



# Investing in Women for a Better World

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## About BSR

A leader in corporate responsibility since 1992, BSR works with its global network of more than 250 member companies to develop sustainable business strategies and solutions through consulting, research, and cross-sector collaboration. With six offices in Asia, Europe, and North America, BSR uses its expertise in the environment, human rights, economic development, and governance and accountability to guide global companies toward creating a just and sustainable world. Visit [www.bsr.org](http://www.bsr.org) for more information.

There has never been a better time to invest in women.

As we celebrate International Women's Day this week, it's a good time to think about some of the many ways investing in women pays off—not only for women, but for their communities, for business, and for the world at large.

According to a 2010 McKinsey [study](#), among companies who invest in programs targeting women in developing countries, at least one-third have measured improved profits, and an additional 38 percent are expecting returns. Speaking about this phenomenon at the 2009 World Economic Forum, Nike President and CEO Mark Parker called young women in the developing world “a powerful force for social and economic change.” Earlier this year, U.S. Secretary of State Hillary Clinton pronounced women a “terrific return on investment.”

BSR's new [report](#) on [HERproject](#)—a factory-based women's health initiative—confirms this trend and outlines the opportunities for global business and their suppliers to invest in women. Our research, based on projects conducted in 30 factories in six countries, reveals that by investing in programs that empower women, companies can not only reduce business risks, but also create enormous opportunities for growth and innovation. We believe that companies can have the biggest impact by investing in programs aimed at improving women's health, enhancing their education, assisting women with the challenges of rapid urbanization, and increasing their financial independence.

## Health

Through BSR's HERproject programs in China, Egypt, India, Mexico, Pakistan, Vietnam, and soon Bangladesh, we have found several common (and preventable) health issues shared by women working in manufacturing supply chains: anemia, reproductive tract infections, and unsafe sexual activities. Often, these problems stem from a lack of information; once awareness begins to grow, linking these women to the services they need becomes much easier. And since women share this knowledge with others, the impact is even greater. One peer educator in Egypt said she talks with women about health issues on the bus and at her mosque. “I value this knowledge and believe that it is my duty to pass on the messages I am blessed with,” said Samira El-Sayed.

The business benefits of investing in women's health can be just as great, with companies reporting reduced absenteeism, higher worker productivity, and enhanced worker-manager relations. For example, women in one HERproject factory in Pakistan have improved their feminine hygiene, including 33 percent who have begun using sanitary napkins. As a result of these changes, female workers reported a 25 percent reduction in poor concentration at work, 28 percent less absenteeism related to menstruation, and 33 percent less difficulty in meeting production targets. Overall, reported absenteeism was 11 percent lower, with a 24 percent reduction in the mean number of days absent. Initial return-on-investment analysis has confirmed that women in the factory worked

an average of 2.5 more hours per month during the project period, representing an additional 615 days of work per year.

According to Colleen Von Haden, Timberland's code of conduct senior manager, programs like HERproject can also help build trust between workers and management in supplier factories. "What's more, that trust will form the foundation for improved working conditions and better quality of life for workers in Timberland supply chains and beyond," she added.

## Education

For many of the world's poor, a child's education is an unaffordable luxury. When a family has numerous children, a girl's education is often the first to be sacrificed. Some governments are making significant investments to reverse this trend—for example, in Bangladesh, school costs are waived for girls. However, a significant proportion of the female workforce is still undereducated, lacking key communications and management skills, and, too often, they are unable to read and write.

Adult education and skills-training programs can help these women become more productive members of the industries in which they work, and can lay the foundation for their upward mobility in the future. According to Bangladeshi factory managers and trade-zone-monitoring officers interviewed for our report, the biggest obstacles to female workers' upward mobility are low levels of education and technical skills. Managers also cited workers' and supervisors' communications skills as a challenge.

Improved public education from the primary level for girls will help address these issues for the next generation. For existing female employees, job skills, communications, and management trainings, as well as literacy programs, can help improve the workplace environment and provide women with the skills they need to advance.

## Rapid Urbanization and Housing

Women moving from rural to urban areas often do so alone or in small groups, with the promise of a job from a neighbor or a family member who has already migrated. This trend can be found in manufacturing centers throughout the developing world, where jobs are mostly filled by vulnerable rural migrants. When women arrive in industrial areas, they find limited housing and often inadequate sanitation and utilities services. Young women share a room or two with four or more others; sometimes they even share with a couple, the room divided for privacy by a thin curtain.

For women, these living conditions are dangerous, unhygienic, and often culturally unacceptable. The issues also present a business risk because they create circumstances for unrest, the spread of disease, and other daily stresses that influence the ability of workers to come to work on time and do their jobs productively. By encouraging local suppliers or governments to invest in housing solutions for workforce populations (particularly young and vulnerable women), companies can help solve this growing problem.

## Wages and Access to Savings

Fair and on-time payment of adequate wages remains a serious challenge for low-wage women workers. In Bangladesh's garment industry, for example, the minimum wage is US\$30 per month.

Exacerbating the challenge of low wages is the challenge of access to savings. Most often, women in the developing world are paid in cash, which they usually save in their homes or send to relatives via formal or informal remittances services. However, if women had access to savings accounts, they could protect their earnings, begin accumulating wealth, and increase their financial independence. The financial services sector, in particular, is in the unique position to help women by exploring opportunities to link savings and financial-education services to low-wage workers in the workplace.

## The “Girl Effect”

These challenges are daunting, but the opportunities beyond them are worth the investment. As we have seen through the peer-education model of HERproject, investing in women doesn't stop there: It empowers women with the information they need to improve their circumstances and to educate their colleagues and families. Many HERproject peer educators have organized community events in local clinics and places of worship to take these messages beyond the factory walls. The Nike Foundation famously described this as the “girl effect”: Invest in a girl or a woman, and you invest in a better world.

## More Information

### HERproject Report Reveals Positive Impacts on Women and Business

According to BSR's new [report](#) on [HERproject](#), our factory-based women's health initiative has provided positive benefits for business and significantly improved women's health awareness, leadership skills, and relationships with their employers.

The report summarizes the impacts of HERproject programs to date, which have touched approximately 50,000 women in China, Egypt, India, Mexico, Pakistan, and Vietnam. Current projects include eight multinational companies, 30 factories, eight local organizations, and multiple health-service clinics and local government departments.

The report includes:

- » **The business case for investing in women:** Women support their communities, repay their loans faithfully, and provide exemplary leadership on issues from politics to health.
- » **How HERproject works:** BSR links international companies with local NGOs and factories to deliver workplace programs to improve women's health and promote business value.
- » **Case studies:** Eight stories include personal perspectives from women, factory managers, and company representatives.
- » **Call to action:** Companies have the opportunity to join HERproject and/or create their own programs to educate and empower women.