HARMONIZING DEVELOPMENT & BUSINESS INDICATORS TOOL USE CASE: JAYASHREE INDUSTRIES

HARMONIZING DEVELOPMENT & BUSINESS INDICATORS

The Harmonizing Development and Business Indicators (HI) tool seeks to highlight the existing alignment between USAID objectives and private sector objectives. It was created for USAID relationship managers who seek to engage private sector enterprises, which might include multi-national (MNC), national or regional organizations.

The HI tool maps existing business-relevant indicators to Foreign Assistance Framework Standardized Program Structure and Definitions (SPSD) indicators. To represent indicators for private sector objectives, a number of well-known environmental, social, and governance (ESG) indicator frameworks were used, such as Global Reporting Initiative (GRI) and SASB, as well as the Global Impact Investing Network’s (GIIN) framework, IRIS+.

While the Sustainable Development Goals (SDGs) do not act as an ESG framework, companies often use the SDGs as a guide for their ESG strategies. As a result, the SDGs were added to the HI tool.

Relationship managers can use the tool to better understand partner motivations, recognize common monitoring needs, and identify engagement opportunities. To learn more about ESG frameworks along with why and how the private sector is using them, please refer to the Guidance Document.

CONTEXT & BACKGROUND

Jayashree Industries was founded by Arunachalam Muruganantham, an inventor from Southern India. Muruganantham, sometimes referred to as India’s Menstrual or Pad Man, created and patented a machine to develop low-cost, effective, and eco-friendly sanitary napkins. Muruganantham’s innovative sanitary pads are manufactured for less than a third of the cost of commercial pads, increasing access to menstrual hygiene not only in India, but also in other developing regions across the world.

The “pad machine” is now distributed throughout rural communities in India, providing a sustainable solution to period poverty, and offering a source of employment to the local women trained to operate the machine. Additional benefits from this innovation extend to increasing education and workplace access in regions where girls and women often miss school or work respectively during their menses, due to the lack of menstrual hygiene products; as well as increased health and sanitation where women and girls would have otherwise been prone to infection and disease from using makeshift pads, or due to having limited access to water and soap.
Jayashree Industries has a sound business model. The company does not utilize any reporting frameworks, likely due to the fact that small and medium enterprises face many challenges in reporting in alignment with well established ESG frameworks and standards. These challenges may include limited financial, human, legal, and other resources and capacities. The following use case serves as an illustrative model and training on how the HI tool might assist a USAID Relationship Manager in identifying existing alignments between USAID’s objectives and that of Jayashree Industries, as well as the monitoring and evaluation of these objectives. After identifying potential alignments, the USAID Relationship Manager may choose to engage Jayashree Industries based on a deeper understanding on how this enterprise model might inform international development work.

In order to conduct a search for harmonized indicators, the USAID Relationship Manager may utilize a combination of search criteria which align with Jayashree Industries’ stated mission and vision. These might include Economic Growth, Gender, and Health (under SPSD Categories); Cross-Cutting: Gender (under SPSD Program Area); as well as SDG 1: End poverty and SDG 5: Gender Equality (under SDG Goals), which yields 12 potentially relevant indicator matches.
Figure 1: HI Tool indicator categories and search bar.

Figure 2: The ‘SPSD Categories’ drop down list with three subcategories selected.

Figure 3: The ‘SPSD Program Area’ drop down list with one subcategory selected.
A USAID Relationship Manager may perform additional searches by varying the categories and sub-categories selected, for indicator matches which may be more relevant for engaging Jayashree Industries on business-relevant indicators and potential areas of alignment.

Based on these search results, the USAID Relationship Manager might identify one or more harmonized indicator matches which provide sufficient justification for engaging Jayashree Industries on business-relevant
indicators and potential areas of alignment. In engaging Jayashree Industries further, the USAID Relationship Manager may find that the organization has the internal capacity to begin reporting in the next fiscal year, and that the current economic and political climate in the region will support this investment. Alternatively, after consulting with both organizations’ leadership teams, the USAID relationship manager may be advised that Jayashree Industries would need to implement new mechanisms to facilitate ESG reporting. USAID may be able to partner with them on this initiative (or identify another stakeholder more suitable), if internal and external factors would support this investment at the time.

**Figure 6: Potential indicator search result for engagement with Jayaashree Industries.**

**FUTURE IMPACT**

In either of the above-mentioned scenarios, the HI Tool facilitates the identification of existing alignments (and potential gaps) between indicators that are relevant for business reporting commitments on socio-economic impacts. As a result, USAID internal, technical officers might better foster private sector engagement with joint monitoring and mutual understanding of the results each organization aims to achieve.