

ADVANCE & HSG GENDER INTELLIGENCE REPORT

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BY ADVANCE & HSG

ACCELERATING GENDER DIVERSITY IN SWISS BUSINESS

As the leading business association for gender equality in Switzerland, Advance has partnered with the Competence Centre for Diversity & Inclusion (CCDI) of the University of St. Gallen to accelerate the creation of gender equal workplaces. This is the second publication of the Advance & HSG Gender Intelligence Report, an integral part of the Advance program to support member companies on their diversity journey.

This report is unique in that it integrates three components:

- relevant facts and figures for Switzerland,
- actionable recommendations to initiate and fine-tune D&I measures,
- inspiration through best-in-class practices delivering tangible impact.

The results of this study are complemented with insights from CCDI based on the broader context of their research activities.

In practice, we see three main levers for achieving gender equal workplaces: 1) hiring, 2) promoting and 3) retaining more female talent – enabled by processes and a culture that support female careers. You will find the results of the report structured according to these three stages of the employee life cycle.

We wish you an insightful read – let's advance faster together! **#WeAdvance**

Alkistis Petropaki

General Manager
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Prof. Dr. Gudrun Sander

Director Competence Centre
for Diversity & Inclusion



EXECUTIVE SUMMARY

Including women in leadership makes good business sense. It is well documented that diverse leadership teams perform better, are more innovative and more profitable. A look into the overall status quo in Switzerland is a wake-up call. Far too many highly educated and skilled women are still lost on the way to the top.

The overall conclusion from the study is that we see signs of improvement in the external hiring process with positive pipeline effects, and challenges in the internal promotion of female talent. A highlight is the high number of women returning after maternity leave, which is far above the Swiss average.

Sample

We analyzed the anonymized raw data of 238'700 employees, 71'600 of whom hold management positions. The sample consists of 50 Swiss-based companies across all industries. Thirty-eight are Advance member companies. Twenty-four companies participated via the St. Gallen Diversity Benchmarking, 12 of which are also Advance member companies. They are therefore part of the "Advance member companies". The other 12 companies that participated via the St. Gallen Diversity Benchmarking form the group "Benchmarking companies". The size of the companies varies from around 100 up to 30'000 employees. The results are based on data from 2017.

Men overrepresented at the top, yet we see positive pipeline development

Whereas in non-managerial positions, the gender distribution is almost equal, men still represent over 80% of top management. With 30% women in management overall, however, we still see positive developments.

Relatively more female managers hired than already employed

The positive trend in hiring continues. This is true on average and is even more pronounced for Advance members, which seem to be more attractive to female talent.

Turnover rates of male and female managers converge

This relatively new trend shows that companies are improving in retaining female talent in the total workforce as well as in management.

Fewer women are promoted than men

Promotion processes still favor men. The gender gap becomes clear already on the first level of promotion from non-management to management.

Recommendations

Based on the results of this study, we strongly recommend leaders to focus on promotions and structural changes conducive to female careers while keeping up the hiring efforts.

Set clear commitments and targets covering the employee life cycle

- Define KPIs to track progress – what gets measured, gets done.
- Align management incentives to these targets.
- Report on your progress.

Implement un-biased promotion processes

- Develop transparent promotion criteria.
- Include more than one decision maker.
- Actively support women in their career development.
- Empower male managers to be inclusive leaders.
- Encourage flexible working and part-time for all and focus on results rather than presence.

Become employer of choice for female talent

- Use unbiased language in your job advertisements.
- Use targeted on-site events and authentic social media campaigns.
- Leverage positive role model effects.
- Make sure that women with potential are hired in order to fill the pipeline.

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RESULTS

The results of the Advance & HSG Gender Intelligence Report are presented in four parts. The first section shows the gender distribution on different management levels. The next three sections focus on three critical phases in the employee life cycle and the biggest challenges in each:

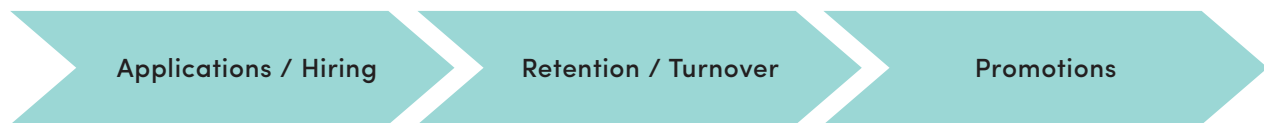


Figure 1: Overview of the employee life cycle

Every section is enriched with insights and trends identified by the Competence Centre for Diversity & Inclusion (CCDI) from their various research projects. The report concludes with actionable recommendations and inspiring best practices from participating companies.

1. GENDER DISTRIBUTION

1.1. GENDER DISTRIBUTION

ON MANAGEMENT LEVELS

The following analysis is based on five hierarchical levels: non-management, lowest management, lower management, middle management and top management. They are defined according to the Swiss Earnings Structure Survey of the Federal Statistical Office and are used by Logib, the federal government's equal pay self-test tool.

Heavy overrepresentation of men at the top

Although the gender ratio is equal at the non-management level, 85% of top management is male. Already at the lowest management level, the gender gap is significant and grows with each hierarchical level. However, it is encouraging that on the first two management levels, there are at least 30% women.

Gender Distribution - All 50 Companies

■ Women
■ Men

Top Management

15%

85%

Middle Management

22%

78%

Lower Management

30%

70%

Lowest Management

42%

58%

All Management Levels

30%

70%

Non-Management

51%

49%

Figure 2: Gender distribution on different (management) levels

Comparatively more female managers in Advance member companies

On average, Advance member companies have a higher percentage of women on all managerial levels than the Benchmarking companies. This is particularly true at higher managerial levels, as shown in figure 3.

Gender Distribution - Advance Members and Benchmarking Companies

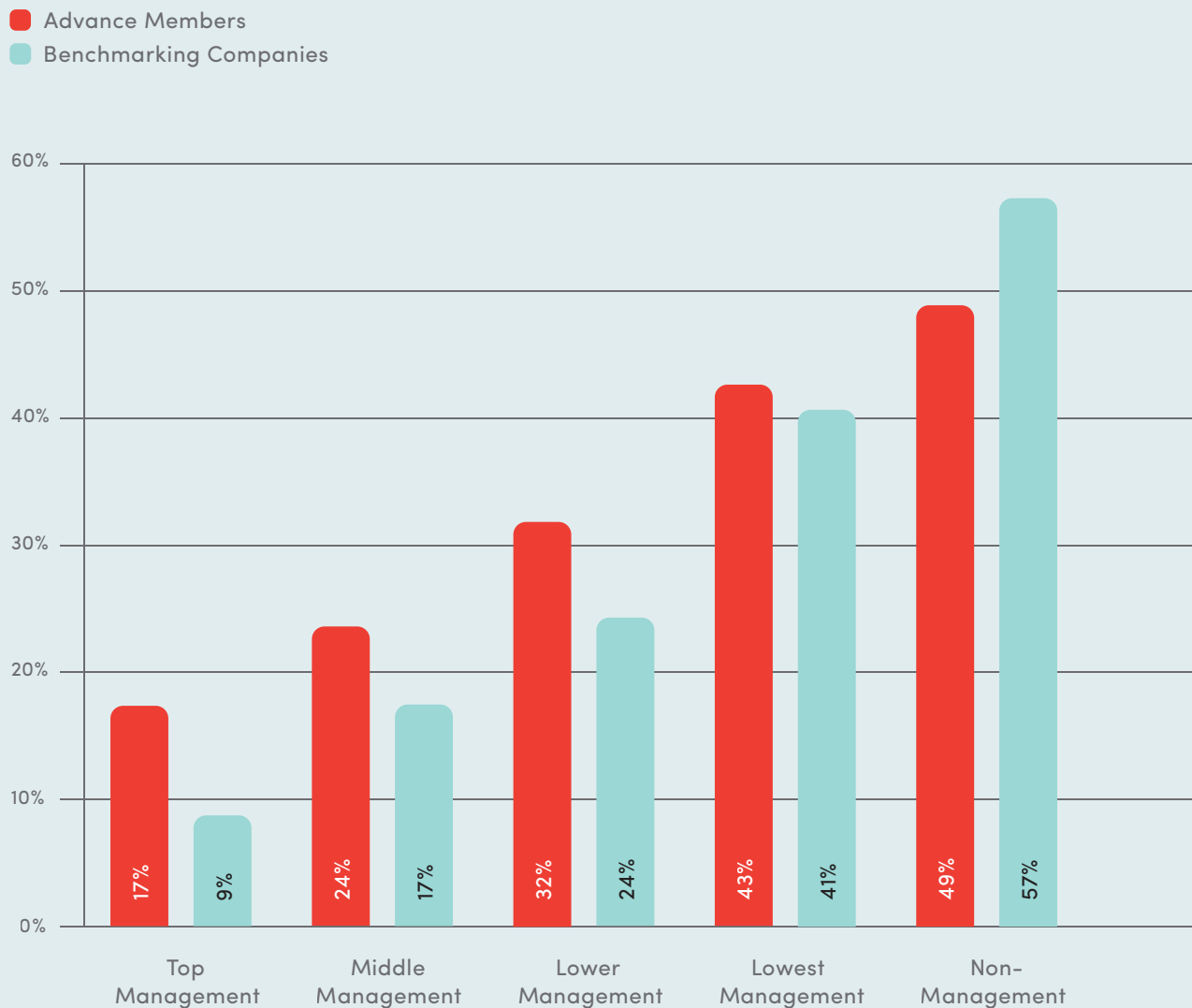


Figure 3: Female representation in Advance member companies compared to the Benchmarking companies

In the top quartile of Advance member companies ("best in class"), female representation is even above 30% on all management levels except the top. Typically, these are companies that have been systematically managing their female talent pipeline over time and have implemented changes in organizational processes und structures that are conducive to female careers.

Gender Distribution - Advance Members Top Quartile

■ Women
■ Men

Top Management

21%

79%

Middle Management

31%

69%

Lower Management

39%

61%

Lowest Management

45%

55%

Non-Management

59%

41%

Figure 4: Gender distribution - Advance member companies on different (management) levels - top quartile

1.2. INSIGHTS & TRENDS

GENDER DISTRIBUTION

Women less likely to hold positions in top management and with personnel responsibility

Besides the common pattern of fewer women at each higher management level, we also found that women in management are less likely to hold positions with personnel responsibility. Men are even more over-represented in these positions. Female representation in top management is not higher even in newly founded companies, as a report from PwC shows: "There is less gender diversity at top management levels in newly created companies than at established organizations." (Johnson, 2018)

30% is a threshold figure

"Research shows that minority groups need at least a 30% representation before their members can avoid being perceived and stereotyped based solely on their minority status. This level of representation also enables minorities to influence the organizational culture. Therefore, a primary target should be to attain a 30% proportion of women in management overall and on every single management level."

– Prof. Dr. Gudrun Sander

Aging male management as opportunity

CCDI research has identified quite a few organizations in which more than 40% of men in management are over 50 years old. Many of these will enter retirement over the next 10 to 15 years. This is an opportunity to build the female talent pipeline now, in order to prepare more women to take on these roles when needed.

2. APPLICATIONS AND HIRING

2.1. APPLICATIONS AND HIRING IN THE TOTAL WORKFORCE AND IN MANAGEMENT

Sufficient applications from women for management positions

The average percentage of female applicants for management positions (30%) is the same as female managers already working for the companies (30%). Companies thus receive enough applications from women to at least hold, if not increase the ratio of female managers. This figure is based on data from 352'600 applications provided by 19 of the 50 companies. Not all companies systematically collect data on applications over time. Such data can provide valuable insights and we recommend implementing systematic anonymized data collection.

It is interesting to compare these figures within the top quartile of the companies. Here, the percentage of female applicants (37%) is slightly higher than the percentage of female managers already employed (36%). The same is true for the top quartile of Advance member companies at a slightly higher level, where we see 38% female applicants for managerial positions vs. 37% female managers already employed.

Comparison of Female Applicants and Female Employees for Managerial Positions – Advance Members Top Quartile

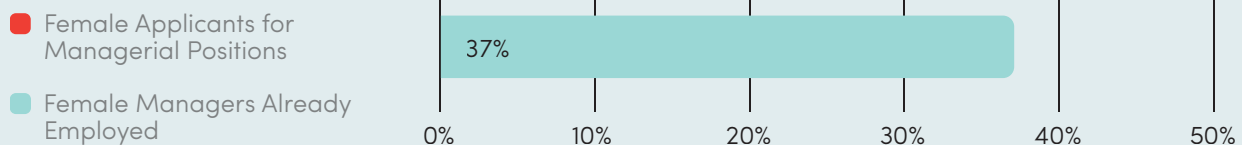


Figure 5: Percentage of female applicants for managerial positions compared to female managers already employed – Advance member companies – top quartile

Recruitment of female talent is increasingly successful

Overall, more women are hired than are already employed. Women make up 44% of all new hires compared to 40% of the existing workforce.

Comparison of Female New Hires and Female Employees – All 50 Companies

- Female New Hires
- Female Employees

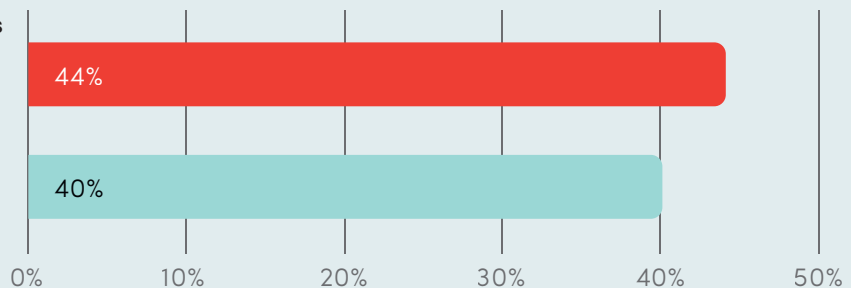


Figure 6: Comparison of female new hires and female employees

Comparatively more female new hires in management

Women make up 32% of all new hires for managerial positions in relation to 30% female managers who are already employed. These numbers are even slightly higher for Advance member companies: 35% vs 30%. Based on these results, we conclude once again that there are sufficient high-quality applications from female talent. This is also supported by data on applications from other research projects by CCDI.

Comparison of Female New Hires in Management and Female Managers Already Employed – All 50 Companies

- Female New Hires in Management
- Female Managers Already Employed

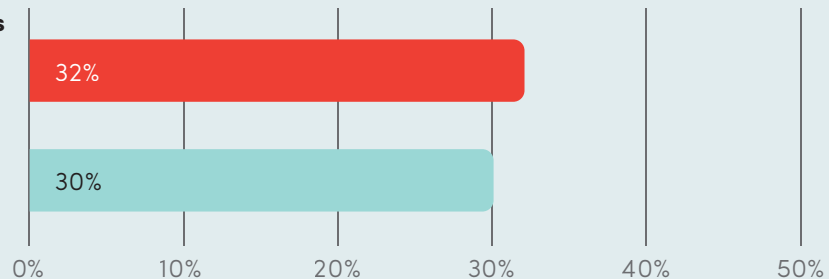


Figure 7: Percentage of new female hires for managerial positions compared to female managers already employed

Top performing companies among the most attractive employers for female talent

Looking at the top quartile of the complete sample, even 40% of the new hires for managerial positions are women, compared to 36% of female managers already employed. Again, the top quartile of Advance member companies reaches the highest percentage with 42% newly hired female managers vs. 37% already employed.

Comparison of Female New Hires in Management and Female Managers Already Employed – Advance Members Top Quartile

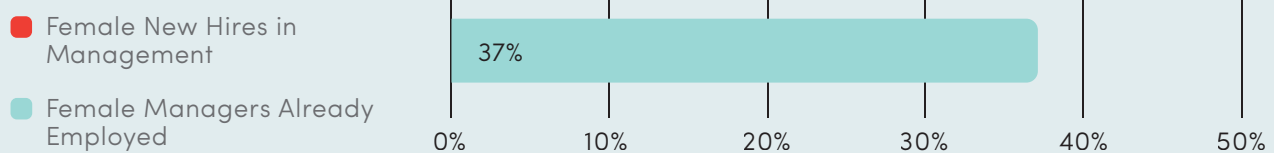


Figure 8: Percentage of new female hires for managerial positions compared to female managers already employed – Advance member companies – top quartile

In sum, companies are successfully using external recruitment to increase the proportion of women in their organizations, both in the overall workforce and in management.

2.2. INSIGHTS & TRENDS

– APPLICATIONS AND HIRING

More and more companies have started to collect information on applications, although it is not yet standard procedure. Such information sheds light on whether there are enough women applying for open positions – especially at management level. It can also indicate which (potential) groups of employees a company is particularly attractive to.

Gaining a clear picture of incoming applications enables a company to take measures to adjust recruitment processes where necessary. We therefore recommend collecting data on applications. Ultimately, such data analysis will reveal whether or not statements such as “Not enough women apply (for managerial positions or certain functions such as IT)” are true.

2.3. RECOMMENDATIONS FOR APPLICATIONS AND HIRING

Keep up the hiring efforts and track applications

To keep up or even increase the hiring efforts, a sufficient number of high-quality applications can potentially increase the proportion of women overall as well as in management. Therefore, we recommend tracking applications and analyzing them in-depth. This can provide important information on how to increase the number of female hires.

We also recommend exploring whether your hiring practices are “gender-segregated”. CCDI projects show that companies often hire women for typically female positions like assistants and hire men for typically male positions like project leaders. In this case the overall number of hires shows good results, but it turns out that many of the hired women are less educated and hired for dead-end jobs, whereas the men tend to be better educated and placed on track for further career development. This gender-segregated hiring has no sustainable impact on the female pipeline.

Steps to become “employer of choice” for female talent

- Use unbiased language in your job advertisements.
- Consider offering flexible working opportunities and 80-100% positions.
- Use targeted on-site events and authentic social media campaigns.
- Leverage positive role model effects.
- Make sure that women with potential are hired to fill the pipeline.
- Use the Advance cross-company network to stay informed about trends, learn about best practices and help advance female talent.

3. RETENTION AND TURNOVER

3.1. RETENTION AND TURNOVER IN THE TOTAL WORKFORCE AND IN MANAGEMENT

Companies are improving on retaining female talent

At management level, 10% of both men and women leave their companies annually. There is a slightly higher turnover rate among women in the total workforce. This is consistent with the data from the Federal Statistical Office for all Swiss-based companies (BFS, 2017a). This relatively new trend of converging turnover rates shows that companies are improving on retaining female talent in the total workforce as well as in management.

Employee Turnover in Total and in Management – All 50 Companies

■ Women
■ Men

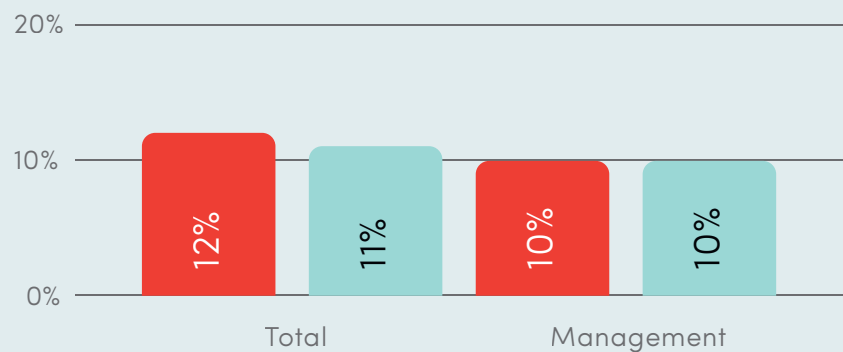


Figure 9: Employee turnover in total and in management – all 50 companies

Female managers in Advance member companies are more loyal

The average turnover rate in middle and top management in Advance member companies is higher than in the Benchmarking companies. If we look at the gender differences, it seems that in Advance member companies, female managers are more loyal. The turnover rate of male managers is slightly higher than that of female managers.

This means that Advance member companies are better able to retain women in middle and top management. In the Benchmarking companies, the turnover rates of both men and women are lower but also very similar.

Employee Turnover in Middle and Top Management – Advance Members vs. Benchmarking Companies

■ Women
■ Men

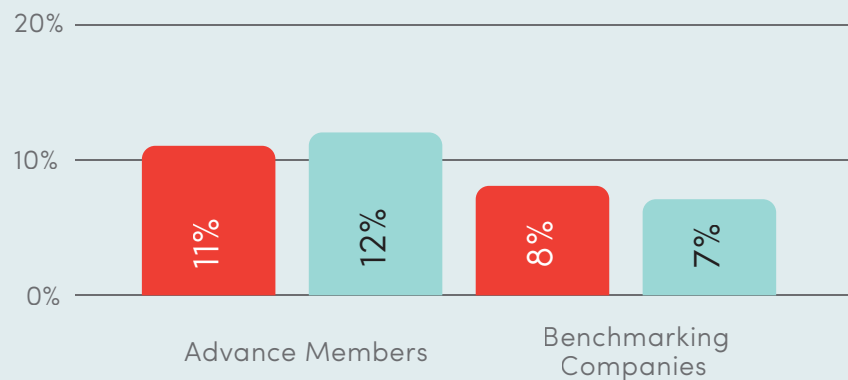


Figure 10: Employee turnover in middle and top management – Advance member companies vs. Benchmarking companies

Turnover rates per age group and gender are very close

In all 50 companies, turnover rates are almost equal across age groups. They are highest for young employees and decrease as employees get older. Comparing Benchmarking and Advance companies reveals a notable difference: In the Benchmarking companies, the turnover rate of women is higher than that of men in all age groups. The difference is highest (2%) for the age groups 21–30 and 31–40 years.

Employee Turnover per Age Group and Gender – All 50 Companies

■ Women
■ Men

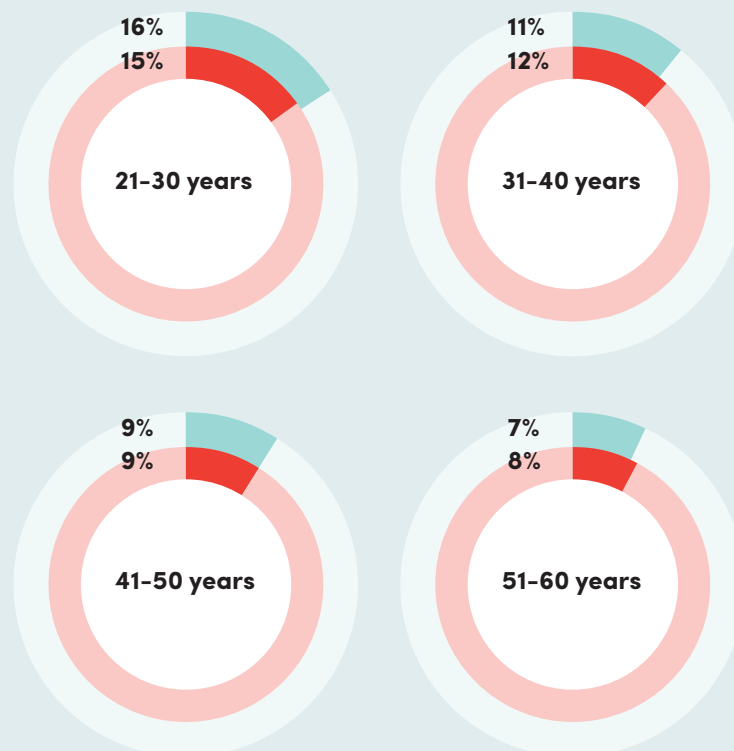


Figure 11: Employee turnover per age group and gender – all 50 companies

Notable success in retaining women after maternity leave

On average, 87% of the women in our sample of 50 companies return to work after maternity leave. This is much higher than the Swiss average of only 65% (BFS, 2017b). In the top quartile of all 50 companies, it is even 99%. Looking at the top quartile of the Advance member companies, **100%** of women return to work after maternity leave.

3.2. INSIGHTS & TRENDS

– RETENTION AND TURNOVER

In many companies, the proportion of women leaving is slightly higher than the proportion of women among employees, therefore, the turnover rate is slightly higher for women than for men. The positive recruiting results are thus partially lost.

In recent years, the turnover rates of women and men have converged, which we consider a positive development. The second positive trend that we observe is the high number of women returning to work after maternity leave. This implies that companies are increasingly taking active measures to retain female talent throughout motherhood, thereby contributing to a mind-set change that being a good mother and having a professional life are no longer contradictory.

3.3. RECOMMENDATIONS

FOR RETENTION

The results of this study concerning retention are encouraging. However, there are also companies in which the turnover rate of women is clearly higher than that of men, overall and in management. The following recommendations could be helpful for them.

A first step would be to analyze the reasons why women leave. In addition, a survey (e.g. employee satisfaction survey) could provide further insights by helping to identify employee groups with higher leaving intentions. As a next step, we recommend analyzing which topics these employees reply differently to than employees without leaving intentions (e.g. career opportunities, access to talent pools and training, leadership culture, work-life balance, etc.).

There are also companies where young employees and especially women between 21 and 30 years show the highest turnover rates. To these companies we recommend paying attention to young female talents early on, offering them attractive perspectives, engaging in proactive career conversations and making sure they have role models and get visibility themselves. Another CCDI study of post docs at the ETH Zurich showed similar results (Sander/Dietsche/van Herck/van Dellen, 2015). If the topic of family planning becomes relevant during a woman's career, she needs to receive concrete assistance for her continued career development. Companies therefore should proactively talk to young women about their career plans and show interest in further developing them – even when they might have children.

3.4. BEST PRACTICE FOR RETENTION

AT ZÜRCHER KANTONALBANK

Developing Female Talents Does Not End with Motherhood

Ann-Kathrin Greutmann, Diversity and Health, Zürcher Kantonalbank



How does Zürcher Kantonalbank approach talent retention overall?

Zürcher Kantonalbank places great importance on facilitating the continuous development of employees based on their skills and competences. For this, management and employees are asked to regularly reflect on and discuss themes around development. In so-called “mini-sessions” they reflect on performance and behavior in order to identify and foster individual development potential. This approach requires a considerable level of trust. These discussions don’t just focus on development themes centered on the employee’s actual job. Themes such as work-life balance are also important, because without this there is no scope for personal development. So laying the foundations for this balance is another major goal for us.

What is your most successful measure for the retention of female talent?

Half of our female employees work part time. Benchmarking results show that female employees in executive positions display a particularly high level of loyalty to our company. There are many additional reasons for this besides development planning. These include the fact that our bank wants to retain women who become mothers and that development planning doesn’t end with the birth of a child. For example, we actively support female employees who would like to work shorter hours to find a suitable position within the company, aiming to have a new contract signed at the latest six weeks before the birth of their child.

How did you implement this? Do you monitor regularly?

At the beginning of 2016, we revised and optimized our maternity plan. We formed a pool of employees made up of mothers who were unable to return to their original jobs for various reasons or who had decided to take a longer period of maternity leave. In both cases, the focus is on internal relocation or reintegration. To this end, analyze this pool of employees every two months and are constantly engaged in finding them a position that matches their requirements.

What are the challenges?

We encounter challenges when women with very short working hours want to return to work or when there are already plenty of part-time employees in teams. A good mix of full and part-time employees is important for most teams.

What are the results and which KPIs do you measure?

Besides our loyalty benchmarking, we measure the relocation rate and the exit index. Last year, we found suitable positions for all mothers who wanted to stay with the company. When women returning from maternity leave work at least 60 percent, we help with the cost if their children attend nursery. This financial support makes working longer hours more attractive for women, since the bank helps cover the cost of childcare.

This well thought out plan offering multiple interlocking benefits combined with constant reflection on individual development helps create a high level of loyalty. The positive exit index confirms this.

3.5. BEST PRACTICE

FOR RETENTION AT PwC



Developing Female Talents from an Early Stage on

Dr. Corina A. Merz, Human Capital Inclusion & Diversity Leader, PwC Schweiz

How does PwC approach talent and especially female talent retention?

We address this strategically with a combination of CEO and leadership engagement paired with talent pools in our service lines. Most importantly, our CEO, Andreas Staubli, and his predecessor, Urs Honegger, are personally committed to and actively engaged in increasing diversity and especially gender diversity within our firm. At PwC, we believe that talent can be spotted early in a career and we are keen to develop our top talents from an early stage on. This is an important shift away from actively developing talents who are already within close reach of the top ladder.

What are your most successful tactics?

Each line of service has so-called talent pools of employees. The goal is to recognize their strengths and development areas as early as possible. For female key talents, we have additional development programs, such as our PwC Women Mentoring Program which helps its members develop a network, achieve visibility, create a strong business case and gain a trusted advisor.

Focusing on retention, which measure has had the greatest impact?

It is always a combination of multiple measures and the work culture that ultimately translates into a high talent retention rate. We do see, however, that our Partner Pipeline Discussion has really shifted the needle. Based on our Inclusion & Diversity strategy, we have adopted the implementation of a firm-wide talent council – we call it Partner Pipeline discussion – to oversee the partner pipeline process. Our CEO is joined on this council by our Human Capital Leader, our four Line of Service Leaders and their Human Capital counterparts as well as the Inclusion & Diversity Leader. This is a fast forward approach to partner pipeline planning with a laser focus on female succession planning. Our Line of Service Leaders communicate with all talents who we believe have partner potential, even when they are still in their early career stages.

What is also crucial is that leaders understand that key talents (men and women) need to be told regularly that they are appreciated and considered for a top career at PwC. Only once is not enough. That was a real game changer.

Were there any barriers in the organization?

Communicating partner potential, especially early in one's career, is not always easy since a career path can take many turns. We are mindful of this and manage it with regular career conversations. Regarding potential barriers, what needs to be monitored – as in all organizations – is unconscious bias in the talent selection process. We are proud to say that our partner pipeline is gender mixed and includes people with different sexual orientations and personality styles, such as introverts and extroverts.

Which KPIs do you apply and what do you monitor on a regular basis?

We use a quarterly predictive workforce analysis to identify what the pipeline needs to look like to achieve our target of 20% female partners. Furthermore, we monitor our progress with the Inclusion Index – a composite index comprised of two core buckets: a gender diversity score and an inclusion score. KPIs that we regularly monitor regarding retention are workforce structure, leaver rate, hiring rate, promotion rate and qualitative exit interviews.

What can you tell us about the results so far?

First, we have seen a 55% increase in female pipeline representation since the first year of monitoring in 2015. Compared to last year's partner pipeline, 91% of female partner candidates have stayed with us. Second, there is clearly greater visibility and awareness within management for our key female talents in the pipeline for manager, senior manager and director positions. And third, there is more consistent support early on for female and male key talents through the partner pipeline discussions and the partner-ready development planning.

Is there anything else you would like to add?

Leadership engagement, not just the commitment, is key. We are proud that our CEO takes diversity very seriously and engages himself actively – by regular communications, engagement in firm initiatives on diversity and personal contributions to demonstrate that we walk the talk, such as our actual Equal Salary Certification.

Working in the field of Inclusion & Diversity can be demanding and change management requires a high level of perseverance. Take a moment from time to time to celebrate small successes to boost your energy.

4. PROMOTIONS

4.1. PROMOTIONS^{*)} OVERALL AND FROM NON-MANAGEMENT TO MANAGEMENT

Women are promoted less often than men

Compared to their proportional representation, women on average are promoted less often than men. Thirty-six percent of the employees being promoted are women while their proportional representation in the total workforce (including management and non-management) lies at 40%. Men are overrepresented in promotions at all companies, including Advance members.

*) "Promotion" means that an employee is on a higher hierarchical level in the current period (2017) compared to the last period (2016).

Comparison of Promotions and Employees Overall – All 50 Companies

■ Women
■ Men

Promotions

36%

64%

Employees

40%

60%

Figure 12: Comparison of Promotions and Employees Overall – All 50 companies

Advance member companies do not measure up to the Benchmarking companies in this area. In the Benchmarking companies, 41% of the employees promoted are women vs. 34% in Advance member companies. Promotions are also in favor of men in the Benchmarking companies, but the index (i.e. the gender ratio of promotions compared to the gender ratio of employees) is better than at Advance member companies.

Comparison of Promotions and Employees – Advance Members

■ Women
■ Men

Promotions

34%

66%

Employees

39%

61%

Figure 13: Comparison of promotions and employees – Advance member companies

Imbalance already starts on the first management level

Achieving the first level of management is a critical step for career advancement. And already at this stage, women are considered less often for promotion than men. While there is a nearly 50:50 gender ratio among non managerial employees, notably more men are promoted to management (58% men compared to 42% women).

Comparison of Promotions to Management and Employees in Non-Management – All 50 Companies

■ Women
■ Men

Promotions to Management

42%

58%

Employees in Non-Management

51%

49%

Figure 14: Comparison of promotions to management and employees in non-management – all 50 companies

The index (comparing the gender ratio of promotions to management to the gender ratio of employees in non-management) is similar for Advance member companies and the Benchmarking companies.

Comparison of Promotions to Management and Employees in Non-Management – Advance Members

■ Women
■ Men

Promotions to Management

40%

60%

Employees in Non-Management

49%

51%

Figure 15: Comparison of promotions to management and employees in non-management – Advance member companies

The disadvantage of women concerning promotions could indicate that women are recruited more often than men for less qualified jobs, i.e. for roles with no or only limited promotion opportunities. Since the percentage of women in non-management positions is higher than in management levels in most organizations, achieving a gender balance in promotions to the first management level would already increase the proportion of women in management.

Full-time is king – high average employment rate overall

One of the causes for the underrepresentation of women in promotions might be the predominantly full-time work culture. Among men, the average employment rate is practically 100%, whether they are in management positions or not. It is also high among women across all management levels (91%) and in middle and top management (93%). The data is telling: the higher the positions, the higher the employment percentage.

Average Employment Percentage – All 50 Companies

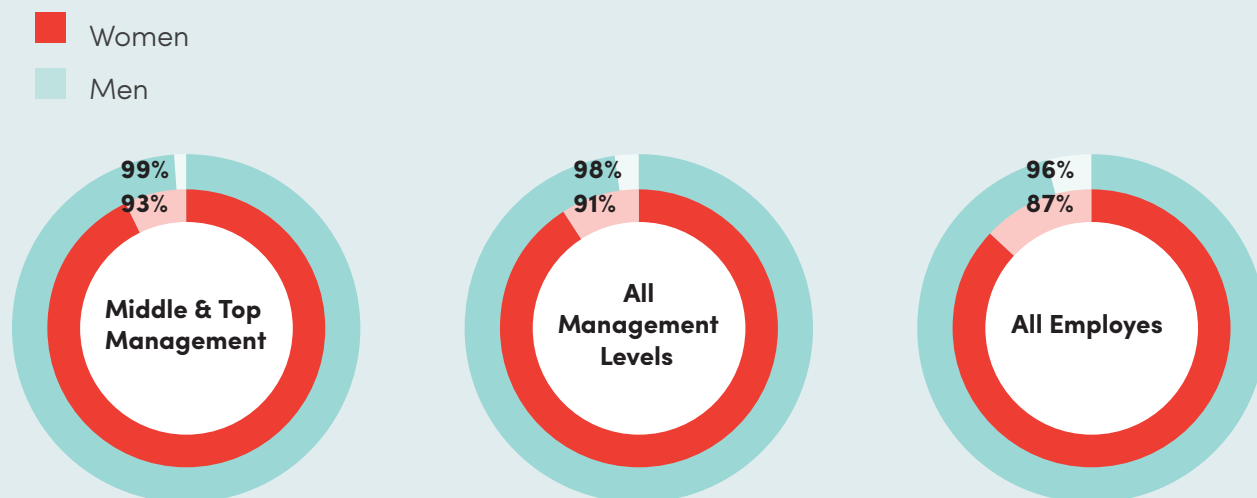


Figure 16: Average employment percentage – all 50 companies

The variation in employment rates among women is also greater in the surveyed companies, i.e. there is a wider range between the companies for women than for men. This recurs in management, although here the variation across the companies is somewhat smaller and there is hardly any variation at all for men. That means that managers (must?) work full-time or nearly full-time, especially in top and middle management.

Significant drop to part-time between 31-50 years among female employees

The average employment rate of female employees from 31 years upwards is clearly below the average employment rate of women in management and especially in higher management. As part-time is a well-known career stopper, flexible working models for both genders might effectively boost diversity in Swiss business.

Average Employment Percentage by Gender and Age - All 50 Companies

■ Women
■ Men

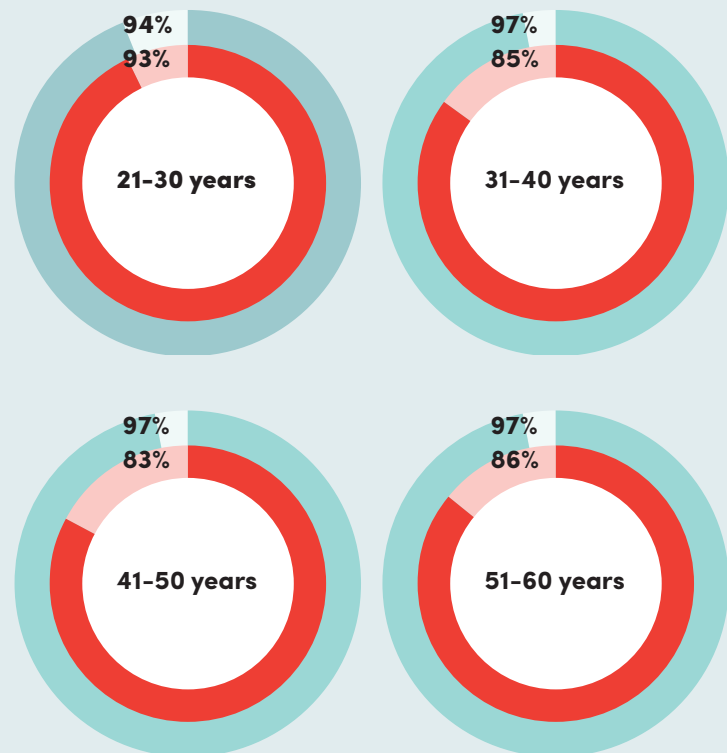


Figure 17: Average employment percentage by gender and age – all 50 companies

Dead-end mommy tracks

Among young women, the average employment percentage is equally high (93%) than that of young men (94%). Many women reduce their employment percentage after the age of 30, often due to family commitments. And they do not usually return to full-time later. Research shows that those who switch to part-time work usually stick with part-time work. Since most part-time employees are not able to reach (higher) management positions, this leads to so-called dead-end mommy tracks. When a full-time culture is the norm, men pursue careers that are considered the “normal ones”, and women – who more often work part-time – are limited to less attractive career paths.

Female to male employment rate difference is significantly lower for Advance members

The higher the employment rate, the easier it is to step up. The hurdle to achieve a management position is thus lower in Advance member companies. They seem to be better at enabling their employees to combine high employment rates with other engagements. This might be one of the reasons for the higher representation of women in management in Advance member companies.

Average Employment Percentage by Gender and Age - Advance Members vs. Benchmarking Companies

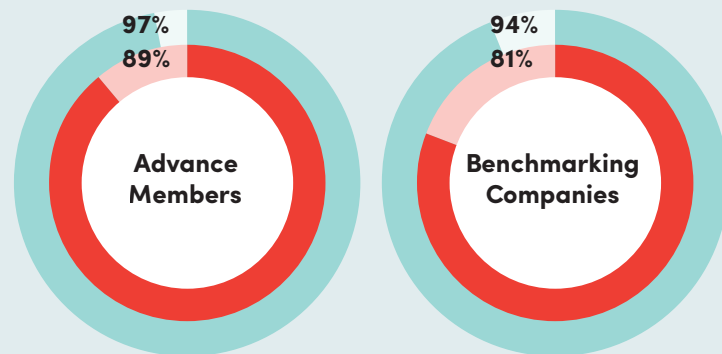


Figure 18: Average employment percentage – Advance member companies vs. Benchmarking companies

4.2. INSIGHTS & TRENDS

– PROMOTIONS

Combining part-time and leadership positions seems mostly illusory

A study conducted for Advance in 2016 (Sander, Georgakakis, van Dellen, Maier, 2016) showed that employment percentage significantly influences career opportunities. That is why the average employment rate is also discussed in this study.

Promotions in general and promotions from non-managerial to managerial positions both clearly favor employees working full-time (100%) compared to those working nearly full-time (80%–99%). Even though most companies in the sample state that part-time work in leadership positions is generally possible and can present some success stories, the results of our analyses do not support this.

We do see a rising trend of offering flexible work whenever possible. In addition, companies should honestly reflect on whether they are offering part-time and job-sharing for both genders as real options for career advancement.

“Advance actively facilitates the exchange of best practices for flexible working models that help to engage and retain working parents. Only by empowering all genders to share professional and family tasks will we be able to reach a gender equal society in Switzerland.”

– Alkistis Petropaki, General Manager Advance

Swiss women have the lowest average employment percentage

When looking at the average employment percentage by nationality, it can be stated that Swiss women have the lowest average employment percentage. Swiss and foreign male employees both work full-time. Part-time is mainly a phenomenon in German-speaking cultures. When working part-time, women lose valuable years of work experience, a fact that further limits their career opportunities (Dorn, 2018).

Flexible working does not show negative career effects

An alignment of the employment percentages of women and men is necessary to dispel one of the main obstacles for the career of women (whether women increase their employment rates or men decrease theirs). The study mentioned above (Sander, Georgakakis, van Dellen, Maier, 2016) also showed that flexible working models do not negatively affect career opportunities. Replacing part-time work by full-time with flexible working models might contribute to the solution in future and would support a change in the working culture from presence to result orientation.

Unconscious bias in promotions likely plays a role

In organizations with a high difference between the employment rates in management and non-management, women would need to increase their employment percentage in order to boost their chances for promotion. In other organizations, this difference is less pronounced, although the representation of women in management is nevertheless still low. In such organizations, there must be factors other than part-time work causing the gender gap, such as unconscious biases in promotion processes.

4.3. RECOMMENDATIONS

FOR PROMOTIONS

Based on these results, we strongly advise the companies to review their career paths, design fair and transparent promotions processes, and focus on talent management early on.

Steps in designing a fair promotion process

- Take a clear stand regarding leadership positions and part-time possibilities:
Define which employment percentages are possible on which management levels and stick to these guidelines.
- Assess where part-time work or co-leadership may be possible at higher ranks.
- Work to align the employment percentages of women and men: Encourage women to work at higher employment rates and men to work part-time. Provide the opportunity to try different working models during a limited period with the possibility to return to the old contract.
- Recruit women for jobs with career opportunities to further fill the pipeline.
- Present diverse role models for young women.
- Introduce a dual or triple control system for promotions: From several scientific studies, we know that as soon as more than one person is responsible for a decision – like a promotion – the probability of bias decreases and the processes and decisions become fairer.
What is very often the case for external recruitment is not so common for internal promotions. Therefore, the decision for a promotion should no longer be the sole responsibility of the direct supervisor.
- Set targets for promotions, talent pools and high potentials; anchor them in incentives and define consequences if the goals are not met. One target could be to have a higher proportion of women in talent pools and among high potentials than the ratio of female managers already employed in the company. This will increase your female talent pipeline.
- In addition, it may be helpful to identify the reasons behind the low proportion of female promotions, such as (even minor) reductions in employment percentages, unconscious biases in promotion or performance and potential assessments, etc.

4.4. BEST PRACTICE FOR PROMOTIONS AT ACCENTURE



Bias-free Environment with Multiple Checks Anchored in Corporate Culture

Dr. Petra Jantzer, Managing Director, Accenture

What is the overall ambition of Accenture for gender diversity?

We are convinced that our organization can only grow with a diverse workforce. Recruiting, retaining and promoting female talent is an important part of our journey to becoming a truly diverse company. To this end, Accenture has set itself the ambitious goal to create an equal male-female workforce by 2025 and wants to make sure this includes women rising to the top of the company. An important KPI is therefore to grow the percentage of female managing directors globally to 25% by 2020.

What is your strategy to reach these goals?

Diversity & inclusion need to be an integral part of the corporate culture. To achieve this, we have implemented a strategic bundle of measures comprising 10 steps:

1. Gender equality is on the agenda of our top management. They commit and take on personal accountability.
2. We stick to it. Developing female talent is not a single measure but an ongoing process.
3. We define KPIs and measurable targets that are regularly reviewed.
4. We conduct trainings with our leadership teams and HR professionals to actively counteract unconscious bias effects.
5. Job postings are consciously worded in a gender-neutral way so that they are attractive to women and men alike.
6. We have implemented "Liquid Workforce", a project enabling our employees to contribute to projects during parental leave without having to come back full-time right away. This way, they stay connected to their professional topics and the company.
7. We built up a worldwide women's network which allows female colleagues from all business fields to connect, engage and exchange. Female talents benefit from coaching by more senior colleagues who also help with individual career planning.

8. As part of our “Developing High-Performing Women” training program, female leaders share their experiences and pass on skills in business-critical areas such as negotiation.
9. Accenture has implemented a configurator for shaping contracts, offering a great deal of flexibility in terms of work hours, number of days off and travel time.
10. We take work-life-balance and employee participation seriously. Career planning, further education or parental time-outs – each colleague decides herself or himself on family planning and their individual way of life. We see it as the role of the company to support them in their choices.

Focusing on the topic of promotions, can you share an effective best practice for ensuring unbiased promotion processes?

In our talent discussions, we enforce a bias-free environment through trained colleagues: Each initial discussion between our senior management about who should be promoted or not is accompanied by a business partner from HR who has undergone unconscious-bias trainings. Additionally, some of our business units have identified certain managers of their own and have appointed and trained them as diversity champions. These experts will stop a conversation once it turns biased. They may, for example, ask that certain questions or statements be rephrased to bring the discussion back to a gender-neutral ground, acting as a remedy against possible blind spots. Pipeline management becomes more and more important as we look into the future: How many women do we have in our workforce who are ready to be promoted? A critical factor for this is of course the right percentage of female talent in general.

Is there anything else you would like to add?

Our concept of diversity not only includes women but also sexual orientation, people with disabilities, different age groups and cultural backgrounds. The latter does not only refer to coming from a certain country, but also from a different corporate culture. We are consciously looking for individuals, not for specific types. We communicate this through our campaign: “Be yourself. Make a difference.” And we walk the talk.

5. SAMPLE

We analyzed the anonymized raw data of 238'700 employees, 71'600 of whom are in management positions. The sample consists of 50 Swiss-based companies across all industries. Thirty-eight are Advance member companies. Twenty-four companies participated via the St. Gallen Diversity Benchmarking, of which 12 are also Advance member companies. They are therefore part of the "Advance member companies". The other 12 companies that participated via the St. Gallen Diversity Benchmarking form the group "Benchmarking companies". The size of the companies varies from around 100 up to 30'000 employees. The results are based on data from 2017.

The results focus on the average of all 50 companies. Where meaningful, they are compared to the average of the Advance member companies in the sample and to the top quartile of these companies (i.e. the best in class).

6. SOURCES

Anonymized data from 50 companies from 31 December 2016 and 31 December 2017.

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About Advance

Advance is the leading Swiss business association for gender equality in the workplace and is committed to increasing the share of women in leading positions. Gender-mixed teams make better decisions, are more innovative, productive and profitable. Gender diversity is a competitive advantage and a win-win for both women and men. Advance supports its member companies with an integrated program on their diversity journey. Founded in 2013 by nine companies, Advance has close to 90 member companies to date. advance-women.ch

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About the Competence Centre for Diversity and Inclusion CCDI, University of St. Gallen

The Competence Centre for Diversity and Inclusion (CCDI) is among the leading research institutions with regard to diversity and inclusion in Switzerland. CCDI conducts cutting-edge research on diversity and inclusion (D&I) and provides guidance and training to companies on how to promote and manage D&I in their organizations. Our team draws on more than 20 years of experience in the field.



7. CREDITS

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