

# WHAT IS THE IMPACT SOURCING STANDARD?

The Impact Sourcing Standard is the first globally recognized standard for the business practice of Impact Sourcing. The standard defines the minimum requirements and voluntary best practices for providers of business products and services to demonstrate their commitment to inclusive employment.

## WHAT IS IMPACT SOURCING?

Impact Sourcing is a business practice where a company prioritizes suppliers that intentionally hire and provide career development opportunities to people who otherwise have limited prospects for formal employment.

Impact Sourcing has been shown to provide many business and social benefits. Service providers access new sources of talent, achieve higher levels of employee engagement and lower attrition rates. Supplier employees take their first step onto a career ladder that leads to economic self-sufficiency through income growth, skills development, and professional advancement.

## WHO IS THE IMPACT SOURCING STANDARD FOR?

The Impact Sourcing Standard is for product and service providers (suppliers) and their client organizations (buyers). It aims to provide a common understanding of Impact Sourcing to aid successful partnerships between buyers and suppliers committed to Impact Sourcing.

The Standard may also be beneficial for communicating an organization's inclusive hiring commitments to job seekers, employees, government and civil society stakeholders, customers, and the general public.

**The Global Impact Sourcing Coalition (GISC)** is a global network of businesses creating jobs for those most in need through the power of procurement and global supply chains. Organizations interested in joining GISC and adopting the Impact Sourcing Standard should contact us at [gisc@bsr.org](mailto:gisc@bsr.org) and visit [www.gisc.bsr.org](http://www.gisc.bsr.org) for more information



## WHAT WILL THE IMPACT SOURCING STANDARD ACHIEVE?

The objectives of the Impact Sourcing Standard are to:

1. Establish Impact Sourcing as a trusted business practice that improves the lives of people who otherwise have limited prospects for formal employment: people who are long-term unemployed or living under the national poverty line.
2. Enable product and service providers to communicate consistently about their Impact Sourcing service capabilities and performance to their clients and other stakeholders.
3. Enable client organizations to evaluate their product and service providers based on their Impact Sourcing service capabilities and performance, as well as to communicate consistently about their Impact Sourcing efforts to their stakeholders.
4. Facilitate the adoption of Impact Sourcing across companies operating in a wide range of geographies and industries.
5. Improve access to formal employment and decent work for disadvantaged people, allowing them to improve their conditions, acquire a career and support their families and communities.

## HOW DOES IT WORK?

In order to conform to the Impact Sourcing Standard businesses need to meet requirements in five sections, covering the entire employee life cycle. Each requirement includes a business policy, practice, or management system that Impact Sourcing providers must meet in order to ensure that people who are long-term unemployed or living under the national poverty line enjoy equal opportunities to enter the workforce and advance in their careers.

## TOOLS TO SUPPORT ADOPTION

**The Self-Assessment Tool** is designed for Impact Sourcing service providers and assesses whether the company conforms to the requirements of the Impact Sourcing Standard. It is similar to an internal audit for a business.

**The Reporting Template** allows service providers that conform to the Impact Sourcing Standard to calculate and measure the number of Impact Workers in their organization.

## HOW DOES IMPACT SOURCING COMPARE TO OTHER SUPPLY CHAIN DIVERSITY INITIATIVES?

Impact Sourcing is complementary to other supplier diversity and social responsibility programs. Supplier diversity programs—such as those encouraging the use of minority-owned, women-owned, or veteran-owned firms — focus on the diversity of the owner as an indicator of a diverse and resilient supply chain. Impact Sourcing focuses on the employees of an inclusive business, ensuring that the supplier workforce is also inclusive and representative of the communities in which they operate, with all of the business and social benefits associated with workforce diversity.

### Example GISC Members and Partners:



## SUMMARY OF THE IMPACT STANDARD SOURCING SECTIONS

### 1. Commitment to Impact Sourcing

The Standard requires a commitment to employ and offer equal opportunities in all employment practices to people who were previously long-term unemployed or living under the national poverty line. This commitment must be supported by a public statement and a top management team sponsor.

### 2. Recruitment and Hiring

The organization must periodically review recruiting and hiring processes and policies to ensure that they do not intentionally or inadvertently prevent job applicants from disadvantaged groups. This requirement must be supported by training for hiring managers, written non-discrimination policies and offer of workplace adjustments.

### 3. Remuneration and Benefits

The organization must pay Impact Workers at least the minimum total compensation required by local law, including all mandated wages, allowances, and benefits. Impact Workers must be compensated equally and enjoy the same benefits as employees with the same levels of work experience and work assignments.

### 4. Training and Career Development

The organization must provide onboarding, training and professional development opportunities to Impact Workers, as well as clear criteria for performance and promotion.

### 5. Management Systems

Systems must be established to enable businesses to measure and evaluate the success of Impact Workers compared with their peers, maintain records of conformance to the Standard and continually improve.

## A BSR Collaboration

BSR provides executive leadership and secretariat support for GISC. GISC's activities are overseen by the GISC Steering Committee, with active participation of the GISC membership. BSR is a global nonprofit business network and consultancy dedicated to sustainability. BSR Collaborations bring together more than 400 companies, spanning multiple sectors and geographies, to strengthen company performance, improve markets and industries, and contribute to systemic change for a more just and sustainable world. Visit [www.bsr.org](http://www.bsr.org) to learn more.

