



Include. All:

Publication on equal
opportunities in
management



Include.All

Publication on equal opportunities
in management

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INCLUDE.ALL

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Not by accident, but by design

Photo: archives of Danfoss Trata



Aleksander Zalaznik, General manager of Danfoss Trata and President of the Managers' Association of Slovenia.

Such a coincidence demands a great deal of wasted, unproductive energy. Can you achieve a goal even if you are unsure as to what precisely that goal is? You can, but only by accident. Why not use the capital invested in companies and the energy of workers in order to achieve strictly defined goals that meet the strategic interests of the company and those of its owners?

It is through managing performance or 'performance management', one of the six measures of Model 6 to achieve balanced management teams that we focus the entire energy of a company to achieve our Goal. At the company level, these objectives are often generic: growth, profit and cash flow. Through appropriate analysis, these may be converted into the tangible goals of each individual. Through appropriate analysis such goals may be transformed into the tangible goals of each and every individual. On the basis of these goals and with cooperation between the various organizational levels including that of the individual employee

Doubling the talent pool from which to hire – namely men and women, results in a statistically significantly greater chance that we will choose the best leaders.

Working together I believe that we have sufficient will and wisdom to achieve the goal we have set ourselves in the Commitment for a successful future.

we can determine activities, periodically monitor their implementation and take action when something goes wrong. And so it is every year. Only the goals are more ambitious.

Working together I believe that we have sufficient will and wisdom to achieve the goal we have set ourselves in the Commitment for a successful future. This belief stands as the cornerstone of the programme of the Managers' Association: namely that by 2020 Slovenia should be ranked among the 15 most developed countries in Europe. The programme to achieve this ambitious target covers four areas in which we as managers are working systematically and will make progress:

- knowledge and ambition,
- innovation and efficiency,
- direct foreign investment and internationalisation, and
- competitive business environment.

Underling everything is ethical and professional conduct: good results achieved in the right way. We want economic growth and set ourselves the goal of increasing the return on invested assets from 0.8 percent to 5 percent. This is a measure of our success. And to achieve our goals we need all the talents. Doubling the talent pool from which to hire – namely men and women, results in a statistically significantly greater chance that we will choose the best leaders. These are simple principles that apply to both the economic and social sector.

We should stick to our path and follow the signposts to achieve our goal. Include.All is a reliable compass for success. ■

Adapt. Get involved.

We all have to understand that the involvement of women in business is not only necessary, but absolutely essential. And beneficial. Women are an equal driving force behind the development of every community, every business and every country.

Melanie Seier Larsen, Principal at the Boston Consulting Group and President of the of the Section of Women Managers within the Managers' Association of Slovenia

Photo: personal archive



In the wake of the financial crisis the world has in recent years changed dramatically. Macroeconomists and 'forecasters' predict that we will not return to pre-crisis market conditions, and that the current state of affairs represents a new base line or rather a new reality. This means that we shall all have to change, all have to adapt to new trends and to the needs of the new situation in which we find ourselves.

As a result, we have to become more open and amenable to all around us. Again and again I am saddened to discover that women are still spoken of in the context of being a minority.

Of course, in recent years much has changed and the situation is still improving, but all too slowly. One of the few countries in Europe where growth in the number of women in top managerial positions is evident – is France. Moreover, in Europe there are still major differences in the representation of women in managerial positions between different industries: the highest proportion of women is in the sector of consumer goods; on the other hand, the proportion of women in the transport and construction sectors is almost negligible.

A turning point is coming, and indeed must come! Adaptation. We all have to understand that the involvement of women in business is not only necessary, but absolutely essential. And beneficial. Women are an equal driving force behind the development of every community, every company and every country. Slowly we have to rid ourselves of distrust of women

in managerial positions, since many a study has repeatedly shown that companies run by women better financial results and survived the darkest days of the crisis with least difficulty. So, these women are therefore doing something right.

Many companies are actively looking into with the issue of the proportion of women in managerial positions. Everyone wishes to understand the needs of women and also to show both externally and internally, that it is a serious issue and that they are dealing with the issue in a serious manner. Unfortunately, if we look a little deeper we see that the aforesaid topic is rarely placed high on the strategic agenda or among priorities. All of which once again proves that we all need to define and adopt more 'aggressive' and incisive actions to enable the situation to improve in the future. In the collection in front of you are the six measures of Model 6 *Include.All* designed to improve the balance of management and to achieve better operating results. Use them – in order to adapt and survive. ■

Again and again I am saddened to see that women are still spoken of in the context of being a minority.

Opportunities for improvement do exist. Let's recognise them.

Women make up half the population and participate in the labour market in about the same numbers as men; only in managerial positions do we see the underrepresentation of women.

Anja Kopač Mrak, Minister of Labour, Family, Social Affairs and Equal Opportunities

Photo: archives of MD DSZ



This year marks the third year since the Member States of the European Union initiated negotiations on the Directive which requires large companies listed on the Stock exchange to undertake to have supervisory boards composed of at least 40 percent women and in senior managerial positions a total of 33 per cent of either gender. Why has this measure, which would at the very least have started to regulate the issue of the loss of the talent and potential of women, been under negotiation for almost three years and why are the contents of the proposal increasingly being watered down? Slovenian politicians and businesses, which would be affected by the Directive, support the proposal. Support is also expressed in many other countries - even those who oppose the proposal do not oppose the aim of the Directive, namely the balanced representation of women and men in managerial positions. The problem is in the execution. Member States that oppose the directive are of the opinion that this should be left to business and that states should not interfere in such matters as to who manages a company. But is this really the case? Is it not the task of the state to take steps to intervene where self-regulation is not working, where one of the sexes does not have options and opportunities for realising their potential?

The so-called natural path in this case does not lead to the desired outcome. European Commission data show that in 2003 company boards of directors were made up of 8.5 per cent of women, while in 2012 this figure was 13.7 per cent. So, to put it simply a mere 5.2 percentage point improvement in nine (!) years. This means that we shall have to wait for at least another 45 years for the proportion of women and men on the boards of companies to become

more or less equal. To reach the very top, i.e. the position of President of the Board of Directors, at least 40 percent of one of the genders will have to wait even longer. Currently, in both the European Union and in Slovenia these positions on the boards of the largest stock exchange-listed companies are 95 percent held by men. For at least a further two generations of female and male managers this means half a century of waiting for 'nature' to take its course. It means that equal opportunities to gain access to the very highest positions remain the hope of a generation of women not yet born.

Why does it matter that both sexes should be equally represented in managerial positions? Women make up half the population and participate in the labour market in about the same numbers as men; only in managerial positions do we see the underrepresentation of women. Because economic logic often fails to listen to arguments of social justice, it is reasonable to expect that those who decide on the top managerial appointments might be more amenable to arguments that women are on average better educated than men and that their poor representation in managerial positions means the loss of great educational capital, the wasting of the knowledge and experience of half the population. We are losing a diversity of views; we are losing a variety of ways to solve problems and addressing consumers, both male and female. We are losing the opportunity to find more innovative and in all likelihood more successful ways of bringing about economic recovery. We should follow the example of those companies that do not need the Directive, since they have long recognised and made full use of the untapped potential of half the population so that today women in such companies fully contribute to organisational development and smooth business operation. ■

European countries legislating for a greater share of women in decision-making positions

SONJA ROBNIK

Netherlands law, 2012

By 2016, all companies with more than 250 employees or companies exceeding a certain level of profit have to ensure at least a 30% representation of both genders in positions of executive and non-executive board-member positions. There are no sanctions. However, the rule "comply or explain" applies.

Ireland law, 2014

State-owned companies have to ensure a 40% representation of both genders on the management board. No deadline is specified.

Belgium law, 2011

By 2012, state-owned companies shall have a one-third representation of both genders in the executive and non-executive board-member positions; listed small and medium-sized enterprises by 2017; and companies with less than 50% of shares listed on the stock exchange by 2019. Sanctions for non-compliance are temporary withdrawal of financial and non-financial benefits for board members.

France law, 2011

Listed companies and companies with more than 500 employees shall have a 20% representation of both genders in non-executive board-member positions by 2013 and a 40% representation of both genders by 2016. If they do not meet the objective, the elections are annulled, and the members do not receive the attendance fee. This way it is the members preventing women from taking up board positions that are punished - not the companies themselves.

Austria law, 2011

Companies whose major owner is the state shall have at least a 25% representation of both genders on the management board by 2013, and at least a 35% representation of both genders in the management board by 2018. There are no sanctions for non-compliance.

Portugal implementing regulation, 2012

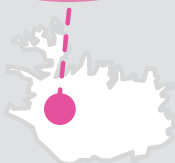
State-owned companies shall adopt action plans for gender equality which specify activities for the promotion of gender balance in board positions. The government also recommended listed companies to adopt such action plans.

Spain law, 2007

Larger companies are encouraged to change the representation of genders in executive and non-executive board-member positions, attaining at least a 40% representation of both genders. There are no sanctions for non-compliance; however, non-compliance is taken into account in the allocation of resources.

Iceland
law, 2010

In public companies and publicly-owned companies with more than 50 employees, management boards with three or more members shall have at least a 40% representation of both genders by 2103. Companies with at least 25 employees shall reveal the number of women and men employed in the organisation and their numbers in managerial positions.



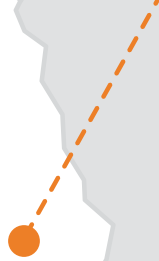
Norway
law, 2003

At least 40% of each gender on the board of listed companies and of companies whose owner is the state or a municipality. Failure to comply with quotas results in a formal notice, fine or winding-up of the company.



Finland
implementing regulation,
2008

The action plan for gender equality specifies that state-owned companies have to have at least a 40% representation of both genders in decision-making positions. The Finnish government also has to take the gender equality aspect into account when designating its representatives.



Denmark
law, 2012

The biggest companies have to set their own targets to increase the share of the less represented gender in positions of senior management.



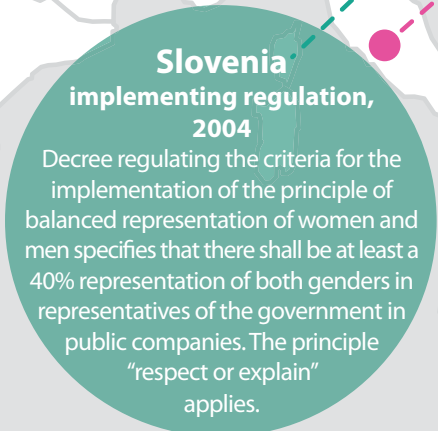
Italy
law, 2011

Listed and state-owned companies shall have a 33% representation of each gender on management boards. Sanctions for non-compliance with the provision increase incrementally; the management can also be dissolved.



Slovenia
implementing regulation,
2004

Decree regulating the criteria for the implementation of the principle of balanced representation of women and men specifies that there shall be at least a 40% representation of both genders in representatives of the government in public companies. The principle "respect or explain" applies.



Model 6 Include.All

Measures for the promotion of gender equality in decision-making positions

Recruitment and promotions

Performance indicator:

- one of three candidates for leading positions is a woman

Career sponsorship

Performance indicators:

- number of sponsored persons and their gender structure
- number of sponsors in the company and their gender structure
- number of sponsors outside the company and their gender structure

Education programmes for women managers

Performance indicators:

- number and type of active programmes of diversity and inclusion in the organisation with the emphasis on balancing gender structure
- incorporation of all programmes of diversity and inclusion into the company strategy

Performance management

Performance indicators:

- equal and fair monitoring of effectiveness of task and duties performance regardless of gender, and enabling business and private life balance

Career mentoring

Performance indicators:

- number of mentors in all of the three types of career mentoring, and the number of mentored persons and gender structure
- presence and appropriateness of the content of career mentoring plans

Target share of women in company management

Performance indicators:

- number of women and men in the management structure

■ **Dejan Turk:** Balance is the most important. Work, family. Business, fun. Gender mixed teams. I believe in the project!

■ **Sonja Šmuc:** Talent, intelligence, desire ... none of this is gender-related. The same should apply to career opportunities.

■ **Tomaž Berločnik:** Equality is the highest level in the evolution of society. I believe in a society where there are no divisions.

How do you show respect?

Men who do more work at home, have a better sex life. So do their partners, notes John Gottman.* Partners who share less pleasant tasks such as housework, more often also share more pleasant tasks than couples who are stuck in traditional gender roles. In separate studies, sociologists Constance Gager and Julie Brines further emphasised the connection: the more housework a man does (the same applies for a woman), the better his (and her) sexual life is. All of these researchers note that sharing housework connects couples. If partners are sensitive to each other's needs and respond to each other's feelings, this connects them, as such an attitude is seen by them as mutual respect, understanding and investing energy in their relationship. That makes them happier.

What does that have to do with women in managerial positions? Sex is not the common point between these research studies and company success. However, elements leading to a healthy relationship in private lives are surprisingly similar in the business environment as well. Where employees have the values of respect and understanding, they are more committed, and the effects of that commitment are translated into concrete figures and higher profits. Companies run by men and women, i.e. with gender diverse management, have up to 41% higher profits than companies with single-gender management, shows the study in the US (MIT study, 2014). A Slovenian study carried

out by the Faculty of Economics shows that women in supervisory positions in predominantly male supervisory boards bring a two-percent increase in company productivity per year. Each year.

The numbers are impressive. The statistics are as well. Most companies with high moral standards feel a bit uncomfortable at the question of how many women they have in management positions. In Slovenia, two thirds of companies have never ever had a female director, in 23 listed companies there is only one female chairman of the board, almost 60% of Slovenian companies are run exclusively by men. And this despite the fact that the purchasing power has in recent decades dramatically turned in favour of women.

To be honest: the female gender itself does not bring better financial results. But their proportion at the top tells a lot about the culture in these companies. Do they respect individuals irrespective of who and what they are? How does a company understand and fulfil the needs of its employees? Each individual, male or female, has different needs; however, each gender has common characteristics. If a company does not even ask what those needs are and how they can facilitate the work of employees to unleash their capabilities, it does not manage talents available to it in an optimal way. Most often the ones that are ignored and misunderstood are women, who consequently do not develop their potential to the fullest.



Photo: Mireja Jorđević

Sonja Šmuc, Managing Director of the Managers' Association of Slovenia

Which is a pity – both for them and for the company.

When we talk about a company, we most often talk about its management, which dictates the rhythm and tone in the company. The management has to create a competitive corporate climate and is responsible for human resource development: generally it reaches its business goals through other people. This is why of the measures in Model 6 we noted in first place that the management goal is to remove barriers to talent development and to develop a culture of respect and understanding. Such an environment enables an individual to thrive. Those who most deserve it reach the top. The best men and women reach the top.

Therefore, the decision to promote women to managerial positions is a decision to encourage a culture of respect, cooperation, commitment and competitiveness. This can only bring good to companies and employees. Like those men for whom it is not difficult to do the dishes. ■

Companies run by men and women have up to 41% higher profits than companies with single-gender management.

* Virginia Rutter, Psychology Today, 2014; translation Global, October 2014.

sPonsoR*

– career relations

How a career sponsor can help a woman to progress

SANDRA KECMAN

Studies done by Harvard Business Review (HBR) and Catalyst have shown that men and women acquire different skills through educational relations. Women obtain support, achieve personal growth, learn how to listen to others and themselves, while men mostly receive feedback and advice on how to influence key people and factors. On the basis of concrete examples they learn how to react in certain situations and, most importantly, are presented to key people who can help them in their careers. Why? Because men do not choose mentors, they choose career sponsors.

Sponsor helps us build our personal brand

Many confuse career sponsorship and mentoring, although there are important differences between them. Let us see what these are.



Photo: Maja Rostohar

While a mentor can also be a sponsor, a sponsor cannot be a mentor. The purpose of sponsorship is not an emotional and personal growth, which is generally characteristic of a mentoring relationship. Sponsorship focuses on progress and is based on impact.

A career sponsor offers protection, strives for an individual's promotion and often works in the same organisation or company as the sponsored individual. A career sponsor helps build an individual's social capital. Under the term of social capital, we can understand all the connections that ensure us cooperation and support. Sponsors open doors, they provide knowledge and ensure promotion. Career sponsors promote a (career) personal brand.

Good sponsorship can also help accelerate the progress of a woman's career.

Getting a career sponsor through sponsor programmes

More and more companies that tend

to actively search for talent (mostly female) to fulfil the highest positions in the company organise so-called sponsorship programmes. Through these programmes, women are connected with career sponsors who are (in most cases) board members or managers in the organisation.

In this way, women are presented to all members of the management, thereby expanding their visibility (social capital), while career development and the development of managerial skills are also ensured. According to the studies done by HBR and Catalyst, women included in sponsorship programmes have 50% more chance of promotion. The best sponsorship programmes are those that teach men in managerial positions how to sponsor women.

If your company does not have a sponsorship programme, career sponsor choice should not be like shopping for a handbag, but rather like buying

According to the studies done by HBR and Catalyst, women included in sponsorship programmes have 50% more chance of promotion.

*A career sponsor can bring to a sponsored female's personal brand what a PR person can bring to a trademark.

new shoes. Why? When we are buying a handbag, our choice is simple: if we like the colour and the shape, we buy the bag. But when buying new shoes, we must pay attention to the shoe size, heel height, comfort ...

Our choice of manager should not be one whom we do not already know since managers make their decisions based on their previous experience with us. Find a person whom you can trust and who believes in you, and tell that person what your ambitions are.

Career sponsors create stars

Through sponsorship the sponsored person is prepared for complex new roles, helping her determine where, when and how to make strategic

decisions for the organisation and her own career. The biggest advantage of having a career sponsor is the help in discovering business added value and that competitive edge – your "x factor" – and selling this.

Mutual trust is also key to a successful relationship. A sponsor has to be sure that the woman he/she is sponsoring will do good work, because the sponsorship puts at risk his/her reputation and career. The protégé and the sponsor operate synchronously and tactically, all decisions are taken together and are based on trust and on a strategic plan.

Why become a sponsor?

Many career sponsors believe that the

■ Maria Anselmi:

I owe my career to my sponsor. He offered me unlimited opportunities: I made mistakes, but at the same time developed my own style. Freely.

persons they sponsor give them access to information about what is happening in the organisation and to a better understanding of the work. They receive the best feedback from the company and learn about how younger people think.

Organisations that have undertaken the sponsorship programme (particularly for women) have reported an increase in job satisfaction, greater feeling of belonging to the organisation and creation of a culture that shapes talents and encourages the principle of "passing forward".

A good manager can demonstrate added value to the strategic development of talents and equality in managerial positions. Let us put an end to excessive mentoring and start balanced mentoring and sponsorship for both genders.

The responsibility of the sponsor in such a relationship is big, because the sponsor stands behind the education and governance of the sponsored person with his/her connections and name. If she fails, the sponsor fails. It is recommended that the sponsor remains with the sponsored person for the first 100 days after she takes over a leading position. This makes work easier for her and helps consolidate her arrival at the new position. ■

How career sponsorship takes place

• Identifying the goals:

At the beginning of the relationship, the protégé and the sponsor identify specific goals and focus areas. Example: getting wider exposure and increasing visibility.

• Regular meetings:

Regular meetings are designed to monitor progress, and to set new tasks and challenges. Example: emphasising the differences between leadership and management and identifying the process of strategic decision-making.

• Group meetings:

As part of the sponsorship programme within the organisation, separate joint meetings between the sponsored and the sponsors are recommended.

• Informal meetings:

Informal meetings are intended to raise the visibility of the sponsored and are usually held in the afternoon at opening ceremonies, performances, sports events etc.

The biggest advantage of having a career sponsor is the help in discovering business added value and that competitive edge – your "x factor" – and selling this.