

GEM

CASE STUDY

Macrocentra Niagaboga invests in male and female employee's gender awareness



About the Gender Equality Mainstreaming (GEM) Pilot

Under the USAID Asia and Middle East Economic Growth Best Practices Project, MEDA partnered with local investment funds and small and medium enterprises (SMEs) to evaluate and upgrade gender equality within business operations by mainstreaming gender across environment, social and governance (ESG) standards commonly applied in the investment industry.

Company Overview

Macrocentra Niagaboga (MN) is part of **Cimory Group**, a family business in Indonesia. MN distributes over 500 needed consumer goods including dairy, processed meats, eggs, and soy products across the archipelago. Founded in 2004, MN has 614 employees with 174 women staff.

Gender Equality Mainstreaming Initiative in Environment, Social, Governance Standards

With support from USAID, Mennonite Economic Development Associates (MEDA) awarded MN USD \$40,000 in technical assistance support to mainstream gender across all dimensions of the Environment, Social and Governance (ESG) standard. MN had three goals as part of the initiative:

1. Develop an employee diversity performance management system. This database would track sex disaggregated human resources data to allow managers to identify gender imbalances within various departments and levels of the company.
2. Establish a career development program including a focused career track to support women to move upwards in the organization.
3. Create and implement a first-ever training program for staff, ensuring gender is mainstreamed across training modules as well as taught as a standalone component.

Results Achieved

MN developed a database that tracks sex disaggregated data for the number of new recruits and active employees, and also analyzes promotions, retention, absenteeism, and resignations by women and men. Using the database, management learned that women outperform men, especially at lower level positions, which should help support women to progress up company ranks. To complement the database and support increased transparency, MN prepared clear guidance on the requisite experience and

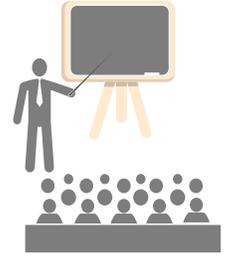


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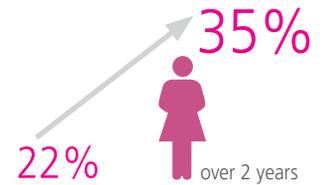


competencies for both women and men employees to be eligible for future promotions. The newly established career track for women included a mentorship program where interested employees will have biweekly mentorship sessions with their line managers to expand their growth opportunities within the company. Finally, MN launched its first-ever training program for staff, training 402 employees in induction and career development, 398 employees in gender awareness, and 241 employees on gendered division-specific topics ranging from HR, sales, finance, and procurement.



Expected Gendered ESG and Financial Impacts

MN's executive leadership expressed a desire to continue gender mainstreaming initiatives as long as they align with business strategies. MN believes that the combination of gendered training materials and clear competencies outlined for all positions will lead to better recruitment, retention, promotion, and capacity building approaches, resulting in greater representation of women throughout the company. For instance, MN has set targets to increase their total workforce from 22% women staff to 35% over the next two years. Ultimately, as industry studies show, strengthening MN's female and male workforce should drive financial performance including sales and profitability.



Lessons Learned

Technical support from local consultants and MEDA staff was instrumental for MN to achieve quality results for their staff. MN recognized that they did not have the necessary capacity to accomplish their goals in-house. MN proactively hired a senior female human resources (HR) gender consultant with previous experience as a CEO of a consumer goods business similar to MN. In addition to offering relevant experience and advice, she became a role model for MN's female employees as a woman business leader. Also, since establishing a sex disaggregated HR database was novel to MN, MEDA supported MN by helping create the vision for such a tool and demonstrating how to analyze data to facilitate data-driven decisions. MN's senior management have since established an action plan to conduct quarterly reviews of sex disaggregated data to make more informed hiring and promotion decisions that improve gender equality at MN.

