# Simple steps to unlocking potential

The Women's Business Council was set up in 2012 to advise Government on how women's contribution to growth can be optimised.

By equalising men's and women's economic participation rates we could add more than 10% to the size of the economy by 2030.





## The aims of the Women's Business Council

The Women's Business Council was set up in 2012 to advise Government on how women's contribution to growth can be optimised. This will support the Government's aim to increase competitiveness and generate higher levels of sustainable growth and productivity in a modern economy.

Specifically, it aims to ensure that all women have the opportunity to play a full role in the economic life of the nation. The Women's Business Council has made recommendations such as maximising career development opportunities and optimising flexible working arrangements at all stages of women's lives.

This approach benefits women, by enhancing their lifetime incomes and enabling them to achieve their aspirational goals. But it also benefits the UK, by enhancing competitiveness, by utilising the talents of women and maximising returns on investment in education and training. Women today are better educated than ever before and it makes no economic sense for business to under-utilise these important skills.

The Women and the Economy – Government Action Plan, which was launched on 7 November 2013, sets out some challenging measures to improve opportunities for women and girls, but the Government cannot bring about change on its own. Business needs to step up to the plate by adopting the sensible and practical recommendations made by the Women's Business Council, by improving opportunities for women within their organisations. There is a clear business case for doing so.

This is why, as we reach our six month milestone following the launch of our report, we are keen to report on our progress and set out how we want to move forward.

We have all had opportunities to showcase Women's Business Council recommendations across a range of sectors, and through targeted media opportunities during recent months. Our journey so far has shown that there is good practice happening right across the country and we encourage those businesses to measure their progress against the Council's recommendations. The time is right for those in positions of power and influence to act as role models for others and to inspire the generations that follow.

For those businesses looking at the recommendations for the first time, we believe that there are some simple, but compelling steps that can be taken up that would really make a difference.









# Women's Business Council members









As business practitioners across a range of sectors, we understand the challenges some women face in climbing the career ladder.



Our aim has been to focus on areas with the greatest potential economic benefit and on recommendations with a clear economic case for action.



# We focussed on four separate areas in our report:





# Staying on Women in the third stage of their careers who may have competing priorities



We believe there are five simple steps in each of these categories that, if adopted by employers, would go a long way to unlocking potential.

As an employer, take a look and see what steps you could take to raise the aspirations of young women, develop talent pipelines within your organisation and optimise opportunities for women at all stages of their careers.



## From the classroom to the boardroom

# Why we need a business-led approach to increasing women's contribution to economic growth

- The UK's aim is to increase competitiveness so that we can compete in a global economy
- We urgently need to broaden girls' aspirations and career choices by creating a greater partnership between schools, career development professionals, business and parents
- Business culture needs to embrace the benefits of flexible working and support for working parents
- Women in the third phase of their working lives offer tremendous untapped potential and opportunity for economic growth
- There is enormous potential in women's untapped entrepreneurialism, and a strong case for providing more support for women who want to set up their own businesses



# Starting out

Five simple steps to support girls and young women starting out



## How you could help

- Commit your own graduates, trainees and apprentices to visiting schools and colleges. Younger employees are more likely to resonate with a younger audience and can offer insight into different types of careers. It can also be great professional development for employees.
- Develop a systematic, in-house programme for work experience, internship and apprenticeship opportunities tailored for girls and boys.
- Sign up to one of the many schemes available to help students better understand the world of work.
- Business leaders should consider becoming STEM Ambassadors, particularly those who have successfully used their STEM qualifications within their corporate sector, or, who have successfully set up their own STEM-related business.
- 5 Identify an inspiring senior individual within your business to sign up to become part of the *Speakers for Schools* Initiative.



#### **Proportion of female graduates in STEM subjects**



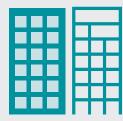
Physical sciences

42%



Mathematical sciences

41%



Architecture, building and planning

34%



Computer science

19%



Engineering & technology

17%



# Getting on

Five simple steps to support women getting on in the workplace



## How you could help

- Companies should offer regular work experience opportunities for women on maternity leave and career breaks and fully implement "Keeping In Touch" Schemes to ensure the return to the workplace is as smooth as possible.
- 2 Ensure your organisation promotes women's networks and mentoring/sponsorship opportunities, to help build confidence and increase the diversity of your talent pipeline.
- Businesses should recognise the benefits of shared parental leave.
- Companies should share good practice (including examples of flexible contracts) so that small, medium and large companies can learn from each other, in an industry-led approach.
- Employers should introduce "unconscious bias" training to staff who recruit or internally promote staff.



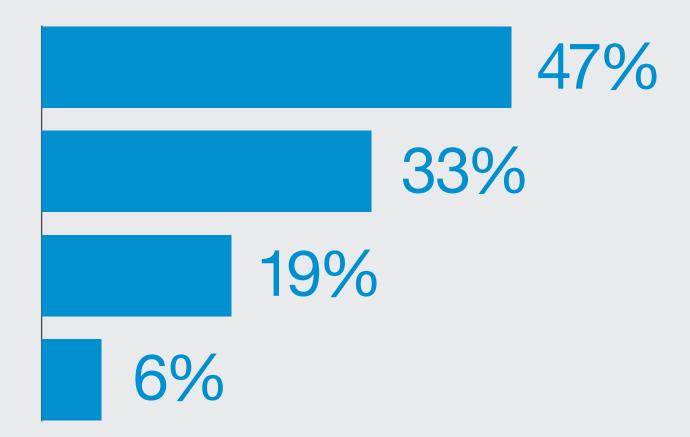
### Women make up a smaller proportion of more senior positions



Managers, directors and senior officials

FTSE 100 board members

FTSE 100 exec directors





# Staying on

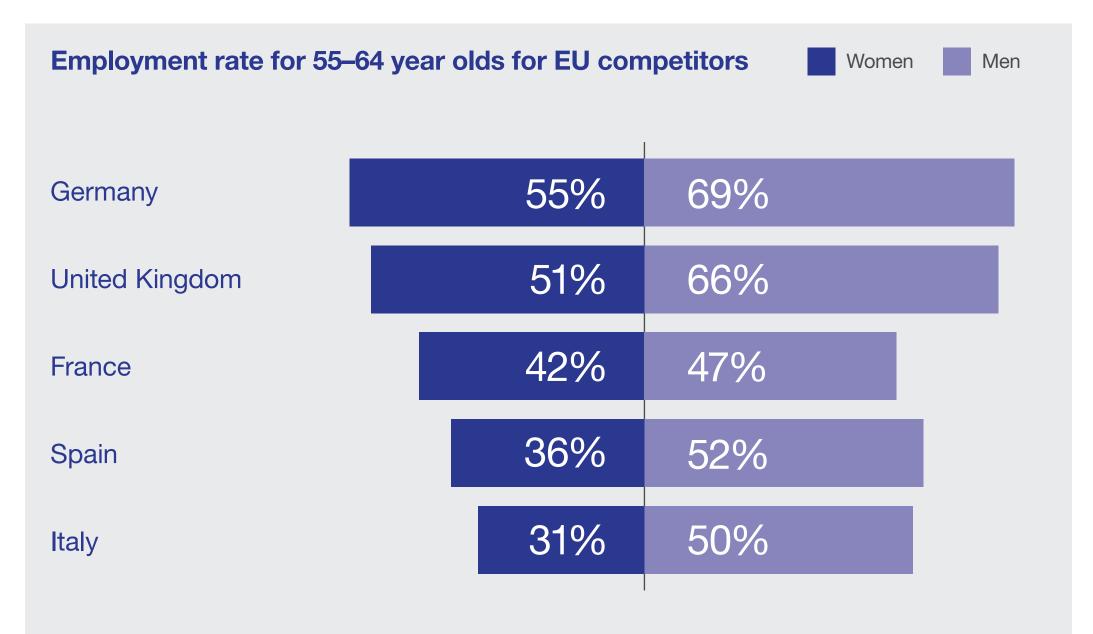
Five simple steps to help women stay on in the workplace



## How you could help

- Employers should sign up to the assistive technology pilot which funds adaptations and aids, to allow carers to better balance their caring and work.
- 2 Employers should review what flexible working opportunities are available for older workers in the workforce as part of the preparation for the extension of the right to request flexible working legislation.
- Join the *Employers for Carers Network* and put in place toolkits to support employees who are carers.
- Companies should network and share good practice on how to manage a multi-generational workforce.
- Leading business figures should promote the business benefits of recruiting and retaining older workers in their sector.







# Enterprise

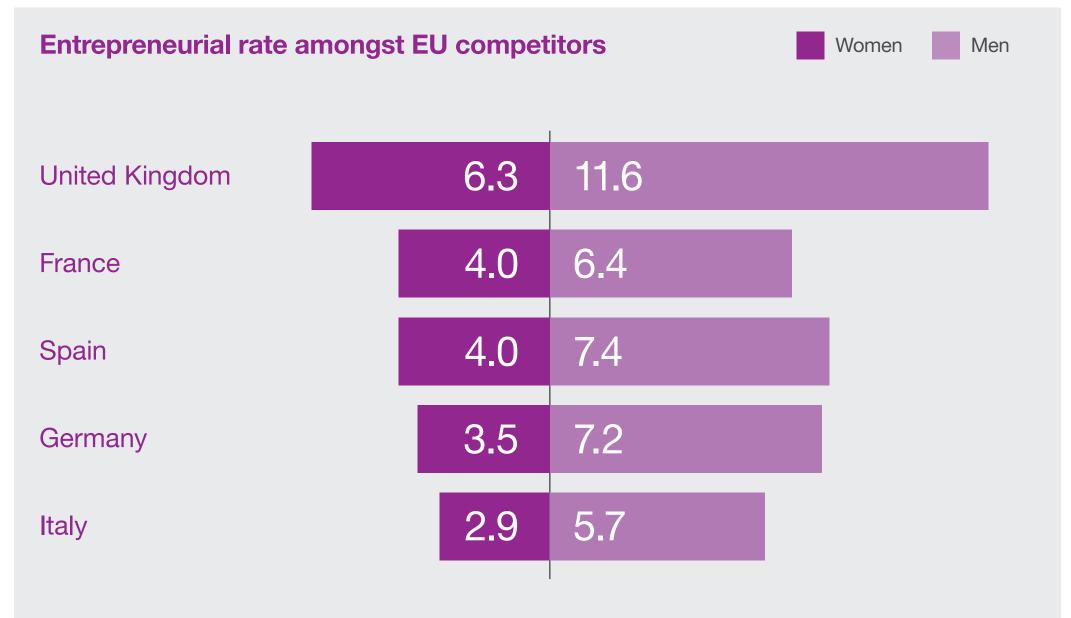
Five simple steps to encourage more women entrepreneurs



## How you could help

- Companies should utilise the British Chambers of Commerce Women's Business Networks and work with schools to raise girl's awareness of enterprise as a career opportunity.
- Companies should support the development and testing of college and school modules on starting up a business, to ensure it encompasses the right skills.
- Entrepreneurs should sign up to the *Inspiring the Future* and similar programmes, which in turn should expand their range of female entrepreneur speakers who could be utilised by educational institutions.
- Companies should demonstrate the benefits of business mentoring and tap into existing networks and resources.
- Larger companies should use their supply chains to help SMEs to start and grow their own businesses.







## The next six months

The work of the Women's Business Council continues apace and our focus during the next six months will be on the critical business recommendations where there is much to gain.

Our priorities in the next six months will be:

- Supporting the priorities in the Government's Action Plan (published on 7 November 2013) to ensure that our workplaces match the needs of women in modern Britain.
- Working with business and Government to provide better career advice and work experience.

- Women can only return to the labour market after having children if they know they will have good quality and affordable child care in place. We will be closely monitoring the impact of the changes to childcare in the UK and champion this as key to women's participation.
- We will champion the benefits of an agile workplace and a culture change to increase flexible working.
   We fully support the forthcoming Government's changes and promote good practice.
- We will encourage companies to use the *Think*, *Act*, *Report* initiative to share information and best practice around women in the workplace, to learn from others, and to drive culture change.

As part of our engagement activity over the next six months we will continue to work closely with Ministers and our partners on:

- increasing the number of girls entering STEM disciplines;
- promoting flexible working opportunities;
- working to improve girls' aspirations;
- providing role models to support and promote apprenticeships; and,
- improving the situation for older people in the workplace.



# How do we know we are succeeding?

We will track the progress of Women's Business Council recommendations by monitoring performance against a range of national and international indicators that will allow us to:

- assess the UK's standing globally;
- highlight where the UK is ahead of its competitors; and, importantly,
- identify where the UK is lagging behind and where we will need to intensify our efforts to improve the situation.

#### Monitoring impact over time

The following section sets out 10 key measures of women's role in the economy and the barriers and opportunities that exist. Where possible we have used international comparisons to benchmark the UK against its European competitors. These are high level and long term indicators that should be tracked over the next 10 to 20 years rather than instant measures of success.

#### The indicators

- Female employment (EU Eurostat)
- Gender pay gap (EU Eurostat)
- Female entrepreneurial rate (EU Global Entrepreneurship Monitor)
- Women on boards (EU European Commission, Justice, Gender Equality)

- Childcare (EU Eurostat)
- STM graduates (EU Eurostat)
- Employment rates for 55 to 64 year-olds (EU Eurostat)
- Apprenticeships (UK The Data Service, FE Data Library)
- Apprenticeships by subject (UK The Data Service, FE Data Library)
- Women in managerial positions (Labour Force Survey, ONS)

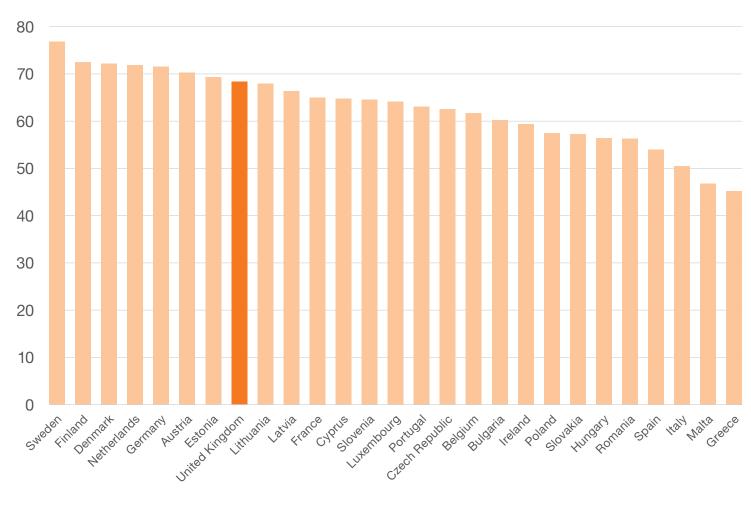


# Women's role in the economy

Ten key measures



#### Female employment rate (%)1

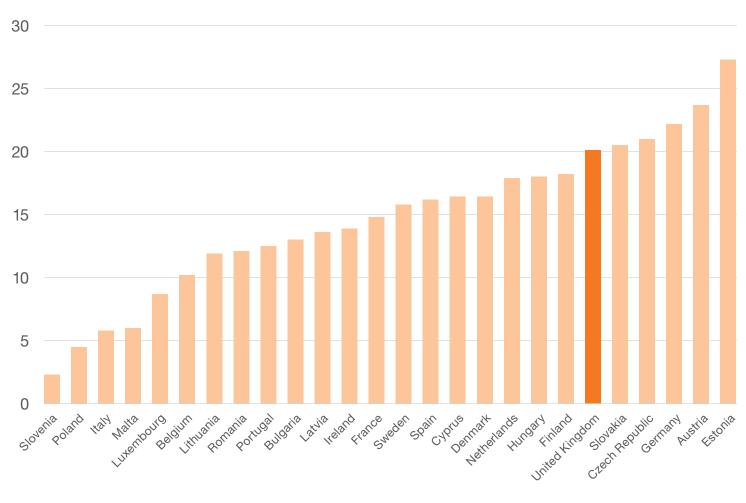


The UK has the 8th highest female employment rate in the EU at 68.4%, above the EU average of 62.4% and above the equivalent figure for the US of 65.3%. However, the rate is still significantly lower than the equivalent male employment rate of 80.0% where the UK ranks 6th in the EU.

Source: Eurostat, based on Labour Force Survey harmonised across EU states Year: 2012



#### Gender pay gap (%)<sup>2</sup>



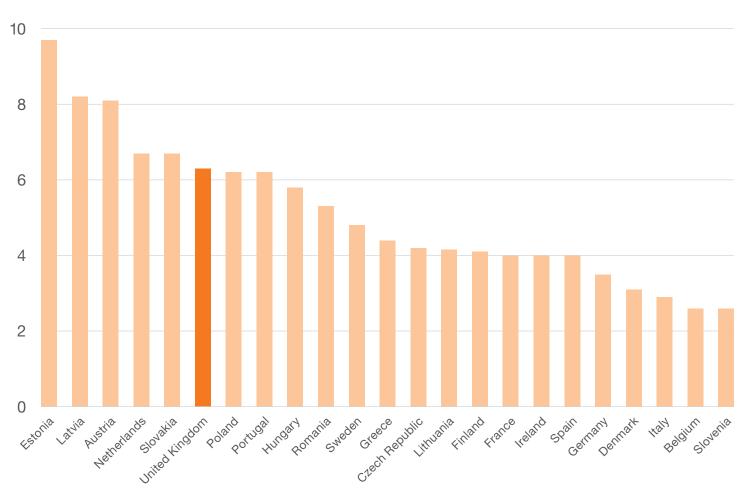
The UK ranks 21st in the EU for the gender pay gap (i.e. it has the 6th highest) and at 20.1% it is above the EU average of 16.2%. However, many of the countries with the highest female employment rates such as Germany, Austria and Finland also have high gender pay gaps and the UK's is comparable with these.

Source: Eurostat, based on Structure of Earnings Survey harmonised across EU states (in the UK this is the Annual Survey of Hours and Earnings)

Year: 2011 (for Ireland the data is for 2010 and for Greece there is no recent data)



#### Female entrepreneurial rate (%)<sup>3</sup>



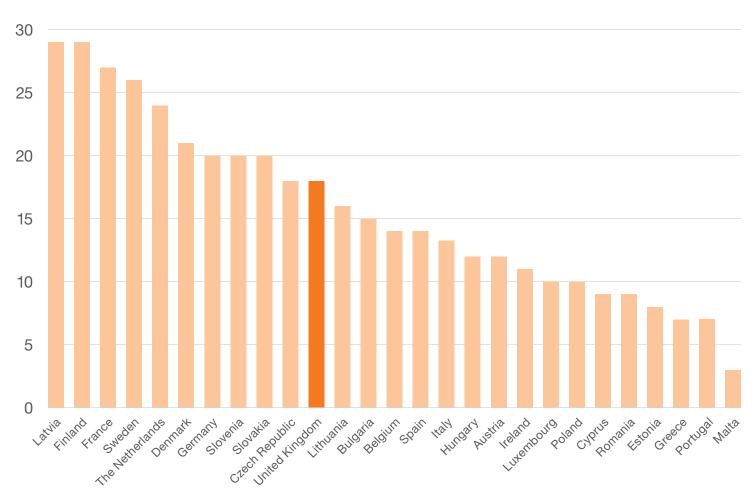
The UK has one of the higher rates of female entrepreneurs in the EU at 6.3%, well ahead of its main competitors in Germany and France. However, the UK is significantly behind the US at 10.5% and the female rate in the UK is only around half the male entrepreneurial rate (11.6%).

Source: Global Entrepreneurship Monitor

Year: 2012 (for Czech Republic the data is for 2011 and there is no recent data for Bulgaria, Cyprus, Luxembourg or Malta)



#### Proportion of boards members of largest european companies who are women (%)4

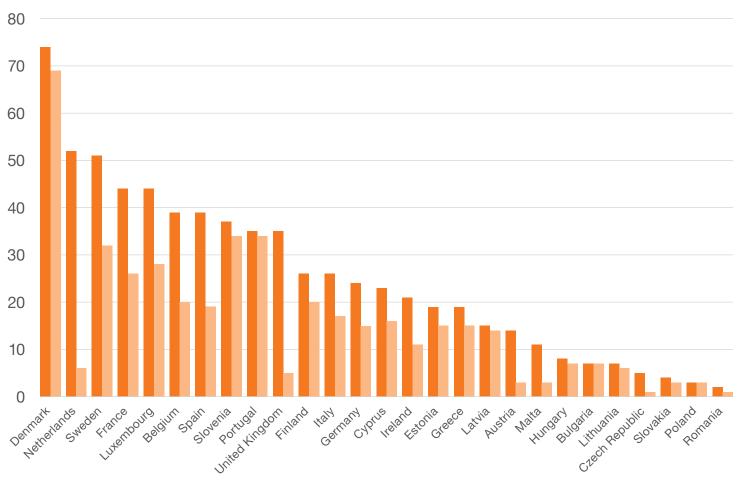


The UK ranks equal 10th in the EU in terms of proportion of board members at the largest companies who are women, slightly above the EU average but behind its main competitors in Germany and France. Achieving Lord Davies target of 25% female board members would move the UK up to 5th.

Source: European Commission Justice Gender Equality Statistics Year: 2013 (data as of April/May 2013)



#### Proportion of children aged less than three years cared for by formal arrangements (%)5



The UK is currently exceeding the EU target to provide childcare to at least 33% of children under three years of age, with 35% of under threes receiving at least one hour of childcare a week in 2011. This compares relatively well to other EU countries, ranking equal 9th on this measure. However, in terms of higher volumes of childcare (at least 30 hours a week) 5% of under threes receive this level of childcare, ranking the UK 21st in the EU.

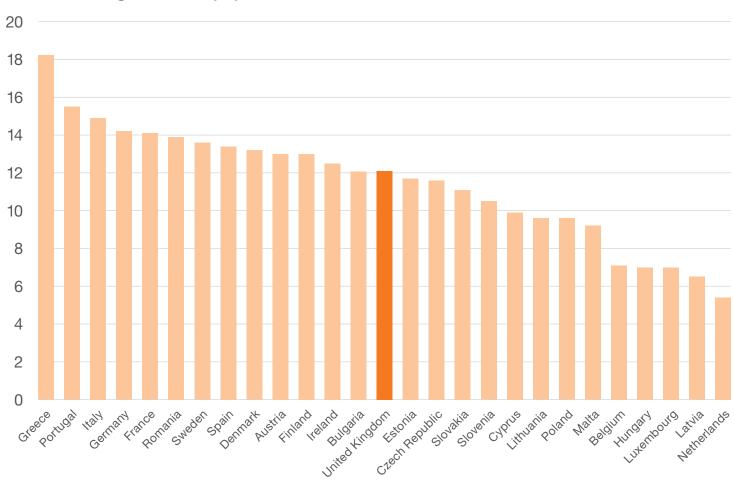
There is a similar pattern for the complementary EU target of 90% of children between three and the mandatory school age being in childcare. 93% of children in the UK of this age receive at least one hour a week (ranking 6th in the EU) and 27% receive more than 30 hours (ranking 23rd in the EU).

Source: Eurostat, based on Community Statistics on Income and Living Conditions harmonised across EU states (in the UK this is currently collected using the Family Resources Survey, previously the General Lifestyle Survey)
Year: 2011





# Proportion of female graduates in maths, science and technology subjects as a proportion of all female graduates (%)

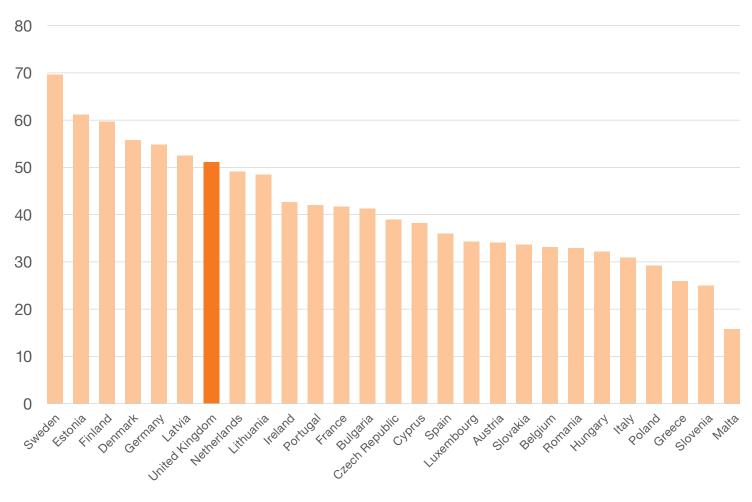


12.1% of female graduates were in maths, science and technology subjects in 2011 in the UK, closely matching the average across the EU (12.4%). Amongst male graduates 36.0% were in these subjects in the UK, and 37.4% across the EU.

Source: Eurostat, based on administrative statistics harmonised across EU states Year: 2011



#### Female employment rate for 55 to 64 year olds (%)6

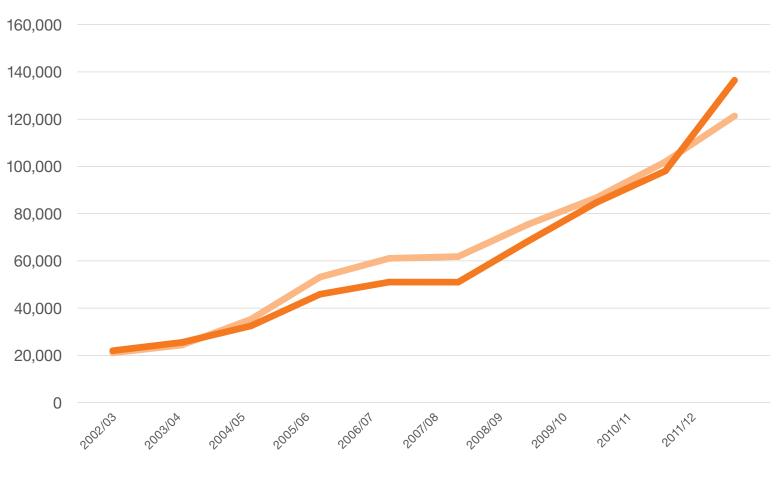


The UK has the 7th highest employment rate for older women in the EU at 51.0%, well above the EU average of 41.8%. However, the rate is still significantly lower than the equivalent male employment rate of 65.5%.

Source: Eurostat, based on Labour Force Survey harmonised across EU states Year: 2012



#### Numbers of women and men completing apprenticeships



There has been a rapid increase in the numbers of people (both men and women) completing apprenticeships over the last 10 years with the number of women completing apprenticeships increasing more than fivefold. In 2011/12 53% of all those completing apprenticeships were women, moving ahead of men for the first time since 2003/04.

Source: The Data Service Further Education Data Library

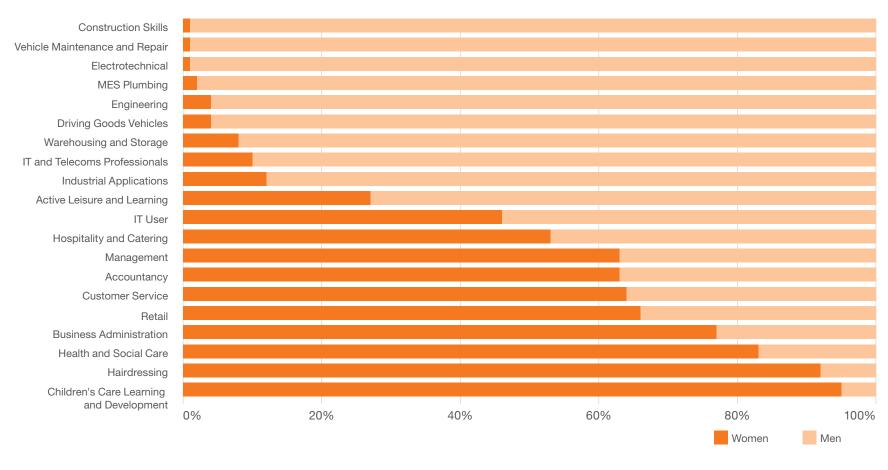
Year: 2002/03 to 2011/12



Women

Men

#### Subject choice for women and men completing apprenticeships



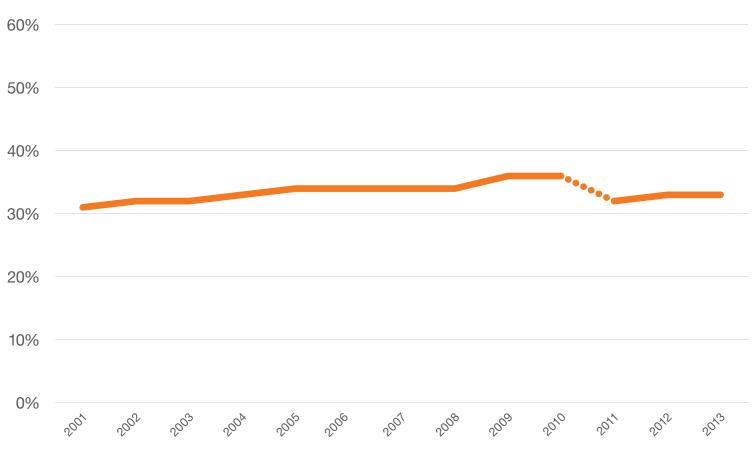
Subject choice varies greatly between men and women for apprenticeships in a similar way to choice of degree subjects. Only 4% of engineering apprenticeships were completed by women in 2011/12 and only 10% of those for IT and telecoms professionals, compared to 95% of children's care and 92% of hairdressing apprenticeships. However, women were well represented in accountancy and management, making up 63% of those completing apprenticeships in each.

Source: The Data Service Further Education Data Library

Year: 2011/12



#### Proportion of those in managerial positions in the UK who are women (%)<sup>7</sup>



The proportion of women in managerial positions in the UK has increased very slowly over the past 10 years. Between 2001 and 2010 the proportion increased by five percentage points, and following the introduction of new occupational codes in 2011 causing a break in the series it has increased by one percentage point between 2011 and 2013.

Source: Labour Force Survey, ONS

Year: 2001 to 2013 (note that occupational codes were changed in 2011 meaning data before 2011 is not directly comparable to data after 2011)



### **Footnotes**

- Annual average proportion of females aged 20 to 64 in employment.
- The unadjusted gender pay gap represents the difference between average (mean) gross hourly earnings of male paid employees and of female paid employees as a percentage of average (mean) gross hourly earnings of male paid employees. The population consists of all paid employees in enterprises with 10 or more employees in industry, construction and services (except public administration and defence). Note that the headline gender pay gap data usually quoted in the UK is the median average, rather than the mean, and has a different population coverage so differs from that quoted here.
- <sup>3</sup> Proportion of women aged 16–64 who are either a nascent entrepreneur (i.e. actively involved in setting up a business they will own or co-own) or ownermanager of a new business.

- Note that companies covered are the largest publicly listed companies in each country (max 50). In the UK 46 countries have been selected but in many smaller countries the sample is smaller (as low as 10 in Luxembourg). This data collected by the EC is distinct from the UK only Female FTSE research by Cranfield University which covers all of the FTSE 100 companies.
- Formal arrangements include pre-school, day-care and equivalent services or childcare provided by professional child-minders or grandparents, relatives, friends or neighbours.
- <sup>6</sup> Annual average proportion of females aged 55 to 64 in employment.
- <sup>7</sup> This is the proportion of those who are categorised in the occupational code 1 in UK labour market statistics who are women. Occupational code 1 referred to "Managers and Senior Officials" from 2001 to 2010 and "Managers, Directors and Senior Officials" from 2011 to 2013.







# To find out more visit womensbusinesscouncil.dcms.gov.uk

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