Gender Diversity Strategy

Recommendations to attract and retain female talent

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Executive summary

- This presentation outlines a comprehensive strategy to advance gender diversity in the workplace. The focus is on attracting and retaining female talent, fostering an inclusive culture, and aligning efforts with organizational success.
- **Company Goals and Challenges**
- **Goal:** Increase female representation from **15% to 30% within 5 years**.
- **Challenges:**
- Overcoming resistance from current employees.
- Maintaining appeal to male candidates.
- Addressing biases in recruitment and promotion processes.

The following strategies are chosen to increase the diversity,
1. Bline recruitment to minimise biases during interview processes.
2. Pay equity analysis to ensure no pay disparities.

3. Flexible work arrangements to attract more talent and to provide a comfortable work environment.

Achieving Gender Diversity: Goals and Challenges.

Company goals:
- Increases female representation:
  - Current workforce: 15% female employees.
  - Target: 30% female employees within 5 years.
  - "We believe that women are the future of our company."

Key challenges:
- Attracting female talent by overcoming current employment practices.
- Resistance from current employees.
- Sustaining appeal among the male candidates.

Why this matters:
- "Women are a major untapped source of talent and innovation."
- "Organizations with more diverse leadership teams tend to perform better financially and are better positioned to respond to change." [Deloitte, 2022]
- Initiatives promoting gender parity help create an inclusive environment. [Grant Thornton, 2021]

The Business Case for Gender Diversity

Gender diversity has shown to have many benefits, the major of them being the increased availability of untapped talent and an increase in diversity of perspectives.

- **Enhanced innovation and creativity** by bringing in unique ideas. A McKinsey report notes that inclusive teams are 70% more likely to capture new markets[HBR, 2013]. Studies show that there is a significant correlation between board gender diversity and R&D investment effectiveness. [Griffin, Li, & Xu, 2020]

- **Financial performance:** Companies with greater gender diversity are 21% more likely to experience above-average profitability. [McKinsey, 2020]

- Talent Attraction and retention: A study finds that organizations with the highest levels of gender diversity had 15% lower turnover rates for females and 25% lower turnover rates for male employees.[McKinsey, 2018]

- More diverse teams have 22% less turnover rates. [Deloitte, 2024]

- Diverse companies will be 1.7 times more likely to be in the top 25% of the employee satisfaction category. [psico-smart.com, 2021]

Potential hurdles in advancing gender diversity

- Perception of favoritism: Male employees may feel gender diversity initiatives favor women unfairly, leading to reverse discrimination. Potentially decreasing morale and making workplace toxic,
- Example: In efforts to promote gender diversity, companies like Rio Tinto experienced male employees retaliating and "gendered bullying" in the company.[The Australian, 2023]

- Cultural resistance: Employees may think the efforts as unnecessary and are a threat to the status quo. This resistance to change could be a detrimental factor in such implementations[World Economic Forum, 2022]
- Communication gap: Misunderstanding of the purpose and benefits of the diversity efforts could lead to unnecessary increase in tension among different teams and management.

- Reduced appeal to male candidates: male candidates may perceive this change as female favouring and may deter from applying.
- Cultural misappropriation: If the change happens very fast then it could resist the performance of employees leading to internal conflicts.

Learning from the industry leaders: Successful gender diversity initiatives.

Diageo aimed for 50% female representation till 2030 and has achieved 44% females in senior roles. It has also improved marketing campaigns to show diversities.

- Policies used: Implemented menopause awareness programs and paid parental leaves.
- Actively supported employees during life transitions.
- Encouraged employee participation during policy formation to consider different point of view and have transparency throughout the organization. [Financial times, 2024]

Rolls-Royce aimed to achieve gender parity in leadership and strengthen leadership to achieve diversity management training

- Policies use: Launched "Being like me" to enable employees share personal stories to increase understanding.
- Trained employees to handle diversity and focused on increasing diversity firstly in the leadership roles.
- Implemented regular communications on the importance of diversity to offset the negatives of the diversity policies.
- Diversity was included as a performance KPI.

Strategic options for managing

1.   Recruitment Strategies

- **Implement blind recruitment processes** - Remove gender-identifying information from resumes to focus solely on skills and qualifications, minimizing unconscious bias.

- **Partner with Universities and Professional Networks:** Collaborate with institutions and associations targeting women in finance globally to attract talent, showcase female role models, and create mentorship and internship opportunities.

- **Establish Diverse Interview Panels:** Include women and individuals from various backgrounds to ensure candidates feel represented and to reduce bias in the selection process.

2. Career Development & Retention

- **Create Mentorship Programs:** Pair junior female employees with experienced leaders to provide career guidance, networking, and professional development opportunities.

- **Establish Sponsorship Programs:** Engage senior leaders to advocate for high-performing women, promoting them for leadership roles, key projects, and career advancement opportunities.

- **Conduct regular pay equity analyses** - Conduct regular pay equity audits and ensure fair compensation structures. Transparent pay policies and unbiased performance reviews can significantly boost women's career progression

3. Organizational Culture

- **Develop Unconscious Bias Training:** Train employees on recognizing and addressing biases, fostering an inclusive workplace that supports diversity.

- **Implement Flexible Working Arrangements:** Provide hybrid schedules, part-time roles, and normalized parental leave for all genders, enhancing retention and gender balance.

- **Foster Inclusive Leadership Practices:** Equip managers with tools to create equitable team dynamics and actively support diversity initiatives.

Strength and weakness of selected diversity strategies.

Strategy	Strength	Weakness
Blind Recruitment Process	• Minimizes unconscious bias. • Increases diversity in hiring, promoting fairness and meritocracy.	• Cannot eliminate biases in later interview stages. • May overlook cultural fit or values alignment.
Conducting Regular Pay Equity Analysis	• Boosts trust and morale by addressing pay gaps. • Ensures compliance with equity laws and demonstrates a commitment to fairness.	• Requires significant resources. • May feel unfair to some employees.
Implementation of flexible work arrangements.	• Enhances retention and work-life balance, especially for women re-entering the workforce. • Attracts diverse talent by addressing modern workplace needs.	• Challenges in managing and monitoring productivity. • May unintentionally create disparities between remote and in-office employees.

Mitigation of potential negatives

Bline recruitment process:

Weakness: Possibility of bias in the later stage of interviews and overlooking cultural fit.
Solutions: Uses standardized questions and evaluation, criteria's, Train interviewers to evaluate cultural fit. Use AI for anonymizing interview process.

Conducting regular pay equity analysis:

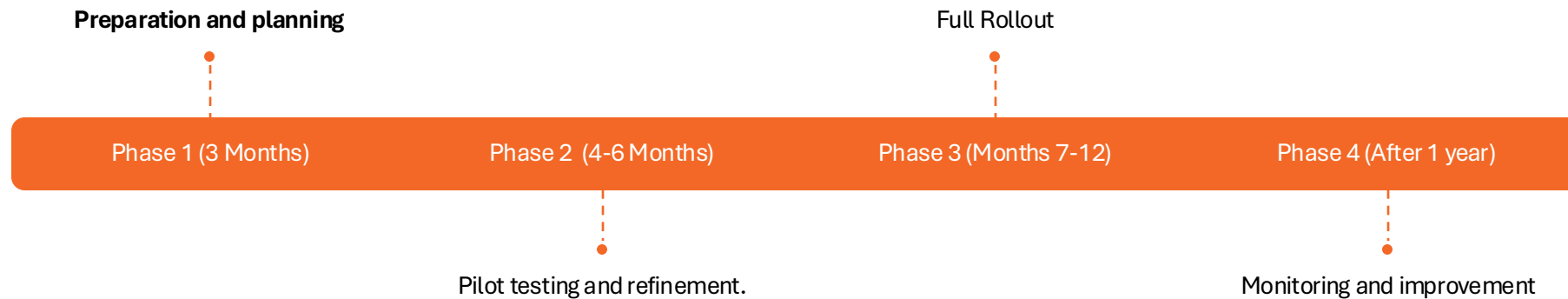Weakness: Resistance from employees, requirement of additional resources.
Solutions: Transparency of salary payments and regular audits. Use software solutions to make the process efficient.

Implementing flexible work arrangements:

Weakness: Risk of diaparity between in-office and remote workers, managing productivity.
Solutions: Have a clear goal matrix for all employees, use collaborative online working mediums, increase meetings to get a regular updates between members.

Timeline of implementation and KPIs

Preparation and planning

Full Rollout

| Phase 1 (3 Months) | Phase 2 (4-6 Months) | Phase 3 (Months 7-12) | Phase 4 (After 1 year) |

Pilot testing and refinement.

Monitoring and improvement

Phase 1: Preparation and planning
- Analyzing the organizational compatibility.
- Making KPIs.
- Gathering employees perception data.

Phase 2: Pilot testing and refinement
- Start implementation in certain departments.
- Conduct first round of analysis.
- Improve the process.

Phase 3: Full Rollout.
- Expand the implementation throughout the company.

Phase 4: Monitoring and improvement
- Observe the outcomes and improve the processes accordingly.

KPIs to consider:
- Female representation (% of total employees)
- Pay-gap analysis by audit.
- Employee satisfaction on remote possibility.
- Retention rate of female employees.

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