



A vision for 2010: opportunities and approaches

Designing the company of 2010

Our vision for 2010 is to create companies that have democratic values and provide a richer working life for industrial researchers. Such companies should enable human talent to be released much better than currently is the case. Women as well as men should have opportunities to develop their potential in industrial research – and for men as well as women to enjoy a sensible work/life balance.

The long-term goal is to see a much nearer approximation to a 50/50 gender balance on average in the laboratories and the senior management teams of research-intensive industrial companies. The shorter-term goal, for which we set the date of 2010, is to see far more women recruited than currently pertains and a better gender balance at all levels in industrial research. However, there should not simply be an increase in the numbers of women in the recruitment pool, but also an increase in the numbers progressing to senior positions. Ideally, the gender balance across all grades of industrial researchers in the organisation should reflect the proportion of men and women in the available talent pool.

The picture today is one where the number of women present in an organisation drops, both precipitously and disproportionately, with seniority. It is important to identify the factors that lead to fewer women developing careers. Interestingly, some companies are creating cultures that foster creativity, enterprise and innovation specifically though encouraging women and developing their careers. This chapter includes examples of the practices they are using in order to achieve this.

It is quite clear that a creative work culture, which is essential in today's exceptionally competitive market place, cannot be generated through the efforts of teams of 'clones'. Cloned people produce cloned ideas. In order to create and fan the creative spark, organisations need employees who bring to the table different experiences and different approaches to problem identification and solution.

Box 4.1

'Diverse minds – common goals'.

Source: AstraZeneca R&D Diversity slogan

Box 4.2

'Organisations need not only to value the differences amongst their workforce but to *capitalise* on these'.

Source: Tom McKillop, Chief Executive, AstraZeneca

Organisations are realising that a diverse workforce is not only 'nice to have' but, given its role in increasing creativity and innovation, and the growing significance of women in the marketplace, is now a business need. So what are the opportunities for energising working cultures and releasing employees' potential?

The key lies in changing organisations and their cultures by introducing policies that encourage diversity in all its forms, and for individual employees to make a commitment to putting these policies into effect. In Chapter 2, a case was made for the benefits of such a 'diversity' approach to human resource management, both on the grounds of the business case and because it is the right thing to do. Chapter 3 showed how the current 'laissez-faire' approach does not succeed in growing women in the numbers and at the levels needed by industrial research in Europe. This chapter addresses why and how companies, and other stakeholders, must change to embrace diversity, and in particular, be more successful in recruiting, retaining and promoting women.

'Diversity' in the private sector encompasses a wide range of visible and non-visible characteristics, for example, level of formal education, qualifications, expertise in a particular scientific discipline, experience, technical and interpersonal skills or preferred ways of working. 'Diversity' also refers to equality dimensions such as sex, race and ethnic origin, disability, age, sexual orientation and religious and political belief, all of which are encompassed by the EU Amsterdam Treaty. Whilst all of these characteristics and equality dimensions are important, this report is focusing on women (who, like men, encompass all equality dimensions and characteristics).

One approach to changing organisations and their cultures to increase the representation and participation of women is to apply the EU-backed approach of 'gender mainstreaming', as described in the European Commission Communication (EC, 1996) and the ETAN report (Osborn et al, 2000), to industrial research. But what is gender mainstreaming? It is 'integrating gender equality into all organisations and their cultures, into policies, programmes and projects, into ways of "seeing and doing"' (Rees, 1998). Instead of targeting the 'special needs' of the 'disadvantaged group', it focuses on practices and policies that give rise to that disadvantage in the first place. It means overcoming the traditional stereotypical male 'breadwinner' model of an employee – which is no longer applicable – as the norm around which companies are organised. The reality of the lives of women and men in contemporary times is much more diverse. Women should not need to choose between a career and a family, any more than men do.

In addition to eliminating any remnants of institutionalised sexism, industry and private institutions need to take a good hard look at familiar and accepted processes and behaviours, to try to identify unwitting discriminatory processes that lead to the highly skewed gender statistics shown in Chapter 3.

Gender mainstreaming is relevant for the internal management of the organisation: human resource management, recruitment, staff development and training, promotion policies, work organisation and so on. But it is also relevant for what the company does: the industrial processes concerned with the design of products, development and marketing, manufacture and delivery of new products and services.

Box 4.3

A substantial number of British fathers barely see their children during the week. 45% of fathers in UK get home after their children have gone to bed

Source: Ivana LaValle, National Centre for Social Research study published by the Joseph Rowntree Foundation (<http://www.independent.co.uk/story.jsp?story=337606>)

Box 4.4

Gender mainstreaming is becoming more widely endorsed worldwide. In September 2001, the World Bank's Board of Executive Directors, representing 183 countries, strongly endorsed the strategy

Source: Integrating gender into the World Bank: A strategy for action

One of the principles that underlie gender mainstreaming is about regarding the individual as a 'whole person'. An organisation's 'family friendly' policies benefit both women and men. Both female and male employees need a good work/life balance and both may have caring responsibilities during periods of their careers (such as childcare and, increasingly, eldercare). Hence, much more importance needs to be attached to flexibility and family-friendly arrangements for all employees. This principle means changing the work culture to one where employees are assumed to have a life outside work. Apart from family responsibilities, it may also involve a role in the local community, a trade union, or a professional association or in civic, religious, cultural or public life, or an individual may have a personal commitment to lifelong learning.

Some organisations have 'values' statements' that set out the ethos of the company, and lay down standards or codes of behaviour employees are expected to observe in relation to each other, customers and clients. Some companies extend such policies to encompass values to which their suppliers must adhere, for example with respect to health, the environment and safety – and gender equality (as in the US). However, such 'values' statements' and codes of behaviour in themselves are of little worth if everyday practice does not reflect the policy and if business leaders are not seen to be 'walking the talk'.

A second principle underlying gender mainstreaming, and one that is endorsed in all western societies, is democracy. This means creating a culture where employees feel able to express their views, articulate their needs, are listened to and shown respect. It means that formal and informal work cultures should embrace differences: they should certainly not be allowed to exclude certain groups – however subtly. There should be visible fairness in the allocation of opportunities and resources. It involves encouraging employees to express their views, often through employee surveys or local 'focus' groups, and take an active role in contributing to decision-making processes. There should be transparency in procedures, processes and outcomes. Criteria for recruitment, promotion and decision-making should be clear to everyone. Encouraging staff to speak out can also pre-empt unpopular policies and generate new ideas.

How are these principles put into effect? A combination of technical tools, people skills and institutional arrangements are required.

Technical tools

Firstly, six examples of tools of promoting gender equality are briefly identified.

- The tool at the heart of mainstreaming is 'visioning' (see Rees, 1998). This is also the most challenging element. Through it, we seek to understand and address how existing practices, cultures and institutional arrangements, however inadvertently or subconsciously, disadvantage women more than men (or indeed, vice versa).
- Gender balance in decision-making is needed to address both the business need and the democratic principle. In three Member States, legislation already exists to ensure a gender balance on public bodies, including research councils. Some companies set targets, for example, to create a

Box 4.5

Companies such as Bayer, Ford Motor Company, General Electric, IBM, Merck, Schlumberger, Siemens and many more already offer flexibility in working life, telework programmes, support for women's networks and childcare centres.

Source: www.siemens.com (search 'diversity') <http://leadership.monster.com/diversity.html> (Ford Motor Company)

Box 4.6

'Diversity means more than simply gender – it means accepting people of various ages, religions, skin colours and backgrounds within the organisation. As a global player with activities in 190 countries, the diversity of our employees is one of the great strengths of our organisation'

Source: Dr Klaus Döring, CEO of Siemens Southern Africa, released by FCB Redline, On behalf of Siemens Corporate Communications (<http://www.siemens.com>)

better gender balance among senior management, or to have at minimum one woman on panels for recruitment interviews.

- Sex-disaggregated statistics are a powerful management tool, both in reviewing recruitment and promotion patterns, but also in determining untapped markets. Surprisingly few organisations use such statistics as a tool to review the effectiveness of their policies, or to monitor performance.
- Raw data, even when disaggregated by sex, are of course limited in what they show. Hence, there is much work to be done in developing gender equality indicators. Baseline statistics are needed against which performance targets can be measured. Equality indicators are likely to be made up of a combination of variables, for example proportion of women appointed to certain grades compared with their numbers in the recruitment pool.
- Gender impact assessments can be designed to estimate, in advance, the likely impact of any proposed policy on men and women respectively and to address any undesirable consequences that may be anticipated. For example, some employers include in their eligibility criteria for promotion or training ‘length of continuous service’. This indirectly discriminates against women, who are more likely to have had a career break than men. A gender impact assessment of this criterion would have anticipated this.
- How can we tell if diversity management and gender mainstreaming are being delivered without monitoring, evaluating and auditing? It is surprising how many companies do not have sufficient data on their employees to be able set a baseline for gender distribution across their organisation. Gender balance⁵ needs to be regarded as a performance indicator, and treated the same way for evaluation purposes as, say, balancing the books. Equal pay reviews, for example, can demonstrate whether the company has a gender pay gap among its industrial researchers that cannot be justified. Some companies conduct regular staff morale surveys that help to bring issues to the surface and raise awareness, for example of perceptions about the openness of the company and its culture to different groups.

Box 4.7

In the Research Directorate-General of the EC, there is a similar rule that all the scientific committees of the Directorate must aim to have at least 40% of both genders. This has substantially altered the gender make up of committees that decide what science should be funded, as well as those that monitor and evaluate successful projects in the EC’s Framework Programmes.

People skills

Secondly, ‘people skills’ are required to administer these tools. Expertise, training and awareness raising are all essential to enable staff to develop the skills to use these tools. Key members of staff need training; for example in developing and using indicators, in conducting gender impact assessments, and in visioning. Relevant (external and internal) websites and attractive material can also be of help.

Companies may need to ‘buy in’ expertise as well as grow their own, just as they do for forecasting, budgeting, health and safety, taking on board the requirements of new legislation and so on. Change agents are often used to work with department heads and gender mainstreaming experts to fast track organisational and cultural change.

⁵ We consciously use the term “gender balance”, not “gender equality”. Gender balance implies a number reflecting the recruitment base.

Institutional prerequisites

Thirdly, there is a set of institutional prerequisites for the successful adoption of diversity policies and gender mainstreaming. These include *commitment from the top*, *incentives to 'build ownership'* and *integrated reporting mechanisms*. The corporate plan should include diversity related aims and objectives. Action plans should specify how they would be met. Senior management must 'walk the talk'. Progress needs to be reviewed against these plans, just like any other business objective. This locks diversity management and gender mainstreaming into the company's culture. It involves a clear allocation of responsibility and accountability. It needs to be taken as seriously as budgeting or health and safety.

Examples of institutional arrangements that can assist include a specially designated committee, chaired by a member of senior management, with built-in accountability, reporting mechanisms and sanctions. Building ownership can be encouraged, for example, by providing financial incentives to achieve targets, integrating diversity and gender balance into performance review systems, and/or by including a section on this issue, including the outcome of gender pay reviews, in annual reports or in corporate social responsibility reporting.

Progress on gender balance is relatively straightforward to measure numerically, through retention and promotion reviews, exit surveys and so on, but it is important to assess improvement in organisational and culture change not only quantitatively but also qualitatively. This can be done, for example, through staff review session, interviews, or focus groups, where groups of staff are brought together to discuss key issues openly as a way of 'taking the temperature'. Staff morale studies, where members of staff are asked a few questions on a regular basis, perhaps by email, about their job satisfaction, the extent to which they feel valued and feel they have a future with the company can be used as sources of more qualitative data. Managers can be forced to make changes, but it is more effective if they also believe that the changes are beneficial to them, their team and the company. Team behaviour may need to be addressed, for example in management courses, to foster a culture where constructive leadership styles and team behaviours are emphasised, supported and rewarded.

Appropriate resources are rarely allocated for work related to diversity issues and redressing the under-representation of women. Diversity measures should be viewed as an investment – indeed, consideration should be given to the financial and opportunity cost of *not* undertaking such measures. As an example, offering all women staff sensible maternity leave arrangements (where this was not offered sufficiently as part of the public welfare system) can result in companies' saving money. The women were much more likely to return to the company after their maternity leave and hence the company avoided incurring the cost of having to recruit and train permanent replacements (Humphreys and Rubery, 1995).

Box 4.8

Deloitte and Touche, by reducing attrition rates for women, saved \$250million in hiring costs and by helping the company to expand rapidly through retention of experienced staff.

Source: Cracken (2000) *Harvard Business Review* December

Recruiting, sustaining and developing women in science

Companies in industrial research need to take active responsibility for building the careers of their employees, ensuring that attention is paid to nurturing those of women as well as men. Some methods of achieving this are:

- increasing the size of the talent pool at all levels and setting aspirational numerical targets for recruitment, as well as for promotion within the organisation.
- establishing open and transparent staff review systems, designed to allow managers to get to know the employees, identify their potential and monitor their performance.
- experimenting with various mentoring schemes – to identify and foster potential.
- monitoring and analysing recruitment, attrition and exits.

Box 4.9

MUFFIN is a mentoring program in computer sciences in Germany. Female computer scientists from different companies, research institutions, and universities are involved as mentors for young women studying computer sciences (<http://www.muffin21.de>)

More specifically, we focus on promotion, retention, returning and recruitment:

Lufthansa, the German airline, has joined with seven other major corporations, including Commerzbank, Robert Bosch and Deutsche Telecom, to offer a so-called cross-mentoring system in which women in one company offer advice to women managers in another firm. It's an effort to help women develop a network that allows male managers to successfully climb the corporate ladder.

C.A. Wallace (2000) 'Germany's Glass Ceiling: Women managers are rare in corporate Germany, where a culture of old boy prejudice still prevails, *Time Europe*, vol 155, no 14 (<http://www.time.com/time/europe/magazine/2000/0410/glass.html>)

Box 4.10

'For every in-company management course, business units are specifically asked to propose a sufficient number of women candidates to ensure a representative gender-balance.'

Source: Norsk Hydro ASA (Norway)

Box 4.11

Women who take career breaks are often penalised for giving priority to unpaid work at certain points in their lives. Rather, this break in a regular professional career may have positive benefits for the company and the individual!

Reaching the top (promoting)

- monitoring succession plans to check for the inclusion of under-represented groups in promotion to top positions and setting aspirational targets for their increase.
- analysing current career paths and success criteria used in promotions. Identifying blockages that hinder women's progress.
- ensuring that development plans include experience of other parts of the organisation – different functions or different geographic locations – as well as relevant off-the-job activities (possibly even include managing a home!).
- ensuring that women receive support from internal networks (e.g. female managers, professional organisations, a helpline, etc)
- offering opportunities for 'work shadowing' (spending a day or week following and observing a board member doing their daily work) in the boardroom or in top management teams.

Following an initiative taken by the Dutch Minister of Economic Affairs, Mrs A. Jorritsma, each member of the ambassador's network of top industrial managers committed themselves to a programme to improve the position of women in their respective companies.

Lifecycles of careers (returning, retaining and career building)

Contemporary industrial researchers may not follow the traditional male pattern of continuous, full-time work from leaving higher education until retirement. Women in particular may be career 'late' or may take time out during the professional career. This means that they will often be older than male counterparts when applying for or being considered for senior roles. Any preconception of an 'ideal' age for a particular role should be avoided.

Good practice for lifecycles of careers, that include late entries, career breaks and re-entries, include the following:

- planning 'returner' and 'keeping in touch' schemes, as well as confidence building for those who are or have been out of the company for a while.
- taking into account the fact that 'dual careers' may mean men and women require jobs for their partners in the company or the vicinity.
- providing childcare or subsidising childcare costs (if there is insufficient affordable, good quality, public childcare available),
- offering careers breaks, flexibility and part-time working, for men and women.
- offering exchanges with researchers in the public sector, in keeping with other EU policies on mobility.

What do 'good practice' companies do to encourage and attract the next generation of female scientists? They ensure that the company's external image is modern and open, interested in women and offering them opportunities, ('female friendly' and 'family friendly').

- they have examples of 'real' role models (not superwomen).
- they send women to represent the company at external events (conferences/analysts meetings/launch events, etc).
- they organise mentoring and networking schemes, to ensure that there are sufficient women around to avoid a feeling of isolation.
- they encourage girls into science by participating in 'take your daughters to work' days and 'girls and science days'.
- they send women scientists to schools and universities to deliver the message about the excitement of science in industry in schools liaison programmes.
- they organise properly managed summer student (internship) schemes, a valuable way of enticing students of high potential to join the company and generating good PR.
- they use internships to award fellowships and scholarships, hence developing relationships with high-potential female candidates.

Conclusion

The core of European industry is industrial research. It is the heartland of innovation, development and ideas. However, the vibrancy of industrial research in Europe is hampered by the fact that it taps into less than half the talent pool. Women's ideas and women's potential tend to be under-represented (and under-valued). Our vision, therefore, is to create democratic, open and transparent companies where women as well as men can prosper, and their ideas can flourish and be developed and contribute to the innovation process.

Box 4.12: IBM UK Maternity Return Payment

Women who have worked for IBM UK for more than five years before taking maternity leave, receive an additional monthly payment equal to 25% of their salary when they return. The payment continues for a period of two years after their return from each period of maternity leave and can be used to help meet childcare costs.

Source: Linda Taylor, IBM UK

Box 4.13

The website <http://www.partnerjob.com> is designed to facilitate geographic mobility by providing help to find a job for an accompanying partner.

Box 4.14

Recruitment:

It's not what you say – it's what you do
It's not what you show – it's what's seen.

It's not what you say – it's what's heard.

Perception is reality

To achieve this will need a strategic approach, informed by research, statistics, monitoring and evaluation. It is important to recognise that most existing organisational cultures are neither attractive to nor supportive of women. They fail to recruit good women industrial researchers and drive others out. This problem needs to be addressed by reviewing company culture and practices and checking the validity of their interpretation of 'the best person for the job'.

Nothing can be done in isolation; a coherent framework is needed. A good place to start is with the statistics – to know where we stand and to detect problem areas. The same applies to understanding employees' perceptions of diversity in the company. The smart use of IT tools can support diversity. Management buy-in and leadership are critically important. To create modern working conditions, we need to open the windows – and our minds!

Companies need to co-operate with others. Companies and national governments have to take the lead to promote changes.