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Debate: Accounting for gender diversity in global value chains

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Global organizations have significant potential in disseminating discourses and practices of gender equality, diversity and inclusion to new territories (Bartels-Ellis et al., 2019). However, some global organizations also have a propensity to exploit workers in general and female workers in particular in countries with weaker social and legal supports for gender equality (Küskü et al., 2020). In a study sponsored by ACCA and the Economic Social Research Council (ESRC) in 2014 (Özbilgin et al., 2014, 2016), it was discovered that global organizations are moving from shareholder and profitability measures towards stakeholder approaches to diversity and equality in order to make their diversity interventions more sustainable. Further, some organizations captured the trends for normative and regulatory pressures in their social and legal environments. However, the study found that there was little accounting for gender diversity and equality in the global value chain (GVC). Global organizations often recorded and celebrated their success in gender diversity and equality in national contexts. For example, they would welcome increases in the numbers of women in boardrooms in Scandinavian countries. Yet, they would fail to acknowledge that they were exploiting women by recruiting them on lower wages in the Arabian Gulf region (Tatli et al., 2013) or employing them in poor conditions of health and safety and human rights in developing countries, such as Turkey (Küskü et al. 2020). The study proposed accounting for diversity (including gender-responsive accounting) using a GVC approach, so that the way organizations would view their diversity interventions not from a narrow local frame but on a global scale.

GVC, a concept which was originally proposed by Porter (1985) as value chains, is widely used to account for the connected activities and functions of global organizations from inception of a product or service idea, through to its design, manufacturing, distribution, and consumption. GVCs are both highly complex and multifaceted. Considering that most accounting practices are nationally based, accounting for GVCs present an interesting paradigm shift from national accounting to global accounting practices. The *UN Handbook on Accounting for Global Value Chains* (2021) is evidence of this shift. However, a close inspection of the handbook reveals that it focuses on trade and does not discuss gender equality impacts. Despite a strong drive in the UN for gender equality, with the CEDAW (Convention on Elimination of All Kinds of Discrimination Against Women) and the SDGs (sustainable development goals), there has been scant attention to gender-responsive accountability in GVC practices and discourses.

Social movements such as #metoo, #blacklivesmatter, women's and pride marches are now global in scope and scale—showing a extremely high demand for social justice (Özbilgin and Erbil, 2021). Global organizations should heed these demands for social justice internationally and transform their accounting practices to reflect their overall impact on equality, diversity and inclusion. There is role for the UN and other international and supranational organizations to deliver on their promises to explore the link between all aspects of their work and gender impacts. Human resource management accounting practices already include vast amount of Big Data. The shift from national level accounting to a GVC approach for gender-responsive accounting has the potential to future-proof organizations and help them develop gender egalitarian practices in an even way beyond national borders.

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