Ensuring a productivity ecosystem for all
Promoting gender-inclusive working conditions on the factory floor for decent work and productivity growth

Introduction

Productivity is an important driver of economic growth and employment creation. Inclusive economic growth, in turn, is a key avenue for poverty reduction and improved living standards. As such, raising productivity levels is essential not in itself, but as a means to achieving economic and social prosperity.

The International Labour Organization (ILO) has, since its inception, focussed considerably on the relationship between productivity and decent work. It emphasises the importance of a virtuous cycle, where improvements to productivity lead to better working conditions and, in turn, improved working conditions increase productivity levels. To promote such virtuous cycles in today’s world of work, the ILO recently launched the Productivity Ecosystems for Decent Work (hereafter Productivity Ecosystems) approach.\(^1\) This approach addresses productivity and decent work deficits at macro, meso and micro levels for win-win solutions that improve productivity and distribute gains equitably.\(^2\) It recognizes that constraints to productivity growth and decent job creation are complex, context-specific and interface across individual firms, their sector, and the overall macro-political environment. As a result, enterprises operate in an ecosystem of productivity constraints and drivers.

\(^1\) The ILO’s Productivity Ecosystems for Decent Work approach was endorsed by the Governing Body during its March 2021 session. For more information, see: [here](#).

\(^2\) Ibid.
The ILO’s Productivity Ecosystems constitutes a systemic approach to identifying and strengthening key productivity drivers and promoting their positive linkages to decent work and economic growth in a given context.

Each Productivity Ecosystem is distinctive, requiring careful analysis to identify its drivers and constraints. The ILO’s experience in promoting productivity and decent work has shown that several drivers play important roles across many contexts. One such driver is gender equality, which is not only an integral component of decent work but also an important and often overlooked contributor to productivity growth.

This case study zooms in on the ILO’s tools and experiences in promoting gender equality for productivity and decent work at the enterprise level, focusing on Better Work’s and SCORE’s engagements with the garment, construction and retail sectors. While recognising that barriers to gender equality play out across different levels, including across sectors and at the national level, this case study shows how such barriers within a company’s sphere of control can be addressed, resulting in improvements in gender equality, working conditions, as well as productivity. For this purpose, the case study draws upon ILO’s engagement from different regions of the world and examines linkages between gender equality, working conditions and productivity under thematic areas related to gender-based discrimination, equal representation, women’s leadership and gender-inclusive HR practices. The study concludes with key takeaways and observations to help expand the conversation around gender equality and women’s empowerment in the context of productivity and decent work.
1. Why gender equality matters for productivity and decent work

Gender equality in the world of work calls for equal opportunities for women and men to obtain decent and productive work in conditions of freedom, equity, security and human dignity. Despite advances regarding gender equality in recent years, women continue to face significant barriers in the world of work and the COVID-19 pandemic has exacerbated these barriers. The ILO estimates that only 43 per cent of the world’s working-age women are employed as of 2021, compared to 68.6 per cent of working-age men. Among factors that hinder women’s participation in the work force are harmful gender norms, unequal power relations and gender-biased hiring procedures. Across most contexts, gender-based violence, including sexual harassment, continues to be a widespread problem in the world of work. For working women, representation in leadership and decision-making processes continues to be low, particularly in manufacturing industries.

Global calls for gender equality stem not only from a rights-based approach but also from a business perspective for companies and economies alike. Strengthening the economic, political and social standing of women is crucial to sustainable economic development as well as to enterprise competitiveness and performance over time. In fact, studies show that benefits from promoting gender equality at the workplace outweigh the costs associated with persistent gender gaps. As such, businesses stand to gain from investing time and resources towards creating equal opportunities for men and women. Stronger worker engagement, reduced staff turnover, increased workplace cooperation and lower risk of exploitation are noted to increase labour productivity which in turn augments organizational performance and investor support.

The ILO’s commitment to gender equality is reflected in four key ILO Conventions: Equal Remuneration Convention (No. 100), Discrimination (Employment and Occupation) Convention (No. 111), Workers with Family Responsibilities Convention (No. 156) and Maternity Protection Convention (No. 183). The ILO Convention on Violence and Harassment (No. 190) adopted as recently as in 2019 calls for workplaces free of violence and harassment, including gender-based violence. Implementing these ILO standards directly at the enterprise-level are the ILO Sustaining Competitive and Responsible Enterprises (SCORE) Programme and the ILO-IFC Better Work Programme. Both apply focussed interventions on the factory floors to promote gender equality and women’s empowerment.

Sustaining Competitive and Responsible Enterprises (SCORE)

The SCORE Programme works to improve productivity and working conditions in small and medium enterprises (SMEs) through SCORE Training, which combines practical classroom training with in-factory consulting. It demonstrates best international practices in the manufacturing and service sectors and helps SMEs participate in global supply chains. The SCORE Programme’s experience in 23 countries spanning more than a decade provides insight into the importance of actively advancing women’s economic empowerment and creating a culture of gender equality in SMEs to motivate staff, improve efficiency, increase staff retention and enhance labour productivity.

The SCORE Programme’s Gender Equality Module focuses on creating equal opportunities for men and women. This training module was developed in 2018 to support
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SMEs in designing instruments to identify and prevent discrimination, harassment and violence in the workplace. The Gender Equality Module focuses on five key issues: voice equality, inclusive hiring, equal pay for work of equal value, work climate and work-life harmony. Taking into account the managerial and financial realities of SMEs, an eight-month training and technical assistance are divided into four steps: a baseline assessment, manager-worker training, development of an Enterprise Improvement Plan (EIP), and expert enterprise visits to provide concrete advice to implement best management practices in gender equality and to support better working conditions for men and women to increase productivity.

Better Work

Better Work – a collaboration between the ILO and the IFC – brings together stakeholders from all levels of the garment industry to improve working conditions and boost the competitiveness of apparel businesses. The programme implements a two-fold strategy, where it directly works with factories to improve working conditions and engages with stakeholders to strengthen governance. As of 2022, Better Work operates in 12 countries, covering 1,700 factories employing more than 2.4 million workers, of which approximately 80% are women. At the enterprise-level, Better Work supports garment factories to realise such potential through its advisory, training and targeted initiatives.

While promoting gender equality has always been central to Better Work, the Global Gender Strategy (2018–2022) solidified the programme’s emphasis on advancing gender equality and women’s empowerment in the global garment industry. The Gender Strategy outlined how Better Work will promote gender equality through its work under thematic areas related to addressing discrimination, paid work and care, voice and representation, and leadership and skill development. Gender focus in assessments allows Better Work to identify and deal with a range of gender issues in factories, which the programme addresses through hands-on advisory services and training. Better Work, through advisory services, works directly with worker-management committees to promote women’s representation and participation in social dialogue.

Targeted training programmes, such as the IFC GEAR programme in Bangladesh and Viet Nam and the Women’s Leadership Development Programme in Ethiopia, directly promote development and expand initiatives to build women’s confidence, leadership, and career opportunities. Other training and advisory initiatives are helping factories establish systems, policies, and procedures to prevent and tackle gender-based violence and discrimination.

Beyond the factory floor, Better Work has invested in partnerships to scale and deepen its work and advocacy, build referral and support systems and make information and resources available to workers. A number of Better Work country programmes engage with unions, especially through training of trainers initiatives, to strengthen women’s representation and voice. Collaborations within the ILO and with external partners, like UNICEF and CARE, allow Better Work to draw on specific expertise to advance its Gender Strategy. Moreover, gender equality and women’s economic empowerment have been studied at length in Better Work’s impact assessment and research, which has allowed the programme to gather and analyse evidence on the various relationships between working conditions, worker wellbeing and firm productivity.

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9 ILO, “MIG SCORE: Gender Equality Model explained.”
10 The SCORE Gender Equality Module also contributes towards SDG Goal 5 on “achieving gender equality and empowering all women and girls”.
2. Promoting gender equality in enterprises

This section focuses on a range of strategies undertaken by the SCORE and Better Work Programmes to address key constraints to non-discrimination, equal representation, gender-inclusive HR practices and better leadership opportunities for women at the enterprise level. Evidence and practical examples explain how these strategies have contributed to higher worker motivation, efficiency, and participation with positive impacts on productivity and competitiveness.

A. Addressing discrimination

A workplace free of violence and harassment

Although underreported, sexual harassment is especially prevalent in the global garment industry, where asymmetric power relations prevail in the supply chain and the factory floor. Most women in the garment industry occupy positions with lesser power relative to their supervisors and managers, who are predominantly men. Evidence from Better Work factories show that misaligned pay incentives, such as piece rates, and organizational tolerance increase the likelihood of workers’ concerns about sexual harassment in the workplace. Ensuring a workplace free of violence and harassment, including sexual harassment, is necessary for worker well-being and decent work. In addition to the damaging psychological and physical effects of sexual harassment, such discrimination negatively affects workplace productivity and harms businesses. Sexual harassment is counterproductive to businesses as it contributes to high turnover, absenteeism and presenteeism.

Since 2012, Better Work has been implementing a sexual harassment prevention programme in the garment industry. Better Work advises and trains factories in establishing systems, creating awareness-raising materials and equipping workers and managers to prevent and respond to cases of sexual harassment. Better Work’s experience shows that sexual harassment in enterprises can be reduced by:

- Establishing anti-sexual harassment policies, setting up internal grievance mechanisms and establishing referral procedures to the relevant national authorities
- Aligning supervisors’ and workers’ pay incentives
- Building capacity of managers, line supervisors and workers to prevent and respond to reports of sexual harassment through culturally sensitive training
- Enhancing communication and supervisory skills through targeted training
- Tackling organizational tolerance of sexual harassment through factory-wide awareness training.

Better Work’s impact assessment has helped establish negative relationships between sexual harassment, productivity, and profitability. Specifically, in Viet Nam and Jordan, Better Work observed that production efficiency declines as worker concerns with sexual harassment increase. Workers who express concerns about sexual 

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16 Drusilla Brown et al., 2016.
17 Ibid.
harassment need more time to reach their targets, which reduces work productivity and production efficiency. Among Better Work factories, firms with higher average sexual harassment concerns also reported lower profitability. Figure 2 illustrates the negative relationship between sexual harassment concerns and firm profits, measured by revenue to cost ratio, among Vietnamese garment factories. The density of points around the origin suggests that many factories have few reports of sexual harassment concerns increase. However, as we move along the horizontal axis and as the level of sexual harassment concerns increases, the average profit declines.

Figure 2 – Sexual harassment and firm profits in Vietnamese apparel factories.

Source: Brown et al. (2016)

Figure 3 – Better Work’s impact on sexual harassment concerns in Jordan apparel factories

Source: Better Work (2016)

18 Drusilla Brown & Xirong Lin, November 2014,
Better Work’s impact assessment shows that the programme helped lower sexual harassment concerns in participating factories in most countries over time. This reduction was most prominent in Jordan, where the probability of a worker being concerned with sexual harassment dropped by 18 percentage points by the sixth year of their factory’s participation in Better Work (Figure 3). The impact assessment suggests that improvements are driven by a combination of Better Work interventions, starting with the compliance assessment, introducing the anti-sexual harassment policies and providing targeted training services. In Cambodia, Better Work’s treatment effect on sexual harassment concerns was observed to be largely driven by reductions in productivity-linked pay structures. That is, enforcement of minimum wage laws and removal of piece-rate systems in Better Work factories significantly reduced vulnerability quid pro quo sexual harassment.

A case for employer-supported childcare

Safe, affordable and accessible childcare is important for enabling women’s participation and retention in the labour force. The lack of access to childcare can act as a barrier to women’s participation in formal work. In the garment industry, where most workers are young women and often away from their hometowns, expanding childcare options is critical to promoting women’s employment. A case study on a Jordanian garment factory participating in Better Work establishes such a case.

As an initiative to incentivize women’s employment, the Jordanian government and the garment industry have been building “satellite” factories in rural population centres to reach women who are otherwise disconnected from the manufacturing hubs. This case is drawn from such a satellite factory employing almost 400 Jordanian women. This factory provides evidence on the importance of childcare in not only retaining women workers in the workforce, but also improving productivity. Since 2016, the factory has been running a free on-site childcare centre for mothers in their workforce. Availability of quality childcare has had positive effects on the factory’s performance indicators, including reduced absenteeism and improved worker retention. For instance, absenteeism due to sick leave dropped by about 9 per cent since the centre’s opening. Further, workers using the childcare facility and their supervisors also report improved engagement at work, which has helped reduce production errors.

Here, it is also important to note that the design and implementation of the childcare facility is a result of a coordinated effort between the enterprise, a non-governmental organization and the government. As such, this example truly makes a case for an ecosystem approach to women’s employment and productivity.

Another case for strengthening maternity rights and investment in working mothers comes from the Mothers@Work initiative launched in 2017 as a collaboration between UNICEF and Better Work Bangladesh. Enterprises failing to comply with breastfeeding requirements are likely to be met with high absenteeism and in some cases, high turnover rate of women employees following maternity leave. So, providing space and support to new mothers can help enterprises retain their workers and also address absenteeism. Under this initiative, Better Work advised 80 garment factories in setting up policies and procedures related to breastfeeding and maternity protection in line with UNICEF recommendations and the national labour laws. Further, the initiative directly engaged with factory management and workers to ensure a shared understanding of the importance of breastfeeding and workers’ maternity rights.

B. Equal representation

Better Work and SCORE Programmes’ approach to equal representation at the workplace includes effective social dialogue between workers and managers, promoting gender-sensitive data collection and reducing representation gaps in all areas and levels. At the enterprise-level, both programmes promote bipartite worker-management committees comprised of equal number of workers and managers, to encourage regular dialogue and joint problem solving.

First, social dialogue is key to attaining productivity growth as it promises to support sustainable enterprise growth while sharing gains with workers simultaneously. Effective social dialogue is likely to reduce conflict in the workplace and create an environment where workers and management negotiate sustainable improvements in working conditions. Better Work research shows that worker-management engagement can increase operational efficiency in garment factories and can contribute to reducing absenteeism and improving productivity.

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22 IFC, 2017.
24 Productivity Ecosystems for Decent Work, p. 7
Further, Better Work research also finds that it may not be sufficient to simply have workplace committees in place to drive better working conditions. The “quality” of these committees is also critical to their effectiveness in addressing worker concerns.26 This includes not only equal representation but also free elections and fair representation of women. Specifically, improvements in working conditions are more significant in garment factories where women are freely elected and fairly represented on worker-management committees.27 These improvements in working conditions, in turn, have been found to help increase enterprise productivity and profitability.28 This goes to suggest that by improving working conditions, equal and free representation can contribute to enterprise productivity.

Second, measures to promote equal representation are also constrained by data deficiencies in SMEs. Enterprises largely do not gather data disaggregated by sex and/or gender to identify challenges to women’s empowerment and track changes. To tackle this, the SCORE Gender Equality Module helps enterprises implement data-gathering systems to track working conditions of men and women, including indicators on gender equality alongside productivity improvements. SCORE’s gender-inclusive data collection system for SMEs has also gained visibility among policy makers. For instance, SCORE Training was implemented in a leading Colombian construction company (with operations in Colombia, Mexico and Peru) to improve women’s representation in their workforce and enhance data-collection. Upon seeing the company’s gender-disaggregated data collection in action, the city of Bogotá and Colombia’s Chamber of Construction (CAMACOL), alongside government institutions, started adopting gender-disaggregated surveys as well, with a view to diagnosing gender equality dynamics in the sector. Such crowding-in effects can subsequently generate impact on gender equality beyond the immediate SCORE Training.

Finally, the SCORE Gender Equality Module emphasises on building a collaborative workplace based on equal treatment for all. This includes equal representation and participation to resolve issues and better communication between men and women through building mutual trust and respect. In Peru, a supermarket chain which implemented the SCORE Gender Equality Training subsequently created Gender Equality Improvement Teams. Since SCORE Programme’s intervention in 2019 and 2020, the company reported a 21 per cent increase in women’s participation in decision-making processes. More men (5 per cent increase) and women (10 per cent increase) also rejected gender stereotypes around a person’s gender determining their capabilities and quality of work.29 This resulted in the creation of inclusive and respectful spaces where women and men today discuss and collaborate on ideas for improvement in the workplace. Data also shows an improvement in women’s self-confidence and self-esteem, which enhances engagement and motivation. In particular, worker engagement and motivation have been shown to have a strong link to labour productivity.

C. Enabling leadership opportunities for women

Women’s employment opportunities in the garment industry are commonly limited to the roles of sewing operators and helpers in production lines. In a sector where the majority of workers are women, only a small share of women occupies supervisory positions. For example, on average, 19 out of 20 supervisors are men in garment factories in Bangladesh.30 Adverse gender stereotypes and norms are major contributors to women’s underrepresentation in supervisory and leadership roles.

Expanding training and employment opportunities for women is not only central to achieving gender equality in the garment industry, but it is also good for businesses. Better Work’s Supervisory Skills Training (SST) is an interactive programme to improve supervisors’ skills and promote good workplace relations. All modules are designed to improve supervisor-worker relations and to increase productivity. Impact evaluation of the SST shows that the training helped decrease the time to hourly targets in participating factories that translated to about 22 per cent increase in productivity.31 Results also show a more significant productivity gain when female supervisors are trained, which makes a case for enabling opportunities for female supervisors in the industry.

Another illustrative case for this comes from Better Work’s intervention on gender equality in Bangladesh, where the programme partnered with the IFC to implement the Gender Equality and Returns (GEAR) initiative. The GEAR initiative offers career progression opportunities for women sewing operators through soft and technical skills training. It includes a 10-day training course followed by six to eight weeks working as trainee supervisors. The initiative also trains factory managers on ways to select, promote and support women talent. Better Work and IFC first piloted the programme in 2016 and 2017, where GEAR (formerly called

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29 International Day for the Elimination of Violence against Women: How inequality poses significant challenges to working conditions and productivity in SMEs (ilo.org)
Work-Progression & Productivity Toolkit) trained 144 women operators, 160 managers and 341 lower-level managers across 28 factories. An assessment of the pilot suggested that 60 per cent of the trainees receive promotions after completing the training. The programme also boosted productivity, with efficiency gains rising on average by about five per cent among production lines led by GEAR-trained supervisors. The initiative plans to scale up to reach almost 500 women operators and their managers in 50 factories by 2021.

As demonstrated by experiences with the SST and GEAR, enabling leadership opportunities for women not only advances equal opportunities but also promotes more productive work. A workplace where all workers are supported and where employers actively try to redress gender imbalances benefit from improved productivity. Channels for such improvements may include reduced recruitment costs and greater motivation among workers. The GEAR initiative also highlights that stand-alone training for workers may not be effective in reducing gender imbalances in the garment industry. Instead, engaging factory management and making a case for career opportunities for women is a key component of the initiative. That is, a comprehensive approach that engages both workers and managers is critical to realizing gender balance in the global garment industry.

D. Gender-inclusive HR practices

Effective HR processes should prevent discrimination and promote workplace cooperation. They should also ensure healthy and safe workplaces free of violence and abuse in order to motivate improved efficiency and staff retention. The SCORE Gender Equality Module encourages gender-inclusive HR practices in SMEs to implement actions at the highest level. As part of SCORE Training, studies are conducted to identify roles and positions with a gender imbalance in order to promote inclusive hiring, training for recruitment teams to introduce inclusive shortlists, inclusive communication (language), and discussions around unconscious biases with senior management. Equal importance is also given to identifying structural, social and cultural factors that impede women’s career progress within enterprises. Specifically, which factors constrain women from advancing to higher management positions and which biases make women reluctant to pursue these positions? Attention to these play a critical role in ensuring that all talent in the labour market, notwithstanding their gender, is given an equal opportunity so as to not compromise on productivity of both workers and enterprises.

A strong case for such inclusive HR practices comes from Colombia where a construction company introduced gender neutral job descriptions (language) and anonymous CVs to their recruitment process after completing SCORE Training. The implementation process is as follows: After the HR advertises a vacant position and receives interested CVs, they transfer information from each CV to a gender-neutral template. The hiring panel then shortlists candidates based on these anonymous CVs. This is followed by interviews and finally selection.

Gender-disaggregated data (also a new development since implementation of SCORE Training) post this remodelling shows that 7 per cent more women than men reached the shortlisted top 3, and 16 per cent more women than men were hired. When gender neutral templates for CVs were not used during recruitment, however, 28 per cent more men than women were selected. Overall, the gender ratio improved from 43 per cent to 47 per cent female workers during the 2019-21 period. Furthermore, recognizing that positive changes to productivity and working conditions require long-term commitment to gender equality, the company today also conducts workshops and skills training on inclusive hiring to constrain unconscious biases and raise awareness on gender equality as a catalyst in increasing competitiveness through use of all talent without discrimination.

Such gender-inclusive HR interventions (backed by top management) in enterprises are critical in creating an environment of inclusion and respect for difference. They not only encourage leadership, motivation and productivity but also create spaces for continuous improvement in terms of policies on paid and unpaid work between men and women, paternity and maternity leave, childcare facilities at the workplace, and gender pay parity. They transform SMEs to be better places to work, regardless of sex, age, race, physical appearance, ethnic origin, culture, political opinion or religion of workers and managers.

“I think the anonymous CV model is innovative and important because when the information is analysed there are no gender biases, the focus is solely on analysing the existing information concentrating on the candidate’s work experience, and how much they can add to the company. In this way, the selection is more objective and impartial.”

Site supervisor and leader in the Anonymous CV process at a Colombian company

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32 IFC, “Cutting through the cloth ceiling: Assessing how IFC’s Work-Progression & Productivity Toolkit helps female workers achieve promotion and boost productivity in Bangladesh’s readymade garment factories,” 2018.
33 Ibid.
35 ILO, “A training model that demonstrates the fundamental link between equality & productivity for SMEs,” May 2018.
36 UNHLP, 2016.
Conclusion: Gender equality as a key driver of an inclusive productivity ecosystem

Gender inclusiveness in productivity ecosystems for productivity growth and better working conditions is instrumental to creating decent jobs for all. To this end, enterprise-level efforts to improve productivity through addressing gender gaps can create important pathways for “trickling up” gender equality to sectoral and even national levels. Firm productivity is determined by a number of factors ranging from those within an enterprise’s sphere of influence to those that are outside an individual firm’s direct control. This case study focuses on factors that are, at least to some extent, within a firm’s control. As illustrated by experiences from different sectors and countries, enterprises can improve their productivity levels by actively addressing negative gender norms and advancing gender equality in the workplace.

Through its Better Work and SCORE Programmes, the ILO is contributing to identifying and bringing drivers of gender-based discrimination and inequality to the forefront and tackling them in context-specific ways. Many interventions on factory floors have led to positive outcomes in terms of gender-inclusive management practices, better representation in decision making, and awareness creation to address gender stereotypes, all of which are correlated with productivity gains in the long run. Most importantly, as this case study shows, identifying and diversifying practices which improve women’s participation, representation, retention and engagement stand to improve working conditions and increase productivity gains.

Inequalities in the world of work are multidimensional which call for equally multifaceted responses extending beyond the factory floors. Workplaces are not insulated from power asymmetries stemming from a slow progress towards global convergence in productivity as well as deep-seated social norms. On one hand, the ILO interventions have encouraged several enterprises to take the important first steps in women’s movement from lower to higher positions, better safety measures in certain roles, and initiating new and current staff to gender equality training. On the other hand, the ILO research shows that, for example, current purchasing practices and downward pressure on prices in the global garment industry have detrimental effects on management practices and working conditions, including gender equality. Surveys conducted in the context of the SCORE Programme also show persistent harmful stereotypes around women’s appearance and distribution of care work, as well as persistence of harassment and violence not just at work and at home but also during commute to and from work.

These realities highlight that achieving gender equality requires awareness and commitment from workers and managers at all levels. Enterprise-level interventions work best when both workers and managers are involved and participate in challenging and changing harmful practices. At the same time, efforts outside the factory floor are needed to overcome gender-based discrimination that tend to be rooted in social norms as well as in asymmetric industry structures. As such, simultaneous and continuous improvements are critical to enhancing women’s experiences and productivity in the workplace and beyond, and ultimately creating an inclusive productivity ecosystem for decent work for all.

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