



WOW // Work and Opportunities for Women

Hidden in plain sight:

Why we need more data about women in global value chains



Hidden in plain sight: Why we need more data about women in global value chains

We know very little about the millions of women working in global value chains, who grow the food we eat, make the clothes we wear and contribute to products we use every day. Despite being at the heart of global value chains, these women are quite literally invisible; hidden in plain sight. This invisibility prevents women from fully contributing to and benefiting from their productive work. What's more, the lack of knowledge about this population of workers directly inhibits companies' ability to make informed business decisions about their supply chains.

This brief is written for companies or practitioners engaging in global value chains, in particular those such as garments, agriculture and personal care, which rely heavily on women workers. This brief is also aimed at anyone looking to create safe and fair working conditions for all men and women workers.

WOW has been investigating the current state of data on women in global value chains. In this short brief, we make the case for better visibility of women workers, both for business and society. We set out some of the challenges businesses face in collecting robust data and start to identify opportunities for improved transparency.

WOW is the UK Government's flagship women's economic empowerment programme. The objective of WOW is that women have access to improved economic opportunities through business interventions in supply chains and economic development programmes. The five-year programme aims to enhance the economic empowerment of 300,000 women working in global value chains. It will achieve this goal by supporting businesses, organisations and programmes that are ready and willing to act on women's economic empowerment; enabling players across the supply chain ecosystem to drive change; and influencing the UK and global agenda on women's economic empowerment.

WOW is delivered by a consortium of global experts on women's economic empowerment research, programme design, and delivery – including PwC, BSR, CARE International, the University of Manchester, and Social Development Direct.

This brief is the first of a series which will tackle the issue of data gaps on women in global value chains, and how addressing these gaps will lead to improved responses to workers' needs, better management of business risks, and enhanced responsible business practices.

Women workers in global value chains are invisible

Global companies have sophisticated ways of understanding, tracking and managing a range of inputs to production in their value chains. Being able to draw upon basic statistics about the women workers in your value chain - how many, where they are and what roles they perform - seems like an ability all companies would have at their fingertips. Yet women's work, which in many sectors is driving global production systems, is comparatively poorly understood. This lack of understanding and the invisibility of women workers increases risks for companies, limits women's ability to fully contribute to and benefit from their work and reduces the overall resilience of our global value chains.

Better visibility and transparency on women workers' roles in value chains can substantially benefit both business and women:

- Enhancing the visibility of women in value chains helps companies make more informed production decisions, meet business goals and improve the consistency and quality of supply.
- Understanding the roles that women play in value chains is an essential first step towards preventing abuse and slave and child labour.
- Recognising and promoting the roles women play supports the retention of skilled female workers, productivity gains and future market growth.
- Companies who are committed to setting and meeting gender equality goals can use data to take informed, impactful and practical steps to support women within their value chains.

By building on and enhancing the systems they already rely on, companies can make important steps towards improving the visibility of women in their value chains. Whilst far from being a silver bullet, social compliance systems – if improved to capture key gender data – offer a key opportunity for companies to get better information on women in their value chains.



Photo © BSR

Who makes the products we use every day?

Workers in global value chains are critical to our daily lives: they grow the food we eat; make the clothes we wear and contribute to products we use every day. Before a shirt finds its way into the shops, the cotton was picked, dyed, weaved and distributed. Fabric was cut, sewed and assembled, labelled and packed. Trucks and cargos made their way from factories to docks and warehouses. Many of these roles are performed by women: in the garment sector alone, approximately 50% to 90% of workers are women, depending on the country.¹

Between 55% and 80% of the world's trade passes through global value chains.² While hundreds of millions of workers across multiple countries are involved throughout the process, companies lack consistent information on who they are and what they do, and – crucially – whether they are male or female.

The information gap is huge. Official estimates point to 190 million jobs held by women in global value chains³ (42% of global value chain employment) in OECD and middle-income countries. However, these calculations do not include workers in low-income supplier countries, nor those in subcontracted jobs or lower-value chain tiers, where women are significantly overrepresented. The real number of women in global value chains is therefore presumably much higher, with countless women workers left out of official estimates.

¹ ILO. (2014). Wages and working hours in the textiles, clothing, leather and footwear industries: Issues Paper for discussion at the Global Dialogue Forum on Wages and Working Hours in the Textiles, Clothing, Leather and Footwear Industries, Geneva, 23–25 September. International Labour Office.

Understanding the risks

Many women are concentrated in precarious jobs: they are homeworkers in the garment sector, contributing family labour in agriculture, or informal workers for the personal care industry. These jobs are focused in the lower tiers of the value chain, where women are confronted with specific risks which can only be addressed by proactive strategies. These risks include:

Precarious and insecure work, from informal jobs to seasonal contracts and home working with lower pay and benefits

Long hours and excessive overtime

Poor access to maternity rights and childcare

Limited access to financial inputs, skills training and capacity building

High exposure to sexual harassment and gender-based violence

By understanding where women workers are and what roles they play in their value chains, businesses can play a key role in the prevention and mitigation of the risks faced by women, and consequentially to their operations. Businesses thrive when all workers – male and female - enjoy good, safe and secure working conditions and have equitable access to resources. Beyond risk management, responsible businesses can begin paving the way towards more resilient and safer value chains.

² OECD, WTO, World Bank. (2014). Global Value chains: Challenges, Opportunities and implications for policy; UNCTAD (2013). World Investment Report – Global Value Chains: Investment and Trade for Development.

³ ILO. (2015). *World Employment and Social Outlook 2015*. International Labour Office.

Example: addressing gender-based violence in global value chains benefits women and business

Women workers in global value chains are particularly vulnerable to sexual harassment and gender-based violence (GBV). In the garment industry, research from the WOW Helpdesk indicates that not only is violence and harassment widespread, but that it is most commonly experienced by women and is often perpetrated by male supervisors and managers.⁴ Further evidence supports this: a recent BSR study found that at least 60% of Indian and Bangladeshi garment factory workers report harassment while at work.⁵ While women are the ones who suffer the most from gender-based violence and harassment, prevalence of GBV has damaging consequences for companies, including low productivity and high turnover.

While all women are exposed to gender-based violence and harassment to some degree, specific categories of women workers are particularly vulnerable. Women occupying precarious jobs such as workers paid by the piece, temporary workers, casual workers and migrants are often less aware of their rights and more vulnerable to power imbalances with their male supervisors.⁶

Violence and harassment against women workers impact the workplace, and companies directly. We see these impacts through decreased productivity, increased absenteeism, health and safety risks, and increased healthcare costs for the employer.⁷

Therefore, for suppliers, buyers and brands, addressing the risk of gender-based violence brings clear benefits.⁸ When women workers enjoy safe and secure working conditions, this leads to reduced turnover, higher productivity, better relationships between factories and buyers, and improved reputation

⁴ DFID-WOW (2019). *Violence and harassment, including sexual harassment, in garment factories and supply chains*. Work and Opportunities for Women Programme

⁵ BSR. (2017). *Empowering Female Workers in the Apparel Industry: Three Areas for Business Action*.

⁶ BSR. (2018). *Gender Equality in Social Auditing Guidance*. Business for Social Responsibility.

⁷ UN Women. (2011). *Gender-Based Violence and the Workplace*. United National Entity for Gender Equality and Empowerment of Women.

⁸ FWF (2018). *Violence and harassment against women and men in the global garment supply chain*. Fair Wear Foundation.

Improving visibility through social compliance

Obtaining data and information on women workers in global value chains is complex and challenging. The main source of data on workers in value chains comes from social compliance, a popular practice among companies looking to improve working conditions in their value chain. Through social compliance, companies audit their suppliers against a set of principles such as freedom of association, health and safety or anti-discrimination, usually set out in codes of labour practice or certification standards. Even though data collection is not the primary aim of social compliance, it is currently the main company-backed source of data and information on workers across global value chains.

However, the systems used for collecting, recording and reporting data are often poor, and vary significantly across companies and social compliance bodies. Social audits struggle to identify risks faced by women workers. Given the large resources companies devote to social compliance, it could be an important source of data and information - if improved to capture key gender data and facilitate comparability.



Weak data makes business decisions gender blind

Data collection must allow for gender-disaggregation or businesses will fail to see the full picture

Research from the WOW programme points to three central gaps in relation to data on women in global value chains: collection, recording and reporting.

Businesses can't understand the risks their women workers face if the relevant data isn't properly and robustly collected. Companies rely upon social audits for data; however the data is collected is not always reliable. A study led by the Ethical Trading Initiative revealed that social audits undertaken in 2,477 factories in Asia between 2009 and 2012 found 1% non-compliance with the principle of "no discrimination".⁹ However, research shows that discrimination and unequal power relationships prevail in these factories. Fair Wear Foundation held a baseline survey in six factories in Bangladesh which showed that female workers were not promoted even when they had required skills, and that older women failing to meet targets were harassed.¹⁰ Social audit data is not showing the full story.

Social audits struggle to pick up discrimination for a range of reasons, including a lack of gender-awareness of auditors and workers often being pre-selected and/or coached in advance of audits.¹¹ Sexual harassment issues are often unspoken and unreported, due to fear or normalisation of the problem.¹² The central weakness relates to how data is being collected.

⁹ ETI (2018). *Gender Inequality in International Supply Chains*. Ethical Trade Initiative.

¹⁰ FWF (2013). *Standing Firm Against Factory Floor Harassment preventing violence against women garment workers in Bangladesh and India*.

Weaknesses in data collection

1

Businesses do not know the gender profile of their workers. As audits do not consistently ask for the number of women and men across the workforce, businesses aren't able to see gender-disaggregated views – e.g. the number of permanent workers that are women or men.

2

Businesses are not aware of potential risks affecting women. Factories fill in self-assessment questionnaires on their risk management strategy regarding topics such as labour standards, health and safety, business ethics and the environment. This crucial information is almost never requested by gender, hindering the identification of potential risks for women.

3

Businesses do not know how many women face ill-treatment. Social audits collect data on non-compliances, for example the number of workers doing excessive overtime. This is rarely collected by gender.

¹¹ BSR (2018). *Gender Equality in Social Auditing Guidance*.

¹² FWF (2013). *Standing Firm Against Factory Floor Harassment preventing violence against women garment workers in Bangladesh and India*.

Businesses with the ambition to support women workers are missing out on opportunities

Many leading companies have made ambitious, substantial commitments to enhance gender equality and women's empowerment. Nordstrom has committed to having 90% of its own branded products produced in factories that invest in women's empowerment by 2025, and Lindex has committed to reaching more than 1 million female workers with health, protection, and empowerment programs by 2022. Targeted initiatives are often put in place to meet these commitments. Although these can be a driver of progress for some women, overall progress towards equality could be accelerated if businesses had a fuller picture of their workforce. For example, for a company to commit to increasing female leadership across its value chain, it would require a detailed knowledge of its workers' gender profile.

In order to put in place impactful women's empowerment programmes that will drive gender equality, businesses should record, track and compare information on an annual basis. At a minimum, this should include gender-disaggregated data across different roles: the number of employees in management positions, supervisory positions, administration roles and line workers.

However, the current state of tracking and recording of data is often inadequate. Issues occur at all stages of the audit completion.

Weaknesses in the tracking and recording of data, according to WOW

1

Businesses get incomplete information.

Auditors gather a large amount of data and information. However only certain data is entered into audit databases, while other data remains in auditor notes or audit pdf files that are not easily accessible or analysed.

2

Crucial information is lost. When the audit report does get uploaded onto the company's database, gender data is rarely retained.

3

Businesses cannot track information over time. When new data is uploaded onto databases, previous data is often over-written, and cannot be tracked over time. Hence 'data slippage' occurs between the audit, recording and final reporting, making annual comparisons impossible.

Increased transparency through reporting will shine a light on invisible women workers

From civil society pressure to legal obligations to consumers demand for traceability, a wide variety of factors drive increased transparency on workers in global value chains. Non-financial reporting has emerged as best practice, employed by companies worldwide. An estimated 93% of the world’s largest 250 corporations now report on their sustainability performance¹³ and a wide array of ratings and standards exist to rank companies. Public reporting is a powerful channel for businesses to increase the visibility of women in their value chains. When many companies report on comparable metrics, this becomes an unprecedented great source of aggregate data on workforce dynamics in global value chains. However, very few companies include information on women in their global value chains in their public reporting.

Weaknesses in reporting data

1

Lack of reporting exacerbates the knowledge gap. Companies are not required to disclose data by gender in their public reporting, although some do provide this information voluntarily. Lack of information sharing fragments the data available, with different companies hold different pieces of the picture.

1.1

Gaps in voluntary reporting: Public reporting tends to focus on the company’s own performance and not on gender dynamics playing out across their value chain. With the exception of the UN Women’s Empowerment Principles¹⁴, the main voluntary reporting frameworks do not take gender into account. The Global Reporting Initiative Standards (GRI)¹⁵ do not require gender-specific data on workers in global value chains. However, this is changing under the reporting for the Sustainable Development Goals.¹⁶

1.2

Gaps in mandatory reporting: The UK Modern Slavery Act¹⁷, designed to tackle slavery in global value chains, requires companies to report on how they address modern slavery risks in their operations. Other countries have adopted similar requirements, however, none of these ask for details by gender. This is concerning when women represent approximately 57% of the estimated 16 million people are in forced labour.¹⁸

2

Lack of comparable data keeps information fragmented. If reported, companies tend to report their value chain information in very different ways, making comparisons difficult. A 2017 study, led by the Ethical Trading Initiative (ETI) and supported by 10 UK companies, found that data reported was fragmented and very variable.¹⁹

3

Lack of a holistic approach means reporting is not representative. The ETI study also found that women’s empowerment initiatives reported on by companies were not necessarily representative of gender opportunities and challenges across the value chain. Instead, they were often put in place to address concerns raised by civil society. This suggests that gender information reported does not necessarily reflect the realities of women workers’ conditions in global value chains.

¹³ KPMG (2017). *The KPMG Survey of Corporate Responsibility Reporting*. KPMG

¹⁴ Women’s Empowerment Principles: <https://www.weeps.org/>

¹⁵ GRI Sustainability Reporting Standards: <https://www.globalreporting.org/standards/>

¹⁶ World Benchmarking Alliance: <https://sdg2000.worldbenchmarkingalliance.org/>

¹⁷ Modern Slavery Act: <http://www.legislation.gov.uk/ukpga/2015/30/contents/enacted>

¹⁸ ILO. (2017). *Global Estimates of Modern Slavery: Forced labour and Forced Marriage*. International Labour Office

¹⁹ Ethical Trading Initiative <https://www.ethicaltrade.org/>

However, companies will not be able to report on their gender data if it has not been collected or properly recorded. Businesses must work together with social auditors to redesign their system to retain and benefit from the rich data on women workers in their value chains.

Issues faced at each stage, and the resulting data slippage

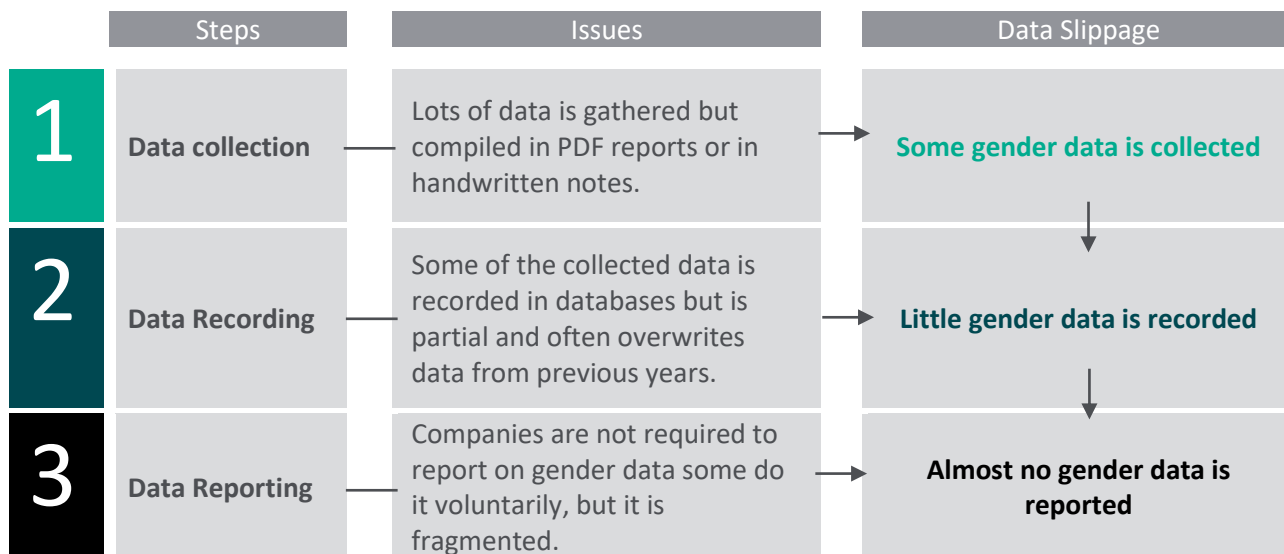


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Gender inequalities have been aggravated by COVID-19: now is the time to act

Although some companies have started to collect and analyse gender-disaggregated data to inform their business decisions and women's empowerment strategies, the unprecedented disruption to global value chains due to the COVID-19 pandemic threatens to unravel the progress made on gender equality.

Women are overrepresented in many of the sectors hardest hit by job losses due to COVID-19. In the global south, 70% of women are employed in the informal sector, with little or no access to social safety nets, often beyond the reach of formal government support. Increased unpaid care burdens on women and girls could lead to permanent exit from job markets and education, and gender-based violence is rising.^{20 21} There is evidence of a rollback of women's rights and labour force participation, and of increasing food insecurity.

As companies plan for recovery, understanding the risks to women will only increase future resilience

The impacts of the COVID-19 pandemic – such as the sudden and unprecedented change in demand and supply for virtually every business – have elevated the need for greater visibility within global value chains. Having active visibility and understanding of women workers and the unique risks they face both during and post-pandemic is more crucial than ever, to create a more resilient value chain in the long term.

Resilience and sustainability are central features of calls to build back better and stronger. Transparency – and measuring this through gender disaggregated data collection – could also be added to this set of core principles for business recovery planning. Investments in the collection of gender disaggregated data will help companies make more informed decisions on how to recover post-pandemic.

The way forward in the new normal

Businesses are missing out on reliable, specific data on half of their value chain workforce. With such restricted visibility, both risk assessments and programmes implemented at the supplier level, whether economic or social, will inevitably fall short. Better harmonisation and coordination between companies and policy actors will be needed to improve the way data is collected, recorded and reported. This will be especially important in post-COVID efforts to rebuild economies, to ensure that women have better and more equitable opportunities.

²⁰ WOW Helpdesk (2020). *Women's Economic Empowerment during the COVID-19 Pandemic: A Rapid Review of Impacts and Responses for Economic Relief and Recovery*.

²¹ United Nations (2020). *Policy Brief: The Impact of COVID-19 on Women*

WOW's recommendations to improve the visibility of women workers in global value chains

Data collection - Through social audits, businesses must systematically and consistently collect data that allows the identification of (and subsequent action to address) risks to women. Three simple solutions can improve the way data is collected:

The gender profile of production workers, supervisors, administrative staff and management must be documented. This will provide the basis for comparable data and information on the profile of workers across global value chains.

Self-assessment questionnaires must integrate gender. This could help businesses understand if women workers are paid less than men in the same position, for instance.

Audits must take gender into account when they identify non-compliance. For example, when reporting high health-related absenteeism rates, they should give details on the number of women and men workers affected.

Data recording - Gender-disaggregated data and information is being gathered, but not captured in a way that is useful for detailed analysis or tracking over time. Businesses must use social audits to track data that will allow them to identify and address their risks effectively. When recording data, businesses should make sure that:

All recorded information during the audit - whether through PDF or by notes - is uploaded onto the database.

Some core information, disaggregated by gender, is uploaded onto the main platforms.

Information uploaded does not overwrite previous data, to allow tracking changes over time.

Data reporting - Businesses can push for reporting frameworks that take women into account and drive greater accountability. To facilitate this, businesses should:

Push for reporting frameworks to integrate gender information.

Collaborate with their peers as well as international organisations to ensure reporting formats are standardised, allowing for comparability.

Sensitive information on gender that is collected but not reported against should be shared anonymously to research bodies. Some audit bodies are beginning to make anonymised data and information available to monitoring bodies for more in-depth analysis. This is valuable and hopefully others will follow suit.

Next steps

To enhance both available data and the transparency of women's work in global value chains, there must be active involvement from companies. Given the high level of resources that companies devote to social compliance, it could become a great source of evidence on the work and conditions of female workers across global value chains - if improved to capture key gender data. While it is far from a silver bullet, it provides a platform to build upon, and companies must play an important influential role in championing the consideration of women in data and reporting. Women workers will remain invisible until companies embrace the benefits of understanding where workers are and what they do in their value chains. Businesses thrive when all workers – male and female - enjoy good, safe and secure working conditions and have equitable access to resources.

Reliable data on women and men workers will, however, only tell one part of the story. Long-lasting change will require companies to analyse the gathered data, translate it into effective responses for workers and engage in large-scale collaboration with peers and policymakers. By working together, businesses can begin paving the way towards more resilient and safer value chains.





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This document is an output from a project funded by UK aid from the UK government. However, the views expressed and information contained in it are not necessarily those of or endorsed by the UK government who can accept no responsibility for such views or information or for any reliance placed on them.

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