



Women in Procurement



Bu yayın Innovation for Development (I4D) tarafından Dijital Çağda Güçlü Kadınlar Projesi kapsamında ABD Büyükelçiliği Hibe Programı'nın katkılarıyla hazırlanmıştır. İçerik tamamıyla Innovation for Development (I4D) sorumluluğundadır ve ABD Büyükelçiliği'nin görüşlerini yansıtmak zorunda değildir.

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Acknowledgments

We increasingly need multi-stakeholder and cross-sectoral interventions to alleviate the deepening and multidimensional structural problems of the development sector. Social and solidarity economies and the new generation of social/economic organizations are becoming increasingly important for women, youth and refugees. As innovative procurement models that accelerate the economic activity of women become more evident, the visibility of women in the economic field would attract the attention of public and private procurement professionals and decision-makers in public and private sector.

As Innovation for Development (I4D), we prepared the Women in Procurement Report with the support of the US Embassy's Turkey Grant Program for policy makers, Turkish private sector and development organizations to better understand the current situation around the theme of women in procurement. We propose the issue of gender-sensitive procurement, which has not been discussed in the public and private sectors and the development sector before, as an innovative practice and development area in designing inclusive policies and reducing inequalities with the fight against poverty.

Based on the transformative power of gender-sensitive procurement, we believe this report will create a leverage effect for the sectoral interventions.

Dogan Celik

**Director,
Innovation for Development (I4D)**

Executive Summary

While the last decade has seen significant growth in women's entrepreneurship, its full potential remains unrealised. Globally, women entrepreneurs face a host of obstacles, both financial and technical, many of which are not faced by their male counterparts. These include lack of access to both financial and social capital, compounded by the persistent patriarchal social norms and values that create stigma towards women business owners¹. These deficiencies prevent women from participating in the formal economy and invisibilise them within the procurement process. In order to overcome these problems and to support women entrepreneurs in growing their businesses, the I4D, the ILO and the UN call upon companies to re-organise their purchasing policies and practices in a gender responsive way, which will benefit both companies and women business owners. Türkiye, being a developing country, features in this trend.

This report aims to offer solutions that can contribute to the maximisation of gender responsive procurement within the Turkish women's entrepreneurship ecosystem. In the interest of helping to overcome the obstacles faced by women entrepreneurs and to facilitate them in fulfilling their potential, this report offers a roadmap to providing gender responsive procurement in both the public and private sectors, with the goal of working to empower women entrepreneurs in Türkiye. By adopting the Social Procurement Guide² developed by the ILO and I4D into gender responsive procurement practices, while relying on the UN's Gender Responsive Procurement Framework³, the following 12 strategies are presented for policy makers, public and private companies, civil society organisations, as well as for women entrepreneurs themselves, within the scope of this report.

1 https://buildingmarkets.org/sites/default/files/pdm_reports/another_side_to_the_story_a_market_assessment_of_syrian_smes_in_turkey.pdf
2 https://www.ilo.org/ankara/publications/WCMS_839943/lang--en/index.htm
3 <https://www.unwomen.org/en/digital-library/publications/2017/3/the-power-of-procurement>

Civil Society

Increasing access to information about current customer demands

Organising of more business network meetings

Providing business mentoring

Increasing technical support on digital marketing

Defining needs and designing interventions

Prioritising advocacy and awareness-raising activities to encourage gender responsive procurement

Public & Private Stakeholders

Becoming a signatory to the UN Women's Empowerment Principles

Providing labelling and packaging support

Providing production venues

Civil Society & Public and Private Stakeholders

Establishing an online database for companies/suppliers providing details of women-led enterprises

Providing technical support

Offsetting the logistics costs of women-led enterprises

How was the report prepared?

Referring to the Social Procurement Guide developed in 2021 by the ILO and I4D and the UN Women's Gender Responsive Procurement framework, this report highlights 18 strategies for prioritising and putting into practice gender responsive procurement. Each strategy is built upon a comprehensive analysis of existing policies and guidelines, as well as the current procurement practices of women-led enterprises, and addresses a different target group. It represents a set of initiatives and recommendations for public and private companies, donor and implementing organisations, as well as for women entrepreneurs themselves, towards advancing the implementation of a gender responsive procurement approach.

DESK REVIEW

A comprehensive desk review of the existing literature on women's entrepreneurship, gender equality at work and inclusive public procurement from 2017-2022 using one of the largest databases (SSCI) from August to November 2022 together with 12 published materials including reports, roadmaps, guidelines and official statistics on women entrepreneurship, gender equality at work, women's empowerment as well as gender responsive procurement.

COMPREHENSIVE ASSESMENT OF SOCIAL PROCUREMENT GUIDE DEVELOPED BY ILO AND I4D

A critical assessment of the existing policy framework supporting gender responsive procurement from the published materials in general, Social Procurement Guide published by I4D and ILO, as well as The Power of Procurement: How to Source From Women-Owned Businesses Corporate Guide to Gender-Responsive Procurement Report published by UN Women.

FIELDWORK

Twenty-two in-depth interviews with women entrepreneurs from across Türkiye exploring their current procurement practices accompanied with three in-depth interviews with corporate buyers who practice gender responsive procurement.

APPLICATION OF I4D SOCIAL PROCUREMENT GUIDE INTO TURKISH WOMEN ENTREPREUNERSHIP SYSTEM

Identification of potential steps towards addressing existing barriers to the promotion and practice of gender responsive procurement within Turkish women's entrepreneurship system.

Who are the target audiences?

This report aims to increase the adaptation of a gender responsive procurement approach, and so addresses these three main groups:



PUBLIC SECTOR STAKEHOLDERS

Policy-makers as well as procurement staffs of local and general governmental bodies including provincial municipalities



PRIVATE SECTOR STAKEHOLDERS

Procurement staffs of private companies, both major and non-major suppliers as well as procurement staffs of service sector.



CIVIL SOCIETY ACTORS

National and international non-governmental organisations, donor organisations, implementing organisations, chamber of commerce, trade associations and community based organisations.

Introduction

Women's entrepreneurship, defined as the initiation, organisation and operation of businesses by women, plays a crucial role not only in local but also in global economies due to its ability to promote productivity, reduce poverty and generate new jobs⁵. Women's Entrepreneurship Report: From Crisis to Opportunity, published by GEM in 2022, states that in today's knowledge-based and innovation-driven economies it is not possible to rely solely on large organisations or governments for job creation. Simply put, today's economies need national and regional level entrepreneurial activity for job creation: Women entrepreneurs who are economically and socially strong will accelerate economic development at national levels. In addition to the great potential for local, national and global economies, women's entrepreneurship is also a formidable engine for women's empowerment and gender equality. That is to say, women's economic independence works in tandem with access to the opportunities that accelerate social and personal development⁶.

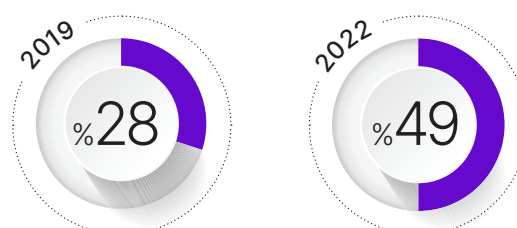
Accordingly, especially within the last quarter of the twentieth century, not only have developed countries, but also developing countries, prepared numerous strategies, formulated a range of goals and targets, drafted legislation and introduced various initiatives and roadmaps with the aim of increasing the number of women-owned enterprises. This has resulted in considerable growth in terms of women's entrepreneurship. Put simply, within the last decade the number of women who have started their own business has increased significantly.

According to the most recent statistics provided by Global Entrepreneurship Monitor, women's entrepreneurship rates have risen from 28% in 2019 to 49% in 2022⁷.

Although the number of women starting and running their own businesses is steadily growing around the world, their full potential still remains unexploited not only in under-developed and developing countries but in developed countries as well. **Globally, women entrepreneurs face a wide range of problems, both financial and technical, not faced by male entrepreneurs. These include:**

WOMEN'S ENTREPRENEURSHIP RATES

by Global Entrepreneurship Monitor



**LACK OF ACCESS
TO FINANCIAL
CAPITAL**



**LACK OF
ACCESS TO
SOCIAL CAPITAL**



**LACK OF ACCESS
TO BUSINESS
NETWORKS**



**LACK OF
ADEQUATE
EDUCATION**



**POOR
SECTORAL
CHOICES⁸**

These deficiencies keep women from participating in the formal economy and invisibilise them within the procurement process.⁹

⁵ OECD/European Commission (2021), "Women's self-employment and entrepreneurship activities", in The Missing Entrepreneurs 2021: Policies for Inclusive Entrepreneurship and Self-Employment, OECD Publishing, Paris, <https://doi.org/10.1787/07d6d841-en>.

⁶ Dülger, M. (2018). Women entrepreneurs in Turkey: A contemporary analysis. In Examining the Role of Women Entrepreneurs in Emerging Economies (pp. 23-52). IGI Global.

⁷ Retrieved from: <https://www.gemconsortium.org/reports/womens-entrepreneurship>

⁸ Retrieved from: <https://www.unwomen.org/sites/default/files/Headquarters/Attachments/Sections/Library/Publications/2017/The-power-of-procurement-How-to-source-from-women-owned-businesses-en.pdf>

⁹ Retrieved from: <https://www.unwomen.org/sites/default/files/Headquarters/Attachments/Sections/Library/Publications/2017/The-power-of-procurement-How-to-source-from-women-owned-businesses-en.pdf>

Türkiye, as a developing country, features in this trend. Women entrepreneurs seeking to be active within the Turkish entrepreneurship ecosystem lag behind their male counterparts in terms of company size, profitability, average growth and overall entrepreneurial activity¹⁰. In addition, they may also face lack of financing and lack of access to social capital¹¹. It is already evidenced that starting a business with high levels of capital and ensured access to financial resources produces better and quicker results¹². However, in Türkiye, most women entrepreneurs start their businesses with limited capital; in fact, the main reason behind their entry into the entrepreneurship ecosystem is to build economic independence. Hence, they remain quite slow and insufficient in terms of growing their businesses. In a similar manner, women entrepreneurs' access to social capital is considerably more limited compared to that of male entrepreneurs¹³. Social capital refers to the sum of the potential resources that come with social relationships. It usually is gained through business connections, family ties, friends, schools, professional associations and so on¹⁴.

Women business owners often face difficulties while establishing business networks and connections with key individuals that would help them while growing their business. This difficulty is linked to social norms and values as well as the simple fact that women spend more time in the home than men. Furthermore, women's generally lower managerial experience also impedes many women from operating and growing a business¹⁵. Inexperience in managing a business works in tandem with lack of financial literacy and other skills, which eventually creates difficulties in terms of tracking the accounts and taxes or following rules and regulations¹⁶.

All of these obstacles faced by women entrepreneurs conflate to prevent them from being active both in the Turkish labour market and the procurement process¹⁷. In order to overcome these undesired circumstances and to help women entrepreneurs to fulfil their potential, this report aims to bring together solutions to expand gender responsive procurement both in public and private sectors, which eventually could catalyse women's entrepreneurship in Türkiye.



10 Mert, A. E. (2021). Women's Entrepreneurship in Türkiye: Recent Patterns and Practices| Türkiye'de Girişimci Kadınlar: Güncel Örüntüler ve Pratikler. Akdeniz Kadın Çalışmaları ve Toplumsal Cinsiyet Dergisi, 4(2), 176-202.

11 Retrieved from: <https://www.unwomen.org/sites/default/files/Headquarters/Attachments/Sections/Library/Publications/2017/The-power-of-procurement-How-to-source-from-women-owned-businesses-en.pdf>

12 Retrieved from: <https://www.unwomen.org/sites/default/files/Headquarters/Attachments/Sections/Library/Publications/2017/The-power-of-procurement-How-to-source-from-women-owned-businesses-en.pdf>

13 Soysal, A. (2010). Türkiye'de Kadın Girişimciler: Engeller ve Fırsatlar Bağlamında Bir Değerlendirme. Ankara Üniversitesi SBF Dergisi, 65(01), 83-114.

14 Nahapiet, J., & Ghoshal, S. (1998). Social capital, intellectual capital, and the organisational advantage. Academy of management review, 23(2), 242-266.

15 Dülger, M. (2018). Women entrepreneurs in Turkey: A contemporary analysis. In Examining the Role of Women Entrepreneurs in Emerging Economies (pp. 23-52). IGI Global

16 Retrieved from: <https://www.unwomen.org/sites/default/files/Headquarters/Attachments/Sections/Library/Publications/2017/The-power-of-procurement-How-to-source-from-women-owned-businesses-en.pdf>

17 Retrieved from: <https://www.unwomen.org/sites/default/files/Headquarters/Attachments/Sections/Library/Publications/2017/The-power-of-procurement-How-to-source-from-women-owned-businesses-en.pdf>



Gender Responsive Procurement

In this section, we define gender-responsive procurement, its functions, and the steps that need to be taken both by public and private stakeholders in order for it to be practised.

Gender responsive procurement is defined as a procurement approach which initiates the sustainable selection of services, goods or public works from women-owned or women-led businesses. To put it simply, **gender responsive procurement is a procurement approach that contributes to gender equality and economic growth by incorporating women-led businesses into procurement processes.**

Each procurement strategy has an impact. In this regard, traditional methods of procurement attempt to create an economic impact by aiming to decrease costs and increase payments. The goal of social procurement, on the other hand, is to create a societal impact by generating opportunities for disadvantaged groups¹⁸. In a similar manner, gender responsive procurement aims to have the best possible impact on gender equality and uses procurement as an opportunity to foster women's economic independence and empowerment. Rather than prioritising financial gains, it prioritises women's economic inclusion. Gender responsive procurement happens when consumer purchases of services and goods are

influenced by concerns about gender equality and women's economic inclusion rather than simply by financial benefit maximisation. In other words, gender responsive procurement happens when companies leverage their purchasing policies and practices to promote gender equality and to encourage suppliers to improve their performance regarding gender equality and women's empowerment¹⁹. This is a solution-oriented and social impact-driven approach combining social, ethical and financial concerns. In sum, gender responsive procurement can be defined as a means which encourages companies to source from women owned businesses regardless of size or sector.

¹⁸ Retrieved from: https://www.ilo.org/wcmsp5/groups/public/---europe/---ro-geneva/---ilo-ankara/documents/publication/wcms_839943.pdf

¹⁹ Retrieved from: https://www.weps.org/sites/default/files/2020-12/WEPS_GUIDANCE_Gender_responsive_procurement.pdf

Purpose of gender responsive procurement



Gender responsive procurement prioritises gender equality and societal impact. However, this does not mean that gender responsive procurement overlooks financial gains. Gender responsive procurement includes the following purposes, some of which overlap with traditional methods of procurement.

- Job creation
- Effective use of public resources
- Production increase
- Market competition increase
- Production cost decrease
- Economic integration of women
- Contribution of equal income distribution among disadvantaged groups
- Social integration of women
- Contribution to institutionalisation of gender mainstreaming
- Contribution to gender pay gap closure
- Competition creation among the suppliers, which could result in lowered prices

Steps of gender responsive procurement

As already mentioned, gender responsive procurement is a solution-oriented and social impact-driven approach combining social, ethical and financial concerns. Based on this approach, gender responsive procurement can be adopted into a company's procurement practices through three sequential phases. While adopting a gender responsive procurement approach into their procurement strategies, we call upon companies to first start by determining the state of their current procurement practices.

1 UNDERSTAND THE STATE OF PLAY

At this stage, we ask both private and public companies to **identify their regular customers and suppliers with a particular focus on women**. We then analyse the challenges and obstacles that prevent them from doing business with more women-owned suppliers.

2 COLLECT SUPPLIER DATA ON WOMEN'S ENTERPRISES

At the second stage, we ask companies to **collect supplier and customer data**. We suggest that they get to know the women-owned suppliers and customers and **rethink how to integrate these women-owned suppliers and customers into their procurement chains**.

3 ALIGN INTERNALLY

In the third stage, companies **start taking action on their own**. In this stage, we ask companies to recognise the power of top-down leadership, both in the public and private sectors, and ask managers to **foster the gender responsive procurement approach** by setting periodic targets for doing business with women-owned enterprises.

4 MEASURE SUCCESS AND MONITOR THE PROGRESS

At this final stage, we suggest that companies **conduct impact analysis and carry out assessments** with the aim of improving, enhancing and generalising the gender responsive procurement approach.



What happens when companies practise gender responsive procurement?

Practising gender responsive procurement generates both financial and social impact. On the one hand, practising gender responsive procurement can decrease a company's procurement costs by increasing the number of potential suppliers. A greater number of potential suppliers eventually creates a competition among suppliers, resulting in lower prices²⁰. On the other hand, women owned businesses are able to increase their revenue and widen their business networks.

Relying on the social procurement model developed by I4D and the ILO²¹ we argue that adopting a gender responsive procurement approach will lead to the following:

- + **increased revenue and reduced procurement spending**
- + **greater supplier availability and resilience**
- + **enhanced brand reputation**
- + **improved innovation and adaptability capacity**
- + **increased diversity and inclusiveness in employment**
- + **integration of socially excluded groups**
- + **involvement of women within the national economy**
- + **engagement of women entrepreneurs with each other**
- + **engagement of women entrepreneurs with suppliers and customers.**



²⁰ Retrieved from: https://www.ilo.org/wcmsp5/groups/public/---europe/---ro-geneva/---ilo-ankara/documents/publication/wcms_839943.pdf

²¹ Retrieved from: https://www.ilo.org/wcmsp5/groups/public/---europe/---ro-geneva/---ilo-ankara/documents/publication/wcms_839943.pdf



Field Experiences

This section discusses our findings from the field. In order to understand the current procurement practices of women-owned enterprises, we conducted 23 semi-structured in-depth interviews with women business owners who are active within the Turkish labour market, as well as two public and private sector representatives, between August and September 2022.



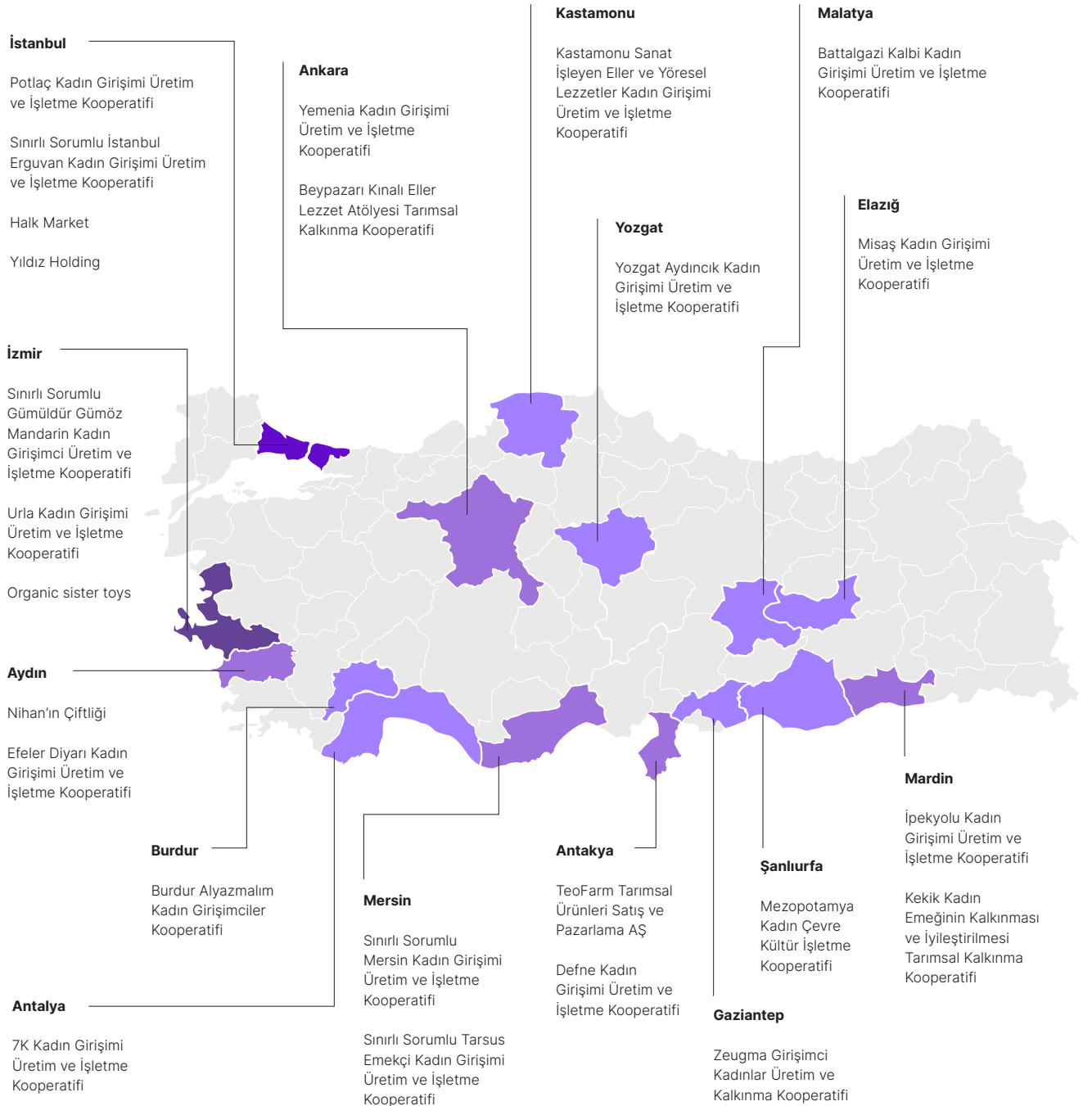
In line with the global trend, Türkiye's women-owned businesses are also growing. Although we cannot speak on behalf of each women-owned enterprise, within the last five years, due to the training and mentoring sessions provided by various implementing organisations, women-owned enterprises are growing and becoming more visible:



"I think people are now supporting us more. For example, when we open our booths, we see families coming and visiting. They are buying our products. For example, they told us that they are buying our olive oil because they appreciate our labour."

_Defne Kadın Girişimi Üretim ve İşletme Kooperatifi

Our respondents includes:





How are women-led enterprises growing?

Through various training, mentoring, coaching, networking and matchmaking sessions women entrepreneurs have acquired much of what they need in their entrepreneurship paths. In that sense they are now:



**MORE
KNOWLEDGEABLE**



**MORE
CONFIDENT**



**MORE
ABLE TO STANDARDISE
PRODUCTION**



**ABLE TO
EMPLOY MORE
WORKERS**

Both donor and implementing organisations, as well as women entrepreneurs themselves, argue that providing technical support has led to sustainability in the economic integration of women entrepreneurs and has helped women entrepreneurs to accumulate sectoral knowledge. A comment made by a women's cooperative located in İzmir lucidly illustrates this:

“We have participated in two different projects and various training programmes. They were really very useful for us. At the end of the day most of us had been housewives before. We really did not know much, especially about arranging our monthly finances and where to get the best quality product for the cheapest price. Thanks to these training programmes, now we have become business women. Now, we know our thing.” _Sınırlı Sorumlu Gümöldür Gümöz Mandarin Kadın

Girişimci Üretim ve İşletme Kooperatifi

In addition to being more knowledgeable about their businesses, women entrepreneurs are now more confident and feel more ready to compete within the Turkish labour market.



“When we first started this cooperation, we were feeling behind the others.

We were seeing those big names producing noodles, pastas, tomato sauces and we wondered how we would manage to compete with them, they are well-established. But now, we feel we're on track. We have our wholesale customers, who trust us and trust our products, we are opening our store to start retail sales. To be honest, yes we have long way to go, but we will get there.” _Beypazarı Kınalı Eller Lezzet Atölyesi Tarımsal Kalkınma Kooperatifi

there.” _Beypazarı Kınalı Eller Lezzet Atölyesi Tarımsal Kalkınma Kooperatifi



And finally, due to these technical interventions designed and implemented for women entrepreneurs, women's cooperatives are gradually becoming more standardised in their practices. Unlike the early years of the establishment of their businesses, they now have separate and larger production sites, adequate equipment, business cards, product catalogues and the necessary tools to fulfil the serial production process. The chairman of the Sınırlı Sorumlu İstanbul Erguvan Kadın Girişimi Üretim ve İşletme Kooperatifi stated:

“First of all I should highlight that we are at a very different stage from where we started. We used to ask our members to complete their production processes in their homes with their own facilities and bring us the final product. This was very disadvantageous for us because it distanced us from being standardised-- imagine everybody is producing different products. This was not what we wanted, we wanted cookie-cutter products that represent our brand. So, with the grants we have taken and with our own efforts, we managed to rent a bigger place and get the sewing machine, which tripled our production speed and allowed us to produce different types of cushions.”

..Sınırlı Sorumlu İstanbul Erguvan Kadın Girişimi
Üretim ve İşletme Kooperatifi

As these examples show, due to financial and non-financial interventions, women-owned enterprises have gradually become more knowledgeable, more confident, and their production and products more standardised. Whereas they used to practise an unstructured home-based production, most of them have now obtained a separate production hall, increased the number of employees and maximised their production speed and efficiency. This empowerment of women entrepreneurs has manifested itself in signed contracts between women-led businesses and public and private stakeholders. Many women entrepreneurs have mentioned that they prefer wholesale rather than retail on the grounds that wholesale allows them to feel more comfortable and secure. In line with their preferences, many women-led enterprises have started to sign sale contracts with both public and private sector operators. Although there is a lack of official data in this regard, our field observations have revealed evidence of successful contracts. For example, Kepez municipality, in Ankara province, in a bid to support women-led businesses, has started practising gender responsive procurement, regularly purchasing pasta from one of the local women's cooperatives.

“Kepez municipality added pasta to their aid packages and we signed a contract for the next 6 months to provide them with the pasta, which they will put in their aid packages. This agreement felt really good for us. With the money we earned from Kepez municipality, we have upgraded our dough slicer.”

..7K Kadın Girişimi Üretim ve İşletme Kooperatifi

A similar example from the 7K women's cooperative shows how women-owned enterprises have started establishing business links with local municipalities. However, this does not necessarily mean that local municipalities have a well organised procurement system, or that they consciously practise global gender responsive procurement principles. Our fieldwork revealed that these signed contracts between the public sector and women-owned enterprises happened mainly through the personal contacts of women entrepreneurs.



"I cannot really say that we have a strategy for that, it is more like an opportunity.

Something happens, but then for a while nothing happens. For example, one of our friends knew somebody from Kepez municipality; she organised a meeting and then we finalised the sale contract."

—7K Kadın Girişimi Üretim ve İşletme Kooperatifi

While women entrepreneurs find wholesale contracts more comfortable and secure when compared to retail sales, there is another side of the story. According to our fieldwork, both public and private stakeholders have their own reasons for adopting a gender responsive procurement approach. For example, Istanbul Metropolitan Municipality Halk Market, which is already working with 50 different women's cooperatives and aims to double this number by the end of 2023, adopted a gender responsive procurement approach on the grounds of social responsibility. The sales manager of Istanbul Metropolitan Municipality Halk Market has mentioned how important it is for them to support women, particularly women entrepreneurs:



"We do not have any pecuniary interest in this. We are well aware of the importance of

investing in women, especially those who are already active within business life. Therefore, we work really hard to involve women's cooperatives' products into our product range. At the moment we have products from 50 different women's cooperatives but we have serious plans to increase this number to 100."

(Istanbul Metropolitan Municipality Halk Market)

On the other hand, an e-commerce platform which has also been practising gender responsive procurement has slightly different reasons. While supporting women's empowerment and showing a willingness to contribute to gender equality in Türkiye, Hepsiburada also believes in the capacity for women-led businesses to increase their own revenues. While discussing their procurement strategy, a representative from Hepsiburada mentioned:

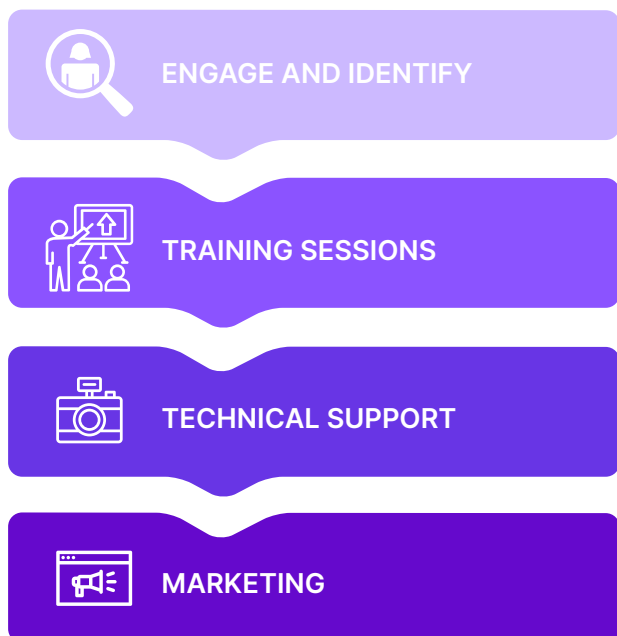


"As of today we have opened shops for 154 different female entrepreneurs from all across

Türkiye. Of course, we want to increase this number not only because this will help women but also because we are a business as well. Yes, we have given a 75% commission discount for women's cooperatives, but the more of their products are sold, the more we earn. So, this is a win-win situation and we want to continue." (Hepsiburada).

Similarly, Kerevitaş, a company within the Yıldız Holding body, has already guaranteed to buy 5 thousand tons of fruits and vegetables from its subcontracted women cooperatives, which is anticipated to create a value of 35 million TL. These examples from the field clearly resonate with I4D's foresight on gender responsive procurement on the grounds of women-led businesses' significant contributions to both local and national economies. In addition to the considerable growth of women-led businesses, there has also been a vivid digitalisation process among women entrepreneurs. Pioneered by Hepsiburada, other e-commerce platforms such as Trendyol, Getir and Shopier have also begun supporting the digital transformation of women-led enterprises through different channels.

4 STEP DIGITALISATION PROCESS FOR WOMEN-LED ENTERPRISES



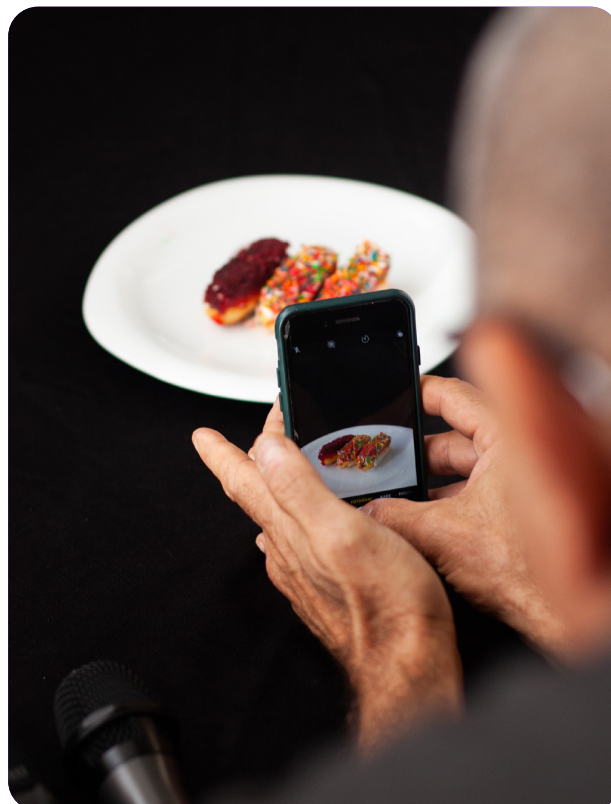
As can be seen from the figure above, the online shopping platform Hepsiburada has long implemented a 4 step digitalisation process for women-led enterprises. Hepsiburada engages with various civil society organisations and identifies the women entrepreneurs who need support in the area of digitalisation. Once they identify these entrepreneurs, Hepsiburada provides a wide range of training sessions on digitalisation, e-commerce, e-marketing and online shopping. Following these training sessions, in the third stage, Hepsiburada starts providing technical support. These include photo shoot sessions, the opening of online shops within the Hepsiburada platform and the initiating of the sale of products on Hepsiburada. The final stage of Hepsiburada's digitalisation process focuses on marketing. Hepsiburada has a separate category for women entrepreneurs and provides free banner and advertisement services to these women entrepreneurs. In addition to this 4 step digitalisation process, Hepsiburada applies a 75% discount on commission and shipping for women entrepreneurs, which has been greatly appreciated by women's cooperatives:



"We have participated in the project run by I4D and Hepsiburada²². That project saved us a great expense by providing photo shoots and absorbing the cost of opening an online shop on Hepsiburada. Hepsiburada have also supported us in our marketing strategies and provided us with shipping and commission discounts." (Battalgazi Kalbi Kadın Girişimi Üretim ve İşletme Kooperatifi).

(Battalgazi Kalbi Kadın Girişimi Üretim ve İşletme Kooperatifi).

Despite the fact that within the last five years Türkiye has been growing in the number of women-led businesses operating in various sectors, and that the overall trend among these businesses is increasing, there are also numerous enterprises which fail to fulfil their potential and fall behind in the Turkish entrepreneurial ecosystem. Within the Turkish entrepreneurial ecosystem major barriers to gender responsive procurement clearly still exist.



²² The respondent is talking about the project entitled 'Women Entrepreneurs Challenging COVID-19'. The project was run by I4D and involved 50 different women's cooperatives from all across Türkiye.

What are the major barriers to gender responsive procurement?



**LACK OF
SYSTEMATICITY**



**LACK
OF NECESSARY
CERTIFICATES AND
LICENCES**



**LABOUR
AND
RESOURCE
SHORTAGES**



**SLOW
PRODUCTION
PROCESS**



**INADEQUATE
LABELLING
AND
PACKAGING**

One major problem with respect to gender responsive procurement practices in Türkiye is a lack of systematicity. While I4D and the ILO, as well as the UN, call upon companies to adopt a gender responsive approach to their procurement policy frameworks, Türkiye lacks systematicity in this regard. According to our field observations, both in wholesale and retail, women-owned enterprises have become more active. Yet, this still happens mainly through personal efforts. There are indeed a number of public and private sector actors, such as Istanbul Metropolitan Municipality Halk Market, Kepez Municipality, Yıldız Holding, Hilton Hotels and Hepsiburada, who have adopted a gender responsive procurement approach to their procurement practices. Pioneered by these corporations, many more have included women-led enterprises into their supply chains, yet there are also a significant number of companies who have not done so. According to the sales manager of Istanbul Metropolitan Municipality Halk Market, this stems from the lack of systematicity within the public sector's procurement processes. While discussing how Istanbul Metropolitan Municipality Halk Market reaches women's cooperatives it was offered that:



"I get in touch with local producers myself. I analyse their products and involve the ones that meet our food safety requirements."

_(Istanbul Metropolitan Municipality Halk Market).

Another reason behind the exclusion of women-led enterprises' from procurement activities is the sector in which they compete. Women-led enterprises are concentrated in the food sector, mostly making products which are already being produced by large brands. Given that their products are homemade they ask higher prices, which discourages corporate buyers from trading with them. Hepsiburada summarises this situation as follows:



"Most women's cooperatives work in the food sector. They produce homemade tomato paste, homemade jams and everything. I am sure they really are high quality. But the problem is these products are already produced by factories. For example, 1 kilogram of tomato paste is much cheaper when you buy it from Tot instead of a women's cooperative. Under these conditions, corporate buyers prefer to buy the cheaper one". (Hepsiburada).

Finally, the inherent impracticalities within women-led enterprises often hinder them from being active in procurement processes. Our field observations revealed that lack of necessary consent certificates and licences, inadequate labelling and packaging techniques, as well as the amount and speed of production prevent companies from involving women's cooperatives in their procurement processes. While discussing the selection criteria of Istanbul Metropolitan Municipality Halk Market, their sales manager mentioned:

“Although this whole project aims to empower women's cooperatives, we have to follow a series of rules. The products we sell have to have a proper label which shows all the ingredients; also the producer cooperative has to have the licences. But many cooperatives still lack these requirements. Concomitantly, we cannot establish business partnerships with them.” (Istanbul Metropolitan Municipality Halk Market).



In a similar manner, women's cooperatives who do not have the adequate production equipment remain insufficient in serial production and cannot fulfil larger orders, which eventually excludes them from the procurement process:

“Last year, we met KEDV and they wanted to sell our products under the Nahil Bakkal roof, but they asked us to provide a minimum number I cannot recall now, but that number was far above what we could do. In the end, we could not sign the contract.” (7K Kadın Girişimi Üretim ve İşletme Kooperatifi).

Additionally, women-led enterprises persistently experience labour and resource shortages, and this prevents them from maximising their inventories. If women entrepreneurs fail to reach certain quotas, they are unable to enter the formal procurement process.

“We are a family cooperative and very few people work with us. Under these conditions we cannot compete with big brands because they have hundreds of people working in harmony. In our cooperative, we seriously lack a systematic division of labour. Everybody does everything if they have time. I think this is really slowing us down.” (Beypazarı Kınalı Eller Lezzet Atölyesi Tarımsal Kalkınma Kooperatifi).

All in all, although there is a significant upward mobility in terms of the state of women entrepreneurs in Türkiye, many continue to face a series of problems which eventually prevent them from participating in the formal economy and invisibilize them within the procurement process.

YILDIZ ★ HOLDING

As gender responsive procurement is a recent development in Turkey, there is a significant lack of data on companies' gender responsive procurement practices. However, our comprehensive fieldwork revealed that Yıldız Holding and various companies within the Yıldız Holding body have already been supporting women entrepreneurs and practising gender responsive procurement. This section thus presents Yıldız Holding's gender responsive procurement strategies to serve as a model.

Adopting the 'Make Happy Be Happy', one of the biggest Holdings in Turkey, Yıldız Holding, and its companies attach great importance to ensuring the equal and effective participation of women in business life. By adopting the GRP approach, Yıldız Holding guarantees a minimum \$4 million investment in women-led businesses.

KEREVİTAŞ

Kerevitaş, a company within the Yıldız Holding body, is one of the best examples of gender responsive procurement practices. The company not only involves women farmers in its supply chain but also provides them with technical assistance. Kerevitaş seeks out local farmers, approaches them, provides them with raw materials, monitors the agricultural production process and carries out the transaction.



Another company within the Yıldız Holding body, Seç supermarkets chain, also supports women entrepreneurs. Seç involves women-owned enterprises in its procurement practices with the aim of micro- and small-sized women-led businesses transformation. They also provide women entrepreneurs with training and mentoring sessions on digitalisation, pricing and shelving systems.



Şok supermarkets also practice gender responsive procurement. Branches from across the country work with women entrepreneurs, especially more disadvantaged ones. Şok buy their cloth bags from women entrepreneurs who are engaged in home-based production and lack the capacity to grow their businesses.

Lesson Learnt

This section of the report summarises the findings of our fieldwork. The lessons we have learnt from the field form the basis for our recommendations.

Women entrepreneurs are now more knowledgeable



“Thanks to these projects that we have participated in, we know lots of things now which we had no idea about in the past. But being knowledgeable is not enough for us. Knowing how to use social media is not solving our problems” (Teofarm, 2022, Antakya).

As the importance of women's, and especially rural-dwelling women's, economic participation, is now more generally acknowledged, numerous projects have been developed by various actors with the aim of increasing the capacities of women entrepreneurs. Drawing upon the personal interviews with project participants, we would not be unjustified in arguing that these projects have succeeded in serving their goals. There is a considerable difference in terms of women entrepreneurs' current knowledge when compared to the past, especially regarding social media use, market research, branding and finance.

Increased sensitivity on gender responsive procurement still not enough



“There is an increased demand for our products... Now people come to us with the idea of women's labour.” (Gümüldür Women's Cooperative, 2022, İzmir-Menderes).

Despite the persisting patriarchal norms and values which obstruct women's employment there is a growing emphasis on women's labour. Currently there are various companies, as well as local and provincial municipalities, who have adopted a gender responsive procurement approach to their procurement practices. Additionally, given the increased global attention paid to gender equality, many individuals also prefer to buy women-made products. Yet countrywide there is still a long way to go.

Women entrepreneurs are struggling in trying their wings



“We know these things , but we cannot use them efficiently. We have other more practical problems” (Yemenia Women's

Cooperative, 2022, Ankara).

Although there are numerous women entrepreneurs who have grown their businesses after participating in projects, there are many others who are unable to apply the information gained from these projects. There are several reasons for this. First of all, as mentioned earlier, almost 20% of existing women business owners employ one to four workers, which causes a chain effect. As women's enterprises face a significant labour shortage, they are unable to successfully switch to mass production and thus lose potential customers. This same problem of labour shortage also slows the digitalisation process of women entrepreneurs. Although they now know the stages of the digitalisation process and how to use social media, due to labour shortages employers have to focus on the production, hence cannot complete their digitalisation process. Secondly, most women-led start-ups are still home-based. This means that many women entrepreneurs, especially those located in disadvantaged regions, lack adequate production areas and the necessary tools of production. Most of them still use their own resources during the production process. This prevents them from meeting the demand, which leads to loss of potential customers.

Women entrepreneurs still lack the necessary production materials



“We still have a lot of shortcomings. For example, we stick these labels on our

bottles by hand, but this normally should be done by machine. More importantly, we do not have a drying machine, so we leave the noodles out to dry, which loses us a minimum of 3 to 5 days. Last year we were about to sign a contract with Nahil Bakkal but we couldn't because we couldn't agree on the stockpile.” (7K Women's

Cooperative, 2022, Antalya).

While a number of women entrepreneurs have grown their businesses considerably and have signed procurement contracts with various companies, the number of women's enterprises who failed to grow their businesses, and especially their production capacities, remains significantly high. Lack of financial resources prevents these enterprises from acquiring the necessary production equipment. Accordingly, these businesses cannot switch to mass production and thus cannot engage in wholesale trade, despite wholesale trade being the preferred arrangement among women entrepreneurs.

Women entrepreneurs are struggling to be part of the entrepreneurship ecosystem in Türkiye

“Still we are not recognised. But it is also mutual. We do not know anybody, and we are not known by anybody. We survive with our luck, to be honest. All customers we have we found incidentally.” (Urla Women's

Cooperative, 2022, Urla-İzmir).

Due to reasons ranging from labour shortage to financial issues to logistical issues and persistent patriarchal attitudes towards women's employment, women entrepreneurs face significant difficulties in terms of networking. Today, despite increased efforts to empower women entrepreneurs and engage them in the Turkish entrepreneurship ecosystem, women entrepreneurs are still struggling to engage with both other entrepreneurs and potential customers. This leads to the creation of a severe competition among women entrepreneurs and decreases revenue for women-owned businesses. First, some women entrepreneurs who do not engage with other entrepreneurs try to operate in sectors which are already highly concentrated, and this eventually creates stiff competition. Second, due to lack of access to human capital, women entrepreneurs miss their chance to engage not only with potential customers but also with potential suppliers, investors and financing sources.

Solely non-financial interventions are not seen as enough

“Everything, we have been told, requires money, which we do not have. For example, in May we had our annual meeting and decided to be more active on Instagram, but we need an additional person who would manage Instagram sales. But we cannot hire an additional employee; we do not have that budget.” (Nihanın Çiftliği, 2022, Söke-Aydın).

Most women-led enterprises face cash flow problems and fail to sustain their investments and thus experience difficulties in accessing financial resources. Providing only non-financial support to these businesses, who continuously face cash flow problems, is considered inadequate by those businesses receiving the support. Layering non-financial support with financial support is crucial for two reasons: first, lack of access to financial resources constrains women entrepreneurs from applying what they have learned through the non-financial interventions; second, while facing financial problems and threat of bankruptcy, women entrepreneurs are unable to give their full attention during training, mentoring, coaching and networking sessions.



Recommendations

Based on the literature review and analysis of twenty-four interviews with women business owners as well as representatives from public and private sectors, the following recommendations are presented for policy makers, public and private companies as well as civil society organisations.





Establish an online database for companies / suppliers with details of women-led enterprises:

In order to further implement gender responsive procurement, connecting corporate buyers with women-led enterprises is crucial. In line with this, similar to what WEConnect International does, trade associations can act as a bridge between women entrepreneurs and potential buyers. They can establish an online database or platform so that corporations can reach available women-led suppliers. In a similar manner, various unions of municipalities can also establish online sourcing platforms on a regional basis so that each local municipality can become familiarised with the women-owned enterprises in their own region and include these enterprises in their procurement processes.



Increase access to information on customer needs and demands:

For suppliers, understanding the needs and demands of the customer is critical as it provides them the opportunity to adapt and finetune their products. Yet many women entrepreneurs, especially those established in small provinces, lack access to this knowledge. Therefore, their products face the risk of not meeting customer needs. In order to increase women entrepreneurs' access to information and current trends in their relevant procurement activities, the frequency of supplier conferences can be increased, and women entrepreneurs invited to these conferences. Both public and private buyers can publish their current needs, demands and procurement policies on their websites. In addition to this, the implementing organisations can establish an online database which includes information on customer needs and demands so that women entrepreneurs have a roadmap on how to adapt and finetune their products.



Organise more business network meetings:

For suppliers, developing a relationship with potential customers is critical. Yet women entrepreneurs lack these relationships and most do not even know where to start and whom to contact. Hence, they still rely on retail sales even though they prefer wholesale. In order to strengthen the relationship between women entrepreneurs and corporate buyers, intermediary organisations should organise matchmaking, B2B and business network meetings and invite not only women entrepreneurs but also potential buyers in line with the sector of the invited entrepreneurs.



Provide business mentoring:

As mentioned earlier, women tend to have weaker business backgrounds and relatively less business experience when compared to men. Therefore, they are less likely to take business risks and are more likely to make mistakes. Hence, mentoring is of vital importance to women entrepreneurs. Through a one-to-one mentoring relationship with a subject-specific expert, women entrepreneurs can learn how to run their business, be ready for potential risks and develop confidence in their business skills. Although various CSOs have already been providing business mentoring support for women entrepreneurs, it would be highly beneficial if the frequency of this were increased.



More technical support on digital marketing:

Women-owned enterprises, which are relatively smaller when compared to men-owned enterprises and which often lack the capacity to hire an additional person expert in digital marketing overwhelmingly face problems in engaging with online shopping sites. More training, especially in the form of mentoring sessions on digital marketing, would save women-owned businesses from having to hire an additional employee and thus catalyse their digitalisation process. Although intermediary organisations have organised numerous training sessions on digitalisation, given the importance of digitalisation in entrepreneurship, it is highly necessary to continue prioritising it.



Define the need and design the intervention:

Although women entrepreneurs experience common problems and feature similar disadvantages, there are also significant differences in terms of their problems and disadvantages stemming from size, location and level of development. Therefore, in advance of designing the content of the intervention tool, intermediary organisations should work with a local partner from the field and design the intervention according to the needs of the target enterprise.



Prioritise advocacy and awareness-raising activities to encourage gender responsive procurement:

Türkiye still sustains a conservative social and cultural order, which emphasises women's domestic responsibilities and encourages them to stay at home and care for their family exclusively rather than supporting their economic activities. This eventually discourages people from trusting women entrepreneurs, which results in decreased sales for women-owned enterprises. In order to change this attitude and encourage individuals to consider women-owned enterprises in their procurement processes, intermediary organisations can organise awareness raising campaigns to fight the prejudices towards female entrepreneurship and provide the necessary platforms in which women entrepreneurs could introduce themselves and their businesses to other business people, which would contribute to the adoption of a gender responsive procurement approach.



Become a signatory to the UN Women's Empowerment Principles:

Private companies can and should become signatories to the UN Women's Empowerment Principles and should prioritise gender equality and inclusivity in their procurement practices, as these programmes provide both technical and theoretical support. This eventually would result in both greater opportunities for women entrepreneurs and increased revenue for themselves.



Provide technical support:

Private companies can provide women-led enterprises with various practical support. Similar to what I4D and Hepsiburada have done, other companies too can provide free photo shoots and commission discounts as well as free marketing support. This at the end would create a win-win situation for both the company and the women-led enterprises, as increased sales rates of women-led enterprises would lead to higher revenues for the companies.



Decrease logistics costs of women-led enterprises:

Most women-led enterprises remain insufficient in meeting shipping and raw material costs due to recently skyrocketing prices in the logistics sector. Similar to what Yıldız Holding initiated, other companies can take on these costs, enabling women-led enterprises to become more active within the supply chains. This is at the end beneficial for both sides: it increases sales rates for women-led enterprises while simultaneously decreasing supply costs for companies.



Provide labelling and packaging support:

Some women-led enterprises, especially those located in rural areas and smaller communities continue to use outmoded labeling and packaging techniques, which decreases their products' value. In addition, some women-led enterprises fail to fulfil the labeling requirements of the General Directorate of Food and Control. Private companies can support women-led enterprises by undertaking their packaging and labeling processes to comply with legal requirements, enabling the wider sale of their products. This eventually would widen the companies' product range and contribute to increased sales rates.



Provide production site:

Lack of a venue for production is one of the most commonly shared problems among women-led enterprises. Both public and private stakeholders can provide women-led enterprises within their regions with an appropriate site wherein they can produce their products. This would decrease costs for women-led enterprises while increasing production efficiency.

Conclusion

Historically and globally, women encounter greater difficulties when compared to men not only in securing employment but also in starting their own businesses. Yet women's entrepreneurship has become one of the most remarkable developments of the last quarter. In many countries ascendant numbers of women have started their own businesses (Cardella et al., 2020), which offers not only a path to economic empowerment, but also carries a huge potential to contribute first to the local, then to the national, and eventually to the global, economies by generating new job opportunities. Yet despite these great contributions of women-owned businesses, the full potential remains under-utilised not only in under-developed and developing countries but also in many developed countries. Globally, women entrepreneurs face a wide range of problems, financial and technical, which prevent women from participating in the formal economy and invisibilize them within the procurement process. Türkiye, as a developing country, features in this trend. Women

entrepreneurs, who try to survive in the Turkish labour market, with its various horizontal and vertical segregations, encounter a wide range of difficulties not faced by male entrepreneurs. In order for women entrepreneurs to overcome this undesirable situation and fulfil their potential, a number of national and international non-governmental organisations, pioneered by UN Women, and including the Turkish government, local municipalities and community-based organisations, together with various notable think tanks, have developed a range of approaches, roadmaps and proposals to not only increase the number of women entrepreneurs in Türkiye but also to alleviate the problems that they encounter both in starting and running their businesses. Within this context, this report aims to discuss the current state of women entrepreneurs in the Turkish labour market and identify solutions for providing gender responsive procurement in both the public and private sectors.

This report suggests that while a gender responsive procurement approach has been adopted by a number of public and private companies, Türkiye still has a long way to go. Due to a wide range of factors stemming from both the conditions within women's enterprises themselves and the lack of gender responsive procurement strategies of companies, women entrepreneurs have been excluded from the procurement process. In order to overcome this undesirable situation and contribute to the realisation of gender equality, women's empowerment and economic growth in Türkiye, we suggest:

Civil Society

Increasing access to information about current customer demands

Organising of more business network meetings

Providing business mentoring

Increasing technical support on digital marketing

Defining needs and designing interventions

Prioritising advocacy and awareness-raising activities to encourage gender responsive procurement

Public & Private Stakeholders

Becoming a signatory to the UN Women's Empowerment Principles

Providing labelling and packaging support

Providing production venues

Civil Society & Public and Private Stakeholders

Establishing an online database for companies/suppliers providing details of women-led enterprises

Providing technical support

Offsetting the logistics costs of women-led enterprises
