



***“SHE DECIDES,  
YOU SUCCEED”***

# Women in Middle Management in Italy, Latvia, Romania, Spain and UK

Accelerating business growth by  
gender balance in decision-making



Prepared by AFAEMME  
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## **DISCLAIMER**

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# Partners



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Foreword

Women  
in middle  
management

This guide “She decides, you succeed – Women in Middle Management” is published as part of the EU project “She decides, you succeed”. The project is initiated and led by AFAEMME, the Association of Organizations of Mediterranean Businesswomen, in cooperation with project partners<sup>1</sup>. The project is jointly funded by the project partners with financial support from the European Commission under the Directorate-General Justice’s PROGRESS program.

“She decides, you succeed” aims at promoting gender balance in the private sector by developing toolkits to disseminate the benefits for companies of having more women in decision-making positions at all levels in the organization. The project is carried out in five countries in which the project partner organizations are established: **Italy, Latvia, Romania, Spain and the UK.**

This guide forms the basis of and input for the development of the toolkits. It is one of a series of four guides, each on a specific segment or sector in which women in decision-making positions are seriously underrepresented. The following guides are part of the series and can be downloaded from: <http://www.afaemme.org/she-decidesyou-succeed/documentation>

- Guide on **Women in Middle management**
- Guide on **Women in Top management**
- Guide on **Innovative Women Business Owners on Boards of Innovative Companies**
- Guide on **Women in Decision-making in Science, Technology and Engineering (STE) companies.**

Each guide provides information on the specific segment or sector of women in decisionmaking positions in the five selected countries on the following key issues:

- What is the current status of women in decision-making positions and has there been any progress over the past years?
- What are the obstacles or barriers for women to access decision-making positions in the private sector?
- What are the enablers for women to access

decision-making positions in the private sector?

- What is the legal framework (national and European) in which companies operate, and in what way is the legal framework a barrier or enabler for women to access decisionmaking positions?
- Which arguments can be used to convince companies of the benefits of having more women in decision-making positions?
- Which national initiatives, projects and activities have been successful in improving the situation and may serve as ‘best practices’?
- Which recommendations can be put forward to help private companies that are serious in addressing the underrepresentation of women in decision-making positions?

Based on these Guides **five Country Reports** will be published, bringing together all relevant information on the topic of women in decisionmaking positions in corporations per country. The research for the guides has been conducted by the project partners: AFAEMME (Guide on Women in Middle management), the Centre for Inclusive Leadership (Guide on Women in Top Management), the European Women Inventors and Innovators Network EUWIIN (Guide on Innovative Women Business Owners on Boards of Innovative Companies) and the European Association for Women in Science, Engineering and Technology WITEC (Guide on Women in decision-making positions in science, technology and engineering (STE) companies), in cooperation with the project partners The Women’s Business Development Agency (WBDA), Associazione Donne Imprenditrici e Donne Dirigenti di Azienda (AIDDA), the Spanish Organisation of Businesswomen and Management (OMEGA), Women in Business Romania and the Women’s NGO’s Cooperation Network of Latvia (WNCNL).

The Centre for Inclusive Leadership (CFIL) coordinated and supervised the content of the research and guide development with the project partners.

"At the end it's not about creating procedures to change women, it's about creating procedures to change enterprises."

**Piyush Gupta , Citigroup Ex CEO**

"Forget China, India and the internet: economic growth is driven by women"

**The Economist, 2006**

"A company is a group of people and a good company is a group of talented people. Often people see diversity as a problem, and start addressing it as a deficiency. In this case solutions do not solve the root causes of the problem but are only quick fixes. Sourcing talent in a small group of people (men) means that you lose talent (women). By including women you have a better chance of having the best people in your company. Instead of developing a specific women's action plan, a plan was developed on managing people; talent management and diversity management are the same."

**Albert Ragona, DANONE's CEO**

"The increase of women's economic power is probably the greatest change of our age."

**The Economist, 2010**



Equality between men and women is a fundamental right of EU Community Law and a core commitment of the European Union. If it is true that some progress has been made in the last twenty years, it is also true that despite years of rhetoric the representation of women in middle management remains unacceptably low in all the countries object of this study. The Women's Charter launched by President José Manuel Barroso and Vice-President Viviane Reding in March 2010, which should represent the commitment of the Commission to make gender equality a reality, seems to have accomplished concrete objectives. This research paper will specifically focus on gender inequality in decision-making positions in middle management.

## Definition

With “middle management” we refer to women who are climbing the hierarchical ladder from junior management onwards and have not reached the senior and top management level (yet). A management career typically follows the pattern from an employee being promoted to junior management, and with a good performance to middle and more and more senior management roles.

Middle management is the so called **“engine room” of organizational performance**: middle managers implement and execute strategy, provide the bridge between senior management and the workforce, and ensure the smooth running of the company's operations. Middle management is also **the pipeline or talent pool for senior and top management**. One of the reasons for the underrepresentation of women in top management is the fact that fewer women are in the talent pool of middle management. In addition, those that are in middle management often find it difficult to advance to senior management and board positions.

## Barriers

Today more women than ever are present in middle management positions. However, their numbers decrease when looking at senior and top levels. This may have to do with the fact that top management brings with it a more than full time commitment, which many women see as a barrier for advancement. This last aspect is a crucial point because it shows the huge barrier women face while trying to climb the ladder: it seems that a middle management position is the highest position most women will reach in their career and it is very difficult to reach the “real power” positions above middle management. (Casarico 2010)<sup>2</sup>. **Reasons for women to stay at middle management level** are multiple: it may have to do with lack of specific initial training, the difficulty with combining work and family, the lack opportunities and many other obstacles and barriers women face which will be explored in detail in this Guide. Also the cultural aspect is very important and will have to be taken into account while analyzing the exiting situation.

**The goal of this study is to show that there are still too few women working in middle management positions in corporations, and that many advantages could be achieved by changing the situation.** In fact, having more women in middle management is beneficial for all parties: for women as individuals who want to develop their talent, for the family, for society, states, and for

private companies. Specifically, companies could benefit in accelerating their economic growth: women are an untapped source of growth that could be utilized better.

### **Limitations**

Statistics on women in middle management positions are scarce and in some countries not available at all or not in the public domain. Therefore this Guide serves to inspire and promote best practices on how to advance more women in middle management roles.

### **Distribution of the Guide**

It is the aim of the project “She Decides You Succeed” to disseminate the findings as widely as possible. Therefore this Guide and parts thereof may be used and distributed widely, provided the source is always mentioned in this way: “Guide on Women in Middle Management – Afaemme EU project “She Decides, You Succeed”, 2015, by AFAEMME”.

### **More information**

For more information on this Guide, on AFAEMME and on “She Decides, You Succeed”, please contact Ms. Giulia Fedele: [projectassistant@afaemme.org](mailto:projectassistant@afaemme.org)

The guide has been written by Ms. Giulia Fedele, Project Assistant at AFAEMME, who used academic databases, online surveys, books, previous projects and governmental databases of the 5 countries object of this study. Also, data have been collected during conferences and seminars all held in the framework of the European Union’s PROGRESS program for projects on gender equality.

March 2015, AFAEMME, Giulia Fedele



Part 1

The case of Italy

### 3. PART 1 – THE CASE OF ITALY

Women in Italy work, but 20.1% stop when they have their first child<sup>3</sup>. Women in Italy have good salaries, but the gender pay gap is 6.7%. Women in Italy climb the ladder, but they rarely reach key positions (the percentage of women CEO is 3.1% for all listed companies).

Italy is not using an important part of its human capital, the women's capital, and this represents a huge loss for the whole economy. This chapter will present a snapshot of a complex country where women's emancipation is still prisoner of family and prejudices, but where the run-up of women managers towards gender equality is evolving day by day.

#### 3.1 State of play

The employment rate in Italy reflects the crisis that has been affecting the country since 2008. As the table below shows, the percentage of employed people in total, men and women, compared to the rest of Europe, is quite low<sup>4</sup>. Italy is below the average European percentage (8.6% below), and this rate has been slightly worsening in the last years.

**Table 1. Employment rate in Italy and in EU-28 (total, men and women) (in %)<sup>5</sup>**

| Employment rate | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2003 |
|-----------------|------|------|------|------|------|------|------|
| Italy           | 59.8 | 61   | 61.2 | 61.1 | 61.7 | 63   | 60   |
| EU-28           | 68.8 | 68.8 | 68.5 | 68.5 | 69   | 70.3 | 67   |

The percentage of women's employment rate (table below), is even worse: Italians are 12.7% below the European average. Despite this data, it is also true and important to point out that **women's employment rate in Italy has gone up** from 45.6% in 2003 to 49.9% in 2013, and seems stuck around 49-50% over the past years 2008-2013. On the contrary, men's employment rate has gone down from 74.6% in 2003 to 69.8% in 2013: Italian women have been relatively more successful than men.

**Table 2. Women's employment rate in Italy and in EU-28 (in%)<sup>6</sup>**

| Women employment rate | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2003 |
|-----------------------|------|------|------|------|------|------|------|
| Italy                 | 49.9 | 50.5 | 49.9 | 49.5 | 49.7 | 50.6 | 45.6 |
| EU-28                 | 62.6 | 62.4 | 62.2 | 62   | 62.3 | 62.8 | 58.7 |

<sup>3</sup> Source: Istat

<sup>4</sup> The employment rate is calculated by dividing the number of persons aged 20 to 64 in employment by the total population of the same age group. The indicator is based on the EU Labor Force Survey. The survey covers the entire population living in private households and excludes those in collective households such as boarding houses, halls of residence and hospitals. Employed population consists of those persons who during the reference week did any work for pay or profit for at least one hour, or were not working but had jobs from which they were temporarily absent.

<sup>5</sup> Source: Eurostat; tsdec240; last update 5/11/2014; date of extraction 7/11/2014

<sup>6</sup> Source: Eurostat; tsdec420; last update 5/11/2014; date of extraction 7/11/2014.

The number of women who work is in sharp contrast with the success rate of Italian female students: when they study, they succeed more than males, in all the fields. The Pisa Program for International Student Assessment shows that already at 15 years old girls reach higher competency levels than boys regarding both “reading abilities” and “scientific abilities”. Nevertheless, women’s participation in the workforce is one of the lowest in Europe.

### The future of management

It is not clear what will be the role of management in the next five years: some experts think that it will be increasing the commitment of middle management, while others believe that this will diminish and that there will be a concentration of power in the hands of top management. The role of women in management is also a controversial topic in Italy. As the report from Manageritalia<sup>7</sup> shows, some experts think “positive” and say that, due to the **soft skills which are required more and more every day**, the share of female staff in middle management will increase in the next years (although slower than in other developed countries); other experts think however that women do not have sufficient social support necessary to achieve a good work-life balance, and that their participation in management will not increase.

A report from the Aspen Institute supports with statistical data the **growing share of women in middle management** positions: between 2008 and 2012 the proportion of women in middle management increased from 24.1% to 28.1%<sup>8</sup>. Also, the percentage in top management of men has decreased of 4.5% between 2008 and 2013, while the proportion of women at the top increased with 17.8%<sup>9</sup>.

### Horizontal and Vertical Segregation

Many differences are visible among women in middle management in the private sector and in the public sector. Generally, it can be said that in the public sector there are less barriers than in the private, and therefore less gender-imbalance. Nevertheless, in the private sector there is more horizontal segregation.

In fact, even if women are 54% of the total workforce in the public sector, they actually work only in two fields: the educational field (filled by 77% of women) and the health field (66%). Only 15% of women have a career in diplomacy, 5.5% in the police force and 1% in the military corps<sup>10</sup>. Regarding the private sector, women are severely underrepresented in many sectors in middle management positions: **in the engineering sector only 10% of middle managers are women**, while in the labor consultancy field 40% are women<sup>11</sup>.

<sup>7</sup> [http://www.manageritalia.it/content/download/Informazione/Osservatorio\\_Manageriale/RAPPORTO\\_INDAGINE\\_DELPHI.pdf](http://www.manageritalia.it/content/download/Informazione/Osservatorio_Manageriale/RAPPORTO_INDAGINE_DELPHI.pdf)

<sup>8</sup> “Donne Nei Ruoli Di Vertice”, by Aspen Institute Italia, 17 September 2014

<sup>9</sup> [http://www.manageritalia.it/content/download/Informazione/Osservatorio\\_Manageriale/RAPPORTO\\_INDAGINE\\_DELPHI.pdf](http://www.manageritalia.it/content/download/Informazione/Osservatorio_Manageriale/RAPPORTO_INDAGINE_DELPHI.pdf)

<sup>10</sup> [Contoannuale.tesoro.it](http://contoannuale.tesoro.it)

<sup>11</sup> Source : Censis, 2009

## Gender pay gap

In 2012 in Europe the gender pay gap was 16.5%<sup>12</sup>; in Italy it was around 6.7%<sup>13</sup>, one of the lowest. The JobPricing database of 2014 shows that the gender pay gap changes percentages in the different management levels: the gender pay gap is lower in middle management (4.9%) than in top management (7.8%)<sup>14</sup>.

**Table 3. Gender Pay Gap in Italy**

| Gender         | Top Management | Middle Management | Staff   |
|----------------|----------------|-------------------|---------|
| Men            | €109.420       | €55.124           | €32.984 |
| Women          | €100.868       | €52.402           | €29.827 |
| Gender Pay Gap | -7.8%          | -4.9%             | -9.6%   |

Last February 2014 Italy has celebrated on the 28th of February, the European Day of gender pay equity. The day was chosen because the 28th of February is the 59th day of the year: an Italian woman has to work 59 days more than a man to reach the same salary in one year<sup>15</sup>.

## 3.2 Legal framework

### Current legislation

Article 3 of the Italian Constitution clearly says that **women and men have equal rights**. Therefore, they also should have the same possibility of reaching the same power position. Even if Article 1 of the Code of Equal opportunities regarding gender mainstreaming has not really been enforced lately<sup>16</sup>, some legislative changes have been implemented since 2009.

It is worth to mention the Charter for Equal Opportunities and Equality at Work that has been developed and launched in 2009: an agreement between the Minister of Labor and the Minister of Equal Opportunities together with private companies and associations working together to implement gender equality with concrete actions<sup>17</sup>.

Another important agreement is the Agreement signed on June 30th of 2010 by the Minister of Labour, the National Board of Labour Consultants and the National Association of Labour Consultants, in order to promote equality between male and female workers. The Agreement provides a number of initiatives like: the promotion of collaboration in drafting the rules for cofinanced projects on professional training addressed to care services; the promotion of professional training to help women re-entering the employment market after long periods of maternity leave; measures to cut the cost of labor to enable employees to use all available resources like different job contracts, professional training, positive actions; the creation of a 'women's space' in the media to deal with the main items of interest such as child care services and the balance between private and working life.

<sup>12</sup> Source: Eurostat; Gender pay gap in unadjusted form in % - NACE Rev.2 (structure of earnings survey methodology)earn\_gr\_gpgr2 ; figures relate to Industry, construction and services (except public administration, defense, compulsory social security); last update 30-09-2014.

<sup>13</sup> For more detail on general EU gender pay gap, please visit: [http://epp.eurostat.ec.europa.eu/statistics\\_explained/index.php/Gender\\_pay\\_gap\\_statistics](http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/Gender_pay_gap_statistics)

<sup>14</sup> [http://www.manageritalia.it/content/download/Informazione/Osservatorio\\_Managierale/RAPPORTO\\_INDAGINE\\_DELPHI.pdf](http://www.manageritalia.it/content/download/Informazione/Osservatorio_Managierale/RAPPORTO_INDAGINE_DELPHI.pdf)

<sup>15</sup> La Repubblica, Economia e Finanza, "Le donne guadagnano troppo poco: rispetto a un uomo lavorano 59 giorni gratis", 28 February 2014

<sup>16</sup> Decree No. 198/2006 Code of Equal Opportunities, available at [www.normattiva.it](http://www.normattiva.it)

<sup>17</sup> Full text of the Chart is available at: <http://www.cartapariopportunita.it/files/10/Carta%20con%20loghi%20def.pdf>

## Quota Law

Although the Italian corporate governance code included recommendations regarding the balanced composition of the board, it was the introduction of the quota law (Act No. 120 of 12 July 2011<sup>18</sup>) that made significant positive impact. The Act introduced a **quota system** for the appointment of directors and auditors of listed companies. It provides that the articles of association of the relevant companies must provide that the choice of directors to be elected is made on the basis of a criterion ensuring a balance between the genders. **At least one-third** of the directors and auditors who are appointed must be of the less-represented gender. It is important to emphasize that this criterion only applies for three consecutive mandates. Thus, this rule is to be enforced for **three periods** of tenure for directors and auditors (a total of nine years). Companies are given a reasonable time to comply with these provisions: for the first mandate, at least one-fifth of the directors or auditors appointed must be of the less-represented gender. In applying this provision, no distinction is made between executive and non-executive directors and these provisions also apply to companies, which have adopted the monistic system. The implementation of the law has been **very successful**; the share of all board seats held by women is equal to more than 22.2 percent at the end of June 2014, up from 11.6 percent in 2012. However, most women on boards still hold non-executive roles.

## Quota debate

The quota-debate, translated from Italian “**pink quotas**”, is a two-faced issue. A large percentage of people (women included), believes that introducing this kind of affirmative action can be considered discriminatory against men and that women are strong enough: that they do not need any “subterfuge”. Nevertheless, the opposite debate (which sees 80% of women managers who agree) uses another argument: if women studied hard and they got their masters degree with full marks<sup>19</sup>, if they interned in important companies and know many foreign languages, then why do they rarely accede to middle and top management positions? This is obviously by reason of many barriers that do not allow women to reach these positions eventually, even if they are smart and talented.

**Quotas are needed to break the vicious circle:** as long as boards are mainly populated by men, they will tend to choose other men for new board positions. It is probably a legend that current recruitment policies are based on meritocracy and that “pink-quotas” would detract from that. They could stimulate companies to seek talent in new ways and, instead of adapting the profile to the man already chosen from traditional networks, be more quality-based. Guaranteeing equal representation of women in decision-making positions is crucial in order to attract female employees to all levels in a business.

This last argument sees also many male CEOs of important Italian groups siding with it: CEOs of Intesa San Paolo, Unicredit, Telecom, Enel and Ciris, believe at the end that introducing quotas is not doing women a favour, it is doing Italy a favour, since it cannot be allowed that 50% of Italian talents remain unused<sup>20</sup>.

<sup>18</sup> The Department of Equal Opportunities has launched a short 30 seconds video to show the importance of the application of the “Legge 120” <https://youtu.be/FWxgVoxYXBE>

<sup>19</sup> 59% of Italian women completed successfully in 2013 their tertiary degrees (above the average EU level which is 58%).

Source: <http://www.oecd.org/statistics/BLI%202014%20Italy%20country%20report.pdf>

<sup>20</sup> Il Sole 24 Ore, “Riparte l’iter delle quote rosa, cambiamenti alla legge. Pro e contro-sondaggio”, 17 February 2011



### 3.3 Barriers and enablers

As we have seen, women tend not to reach top management positions: they often stop at middle management or lower positions even if they are smart and talented. The reason they do not get promoted lies in different obstacles that will be addressed at three main levels: society, individual and working level.

For sure, the society level is one of the most relevant in Italy. Women are integrated in working life (47% of Italian women work), but still, they have to do the “**house job**”. This job consists of housework and usually children’s care. A recent study developed by OCSE in 2013<sup>21</sup>, shows that every woman works at home 36 hours per week, while men work only 14 hours. These 22 hours of difference show that in Italy there is one of the largest gaps in Europe, because society still tends to see women as more inclined to work at home and to wear skirts instead of wearing a black suit and be a middle manager. In this respect, it is interesting to see that 60% of Italian men think that it may be true that **women can be powerful, but they are less reliable** because of their “family commitment” (Sala 2008)<sup>22</sup>. A study conducted by Unionquadri on the condition of women in middle management in Italy shows that sometimes women don’t get the right support neither from their partner: 15.2% of women declared that their spouse expressed envy and resentment because “she was gaining more”<sup>23</sup>.

Another important barrier women still face in Italy while trying to climb the ladder is around childbirth: **maternity leave, part-time jobs and the costs for child care**. The birth of a baby means enormous changes in both family and working life. In Italy, about 702,000 women stopped working after having a baby for at least a month (38%). On the contrary, only 1.8% of men stopped working even if only for a while after having a baby<sup>24</sup>.

Regarding **marital status**, 90% of men in middle management are married or live together with their partner, but only 73% of women are. More dramatic is the difference when looking at women with children: 43% of female Italian middle managers have to **renounce having a child** to keep their power position at work (and 70% of them think that having a child is a barrier to their career), while 86% of men in middle management have at least one child (Sala 2008). Of the remaining 57% of women in middle management who decided to have a child, 27.5% asked for a part time job to be able to keep climbing the ladder but at the same time to be able to be a parent. Nevertheless, it is clear that halving the working hours cannot help to reach top managerial positions: the salary goes down, the gender gap enlarges, and, most of the time, child care costs are high for a part-time middle management salary.

Moreover, it is important to analyze how women are portrayed in the Italian media: females are still stereotyped and sexualized in popular entertainment, and it is very common to see beautiful women, skinny and under-dressed, working as TV showgirls. In many talk shows in fact, the host is a

<sup>21</sup> OECD (2013), *How's Life? 2013: Measuring Well-being*, OECD Publishing.

<sup>22</sup> Sala E. (2008), *Donne, Uomini e Potere. Diseguaglianze di genere in azienda, politica, accademia*, FrancoAngeli, Milano.

<sup>23</sup> [http://db.formez.it/Storicofontinor.nsf/fd9091c9b1074a5fc1256bd700384708/572D19D244C55DFDC1256D36003542DB/\\$file/Inchiesta%20nazionale%20sulle%20donne%20Quadro%20in%20italia.pdf](http://db.formez.it/Storicofontinor.nsf/fd9091c9b1074a5fc1256bd700384708/572D19D244C55DFDC1256D36003542DB/$file/Inchiesta%20nazionale%20sulle%20donne%20Quadro%20in%20italia.pdf)

<sup>24</sup> Source: Istat, 2010

male accompanied by many showgirls<sup>25</sup>. Inevitably, this has a profound influence on the way women see themselves and the way men see women. A similar phenomenon happens in the movies: women are underrepresented as important characters, and they mostly represent traditional roles and stereotypes (like housewife, average student, emotional persons).

Looking at the individual level, the first aspect that must be taken into account is women's choices for certain educational fields. Italy, in fact, is the country where the gap between male and women studying in the technical/scientific field is wider than other European countries. Women in this field only account for 9% of the total, against 14.8% of men. Moreover, numbers tend to show that women are in general more oriented to prefer women prefer a career in staff and support roles to a managerial career. This might be explained because of the potential difficulties with maintaining a healthy work life balance in positions that carry important responsibilities.

### 3.4 Best practices

#### Government initiatives

- **Golfo-Mosca Law**

At the national level, Italy has implemented some initiatives to improve the situation of women in decision-making position. For sure, the **Golfo-Mosca Law** is the most important one. The law requires that boards (executives and non-executives) of publicly listed companies and state-owned companies have at least 33% of each gender by 2015 and sets a target of 20% for the transition period. In the event of non-compliance, a progressive warning system can culminate in the eventual dissolution of the board<sup>26</sup>.

- **“WE- Women for Expo”**

Secondly, Italy is hosting from May to October 2015 the EXPO Milano. In the framework of the EXPO, an interesting initiative has been launched: **“WE- Women for Expo”**. “WE” is a contest where private companies and organizations could apply promoting their projects where the star is a woman; they could be either start-up related projects or projects whose aim is to boost women economic empowerment. The selected ideas will have a special booth at the Expo and they will be promoted through all the social media. In the context of this research, what should be learnt from this initiative is the visibility given to women: get awarded, get to speak in public places and get to know more people are for sure among the advices of this venture.

- **“Women Mean Business”**

Thirdly, the PROGRESS project, co-funded by the European Commission, named **“Women Mean Business and Economic Growth- Promoting Gender Balance in Company Boards”** and coordinated by the Department for Equal Opportunities of the Presidency of Council of Ministers in collaboration

<sup>25</sup> Source: [www.osservatorio.it](http://www.osservatorio.it)

<sup>26</sup> <http://www.diritto24.ilsole24ore.com/avvocatoAffari/mercatiImpresa/2012/03/la-legge-1202011-golfo-mosca-sullequote-rosa-effetti-econseguenze.php>

with the Dondena Center for Research on Social Dynamics of the University Luigi Bocconi<sup>27</sup>. The project aimed at promoting balanced representation of women and men in economic decision making: three working papers have been published at the end of the project. Specifically, they analyzed in details the transparency of hiring processes in different stages of a woman's career, the participation of women in top management, and the participation of women in decision-making positions. Although specific information on women in middle management positions is lacking, the report<sup>28</sup> contains a collection of Best Practices of how to support female leadership in business. Because maintaining a good work-life balance is one of the main challenges for women in middle management, companies could support them by developing specific work-life balance policies.

### Company initiatives

Italian private companies have put many initiatives in place to facilitate the work-life balance:

- **Montecchio, Piemonte**

An enterprise in Montecchio, Piemonte (a region in Northern Italy) gives to their employee a **free baby-sitter**. The employees under 35 have the possibility to send an SMS to the company baby-sitter who will be ready to take care after their children straight away. The main objective of the company goes beyond this initiative: they are planning to open a childcare close to the offices, with special tariffs and discounts for the employees<sup>29</sup>. Regarding the so called “**business nursery school**”, many enterprises in Italy have implemented this practice successfully, allowing their employees not to renounce to their full-time job. Between them we can find Artsana, Banca Popolare di Milano, Benetton, Calzedonia, Cariparma, Cartasì, Castiglioni Spa, Martini e Rossi, Telecom Italia Spa<sup>30</sup>, Todini, Tod's, e Unicredit<sup>31</sup>.

- **CoopAdriatica**

Another interesting best practice regarding work flexibility has been put in place by **Coop Adriatica**, a wholesale company, which proposed the project “Orari e Isole”. Thanks to this initiative all the women working in the same office and with the same responsibilities and charge, can **exchange their working hours** as they want to follow their family schedule. It allows women to have more flexibility and therefore to be more productive<sup>32</sup>.

Moreover, other important Italian companies have implemented specific policies to promote more women to middle and top management:

- **Autogrill Group Spa**

Autogrill is a catering Italian - based multinational in which women account for 61% of the total workforce. Their objective is to find the best possible solutions to gender matters: maternity, safety at work and female leadership. Autogrill has conducted both a **study and a survey** on the

<sup>27</sup> For more details please visit the official page of the project: <http://www.womenmeanbusiness.it/en/>

<sup>28</sup> Women Mean Business and Economic Growth- Promoting Gender Balance in Company Boards

<sup>29</sup> [http://www.csрпиemonte.it/comunicazione/dwd/materiali/csr\\_welfare.pdf](http://www.csрпиemonte.it/comunicazione/dwd/materiali/csr_welfare.pdf)

<sup>30</sup> <https://www.telecomitalia.com/content/dam/telecomitalia/documents/Sostenibilita/it/Politiche/policyRS.pdf>

<sup>31</sup> “Le donne nei processi decisionali economici: Ricomporre lo scenario”, Department for equal opportunities-Presidency of Council of Ministers in partnership with Dondena Research Center on Social Dynamics, Università Bocconi

<sup>32</sup> “Un'impresa, mille volti. Vademecum per gestire la diversità e promuovere le apri opportunità in azienda”, Impronta Etica, Progetto Donne, Cospe, 2007, regione Emilia Romagna.

quality of the working life among the employees. They have then analyzed the percentage of women and men working in middle and top management. Since the results were not satisfying in terms of gender equality at decision making level, the company introduced new policies oriented toward conciliating family and working life, especially for those women going back to work after maternity leave<sup>33</sup>.

#### • CARIPARMA

Cariparma is an Italian bank, that has launched in 2012 a specific **training program** for their women employees who want to accede to leadership positions. The program was called “Leadership and Gender” and was directed to 40 middle managers that have been instructed with specific leadership and managerial skills.

### 3.5 Recommendations

#### Benefits

There are many reasons, which could lead companies to promote more women to the top, but one of the most important ones for Italy is that **women introduce diversity**.

As a study of the Italian Cerved Group shows, women introduce new points of views and perspectives in boardrooms and frequently demand greater accountability<sup>34</sup>. The diversity aspect is particularly true in Italy: Italian companies are frequently expressing their interest in promoting diversity policies in their enterprises. The manager’s view and openness towards cultural diversity is, in fact, an important factor that plays a major role on how women are treated in an organization. Managers that believe in diversity tend to highlight more the advantages of having more women in their team (companies perform best and the work environment is more productive and innovative) even while discussing the challenges that come along. For example, one of Italy’s leading company, Pirelli, expresses in its Ethical Code that “working relationships are managed placing particular emphasis on equal opportunity, on furthering each person’s career development, and on utilizing their diversity”. Eleonora Pessina, the Group Sustainability Manager, specifically says that diversity is a “competitive advantage” in Pirelli<sup>35</sup>. Also, ATM, the public transportation association of Milan, says that diversity is a crucial factor for any enterprise, and represents an “extraordinary asset” which much be valorized<sup>36</sup>.

Another well-known argument to promote gender diversity is that the productivity of the enterprise goes up when there are more women at the top.

The research of Mario Daniele Amore and Alessandro Minichili (Bocconi University) took into account from 2000 to 2010 2.400 Italian companies with sales volume above fifty millions Euro. The findings show that if the CEO of a company is a woman, the profits grew with 18%. Interestingly, the share of women in middle management went up to 12%<sup>37</sup>.

<sup>33</sup> “Le donne nei processi decisionali economici: Ricomporre lo scenario”, Department for equal opportunities-Presidency of Council of Ministers in partnership with Dondena Research Center on Social Dynamics, Università Bocconi

<sup>34</sup> To read the whole study please visit: [http://nuovoeutile.it/pdf/donne\\_vertici\\_imprese.pdf](http://nuovoeutile.it/pdf/donne_vertici_imprese.pdf)

<sup>35</sup> Please visit the company website for more information: <http://www.pirelli.com/corporate/it/sustainability/default.html>

<sup>36</sup> <http://www.atm.it/it/IlGruppo/ComeLavoriamo/Pagine/Pariopportunita.aspx>

<sup>37</sup> “Donne che parlano alle donne: quando la presenza femminile al vertice è una vera opportunità”: [http://www.aidafey.unibocconi.it/wps/wcm/connect/ac7edd86-301b-43c5-ac87-90bee7a6fef7/Donne\\_che\\_parlano\\_alle\\_donne\\_E\\_fanno\\_decollare\\_le\\_imprese.pdf?MOD=AJPERES](http://www.aidafey.unibocconi.it/wps/wcm/connect/ac7edd86-301b-43c5-ac87-90bee7a6fef7/Donne_che_parlano_alle_donne_E_fanno_decollare_le_imprese.pdf?MOD=AJPERES)

## Policies

Policies promoting equal opportunities for men and women include a variety of interventions. These policies were originally born as actions aimed at rebalancing women's participation in the working world (affirmative action); they have been developed and refined over time and they now include a series of actions as: training courses, aimed at teaching leadership skills to women who have interrupted their professional career and intend to return to work (or who intend to go above middle management positions); mentoring programs, to promote the development of women's careers; diversity management, as a tool to better develop human resources, encouraging innovation and maintaining competitive advantages. Given the best practices described above and given the slow pace of change of the country, it is recommended that specific actions should be put in place or enforced where already existing.

Firstly, one of the main difficulties that women face while trying to climb the ladder to middle management positions is having a child and **reconcile work and personal life**. The "spiral career" is a model that combines the desire of climbing the ladder to middle and top management, but that also involves the integration between the different life dimensions: professional, domestic and social. It is the style of career which aims to find a balance between the different dimensions of life without compromising the purely professional: the "spiral" style is characteristic of women in middle management and often is typical of a discontinuity in the short term, in which there may be setbacks and delays often caused by reasons of family or personal origin (childbirth). The essential feature of the "spiral" career profile is the presence of a positive trend, despite its cyclical nature, which allows landing in positions of greater responsibility and professional commitment<sup>38</sup>.

The following specific recommendations are proposed:

- **Business-nursery care**

To conciliate work and personal life, many Italian enterprises have already put in place the "**business-nursery care**": they are crucial for the development of a young career and for allowing women to go back to work straight after having a child. They should be open at least 7 hours a day and all year long.

- **Working from home**

Also, the company should provide the possibility of working from home and of having flexible hours. The policies of the bank BNL, Birra Peroni, Chiesi Farmaceutici, Pirelli, Poste Italiane and many other Italian companies should be followed by other firms; their employees are allowed to work from home at least 2 hours a day. Of course the flexible schedule takes into account that sometimes they are requested to be physically in the office certain days a week; or sometimes there is a specific working schedule that they have to follow. Nevertheless, this will definitely help women middle managers to better conciliate their personal life with work, without sacrificing too many hours of work and, in this way, without losing out on men<sup>39</sup>. ValoreD, the

<sup>38</sup> "La promozione delle pari opportunità nelle piccole e medie imprese", Sistemi Formativi Confindustria, Regione Emilia Romagna, 2009

<sup>39</sup> "Le donne nei processi decisionali economici: Ricomporre lo scenario", Department for equal opportunities-Presidency of Council of Ministers in partnership with Dondena Research Center on Social Dynamics, Università Bocconi

Italian association that promotes women leadership has launched in 2011 two courses to help middle managers to conciliate private and working life. “Women Acrobats” and “Goddess inside the women” are emblematic names that reflect the difficulties women face but also the great power they have<sup>1</sup>.

- **Get inspired by other programs**

Companies should get inspired by gender diversity programs, which worked in other companies: this could lead to the creation of new gender policies and a chain effect.<sup>1</sup>

- **Conduct surveys among women employees**

Companies should conduct surveys and interviews among the women employees (feedback practice): analyze their needs, satisfaction and possible barriers they face while in middle management is fundamental to create a gender equal environment. Their needs must be conjugated with the company’s need to create a win-win situation. Eventually, gender diversity policies and program need to be evaluated constantly: checks on the percentage of men and women employed at top and middle management, checks on cash flows and on employees’ satisfaction are necessary to adapt and modify those plans into a successful strategy<sup>1</sup>.

- **Professional trainings**

It is particularly important to point out the significance of professional trainings in middle management, often called “female leadership training courses”, which is growing day by day. They are usually dedicated to women who are stuck in middle management and who are not able to reach the top: experts provide the participants with technical and leadership skills, which are necessary to be promoted. ValoreD, the Italian association working on female leadership, has promoted many courses with this purpose: “Facing the conflict”, “The female power” and “Remarkable Women” are among them. Alessandra Perrazzelli, vice president of the association, says: “today women training is a priority on the economic agenda. More women mean more innovation, more performance, and more market mobility”<sup>1</sup>. ValoreD also promoted specific courses dedicated to men. In fact, as Rosanna d’Antona from “d’Antona&Partners” says, the “changing management” is a new concept that explains that also men have to change. They have to learn that having more women in middle and top management is beneficial for the company, and that especially now that Italy is facing years of economic crisis, the gains from female leadership must be used more than ever.

More recommendations of how to support female leadership in business can be found in the report of the Progress Project “Women Mean Business and Economic Growth- Promoting Gender Balance in Company Boards”<sup>40</sup>: childcare facilities in company or close by the company’s premises are crucial for working mothers; not only do they save money but they save valuable time in commuting. Also, the possibility to work flexible hours enables the employee to allocate working time better to suit

<sup>40</sup> For more details please visit the official page of the project: <http://www.womenmeanbusiness.it/en/>

the demands of other obligations, such as childcare. The practices of flexible working hours were born to meet requirements proposed mainly by women; nevertheless, many Italian companies have **spread these policies also to male employees**. In this way they also promote the value of sharing family responsibilities, and they create opportunities for fathers in middle management to manage their work commitment with attention to the family's duties<sup>41</sup>. The project ***Women Mean Business*** also suggests the possibility to **work from home** when work does not require presence on-site. The chance to work from home is certainly a great opportunity to better manage personal and work life, to hold managerial positions and to ensure the continuity of commitment requested by the company. Working from home is now facilitated from the growing potential of technological tools. Finally, **“Back-to-work” counseling** provides women with counseling to better readjust to working life after they have been on maternity leave, because they may deal with feelings of guilt or loss of confidence in their skills.

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<sup>41</sup> “La promozione delle pari opportunità nelle piccole e medie imprese”, Sistemi Formativi Confindustria, Regione Emilia Romagna, 2009

Part 2

The case of Latvia



## 4. PART 2 – THE CASE OF LATVIA

Latvia ranks first in the EU ratio of females to males: 54% of the inhabitants are women. Latvia is a virtuous country regarding women at work compared to the rest of Europe: **nearly 68 % of Latvian women are employed**, which is above the EU average of 62.6%. This is an important fact which helps to understand women's position in this country. Nevertheless, it has to be said that this high percentage does not translate into an equal position for women in the labour market: still the gender pay gap is an important issue, and there is a problem of women not reaching board positions at the same rate as men, as well as issues around maternity leave and the traditional perceptions of men as "bread winners".

### 4.1 State of play

#### Women in the workforce

Latvia holds a better position than the EU-28 average in many indicators: the current situation of the total employment rate sees Latvia slightly above the average. The percentage of women at work is in part reassuring: not only **Latvia is well above the EU-28 average**, but also this positive rate has been constantly increasing in the last 5 years. Interestingly, there is almost gender equality in the workforce since the employment gap between women and men in the work force is only 4.2%. Although 67.7% is a positive value, it is important to shed light on how gender segregation is affecting Latvia and where women are actually more involved in the everyday life, both in household tasks and in sectors of business. Interestingly, maternity does not seem to influence women's participation rate much. Latvian women with one child are the most participative in Europe in the working world<sup>42</sup>.

However, Latvian women still earn 13.8% less than an average male employee, which is slightly higher than the EU-27 average.

**Table 4. Women's employment rate in Latvia and in EU-28 (in%)** <sup>43</sup>

| Women employment rate | 2013        | 2012        | 2011        | 2010        | 2009        | 2008        | 2003        |
|-----------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Latvia</b>         | <b>67.7</b> | <b>66.4</b> | <b>65.3</b> | <b>64.5</b> | <b>66.5</b> | <b>71.9</b> | <b>64.3</b> |
| <b>EU-28</b>          | <b>62.6</b> | <b>62.4</b> | <b>62.2</b> | <b>62</b>   | <b>62.3</b> | <b>62.8</b> | <b>58.7</b> |

Latvia shows horizontal segregation across many sectors of economic activities, and presents a total of 23.4% of segregation (the European average appears to be much lower, with gender sectorial segregation at 18.4%<sup>44</sup>). Of the total Latvian women working, there are only two fields, which are typically female dominated: education and wholesale retail. In fact, only 3.1% of Latvian men work in these sectors<sup>45</sup>.

<sup>42</sup> Eurostat News Release, 8 March 2011

<sup>43</sup> Source: Eurostat; tsdec420; last update 5/11/2014;

<sup>44</sup> Bettio F., Verashchagina A. (2009) "Gender segregation in the labour market", Directorate-General for Employment, Social Affairs and Equal Opportunities Unit G1

<sup>45</sup> Source: Eurostat Labour Force Survey (2010).

In terms of women working part-time, the Latvian situation differs significantly from the EU average and most of the other countries in this Guide. Only one out of 10 (9.5%) of women are working parttime against the EU average of 32.1% (in the UK almost half of women work part time (44.1%)). There is horizontal gender segregation in the education: 84.4% of women have a secondary education level and 29.9% a tertiary education. According to the data of the European Commission, in 2012 67.5% of women and 32.5% of men acquired higher education. Nevertheless, there is a significant difference between “female and male” jobs: women choose to study education, healthcare, social welfare, humanities and the arts. Men, on the contrary, dominate in engineering, manufacturing, construction, mathematics and ICT programmes. Only 32.2% of Latvian women choose the field of mathematics and computer science, and only 21.4% choose the engineering field<sup>46</sup>. This inevitably influences the already mentioned gender pay gap: women are paid 13.8% less and in many cases it is because the professions they choose are paid lower.

### Women in middle management

Statistics on the proportion of women in middle management positions in corporations are not available in the public domain. Therefore this section is based on information from various sources.

A recent study<sup>47</sup> shows that the **gender proportion on middle level management is quite balanced**; among the heads of departments of the surveyed companies, 46% are women and 54% are men. Looking at the qualifications required for middle management levels of companies, no significant difference was detected between women and men. This means that women in middle management are as competent and qualified as men. The fact that almost all women work full time might be one of the explanations for their equal representation in middle management positions.

However, women's representation on executive boards is only 20%. This number is well above the EU-28 average (12%): at the moment Latvia is the leading country in this respect. Also, this rate has been going up in the last few years: this means that Latvia has been rather successful in improving women's position in the economic decision making field<sup>48</sup>.

Comparing the equal representation in middle management with the 20% share on executive boards, it is clear that there is a “glass ceiling” or structural, cultural and/or social constraints on women's career growth, specifically, for their representation on executive boards. The fact that no gender disproportion is observed on the middle level management leads to the above conclusion. Women are managers in Latvia, but not senior level managers.

A similar pattern can be observed in the media industry. According to EIGE's report<sup>49</sup> the proportion of women in management positions decreases with each management level. At the lowest level (closest to middle management) women even outnumber men (67%). But at the higher levels the

<sup>46</sup> Source: Eurostat Education and Training (2010).

<sup>47</sup> “Study of the Situation of Men and Women in the Large Companies of Latvia”, by LLC “Safege Baltija and LLC “ArtSmart”, Riga, 2014; [http://www.sif.gov.lv/images/files/SIF/progress-lidzt/Petijums\\_ENG\\_internets.pdf](http://www.sif.gov.lv/images/files/SIF/progress-lidzt/Petijums_ENG_internets.pdf).

<sup>48</sup> EC Database Women and Men in Decision-making; 2014 data collected between 01/04/2014-30/04/2014; 2013 data collected between 11/10/2013-31/10/2013; 2012 data collected between 26/09/2012-15/10/2012.

<sup>49</sup> EIGE, Advancing gender equality in decision-making in media organisations, Latvia, 2014

proportion of women decreases to 60% (level 3) and 50% (level 2) and ultimately to 25% at the board level (level 1).

## 4.2 Legal framework

Art.91 of Latvian Constitution states the principle of equality of rights before the law and for protection of these rights without any kind of discrimination. However, there are no legal norms allowing for positive measures in general or in the private sector. The first document in the field of gender equality policy in Latvia was the Concept Paper on Gender Equality Implementation of 2001. The concept paper is used as a fundamental basis for the development of further plans of action and documents to implement its goals. It established that “gender mainstreaming” should be used as the main method of facilitating the principle of gender equality in Latvia in all government policies<sup>50</sup>.

The principle of non-gender based discrimination has been introduced with amendments to the Law of Support of Unemployed Persons and Jobseekers<sup>51</sup>. Nevertheless, Latvia (together with Lithuania, the Czech Republic, Slovakia, Portugal, Ireland, Cyprus, Malta, Bulgaria, Greece, Hungary, Slovenia, Estonia, and Romania) has not adopted any specific regulation regarding female quotas (55.9% of Latvians are specifically against quotas).

However, on 29 November 2012 the Latvian Parliament adopted amendments to the Law on the Prohibition of Discrimination against Natural Persons – Performers of Economic Activities<sup>52</sup>. This Law entered into effect on 2 January 2013. Such amendments were necessary to correctly implement the Directive on the application of the principle of equal treatment between men and women engaged in an activity in a self-employed capacity and the Directive establishing a general framework for equal treatment in employment and occupation<sup>53</sup>.

In January 2012 the Gender Equality Action Plan 2012–2014 was accepted in the Cabinet of Ministers. The plan provided four different types of actions: the promotion of economic independence and equal opportunities for women and men in the labour market; the promotion of a healthy and lifestyle for women and men; the minimization of gender stereotypes and roles; the evaluation of gender equality policy. The Ministry of Welfare will submit to the Cabinet of Ministers the first report regarding the implementation of this Plan by July 2015<sup>54</sup>.

## 4.3 Barriers and enablers

Latvia is the only country in this Guide in which equality has been reached at middle management level. However, women still face barriers progressing to senior management levels. Work-family life balance is an issue, as typical stereotypes about women's role in the society are still current. In 2014

<sup>50</sup> EIGE Europa, Gender-Equality-Index-Country-Profiles, 2013

<sup>51</sup> Anhelita Kamenska, Executive Summary, Country Report Latvia 2012 on measures to combat discrimination.

<sup>52</sup> “Fizisko personu – saimnieciskās darbības veicēju – diskriminācijas aizlieguma likums”, Official Gazette No. 199, 19 December 2012

<sup>53</sup> Directive 2010/41/EU of the European Parliament and of the Council of 7 July 2010 on the application of the principle of equal treatment between men and women engaged in an activity in a self-employed capacity, Official Journal L 180/1 and Council Directive 2000/78/EC establishing a general framework for equal treatment in employment and occupation, Official Journal L 302, 2.12.2000, p. 16–22. See also K. Dupate, National Report Latvia, European Gender Equality Law Review 2013/1, p. 82.

<sup>54</sup> EIGE Europa, Gender-Equality-Index-Country-Profiles, 2013

a survey<sup>55</sup> was conducted by SIF among 1000 people about gender equality in the workplace and specifically about the attitudes towards women managers. According to the participants the main barrier for women to have a management position is that women have more tasks at home and have to take care of children and the family. However, some differences in opinion between men and women were noted. More men than women expressed the opinion that women are not attracted to the business environment and that they are more reluctant to take on important responsibilities; they feel that women themselves do not really want to become involved in management. On the other hand, more women than men said that the main reason is indeed women's tasks in the home and family, and raising children. It may well be that this explanation is one that women feel most comfortable with because it is the most acceptable in the public opinion.

Arrangements around maternity leave and the reconciliation of work and family life are important in Latvia: 59% of families have decided to enroll their children (between 3 years old and school age) in childcare for more than 30 hours per week. This is no surprise since most Latvian women work full time. Many women are afraid to lose their job while they are on maternity leave. As Agnese Gaile, from the Ministry of Welfare of Latvia says, in the country only 4% of men use their paternity leave, because common sense prevails and women are expected to use their maternity permission.

A survey<sup>56</sup> under students concluded that women are less ambitious than men to advance in their career. Women see themselves more as high-level specialist or middle-level manager, whereas men see themselves starting their own business or having a senior management position.

## 4.4 Best practices

### Government Initiatives

A number of projects have been recently implemented in Latvia to promote gender equality in decision-making positions.

- **Gender Equality in economic decision-making TOOL**

The Society Integration Foundation (SIF) has implemented the Project “GENDER EQUALITY in economic decision-making- TOOL to promote economic competitiveness AND equality VALUE” within the section “Gender equality” of the EU employment and social solidarity programme “PROGRESS 2007- 2013”<sup>57</sup>. The Project covered several needs at national level identified in the corresponding policy documents, priorities and challenges identified and discussed in the project elaboration process by the project partners – the Ministry of Welfare, Employers’ Confederation of Latvia, LIDERE -Latvian Women Entrepreneurs Leaders’, The Resource Center for Women “Marta” and the Ministry of Economic. The main objective of the project was to promote balanced representation of women and men in economic decision making in Latvia; however, also other objectives have been reached. For example, “to raise awareness of large companies and highlight the importance of gender quality in company management and its added economical values”; “break stereotypes by organizing informative and educating activities for various target audience”

<sup>55</sup> [http://www.sif.gov.lv/index.php?option=com\\_content&view=article&id=9397&Itemid=125&lang=en](http://www.sif.gov.lv/index.php?option=com_content&view=article&id=9397&Itemid=125&lang=en)

<sup>56</sup> [http://www.sif.gov.lv/images/files/SIF/progress-lidzt/Public\\_Poll\\_Summary\\_2014.pdf](http://www.sif.gov.lv/images/files/SIF/progress-lidzt/Public_Poll_Summary_2014.pdf)

<sup>57</sup> For more information regarding the project please visit:

[http://www.sif.gov.lv/index.php?option=com\\_content&view=article&id=9175%3APar-projektu-Dzimumu-lidztiesibainstruments-un-vertiba&catid=2%3Afonds&lang=en&Itemid=244&task=display&tmpl=component](http://www.sif.gov.lv/index.php?option=com_content&view=article&id=9175%3APar-projektu-Dzimumu-lidztiesibainstruments-un-vertiba&catid=2%3Afonds&lang=en&Itemid=244&task=display&tmpl=component)

“present best practices of other EU member states to Latvian companies and to share best practices and initiatives of Latvian entrepreneurs in gender equality with other member states”. The project also sheds light on some interesting facts, such as that Latvia ranks 15 in the Gender Equality Index for the EU among 27 countries<sup>58</sup>, that 67% of university students in 2021/2013 were women, and that women still earn 13.8% less than men.

- **Sustainability Index**

Another initiative is the yearly award ceremony for companies who have the highest scores in the so-called “Sustainability Index”<sup>59</sup>. The Sustainability Index is a management tool developed on the grounds of global methodology, to help Latvian companies to establish sustainability and corporate responsibility. Participants are awarded with Platinum, Gold, Silver and Bronze “medal”, depending on their sustainability index score. In 2014 the focus was specifically on gender equality issues, and the criteria were the composition of employees and decision makers, the pay rates of both gender and companies main policies in terms of gender equality.

## **Company Initiatives**

A number of companies have developed plans to address gender diversity in general. Some have developed more specific plans to improve the proportion of women in management careers and in middle management. A few are mentioned below.

- **SIA Neste Latvia**

A good practice is SIA Neste Latvia, which was awarded the most “gender equal company” in 2014<sup>60</sup>. Its board has equal male and female representation, and equality and diversity is the one of the main values of the company. Neste has developed special measures to promote equal wages for both genders, and they pay special attention to the work-life balance of its employees.

- **Swedbank**

The Latvian branch office Swedbank, a banking company of Swedish origin<sup>61</sup>, has developed support measures for families with small children and for work-life balance, such as the possibility to have flexible working hours and remote working as well as in-company facilities for children (and babysitters). The company has a majority of women in their workforce in Latvia; only 24% of the employees are men. At senior management level 33% of the managers are women (2 out of 6 managers). Half of middle managers at the operational level are women

## **4.5 Recommendations**

### **Benefits**

In order to close the gap between labor demand and labor supply, Latvian companies need to improve their access to the female talent pool due to multiple benefits that they could acquire. During the final conference of a PROGRESS project, “Gender equality-This is a business case” of the

<sup>58</sup> EIGE Europa, Gender-Equality-Index-Country-Profiles, 2013

<sup>59</sup> For more details please visit: [http://www.sif.gov.lv/index.php?option=com\\_content&view=article&id=9309&Itemid=244&lang=en](http://www.sif.gov.lv/index.php?option=com_content&view=article&id=9309&Itemid=244&lang=en)

<sup>60</sup> The “Equality and Diversity” Policy of NESTE Latvia is available at: <http://nesteoil.com/default.asp?path=1,41,12079,21153,21155>

<sup>61</sup> [https://www.swedbank.lv/en/par\\_swedbank/](https://www.swedbank.lv/en/par_swedbank/)

EU employment and social solidarity program which has been held in Riga (Latvia) on the 25th of November 2014, many benefits and recommendations were expressed.

Among the most important benefits is sustainability; in companies where both genders are represented in middle management, critical situations and cooperation with clients are managed better. Companies could acquire **stronger teams**: the internal atmosphere of the company improves and the possibility of gender discrimination decreases. The employees feel more appreciated as professionals and their satisfaction increases. If they are happier, consequently also clients are happier. Eventually, a company could acquire **financial benefits**. Profits increase and improve generally in the long term. In fact, if clients are more satisfied, they ensure financial stability, as value and operational principles of a company are attractive also to clients. In the SIF Study the financial benefits of having more women on executive boards of large Latvian companies has been investigated. Although a statistically significant correlation and a causal link were not found, the analysis showed that companies with a majority of women on the board were more efficient and profitable than companies with a majority of men on the board.

Furthermore, women usually ask more questions: this means that a company will become more innovative. Regarding the top management level, the participants in the Latvian conference expressed that usually, in their companies, men and women working together come up with better ideas and decisions: women seem to be better in long term decisions, whereas men in short term decisions. Jointly they produce the highest possible outcomes. In fact, **dual-gender teams work better** and with a more balanced sensitivity to issues.

## Recommendations

Although women in middle management in Latvia have (almost) reached parity already, they are still facing issues moving to more senior positions, and reconciling work and private life in their managerial careers. Based on the best practices above the following recommendations could be proposed.

## Government

- It is crucial to inform the society about the fact that still the majority of company managers are men. The lack of information is a problem in Latvia, and only with public campaigns and networking events this could be addressed. In fact, even if Latvia ranks first in many European gender equality indicators, many company leaders are unaware of the fact that women still earn 9.4% less than men and that the proportion of women managers is only 33%. Educating the public and company leaders is crucial to ensure that in the future gender balance may be reached above middle management positions;
  - Raise awareness of family and children as the responsibility of both partners (for example, a benefit system that motivates fathers to use the parental leave without a reduction in the average income);
  - Promote educational programs for prevention of stereotypes and prejudices across all educational levels – from kindergartens to universities

## Companies

The fact that Latvian women with one child are the most participative in Europe in the working world shows that many companies have introduced sufficient flexibility in working hours and options to work from home. However, improvements can still be made, since women still have difficulty accessing top positions and achieving a good work life balance. Most Latvian middle managers already know how to not lose their skills while on maternity leave, but at the same time many fear to lose their jobs because of maternity leave.

Companies can better support women to take a management career by putting in place the following facilities:

- **Flexible working hours;**
- Possibility of a **reduced workload;**
- Possibility of working a part of working hours **remotely**; for example, the company LLCCEMEX allows administrative staff to work from home and provides the option of reduced load for mothers and fathers.
- **Regular analysis** of the less represented gender target indicators (number, remuneration) and their changes both on the company's management levels and among the newly recruited employees;
- **Support measures** for families with young children and for work-life balance

However, it is interesting to see that the current practice of companies shows that companies value social responsibility more, and think about support measures for employees who have children. At the moment less emphasis is put on support measures for work-life balance.

Data show that most companies provide Christmas gifts or corporate events for children (66%), followed by additional holidays for parents with young children (44%), cash benefit in case of birth of a child (38%) and financial support when the children start attending school (32%)<sup>62</sup>.

The SIF study also emphasizes that to promote women's career growth are very important also support measures for babysitting or organizing children's camps during the summer months. In fact, these work-life balance initiatives are especially important prerequisite to promote gender balance in middle and top management.

<sup>62</sup> [http://www.sif.gov.lv/images/files/SIF/progress-lidzt/Petijums\\_ENG\\_internets.pdf](http://www.sif.gov.lv/images/files/SIF/progress-lidzt/Petijums_ENG_internets.pdf)

Part 3

The case of Romania



## 5. PART 3 – THE CASE OF ROMANIA

In Romania the employment rate for both genders is lower than in many other countries in transition: the statistical evidence shows however that significantly less women than men participate in the labour market and an overwhelming majority of decision-making positions are occupied by men. Romanian companies do not make full use of the existing female labor force potential yet; this chapter will provide best practices and recommendations which should be put in place in the near future in Romania to improve the situation.

### 5.1 State of play

**Table 5. Employment rate in Romania (total, men and women) (in %)<sup>63</sup>**

| Employment rate | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2003 |
|-----------------|------|------|------|------|------|------|------|
| <b>Romania</b>  | 63.9 | 63.8 | 62.8 | 63.3 | 63.5 | 64.4 | 63.7 |
| <b>EU-28</b>    | 68.4 | 68.4 | 68.5 | 68.5 | 69   | 70.3 | 67   |

The employment rate of women in Romania in 2013 was significantly lower than the EU-28 average of 62.6%. However, the employment rates have been increasing over the past 4 years, after a period of substantial economic restructuring in Romania. Furthermore, the unemployment rate for both genders is lower than in many other countries in transition.

**Table 6. Women's employment rate in Romania and in EU-28 (in%)<sup>64</sup>**

| Women employment rate | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2003 |
|-----------------------|------|------|------|------|------|------|------|
| <b>Romania</b>        | 56.2 | 56.3 | 55.7 | 55.9 | 56.3 | 57.3 | 57   |
| <b>EU-28</b>          | 62.6 | 62.4 | 62.2 | 62   | 62.3 | 62.8 | 58.7 |

### 5.2 Legal framework

Article 16 of the Romanian Constitution stipulates that all citizens are equal before the law and public authorities, without any privileges or discrimination. The principle of equality between men and women is regulated under Article 4 of the Romanian Constitution and in a number of other national regulations. Romania boasts a well-articulated and non-discriminatory de jure framework<sup>65</sup>.

More specifically, Art. 22(1) of the 2002 Act on equal opportunities for women and men stipulates that social and trading companies shall promote and support the balanced participation of women and men concerning management acts and the decision making process<sup>66</sup>. This law covers every type

<sup>63</sup> Source: Eurostat; tsdec240; last update 5/11/2014;

<sup>64</sup> Source: Eurostat; tsdec240; last update 5/11/2014

<sup>65</sup> <http://www.cdep.ro/pls/dic/site.page?id=371>

<sup>66</sup> Romanian Law 340/2006 for the amendment and approval of Law 202/2002 on equal opportunities for women and men (25.07.2006). See also: R. Teiu, National Report Romania in: G. Selanec and L. Senden, Positive Action Measures to Ensure Full Equality in Practice between Men and Women, including on Company Boards (2011), p. 188.

of entity that operates in Romania; political, social or economic. This provision also applies to the appointment of members of and/or participants in any council, group of experts and other managerial and/or consultative lucrative structures. Thus, there appears to be an incentive for the equal participation of women and men in decision-making bodies as provided for in Article 22(1) of the Act. A violation of this provision may be assessed by the National Council on Combating Discrimination (CNCD) and sanctioned with a written warning or an administrative fine. However, the provision is not likely to have any practical impact<sup>67</sup>

### 5.3 Barriers and enablers

The economic crisis and the uncertain economic environment forced the employers in Romania to be more flexible regarding certain practices and to re-evaluate their options, but they still didn't manage to overcome all professional barriers based on gender. Many employers and employees still remained attached to traditional beliefs in terms of jobs considered suitable for men or women<sup>68</sup>.

Personal interviews<sup>69</sup> conducted with successful women in Romania have shown that obstacles that women face while trying to access positions in middle management and above are both internal and external. Internal, because women tend to have **less confidence** in their own abilities and external, because the traditional gender roles are still present and influence the decision-making process in the society. Romanian men tend to consider themselves very effective both in "male and female professions"; on the contrary, women tend to consider themselves **less effective** in traditional male professions, although they have the necessary skills to exercise them. Because of this, men accede easier to management positions in feminine domains, while women are limited to the positions at the bottom of the hierarchy in male professional domains. In other words, **men "sell" themselves better.**

The main obstacles that Romanian women face while trying to access positions in middle management and above are typical chauvinist stereotypes. This was shown in a study conducted by Hart Consulting on stereotypes at five different levels (motivational, behavioural, biological, on values and on traditional roles) developed between April and November 2013 on 836 men and women. The study showed that the main stereotypes women faced while trying to access positions in middle management were: women are not as interested in being successful as men are (86% agree); neither men nor women like a female boss (62% agree); it is a woman's duty to deal with housework (60% agree); men do not have the time for housework (78% agree); leadership jobs drive women away from family (56% agree); the inequalities between men and women are a consequence of biological differences (67% agree)<sup>70</sup>.

Another explanation for obstacles aspiring women managers face can be found in the features of Romanian Culture. In Hofstede's model, Romania has a high score in the "Power distance" and "Uncertainty avoidance" dimensions, which means that **people tend to accept a hierarchical order**

<sup>67</sup> R. Teșiu, National Report Romania in: G. Selanec and L. Senden, Positive Action Measures to Ensure Full Equality in Practice between Men and Women, including on Company Boards, 2011, p. 190

<sup>68</sup> This is one of the outcome of the project "Promote the woman" program, European Social Fund through the Sectoral Operational Program Human Resources Development 2007-2013, POSDRU/71/6.3/S/33543, August 2012

<sup>69</sup> Two personal interviews conducted between January and February 2015 to women entrepreneurs.

<sup>70</sup> "Diversitatea de gen in leadership-ul romanesc". For more details please visit: [http://www.hart.ro/assets/Rezultate\\_studiu\\_diversitate-prezentare\\_event.pdf](http://www.hart.ro/assets/Rezultate_studiu_diversitate-prezentare_event.pdf)

and that they have a very high preference for avoiding uncertainty. This results in a rigid and structured organizational culture that inhibits innovation and change of traditional roles, including gender roles<sup>71</sup>.

In Stanton Chase's Leadership Survey<sup>72</sup> more than 300 female senior executives were interviewed about their career and the obstacles they faced. One of the findings was that opportunities for women in management careers very much differ per sector; the best opportunities are in sectors as Consumer Products & Services, Financial Services and Life Sciences & Healthcare. The sectors of Natural Resources & Energy, Industrial, Logistics & Transportation and Technology are not seen as environments that would have many career development opportunities for women. Regarding the question **if starting a family** would be a barrier, almost 60% of participants agreed that reconciling work and family could be a limiting factor in women's management careers. Results of a study of the United Nation Development Program<sup>73</sup> shows that "women return to work is problematic [...] since they are confronted with rejection within the company, followed by an immediate evaluation process, and thus they are released from their jobs due to loss of necessary skills and competences." In addition, more than 65% believe that it is harder for women to develop a senior management career than for men.

## 5.4 Best practices

The Romanian government, civil society and companies have lately implemented a number of projects and programs to promote women in management careers. A few are described here.

### Government Initiatives

- **National School of Women Managers**

The project of the National School of Women Managers<sup>74</sup> was co-financed by the European Social Fund through the Sectoral Operational Program Human Resources Development 2007-2013. The National School of Women Managers aimed to reduce gender imbalances on the labour market in Romania at managerial level in business and social policy sectors by developing a training program exclusively for women, by providing support for those who want to start a business, by providing career planning services and care for young children and by promoting success stories of women in different sectors of activity. Since 2700 women have benefited from this project, this successful approach should be carried forward in the future.

- **"Promote the women"**

"Promote the women" is a project led by the Agentia Nationala pentru Ocuparea Fortei de Munca (National Employment Office from Romania). The project has been implemented in the framework of the 3rd key area of intervention "Promoting equal opportunities on the labour market". The main

<sup>71</sup> For more details please visit: <http://geert-hofstede.com/romania.html>

<sup>72</sup> "Women in Leadership Survey, Profile & Mobility Trends of Women senior executives in Romania", by Stanton Chase International, 2010.

<sup>73</sup> <http://www.undp.org/content/dam/undp/library/Democratic%20Governance/Womens%20Empowerment/RomaniaFinal%20-%20HiRes.pdf>

<sup>74</sup> For more details please visit the Project WebPage: <http://www.snm.ro/index.php>

goals of the project were to improve applicant's capacity in order to promote the integration of women into the labour market, as well as promoting the equal opportunities principles to avoid discriminatory practices. To reach those goals, the ANOFM carried out a number of actions: analyzing the rate of women employment in the Romanian labour market; raising awareness in order to convince social agents of the importance of promoting equal opportunities in order to avoid and overcome difficulties within the labour market, and to combat stereotypes; exchanging good practices through transnational cooperation; identifying needs regarding the professional development of women; training beneficiaries women<sup>75</sup>.

### Civil society initiatives

- **“Women on boards”**

The program “Women on boards” implemented by the Professional Women’s Network Romania<sup>76</sup> provides support to its individual members in accelerating their career through mentoring, coaching and leadership training. The program also assists companies in developing gender diversity programs while supporting public policies aiming at enabling women access to decision-making positions. While promoting the business benefits associated with gender diversity on corporate boards, “Women on boards” asked for cooperation from different stakeholders that can contribute to this change: companies, government and women themselves. This project brings with it the most emblematic best practices of middle management: mentoring is particularly needed when trying to reach middle management positions starting from the bottom; coaching and leadership training are essential skills which need to be taught to develop competitive middle managers. Lower middle managers can lack of this specific skills: training is necessary to climb the ladder.

- **Partnership for Equality Centre (CPE)**

The programme “Work Life Balance, makes life work” implemented by the Partnership for Equality Centre (CPE) had as overall objective the promotion of policies and measures on flexible work practices and personal-life reconciliation in companies on the Bucharest-Ilfov radius. Specifically, the project promoted the share of information and transnational best practices; training for a thousand managers; consulting for private companies and awards for those which developed policies to conciliate professional and family life<sup>77</sup>.

### Company initiatives

- **Metropolitan Life**

Metropolitan Life launched “The Women Community” in order to contribute to the professional and personal development of the women in the organization. Metropolitan Life’s Women Community aims to develop a mentoring program for women to encourage them in their professional development, offers regular medical checks and professional and personal development seminars

<sup>75</sup>For more details please visit the Project WebPage: <http://promoveazafemeia.com/>

<sup>76</sup> For more details please visit: <http://www.pwnromania.ro/programs/women-on-boards/>

<sup>77</sup> For more details please visit the Project WebPage: <http://www.worklifebalance.ro/>

(80% of the Metropolitan Life employees in Romania are women and 50% of the local executive management team is women) <sup>78</sup>.

- **Carrefour Romania**

Carrefour is the first retailer to be certified at international level for its efforts to promote equal opportunities in the workplace. Carrefour Romania regularly shares examples of best practice and showcases its “women leaders”: women currently account for 40% of Carrefour Romania’s Executive Committee. The company implements organisational structures to promote a better work-life balance; specific training for women; wage equality policies and social dialogue<sup>79</sup>.

## 5.5 Recommendations

Giving the state of play and the results of some best practices, which worked well in Romania, the following recommendations could be put in place in universities and private companies to boost the change in favour of gender equality at board level.

- **Promoting the benefits**

Firstly, it would be specifically important to give examples and show studies of companies that have women in middle management in their teams and the positive change this made for them: emphasizing the co-workers’ results, the financial gain and the overall better quality of work in the companies could be a good action to generate a chain effect in many other Romanian enterprises. For example, Vodafone Romania has declared that a gender balanced organization enables to better respond to clients’ needs and to anticipate their expectations: other Romanian companies could be inspired from this and could implement new gender policies.

- **Breaking the stereotypes**

From personal interviews conducted to successful women in Romania, what they identify as primary form of discrimination and therefore what need to be broken are the stereotypes surrounding the skills of women managers and their abilities to balance their work and private life.

- **Changing the corporate culture**

Women are developing managerial skills and they achieve great results in what they do: it is important to encourage a different corporate culture and to spread new managerial visions that differ from the typical “masculine” approach.

<sup>78</sup> <http://www.metropolitanlife.ro/ro/home/assets/pdf/stiri/in-luna-dedicata-feminitatii-metropolitan-life-lanseazacomunitatea-femeilor.pdf>

<sup>79</sup> <http://www.carrefour.com/current-news/gender-equality>

- **Promoting women's management skills**

An article published on Forbes on women in top positions in USA shows the great advantages that companies could gain from engaging more women<sup>80</sup>. The outcomes of this article have been shared in Romania and “approved” by many successful women: women have the ability to see opportunities everywhere and inspire their peers to follow their ideas. Women are good at networking: at the initial stages of networking, women are gracious and generous in their ability to give and open doors for one another. Eventually, if it is true that women are always considered very emotional, it is also true that they have a higher emotional intelligence that brings certain advantages to a company: empathy can give a female manager an important edge when dealing with distressful situations and crisis, in the way of “reading” their interlocutor and of finding a more “diplomatic” solution.

- **Support management and leadership skills training**

Leadership skills training are important for women in order to support their career potential and develop the language, skills and confidence to compete for top management opportunities on the same basis as men. Moreover, they could help women to consider and renegotiate traditional gender roles imported from the domestic domain to the workplace<sup>81</sup>.

<sup>80</sup> Glen Llopis, “4 Skills that Give Women a Sustainable Advantage Over Men”. Forbes.com

<sup>81</sup> [http://www.undp.org/content/dam/undp/library/Democratic%20Governance/Womens%20Empowerment/RomaniaFinal%](http://www.undp.org/content/dam/undp/library/Democratic%20Governance/Womens%20Empowerment/RomaniaFinal%20Report.pdf)



Part 4

The case of Spain



## 6. PART 4 – THE CASE OF SPAIN

### 6.1 State of play

Employment, activity rates and unemployment are the three basic indicators of the labor market: as we will see in details in this chapter, what women have achieved in Spain can be mostly credited to **women themselves** more than to specific public policies or changes in private firm practices.

As the table below shows, the employment rate in the country (total, men and women) is very much below the EU-28 average (in %)<sup>82</sup>. Also, the general working situation is very difficult: the rate of employed persons has been going down constantly in the last 10 years. However, it has to be said that men's employment rate has suffered more than women's, because the crisis hit harder in male dominated areas. In fact, men went down from 77.9% in 2008 to 63.4% in 2013, and women's only from 58.9% to 53.8%. Although women's rate went down, it was much less than men's: **women are slightly better off**.

**Table 7. Employment rate in Spain and in EU (total, man and women in %)**

| Employment rate | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2003 |
|-----------------|------|------|------|------|------|------|------|
| <b>Spain</b>    | 58.6 | 59.6 | 62   | 62.8 | 64   | 68.5 | 64.3 |
| <b>EU-28</b>    | 68.4 | 68.4 | 68.5 | 68.5 | 69   | 70.3 | 67   |

The participation rate of Spanish women in the labor market is slightly decreasing. If the total employment rate is 58.6%, in 2013 the rate of employed women was just 53.8%, and this number has been going down in recent years. The Spanish rate is also way below the European average, and differences between the male and female participation rates are still very high (63.4% of men were employed last years)<sup>83</sup>.

Spain is one of the worst countries in the world in terms of women employment, and occupies position 23 of 27 countries of the OCDE, followed only by Japan, Italy, Greece and Korea<sup>84</sup>.

**Table 8. Women employment rate in Spain and in EU (in %)**

| Women employment rate | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2003 |
|-----------------------|------|------|------|------|------|------|------|
| <b>Spain</b>          | 53.8 | 54.6 | 56.1 | 56.3 | 56.8 | 58.9 | 50.2 |
| <b>EU-28</b>          | 62.6 | 62.4 | 62.2 | 62   | 62.3 | 62.8 | 58.7 |

<sup>82</sup> Source: Eurostat; tsdec240; last update 5/11/2014; date of extraction 7/11/2014

<sup>83</sup> <http://epp.eurostat.ec.europa.eu/>

<sup>84</sup> For more details about the country list, please visit: "Día Internacional de la Mujer", Índice PwC Women in Work, PricewaterhouseCoopers S.L., March 2014 at <http://www.pwc.es/es/sala-prensa/notas-prensa/2014/assets/indice-pwcwomen-in-work.pdf>

### “Techo de cristal”

The controversial “techo de cristal”, glass ceiling, is a reality in Spain: there are many barriers that highly qualified women face every day while trying to access decision-making positions in business. Although **60% of university graduates in Spain are women**, only 53.8% of women were working (2013). Nevertheless, when looking at the situation in middle management we can see a meager percentage of women: in January 2013 it was 28.9%<sup>85</sup>.

The **difficulty to reconcile a professional career with a family** is one of the causes of this difference between the number of graduate women and women in decision making positions, especially in middle management. In fact, the “eternal working schedule” of many companies, the poor working flexibility and the traditional idea of the woman as carer of the family are the main causes of these low numbers in the statistics<sup>86</sup>.

## 6.2 Legal framework

A very recent development is the adoption of the Law 31/2014<sup>87</sup>, amending the Spanish Companies Act to improve the corporate governance of companies. This law was published in Spain's Official Gazette on December 3rd 2014 and came into force on December 24th 2014. It promises to guarantee a balanced presence of men and women on the board of directors by a target representation of the least-represented gender. Furthermore, in procedures for the selection of board members, the appointment of women will be encouraged<sup>88</sup>. These provisions are all subject to the “comply or explain” principle<sup>89</sup>.

Moreover, one of the most important laws that have been introduced in Spain (in 2007) is the Law on Guaranteeing Equality between Women and Men (in Spanish “Ley de Garantía de la Igualdad entre Hombres y Mujeres”). The aim of the law, which includes measures to transpose recent EU equality legislation, is to introduce gender equality in all spheres of social life. It aims to eliminate all direct or indirect discrimination between women and men, guaranteeing and fostering equal opportunities in political, economic, social and cultural life.

In the case of companies with more than 250 employers, **the Spanish Law obliges to set up plans for gender equality** in order to avoid any kind of discrimination. Nevertheless, the trade union UGT (Unión General de Trabajadores) has conducted in 2011 an analysis on the effectiveness of those plans: usually gender equality plans only introduce affirmative actions regarding maternity leave and work-life balance. They rarely take into account important barriers like discrimination women face during recruitment processes or while trying to enter decision-making positions<sup>90</sup>.

<sup>85</sup> EADA, informe anual, 2013

<sup>86</sup> AFAEMME, “Promoting Women's Empowerment and Leadership” Project, for more details please visit: <http://www.afaemme.org/projects/closed/promoting-women%E2%80%99s-empowerment-and-leadership>

<sup>87</sup> Law 31/2014, <http://boe.es/buscar/doc.php?id=BOE-A-2014-12589>

<sup>88</sup> La Moncloa, Council of Ministers improves corporate governance of companies:

[http://www.lamoncloa.gob.es/lang/en/gobierno/councilministers/paginas/2014/20140523\\_council\\_ministers.aspx/](http://www.lamoncloa.gob.es/lang/en/gobierno/councilministers/paginas/2014/20140523_council_ministers.aspx/)

<sup>89</sup> Allen & Overy LLP, “Nueva Ley de Sociedades de Capital”:

<http://www.allenoverly.com/publications/es-es/Pages/Nueva-Ley-de-Sociedades-de-Capital.aspx>

<sup>90</sup> Observatorio de Medidas y Planes de Igualdad en la Negociación Colectiva “Análisis de medidas y planes de igualdad en la negociación colectiva” , Informe 2011

Spain adopted in 2007 other legislation which encourages large companies to alter the membership of their boards until each sex will reach at least 40% of board membership by 2015<sup>91</sup>. Specifically, it is Article 75 of the Spanish Organic Law on gender equality, which promotes this change. Nevertheless it has to be said that there are no relevant sanctions in case of non-compliance, which makes the legislation a lot weaker<sup>92</sup>. On the contrary, a positive aspect is that the gender balance in private companies will be taken into account while awarding the company with “equality labels”, and in the procedures to be awarded by the Administration with a public contract.

### 6.3 Barriers and enablers

In Spain, there is still a persistence of patriarchal attitudes and traditional stereotypes concerning the roles and responsibilities of women and men in the family and in the whole society. This is clearly affecting women’s ability to participate in the labor market since they are still expected to continue with their traditional roles in the household.

Neither the Code of Good Governance nor the laws for gender equality seems to have worked enough. The power in decision making positions in the Spanish economy still “looks like a tie”. Many women who occupy middle management positions are satisfied with their positions and they are reluctant to sacrifice their personal life and family to move to the top. In fact, top management positions mean more responsibilities, less time at home, more time traveling. This is what is called “cement ceiling”: it’s an auto-imposition that women decide to construct in their mind: they fear to have to work too much and to have to sacrifice other important things; they fear that they are lacking the right capabilities; they fear to fail. Cristina Simón, professor of HHRR at Instituto de la Empresa (IE), thinks that international mobility is one of the main prerequisites to climb the ladder. Nevertheless, not everybody has the same adaptability, and the experts claim that Spanish women are not enough motivated and that they lack of self confidence.

For these reasons, the male professional trajectory is different to the female’s. While the first is ascendant and continuous, the second is usually interrupted between 30/40 years old, in case of maternity. Freshly started as middle managers they stop working for a while, and when they come back they often ask for a part time schedule to be able to dedicate more time to their new born. In Spain only 10 percent of children under the age of three are enrolled in public or private child care centers. Clearly, this attitude hinders women; eventually the enterprise will choose men, who are dedicated to work 100%, without interruption<sup>93</sup>.

A recent study<sup>94</sup> by PWC shows that the first barrier indicated by the vast majority of women managers interviewed was the difficulty to conciliate professional career and personal life. Women in Spain continue to assume a greater weight both in the family and home responsibilities. The general opinion between middle managers and CEOs is that flexibility is vital for reconciling personal life with the career; maintaining too rigid working models will not help the move forward.

<sup>91</sup>Source: “Women in economic decision-making in the EU: Progress report”. A Europe 2020 initiative, available at: [http://ec.europa.eu/justice/gender-equality/files/women-on-boards\\_en.pdf](http://ec.europa.eu/justice/gender-equality/files/women-on-boards_en.pdf)

<sup>92</sup> Ibidem.

<sup>93</sup> “El limbo de los mandos intermedios.” Universia Knowledge @Wharton. The Wharton School, University of Pennsylvania, [21 marzo, 2007]. Web. [27 January, 2015] <http://www.knowledgeatwharton.com/es/article/el-limbo-de-los-mandosintermedios/>

<sup>94</sup> <http://www.pwc.es/es/publicaciones/gestion-empresarial/assets/mujer-directiva-inspirando.pdf>

Nevertheless, it has to be said that Spain has **good policies regarding maternity leave**: the length of paid maternity leave is 112 days, and the percentage of salary paid during maternity leave is 100%<sup>95</sup>. **Paternity leave** is also one of this measures that have been developed in the last years: it consists of fifteen days off-work fully paid after childbirth, which are “discounted” from the mother’s leave. If the father takes all 15 days, the mother only has 97 days to take off instead of the full 4 months<sup>96</sup>. No data are available yet about the percentage of men who take advantage of this measure, but two main hypotheses can be drawn up: young men with a greater level of education are more likely to use their paternity leave; the use of paternity leave will increase in the case of employment stability, large companies, and public, health care and education field<sup>97</sup>.

OMEGA, the Spanish Organisations of Women Entrepreneurs, has interviewed a number of top managers about the main obstacles they faced when they were still in middle management. The first barrier identified is the mindset of Spanish boards: when the board of director consists of 90% men, then one may draw the conclusion that **they prefer to have a “one of their own” in their team** instead of opening the doors to a woman. Also, the interviewed said that the majority of women occupying middle management positions do not have enough self-esteem and they are not as proactive as men are. Society itself is also seen as a barrier among the interviewed: the majority said that their responsibilities at home were not equally distributed, and this inevitably affects women’s possibilities to climb the ladder. It is therefore important to strive for a more equal distribution of work in the house and of childcare in order to ensure a better work-life balance for women.

## 6.4 Best practices

A number of activities and programs have been implemented to improve women’s situation in decision-making in Spain by government, civil society and companies. A few are described below.

### Government Initiatives

- **Voluntary Agreements**

One of the latest agreements, which have been signed, was on 21st of January 2014: the Ministry of Health, Social Services and Equality signed the first **voluntary basis agreement** with 31 private companies. The pact says that in the next four years these 31 companies will implement special policies in order to have more women in decision-making positions. This is a pioneer venture in Spain and one of the main agreements between the Governments and the entrepreneurial sector to boost equal representation of men and women in middle and top management.

- **EOI Project**

EOI, School of Industrial Organization together with the secretary of Social Services and Equality have implemented in 2013/2014 a project specifically directed to women in middle management

<sup>95</sup> International Labour Organization, United Nations Development Programme (UNDP), World Health Organization, Inter-Parliamentary Union, World Economic Forum, government web sites

<sup>96</sup>For more information about paternity leave please visit:  
<http://www.fesweb.org/uploads/files/modules/congress/11/papers/1604.pdf>

<sup>97</sup> “Who benefits from parental leave in Spain? A life course in Spain” , Department of Political and Social Sciences, Uniersitat Pompeu Fabra, Barcelona, 2008. Accessible at: [http://www.upf.edu/demosoc/\\_pdf/DEMOSOC26.pdf](http://www.upf.edu/demosoc/_pdf/DEMOSOC26.pdf)

who wanted to enter top management. The idea was to provide women who enter the program with specific training to give them the right skills to jump to top management positions<sup>98</sup>.

- **Project “Promociona”**

The Ministry of Equal Opportunities, the EEA Grants, ESADE Business School and CEOE started in 2011 (another phase will be implemented in 2015) the project “Promociona”. It aims at changing the situation of the boards of directors of private companies in Spain by signing collaborating agreements with private enterprises. To participate, women must have had at least 15 years of expertise and they must have held a responsibility position within their company. The project includes an academic program at the ESADE Business School, individual mentoring and coaching, 2.0 communities and many networking activities. This year, 80 women who are currently in middle management are expected to reach high level of decision-making position thanks to this program<sup>99</sup>.

## Civil Society Initiatives

- **AFAEMME**

In 2010 AFAEMME developed the project “**Implementing gender policies in decision-making positions in SME’s**”. The project’s aim was to raise awareness among SME’s about the social and economic benefits of promoting a higher number of women to decision-making positions. In order to achieve this main goal, AFAEMME identified the obstacles for women to get access to these positions in 5 Spanish regions and which measures could favor an easier incorporation of female qualified workforce into responsibility posts<sup>100</sup>. The main obstacles identified were: difficulty to conciliate personal and work life; stereotypes regarding women’s leadership abilities; reticence of women CEOs to incorporate other women. The main measures proposed were: policies and measures to help women conciliate their career with family’s commitments; role models in the enterprises; mentoring programs; flexible working hours.

## Company Initiatives

- **Mutua Madrilenia**

A Spanish mutual insurance company has implemented a number of actions to facilitate women’s career in middle management. Employees can work from home starting from the sixth month of pregnancy and they have flexible hours and economic support during childbirth. The company specifically wants to promote more women in top management, and it is working on the aspects that see women stuck at middle management level such as difficulty to get a promotion and poor visibility.

<sup>98</sup> The full program details can be downloaded at:

file:///D:/Documents%20and%20Settings/usuario/Mis%20documentos/Downloads/Programa\_DesarrolloPredirectivas\_2014.pdf

<sup>99</sup> For more information regarding this project, please visit: <http://www.proyectopromociona.com/>

<sup>100</sup> More details are available at: <http://afaemme.org/projects/closed/implementing-gender-policies-decision-makingpositions-sme%E2%80%99s>

- **Santander Bank**

The Spanish bank promotes the value of gender balance in middle and top management since gender equality “is not only a matter of justice; it is also a matter of business growth”. One of the milestones of its strategy is the “Plan Alcanza”, a training program aimed at supporting women with high potential during crucial moments of their career. In its first three years of its implementation, more than 200 women in middle management have been trained with business and leadership advices, and have been guided by internal mentors<sup>101</sup>.

## 6.5 Recommendations

The presence of women in decision-making positions in Spain is not always seen as enrichment for a company as it should, and the Spanish labor market sometimes penalizes women. It is “unthinkable” that the post crisis society is losing a 50% of its human capital<sup>102</sup>: the best practices and recommendations presented in this chapter are strongly needed to change the situation of women in Spain in the nearest future.

The following recommendations are proposed.

- **Develop mentoring programs**

The best recommendation which seems to be working in Spain is mentoring: Spanish young women need to be spurred on, and having a mentor who keeps teaching and pushing into an improvement from low to middle management is seen as the primary recommendation.

- **Awareness raising at school**

It is important to raise awareness among high school graduates regarding the full spectrum of fields of education and hereby motivate young women to also consider gender “atypical” fields of specialization.

- **Create policies for better work life balance**

Work-life balance should be taken into account while creating company policies. Talented women should not stop working after maternity leave, and they should be encouraged to stay in the company with specifically family-policies. Specifically on this topic, Lucio A. Muñoz from Eurogroup proposes more protection during maternity leave and more flexibility after returning to work. Also, working from home should be taken as a possibility<sup>103</sup>. OMEGA, the Spanish Organisations of Entrepreneurs, has interviewed also on this topic some top manager women in Spain and other recommendations came up: working flexibility and working from home are seen again as the important variables that could make the difference in the near future.

<sup>101</sup> <http://www.pwc.es/es/publicaciones/gestion-empresarial/assets/mujer-directiva-inspirando.pdf>

<sup>102</sup> Elvira Rodríguez, President of CNMV

<sup>103</sup> Lucio A. Muñoz, Socio-fundador de la consultora de Formación y recursos humanos Eurogroup Human Resources

- **Develop specific training**

OMEGA also recommended specific formation also regarding ability to negotiate and specific training, which could help to see above middle management positions.

- **Communication about the benefits**

There should be more and better communication about the benefits for companies of having more women in decision-making position in middle management. Thinking People Consulting<sup>104</sup> has identified the following main benefits: more productivity, better working environment and better reputation of the enterprise.

<sup>104</sup> <http://www.pwc.es/es/publicaciones/gestion-empresarial/assets/mujer-directiva-inspirando.pdf>

Part 5

The case of UK



## 7.1 State of play

UK has positive data regarding women's employment rate, which in 2013 was slightly above the EU average. Nevertheless, the gap with the rate of men employed, which is 80.5%, is significant. The pace of change has been 2% in the last 10 years: this means that efforts and solutions are working, and that a heavier change will be likely in the future years<sup>105</sup>.

**Table 9. Women's Employment rate in UK and in EU (in %)**

| Women employment rate | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2003 |
|-----------------------|------|------|------|------|------|------|------|
| <b>UK</b>             | 69.4 | 68.4 | 67.9 | 67.9 | 68.2 | 68.8 | 67.7 |
| <b>EU-28</b>          | 62.6 | 62.4 | 62.2 | 62   | 62.3 | 62.8 | 58.7 |

In 2013, up until the age of 22 the percentage of men and women in work was similar<sup>106</sup>. However, above this age, men consistently had a higher employment rate than women with some women choosing to start a family and not work. The gap between the two rates narrowed at older ages with some women rejoining the labour force when their children are older. At some of the oldest age groups the gap widens as women approach and pass their state pension age and retire while men have to wait until 65 for the state pension age.

**Table 10. Employment rates for men and women by individual year of age, April to June 2013, UK Upper Middle and Lower Middle Management**

|              | 20   | 25   | 30   | 35   | 40   | 45   | 50   | 55   | 60   |
|--------------|------|------|------|------|------|------|------|------|------|
| <b>Men</b>   | 51.2 | 78.4 | 87.3 | 88.9 | 87.7 | 88.9 | 84.6 | 81.0 | 65.5 |
| <b>Women</b> | 47.4 | 69.6 | 72.9 | 76.6 | 77.2 | 80.8 | 76.4 | 74.2 | 51.5 |

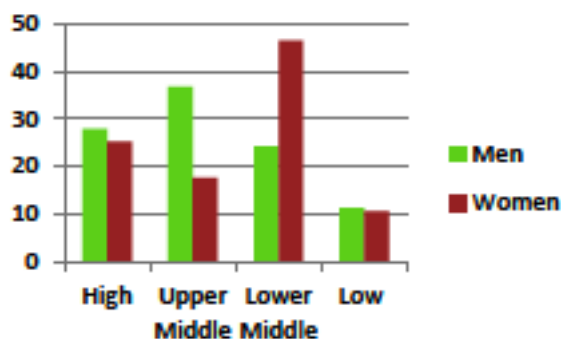
In 2013 there was a similar percentage of men and women working in the lowest skill category, consisting of the elementary occupations. The table below shows the main differences between men and women in the two middle skilled groups of upper middle (associate professional and technical occupations and skilled trade occupations) and lower middle (admin/secretarial occupations, caring/leisure occupations and sales/customer service occupations). In 2013, 37% of men were employed in the upper middle skilled roles compared with 18% of women and conversely 46% of women were employed in lower middle skilled roles compared with 24% of men. During the 2008/09 recession the employment rates for men fell more than for women and have since leveled off in the last four years with men's employment rates remaining between 75% and 77% and

<sup>105</sup> Source: Eurostat; tsdec420; last update 5/11/2014; date of extraction 7/11/2014.

<sup>106</sup> Source: Labour Force Survey person datasets

women's at 65% to 67%<sup>107</sup>. Women are seriously overrepresented in the low and lower middle, and underrepresented in the upper middle and high occupations.

Table 11. Percentage of working men and women in each skill level group, April to June 2013, UK<sup>108</sup>



### Gender Pay Gap

The gender pay gap for all staff in the UK in 2013 was 19.7%, as measured by hourly earnings for all employees. This was marginally higher than in 2012, when the gender pay gap was 19.1 per cent<sup>109</sup>. What is most visible in UK is that median earnings increase for men up to and including the 40 to 49 age group, before decreasing. However, **median earnings for women are highest for the 30 to 39 age group**. This may in part be attributable to the increase in the proportion of women working part time increasing between the 30-39 and 40-49 age groups<sup>110</sup>

Table 12. Gender Pay Gap in UK and in EU (in %)

| Gender Pay Gap | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 |
|----------------|------|------|------|------|------|------|
| UK             | 19.7 | 19.1 | 20.1 | 19.5 | 20.6 | 21.4 |
| EU-28          | NA   | 16.5 | 16.4 | 16.2 | NA   | NA   |

## 7.2 Legal framework

The Equality Act of the UK Parliament was promulgated in 2010: it protects people from discrimination in the workplace and in wider society. "It requires equal treatment in access to employment as well as private and public services, regardless of the protected characteristics of age, disability, gender reassignment, marriage and civil partnership, race, religion or belief, sex, and sexual orientation"<sup>111</sup>. More specifically, the Equality Act also protects pregnant women in their workplace.

<sup>107</sup> "Women in the labour market", Office for National Statistics, 2013

<sup>108</sup> Source: Labour Force Survey - Office for National Statistics, 2013

<sup>109</sup> Source: Eurostat; Gender pay gap in unadjusted form in % - NACE Rev.2 (structure of earnings survey methodology) earn\_gr\_gpgr2; figures relate to Industry, construction and services (except public administration, defense, compulsory social security); last update 30-09-2014. <sup>110</sup> Secondary Analysis of the Gender Pay Gap, Changes in the gender pay gap over time, Government of the UK, Department for Culture, Media & Sport, March 2014

<sup>111</sup> Equality Act 2010

## Quotas

The quota debate is not alive in the UK. In fact, only 11% of female middle managers think that quotas could be the right instrument to accede to senior management positions<sup>112</sup>. Even if Julius de Anne, former policy maker of the Bank of England says “when things don’t happen naturally a quota can drive change, because it forces policy makers to think about why there aren’t more women being represented”, 89% of middle managers think that people should be promoted on merit, not gender. Apart from quotas per se, the UK seems to be more interested in specific policies to promote gender diversity in companies: the quota systems fail to address the real issues according to 59% of female middle managers<sup>113</sup>, such as more transparency in the hiring process and more flexibility once on the board.

### 7.3 Barriers and enablers

A study conducted by “Alexander Mann Solutions” and “Everywomen”<sup>114</sup>, shows that in the UK there are still many barriers, which do not allow female middle manager to get access to higher positions. In fact, 27% of 400 female middle managers interviewed, when asked “why you do not feel confident about achieving promotion to a more senior role?”, admitted that there are **few opportunities for women at senior management level**. Another important indicator is that 21% of women think that they needed more support in order to climb the ladder, because without external support they do not feel in the position to move away from middle management into a higher level. Moreover, when asked why women at middle management may find it difficult to progress into senior roles within their company, 34% of female middle managers answered that it is extremely difficult to get back after returning from maternity break.

**Table 13. Employment rates for men and women living with and without dependent children**

|             | <i>Percentages</i> |                  |                            |                  |
|-------------|--------------------|------------------|----------------------------|------------------|
|             | Men                |                  | Women                      |                  |
|             | With children      | Without children | With children <sup>3</sup> | Without children |
| 16-24 years | 69,5               | 48,6             | 35,8                       | 51,1             |
| 25-34 years | 88,6               | 83,6             | 63,0                       | 85,5             |
| 35-49 years | 92,1               | 82,0             | 75,0                       | 79,7             |

Source: Labour Force Survey household datasets

As we can see, the employment rate gap of mothers with and without dependent children narrowed at older ages, reflecting that the children in the family would be older, making it easier for women to return to work<sup>115</sup>.

<sup>112</sup> Breaking the mould for Women Leaders: could boardroom quotas hold the key? A Fawcett Society thinkpiece for the Gender Equality Forum, Rowena Lewis and Dr Katherine Rake OBE, October 2008

<sup>113</sup> “Focus on the pipeline: Engaging the full potential of female middle managers”, alexandermann solutions

<sup>114</sup> “Focus on the pipeline: Engaging the full potential of female middle managers”, alexandermann solutions

<sup>115</sup> “Women in the labour market”, Office for National Statistics, 2013

The “Alexander Mann Solutions” and “Everywomen” study reported that 15% of women said that they face resistance from senior management blocking progress, and that 14% said that their company’s mindset does not support career progress of women.

The study also showed that there is a large number of middle managers who are happy with their positions: 24% will wait to be asked rather than pushing themselves forward. This is a very important fact, as it is true that women not always have the right spirit to move forward in their career: this “attitude” should be taken into account when thinking about best practices and recommendations for the future.

### Gender stereotypes and myths

Women face during their careers many obstacles and barriers on their way to the top. Many of these obstacles are simply stereotypes handed down from one generation to another, which sometimes are that strong that they turn into strong myths that are way even difficult to break.

The report **Cracking the Code** developed in March 2014 by KPMG shows typical myths about women at work in the UK. The most widespread myths are that “**women don’t aspire to leadership roles**” and that “**women don’t stick it out to make it to the very top**”. The report states that reality from research tells a very different story. It is not that women don’t aspire to senior leadership roles, but that women seem to become **more ambitious about senior leadership as their career progresses**. This is an important finding when we apply this to women in middle management. It may well be that women’s ambition, when they have reached middle management level, needs to grow first before they put themselves forward for the next step.

Another widespread myth is that **childrearing stops women** getting to the top. For women, “care-giving is thought to reduce their commitment to a career”. However, research shows that childrearing only slows down women’s careers marginally. This is important for women in middle management because most women are in their 30s/40s, which usually coincide with the age of childbirth. Also, and most discriminatory, is the idea that women lack the leadership qualities needed at the top. It is clear that women and male are different: they will therefore have different approach while performing as a leader. This “diversity” is seen as a lack of capacity and lack of quality in the majority of enterprises<sup>116</sup>. This is also an important finding when we apply this to women in middle management: company’s leaders should be aware that having diversity and different approaches in their team is an added value: women have different qualities than men, and they can be discovered only if used.

## 7.4 Best practices

### Government initiatives

- **Lord Davies Report**

In order to address the underrepresentation of women in leadership position, the government nominated Lord Davies of Abersoch to conduct a research on how it could be possible to remove obstacles for women participation on board. His recommendations say that listed companies in the

<sup>116</sup> “Cracking the Code”, KPMG, 2013, available at: <http://www.kpmg.com/UK/en/IssuesAndInsights/ArticlesPublications/Documents/PDF/About/Cracking%20the%20code.pdf>

FTSE 100 should reach a minimum of 25% of female board member by 2015<sup>117</sup>. In October 2011 the first monitoring report of the review actually shown that little progress have been made: women made up 14.2% of FTSE 100 board members<sup>118</sup>. Lord Davies also recommended in his report that “executive search firms “should draw up a voluntary code of conduct addressing gender diversity and best practice which cover the relevant search criteria and processes relating to FTSE350 board level appointments”: this recommendation were followed in the UK. In fact, Over 70 firms signed up to the original voluntary “Code of Conduct” launched in 2011. The Code was then enhanced in 2014 “Enhanced Code of Conduct for executive search firms to support more women appointments to FTSE 350 boards”. The new version of this Code contains 10 new provisions, which go from launching initiatives to support women to sharing of best practice and running awareness programs within their own firms. Among these new provisions, firms have supported the appointment of at least 4 women to FTSE 100/250 boards over the last year; they have achieved a proportion of at least 33% female appointments across all their FTSE 100/250 board work; they have supported women in achieving their first FTSE 350 board appointment<sup>119</sup>. This best practice could serve as a good example specifically for women in middle management. Among the new provisions of the Code, we can find for example “defining briefs”: search firms should work to ensure that significant weight is given to relevant skills, underlying competencies and personal capabilities and not just proven career experience (therefore, give to middle managers the possibility to go above even if they don’t have a huge career experience), in order to extend the pool of candidates beyond those with existing board roles or conventional corporate careers. Also, another provision is regarding the “Long lists”: when presenting their long lists, search firms should ensure that at least 30% of the candidates are women. This should happen both at higher middle management and at top management recruiting<sup>120</sup>.

- **Think, Act and Report Campaign**

Moreover, it is very interesting to see a best practice conducted by the Government of UK, a campaign launched in September 2011 called “Think, Act & Report”. Think, Act and Report provides a simple step-by-step framework to help companies think about gender equality in their workforces, particularly in relation to recruitment, retention, promotion and pay. The campaign encourages companies to: think. So companies have to identify any issues around gender equality, collecting and considering relevant data from across the company. Act: they have to take actions to address those issues. Report: reports on the progress must publish information on how they are doing, sharing best practices and case studies<sup>121</sup>.

### Other initiatives

Finally, it is worth mentioning the TOP 50 list which is published from the Times every year. This list reveals the organisations that have best demonstrated that gender equality is a key part of their business strategy, and the last one has been published in April 2014. This practice could be

117 “Women on Boards”, February 2011, available at

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/31480/11-745-women-on-boards.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/31480/11-745-women-on-boards.pdf)

118 “Women in economic decision-making in the EU: Progress report”. A Europe 2020 initiative.

119 “Women on Boards”, May 2013, Department for Business, Innovation & Skills

120 [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/208464/voluntary-code-of-conduct-for-executive-search-firms.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/208464/voluntary-code-of-conduct-for-executive-search-firms.pdf)

121 <https://www.gov.uk/government/policies/creating-a-fairer-and-more-equal-society/supporting-pages/think-act-report>

considered very important because, since the list is publicly accessible, everybody can see which are the leading companies regarding gender equality in the UK. Therefore, it is like a domino effect: if a big private company producing an x product sees that another big private company which produces as well an x product is on the list of the best organizations with gender equality, then it will start to support it as well.

## 7.5 Recommendations

What can be done to ensure that more female middle managers achieve their full potential? What can be done to increase the numbers of women even embarking on a management career?

The first step towards unlocking the full potential of female staff is recognizing that gender diversity has a positive impact on company performance. Starting from this point, a number of recommendations can be proposed for the UK.

- **Increase the number of female role models and female mentors**

Since many women rather wait to be asked for a promotion than push themselves forward, it is very important to have more female role model/mentors, which could push a change in this direction.

In this respect, a specific research study by Gibson investigated role modeling at different career stages and examined career stage differences in the dimensions of role model formation. The common belief is that usually, as individuals get older, confidence in self-concept is increased and hence the requirement for role models diminishes. However, Gibson's findings suggest that the tendency to observe role models does not diminish with age, but rather is **the individual that changes the emphasis placed on various dimensions**. In what Gibson call "the acquiring stage", so early-career, individuals tend to emulate others, using positive, close role models and a range of attributes in the construction of the professional identity. Gibson's findings are also specifically related to women in their mid-career what he called "**the refining stage**". At this point of their career, individuals seek to refine the self-concept as confidence begins to grow, selecting specific and generally still positive attributes from role models. The individuals in Gibson's study also emphasized the importance of having role models for task transitions, but perceived that few were available. Staying in middle management was often seen as a state of **ambiguity and uncertainty**, where individuals felt they lacked guidance, particularly through visible role models, of what the next career step should look like. Respondents in midcareer also felt that, as time passed, career choices became limited with further restricted availability of relevant role models<sup>122</sup>.

- **Role models and support networks**

Role models, together with specific support networks for women and specific training targeted at women, could change the passive attitude, which too much often afflicts many female middle managers.

<sup>122</sup> Gibson, D.E. Developing the professional self-concept: role model construal in early, middle, and late career stages. Organization Science, 2003

- **Implement flexible working policies**

Another area for recommendations regards maternity leave. The possibilities of having more flexible working hours and an **easier process of –back to work– policy** after maternity leave are very important. Also, the availability of childcare in the workplace is seen as an option in the UK. With respect to work flexibility, the research project conducted by Cranfield School of Management and Working Families into the impact of flexible working practices on employee performance, shows that the benefits are very high: **“When staff are being trusted to work their time and get the job done... they don’t get any negatives, it’s a flexibility that could have been there anyway and it doesn’t reduce the productivity”**<sup>123</sup>.

- **Communicate about the benefits**

The study by “Alexander Mann Solutions” and “Everywomen” showed that, of 200 HR Leaders interviewed, 46% would like to have more women in their companies. More women would lead to greater gender diversity, which is seen, in all the countries in this Guide, a crucial innovation to succeed in the changing context that enterprises are facing every day. Gender **diversity makes excellent business sense** and improves the company culture.

“It’s characteristic”, said Sir John Bond (ex president of Vodafone) referring to the fact that women are still underrepresented in many enterprises in the United Kingdom. He added :“if you consider that more than a half of Vodafone consumers are women, and that many of the most important choices in life are done by women, then not only it’s not fair, **but it is also a loss for the whole economy**”<sup>124</sup>.

Specifically in the UK women represent the “mirror of the market”: this is why having more women in decision making positions is like having a representation of consumers. This will definitely enhance a company’s ability to connect to markets.

- **Break the myths!**

What can a company leader learn from obstacles and myths that women face in the UK and from the above recommendations? The study of KPMG “Cracking the code” aims at breaking the myths and at raising awareness between company leaders: the reality is different from what they think. For example, referring to the childrearing issue, KPMG says that it is not true that women stop their way to the top when having a child. On the contrary, the overall career impact of having a family is less than people believe: it is true that it slows the career progression down, but this is only temporary and **does not influence the ambition to reach the top**. Also, regarding the leadership qualities that very often women are accused to lack of, again the KPMG study says the contrary. Women do have great leadership skills, with only marginal differences compared to men. Especially, these differences are complementary and this must be considered as strength for a company. Organizations need to look beyond “easily quantifiable metrics” in order to ensure that women’s talents don’t go waste.

<sup>123</sup> “Flexible Working and Performances”, Cranfield School of Management, Working Families publications

<sup>124</sup> Wittenberg-Cox A., “Womenomics in azienda. Come valorizzare i talenti femminili e trarre profitto da un buon equilibrio di genere.”, Gruppo 24 Ore, 2011



## 8. Overall Conclusions

The majority of enterprises located worldwide have the need today to “do something” to promote gender equality in their company. Many specific laws on this topic, social responsibility, the changing customer’s choices and the idea that diversity will boost economic growth, are all major factors that have shaped the perception of the issue.

From what we have seen, many steps forward have been made in Italy, Latvia, Romania, Spain and UK: **today women are more able than in the past to build their professional and private life basing on freedom of choice and not on prejudices.** But still, the path to walk is very long to achieve full emancipation. There is still **a strong need to strengthen advocacy** for gender equality and to bring a stronger focus on female talent into the discussion about the new European economic and social model.

Each country in this study has a different history, peculiarities and different culture which reflect the way societies are changing in favor of gender equality. Nevertheless, there are some common factors which link all these countries together in their fight for more women representation specifically in middle management: **more productive working environment, better company image, greater profit margins and enhanced organizational performance** are among the benefits of having more women in decision making positions. As we said many studies have confirmed that female managers are usually more engaged than male managers: female managers are not only more likely than male managers to encourage their subordinates’ development, but they are also more inclined than their male counterparts to check in frequently on their employees’ progress. Also, female managers surpass male managers in providing positive feedback that helps employees feel valued for their everyday contributions.

The underutilization of women’s talents has an impact on the bottom line: this is an opportunity that cannot be missed.



## 9. Further readings

- “Equality Law in Latvia” Aleksejs Dimitrovs, 2012  
[http://www.equalrightstrust.org/ertdocumentbank/err9\\_Dimitrovs.pdf](http://www.equalrightstrust.org/ertdocumentbank/err9_Dimitrovs.pdf)
- “La sfida delle giovani donne. I numeri di un percorso ad ostacoli”, Francesca Zajczyk, Barbara Borlini, Francesca Crosta, 2011
- “Flexible Working and Performance”, Working families Publications  
<http://www.som.cranfield.ac.uk/som/dinamic-content/media/WFDA%20Flex%20Working%20Report.pdf>
- “Análisis de medidas y planes de igualdad en la negociación colectiva”, 2011, Observatorio de Medidas y Planes de Igualdad en la Negociación Colectiva  
[http://www.ugt.es/Publicaciones/analisis\\_de\\_medidas\\_y\\_planes\\_de\\_igualdad\\_en\\_la\\_negociacion\\_colectiva\\_2011.pdf](http://www.ugt.es/Publicaciones/analisis_de_medidas_y_planes_de_igualdad_en_la_negociacion_colectiva_2011.pdf)

## 10. Profiles of project partners

### AFAEMME

AFAEMME, Association of Organization of Mediterranean Businesswomen, is the unique coordinator of Mediterranean business and gender equality projects and a networking platform for women entrepreneurs from all over the Mediterranean. AFAEMME has already implemented various projects in the field of gender equality in decision-making positions. More specifically, between the most important projects we can find “Implementing gender policies in decision-making positions in SME’s” in 6 Spanish regions, “Promoting Women’s Empowerment and Leadership” in Barcelona, and “Increase of SME’s Productivity through the Application of Gender Policies in Decision-Making Posts” in Catalonia, Spain. AFAEMME has 13 years of expertise and counts with 32 national and international projects with the aim of boosting women entrepreneurship. Also, AFAEMME counts on its small but solid international projects team (Ms. Stella Mally and Ms. Giulia Fedele), with external experts, and with women entrepreneurs advisors and mentors (Ms. Esther de Frutos Gonzales and Ms. Beatriz Fernández-Tubau). Finally, AFAEMME counts on the expertise of Ms. Maria Helena de Felipe Lehtonen, its President, who was, together with Ms. Mirella Visser and Ms. Bola Olabisi, in the European Commission Network to Promote Women in Decision-making Positions in Politics and the Economy.

### The Centre for Inclusive Leadership

The Centre for Inclusive Leadership is a management consultancy company with a focus on advising companies and organizations on how to advance women to senior management positions and on boards. Its founder and managing director Mirella Visser is an internationally recognized expert, experienced international executive and non-executive board member and author of several books and articles on women and leadership. Parts of CFIL’s activities are carried out not-for-profit as a contribution to the cause of striving for a more gender balanced leadership in society.

### The European Women Inventors and Innovators Network (EUWIIN)

EUWIIN was set up in 2006 and has had representation on various think tank groups in order to assist in the process of bridging the gap between women and men in decision-making over the years. One such affirmative action was the representation of the Director of EUWIIN, Bola Olabisi as an advisory member of the working group known as the European Commission Network of Women in Decision-Making in Politics and the Economy. This was set up in 2008-2012 so that members of the group from various countries across Europe could suggest possible actions via the means of debate, exchange of information and the sharing of good practices including the identification of strategies that could help make progress on the issue. Furthermore, EUWIIN provided crucial information that contributed to intensive research under the DG Enterprise And Industry European Commission report “EVALUATION ON POLICY: PROMOTION OF WOMEN INNOVATORS AND ENTREPRENEURSHIP” submitted by the E E C (GHK, Technopolis) within the framework of ENTR/04/093-FC-Lot 1 Dated 25 July 2008.

### WITEC

WITEC was formed as a network in 1988 and after more than ten years of networking and project activities related to women and SET it established itself as a non-profit European association in May 2001. WITEC is an European association with 25 years of history of promoting studies and activities related to empowering women in the field of technology, science and engineering (SET).