

# WHAT IS IMPACT SOURCING?











#### BUYER COMPANY

Prioritizes suppliers committed to inclusive hiring



#### SUPPLIER COMPANY

Hires and provides career development to people who are below the national poverty line or long-term unemployed

### IMPACT WORKER

Receives access to employment and training, creating a positive impact on their income and earning potential

#### IMPACT WORKER'S FAMILY

5-6 family members benefit due to the increased spend on family and household requirements

#### IMPACT WORKER'S COMMUNITY

The whole community benefits from the injection of new capital into the local economy

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. FOR MORE INFORMATION ABOUT IMPACT SOURCING VISIT GISC.BSR.ORG OR CONTACT GISC@BSR.ORG

### WHY BUYERS VALUE IMPACT SOURCING

### SUPPLIER PERFORMANCE

Access suppliers with responsible hiring that compete on quality, service and price



### STABLE SUPPLIER WORKFORCE

Lower attrition and higher motivation



### SUPPLIER INCLUSION

Meet supplier inclusion and diversity goals



### **CORPORATE CITIZENSHIP**

Promote responsible supply chains, social equality and diverse workforces

## **SOCIAL IMPACT**

Create positive impacts for impact workers, their families and communities



### WHY SUPPLIERS VALUE IMPACT SOURCING

#### WORKFORCE PERFORMANCE

Impact workers' performance comparable with traditional workers



### STABLE WORKFORCE

Lower attrition and higher motivation



#### **TALENT**

Facilitate access to a large, untapped talent pool

#### COST SAVINGS

Long-term cost savings compared with traditional workers



### COMPETITIVE EDGE

Create competitive advantage for business



#### SOCIAL IMPACT

Create positive impacts for impact workers, families and communities



Credit: The six key elements of the impact sourcing business case in South Africa by the Everest Group