



Inclusive Development Guidelines for businesses

We commit to adopt inclusive development practices



**Signe
Natir**

FOR A SUSTAINABLE & INCLUSIVE MAURITIUS

Introduction

It is a known fact that no development can occur with economic growth solely; and inclusive development is imperative. Inclusive development ensures that development progress is sufficiently widespread for the benefit of the majority of a population. One important aspect of inclusive development is social inclusion, where individuals and groups, take part in society. The World Bank highlights that for growth to be sustainable and effective in reducing poverty, it needs to be inclusive.

Poverty and business

Poverty remains one of the most momentous global challenges being faced by the world, despite the unprecedented progress made over the last half century. It is so crucial that the United Nations has assigned the first Sustainable Development Goal (SDG) to the eradication of poverty, indicating that it is the utmost priority of the UN.

“SDG 1 – No Poverty” is also among the SDGs that is most pertinent to business, and concurrently being the most challenging to address and to assess. Not only do companies have a significant impact on poverty; but poverty, as well impacts the business environment.

Businesses, therefore, have an imperative role to play in the alleviation of poverty. More and more businesses have realised that the need to do business has a purpose that goes far beyond just making money, and the benefits are mutual. Stronger economies and stable societies lead to better business environment and enhanced market growth. The fight against poverty, however, requires a holistic approach and involves all sectors of the economy with the close collaboration of the Government, public institutions, private sector and the civil society.

Understanding Poverty

Poverty can be defined in a number of ways and people may be caught in the poverty trap in various forms. Overall, a general way to describe poverty would be a lack of autonomy in either of the six pillars below:

1. Education

- ✖ Access to education
- ✖ Conducive environment for education
- ✖ Interest and motivation for education
- ✖ Financial means for education

2. Health

- ✖ Access to health care
- ✖ Health level

3. Food and Nutrition

- ✖ Food to meet basic requirements
- ✖ Nutrition

4. Employment/Employability

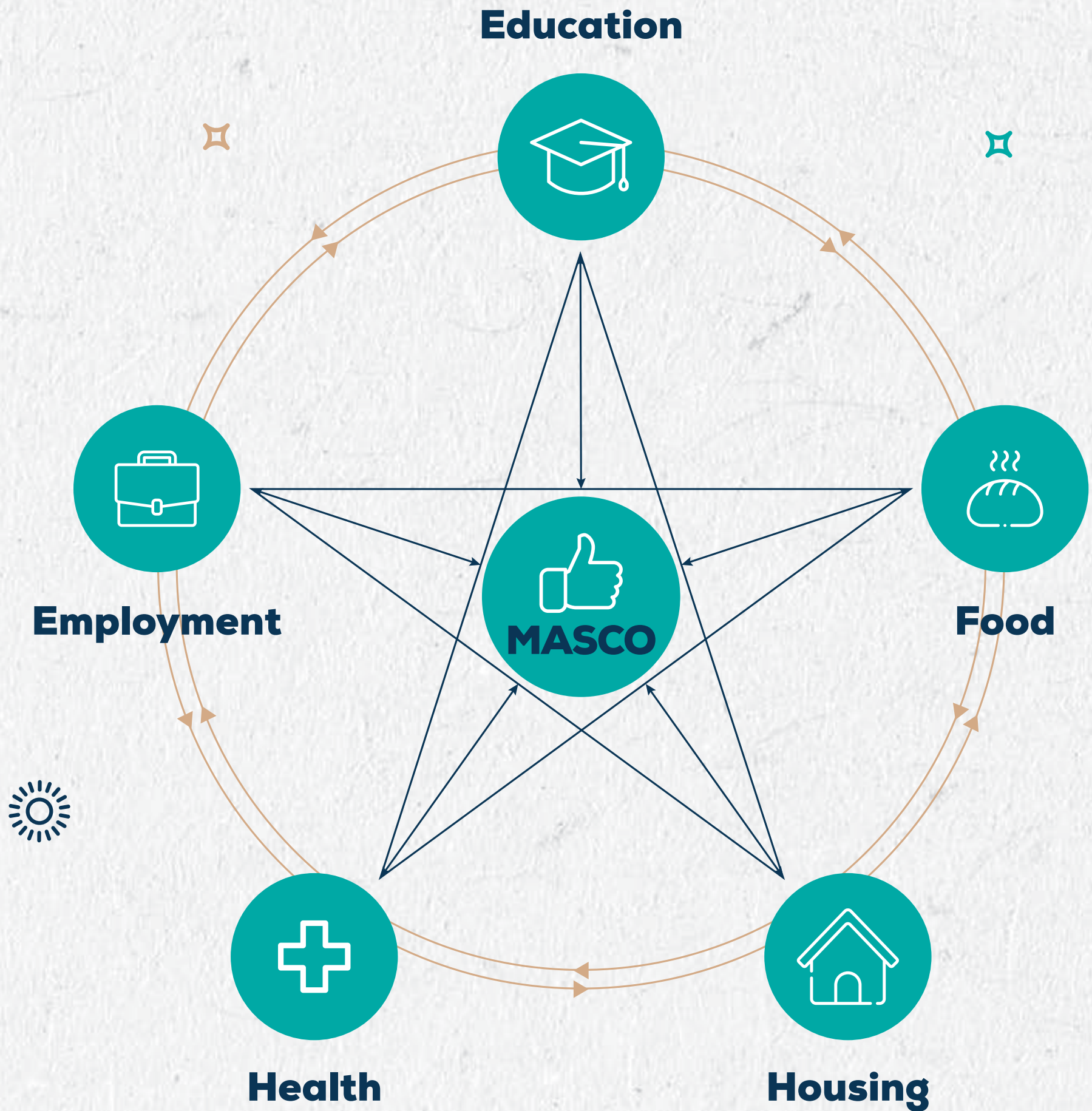
- ✖ Stable employment
- ✖ Sufficient revenue to sustain basic needs

5. Housing

- ✖ Adequate housing facilities
- ✖ Basic utilities for housing such as water, electricity

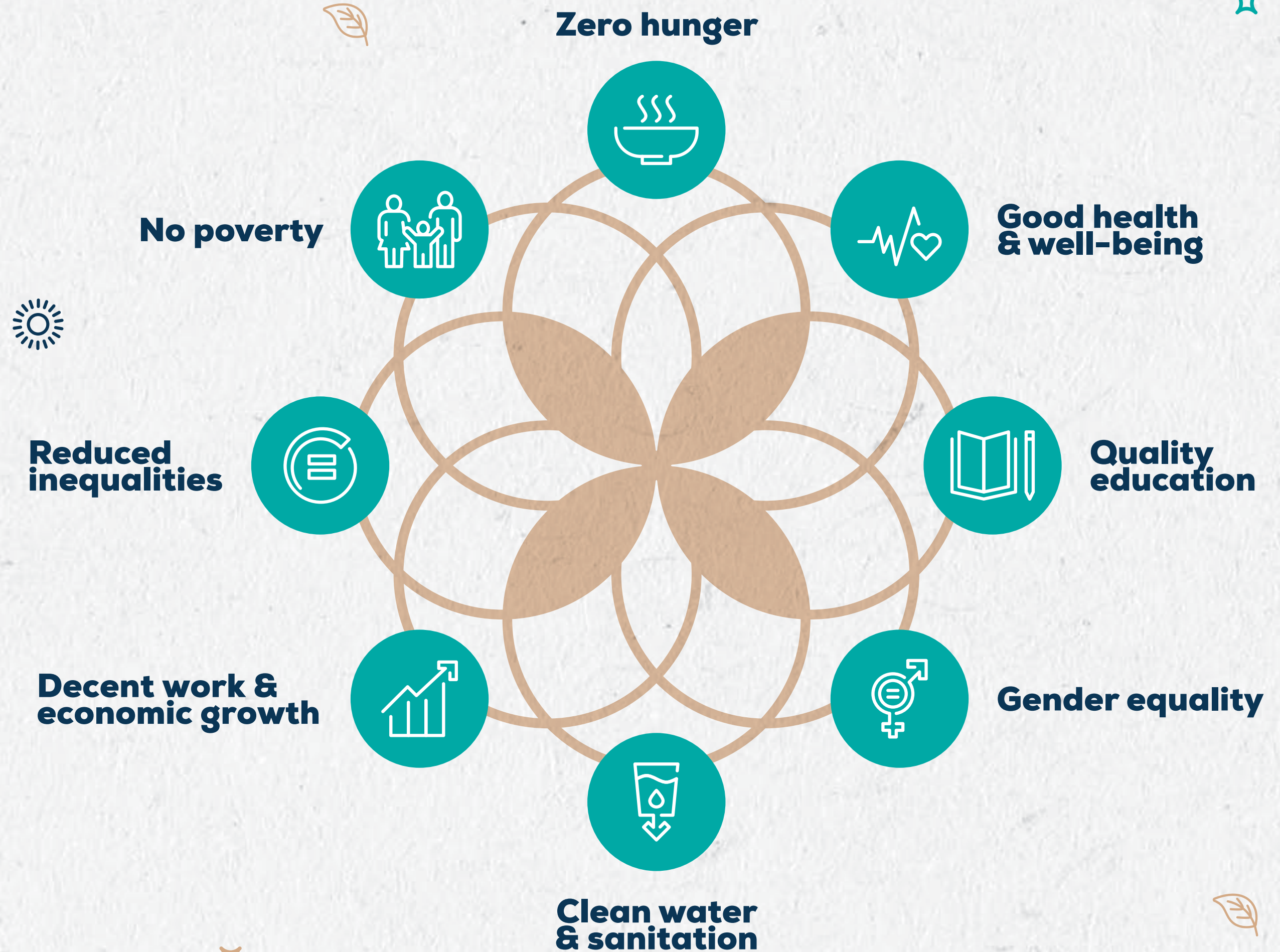
6. Psychosocial factors

- ✖ Empowerment
- ✖ Psychological support
- ✖ Freedom from discrimination
- ✖ MASCO (Motivation, Attitude (positive), Savoir-Faire (know-how) and Courage)– this factor is the engine for empowerment and which will drive autonomy on the other five pillars.



In Mauritius, for the purpose of poverty analysis, the relative poverty line (RPL) is used. RPL can be defined in the relation to the distribution of income or expenditure of a country at a given point in time and is usually set at a certain percentage of the median income. Over the last 20 years, the proportion of households in relative poverty increased by nearly 1 %. In 2017, around 36,500 households, comprising of 131,300 persons were in relative poverty (Statistics Mauritius, 2020).

Inclusive development and poverty alleviation are multidimensional and linked to most of the SDGs as illustrated:





Categories of business actions



The objective of this guideline prepared by Business Mauritius is to help businesses to be more engaged and be a driving force in poverty alleviation and inclusive development. It also focuses on the need to demonstrate the impact of actions and proposes a list of indicators to facilitate impact assessment.



Seven categories of actions have been set out to guide businesses in their effort. For each category of action, the following are highlighted:

- ✕ The objective
- ✕ The criteria of assessment
- ✕ Relevant business actions

The idea is to guide businesses in their endeavour towards community involvement in a pragmatic manner.





Category 1

Employee engagement/ involvement



Having employees engaged in community action is a win-win situation for both companies and their employees. The employees are more motivated in their work, they are likely to gain greater job satisfaction and they feel an emotional connection with the organisation. Employees may also prefer to work with such a company that values inclusiveness and social responsibility.

Objective

To encourage companies to engage their employees in community involvement.

Criteria of assessment

- ⊗ Formal policy on employee involvement.
- ⊗ Degree of employee involvement.



Relevant business actions

- ⊗ Implementation of formal policy where employees are allotted working time (for example 2 hours per month) to be involved in any community action.
- ⊗ Organisation of regular company events where employees get involved in community work, for example volunteering activities such as clean-up campaigns.
- ⊗ Carrying out of fund raising activities by staff in companies towards NGOs– raffle tickets, sale of items, tombola etc.
- ⊗ Setting up of structured mechanism (CSR committees for example) to plan community actions.
- ⊗ Assignment of full-time or part-time dedicated CSR staff to coordinate community work.
- ⊗ Involvement of employees in providing donations to targeted vulnerable groups (flood victims, victims from cyclones, old-age persons).





Category 2

Support to needy/vulnerable employees within the organisation

Companies can play an important role to lift employees within their organisation, out of poverty. Companies may have some employees who are either already living in poor conditions (working poor) or are faced with situations that lead them to vulnerable situations and in precarious conditions.

Objective

To inspire and encourage companies to proactively support employees that are in need or vulnerable (on some or all of the 6 pillars).

Criteria of assessment

- ✖ Policy on support of vulnerable employees.
- ✖ Number of employees empowered.

Relevant business actions

Psychosocial factors

- ✖ Involvement of HR in identifying needy and vulnerable employees and providing relevant support.
- ✖ Implementing an open door policy where employees are encouraged to voice out their concerns.

- ✖ Provision of support system such as access to corporate psychologist/counsellor.
- ✖ Assisting employees being faced with unforeseen dramatic events (loss of close ones, health problems, loss of housing in natural disasters) with special schemes.

Education

- ✖ Provision of educational schemes (for example loans, scholarships) for children of needy and vulnerable employees.
- ✖ Provision of educational materials.

Health

- ✖ Provision of medical insurance to needy employees.
- ✖ Provision of flexible working hours for parents.
- ✖ Provision of health benefits such as health checks, company doctors.
- ✖ Offering programs for alcoholism, drug addiction, etc.

Housing

- ✖ Provision of support programmes to vulnerable employees with significant housing deficiencies.

Category 3

Inclusive employment and promotion of equal opportunity

Companies can aid in addressing poverty issues by eliminating discrimination and support disadvantaged groups through education, employment, or housing for example. This can help not only in bridging inequalities in employment and pay, increasing access to education, promoting diversity but also encouraging businesses owned by women and vulnerable groups when awarding contracts. These actions can be beneficial to a company's bottom line.

Objective

To encourage companies to support vulnerable groups through inclusive employment and providing equal opportunities.

Criteria of assessment

- ✖ Actions taken towards vulnerable groups.
- ✖ Number of disabled people employed as a percentage of people employed.

Relevant business actions

- ✖ Employ more disabled people by identifying which disability types are compatible with specific jobs.
- ✖ Employment of people from poorer communities or vulnerable groups within the vicinity of the company.
- ✖ Reinsertion of ex-detainees, ex-substance abusers in job market.
- ✖ Sub-contracting to businesses owned by underprivileged groups.
- ✖ Sourcing of services and procurement of supplies from vulnerable groups and SMEs.
- ✖ Ensuring diversity at the workplace.





Category 4

Promotion of gender equality

Women constitute the majority of the poor and vulnerable groups. Companies can help reduce poverty by providing women with economic opportunities and promoting gender equality. If women are trained to be entrepreneurs or to acquire necessary skills, they can gain financial independence and achieve economic stability for their family. Investing in women has long term benefits to business, because when women have enough money for food, healthcare, education and other benefits for their family, their children have better opportunities to grow into healthy and educated adults. This ultimately leads to a better and more productive workforce and therefore reduces the poverty pockets.

Objective

To encourage companies to promote gender equality.

Criteria of assessment

- ✖ Actions taken towards women.
- ✖ Actions taken to encourage gender equality.

Relevant business actions

- ✖ Sub-contracting to businesses owned by women.
- ✖ Appointment of women at management levels.
- ✖ Calculating/monitoring the gender salary gap.
- ✖ Flexible working hours for mothers.

Category 5

Non-financial support to NGOs and vulnerable groups

Companies can support NGOs and vulnerable groups through non-financial means.

Objective

Encourage companies to provide non-financial support such as training, management, logistics/manpower support to NGOs and to worthy causes.

Criteria of assessment

- ⊗ Non-monetary support to NGOs and worthy causes.
- ⊗ Provision of services and goods.

Relevant business actions

- ⊗ Provision of office space or other amenities to NGOs, like meeting or training rooms.
- ⊗ Provision of specialised corporate skills and services, such as management support, IT and web support, transport and logistics support, HR assistance, accounting support, legal guidance, project management, marketing, auditing, insurance.
- ⊗ Provision of equipment and goods, such as IT equipment, furniture, stationery, office equipment.
- ⊗ Provision of skills training to NGOs, vulnerable people and communities.





Category 6

Financial contribution to NGOs, community based projects and vulnerable groups



Financing can be in the form of direct funds to relevant NGOS to support their day-to-day activities in achieving their mission or by providing funds for implementing specific community based projects in poverty pockets to alleviate poverty.

Objective

To encourage companies to provide financial contribution to NGOs directly or to fund community development projects.

Criteria of assessment

- ✧ Monetary value.
- ✧ Percentage of sales/profits.
- ✧ Percentage of wage bill.
- ✧ Based on number of employee ratio.



Relevant business actions

- ✧ Funding of community development projects.
- ✧ Provision of direct financing to relevant NGOs.
- ✧ Provision of funding facilities, for example provision of microloans by financial institutions with special conditions for community based projects.



Category 7

Fourth sector/
Social enterprise

The conventional way of doing business solely for profit making is paving its way to broaden their purpose to include social and environmental benefits. This movement has emerged into a new sector of the economy, called the 'fourth sector' and which consists of 'for-benefit' organisations, which integrate market-based approach with social and environmental aims. These organisations can exist in a number of forms, such as social enterprises or cooperatives but they share the same principle of generating income from their business activities while the core purpose is to have a positive impact on society.

Objective

To encourage entrepreneurs to engage and develop the fourth sector.

Criteria of assessment

- ✖ The objective of the organisation/company/business is not profit-making and is 'for-benefit' and geared towards societal improvement.
- ✖ The impacts generated to for social and/or environmental improvement.

Relevant business actions

- ✖ Providing unemployed groups of people with relevant skills, initial investment and working capital, for example in agriculture, and empowering them to grow vegetables and market their produce for financial independence.
- ✖ Provision of money lending facilities to individuals or small organisations, who would otherwise not get funding.



1. Employee engagement

Action:

- ✧ To encourage employees to be engaged in community initiatives by providing fully paid time-off (companies have a formal community policy fostering employee engagement in voluntary work).

Indicator:

- ✧ Total amount of time (paid time-off provided by the company) spent by employees engaged in community actions (hours).



Actions & indicators

SigneNatir offers companies the opportunity to commit to inclusive development by focusing on the 6 actions and its corresponding indicators. Companies can choose one or more actions to demonstrate their commitment.

2. Equal opportunity employer

Action:

- ✧ To promote the employment of disabled people and the setting of required infrastructure to facilitate access.

Indicators:

- ✧ Number of disabled persons employed by the company.
- ✧ Percentage of employees with a disability employed by the company.



3. Support to vulnerable employees

Action:

- ✧ Provision of educational schemes (for example loans, scholarships) for children of needy and vulnerable employees.

Indicators:

- ✧ Total amount spent on support schemes dedicated to children of needy employees (Rs).
- ✧ Number of children benefitting from such support schemes.



4. Gender equality

Action:

- ✧ To promote flexible working arrangements for mothers or pregnant women.

Indicator:

- ✧ Number of working mothers or pregnant women benefitting from flexible working arrangements.



5. Non-financial support to NGOs

Action:

- ✧ Provision of non-financial support such as office space, logistics, products, etc... to NGOs/ community groups.

Indicator:

- ✧ Number of NGOs benefitting from non-financial support provided by your company.



6. Financial support to NGOs

Action:

- ✧ Provision of direct financing to relevant NGOs, community based projects and vulnerable groups.

Indicators:

- ✧ Total amount of money (or grants) provided by your company to NGOs/underprivileged (Rs).
- ✧ Total amount of money (or grants) provided by your company to NGOs/underprivileged, as a percentage of turnover (%).





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inclusive future for Mauritius**

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