1	5	6	5	4	1		2		
Consumers		8	6	8	3	4	3		1	3

Location		Evidence Strength	
● Low- and lower-middle-income countries	○ High- and upper-middle-income countries	Weak Evidence	Strong Evidence

NOTE: Numbers in circles represent the number of sources reviewed

TALENT AND LEADERSHIP

What is it?



Talent: Human resources (HR) required to attract and retain people with specific skill sets

Leadership: The actions of leading a group of people within a company

Example



Globally, companies in the top 25% for gender diversity are 21% more likely to achieve profit above the industry average (McKinsey, 2020b). Increasing global evidence shows that companies with more gender-diverse talent tend to have lower levels of employee turnover (Catalyst, 2020).

Proven Business Practices

- Talent and leadership development
- Women inclusive governance
- Women inclusive talent acquisition

Illustrative KPIs

- Time to fill
- Employee retention
- Employee Net Promoter Score (eNPS)

WORKPLACE CULTURE

What is it?



How employees experience working in and contributing to their organization through their interactions with company policies and practices

Example



Companies that invest in care support for their employees are better able to attract and retain talent (women and men) and diversify their management pipeline while strengthening corporate performance (IFC, 2020). Reducing GBV in the workplace can reduce turnover, absenteeism, and presenteeism related to violence (IFC, 2020a). Companies can reduce gender pay bias by initiating more flexible work arrangements to strengthen the retention of women and improve productivity (ILO, 2015a).

Proven Business Practices

- Care support
- Gender based violence
- Gender Pay equity

Illustrative KPIs

- Output per worker
- Absenteeism
- Presenteeism

CONSUMERS

What is it?



Initiatives that promote development of products and services that specifically reach and benefit women consumers.

Example



There is a growing shift in consumer preferences toward brands doing social or environmental good (Unilever, 2017). By serving women's unmet needs, companies can penetrate new markets and boost their branding and reputation, which makes it easier and less costly for them to attract and retain talent (HBR, 2016). Understanding women's needs and priorities enables innovative product and service design that attracts underserved customers, generating additional sales and growth opportunities (Women's World Banking, 2017).

Proven Business Practices

- Women centered product and service design
- Women targeted marketing and sales

Illustrative KPIs

- Consumer satisfaction score or associated NPS
- Total sales (by new product or service)
- Total Sales (by customer segment)
- Customer retention rate

SUPPLY CHAINS

What is it?



Administering the flow of goods and services to turn raw materials into final products in a way that incorporates women's inclusion and empowerment initiatives

Example



Companies that focus on supplier diversity programs experienced a 133% greater return on procurement investments compared to the average while also saving 20% on buying operations (UN Women, 2022).

Proven Business Practices

- Women targeted supplier diversity programs
- Women-inclusive programs throughout supply chains

Illustrative KPIs

- Diverse supplier count
- Diverse supplier spending
- Supplier satisfaction score or associated net promoter score
- Price premium for niche products



FEED THE FUTURE

The U.S. Government's Global Hunger & Food Security Initiative

Next Steps

- Developing short case studies utilizing components of the framework
- Just getting underway but will hopefully be out by the end of summer 2023
- If you have examples, please mention in the chat along with your email



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