

# Putting **All** Our Minds to Work

## Harnessing the Gender Dividend



*The Business Case*

The Business and Industry Advisory Committee to the OECD (BIAC) and the American Chamber of Commerce in France (AmCham France) wish to express their great appreciation to our Member organisations and companies who have supported this project. We also thank the OECD and its Member Governments, for their continued engagement and dialogue with business in support of advancing the economic empowerment of women. We look forward to continued co-operation ahead.

We also thank those organisations below for their financial commitment to this project, making the report possible.

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# Message from BIAC Chairman

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Advancing the economic empowerment of women is a business priority. Companies and business organisations are taking action and assuming leadership locally and globally to implement practices and policies that open pathways to the highest level for women in business. Unleashing women's talent and creative potential in the workplace bears significant and well-documented economic gains not only for companies, but for women themselves, as well as for their families. Strengthening women's economic, political and social status benefits economies and societies as a whole.

However, despite growing efforts by business, governments and women, results show slow progress. It is in this context that the Business and Industry Advisory Committee to the OECD (BIAC) enthusiastically welcomes the OECD Gender Initiative and the important projects and analysis that have been launched by the Organisation. The OECD's unique analytic and data gathering capacity is of distinct value for the identification of effective public policy measures to enhance employment, education and entrepreneurship opportunities for women across and beyond OECD member countries.

BIAC is pleased to present this Report as a contribution to the OECD Gender Initiative on the occasion of the 2012 OECD Council Ministerial, where gender equality is a key topic of discussion. Developed jointly with the American Chamber of Commerce in France (AmCham France), the Report reflects the outcome of a February 2, 2012 workshop organised by BIAC/AmCham France and the OECD addressing the business case for advancing women's economic empowerment.

This Report sets out the business case, and provides a toolkit of best-practice approaches being used by companies and business organisations to promote gender diversity. It also identifies ongoing obstacles to progress and identifies a number of key public policies that enable employer best practices.

Business is committed to working with governments and stakeholders to progress and capture the economic and social benefits of the gender dividend. Results to date suggest that we need to be doing even more.

We hope that you will find this report a valuable resource for supporting further action to accelerate change and advance women's economic empowerment across societies.



Charles P. Heeter, Jr.  
Managing Director, Deloitte Touche Tohmatsu Ltd.  
Chairman, Business and Industry Advisory Committee to the OECD (BIAC)

## EXECUTIVE SUMMARY

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- Business recognises that there are important equity and human rights issues associated with the economic empowerment of women, but this Report focuses on the undeniable business and economic case in promoting, attracting and retaining female talent in business. Strengthening the economic, political and social positions of women is fundamental to future economic growth, innovation and competitiveness. Greater gender diversity within business and on boards improves decision making and corporate performance.
- The encouragement of diversity in business requires collaborative efforts among companies, governments and civil society. This Report highlights a number of programmes that support and promote change in advancing women’s leadership opportunities in business organisations. Some are related to increasing the number of women on boards. Some are there to further advance women throughout their careers. Others seek to use pressure from the investor community to speed up the process of gaining the financial benefits of diversity. All are based on the recognition that there is a gender dividend to be earned.
- While the objective of increasing the number of women on boards garners the most headlines, embedding diversity in corporate culture is a complex process. More women are needed to feed the pipeline for board positions as well as to influence business strategy as a whole. This means more women on executive committees and in senior executive positions. But it also means more women in the talent “pipeline.”
- The “pipeline” is the collective pool of talent that is nurtured and developed within the organisation throughout the professional life cycle. For it to be robust and well developed requires action from outside directors, company top leadership, and all management levels. Together they must devise and implement a toolkit of supporting policy and concerted actions at every juncture of the corporate career route.



February 2, 2012 BIAC/AmCham Workshop with OECD on The Business Case for Women’s Economic Empowerment. Left to right: Mr. Tadahiro Asami, Mr. Yves Leterme, Ms. Marina Niforos, Ms. Ronnie Goldberg, Ms. Monica Queisser, Ambassador Karen Kornbluh, and Mr. Charles Heeter.

- In some countries, law-enforced targets for the percentage of women on boards have been successful in achieving greater representation. However, quotas do not address the actual causes for the lower percentage of women in executive positions that already arise much earlier in women’s careers. Importantly, there are examples of voluntary multi-stakeholder initiatives that are producing positive results. In addition, there are companies that have successfully implemented voluntary strategies to establish greater gender balance throughout the organisation. Such companies are serving as role models for others to emulate.
- Conscious of the need to retain a critical talent pool and a source of innovation, businesses are taking action to empower and promote women through a diverse set of measures to repair the “leaking pipeline” and enable the accession of women to the top management echelons.
- Improving gender diversity and equality in business requires diverse solutions, adapted to the socio-cultural context. There is no one-size-fits-all approach to accomplishing positive outcomes. Moreover, no single action or intervention is enough. Successful diversity programmes require a combination of proactive leadership and company practices and measures throughout all levels of the organisation. Both top down and bottom up leadership are essential.
- Actions and outcomes are dependent on many factors, including culture, business and industry sectors, market maturity and size of the business. The Report shares a “Toolkit” that provides guidance on business best practices across organisational spectrums. It covers best practices in a number of areas including: executive leadership; human resource and operational practice; education and training; communication and social context.
- Integrated and coherent public policy frameworks, which promote and support women’s economic empowerment and advancement in the workplace, are fundamental to successful gender diversity initiatives in companies. Government leadership at the highest level should champion women’s economic empowerment, and governments should actively support business in the development of policies addressing women and work by setting the right framework conditions.
- The public policy section of this Report identifies framework conditions that business needs to promote and support the advancement of women in the workplace. These include – but are not limited to – labour market and social policies that support women if they choose to stay in the workforce, frameworks to support this including tax and benefit structures, education and training, including addressing cultural norms, and ongoing public/private partnerships.

# THE BUSINESS CASE FOR WOMEN'S ECONOMIC EMPOWERMENT

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## THE BENEFITS OF GENDER DIVERSITY: PLUGGING THE LEAKING PIPELINE

The economic empowerment of women is a critical enabler of economic development and growth. Representing half of all human talent and potential, and an enormous market of consumers, women are a valuable and strategic resource in developing and developed countries alike.

A growing body of evidence makes clear that companies that commit to and enable gender diversity are realising clear bottom line benefits. Diversity avoids group think, benefitting decision making, problem solving, and innovation, which in turn improves economic performance.

According to the research and advocacy group Catalyst, those U.S. Fortune 500 companies that rank highest when it comes to women's representation on their boards outperform those that rank lowest by at least 53% in terms of return on equity (1).

McKinsey research shows that a similar phenomenon exists in various markets, both developed and developing. According to their 2010 report which analysed companies across Europe, Brazil, Russia, India and China, companies with the highest share of women in their senior management teams outperformed those with no women from 2007-2009 by 41% in terms of return on equity (22% vs. 15%), and by 56% in terms of operating results (17% vs. 11%) (2).

In Japan, according to the Japanese Economic Foundation, an increase in the number of women in the labour force helped to mitigate economic stagnation and kept the country from a deeper recession (3). In Latin America, working women helped bring the poverty rate for two parent households down from 40% to 26% in 2007 (4). The World Economic Forum has correlated closing the global gender gap with increase competitiveness and higher GDP per capita.

In this overall economic context, the business case connects two central issues:

- The role of women as a critical pool of talent in companies
- The role of women as consumers

## THE ROLE OF WOMEN AS A CRITICAL POOL OF TALENT IN COMPANIES

With ageing populations and emerging skills shortages, effective talent management is a dominant business issue, and a strategic imperative. Women are a critical human capital asset and should be recognised as such more consistently than is currently prevalent.

In many countries, human capital has replaced natural resources as a basis for growth. According to some estimates, more than 85% of corporate value creation relies on the intangible assets of people, brand, and intellectual property (5). Companies succeed in large part on the basis of the innovation and creativity of their people, and they spend a great deal to train and otherwise invest in these people.

The businesses that will lead and maintain a competitive edge are those that are able to attract talent, to develop it, and to retain it, thereby benefitting from an inclusive workplace. And that requires a dramatic shift in organisational culture and business practices, not just nominal alignment.

## THE STRATEGIC ROLE OF WOMEN AS CONSUMERS

According to Deloitte, women constitute the largest emerging market that has ever existed. They control or influence as much as 80% of household buying decisions worldwide, regardless of whether they work outside the home or not. That translates to \$20 trillion of total consumer spending globally, a number predicted to rise to \$28 trillion by 2014 (6).

Their research finds that women spend money differently than men. They have different buying patterns and preferences, spending more for example on food, education, and savings products. However, they are an important demographic in purchases more often associated with men. According to an article in Forbes Magazine, for example, in the U.S. women are the fastest growing market for new and used cars, buying 52% of all new cars sold, and influencing more than 85% of all car purchases (7).

The implication is that in order to capitalise on this purchasing power, companies in a wide range of industries need to invest more effectively in understanding women as consumers. To achieve this, it is essential to bring the female perspective in-house. It makes basic business sense to have women in the workplace who understand the buying preferences of their cohorts, and who are integrated into the core business and decision making processes.

## DIVERSITY AND BUSINESS RESULTS

Diversity is at the heart of how to best connect women as both talent and consumers. Numerous reports present data demonstrating the dividend created by diversity, and a persuasive case can be made explaining how businesses that fully implement diversity build a competitive edge, and are best able to attract, develop and retain talent. According to Deloitte, in its report *Only Skin Deep: Re-examining the Business Case for Diversity*, organisations that gain the dividend of gender diversity are seeing better bottom line results because they fish from a bigger pool of talent, thereby accessing a deeper level of knowledge and leveraging those resources throughout the business value chain for better business outcomes (8). The lesson is not that the increased representation of a particular demographic group brings special skills or talents. Rather, organisations with more diverse talent pools, especially at senior levels, manifest a workplace culture of openness, merit and rational decision making that benefits the bottom line.

It also makes no sense to educate half of the population and then not make the most of the impact this knowledge can create. Businesses that recognise this point are outperforming those that do not.

## THE LEAKING PIPELINE

We are all familiar with the concept of the “glass ceiling”, i.e. the assumption that women rise through the corporate hierarchy without major issues and are blocked at the most senior levels. However, recent research shows that attrition occurs at all levels of the organisation. This phenomenon is known as the “leaking pipeline”.

At every successive management level, significant proportions of talented women drop out or stagnate below senior management and top leadership positions. This is the result of a complex

set of factors, both internal (a result of inherent biases in policies and structures) and external to the organisation (the societal and cultural “soft” barriers that impede women advancing in the workplace).

These factors can include:

- Family and work-life balance considerations
- Lack of access to or high cost of child care
- Demands of parental care
- Lack of role models
- Inadequate support from their companies (training, mentoring, networks)
- Gender stereotypes imbedded in corporate culture
- Weak implementation of legislative gender equality initiatives
- Social norms that attach stigma to working mothers

Only when all these considerations are addressed can the full benefits of diversity and the gender dividend be realised. Some interventions can only be provided by companies themselves.

Some examples of best practices are outlined in the Annexe to this Report, and there are common threads evident across initiatives. At the February 2, 2012 BIAC/AmCham France Workshop with OECD, companies and business organisation representatives described a range of programmes designed to promote women’s economic empowerment. They discussed why supporting and promoting women’s empowerment was critical for their businesses and gave frank assessments of their own strategies. Common threads which emerged in the discussions to address the leaking pipeline included:

- Gender diversity benefits companies, economies and societies but there is no one size fits all approach to accomplishing positive outcomes for women.
- No single measure is enough. Successful diversity programmes require a combination of proactive leadership and innovative company practices.
- Diversity programmes require implementation of measures throughout all levels of the organisation. Both top down and bottom up commitment is essential.
- Public policy frameworks that support labour market participation of women are important to successful diversity strategies. A productive dialogue among business, government and other stakeholders, including women’s organisations, is essential.

It is also clear that other measures need to be realised through governments, regulators, companies, business organisations, voluntary initiatives and other bodies acting in collaboration.

Importantly, there needs to be a shift in mindset, including in the attitudes of women themselves. Progressing the business case for advancing women depends upon a wide range of collaborative actions.

## WOMEN AND BOARDS: WHERE THE LEAKING PIPELINE MEETS THE GLASS CEILING

The representation of women on boards has become a topic in public discourse and on the political agenda in many countries. At the very least, increasing the number of women on corporate boards addresses the important issue of role models and of management accountability on diversity efforts. But there are other key reasons for promoting gender diversity on boards.

A 2010 Confederation of British Industry (CBI) report *Room at the Top* noted that promoting gender diversity on boards (9):

- Promotes good governance, including challenging group mentality
- Helps ensure companies get the best people, by using the most diverse selection pool
- Acts as a powerful driver for innovation and creativity
- Provides a better reflection of a firm's customer base
- Improves business reputation and promotes a positive corporate image
- Can help to head off the threat of blunt and inappropriate regulation

The most recent figures from the research organisation GMI Ratings show two trends. The percentage of women on company boards around the world now exceeds 10%, and for the first time the percentage of companies with no female directors at all has fallen below 40% (10).

It is critical that the issue of inclusion of women on boards be seen in the wider context of developing women's leadership and careers in business. Initiatives must be supported by a full range of policies addressing for example, women at work, including education, mentoring, access to networking and child care support.

Most importantly there needs to be an active programme to counter a number of prevailing assumptions: that there are not enough women candidates; that women lack the experience required; that women disrupt board unity and bring quick decision-making to a halt; that only companies that are already prospering well can afford to take the risk of having women on their boards; and that having women on boards is a political decision rather than a business one.

The following sections illustrate different approaches to increasing female representation on corporate boards. Some countries have opted for regulatory initiatives, such as quotas, while others have focused on voluntary initiatives such as business reporting. Importantly, a number of initiatives are being driven by investor demand – a case of profitability driving change. All these approaches are under close examination to assess their efficacy and impact.

### THE LEGISLATIVE APPROACH: ASSESSING THE EFFECTIVENESS OF STATUTORY QUOTA SYSTEMS

The use of quotas, sometimes accompanied by specific sanctions for non-compliance, as a means of increasing the proportion of women on company boards remains controversial. In some countries, quotas have had a significant impact on improving the statistics of women's

participation. However, there is some doubt as to whether they have yet had an impact on changing the culture of the organisation or affecting the “leaking pipeline”.

In Norway, since the 1980s more than 40% of Government ministers have been women, more than 70% of women are part of the labour force, and more than 50% of students in higher education are women. But the labour market is still segmented along gender lines. Most women work in the public sector. In business, women occupy leadership positions mostly in human resource management, marketing, communications or other support functions. This situation provided impetus for a legally enforceable quota law for boardroom composition (11).

The Norwegian Companies Act, the initial legislative action addressing women on boards, as amended in 2005, provides that boards of directors with more than nine members must have at least 40% of either sex.

Since the introduction of the Norwegian quota law, other countries have followed suit:

- France now requires that listed companies enforce a 20% quota of women on boards within three years of the law’s enactment and 40% within six years (12).
- Italy will require from 2012 a 10% increase to one third of board seats to be filled by the ‘less-represented’ gender on that board (13).
- In Spain, listed companies have to nominate women to 40% of all board seats by 2015.
- The European Commission is requesting stakeholder input regarding whether legislative change is necessary across the EU (14).

Statutory quotas can be effective but they can also produce results that are not necessarily in the interests of embedding diversity of experience or viewpoints. In the absence of a robust existing pipeline, for example, quotas enforced under pressure may lead to an accumulation of mandates by the same women.

A positive consequence of quotas is the dynamic public debate they have fostered around diversity, going even beyond gender. Even the expectation of quota enforcement can be a compelling incentive to motivate change. Figures in France testify to this. Prior to final enactment of the law in France, percentages of women on boards moved from 8.4% in March 2009 to 12.7% in March 2011 and to 16.0% by January 2012 (15).

Similarly, the Italian move towards a quota supported by law created a stir throughout the business world. Although the issue of gender diversity had not previously received much attention, a database of eligible women was swiftly created, workshops were held, and CEOs made statements supportive of gender diversity.

In short, while it is clear that quotas can change attitudes, they also need to be part of an overall collaboration with business, government and society working together. And while quotas have improved women’s numbers on boards in many European countries, women’s representation in executive committees remains low. In Europe, this representation remains at 10%. Therefore, building a robust pipeline of women in business is fundamental to attaining gender balance as a whole.

## CORPORATE GOVERNANCE CODES: NON-STATUTORY MEASURES AS DRIVERS OF CHANGE

Many countries have sought to create change through cultural pressures, for example through corporate governance codes. The aim of such measures is not only to achieve a greater proportion of women on boards, but also to strengthen the pipeline that will advance women; progress through organisations in sustained business careers. The following are some examples:

- In the Netherlands, the Corporate Governance Code was amended in 2009 to encourage supervisory boards of listed companies to aim for diverse composition. The Code is rooted in the law but this guidance is based on the principle of “comply or explain”. In addition, the Civil Code was amended in 2011 to create an obligation for larger companies to strive for “a well-balanced composition of the board and supervisory board,” by which it was meant that 30% should be female (16).
- The Australian Stock Exchange changed its governance code so that, from January 2011, companies have to set measurable objectives for the increased representation of women on boards, amongst executives and throughout the organisation. They are also required to address pay equity, and to report publicly against their targets on a “comply or explain” basis. These changes brought about an immediate change at board level. In July 2010 the percentage of women on boards was 8.3%, by March 2011 it was 10.9% and by January 2012 it was 13.8%. So far in 2012, women have comprised 33% of all board appointments, and the Australian Stock Exchange is currently reviewing the impact on women at executive and other levels. An ASX Board member and one of the architects of these reforms, Jillian Segal, director of National Australia Bank and the Australian Stock Exchange Limited, has described the governance reforms as a “catalyst for a systemic shift” in terms of generating greater levels of transparency and accountability (17).
- The same effect can be seen in the UK. *The Davies Report*, a Government-commissioned report in early 2011, required that the chairs of the top 350 UK companies (known as the FTSE 350) set out the percentage of women they aim to have on their boards in 2013 and 2015. FTSE 100 boards were asked to aim for a minimum of 25% female representation by 2015. CEOs are also required to review goals for the percentage of women on executive committees in 2013 and 2015. A progress report in March 2012 showed the largest-ever annual increase in the percentage of women on boards. Within the FTSE 100, women now account for 15.6% of all directorships, up from 12.5% a year ago. It was also reported that should current momentum be maintained, a record 26.7% female board representation in FTSE 100 companies will be achieved by 2015 (18).

## THE VOLUNTARY APPROACH: SELF-REGULATION AND PEER PRESSURE

There has also been significant progress in the range of self-regulatory approaches.

The steady application of voluntary systems brings about peer pressure, which results in a faster rate of change within organisations, and achievement of the critical mass necessary to affect the business environment.

An example of a successful self-regulatory initiative is the Dutch programme Talent to the Top. Since 2007, founded with a government subsidy that will be gradually reduced over the next

three years, the initiative engages the government, social partners and all sectors of business. At the core of the approach is the idea that gender diversity will only become an accepted norm if the business case is clearly understood and articulated, and if this “enlightened self-interest” is reinforced by a voluntary but real commitment to growing participation levels for women in top management.

Organisations that sign up to the Charter of the Talent to the Top Foundation formulate and commit to their own targets and timetables for representation of women in senior management and at Board level. At the same time, they lay out the policies and actions needed to achieve these goals. They submit annual detailed reports on progress to the Talent to the Top Monitoring Commission, which in turn compiles and presents a report on overall results. It also provides individual feedback to signatory organisations.

In Germany, the *Dax-30-Erklärung: Declaration on Women in Executive Positions* (signed March 2011) includes the 30 largest publicly listed companies in Germany (DAX 30) making a voluntary commitment to increase the number of women in the workforce and in executive positions, and to regularly report on self-set targets, measures and results.

The Annexe to this Report includes other examples of voluntary programmes at work in different countries, businesses, cultural environments, and in many different and diverse ways.

## THE ACCELERATING DRIVER OF INVESTOR PRESSURE

Voluntary actions have also been driven by investor pressure.

The growing evidence that diversity in the boardroom drives better decision-making and better long-term results has struck a chord with investor groups. At the same time, the financial crisis has shed unflattering light on the existence of “clubby” boards, which draw their expertise from a comparatively narrow band of experience and do not necessarily operate in investors’ short-term or long-term interests. The objective of achieving better long-term and sustainable investment streams has started to focus on achieving a critical mass of diverse views within both corporate boards and in the management structures across the organisation.

For example, in response to proposed changes to the UK Corporate Governance Code, the CBI has emphasised that companies should report their progress against internally-set targets appropriate to their current gender diversity position, culture and sector. Where companies fall short of their own target, they should report on the action they are taking to address the position.

This growing consensus is leading to solid momentum for change. Investor bodies are now using their meetings with companies to press for accelerating the move to much greater diversity. Furthermore, the concept of social investment continues to gain momentum, with gender being an identified social impact component.

# BEST PRACTICES: A TOOLKIT FOR ADVANCING WOMEN IN BUSINESS

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As the case studies and examples in the Annexe to this Report demonstrate, business is making important efforts to address a number of organisational obstacles. However, there remains considerable room for improvement. Many companies are faced with a challenging change management process that requires both immediate action and long-term commitment to a culture where diversity is the norm, not simply an objective, and where inclusiveness is incubated and diversity meaningful and well established.

As mentioned earlier, at the February 2, 2012 BIAC/AmCham France Workshop with OECD, companies and business organisation representatives described a range of programmes designed to promote women's economic empowerment. A number of promising common lessons and approaches emerged from the discussion. They are presented here as a practical guide – or toolkit – to best practices in use by businesses around the world.

These should be regarded as an arsenal of tactics that can be tailored to the specific context of the user. They should help companies in the development of their gender-balance strategies and guide governments as they consider the public policy framework to support these strategies.

This toolkit of best practices is organised around the following themes:

1. Set the tone: Top Management Leadership and Commitment
2. Gender as core to the business strategy: Measurement and Accountability
3. Provide the enabling framework: Human Resource and Operational Policies
4. Provide a robust and relevant support system for women executives: Education and Training
5. Change mindsets and organisation culture: Change Management and Communication
6. Address the Broader Social Context

## 1. TOP MANAGEMENT LEADERSHIP AND COMMITMENT

Successful gender equality programmes all enjoy strong and visible support from top corporate leadership. But while this is a necessary condition for the success of the initiatives, it is not sufficient without support and action at all levels of management.

- CEO leadership efforts to promote women need to be reinforced by internal programmes to raise awareness and provide relevant education throughout the organisation.
- Company boards play a key role in encouraging specific measures and accountability. The overall objective should be to bolster the pipeline of successful women within the organisation and create an enabling environment for the promotion of women executives.

- Boards should serve as role models by themselves exhibiting gender balance. They can drive actions throughout the company by requiring that management put in place and be accountable for appropriate diversity action plans.
- Boards may align themselves with broader societal commitments to diversity through, for example, participating in external programmes, or committing to charters.
- Effective communication is a prerequisite to lead and support change in behaviours throughout the formal structure of the organisation.

## 2. MEASUREMENT AND ACCOUNTABILITY

What gets measured gets done. A clear roadmap is essential for measuring progress and pushing the organisation towards its objective. Diversity and inclusion considerations should be integrated into the business strategy and assessed as any other Key Performance Indicator (KPI) for progress. This will avoid a “ticking the box” attitude and will enforce accountability for results.

- Metrics (such as gender-based KPIs for managers) to enable effective measurement of the progress of women in the workplace are important. These should include benchmarks for identifying bottlenecks and obstacles to achieving stated objectives, including unintended consequences, as well as statistics on gender balance and inclusiveness across the entire organisation.
- Line managers should be held accountable for gender KPIs and should have their performance evaluation, and even remuneration tied to them.
- Companies make a positive contribution to advancing gender equality by making their results public within and outside of their organisations and through active sharing of good practices. Ensuring transparency of actions and results is important. It will facilitate the change in the business model necessary to support diversity and encourage constructive debate and brainstorming.
- All management levels should feel responsible for and be recognised for the results of any programme driving change.
- Identifying and learning from programme failure is key to removing obstacles to success.
- Programmes to promote women can create bureaucratic burdens. It is therefore important to choose metrics with care and with a view to making it as simple as possible to collect and report credible and reliable data.
- Businesses should be transparent about their progress. Good transparency will facilitate a change in the business model to support diversity and inclusion.

### 3. ALIGNING HUMAN RESOURCE AND OPERATIONAL POLICIES

Successful gender diversity strategies require that companies review, evaluate and change their methods of recruitment and professional development, as well as their policies on promotion and remuneration. The goal is to build career paths that are open and encourage the development and advancement of women. Often, human resource (HR) policies contain subtle biases against women.

- HR policies regarding benefits should be gender neutral. For example, parental leave should be available to and encouraged for both men and women.
- Companies should address and correct implicit gender stereotyping in HR and leadership development policies. This includes controlling for gender biases both in recruitment and in evaluation processes.
- HR practices that support flexible working arrangements are essential to allow both women and men to reconcile their professional and personal lives.
- Flexible working routines should be introduced and supported so that they are seen as the norm and not as a form of indulgence. Such family friendly, flexible working arrangements (part-time, work-sharing or working from home) policies should be gender-blind. “Women only” solutions often end up stigmatising the women who take advantage of them and discouraging the men who would also benefit.
- Accelerating the promotion of high-performing women makes it more likely that they will return to work after their maternity leave.
- Some companies are successfully adopting internal quotas for women in managerial positions and are linking such quotas to line managers’ remuneration packages. HR and leadership development policies should recognise and support imbedded gender differences in leadership styles so that women are not unfairly assessed according to entrenched biases related to styles associated with masculine behaviour.

### 4. EDUCATION AND TRAINING

An educated pool of candidates, and strong continuing professional development and leadership training programmes are critical to maintaining a healthy pipeline of female executive talent.

Companies recognise the value to themselves, their communities, and to society of encouraging young women to pursue studies in science, technology, engineering and math (STEM). They can work with governments and academic institutions to promote STEM to young girls. Such action supports women’s opportunities in fields where they are typically under-represented.

- Leadership training programmes enable not only the necessary retooling of women managers, but also address implicit biases in the system that may have led to women benefiting less from training opportunities and development programmes.

- It is important that organisations develop internal systems for mentoring and/or sponsoring women. Previous experience, career patterns, and the passing on of cultural history are ways to instruct and enrich an up-and-coming career. Mentors play a key role in conveying this important knowledge.
- Mentors should be accountable for their mentee's progress.
- The seniority of mentors is important to the success of mentorship programmes. Corporate sponsorship and mentoring programmes also facilitate senior management taking responsibility for the career progression of women.
- Formal and informal coaching is invaluable in fostering women's confidence in pursuing (and achieving) successful career paths.

## 5. CHANGE MANAGEMENT AND COMMUNICATION

Perceptions and stereotypes about the respective roles of men and women have a significant, but sometimes subtle, impact on the culture of companies and organisations. Change management and communication around these issues are critical elements in implementing programmes on gender diversity. It is important to make success public.

- Corporate cultures must evolve so that gender balance, i.e. a level playing field of opportunity for women and men, is the long-term objective and becomes the norm.
- The aim of change management should be to shift the emphasis from merely balancing men and women to an emphasis on creating confident individuals, in an environment valuing diversity.
- Diversity and gender balance are not women's issues, they are a business imperative. Men as well as women must champion greater diversity, to benefit of both.
- Information and Communications Technology (ICT) can provide important platforms for more flexible and productive approaches to work that benefit all employees. These including telecommuting and global teleconferencing (which support work from home and reduce the necessity of travel), distance learning and networking.
- Technology can also be a major facilitator of information sharing. Best practices need to be consistently and constantly updated. Sharing of experience, including with colleagues from different parts of the organisation, can reduce isolation and contribute to building a corporate culture that benefits from diversity and an exchange of knowledge.

- Social and business networks for women can help to boost confidence, provide a sense of collective effort, and foster the sharing of experience across a company or an industry. Social networks can also assist in the task of changing mindsets.
- The way in which women are portrayed publicly is important. The use of role models helps attract and retain talent. It also builds a brand that reflects a company's position as a market leader in developing talent. All forms of media celebrate individual success stories. Placing interviews or profiles can be a useful vehicle for recognising the achievements of women and highlighting the good policies and practices of organisations.

## 6. ADDRESS THE BROADER SOCIAL CONTEXT

Cultural and societal barriers, including stigmas against women working outside the home, pose significant obstacles to women's empowerment and affect the broader context within which corporate policies and objectives are set. Business needs to be aware of these and where possible take steps to limit their infringement on progress within the workplace. There is no one answer or approach. Impact and results depend among other things, on culture and market maturity.

- It is important to respect individual decisions, for example, to opt out of the workforce for a period of time.
- Both men and women must champion diversity initiatives. This helps break down traditional stereotypes and advance effective communications.
- Business should support government policies and initiatives in such areas as education (curriculum setting, segregation of students by gender, promotion of STEM to girls), and be a source of materials and information to reduce perpetuation of gender biased role models.

## PUBLIC POLICY RECOMMENDATIONS

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Public policy frameworks that promote and support women's advancement in the workplace are fundamental to successful gender diversity initiatives in companies.

Policies should provide pathways and incentives for women at all levels. Business looks to governments to adopt the following general approaches:

- **Governments should recognise gender equality as a key lever in economic development and competitiveness.** Only when it is seen as a core objective integrated across departments, and not as a side issue, will concrete progress be made. Public policies supporting women at work should be broad in scope including education, employment and entrepreneurship and other relevant areas such as taxation and benefit policies.
- **Government officials at the highest level should be champions for women's economic empowerment.** Just as in companies, top leadership commitment is essential. Senior government officials need to be clear and visible about their support of women's economic empowerment.
- **Governments should act as positive role models, promoting ambitious gender diversity targets for their own administrations as well as the state enterprises under their control.**
- **Government-business dialogue is essential.** Public policy should be the result of an active dialogue and engagement between the public and private sectors, as well as with other stakeholders, so as to deliver policies that are aligned with and support efforts by business to advance women's economic opportunities.

Beyond these general principles, it is important to recognise that countries are at different levels of market maturity and have different approaches to women's empowerment affected by resource, budget and cultural norms. However, all governments should be encouraged to implement measures to improve the circumstances surrounding women in business, from better childcare and family support to greater workplace and labour market flexibility.

Governments should address the challenges posed by cultural norms. For example, women should be encouraged to study and pursue careers in engineering and non-traditional technical and professional disciplines. Programmes should also be addressed to women entrepreneurs, who need access to finance and other business support programmes.

Business urges governments to avoid narrow regulatory approaches. If we are to maximise opportunities for talented women to effectively fill top level positions, career paths will have to be considered in a broad context that acknowledges the interconnectivity of various government policy agendas. Governments and business should work together to devise strategies and realistic goals addressing such issues as basic and continuing education, access to finance, women's leadership development, training and lifelong learning. Such policies and strategies must be data- and fact-based. It is therefore important that OECD, other international organisations, and the international financial institutions continue to work collaboratively to describe the economic dividend of gender equality.

In this context, the following are business recommendations to governments regarding public policies and action to support women at work:

***Business recommends that governments implement:***

- Labour market and social policies that support women who wish to continue working, including policies addressing work-life balance issues such as child care and elder care.
- Frameworks that support innovative and flexible approaches to work, such as flexible working time, part-time work, telecommuting and alternative career path progression.
- Tax and benefit structures that make work pay for women at all income levels, and promote strategies to formalise informal work arrangements.
- Social benefit systems and public services that support working women, including affordable access to quality education and health care.
- Frameworks that support provision of affordable child care structures and supportive tax and benefit systems for both families and care providers.
- Education and training systems that encourage and support women to attain academic and technical qualifications across fields, i.e. to attain 21st century skills and competencies, including in STEM studies.
- Policies that foster a culture of women's entrepreneurship and participation in global value chains for goods and services through entrepreneurship education, enabling business environments including clear regulatory frameworks, and access to credit for women entrepreneurs.
- Public-private partnerships that maximise school to work transition and work opportunities for women, including for young women at the start of their careers.
- Government communications strategies that address cultural inhibitors and create gender-balanced role models.
- Frameworks for data collection and review to monitor economic impacts and progress against policy development.
- Procurement and government contracting procedures that consider gender diversity as a factor in the competitive bidding process.

Dialogue with business is key to achieving effective public policies that support and encourage positive and fulfilling career paths for women at all levels. Public-private partnerships are critical enablers in this regard, and business stands ready to collaborate in advancing gender diversity and supporting the economic dividend this creates for women, their families and society at large.

# ANNEXE

## BEST PRACTICES -- CASE EXAMPLES



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At ASB, our vision of 'Unbeatable Team, Unbeatable Service' reflects our commitment to utilise our greatest asset - our people - to provide the best possible service to our customers and the communities in which we operate. Our 'people practices' strongly reflect our organisational values of Caring, Integrity, Ambition and Passion.

Consistent with these values, we attract and retain top female talent through a range of initiatives, including mentoring, participation in leadership development opportunities, high-potential development programmes and flexible working options. ASB also has parental leave support options that are over and above New Zealand legislative requirements, including:

- Five days paid parental support leave;
- A paid parental leave payment;
- Staggered return to work; and
- A parental leave transition support coaching programme.

Back in April 2009 ASB formally committed to building greater diversity at all levels of our business by establishing goals to increase the number of women in leadership roles. Our current goal is to move from 21 percent to 35 percent of senior leaders being women by 2015. We have also been updating our organisational practices and policies including reviewing our talent acquisition channels and procedures to ensure greater objectivity and equality in selection, performance evaluations and remuneration.

This year's new people and culture survey will help us to track our achievements, with specific diversity and inclusion questions measuring our progress, and opportunities for our people to provide feedback. We will also be conducting pay equity reviews to ensure 'like roles' are remunerated equitably.

As an organisation we recognise that we are still in the early stages of our gender diversity and equality programme, but as Chief Executive I am determined to ensure that these important goals and practices are being driven both from the top and across ASB.

Barbara Chapman  
Chief Executive Officer

ASB Bank Limited  
A Member of the Commonwealth Bank of Australia Group

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**BOYNER HOLDING**

**April 27, 2012**

Being one of the largest conglomerates in the country, having over 7,500 employees in eight different companies and with its leader position in the non-food retail sector with over 400 stores, as Boyner Group, we have always felt the responsibility and acted as a spearhead for gender equality in the Turkish private sector.

While currently over a third of our management team (38%) is comprised of women managers, according to our latest figures approximately one in two of our employees within our group companies (47%) is female.

We have strengthened our commitment in gender equality and solidified our position as an example for other institutions and companies in Turkey and other European countries alike, with a number of initiatives that we have undertaken in recent years.

In 2011, we signed the UN Women's Treaty and the Equal Opportunities Model, co-project of KAGIDER – Women Entrepreneurs Association of Turkey and World Bank. In 2012, we were given the "Gender Equality Award in Working Life" by the Turkish Ministry of Labor and Social Security. We also ranked second in Forbes Magazine Turkey's Top 100 women-friendly companies list in 2011.

Having always had a strong understanding of Corporate Responsibility and Sustainability, we have initiated a project with the goal of spreading our values down to the core of society.

The "Pomegranate Arils: Stronger Young Women, a Happier Future Project", run under the leadership of Boyner Holding and its group companies, continues to support young women aged 18-24 who grew up in orphanages, to get employed and start their own lives, contributing to the development of their vocational skills and providing solutions to the problems caused by gender discrimination.

Boyner Group Chief Executive Officer, Mr. Cem Boyner has also recently undertaken a personal responsibility for women empowerment in the workplace, serving as Chairman of the Advisory Board for "More Women in the Boardroom Mentoring Programme", run by PRAESTA and Forbes.

We would like to emphasize once again that we've certainly benefited a great deal from women's contributions in the workplace and we strongly believe that the business world has a lot to learn from women.



İdil Türkmenoğlu  
Boyner Holding  
Director of HR & Communications

## Case Example: The Impetus of 3D

In 2011 two of the largest investor organisations in the world, CalPERS, the California Public Employees' Retirement System, and CalSTRS, the California State Teachers' Retirement System, provided the seed funding to the research organisation GMI to create a database and clearinghouse for potential corporate director candidates with a special emphasis on a more diverse range of skills and experience.

They based the decision on the many research studies which show that companies with diverse boards perform better. They emphasised that as major investors they wanted company directors to understand the central issue: creating more diverse and effective boards was a central part in their duty to achieve the best long-term risk-adjusted returns possible.

To facilitate this the Diverse Director Datasource (3D) is developing a database of diverse board candidates and is also operating an outreach programme to many diverse networks to seek out candidates to complement those were already coming forward. Specifically the resource is available to investors proposing new board members and boards. The creation of 3D has been seen as a clear sign that investors are not waiting for boards or regulators and exchanges to act.

When the programme was launched GMI's Executive Chairman, Richard A Bennett, made it clear that: "We know, through our years of research and practical experience, that board diversity can be instrumental to a company's continuing success." And he suggested that lessons needed to be learned. "During the financial crisis, we saw examples of boards that were composed of members who were too similar in background and that too often may breed groupthink. Those boards would have benefited from having a more dynamic and broad-ranging composition."

## Case Example: Coca Cola *Coca-Cola Enterprises, Inc.*

At Coca-Cola Enterprises, we believe that people are our “secret ingredient” and we recognise how critical it is to increase gender diversity among executives and board members. We strive to cultivate a diverse and inclusive culture that is representative of the communities we serve, and from the highest levels of our organisation, we rely on a diverse, people-driven focus.

Two of the seven members of our executive leadership team and one-third of the members of our board of directors are women, but diversity is not something that is relegated to our executive managers. Like sustainability, diversity is a journey, not a destination.

We are committed to extending opportunities to women throughout the company. In France, for example, we include a woman in the top 3 candidate shortlist for any managerial position, and as result, 63% of our new management positions were filled by women in 2010. We have also piloted listening groups in parts of Great Britain to provide support and advice on achieving a balance between motherhood and the workplace. Our efforts are also showing results: in 2010, approximately 36% of our newly hired or promoted employees were women.

We also have established a European Diversity Council and Business Unit Diversity Councils, chaired by vice presidents and general managers. The councils embed our diversity vision throughout CCE. On a more informal basis, we also encourage the creation of a women’s resource group in every country where we operate and are assisting the formation of similar groups for other communities in our workforce. We are also working to embed diversity into our broader training programs such as those dealing with values and leadership development.

The truth is, diversity makes good business sense and is a strong corporate governance policy. Women are an underutilised talent pool from which we can draw high-quality, results-driven employees with integrity, experience and established leadership capabilities. And that’s what diversity really is. It’s not just about gender or skin color, geography or background. What’s important is diversity of thought and of experience. This kind of diversity leads to more informed discussions in the boardroom, more relevant management policies in our facilities, and a more balanced approach to business in general.

## Case Example: Dai-ichi Life Insurance



Based on the idea that “diversity and inclusion”, and “management strategy” are one and the same, Dai-ichi Life, Japan has established three pillars of diversity and inclusion: ‘mindset and behaviour reform’, ‘career development support’, and ‘promotion of work-life balance’. Each pillar has several goals and associated Key Performance Indicators (KPI) to ensure the goals are achieved.

### Mindset and behaviour reform using both top-down and bottom-up approaches

Dai-ichi has appointed managers representing each division as ‘Diversity Promotion Leaders’ and they are responsible for developing plans for the division’s diversity efforts. In October 2010, a ‘Diversity Promotion Forum’ was held with 450 employees including these Diversity Promotion Leaders, the company presidents, and the CEO to share best practices. Dai-ichi is also trying to reform the mindset of women by abolishing old duties for female employees that offered a limited scope of job and instead establishing new integrated duties that find the same opportunities for all employees.

### Continuous career appointment and career development support for female employees

In order to continuously produce women leaders, Dai-ichi has established various kinds of programs; ‘Positive Action Program’ targets female leaders and future managers to provide managerial training -181 female employees joined this program in 2011. Additionally, ‘Career Support Program’ offers specialised trainings that provide job experiences in outside partner companies and other company departments for short term assignments. Last year 104 female employees participated in these trainings outside Dai-ichi and 1,177 employees participated through other departments within the company.

### Promotion of work-life balance that supports career improvement

Dai-ichi’s ‘Family Friendly System’ includes various kinds of employee benefits such as maternity and paternity leave that can be extended up to 25 months, shortened working hours for childcare, and subsidies for childcare expenses. In addition to these benefits, employees at Dai-ichi can pursue a balance work environment through the promotion of reduced work hours and paid vacations. As an example, the rate of male employees taking paternity leave has increased from 1.7% in 2004 to 34.4% in 2011.

By making a consistent and concerted effort to implement these approaches based on the three pillars, Dai-ichi’s percentage of female employees in leadership positions has reached 17.2% which greatly exceeds the average of rate in Japan as a whole.

Also, these efforts led Dai-ichi to improve social valuation. Dai-ichi was awarded Grand Prize of both 2012 Diversity Award, bestowed by the Japan Women’s Innovative Network (J-Win) which is a sister organisation of Catalyst and the Diversity Work-Life Balance Award at Toyo Keizai’s Diversity Awards.

## Case Example: Female Future

Following the introduction of legally enforceable quota regulations in Norway the Confederation of Norwegian Enterprise, (NHO) established the programme Female Future. NHO felt that equal effort should be made to bring women into top management positions, in addition to the programs for Board accession. They emphasised leadership training to provide pathways for women into top company leadership and executive positions.

Its programme consists of personal leadership training, rhetoric training, meetings with a national conference once a year, regional conferences, workshops and seminars, professional networking covering coaching, self-development and network building, formal education within the roles, duties and responsibilities of the corporate board, and profiling the candidates in the media.

A fundamental goal of Female Future is to make the private sector more attractive to women, increasing the percentage of women in decision-making positions and boards, involving managers as prime sponsors in the recruitment process for women and facilitating work-life balance with a view to make executive responsibilities easier to combine with family responsibilities.

Female Future recruits companies and CEOs and managing directors to act as the driving force. Once companies join the programme, their management is asked to look for female talent and continue to work on getting more women on management positions.

Since inception, more than 700 companies have joined the programme and almost 1,300 participants since 2004 are now qualified to take a board position. An evaluation from March 2012 showed that 89% of the participants have been offered board positions or advanced professionally to a more senior executive position (or both). The ILO lists the programme as one of the ten best practices within the gender equality area and it has now been rolled out globally. Female Future programmes have been initiated so far in Japan, Austria, Uganda and Kenya.

## Case Example: Deloitte



At Deloitte our support for women's economic empowerment is driven by the firm belief that it generates a real dividend for individuals, business and society. Our firms' efforts are holistic and one tied to the business strategy. Gender diversity starts at home, at the top with CEO leadership and engagement, and extends to innovative talent management practices and to community leadership and engagement, embracing both women and men.

Without diminishing the importance of community initiatives, below are some examples of talent management programs in member firms that support the recruitment, retention and advancement of women. Critical to success is that diversity is embedded in business and talent management strategies to foster an inclusive environment and to benefit from innovation, increased employee engagement, and growth.

### WIN

Deloitte U.S. launched in 1993 the Initiative for the Retention and Advancement of Women (WIN) followed by the Diversity & Inclusion initiative. When WIN launched, there were less than 100 women at the top rank of partner, principal or director. In 2011 the U.S. firm surpassed 1,100 women at this top rank.

### Draw

Deloitte Middle East (ME) introduced the Deloitte Retention and Advancement of Women (DRAW) program in 2008. The number of women in Deloitte ME increased to 27% in 2011, up from 20% in 2008. In the Levant Countries (Syria, Palestinian Territories, Lebanon, Jordan) including Egypt, women as a percentage of total headcount is 35%. Further, women in managerial roles have increased to 20% in 2011 compared with 8% in 2008, and 33% respectively (in those same countries).

### Deloitte South/Southern Africa Transformation Strategy

Targets for both black and female partners have been set for 14 years, and each business unit is required to set annual stretch goals that are monitored by the Transformation Board and senior leadership. Various programs allowing people to work "differently" are now the norm within the firm.

### Deloitte France

Deloitte France's women's initiative, Capital Féminin, supports the advancement of women into leadership positions within the firm. Supported by top management, it aims to attract, retain and promote women into senior positions, with accountability including reporting of performance against targets.

## Mass Career Customization® (MCC)

MCC provides a structured approach for identifying career-life options and matching personal and professional needs with business goals. Started in 2004 within Deloitte U.S., it enables professionals to collaborate with their managers to dial up and dial down their career as the individual's life needs ebb and flow. MCC, with some local customisation, has been deployed in several member firms in Asia and Europe, and other companies are also tailoring MCC to their own organisations.

## The Corporate Lattice

Deloitte U.S. developed the Corporate Lattice, which, unlike the traditional corporate ladder model, emphasises that employees' careers should be flexible and include lateral and other moves that give employees opportunities to develop. It demolishes the tacit belief that the only way to excel is to work harder and longer hours.

Deloitte firms are also undertaking various programs aimed at increasing women on boards. For example, Deloitte U.K. is leading a program on board readiness for women leaders 18 months away from potential board appointment.

Deloitte firms have received more than 30 awards in the past three years for their efforts toward fostering greater gender diversity and representation. The firms however, acknowledge that continued efforts are needed to reach their gender equity goals. It is an ongoing journey, but one with strong leadership setting the tone at the top, and the commitment of individual champions within the firms who continue to lead internal and external initiatives to advance women's economic empowerment.

<sup>1</sup> *Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see [www.deloitte.com/about](http://www.deloitte.com/about) for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.*

*Deloitte provides audit, tax, consulting and financial advisory services to public and private clients spanning multiple industries. With a globally connected network of member firms in more than 150 countries, Deloitte brings world-class capabilities and deep local expertise to help clients succeed wherever they operate. Deloitte's approximately 170,000 professionals are committed to becoming the standard of excellence.*

## **Case Example: Private Public Sector Dialogue on Gender Diversity in Germany**

### **German Corporate Governance Code (Revised May 2010)**

- Scope: Listed companies.
- Targets: New clauses relating to gender diversity in boards and supervisory boards “aim for an appropriate consideration of women.” It is possible for companies to plan according to their own situation and requirements.
- Sanctions: Companies can deviate from gender recommendations but if so, are obliged to disclose this annually.

### **“Dax-30-Erklärung: Declaration on Women in Executive Positions” (signed March 2011)**

- Scope: 30 largest publicly listed companies in Germany (DAX 30).
- Targets: Voluntary commitment to increase the number of women in the workforce and executive positions, and to inform about self-set targets, measures and results on a regular basis.

### **Charter for flexible and more family-friendly working hours (signed February 2011)**

- Scope: Signed by the social partners to cover private businesses.
- Targets: Promotion of innovative and flexible working time models in order to retain employees and attract skilled candidates, especially women.

### **“Bilanz Chancengleichheit” (signed 2001)**

- Agreement between the German government and the umbrella organisations of the German economy to promote equality between women and men<sup>2</sup>.
- Scope: public and private business sector.
- Targets: Focuses on education, training and compatibility of family and career.
- Since 2001 the agreement is being evaluated every two years. As a result company commitment has strengthened and greater gender equality in the workplace is being achieved.

## **Case Example: Kagider (Turkey)**

In July 2011, KAGİDER (Womens Entrepreneurs Association of Turkey) launched an “Equal Opportunity Model,” developed with the technical assistance of the World Bank and support from PricewaterhouseCoopers, Ernst & Young and Sabanci University. It seeks to create transparent criteria to enable corporations to be certified as equal opportunity employers.

During the pilot phase, the sponsoring audit companies will inspect and document the performance of companies based on the following:

1. The CEO Declaration and Commitment to Equal Opportunities.
2. Equal Opportunities in Job Recruitment and Selection.
3. Equality in Access to Trainings and Self-Improvement Activities.
4. Equality in Promotions and Career Development Opportunities.
5. Career Support Procedures for Employees with Children.
6. Procedures for Harassment and Claim Management in the Workplace.
7. Communications Language and Corporate Advertisements.

Companies that fulfil all seven criteria win a certification, which is published in the press. KAGİDER provides a platform for companies to share best practices. It facilitates the applications for certification and co-ordinates the process. Thus far, twelve companies have participated in the pilot. KAGİDER has a target of 50 more companies for a second phase, with plans to expand to 100 in two years, and eventually include 500 companies.



15 May 2012

**Gender equality and women's empowerment are human rights that lie at the heart of development and the achievement of the United Nations' Millennium Development Goals.**

**Despite the strides taken, six out of ten of the world's poorest people are still women and girls; less than 16 percent of the world's parliamentarians are women; two thirds of all children shut outside the school gates are girls and; both in times of armed conflict and behind closed doors at home, women are still systematically subjected to violence.**

**66% of all work in the world is carried out by women. However, women only own 10% of the total global income, and only 1% of global wealth. That is to say men conduct only 34% of the work, yet they receive 90% of the total income and own 99% of all wealth. The picture is not better in Turkey. 12% of all women in Turkey cannot read or write. Out of 100 women who go to school, only 2 of them end up attending high school. 40% of all women with a higher education between the ages of 15-24 are unemployed. And only 27% of all Turkish women join the workforce.**

**The Women's Empowerment Principles (WEP) emphasize the business case for corporate action to promote gender equality and women's empowerment and are informed by real-life business practices and input gathered from across the globe. Rather than being prescriptive or a new initiative to which business are asked to subscribe, the WEPs seek to point the way to best practice by emphasizing the gender dimension of good corporate citizenship, the UN Global Compact, and business' role in sustainable development. It has now been signed by 400 chief executives of companies around the world, and as Sabanci Holding, we are proud to have been the first signatories in Turkey of these most crucial principles.**

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One of WEP's core principles is to "promote equality through community initiatives and advocacy" which we have been addressing through the work of the Sabancı Foundation. We believe in this wholeheartedly, and are proud to have partnered with the UN in promoting gender equality. The Sabancı Foundation invested over 1.5 million USD in the "UN Joint Program to Promote and Protect the Human Rights of Women and Girls", realized in partnership with all UN agencies in Turkey, the Turkish Ministry of Interior and the Sabancı University between 2006 and 2010. This program created a significant impact on many levels, including the creation of local and national policy that promotes equality and participation for women in Turkey. It was also selected as one of the best 'Rights Based Program' in a global study undertaken by Harvard University and the UNFPA in 2008. We are now preparing to launch a new Joint Program in partnership with UNDP, UN Women, the Ministry of Interior and the Ministry of Family and Social Policy and Sabancı University, to which the Foundation has committed 1.7 million USD.

We believe that gender equity is essential for building sustainable economies and democratic societies. As such, we will continue to be the standard bearers of this cause in domestic and global platforms.

**Güler Sabancı**  
**Managing Director and Chairman**  
**Sabancı Holding**

## Case Example: Sodexo

Convinced that diversity is a key to recruiting, engaging and retaining the best talents, and to delivering the best services to all our clients and customers, Sodexo is committed to promoting diversity amongst its employees, as well as encouraging the same from its suppliers and partners.

Our strategy for Diversity & Inclusion is structured around 5 key priorities – Gender, Generations, Ethnicity, Disability and Sexual Orientation – the first worldwide focus being on developing gender balance.

In 2009 Sodexo's CEO, Michel Landel, committed to achieving 25% representation of women amongst group senior leaders (Top 300) by 2015, and launched Sodexo Women's International Forum for talent (SWIFt), a council of women executives dedicated to advancing women's representation at all levels of our organisation.

Under SWIFt's leadership the Group Office of Diversity is fostering a true culture change, through awareness sessions, mentoring programs, work-life balance initiatives and gender networks throughout the organisation.

Clear goals have been set, and our progress is measured through various indicators:

- The Group D&I Scorecard, measuring the recruitment, engagement, retention and development of men and women in the organisation: Between 2007 and 2010 women's representation has grown from 16% to 20% in the Top 300. Currently Sodexo's board has 39% women.
- The group engagement survey, which includes D&I indicators: Measured every two years, employee engagement scores on the Diversity indicators of the survey have risen from 79% in 2008 to 83% in 2010.

Additionally all executive committee members have Diversity objectives in their annual targets which are linked to incentives.

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2 May 2012

SUTEKS is a textile manufacturing company with a non-hierarchical management and an emphasis of special implementations for women workers during pre-maternity and post-maternity periods.

As SUTEKS, we take human being as most valuable asset and invest foremost in their development. SUTEKS defines success primarily as a collective accomplishment. We encourage highest level of participation of our employees in work life, advocate taking initiative, care and command in performance. In addition we build unified ethical grounds and maintain a consistent decision making atmosphere on all stages of communication and share information at its source, stay open to criticism and endorse high level of accountability.

In March 2012, SUTEKS was given "Gender Equality in Working Life Award" in the category of medium size enterprises by the Turkish Ministry of Labour and Social Security. Purpose of the contest was to bring gender equality in workplace to the attention and a nation-wide announcement was made accordingly. The award was given taking into consideration such criteria as; 'information on gender equality', 'commitments aimed at developing gender equality and training of managers', 'anti-discrimination mechanisms', 'recruitment, career planning and promotion process', 'reconciliation of private and professional life' and 'equal wage'.

SUTEKS has also become the first Turkish Small and Medium Enterprise (SME) signing the CEO Statement of Support for the Women's Empowerment Principles 2012.

We fully commit ourselves to corporate social responsibility and act in compliance with the rules and legalities of international conduct concerning the working conditions of its employees. We recognize that environmental responsibility is integral to the manufacturing process and try to minimize the adverse effects on community, environment and natural resources. We practice anti-discrimination policies actively in the work place on the basis of sex, religion, race, colour, marital status and political opinion.

As a founder of SUTEKS, I believe that our biggest capital is human. I set out the road 26 years ago together with my mother and our workers in SUTEKS. We have built a corporate structure beyond imagination. We have created a democratic, equal opportunity, sharing working environment and we have all together carried SUTEKS into its position today.

Nur Ger  
President of Suteks,



## Case Example: Talent to the Top

### The Program

Since 2007, “Talent to the Top” has been the main national gender diversity initiative in the Netherlands. Founded with a government subsidy that will be gradually reduced over the next three years, the initiative engages the government, social partners and all sectors of business.

At the core of the approach is the idea that gender diversity will only become an accepted norm if the business case is clearly understood and articulated, and if this “enlightened self-interest” is reinforced by a voluntary but real commitment to growing participation levels for women in top management.

Organisations that sign up for the “Charter” of the “Talent to the Top Foundation” formulate and commit to their own targets and timetables for representation of women in senior management and at Board level. At the same time, they lay out the policies and actions needed to achieve these goals. They submit annual detailed reports on progress to the “Talent to the Top Monitoring Commission,” which in turn compiles and presents a report on overall results. It also provides individual feedback to signatory organisations.

### The Results

Since its introduction, growth in the share of women in top management amongst the Charter signatories has grown year-on-year. In 2010 the share of women in senior positions at signatory organisations that had signed the charter in 2008 and 2009 grew by 7.5%, and the total percentage of women in senior management positions was 17.2% (compared to 16% in 2009). The vast majority of the signatories (72%) have seen growth, whilst 13% stayed level and 15% recorded a fall.

Two hundred organisations, covering a workforce of over 650,000 employees, have now signed the Charter. If the growth recorded in 2010 continues, these organisations will be on track to achieve their average target of 21.4% by 2013. Moreover, women account for 26% of the middle management positions at Charter signatories, meaning that there will be sufficient women to progress to senior management in coming years. Among more recent signatories, women already account for 23% of senior management positions and 29% of middle management positions. Their goal is to achieve an average of 26% over the next few years.

## Case Example: The 30% Club

The 30% Club represents a large group of the Chairmen of the UK's largest companies committed to bringing more women onto boards because they are convinced that this 'positively influences both a company's culture and its decision-making process'. A significant part of this effort comes from a group made up of representatives of many of the largest UK institutional investors. 'As investors', they say, 'we recognise that greater gender diversity at board level can lead to more effective boards. It can contribute to a breadth of perspective among directors, result in more balanced judgment and opinion in decision making, and reduce any tendency towards 'group think'.

There is also a growing body of empirical evidence that a more diverse board can improve corporate financial performance. For example, a 2010 McKinsey study found that across all industry sectors, companies with the most women on their boards of directors significantly and consistently outperform those with no female representation – by 41 percent in terms of return on equity and by 56 percent in terms of operating results'.

On this issue of women and boards, the momentum is growing to advance gender diversity at the top, but needs an accelerated impetus. Notwithstanding the choice of approach (legal quotas, voluntary programmes, governance codes and business-led initiatives) the goal should be to advance women into senior positions and to consider the whole "pipeline" in an effort to develop and support talented women in their progress to company board positions.

These efforts should be shared, publicised, emphasised and supported. They should be given official support wherever possible by business, regulators and government.



**Televisa**

## **Gender Equality Statement**

As part of the Policies and Practices initiatives that guide Televisa's vision of a global and up-to-date model, we have decided to strengthen and regulate the implementation of pro-gender practices so as to increase the attraction and retention of female talent, thus reflecting consistency with our Corporate Values in the areas of Human Relations, Integration, Ethics, Leadership and Recognition.

Beyond the construction of a model of gender equality in line with the reality of our organization and our society, Televisa seeks to further the economic development of families and, consequently, of our country's economic development, as well as that of other countries where we have presence, focused on the following objectives:

- Getting women to successfully integrate their different roles, promoting balance between their personal, family and professional lives.
- To strengthen a workplace culture of gender equality based on the complementarity of both sexes and equal opportunities.
- That the impact of these practices transcend man, business, family and society in general.
- Prevent women from abandoning brilliant careers, without neglecting family, which is the basis of any society.

The range of initiatives include gender equality policies and specific benefits to support women's life balance.

Televisa supports the global trend towards an acknowledgement of gender perspective, and goes beyond that by taking into account the invaluable talent of its female collaborators and the great challenges that they face in their family and professional lives.

Emilio Azcárraga Jean  
President, CEO and Chairman of the Board of  
Directors of Grupo Televisa S.A.B. and President  
of Televisa's foundation

## **Business Perspective on The Diversity Imperative: UBS**

The diversity of perspective and experience that comes from having women on corporate boards and in senior management, allows for more creativity, innovation, productivity and profitability than might otherwise be achieved. Attracting, retaining, engaging, compensating, motivating and inspiring talented employees in a growth-starved world is a major challenge – at the same time it is a critical element of corporate excellence.

Although investors may espouse the value of diversity in general, few executives have been able to articulate its economic imperative. The key to doing this, is to ensure that the “evidence based” examples of successes (or failures) of integrating diversity are made available. We need to use the same analytical processes that are used in establishing ROIs for any other business endeavour in a particular company or industry. Those processes often don’t include the right metrics. For example, women are uniquely capable and experienced with respect to collaborative work and leadership. But we lack metrics to measure great collaboration.

The particular challenge of proving the “business case” for diversity is also unique in that there are perceptions and biases that need to be fought. Empirical evidence shows that diverse groups make more accurate and optimal decisions. But, they perceive themselves (and are perceived by those outside the group) as being less highly-functioning and effective. I would guess that this disconnect is due to the fact that diverse groups have to resolve more conflict to get to their decisions. There is more tension. That tension can be managed constructively through good collaboration. That tension can be hard and messy. It can hurt. But when that conflict is over, there’s a stronger outcome and stronger relationships. Diversity is painful, but it’s profitable.

Erika Karp, Managing Director, UBS Securities



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## ADDITIONAL RESOURCES

INFORMATION ON THE FEBRUARY 2, 2012 BIAC/AmCham WORKSHOP WIHT OECD ON THE BUSINESS CASE FOR ADVANCING WOMEN'S ECONOMIC EMPOWERMENT CAN BE FOUND AT [WWW.BIAC.ORG](http://WWW.BIAC.ORG)

INFORMATION ON THE OECD WORK ON GENDER CAN BE FOUND AT [WWW.OECD.ORG](http://WWW.OECD.ORG)

THE WORLD ECONOMIC FORUM, CORPORATE GENDER GAP 2010. [WWW.WEFORUM.ORG](http://WWW.WEFORUM.ORG)





## **The Business and Industry Advisory Committee to the OECD (BIAC)**

Founded in 1962, the Business and Industry Advisory Committee to the OECD (BIAC) is the officially recognised representative of the OECD business community. BIAC systematically engages over 2100 business representatives, from 50 national business organisations in OECD member countries and emerging economies, as well as over 30 sectoral supra-national associations. These work together in 37 different policy groups.

As an independent international business association, BIAC advocates consensus industry views to the OECD and its member governments to ensure that the resulting policy instruments and guidance assist private-sector growth and prosperity and, thereby, contribute to the global economy.

[www.biac.com](http://www.biac.com)



## **The American Chamber of Commerce in France (AmCham France)**

The American Chamber of Commerce in France is the oldest “AmCham” in the world – a driving force in transatlantic economic relations, promoting bilateral investment and trade since its inception in 1894. Today, the 4,200 U.S. companies present in France represent 800,000 French jobs. The AmCham’s more than 500 members include CAC 40 and Fortune 100 companies. The Chamber’s activities and operations are completely funded by dues and contributions from its members.

Part of a network of 115 AmChams worldwide, AmCham France is a gateway to a global and dynamic business community. The Chamber organises roundtables with top decision-makers from U.S., French and European government administrations and international business leaders to promote a constructive dialogue on a variety of strategic issues, including: taxation, data protection, sustainable development, intellectual property rights and trade harmonisation. Our working committees produce policy papers and organise seminars to promote business perspectives on these issues directly to policy makers. Our committees include: the Digital Economy, Green Business, Healthcare & Life Sciences, Women Leaders, Strategic Development and M&A, and Taxation.

Today, we continue to build on the Chamber’s strong foundation and expertise, staying true to our original mission to “take measures which may facilitate and protect the transactions of business between French and American interests and to collect information to facilitate business operations.”

[www.amchamfrance.org](http://www.amchamfrance.org)

