



Business Case for Gender Diversity

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Managing gender diversity strategically is not about altruism, ethics, or just seeking equality.

It is about valuing and leveraging differences.

It is about ensuring equity and it is also a business strategy.



Why?

Contribution of Women

- Women > 50% of Household Income in >50% of households.
- 27% of households are headed by a single female.
- Household Spending – 80%
- Investments Decisions- 53%
- Home Improvement Purchase Decisions - 80%
- New Cars – 60%
- Computers – 60%
- New Businesses Started – 70%



Global Data

A bank or an IFI will have to look at this subject from at least two **angles**:

- Give a **better service** to a large part of its clients, with a strong increase trend
Ex: Gender finance together with advisory services and large partnerships with NGOs and universities.
- Increase **fairness and efficiency** for a large part of its staff.
The champions in this respect are companies which are asking their leaders to ensure fair treatment and diversity. Financial institutions are increasingly focusing on the subject but are far from best practice.

Let's see some of their **solutions**

Solutions

1.They Mirror the Market



○ **Business Imperative** - Leading edge companies have recognized the strategic interest of promoting gender balance and of having a workforce that mirrors their markets.

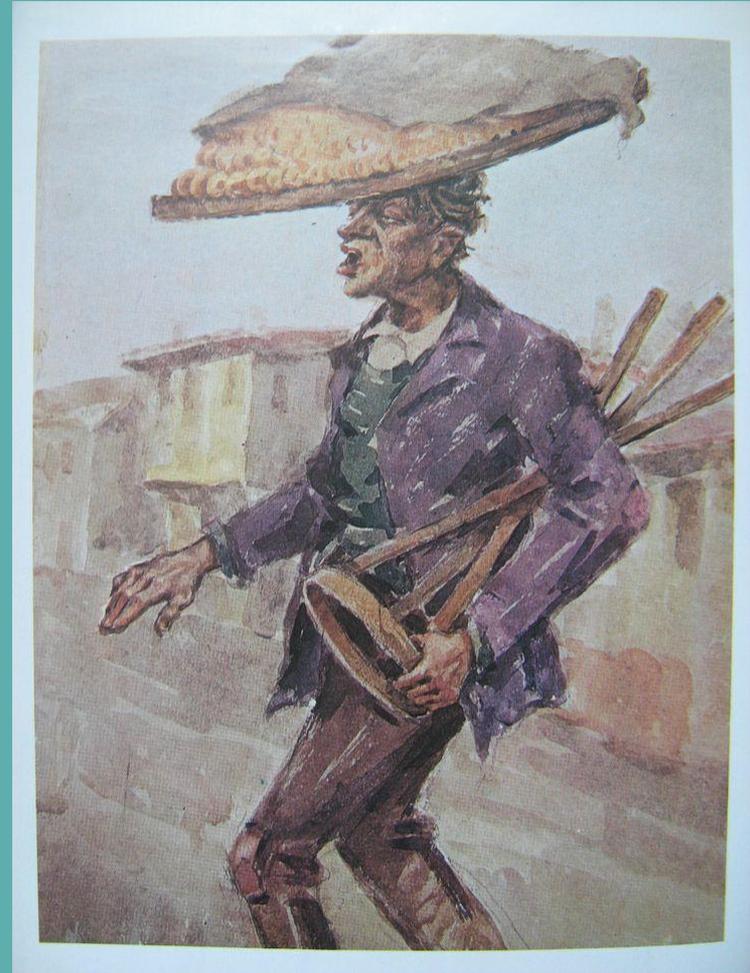
○ Companies such as Proctor & Gamble (P&G), IBM, Deloitte, General Electric (GE), Coca Cola, Philips, Nissan, and British Telecom recognize **that a large percentage of buying decisions are made or are heavily influenced by women.**

○ **Mirror the Market** - So these companies have implemented policies to ensure that such **customer groups are well represented in all functions of the business:** sales and marketing, product development, production, engineering, and research and development, as well as human resources and finance.

2. They Support Work-Life Balance

This is one area in which companies are **implementing policies and practices to allow women (and men) to combine successful careers and harmonious personal and family lives.** These practices are quite common and include:

- Flexible work options (**part-time, work at home, telecommuting, compressed work weeks**) and, to a lesser extent, **job-sharing and sabbaticals**
- More liberal **maternity and paternity leaves and re-entry programmes, Childcare, assistance, and lactation facilities...**



3. They Set Targets and Monitor Progress.



As the old saying goes, **‘Anything that gets measured usually gets done.’** Gender balance is no exception to this rule.

Companies that have recognized the strategic importance of gender balance and diversity have integrated it into their management systems by **identifying key indicators, setting goals and objectives, measuring results, and rewarding good performance appropriately.**

4. They Manage Hi-Potential Women



Among the most important 'best practices' is the **management of careers of high-potential women** to ensure that they have been identified and that they receive opportunities to demonstrate the capabilities considered essential for access to the most senior positions.

Examples of job experience considered most relevant to judging potential include:

- line positions with profit and loss responsibility,
- selected overseas experience,
- and participation in significant and visible task forces.

5. They Mentor and Coach - Formal

These have proven to be an effective and low-cost methods of engaging high-potential executives and a critical tool in the career of women. They

- increase motivation,
- accelerate learning,
- and reduce turnover.



Use of mentors and coaches is simple, not excessively time-consuming, and has shown to accelerate development of future executive talent.

It also responds to one of the most often heard complaints from women – in fact 42% of women in one survey mentioned lack of mentoring as one of the major reasons for leaving.

6. They Manage Company Alumni Networks

- An increasing number of professional firms **manage alumni networks of women and men who have left but with whom these companies wish to nurture and retain contact in the hope that they might be attracted back to the firm.**
- Some like Booz Allen Hamilton offer part-time assignments to take advantage of the part-time availability of some former staff.
- Managing alumni networks is not limited to professional firms: 30 percent of blue chip companies (in the USA) manage alumni networks and many more plan to do so.



7. They sensitize through Education and Training



- An increasing number of companies are using a variety of education and training efforts, both internal and external, to support gender policies and practices.

8. They work on the Culture.



- A significant reason for the high turnover of women managers and a roadblock for potential female leaders is the biased corporate culture.
- E.g. long working hours, excessive travel, often combined with late evening socializing, and authoritarian decision-making
- Many of the best practices and actions presented above will contribute to creating a better understanding of the importance of this cultural dimension.
- But cultural change is a difficult challenge in the best of all worlds, and next to impossible when the structures, strategies, people, values and behaviours, management systems and even purpose have been developed by and for men.

Behind any successful man there is a woman
but

