



Inclusive Innovation: A Gender and Diversity Lens

How should we design, implement, monitor, and evaluate a Feminist Foreign Policy?

Depending on the ranking system, Canada's status as a leader in gender equality is in jeopardy. According to the World Economic Forum which compares rankings across several criteria, Canada has slipped compared to other countries. The Global Gender Gap index measures gender-based gaps along four key dimensions – Economic Participation and Opportunity, Educational Attainment, Health and Survival and Political Empowerment in 153 countries. While it ranks 1st for educational attainment, Canada ranks 19 overall. It is 30th in terms of economic activity, in part because of the persistence of the wage gap and under-representation in leadership roles and 25th in terms of political empowerment. It also ranks 105th in terms of health and survival although we believe this is the result of a calculation error. While Canada is active in many international forums, Canada is also one of the only G7 countries without a UN Women National Committee.

Ensuring that there is a rigorous, evidence-based, gender and diversity analysis applied to all aspects of the policy and its implementation coupled with clear benchmarks, outcomes and accountability frameworks is key. Having inclusive approaches to ensure that who is at the table reflects diverse women is critical – otherwise, Canada is extremely vulnerable to charges that it does not practice what it preaches. Fundamentally we need to tackle the systemic discrimination and bias embedded in many of the policies and processes being pursued internationally. These include the dichotomization of economic and social goods; the narrow and often technology-focused definitions of innovation; the over-emphasis on STEM skills and lack of attention to specific definitions of digital skills, their assessment, development and utilization; the lack of attention focused on sectors such as services, food, health and beauty, infrastructure, arts and culture, education and others and their international potential; the unintentional barriers posed to women entrepreneurs and particularly indigenous and racialized women by the focus on incorporated and high growth businesses in tech; and the segregation of “women's” initiatives from the core business of economic development and foreign policy. While targeted programs – whether for funding or to support trade missions and capacity building are welcomed, more effort needs to be directed to mainstreaming a gender and diversity lens across all aspects of foreign policy, international development, cooperation and trade. And we need appropriate measures that are inclusive and reflect a recognition that social goals are as important as economic ones.

What lessons can Canada draw from other countries for its Feminist Foreign Policy?

What do these countries do especially well? Where can their policies be improved?

While other countries have surpassed Canada in terms of their rankings with respect to gender equality, and international approaches to childcare, portable benefits, and basic income have significant impacts, Canada's educational system is one of the top in the world. Additionally, while quotas for women on boards and politics are often held up as models, the evidence of this impact is mixed and few if any industrialized countries can match Canada in terms of its commitment to diversity and intersectionality as well as gender equality in legislation such as C-25 or the 50/30 challenge.

The current approaches to Gender-Based Analysis Plus analysis is often perceived as being compliance-focused while other approaches, such as the [Diversity Assessment Tool](#), link more strongly to overarching goals as well as developmental approaches. While not all agree, in our experience, addressing “the business case” whether for advancing women in entrepreneurship, investing in childcare, prioritizing domestic violence, promoting women in STEM, or private sponsorship of refugees will engage more than “the usual suspects” in the discussion. For example, focusing attention on the contributions to advancing economic development as well as a social good is, in our experience, more effective. Engaging business is absolutely key and harnessing the business case is important to move beyond the traditional civil society groups most often involved in the

gender and inclusion discussions. Canada's women entrepreneurs have dramatically increased their exporting activity in recent years: From 2011 to 2017, women-owned SMEs representation amongst exporters has increased from 5% to 11.1 narrowing the gap with men. Targeted supports as well as work and outreach by the Trade Commissioners and EDC appear to have had a significant impact. More can be done, however.[see [Grow Global: Women Entrepreneurs and Export](#)]. Other countries also arguably have stronger accountability frameworks for financial institutions to improve access for women as well as a broader range of micro-grants and microloans. Most entrepreneurs start up with as little as \$5000, but it is particularly hard to get access to small amounts for seed funds. Whereas many other countries, particularly emerging economies, have demonstrated the impact small investments and grants can have which are further advanced with social financing.

Any feminist approach must include rigorous sets of standards for implementation that include but are not limited to: gender parity on senior leadership, regular reporting on internal Equity, Diversity and Inclusion (EDI) measures, assessment of programs (who benefits and who is excluded), and social and environmental as well as economic impacts. While historically, governments have justified their investments in male-dominated sectors such as automotive because of "the multiplier effect" ie one auto sector job was believed to create six others in services, investments in childcare have similar exponential impacts not just because they create jobs but because they enable women to work outside of the home. Jim Stanford recently published a study suggesting universal childcare would add as much as \$29B per year to the economy. The Diversity Institute has proposed a comprehensive approach to inclusive innovation which addresses this and is currently conducting gender and diversity assessments of major government programs including the [Innovation Superclusters](#), [Regional Development Agencies](#), R&D programs such as [MITACs](#) as well as Infrastructure, Financial Institutions, Incubators and Accelerators. Including value for money and social return on investment models are key to ensure resources are allocated effectively. Feminist approaches highlight the paradigmatic biases built into traditional positivist economic measures alone and focus on creating more space for different research paradigms including structural analysis case studies and innovative action research, storytelling and discourse models are key to understanding causal connections and systems issues. The lack of disaggregated data presents a barrier to developing an effective strategy. There needs to be greater consistency in data collection for federal agencies involved in foreign policy. Having better data on women, Indigenous people, immigrants, racialized persons, and people with disabilities will help to better inform our policies and programs focused on helping them. One example of this is the need for tracking better data on the uptake of trade opportunities by women-owned businesses, and why some businesses do not access these opportunities and rigorous analysis of "what works" is key. Applying a gender and diversity analysis across policies and programs is critical for Global Affairs Canada to identify areas where systemic discrimination and bias have unintended consequences.

Recommendations

- 1) Erode the dichotomy between social and economic impacts: eg. childcare is an economic issue
- 2) Apply a gender and diversity lens through the ecosystem system and our foreign policy
- 3) Develop measures that challenge men centric approaches to innovations and economic growth.
- 4) Support women entrepreneurs and inclusive innovation in developing capacity as a precursor to exporting including incorporation, financial and digitization
- 5) Expanding regulatory frameworks that require organizations large and small, for-profit and non-profit to "comply or explain" would help drive change but also use voluntary measures ([50-30](#)) as well as funding and procurement as levers to drive change.
- 6) Developing inclusive measures that do not just focus on traditional measures of innovation (job creation and IP) but also new processes and social impacts.

Women Peace and Security

Canada's record on peacebuilding and development is generally well regarded internationally although its record on the arms trade has been problematic. Not only have there been issues with weapons sales to countries with human rights violations but it has lost its strong position on advancing international controls on

small arms. Previously strong firearms regulations have been eroded as well as there have been failures to ratify international agreements. The research and advocacy internationally profile the importance of addressing weapons in order to keep women and children safe. Testimony before several legislative committees has also stressed the linkages between access to firearms and hate groups, white supremacists and paramilitary organizations in Canada and abroad. This is a weakness in Canada's positioning on [DEVAW](#) as well as the [Programme of Action on Small Arms](#). *"While male-dominated societies often justify small arms possession through the alleged need to protect vulnerable women, women actually face a greater danger of violence when their families and communities are armed"*- **Barbara Frey, UN Special Rapporteur on Human Rights**

Recommendation There can be no "feminist" foreign policy without progressive measures on arms controls, small arms control and measures to address emerging autonomous AI-enabled weapons systems.

Responding to Evolving Vulnerabilities

Research by the Diversity Institute and others shows that COVID-19 has had a disproportionate impact on women's employment and women entrepreneurs because it has exacerbated inequalities including the crushing burden of unpaid work including childcare and homeschooling which all principally on women. These impacts are amplified for women who are racialized, Indigenous, LGBTQ2S+ or have disabilities. COVID-19-related job losses have been highest among racialized women, particularly Asian and Black women, as well as younger and lower-income women. Our [Women Entrepreneurship Knowledge Hub \(WEKH\)](#) has sponsored a range of projects. We recently released our [She-covery Strategy with the Ontario Chamber of Commerce](#) as well as [The Impact of COVID-19 on Women Entrepreneurs](#) and [Women Business Owners and the Impact of COVID-19: BMO Celebrating Women Grant](#). With our international partners, we are comparing impacts with other countries and currently have projects working with the US, Mexico and the UK and have been invited to participate in work on the impacts of COVID on immigrant populations. We are also working with organizations such as [Canadian Council of Aboriginal Business \(CCAB\)](#) to look at the impact on Indigenous people and the effects of trends like accelerated digitization and with the [Black Business and Professional Association \(BPPA\)](#) to address specific needs of Black Women Entrepreneurs.

Recommendation: Applying an intersectional gender to COVID's impact as well as responses is critical.

Inclusive Digital Transformation

Our work for the [Future Skills Centre](#) has applied a gender and diversity lens to the issues related to the so-called **skills gap** as well as the digital divide. This has become particularly important post-COVID with the rapid adoption of new technologies and the transformation of workplaces. Bridging the digital divide is critical to advancing opportunities for women in Canada and globally but the starting point must be engaging a strong gender and diversity analysis to challenge some of the structural barriers that reinforce the exclusion of women. Much of the gender wage gap is a function of occupational segregation and the under-representation of women in high paid jobs in technology and their exclusion from leadership roles. The technology sector is growing unabated and encouraging more women to enter technology and engineering and the skilled trades is important. And ensuring that once they enter those disciplines they have equitable opportunities is also important. However, thirty years of effort has produced little results in spite of good intentions because of a lack of a systems approach, clear goals and accountability frameworks. At the same time, applying a gender and diversity analysis of the dominant frames of innovation and the skills agenda reveals ways in which the bias towards Science, Technology, Engineering and Math (STEM) has the unintended consequence of excluding women. Innovation is not about making new technology, it is about "doing differently". The focus on creating new technology often ignores the fact that without adoption there is no innovation. The principal impediments to the adoption of technologies – whether information technology, green tech or vaccines – are not typically technological but rather relate to understanding how technology supports organizational objectives, the drivers and impediments to its use, policy, consumer and organizational issues. Too often the focus on technology itself ignores the very factors that shape its use and the impacts it has.

Additionally, the focus on engineering and science disciplines ignores the fact that a much broader range of digital skills is required. A more granular and nuanced understanding of how to define, assess, develop and utilize digital skills. For example, a recent [OECD study of the demand for digital skills in the Province of Ontario](#) concluded that digital skills were the skills most in-demand by employers. However, a careful analysis of the skills required showed that only about 10% defined deep technology skills like software development. Three quarters (75%) wanted capacity with Microsoft Office and spreadsheets. In other words, digital skills are essential (and an important part of essential skills) but digital skills do not require computer science or engineering degrees. Indeed, with the advent of low-code/no-code solutions, more demand will be for hybrids – people who understand what technology can do and how it can support organizational goals. Research has shown that among women who have become CEOs of large technology companies, only about half have STEM degrees having found alternative pathways.

The privileging of technology also creates massive distortions and excludes women entrepreneurs from many opportunities. “We know that most people associate “entrepreneur” with people like Bill Gates, Steve Jobs, and Mark Zuckerberg not Oprah Winfrey, a global media mogul, Kylie Jenner, a billionaire at the age of twenty who built her empire using Canada’s Shopify digital platform or Celine Dion who’s company “Feelings Inc.” is estimated to be worth almost \$1B. Governments reinforce the stereotypes of entrepreneurship associating with technology, with men, with venture capital and angel investors who are four times as likely to invest in men. These deeply rooted stereotypes of entrepreneurship create barriers to entry, acceptance and growth of women entrepreneurs even though we know that closing the gender gap in entrepreneurship alone could add up to \$81 billion to Canada’s GDP. Structural issues, systemic discrimination, unconscious bias and stereotypes of entrepreneurs underpin many of the barriers. Stereotypes also shape the way programs are designed, who they serve and how financing and investment decisions are made. Even more importantly, the strong association between entrepreneurship and men in tech shapes the aspirations of young women, most of whom do not see themselves as entrepreneurs even if what they dream of doing is actually entrepreneurial. There are successful Canadian women entrepreneurs in all sectors from food and construction, to transportation and media and technology. Mandy Rennehan’s construction empire, Freshco Inc. has an estimated value of \$650 million and scientist Susan Niczowski, co-founder with her mother of Summer Fresh which sells salads, spreads and appetizers has sales over \$100 million a year. BBTV Holdings and Broadband TV founder and CEO, Shahzad Rafiti competes with global tech giants like Google and Tessa Fraser, founder and CEO of Iskeew Airline has shattered the glass ceiling in aviation. Building her brewery and distillery business into a massive success is Manjit Minhas who is also reinvesting in other women as the youngest Dragon of investors on the ‘entrepreneur maker’ show Dragon’s Den. And, many women entrepreneurs put their energy into tackling ‘the world’s to-do list,’ like tech investor turned social entrepreneur, Zita Cobb, founder of the Shorefast Foundation who transformed her birthplace, Fogo Island, into a sustainable luxury tourist destination.

Women are only 16% of majority owners of SMEs but they are 37.4% of self-employed Canadians and we need to ensure the definitions of entrepreneurship and the international programs designed to support entrepreneurs are not based on male models. We also need to ensure that women entrepreneurs across sectors have access to the skills and supports they need to take advantage of digitization but that does not mean that they need to build software any more than driving means that you need to know how to build a car.

The implications of embedding bias in definitions into our conceptualization of innovation and digital skills are very significant in terms of driving digital transformation and bridging the digital divide. A feminist perspective on the innovation agenda and framing of the skills gap will drive us in different directions. Instead of prioritizing deep technology skills (which tends to exclude women, indigenous people and some groups such as Black Canadians) would also value social and emotional intelligence, understanding of organizational, policy and consumer issues and recognize that there are multiple pathways to success even in the tech sector. Indeed, recent research has indicated that even in technology-intensive areas like Artificial Intelligence the barriers are to adoption and skills needed include project management and marketing. Even Microsoft has said that liberal

arts are critical to AI. Reframing the challenge creates space of innovative programs to support alternative pathways. [“Skills Next” series](#) There is, for example, substantial evidence that rapid upskilling and intensive training programs can equip people from diverse backgrounds with the skills they need to succeed in technology environments such as the [Advanced Digital and Professional Training Program](#) (ADaPT).

Recommendations

- 1) Focus on evidence based, effective programs to advance women in technology, engineering and skilled trades
- 2) Challenge assumptions that innovation is primarily associated with developing new technologies, broaden the definition to include other sectors including services, infrastructure, health and beauty, agriculture and food and to include new products, services and processes. Focus more attention on technology adoption.
- 3) Challenge stereotypes that associate entrepreneurship with technology and create more space for a full range of entrepreneurs including those who are self employed, those who are across sectors including services, culture, and social enterprises
- 4) Challenge assumptions that the pathways to well paying careers in the technology sector and technology roles in other sectors require a STEM degree and explore the broader range of skills required and alternative pathways.

About the Diversity Institute

For more than twenty years, the Diversity Institute has been at the forefront of research and advocacy nationally and internationally on strategies to advance gender equality and opportunities for women and girls. The Diversity Institute was also named a best practice by the United Nations Global Compact among business schools for its work translating research into action to leverage innovation processes to drive inclusion. Its research has informed the development of Bill C-25 Canada’s comply or explain legislation as well as the 50-30 Challenge. (see - [diversity in leadership and across sectors](#).) With 90 researchers and staff and more than 250 partners, Diversity Institute actively participates in the UN Women WE EMPOWER Canada Advisory Group as well as attendant meetings such as WEDeliver and a number of other advisory committees including the Pay Equity Expert Panel and the Gender and Trade Advisory Committee and the OECD Committee on Rural Innovation. Previously it was part of the UK-Canada Working Group on the Modern Economy (WGME). The Institute has also supported international research projects including OECD reports on gender equality. It also Leads the Women Entrepreneurship Knowledge Hub using research to define best practices in entrepreneurship and to build a more inclusive innovation ecosystem. The Institute leads international projects and led the work to apply a gender and diversity lens to 1000 social innovation projects on behalf of the EU 7th Framework Funded SI-DRIVE. While its focus is on economic inclusion, it has also focused on major initiatives related to human rights, violence against women and arms control. Specifically, it has been active in the development of international instruments including the UN Crime Commission’s work on Transnational Crime (include human trafficking, migration, drugs and firearms), The OAS Agreement on the Illicit Trafficking of Firearms and the Program of Action on Small Arms as well as on national Committees and meetings around the world. The Diversity Institute also led one of Canada’s largest initiatives to advance private sponsorship of Syrian refugees with specific focus on the needs of women. It has also been engaged in a host of international meetings and projects focused on Canada-US- Mexico, the Netherlands, South Africa, Brazil, the Caribbean, UK, Australia, New Zealand, Arab League of Nations, European Union, Ukraine, Japan, Pakistan, and others. Our critical ecological model and Diversity Assessment Tool have been used to develop intentional, evidence based and outcome oriented strategies to drive change. Within Canada we have worked on national legislation, combatting stereotypes, strengthening the innovation ecosystem, assessing and implementing leading practices to drive change. The DI embeds an intersectional lens in all of our projects, policies, and research.

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