



Women's Empowerment through Access to Markets

Women's Bean Project, Denver, USA

Linda Scott, University of Oxford
Catherine Dolan, School of Oriental and African Studies, University of London
Laurel Steinfeld, University of Oxford
Lina Rothman, University of Cambridge

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About this research

This case study was developed as part of a research initiative undertaken by the University of Oxford to develop measurements for evaluating the impact of Walmart's Empowering Women Together (EWT) program. EWT focuses on bringing small businesses that are owned or led by women into the Walmart supplier base, thus opening a large market to them. This process usually must be done gradually, normally beginning with selling limited orders online, to avoid overstraining the capacity of these businesses.

The suppliers currently in the EWT system are very diverse in terms of business model, size, capitalization, networks, and industry. They are located in 12 countries on four continents. A significant number are social enterprises or work through a social enterprise as an agent. Even the for-profit EWT suppliers often have a social, health, or environmental mission.

Designing the measurements that will appropriately gauge the impact of the EWT effort is a challenge. We have visited or interviewed substantially all the EWT businesses in North America and East Africa in preparation for setting up the assessment system. We have seen already that the measures one might normally expect to be central, such as sales increases or number of employees, could actually be misleading and certainly must be counterbalanced with other equally weighted indicators. The differences in infrastructure, available support networks, and even work culture between the two regions cause several serious questions about the comparability of frequently used metrics. The appropriate measurement of women's economic empowerment is still contested and, since most studies that purport to measure empowerment have been done in the developing world, the questions often do not seem fitting for respondents in North America. Considerable thought must go into making such inquiries applicable on a global scale. We are further concerned that, since measurement standards often have the effect of guiding future actions, poorly designed assessments might also lead to distorted and ill-advised business decisions.

Through this Women's Bean Project, USA case study, along with the companion Katchy Kollections, Kenya case study, and Maasai Women Development Organisation (MWEDO), Tanzania case study, we intend to illustrate the questions that arise in designing appropriate metrics, while also showing how the difference in local conditions affects business potential. A companion piece that surveys current literature and practice in measurements relevant to EWT is being compiled and will also be made public.

About Empowering Women Together

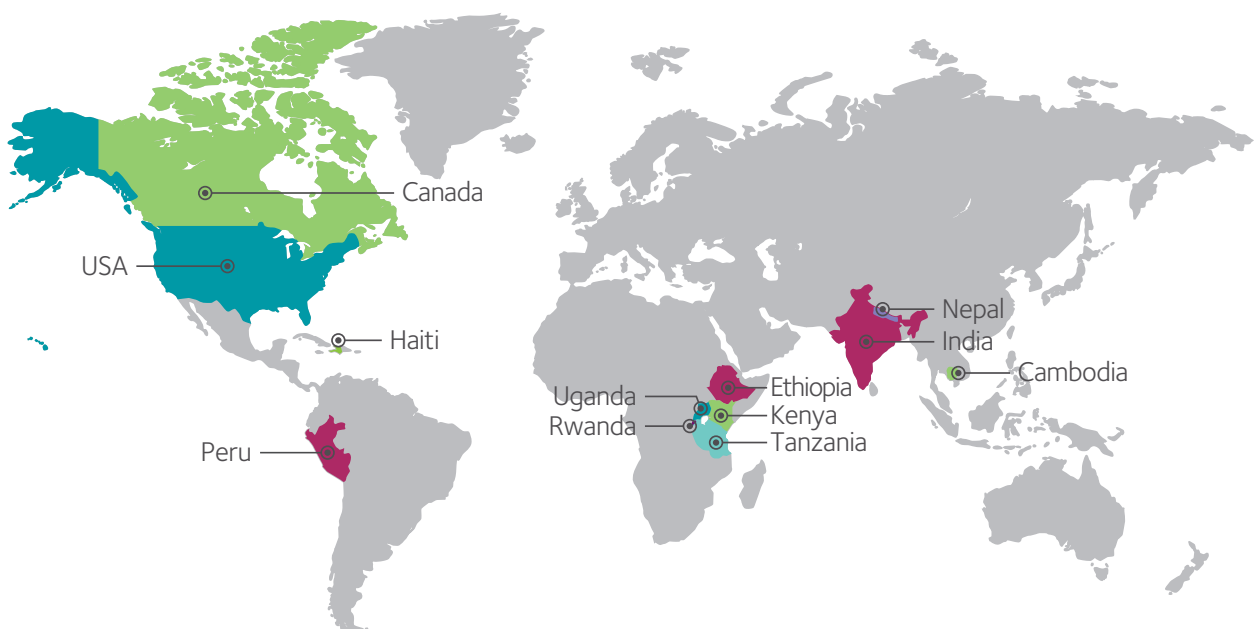
Walmart's Global Women's Economic Empowerment Initiative pledges to source \$20 billion from women-owned businesses in the US, to double the sourcing from women in international markets, and to train nearly one million women in job skills—all within five years. The Empowering Women Together program, launched in March 2013, is one part of this larger initiative.

Empowering Women Together works with small women-owned businesses to connect them in a sustainable way to Walmart's customer base, thus giving them market access they might not otherwise have. The intention is to help these small businesses grow but also to have a positive impact on the employees and their families.

The businesses currently engaged in the Empowering Women Together program range from innovative startups in Northern California to traditional artisan groups in Tanzania. Because of the wide range of products and producers, creating a sustainable value chain for women, especially those at the base of the pyramid, is far more complex than Walmart originally envisioned. Attention to identifying and removing barriers has been intensive, but caution must also be exercised in order to avoid damaging livelihoods. The EWT system has therefore grown more slowly than anticipated.

Multiple partnerships—with NGOs, governments, and other businesses—are likely to be required in order to make it possible for the women to engage with a multinational retailer. Business units within Walmart also often must cooperate in new ways to make this effort possible. It has become clear that a number of global systems—finance, in particular—will have to be adapted if women-owned businesses are to be meaningfully included in the global marketplace. In sum, the progress is gradual and the challenges considerable, but the potential for meaningful change is great.

Empowering Women Together countries





Women's Bean Project employees learn basic work environment expectations, like punctuality, while on the job.

Women's Bean Project

Women's Bean Project, based in Denver, is a public charity under the US tax code. The charitable focus is on helping disadvantaged women prepare for and find permanent employment, but 70% of the operation is funded by sales of various gourmet food products, many of which feature beans, and handmade jewelry.

The Project takes in 60–70 female “employees” each year for training, assistance, and placement. These employees spend 70% of their time producing the products for sale—making the soup mixes, packaging the food, bundling and shipping, and so on. These women often need to learn basic workplace expectations and etiquette. The production activity, therefore, is also used as a platform for preparing the women to enter the formal economy. The rest of their time (30%) is spent in various job and life skills support initiatives. At the end of their nine-month program, about 90% of them are placed in “career” jobs—that is, jobs in a field of their own interest, that offer potential for advancement and often require some training. Fully 100% were placed in the last year. Women make \$8.25 an hour working for the Project, and they graduate to jobs that earn, on average, between \$10.00 and \$11.00 an hour. Follow-up efforts after six months show a high percentage of graduates are still employed.

The Women's Bean Project has been in operation for 25 years and is respected locally by employers and government agencies. Importantly, most of the employees apply to the Project after hearing of its positive impact from peers or relatives who have graduated from it. Many more women apply to the program than capacity can accommodate—indeed, 80% of qualified applicants are rejected simply because the Project can't afford to take them. A push from within the organization to increase sales is motivated primarily by a desire to accept and serve more applicants.

Population and program

The criteria for acceptance into Women's Bean Project require that the woman must: live below the federal poverty level; be able to lift 50 pounds (the weight of a bag of beans); be able to stand to work (because production is done standing); and be clean and sober. Most of those hired, in addition to being poor, are otherwise disadvantaged. The largest subgroup is comprised of felons just released from prison. Many are recovering addicts and about half are survivors of sexual violence. Their average age is 38. Most have children—though they may not have custody—and almost none have partners. Many have supportive families; however, there is much generational poverty. Quite a few of the women are homeless when they arrive, either living in a halfway house or with relatives.

Women's Bean Project usually hires twice a year, taking about 35 in each cohort. For every periodic intake, the staff initially focuses on helping employees meet basic needs, such as finding housing or getting affordable medical care. Though the women usually meet the requirements for various government assistance programs, they often are unable to negotiate the interface necessary to receive benefits due to poor communications skills, no experience with computers, and so on. Thus, the effort to match each individual woman with the appropriate services is done one-on-one and is very labor intensive.

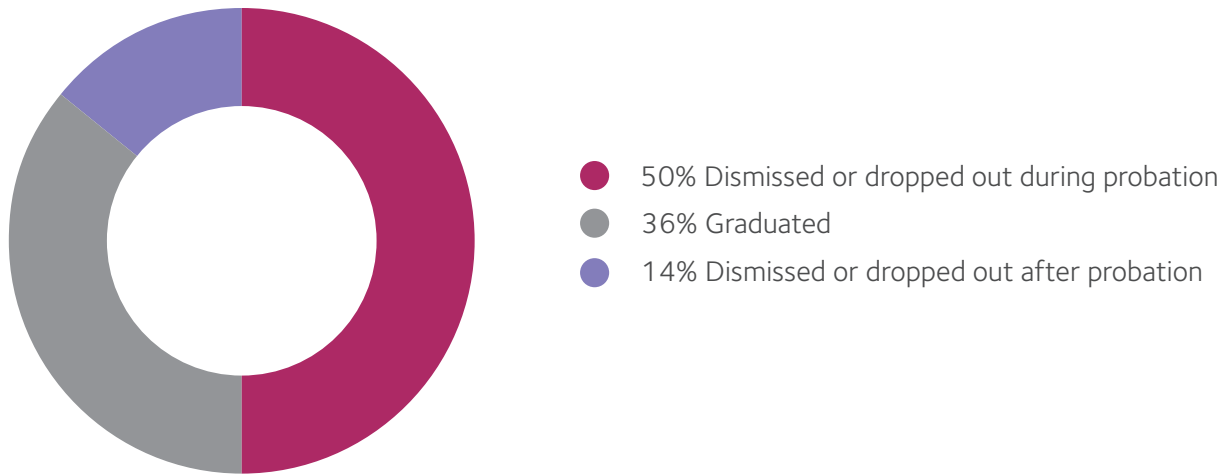
Because the women come from impoverished communities with chronic unemployment, they have little knowledge of, or experience with, the demands of the modern workplace. So, once basic needs are met, the focus shifts to preparing them for work environments. Some of this training is actually done through the production of the product because simple issues, such as punctuality and attendance, attention to detail, and working in teams, are taught by doing.

A key requirement is that each individual must come to work on time, every day, or call a staff member to report absent by 8:00 am. (Because so many of them need to make appointments for government services, housing, or parole, "the Bean", as the Project is commonly called, gives paid time off for such necessities, as long as the woman provides proof of her whereabouts.) Women who fail to call in are expelled after three incidents. Though poor attendance is a common reason for failure to complete the program, employees are most often dismissed or lost for committing a parole violation or falling back into drug use. The staff administers periodic drug tests—especially if there is reason to suspect use—and anyone testing positive is dismissed.

With such a high-risk population, there is understandably a steep attrition rate. For instance, there was an intake of 12 women in July 2013. Three women failed drug tests early on and were dismissed. A fourth, who was living in a community correctional facility, had a mental breakdown and was hospitalised; the parole officer decided she wasn't stable enough to return to the Bean. A fifth was dismissed for attendance issues. The last began using drugs, violated her parole, and was sent back to prison.

Women's Bean Project

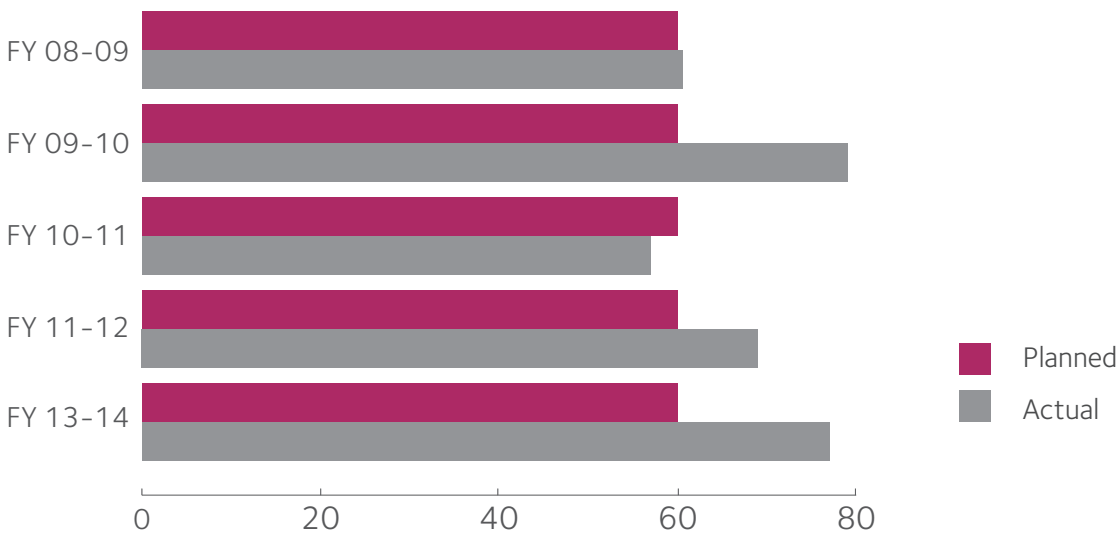
Employee retention and graduation



All these incidents occurred in the first 60 days, considered the probationary period. Most dismissals occur during probation. About 60-70% of those who do not leave in the first 60 days eventually graduate from the Project. Of those, nearly all get and keep jobs.

Women's Bean Project graduates

% of women who passed probationary period



Despite the unavoidable volatility in the population, Women's Bean Project has developed ways to manage and monitor employee risk that allow targets to be made fairly consistently. For instance, the intake criteria prioritize willingness to change because those who are not ready to live differently are likely to be expelled, causing the Project the loss of a valuable space that could have been taken by someone more sincere. Even so, the circumstances of the women are so volatile and so much more affected by people and events outside of work that there is always a risk that a large number of recruits in any given cohort will be lost.

“At some point in the nine months they transition out of the halfway house environment and into their own, whether it's living with a family member or finding an apartment and living alone. With that level of freedom there's such a high risk of relapse in the near future. . . . If they can make it out, if they can make it and be stable three to six months after they are out of the halfway house, then we feel good about that. . . . We see time and again a month out, two months out, they relapse or are involved in some kind of situation that they're not adhering to their parole or probation and they get regressed. And that's a real challenge.”

Mary Wyciechowski, Program Manager

The third task for Women's Bean Project is to provide life skills. These are delivered through instruction on a range of topics: financial literacy classes, conflict resolution training, life coaching, stress management, instructions in interview etiquette, healthy eating, and so on. The employees spend 30% of their paid time on these activities.

A strong emphasis is put on setting and reaching goals. Each Monday, a meeting is held in which everyone (including staff) must announce their goals for the week; on Friday, everyone must report back on their progress. The goal setting is an important life discipline, but it also helps to show the women their own progress during the program and to teach them that they can overcome obstacles.

Within the first two months, each woman will be assigned a mentor from a pool of Denver professionals who volunteer. The mentor works to identify a career path, assess further educational needs, and support the woman's job search.

Follow-up occurs six months and one year after graduation. On our site visit, the employment case manager had just completed the first follow-up on the March 2012 cohort. She had difficulty reaching several of the women because they move often, may not have access to email, and their phone may not be working. However, caseworkers with other institutions, such as the Department of Vocational Rehabilitation, compared notes so that she could finish the report. Of 15 who had graduated, 11 (about 74%) were still working. In sum, if 70 employees are hired in a year, 18 might still be working six months after graduation.



CEO, Tamara Ryan (standing right), leads goal-setting at twice-weekly meetings.

Business model

As a 501(c)(3) nonprofit corporation under the US tax code, Women's Bean Project must meet certain requirements, must adhere to certain purposes, and may have certain benefits. These public charities must be organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes. At least one third of a 501(c)(3)'s support must come from a broad base of donors, including individuals, companies, or other charities or foundations. Many states exempt 501(c)(3) organizations from property and sales taxes. Such institutions also receive reduced rates from the US Postal Service. This type of organization is subject to strict regulation and must file compliance reports annually. Thus, there is a high degree of transparency involved.

Women's Bean Project can also access multiple sources of funding as a public charity, many of which would not be available to a for-profit business. The Bean can profit from sales or borrow on its revolving credit line, just like a business. But, unlike a business, it holds annual fund-raising events and conducts donated capital campaigns. The Project has built a diverse portfolio of income sources in order to mitigate against the most frequent reason for non-profit failures: a sudden decision by a single donor to discontinue funding. This risk is felt to be most characteristic of government funding, so Women's Bean Project takes no government funding at all, though it does have a few small government contracts.

Women's Bean Project sources of income

% of total funding

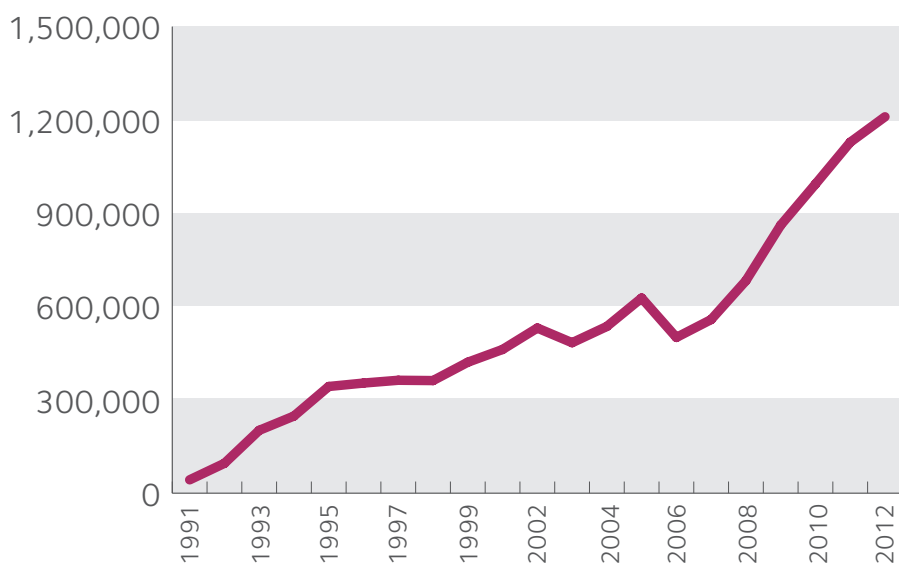


Note: 2001 figures were not available

By far, the biggest source of income for the Project is sales, which climbed to reach \$1.2 million in 2012 from about \$525,000 10 years ago. Though the Board's target is to have 70% of funding from sales, the pattern over the past 10 years has more often hovered between 50% and 60% coming from product sales, with the balance from successful fund-raising.

Women's Bean Project sales

Sales trend since 1991 (US\$)



Note: 2001 figures were not available

This is a well-managed entity. Charity Navigator, the largest independent charity evaluator in the US, gave Women's Bean Project a four-star rating for good governance, sound fiscal management, and commitment to accountability and transparency. The current CEO, Tamra Ryan, had a strong business background when she came to the post in 2003. She has not only brought a keener emphasis on sales, she has also helped Women's Bean Project install systems that allow tracking and planning, as well as control over costs.

The cost of goods sold lies primarily in the product materials (38% of sales) and the employees' salaries (15% of sales). (Note: 70% of employee wages is allocated to production and the rest treated as an operating expense, following the typical division of the women's time.) Though the number of women workers is somewhat volatile for the reasons already outlined, the cost of materials is monitored very carefully, with the largest single item—beans—judiciously hedged.

"We have a very good handle on our cost of goods. . . . We deal in a lot of commodities. The price of beans may fluctuate within a year. In the last several years we have hedged. So we commit to our bean prices in, say, February, and by agreeing with our supplier as to how much we're going to buy and what the price is going to be for at least some of our beans. This helps us be very clear on what our costs are."

Tamra Ryan, CEO

Given the small and volatile number of employees, the Project sometimes relies on volunteer supporters to come in and help on the production line, especially if there is a spike in demand.

“We rely heavily on our volunteers for different aspects of our business and we also bring in volunteers to help in production. The women will train some of the volunteers and work alongside them so there’s never an issue of, ‘oh my gosh, we don’t have enough people to fulfill this order.’ We just bring in volunteers as they’re more than happy to work alongside the women because it gives them an opportunity to connect with them.”

Kelly Bell, Marketing Manager

A for-profit business would not be able to supplement labor with unpaid volunteers—and this practice does lower costs. Overall costs are also reduced because the Project, as a public charity, does not pay property, income, or some sales taxes, and gets reduced rates on bulk postage.

Permanent staff is small, with one program manager, one development professional, one sales manager, one marketing person, two people supervising production, and one in the retail shop, plus the CEO. A capital campaign raised the money for the building, a brightly refurbished 1920s fire station, but there is still a \$200,000 mortgage, with modest monthly payments of \$1,300. Utilities are also about \$1,300 a month. The Project has a revolving credit line, which it uses from time to time to purchase materials and build inventory.

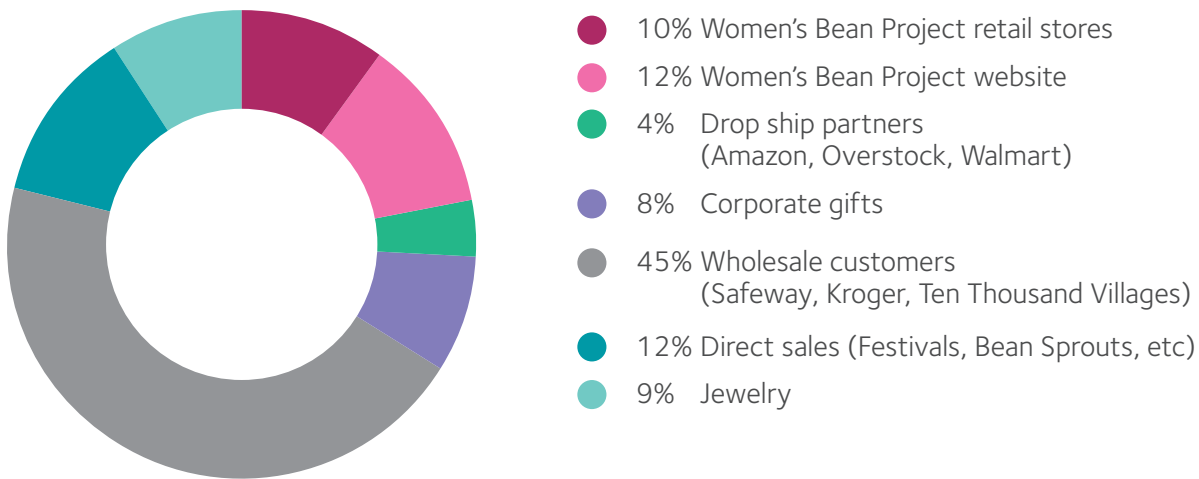
Sales come from a diversified group of customers, both wholesale and retail. The Bean Project sells directly to consumers online, through its on-site shop, and at various events and festivals. The products are packaged as specialty or gourmet products, often wrapped up in fancy baskets as gifts. Indeed, marketing and sales personnel estimate that 70% of products sold are intended as gifts. For this reason, the business is highly seasonal—73% of sales are attributable to the Christmas holidays. By virtue of the name, the cause, the recipes, the packaging, and the positioning as gourmet/gift items, the products can be sold for a price premium over plain beans or unbranded mixes.

Women’s Bean Project sells 10% of its products through an on-site retail shop and 12% through its website. The Project also sells online through Amazon, Walmart, and Overstock; these “drop ship” partners constitute 4.2% of sales. Corporations buy gifts for clients and employees: these are a significant source of sales (about 8%). Products are also distributed through a line of Fair Trade retail shops called “Ten Thousand Villages,” as well as through independently owned “Mom and Pop” shops around the US. Two major grocery chains, Kroger and Safeway, also carry the Bean’s products. These wholesale customers account for 45% of total food product sales and extend the Project’s reach to 750 locations. Prices to wholesalers and distributors are tiered based on volume. Jewelry, counted separately from food sales, is 9% of the total, and all of it is sold in Women’s Bean Project’s store or through their catalog/website. In all cases, shipping costs are borne by the buyer, whether consumer or wholesale customer.

Importantly, each wholesale customer will have different information systems and, often, different shipping and delivery requirements. The expectation for punctuality and attendance among the employees is mirrored in the pressure for timely delivery of supplies and purchases among the businesses in the network.

Women's Bean Project sources of sales

% of total sales



“There’s still a limitation of when orders have to be shipped to the consumer but Walmart has very strict ones in terms of actual times. If an order comes in before X time, those orders have to go out that day. If they come in past this time, those orders have to go out the next day, the next morning, by whatever time that may be. So that’s a little bit different than an Amazon or Overstock order or even our order where, you know, we have probably a one- to two-day turnaround to be able to get those orders.”

Kelly Bell, Marketing Manager

“Overstock is pretty strict about it too. They need to hear and see an acknowledgment from us, which turns their order from a red to a blue order at their end, and then I think we promised them the 24-hour turnaround. It’s good from a volume standpoint, but it’s also, like Kelly says, it’s good to show our program participants that things need to be very regimented and double-checked and, you know, the last thing we want to do is go through all that work and then send them the wrong item or anything.”

Geoff Lucas, Sales Manager

People who are donors are also often consumers of the product and vice versa. There is also overlap between marketing and charitable efforts. For instance, the Bean works with schools that raise money by selling products through the children (the program is called “BeanSprouts”), as is a common practice for charitable causes in the US. There is also a party-based selling mechanism (“Bean Parties”) wherein someone invites friends into their home to purchase products.

The marketing and development personnel also participate in various festivals where products are sold and donations taken. These events increase market awareness and thus help sales, but they also draw in donors and volunteers. Other innovations and serendipitous events have benefited the Project in a way that would not be available to a business: the building was renovated through a contest on HGTV, and a popular life-coaching class is paid for through crowdsourcing. Women’s Bean Project is also sometimes the “cause” in cause-related marketing campaigns done by private companies.

Women's Bean Project is approved to receive donations through paycheck deductions from other employers. There are agency fairs where charities can set up booths and employees go around to learn and choose where to donate. Then, each worker just ticks a box on a list and, for the next year, a portion of his or her paycheck goes to that charity as a donation—and is often matched by the employer.

The Bean has no advertising budget, but instead uses social media, newsletters, and catalogs to promote itself. CEO Tamra Ryan makes many public appearances. Since the women's success stories are often compelling, there is a good bit of free publicity from press. The Bean also gives regular tours to various groups (local clubs, foreign tourists), and these also generate sales, donations, and volunteers. There are also reciprocal media arrangements with customers whereby awareness can be increased for both entities.

"We try to drive traffic to our wholesale/retail partners, whether it's a Ten Thousand Villages that may be doing a holiday fair themselves and they shared their event with us on social media (Facebook, Twitter or Pinterest), or a customer who posted a picture of our products at their local King Soopers grocery store. There's a lot of engagement going on through our social networks between our wholesale/retail partners, our customers, volunteers, donors and supporters."

Kelly Bell, Marketing Manager

The Bean's target funding (70% sales, 30% donations) is the outer limit of what is allowed under a 501(c)(3) designation. This balance must be maintained while also managing space and labor constraints. A sudden, dramatic uptick in sales might change the ratio and potentially cause the loss of the charity designation. Higher sales, however, would also have significant material implications for the Project. Labor supply is the first concern, but beyond a certain point, the greater risk would be space constraints. Importantly, if the Bean built out and staffed up to do business with, for example, Walmart stores, and then there was never another order forthcoming, it would be very damaging.

That kind of outcome is the main risk for any small business gearing up to supply Walmart. Precisely because EWT wishes to avoid "blowing up" the very businesses they are trying to help, the approach is intentionally cautious and gradual—the EWT managers describe the program as "an incubator." Most staffers at Women's Bean Project did feel they could scale up to sell large quantities to Walmart. The enterprise has been substantially systematized, they pointed out, and they did have experience ramping up for Kroger and Safeway, both of which are also very large chains.

Staffers also repeatedly told us, however, that the whole point of getting increased sales was to be able to provide services for more women. All were aware, as well, that the work of producing more sales needed to be carefully balanced against the resources—not only money, but time—put against the primary mission, which was empowering the women who worked there. If, at any point, the sales were suddenly to swing too rapidly upward, there would be pressure to move the women into more hours of production, and the basic mission might be compromised. A sense of balance was seen by all to be essential.



To be accepted to Women's Bean Project, the women must be able to work while standing, be strong enough to lift a bag of beans, and be clean and sober.

Employee experience

We interviewed half the employees at Women's Bean Project the week we arrived, selected randomly from a list. Each was informed that their names would not be reported in connection with the research and that they could refuse to answer questions or withdraw at will.

Overall, the attitude toward the Project was very positive. There were a few wistful comments about nine months being too short for the program, but all respondents recognized that the timing was intended to push them toward independence. Every respondent was keen to become autonomous; none seemed to be avoiding responsibility for themselves or their families.

"I think it's really wonderful because this program is to help women be empowered and to know that they can do something better, you know, that's why it's a nine-month program here. It's kind of to get you on your feet, get you to where you're in a work environment, to help you prepare for job searches, job training. I think it's very beneficial to someone who hasn't been in a work situation in a long time." (Participant 5)¹

Though the pay, at \$8.25 an hour, was recognized to be insufficient to live on, the respondents generally did not complain about the money because they valued the training and saw the Bean as a stepping stone to both a better job and a better life. The rules were occasionally a subject for mild complaint and ridicule, but every woman recognized the need for them.

Respondent: A job did call me the other day, a job that I really wanted, but I'm not ready for that, I want to stick around here for a little bit. It was a \$10 an hour a job and this is eight. But I'm liking the stuff I'm learning here, so it ain't about the money right now. Who knows, after the holidays it might be, but right now I'm good.

Interviewer: So the things that you're learning here are more valuable than a job.

Respondent: Yes, yes.

The assistance on basic needs, particularly interfacing with the government, and the permission to go for necessary appointments during the workday were seen as important benefits of the program. The supportive attitude of the Bean staff was consistently marked as an important element: "Since I've been here, I actually have people to step in to my life and ask me questions and to want to hear the answers and are willing to take that extra step to see what I need to better myself" (Participant 4).

¹As is the normal practice in academic research, we have anonymized all respondents, except principals who have agreed to be identified. Such reporting practices are common constraints imposed by ethical guidelines involving human subjects.

Goal setting did appear to be useful. Several respondents remarked that they had not set goals for themselves before coming to the Bean and that voicing a chosen goal each week was helping them to progress. Most chose personal goals, but some expressed a mix of business and life goals.

Interviewer: Would you feel comfortable sharing what some of those goals are that you've been working towards?

Respondent: Well, you know, it's just like what you're thankful for that week and then your personal goals. Like mine is I like to sleep, so waking up on time. Or like one goal, like downstairs I do the bundles, so I do want to achieve our goals because we have goals like every week of how many bundles that we're going to make and next week we're going to start a really big one. So I just want to make sure that everything goes good with that. And we have a long-term goal. Mine is to have stable housing, so that I can move out from the halfway house and be OK. **(Participant 7)**

Both the high selectivity of the program and the steep attrition rate within the cohort seem to have focused the intentions of some respondents, causing them to feel grateful for being in the program and determined to complete it.

“Thirty girls started, and only about ten of us will graduate, you know what I’m saying? . . . And I’m going to be one of those [ten]. And the girls that I’ve talked to that’s graduated, they’ve got good jobs, they’re making it, you know what I mean, and I just want that, too There was way more girls that started in October – and they’re already gone Like they get dropped out or they just don’t show up or they just don’t want to be here. You’ve got to want to be here because it’s not just a job, you know what I mean?” **(Participant 8)**

The Project staff expressed the opinion that increased self-esteem and confidence were major benefits of the program, not just because the employees were happier when more confident, but because increased self-esteem produced a more reliable, focused employee, less prone to conflict: “If you don’t feel good about yourself, you’re going to interpret lots of interaction as disrespectful to you.” The employees themselves seemed to agree that they were becoming more confident and that this improvement in self-esteem was an important motivator for future behavior.

Respondent: I feel confident, more confident in myself and because I wasn't making money before—I was making money but it was not in a good way; that's obviously why I went to prison—but now I feel of worth, like I can do something with my life. Like prison don't define me anymore or my charges don't define me no more, I can do better with my life.

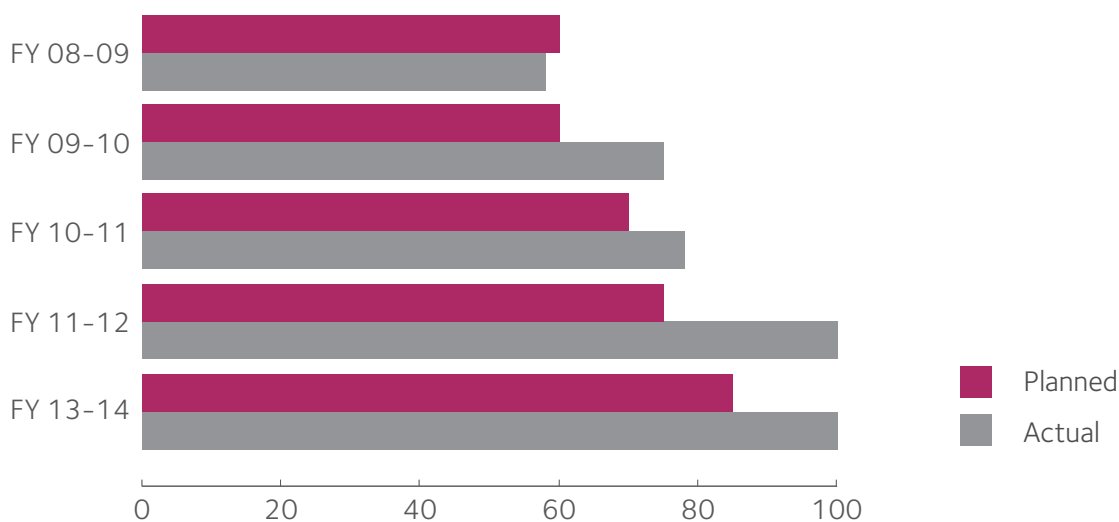
It was clear that most employees were developing a concrete plan, aided by the classes and even by the production experience.

“My other jobs are just jobs, you go to work, you come home, you know what I mean? And with this one, I actually like to go to class and my tutor's helping me brush up on—because I got my GED twenty years ago—and they're brushing me up on my school skills and they're just teaching me a lot of things that I just need to know. . . . Nobody's making me do this program.” (Participant 8)

“Yes, I'm learning more. I know a little bit about warehousing and production and assembly lines and stuff like that, and I'm just learning—I'm learning a lot more so I can add on to the little bit that I know. So I could take it with me, and I would like to see myself maybe at Mile High Foods or in a Safeway distribution center or something like that.” (Participant 4)

Women's Bean Project placements

% of graduates placed in jobs



A few respondents captured in our sample were not former felons or drug addicts, but women who simply had been unable to find a foothold in the downward slide of recession. These women were grateful for the program but were more inclined to chafe under the rules and to see the classes as a “waste of time.” Nevertheless, they were still very positive about the program.

Most women were conscious of the tension between the allocation of time to make production goals and to do the classes. Several expressed anxiety about making deadlines, indicating they had internalized the urgency of production goals.

Interviewer: Do you think that [the program plan] works well or do you think there’s a conflict between trying to run a business and trying to do all of this?

Respondent: I think it kind of conflicts because we’ll get pulled in to like a production meeting, saying “oh well, we need to make so many cases per day,” and we’re like, “OK, well that’s what happens when you have us missing out on the production floor and having us in the class for two hours,” you know what I mean? With that two hours, we can make up whichever you’re losing out on. And they say the classes are beneficial just as much as the work. So to me, I think it doesn’t work. **(Participant 6)**

We concluded, overall, that employees who stayed with the program through the probationary period saw it in a positive light and understood the purposes behind the way it was structured.



Professional women, drawn as volunteers from the Denver community, help with job searches.

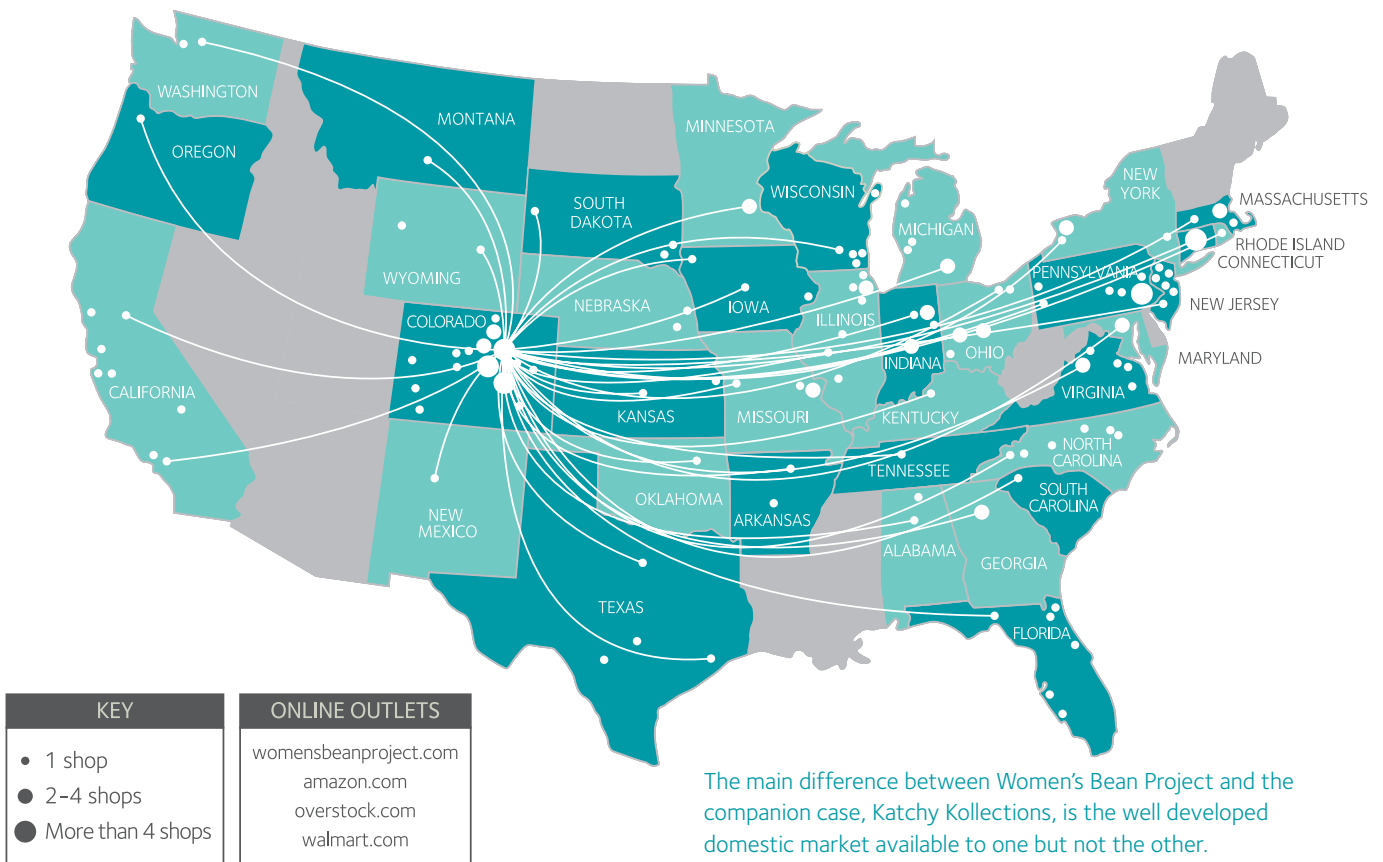
Cross-cultural comparison

We saw many differences in the national context when comparing the Women’s Bean Project (and other US-based EWT suppliers) to the companion case study, Katchy Collections of Nairobi (and other East African suppliers). We believe it is important to articulate these differences because some are not obvious, yet have a profound effect on business potential.

The point of the EWT project is to help women-owned businesses worldwide access the US consumer market. Many consumers in the US are prosperous enough to purchase specialty products, such as those offered by the Bean, which allows high-volume sales with a small, but healthy profit margin. In contrast, the consumer market in Africa is not developed; only a small elite can pay a premium, especially for food products. Thus, to connect an African supplier with the US market should help them to grow. However, there are systemic mismatches that make it very difficult to marry up the practices and capabilities of a small African supplier with US retailers.

For a small US business, selling nationally is made possible by the Internet, to be sure, but it is further supported by good roads, developed shipping networks, and an interlocking, mutually supportive retail chain. Walmart’s EWT management team remarked often to us that the difference in infrastructure between North America and other regions (unreliable communications links, in particular) is a major obstacle they work to overcome. However, in the field, we were even more struck by the difference in the expectations and practices between the business communities.

Women’s Bean Project sales outlets



Suppliers in Africa often are not accustomed to working together up and down the chain to ensure smooth production and delivery. So, the prices, availability, and quality of the materials the African EWT suppliers use to make products to sell to Walmart can swing dramatically and without notice. In comparison, the collective environment in the US has rationalized the information flow to the point that even a small enterprise like Women's Bean Project can make highly sophisticated arrangements to avoid interruptions, delays, and price spikes. Such decisions are made possible by the cooperative relationships within the supply chain and the mutually understood need to communicate information.

“Our bean company will call us in February and say, ‘Hey, we’re anticipating about a 20% increase in these beans over the course of the year. If you will commit how much you’ll buy right now, we’ll lock in your price. . . .’ They’ll be proactive, yes. And if it looked like there was going to be a problem with some product or bean in a given timeframe, our vendors would probably also notify us of the potential issue.”

Tamra Ryan, CEO

Thus, women who supply EWT from East Africa are at a significant disadvantage because they must deliver to a retailer who expects North American supply management but must buy materials from suppliers who do not share either the ethic or the practices.

The Women's Bean Project had an experience with their jewelry line that is more in line with the day-to-day experiences of African women-owned businesses.

“Where I’ve had a lot of problems is with jewelry, and a lot of that is because not many beads are made in the US. They’re all from foreign suppliers—almost all Asia, and mostly China. I’ve found that we’ll deal with a vendor, and they will say we have that in stock, we will ship it tomorrow. Three weeks go by, and they’ll say, oh yes, we didn’t ship it. No, we actually never had that item, or we haven’t had that item for three years. We find they’ll tell us what they think we want to hear, and they won’t always tell the truth.”

Tamra Ryan, CEO

In our work with African suppliers in the EWT system, we have seen the women-owned businesses are at a disadvantage because of the unreliability of their own supply chain. However, we have also seen the flip side: the EWT managers struggle to adapt when these same women-owned businesses promise to deliver something they really don’t have or can’t make—or fail to communicate when shipments haven’t been made or supplies have been delayed.

Women who supply EWT from East Africa are at a significant disadvantage because they must deliver to a retailer who expects North American supply management but must buy materials from suppliers who do not share either the ethic or the practices.

It actually makes a big difference that all the people involved with the Bean—staff, workers, donors, volunteers—are also American consumers. That’s because they all have experience with the overall environment in which products are sold. While volunteers or donors may pick up gift baskets at Christmas fairs and the like, even employees were buying the product—packaged and reasonably priced as a food item—from the big grocery chains. This is important because it means the whole enterprise is staffed with people who are able to envision where the product will go, how it will appear at the point of sale, and what the quality expectations might be. Small as this issue may seem to those who have grown up in a consumer society, many people in developing countries have little basis even to imagine the US environment where their product is going—or how tight scheduling is or how rigid the deadlines. This mismatch of experience makes for communication and production difficulties between EWT and suppliers on the other side of the world.

Coordinating the movement of goods from a small supplier to a large retailer, such as Walmart (or Kroger or Amazon), also requires a substantial effort to interface with the retailer’s information system. When Walmart first approached, the Bean had already invested in such systems and in developing the appropriate internal practices to work with them. Thus, the Project would probably be well equipped to learn and work with Walmart’s notoriously difficult online information system for suppliers. But, throughout the EWT system in North America, we have seen suppliers struggle to learn and to accommodate this interface. Several have hired full-time, highly educated people (college graduates, sometimes MBAs) just to manage the information requirements. The work requires reliable Internet access, fluency in English, computer skills, numeracy, and infinite patience. These people report spending long hours on the phone with Walmart, trying to get questions about the system answered.

Here again, the African suppliers would suffer a severe disadvantage. Internet access is often unreliable there, even for wealthy people in urban settings. In some countries, even educated people may not be fluent in English, especially written English, and do not have much computer experience. The cost of sitting on the phone trying to get someone in America to answer a question would be prohibitive.

“The ethical sourcing audit wasn’t a challenge for us because what they’re checking on is: Are we employing child labor? Are we paying people for the hours that they work? By virtue of following the US employment law, we’ve met all the requirements.”

Tamra Ryan, CEO

Meeting Walmart’s ethical sourcing requirements is another point of dramatic difference. EWT suppliers in the US can nearly always pass the audit quickly, easily, and cheaply simply by virtue of (1) being already in compliance with existing US and local regulations and (2) being part of a culture that is already highly systematized. So, for instance, the Bean’s building would necessarily have passed fire safety requirements before it could be opened to workers. Records for employees of Women’s Bean Project would be available and interlocked with various state agencies. Certainly, they would all have arrived with known birth dates and Social Security numbers.

Walmart Ethical Sourcing Audit

All Walmart suppliers must pass an audit ensuring that their manufacturing conditions meet international standards for safety, labor practices, and environmental impact. Many requirements seem simple and basic from the perspective of the developed nations. For instance, there must be exit signage and extinguishers placed appropriately for employees to find and use in the event of fire. There are standards related to the electrical wiring, the width of exits, and the swing of doors. Workers must be able to prove that they are of legal age to be employed. Hours must be clocked and payments must be standardized. Children may not be present.

Many developing-country EWT businesses are very small. Owners may struggle to pass the audit because, for instance, expensive structural changes are needed (e. g., widening a door) or because their workers typically don't have birth certificates.

Compliance must be verified by an independent auditor operating in that country. Walmart pays the cost of the first audit (about \$3,000) for an EWT supplier. However, some suppliers in developing nations experience multiple audit failures. The production for Walmart is delayed, so the business gets no benefit from the relationship while implementing what may be costly changes. Once the company passes the initial audit, they must still be reviewed annually—and pay for the audit each time.

The audit process is becoming a significant and controversial barrier among EWT suppliers in Africa, Asia, and Latin America, but is seldom problematic for those in North America. However, having passed the Walmart audit, the business does gain a credential that appeals to other potential clients from developed nations. So, successfully demonstrating this compliance can lead to more business. Thus, the ethical sourcing audit, though painful and expensive, is another mechanism through which a relationship with Walmart can exert a positive business impact.

In contrast, it is common for people in East Africa to have no birth certificate and to be uncertain of their age. Work times are very fluid; attendance and punctuality are not necessarily a typical requirement. Payment may be done on a piece rate, or for a barter of goods, or even exchanged for the promise of a favor owed. Thus, suppliers in that region who want to join the EWT system have to spend a great deal of time and expense up front just documenting their workers, formalizing payment, and setting up records systems in order to pass the Walmart ethical audit. Throughout the developing world, fire regulations, even if they exist, are often lax or unenforced; many workplaces are informal and unsafe. And environmental regulation lags far behind the standards of the US and western Europe. Consequently, significant expenditures may be necessary for a small woman-owned business to bring her site into compliance with international expectations. Throughout the EWT system, bringing developing country suppliers into alignment with the ethical sourcing requirements has been difficult and expensive, but North American suppliers hardly notice the process. Several of the North

American suppliers were outsourcing production to China—and, through American networks, they were able to choose factories that had already passed the Walmart audit for other jobs. A couple of small factories in the US expressed irritation about the ethical audit process, usually because they saw it as redundant, thus insulting.

Throughout the EWT system, bringing developing country suppliers into alignment with the ethical sourcing requirements has been difficult and expensive, but North American suppliers hardly notice the process.

Services provided by other entities make a huge difference. Women’s Bean Project, for instance, outsources its human resource service, rather than spending the money to staff in house. The fact that there are established requirements and reporting systems used throughout the US allow this to happen. One human resources service supplier can offer to do the recordkeeping for many small companies at a fraction of the cost they would otherwise incur.

“For our HR functions we have an outsourced firm called Mountain States Employers Council. We pay an annual fee and I literally have an HR specialist or a lawyer or whatever I need, a phone call way. They also help us ensure we’re in compliance with all labor laws.”

Tamra Ryan, CEO

Services such as this one, and many others that allow small US businesses to outsource the requirements for dealing with the large retailers, are simply not available in Africa.

Enculturating the Bean’s employees into a firm routine with specific start times, breaks, lunch periods, and closing times is just one part of an overall systemic expectation that their working hours and wages are documented—and also that delivery dates must be made, standard sizes provided, and so on. It is important to recognize, however, that the regimentation in the North American system is not all positive. The emphasis at the Bean is on learning workplace rules within a highly supportive environment. Both staff and employees remarked repeatedly that future employers would be considerably less forgiving. In particular, the fact that women were allowed to go to personal appointments without a penalty was seen by many as something that would not occur in most workplaces. Such remarks highlighted for us that American workplaces often are so inflexible that they are rather hostile to basic human needs and family life. This intractable attitude is particularly hard for mothers, especially single mothers. Throughout the North American EWT system, in fact, we have heard women at every level describe the compromises they must make (lower pay, less job security, and so on) in order to work for employers who are more flexible about the need to accommodate families.

In sum, the different national contexts produce a very unequal playing field for businesses across the whole EWT system. A major presumption implicit in any assessment system is that all parties being judged could be fairly evaluated by the same set of measures. Thus, it may be necessary to devise some way of accommodating these national advantages and disadvantages when comparing the impact on businesses in different parts of the world.



Life skills classes comprise 30% of the work week. These include a range of topics from financial literacy to interpersonal skills.

Measurement issues

The assumption motivating this research is that Walmart's EWT effort will have a measurable impact on the enterprises it engages. At first consideration, most people believe this impact would occur through a series of very large orders that would quickly transform a small business into a large one.

We have seen in the Bean Project case study that a sudden very large order could have negative effects on a business by straining capacity in terms of space, labor, and systems. Capital would usually be another major constraint. Attempts to solve these problems could lead to negative outcomes, such as taking on too much debt. Thus, we cannot presume that higher sales are always a positive indicator and must look to measure possible signs of strain if we are to have a balanced judgment of impact.

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Further, we must consider how to evaluate the impact of a Walmart order in the context of other customers and sources of income. Women's Bean Project has diverse sources of income and that is an important strength. Just as the Bean is not dependent on any one donor, it is also not dependent on any one customer. To have a single customer whose orders so affected the business that employees' lives (children, communities) were measurably changed, suggests an extremely unbalanced business situation. If a causal connection could reasonably be drawn between customer and impact—through orders alone and not through other programs—we feel the power relationship might be very unhealthy. Even if such a situation were beneficial briefly, it would be important for the supplier to diversify quickly—because expanding capacity for one customer who might choose not to buy again is very risky indeed.

We feel we must question the expectation that large orders are the primary mechanism through which Walmart will affect the future of the EWT businesses.

There is also a temporal expectation that is bothersome to us. It is common for donors and others measuring impact to expect to see major changes within a very short time, usually a year. To get an order from Walmart large enough to, within months, transform a business and the lives of everyone associated with it, may seem like a dream come true, but in truth such a situation would likely bring significant risk. Yet, ironically, if the order is not a dramatic one—a life- and business-changing order—how can we say that outcomes for the business or the employees are attributable to Walmart's involvement as opposed to orders placed by other retailers? Should we try to pro-rate the effect of the Walmart order, if it is one among many?

We have struggled with this puzzle. In the end, we feel we must question the expectation that large orders are the primary mechanism through which Walmart will affect the future of the EWT businesses. By thinking through the systems issues and by reviewing the published literature on factors positively affecting small businesses, we have concluded that there are other aspects of a relationship with Walmart that may be beneficial, such as the potential to be linked into functional networks and the incentive to implement formal systems. We believe that such influences on practice may be the most important outcome for small businesses and will also be more clearly traceable to Walmart. We have already seen the EWT management team using Walmart's influence to remove common obstacles—these interventions may end up being the crucial contribution, rather than buying more baskets or earrings. However, tracking these influences will likely require new measures for both inputs and outputs.

The charitable aims of Women's Bean Project are also thematic for EWT: both intend to empower women.

We must also be careful not to track only business measures. The charitable aims of the Bean are also thematic for EWT: both intend to empower women.

If we were to measure only sales and other business items, we might miss their effect on the primary mission of this enterprise: to empower disadvantaged women. Indeed, the biggest risk of higher sales may not be strains on the business itself, but compromise of the core intention.

“And we tend to be so input and output focused, but not enough on what goes into making that input turn into an output. I think that one of the things I see is that there's a lot of pressure on Walmart and also on other companies that are investing in these types of programs at this point to show really basic measurements like 'increase in sales' and 'increase in income' and things like that, and that then ignores a lot about the process for the person but also the engagement of the organization and how they're bringing about that change.”

Mary Wyciechowski, Program Manager

The normal expectation would be that the positive impact on employees would be measured in fairly conventional ways: number of people employed, length of time employed, and wages. In the Bean Project, however, the number of women employed is a function of many other conditions, some controllable, such as space availability, and some not, such as parole violations. If longer terms of employment occurred, we would know that the Bean was failing in its mission. Similarly, the wages at the Bean are not intended to be an attraction because the women are meant to get on with their lives and find better-paying jobs.

Though it might seem that the Bean Project is exceptional in this regard, we have found in our other North American EWT research that employees take jobs for many reasons other than pay and very often do not plan to stay—because they do have other futures in mind for themselves. However, we believe the provisional

approach to employment (e. g., “I am only going to do this until I can find a better job” or “until I can save enough money to go back to school,” etc.) is more common in the US than it would be in East Africa, in part because of the difference in available opportunities, but also because expectations about career trajectories are different.

How best to measure empowerment is still very much in debate around the world, but the focus has been on developing countries. We have found that several frequently used questions seem like nonsense when asked in a developed nation setting.

Furthermore, if we are too reliant on headcounts and such, the measures may miss important effects or even generate undesirable consequences. For instance, one risk of a large Walmart order in this case might be that employee time would be repurposed for production, while training was compromised. Within the Bean Project, there is concern over the attrition rate and internal pressure to get the numbers up. One way of accomplishing that is to take in only women sure to stick it out—which could mean rejecting the women who need the chance most. These are exactly the kinds of unintended effects that ill-advised, unbalanced measures can have.

“What kept coming up is, well, how can we improve the numbers? How well can we?—and I just wanted to pull my hair out after a while because I’m doing the direct practice, and I can’t monitor someone’s behavior when they’re not here and tell them no, don’t take that drug. Or, don’t be around this person that you’ve been used to being around for the last 20 years of your life. Those are the things that lead to the mistakes.”

Mary Wyciechowski, Program Manager

Choosing measures for the impact on women is also a challenge. There are well developed scales for confidence and self-efficacy, which we believe will be important common indicators—and we agree with Women’s Bean Project’s staff that such measures are relevant to business performance, as well.

“You know, when people ask me what’s the most important thing you help these women with, if I can only pick one of them, I’d say the whole self-esteem, positive self-concept, self-confidence because without that, I think you’ve got nothing. . . . And I think there’s good reason to believe in documentation to suggest that if you can affect that, that it affects employability and ability to stick with the job and all kinds of stuff.”

Program Manager for 13 years, now retired

In addition to measures of confidence or self-efficacy, the project demands an assessment of empowerment. How best to measure empowerment is still very much in debate around the world, but the focus has been on developing countries. We have found that several frequently used questions seem like nonsense when asked in a developed nation setting. For instance, asking whether a woman can leave home without her husband’s

permission is a reasonable and important question in many parts of the developing world, but implies the expectation of abuse when asked in North America. Yet there is certainly gender inequality in the US; one simply must ask different questions to get at it. Further, women's empowerment measures seem to have been tested only among women. While such a focus may seem logical (and would not have been a problem at the Bean because all the employees are women), we are finding that some questions, when asked of men, get surprising responses that suggest the construct itself is too prone to gender stereotypes. For instance, when asked whether other family members' needs came before one's own—a question intended to get at the self-sacrifice typical of feminine norms—a young man in San Francisco quickly answered: "Oh, yes, my mother's needs should always come first."

It is also important to understand that the potential positive effects would include the avoidance of negative outcomes and social costs, such as the continued generational pattern that might put the children in jail, or lead them to take drugs, or cause them to use weapons against others.

A main impetus for the international interest in women's empowerment is the belief that economically autonomous women will do better by children. In the case of the Bean Project, there is a magnified potential impact since nearly all the women were single mothers of several children. It is also important to understand that the potential positive effects would include the avoidance of negative outcomes and social costs, such as the continued generational pattern that might put the children in jail, or lead them to take drugs, or cause them to use weapons against others. Indeed, the cost/benefit proposition of the Bean Project really can only be fully grasped if you take those avoided costs into account, in our opinion. The same is true in the developing world, where the very poor are vulnerable to disease and brutality that many believe might be avoided if women had steady incomes. Nevertheless, it is difficult to imagine how one would accommodate—or even ask questions about—the full range of potential negative effects.

In sum, several complex measurement issues emerge from the Women’s Bean Project case study. Despite the enormous difference between sites, most of these measurement questions overlap with the Katchy Kollections case, specifically:

- Looking only for increases in sales and the number of employees would have created a false impression.
- Other measures of risk besides debt ratios and the like must be used in conjunction with growth measures.
- Other effects of Walmart engagement, such as the impact on systems or networks, should be included as potential benefits.
- For employees, other measures besides length of time in the job or wages should be used, especially indicators of confidence or self-efficacy.
- The impact of empowering different groups of women, as well as the follow-on reach to children, raises questions about the nature of expected benefits.
- The variation in national circumstances for women suggested that some means of adjusting for better or worse gender conditions should be used.
- Walmart is only one customer in a healthy business—how does one attribute their influence on benefits, as opposed to other customers?

Finally, in this case, we are dealing with a public charity, rather than a for-profit business. The types of businesses in the system vary a great deal and a large number work with Walmart through a not-for-profit entity. Some method of accounting for divergent business forms and aims will have to be devised.

Women in the United States

Women in the United States enjoy many advantages compared to their counterparts in developing countries. Especially in terms of educational achievement, women have actually surpassed men by a small margin at most levels. Among women 25 or older, for instance, 95.1% have at least a secondary education, as compared to 94.8% of men. On average, American women have 13.0 years of schooling while men have 12.9. Both sexes are highly educated compared to most world populations, with 44.6% of women between the ages of 25 and 64 having reached tertiary education, and 40.3% of men.



The greater educational achievements of American women do not translate into economic equality, however. Labor force participation is not very different from Kenya, the site of the Katchy Collections companion case, at 67% female versus 78% male. According to the World Economic Forum, women in the US are paid 65% what males are paid for similar or the same work, whereas women in Kenya are paid 67%. The formal banking system has reached many more people in the US than in sub-Saharan Africa. Consequently, 84% of American women have some kind of account with a formal financial institution, compared to only 39% of Kenyan women. However, though women own nearly a third of American small businesses, they get less than 5% of conventional business loans.²

Nevertheless, the US system and culture are far more supportive of business generally—and that extends to women. The Booz & Company Third Billion report ranked the US fifth out of 128 nations for support to women entrepreneurs.

² Majority report of US Senate Committee on Small Business and Entrepreneurship (July 23, 2014), “21st Century Barriers to Women’s Entrepreneurship.”

United States			
Index of Gender Conditions	Measurement Agency	US Rank	Total Nations
Gender Inequality Index 2014	United Nations Development Program	5	187
Women's Economic Opportunity 2012	The Economist Intelligence Unit	14	128
Gender Gap Index 2013	World Economic Forum	23	136

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Implications

To date, most women's entrepreneurship programs and women's empowerment projects have been considerably narrower in geographical scope than Walmart's Empowering Women Together effort. Therefore, these other projects did not have to confront the same level of infrastructural, cultural, and business practice variation. Furthermore, very few such programs are integrated into the existing operations of multinational corporations and thus do not grapple with the material challenges of trying to combine developing country systems with developed ones. Instead, the typical program delivers training of some sort alongside or independent of actual business activity or focuses on a single aspect, such as access to capital. In general, the interventions do not raise the kind of complexity, operational mismatches, and risk that EWT confronts.

Feedback to Walmart from women-owned businesses has already resulted in change. The Walmart women's economic empowerment team has worked on a variety of fronts to facilitate financing, training, and logistics. Other units within the company have been, in our experience, quite willing to help think through and remove obstacles. Company-wide changes, such as new support systems for using the information interface, as well as specific accommodations such as training for new women suppliers, may also smooth the operation for EWT.

The Walmart EWT system, by virtue of its huge potential scope and impact, is important to get right.

The Walmart EWT system, by virtue of its huge potential scope and impact, is important to get right. The EWT managers are passionate and determined, but few outside the team itself realize how difficult the challenge they face really is. We feel observers inside and outside Walmart should allow this team the time to work through the issues, to adopt well-designed and prudent measures, and to bring this program into compassionate engagement with its intended beneficiaries.



SELF RESPECT
COMPASSION
HOPE SUPPORT
POSITIVE SELF IMAGE
GOODNESS NEED
OPPORTUNITY LOVE
CONFIDENCE
COMFORT AND WARMTH
BELIEF INNER STRENGTH
APPRECIATION
KINDNESS DESIRE
GRACE ENCOURAGEMENT
ENDURANCE
WELL-BEING INSPIRE
ENLIGHTEN

Every time you purchase from the Women's Bean Project, you are not only getting a delicious product, but helping support a better life for a woman in need. For more information or to get involved, visit womensbeanproject.com



Empowering Women through Market Access

This case study was developed as part of a research initiative undertaken by the University of Oxford to develop measurements for evaluating the impact of Walmart's Empowering Women Together (EWT) program. EWT focuses on bringing small businesses that are owned or led by women into the Walmart supplier base, thus opening a large market to them. Through this Women's Bean Project, USA case study, along with the companion Katchy Kollections, Kenya case study, and Maasai Women Development Organisation (MWEDO), Tanzania case study, we intend to illustrate the questions that arise in designing appropriate metrics, while also showing how the difference in local conditions affects business potential. A companion piece that surveys current literature and practice in measurements relevant to EWT is being compiled and will also be made public.

Saïd Business School

Saïd Business School is one of the world's leading and most entrepreneurial business schools. An integral part of the University of Oxford, the School embodies the academic rigour and forward thinking that has made Oxford a world leader in education. The School is dedicated to developing a new generation of business leaders and entrepreneurs and conducting research not only into the nature of business, but the connections between business and the wider world.

We want to express special appreciation to Women's Bean Project for participating in this study.