



ACCELERATING ENTERPRISE DEVELOPMENT



Why invest in  
Gender Fairness?

*It's good for  
business!*







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March 2008

Pearl 2 Project  
Gender Fairness in Business  
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## **Background:**

The Pearl2 Project has been working on promoting gender fairness among its beneficiaries over the past few years as a cross-cutting theme of its programmes. The Project recognizes that development of small and medium-scale enterprises rely on the continued well-being of workers. Having strategic gender fairness programmes addresses their needs with the goal of making the company highly competitive and productive.

## **Introduction: Fairness and Equality**

Competitive advantage. Productivity. Bottom line. These words dominate the business mind-set, focusing on areas in the systems and process of running a business, while sometimes neglecting the most crucial elements: PEOPLE.

In an atmosphere of rapid industrialization and competition whether in more established industries such as handicrafts, or in emerging ones such as medical transcription, business owners and managers are always looking for an edge.

This Primer on Gender Fair Business Practice hopes to engage employers and managers to focus their efforts on people, implementing policies of gender fairness and equality that can prove beneficial to the business. It introduces concepts of fairness and equality that seeks to address employees' needs part of meeting the overall goals of the company.

If the mention of GENDER is distracting and intimidating, it shouldn't be. Gender is used here to highlight how differences between men and women need to be acknowledged to understand how they can be valued as employees, colleagues, and/or managers. It is used in the light of how society has put people in artificial categories that don't always emphasize and often limit their real capacities, their real needs and their real motivations and aspirations.

The past decades have seen an increasing number of women in the workplace. In the 1960's, less than a third of the women worked; today, more than 50 percent of female adults work. However, while there is more openness to women joining the workforce, it does not ensure gender equality or fairness in the workplace.

An employer or manager can directly address gender equality and fairness by making it a focus of policies that can result in increased productivity, loyalty and efficiency. The reciprocal nature of management allows for the development of both the company and the people it depends on.

Women continue to occupy the lower and middle ranks of organizations, have unequal access to training and promotion, encounter difficulty entering male-dominated professions, and are paid less than men for equal work.

Meanwhile, men still feel the burden of providing for families in an economic environment of rising costs of living.

*Report of the International Labor Organization to the UN General Assembly, June 2001*

Increasing women's participation in the labour force over the past two decades means they already have parity in terms of numbers in the workforce in many countries. Yet having equal numbers of men and women overlooks how men and women may have different needs, and policies are still geared towards the assumptions based on a predominantly male workforce.

Why worry about these issues?

**Bottom line, gender fairness is good for business.** Faced with increasing competition in the global marketplace, an organization's human resources are increasingly recognized as its most precious asset. **Competitive advantage, therefore, lies with organizations which maximize the potential of their entire workforce,** and address the needs and aspirations of all of their workers, both male and female. As well, gender fairness literally affects the bottom line. The different perspectives, attitudes and work styles men and women bring to the workplace foster innovation and creativity.

The direct benefits are:

- increased loyalty of workers
- increased productivity of workers
- fewer turnover and these lower costs of training new workers
- lesser absences from work when workers are healthy and productive

# WHAT ARE THEY DOING RIGHT?

Implementing workplace programmes that are responsive to the actual needs of its workers alleviate gender bias and creates a positive and secure environment for women and men workers.

**Janice Minor Exports Incorporated** is a manufacturer and exporter of furniture and home decor, with clients in the US and Europe. It has 300 employees, and has garnered ISO 9000 and ISO 14000 certification. It is currently working to gain SA8000 certification.

*“It pays really to invest in your people, in terms of support that go beyond just paying them their salary..” Janice Minor, proprietor, Janice Minor Inc.*

High staff turnover and its associated expense is a common adverse effect of the failure to promote gender fairness. Expenses are incurred when people leave and need to be replaced in transition and induction.

At Janice Minor Inc. , the employees receive benefits that include

### **Medical benefits:**

- enrollment in Philhealth programme,
- services from 2 affiliated hospitals,
- a doctor and a dentist on retainer

The medical benefits extend to all immediate family members. Meanwhile, down payments for related medical expenses are paid for by the company and repayment is through a salary deduction, at no interest.



*Janice Minor workers waiting in line at a health clinic*

It also offers **free housing** for those who have stayed more than 5 years with the company.

### **Awards:**

Golden Shell Award - 1993

Janice Minor Export has received several “Katha Awards” for Design Excellence at the Manila International Trade Fairs.



**Nature's Legacy** produces stone cast decorative home items. It has 200 workers, where 60% of these employees are women.

It addressed issues of work-life balance that are believed to have affected worker's productivity when it expanded in 1999. The company had to move to a less accessible location for its factory. This move would have increased cost for workers in terms of transportation. As such, the company invested in a **housing project near the factory, and provided homes at minimal rental fee.** They also acquired a bus to serve workers living away from the factory. Women workers appreciated this since it provided a safe mode of transport to work.

The company also helped their employees establish an **employee-run cooperative.** It funds activities for the tenants of its housing project, such as sports programs and livelihood projects. As a result, family members could



*Company housing for Nature's Legacy employees*

make a contribution to the household income. The cooperative also has a subcontract to produce packaging for the company. This gives unemployed family members the opportunity to increase the capital of the fund, which is then lent to the members for a variety of purposes. From P100,000 as seed fund, the cooperative generated five times that amount.

*“In the end we ask.. Have we given something to them that is meaningful to them?..Giving them extra beyond that which is mandated by law is better because the benefit and the motivation that it creates comes back to the company” - Pete Delantar, proprietor, Nature's Legacy*

Since moving to its new location, it has an average retention rate of 5 years, and productivity has soared. **Sales have increased from 29 million to 89 million annually.**

Awards:

Golden Shell Award for Manufacturing and Design Excellence- 2004

Katha Award for Design Excellence, Manila International Trade Fairs, 2001

Plaque of Recognition for Practicing Corporate Social Responsibility from Cebu Gifts Toys and Housewares Foundation

**ABS International** manufactures costume jewelry for the export market. It has 600 workers, 70% are women.

ABS has made a consistent commitment to provide for the medical and educational needs of employees.

It has an **employee cooperative** that was started with P300,000 seed fund. The employees can access the coop funds for educational loans. The coop also operates a canteen and grocery that allows credit to employees which are repaid through salary deductions.

The company also implements **profit sharing through bonuses**: these are usually given in the mid-year in time for educational expenses of staff with children in school.

For its long-standing employees, the company built ABS Village--a 20 hectare **housing project**.

Additional benefits that employees can avail are a car plan as well as opportunities to travel for some of the staff.



*ABS International employees at a staff meeting*

*“Pay them well, and be generous, understand what their needs are, get their loyalty, love concern” - Marose and Joe Soberano, proprietors, ABS International*

ABS International reports a positive impact of their gender-fair policies through improved retention, attendance, loyalty and productivity, and access to a bigger talent pool of men and women employees.

## Before read further, consider the following...

What works for women employees might not work for men employees. Recognizing this difference may allow your human resource department to be more flexible and responsive to your employees' real needs.

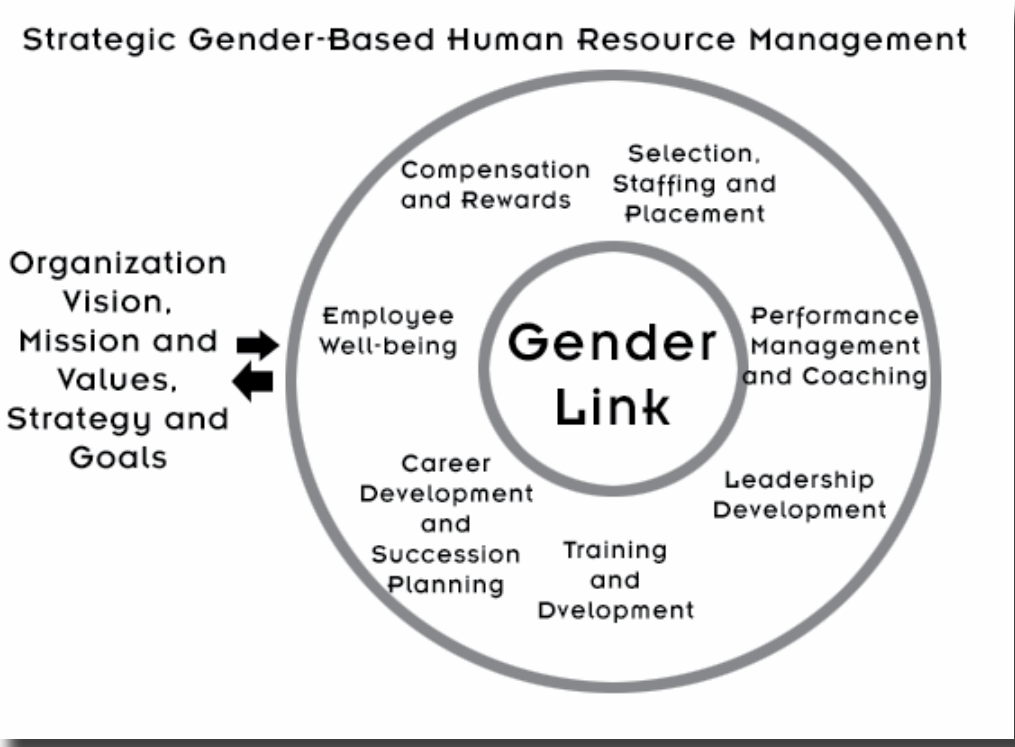
Having more women among your employees doesn't necessarily mean you are implementing gender-fair business practices your company can gain from. Giving employment to more women and achieving equal numbers of men and women in your workforce is not the end creating a gender-fair workplace.



*Diagram by Noel Racho, presented as part of a lecture "Linking Gender with Human Resource Management," January 2008.*

# HOW TO TAKE ADVANTAGE OF THE OPPORTUNITY

A company can look at implementing gender-fair policies in terms of its overall human resource management goals and practice. As seen in the diagram below, all these areas contribute to a company's mission, vision, values and goals. ALL of them have gender aspects, whether its in the kinds of rewards given to outstanding or excellent performance, in the leadership development that selects employees with high potential for advancement, or in planning out the training programmes that employees can avail of.



*Source: Noel Racho, presented as part of a lecture on "Linking Gender with Human Resource Management," Manila, Philippines, January 2008.*

This approach to human resource management takes into account both organizational performance and organizational culture as contributing to the company's goals. If the company has a culture of fairness, it follows that it can implement policies based on merit and positive nurturing of company values.

## Key areas where having a policy can make a difference:

### Providing health care services beyond the ones mandated by law

Companies can go beyond the legal compliance of providing SSS and PhilHealth benefits to their employees. For a gender-balanced workplace, an understanding, awareness of, and information on reproductive health issues can allow your employees to take charge of their own sexual health while enhancing their productive years in the workforce.

#### Ideas:

- Explore group plans with insurance and health policy providers.
- Have health care providers (doctors, dentists, nurses) available on retainer and on referral basis for the most immediate health needs
- Give information on free or low-cost health care services given by the local government units or government agencies in your area of operations

### Ensuring a safe workplace

Having a policy on sexual harassment\* in place can give your women and men workers a sense of safety and protection.

Their physical safety is also important specially in working with machinery or chemicals. Avoid legal complaints which can be costly for the company.

Workplace safety is tied to a company's environmental compliance. By addressing environmental issues in your operations, you also be able to find the incentive to put in place safety measures for your employees.

*\*Refer to section on Sexual Harassment at the end of this primer*

#### Ideas

- Set up a sexual harassment committee to handle cases of sexual harassment.
- Prevent sexual harassment by giving employees gender awareness seminars and nurturing a culture of respect among employees
- Assess the environmental compliance of operations and take note and address where it directly impacts on worker safety

#### Further resources:

The Occupational Safety and Health Center of the Department of Labor and Employment provides training and information on addressing workplace safety. Visit [www.oshc.dole.gov.ph](http://www.oshc.dole.gov.ph)

## Work time and leave policies for work/life balance

Are your workers trying to meet deadlines and extending work hours to meet production quotas? Do they have opportunities to recharge energies, be with their families, have time for personal pursuits and self-development? Work-life balance is a necessary element in promoting productivity and is a key area for setting gender policy.

### Ideas:

- On-site childcare,
- Emergency childcare assistance,
- Elder care initiatives
- Referral program to care services, local organizations, etc.,
- Flexible working arrangements,
- Other leaves of absence policies such as educational leave, community service leaves, self funded leave or sabbaticals,
- Employee assistance programs,
  - On-site seminars and workshops (on such topics as stress, nutrition, smoking, communication etc),
- Internal and/or external educational or training opportunities,
- Fitness facilities, or fitness activities

## Opportunities for learning

Opening up opportunities for skills improvement for your workers regardless of sex are not that costly. There are many resources, training facilities and programs that you can explore with government agencies for developing the capacities of your workers. Regular training and learning opportunities are an investment that help employees to prosper and develop their careers while giving your business a highly skilled workforce and a competitive advantage in the market

### Ideas:

- Form partnerships with a business school or college that would like to extend its services to small and medium enterprises
- Keep track of training opportunities offered by government agencies such as the Technical Education and Skills Development Authority (TESDA)
- Develop a learning culture, where staff are encouraged to seek opportunities for skills development within and outside the organization
- Set up mentoring teams within the organization between senior and junior staff

Further resources:  
[www.tesda.gov.ph](http://www.tesda.gov.ph)

## Giving equal pay for equal work

A precise job evaluation ensures effective measurement of skills and appropriate compensation. Equal pay for equal work of equal value regardless of sex is a motivational tool that goes beyond merely rewarding merit, it recognizes the inherent capacities of each worker while ensuring they are valued for their contributions.

### Ideas:

- Identify the predominantly female job classes and the predominantly male job classes
- Choose the method and tools to evaluate the job classes and develop an evaluation procedure according to
  - qualifications,
  - responsibilities,
  - efforts required,
  - conditions under which the work is performed
- Determine the value of differences in compensation
- Adjust the compensation scheme based on the job evaluation assessment

### Further resources:

<http://www.wageproject.org/content/ceos/>



*A diversity of workers with diverse needs*

# STRATEGIES for GENDER FAIRNESS

These are some strategies that can be taken up by businesses looking at step-by-step implementation of gender fairness to enhance productivity and profitability. Many are suited to companies at the small and medium-scale level. The strategies outlined here have been implemented in organisations and supported by employers organisations in countries such as Croatia, Kenya, New Zealand, Saudi Arabia and the Philippines.

## AT THE ENTERPRISE LEVEL

1. Ensure top-level commitment to gender fairness.
2. Create or designate a unit or individual to initiate culture change and monitor gender issues in the workplace. Set measurable goals and specific time-frames for achieving gender fairness.
3. Integrate these goals into the business plan.
4. Implement gender-awareness training programmes.
5. Carry out employee surveys to obtain regular feedback from employees on policies to achieve gender fairness.
6. Make it an organizational policy to appoint competent women to visible, senior positions in strategic areas of the firm.

## RECRUITMENT AND SELECTION

1. Prepare gender-sensitive job descriptions and specifications.
2. Broaden the range of channels to prospect for female candidates.
3. Ensure that the person in charge of recruitment is committed to gender fairness. Make sure that women are present on selection panels.

## TRAINING AND DEVELOPMENT

1. Identify obstacles to men's and women's career development and make structural changes where appropriate. Be sensitive to the reality that women often have fewer opportunities to rise in the ranks compared to



their male colleagues, even if they have similar or equal skill levels.

## PERFORMANCE APPRAISALS

1. Outline explicit performance objectives and criteria
2. Involve women and men in determining the appraisal procedures (establishing the criteria, content and structure of the appraisal interview, etc.).
3. Make line managers aware that gender fairness is a bottom-line issue .

## REMUNERATION

1. Adjust pay rates so that jobs of equal value to the organization are paid equally. Address gender bias in remuneration schemes.
2. Introduce a cafeteria-style (having many choices available) benefit plan throughout the organization.

## WORK/FAMILY BALANCE

1. Introduce flexible working arrangements and ensure that employees who opt for them are not penalized for doing so.
2. Provide enhanced maternity benefits beyond the minimum statutory requirements.
3. Ensure that workers who return after maternity/paternity leave, or after extended absence due to family obligations, are able to return to their former positions or to posts of equal rank.
4. Select high-achieving women and provide them with training and career development opportunities . Rotate women and men in job assignments so that they can acquire career-building skills. Encourage the provision of advisors (“mentoring”) and networking systems in which colleagues can learn from each other.

*Source: Kerpelman, K. & Bangasser, C., eds. (2008). Gender: A partnership of equals. Geneva: International Labour Organization  
ILO. Bureau for Employers' Activities. Employers' organizations taking the lead on gender equality. Case studies from 10 countries. ACT/EMP N°43. Ginebra, 2005. 85p.*

## Other wholistic processes and practices

Gender-fair business practice is not the only dimension to making business processes wholistic. An integrated approach to business practice also includes addressing environmental concerns and streamlining operations. PEARL2 promotes an integrated approach to improving business practices, recognizing that all aspects of a business have an impact on other aspects of its operations.

### Environmental Concerns as a Gender Issue

Health and safety of workers is an important aspect of implementing gender fairness. Health and safety of workers on the shop floor can be addressed by also addressing environmental concerns. The use of chemicals, lighting, operation of dangerous machinery should be considered while at the same time addressing concerns affecting the welfare of workers.

For businesses relying on the gathering and use of natural resources, the gatherers themselves would benefit from knowing about sustainable resource gathering. Resources (such as seashells or rattan) cannot replenish if gathered to the point of depletion. Having a sustainable source of resources would also help them become part of having an environmentally-friendly operations, and ensure that they have continue to have sources of income.

For an overview of how environment-friendly processes can be integrated into your operations, please contact:

Cebu Furniture Industries Foundation, Inc.

Contact Persons : Mr. Eric Casas - President

Ms. Ruby Salutan - Executive Director

Ms. Cathy Alvarado - Consultant

Address: Cebu Furniture Industries Foundation, Inc. (CFIF)Bldg.,

Brgy. Jagobiao, Mandaue City, Philippines

Telephone: (6332) 420-7109

E-mail : [info@furniturecebu.com](mailto:info@furniturecebu.com)



*Workers wearing protective face masks while handling products in different phases of processing*

## Lean Manufacturing

A further set of improvements for manufacturing businesses is to look at aspects of the processes and operations that generate waste or add unnecessary cost. Applying Lean Manufacturing principles allows the company to save costs and focus on making value added products while streamlining process times. These strategies require human resource management in guiding and training employees on improving processes.

Lean manufacturing can integrate gender fairness in how it transforms organizational style and structure, roles of team leaders and members, training needs, problem-solving approaches, labor relations, and pay practices.

For more information about Lean Manufacturing, please contact the Center for Lean Systems and Management, De La Salle University-Manila. They provide support and training programs for low volume high variety processes typical of SMEs. The 5-day training program focuses on Value, Processes, and the integration of Lean Tools into one holistic approach to continuous improvement.

<http://leancenter.dlsu.edu.ph>  
Phone: (632) 5244611 ext. 223  
2401 Taft Ave. Malate  
Website: <http://leancenter.dlsu.edu.ph>  
Email: [leancenter@dlsu.edu.ph](mailto:leancenter@dlsu.edu.ph)



*Different processes handled by different workers in a production line*

## **Contacts and Support Services**

### **Cebu Gifts, Toys and Housewares**

Manufacturers and Exporters' Assn., Inc.  
c/o Philexport-Cebu, 3rd Floor LDM Bldg,  
Legaspi St. Cor. MJ. Cuenco Avenue,  
Cebu City 6000 Philippines  
Tel. No : (032) 255 - 2797  
TeleFax No : (032) 254 - 9259  
E-mail : cebugth@mybizlinks.net

### **Philippine Chamber of Handicraft Industries**

238 Sta. Monica Street.  
Barrio Capitolyo, Pasig City  
Telephone: +632 7471865, +632 6353292

### **Philippine Business for Social Progress**

PSDC Building, Magallanes cor. Real Sts.,  
1002 Intramuros, Manila  
Tel. Nos.: (+632) 527-7741 to 48  
Fax No.: (+632) 527-3743/3751  
Website: [www.pbsp.org.ph](http://www.pbsp.org.ph)

### **National Commission on the Role of Filipino Women**

GREAT Women project  
1145 J. P. Laurel St., San Miguel  
1005 Manila  
Tel. No. (63-2) 734-1731  
Fax No. (63-2) 736-4449

### **Isis International**

3 Marunong Street, Barangay Central  
Quezon City, 1100  
Tel. No.: (63-2) 9281956  
Fax No.: (63-2) 924-1065  
Website: [www.isiswomen.org](http://www.isiswomen.org)  
Email: [admin@isiswomen.org](mailto:admin@isiswomen.org)

## Annex - Preventing cases of Sexual Harassment:

It is advisable to:

- include a section on sexual harassment in the company policies, making it clear that it is potentially a serious disciplinary offence;
- promote discussions on the subject in all training sessions on equality;
- expect supervisors and managers at all levels to be aware of the problems and alert to possible incidents;
- provide opportunities for private counseling; and
- ensure that a procedure exists for independent investigation of allegations should that be necessary

*Source: (1996). As one employer to another...What's all this about Equality? Geneva: International Labour Organization*

Excerpts from REPUBLIC ACT NO. 7877

AN ACT DECLARING SEXUAL HARASSMENT UNLAWFUL IN THE EMPLOYMENT, EDUCATION OR TRAINING ENVIRONMENT, AND FOR OTHER PURPOSES.

SECTION 3. Work, Education or Training -Related, Sexual Harassment Defined. - Work, education or training-related sexual harassment is committed by an employer, employee, manager, supervisor, agent of the employer, teacher, instructor, professor, coach, trainer, or any other person who, having authority, influence or moral ascendancy over another in a work or training or education environment, demands, requests or otherwise requires any sexual favor from the other, regardless of whether the demand, request or requirement for submission is accepted by the object of said Act.”

SECTION 4. Duty of the Employer or Head of Office in a Work-related, Education or Training Environment. - It shall be the duty of the employer or the head of the work-related, educational or training environment or institution, to prevent or deter the commission of acts of sexual harassment and to provide the procedures for the resolution, settlement or prosecution of acts of sexual harassment. Towards this end, the employer or head of office shall:

(a) Promulgate appropriate rules and regulations in consultation with and jointly approved by the employees or students or trainees, through their duly designated representatives, prescribing the procedure for the investigation of sexual harassment cases and the administrative sanctions therefor.

(b) Create a committee on decorum and investigation of cases on sexual harassment. The committee shall conduct meetings, as the case may be, with officers and employees, teachers, instructors, professors, coaches, trainers, and students or trainees to increase understanding and prevent incidents of sexual harassment. It shall also conduct the investigation of alleged cases constituting sexual harassment.

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