

# WOMEN IN ENERGY

## Gender Perspective

Joseph Mezlo

Monday, June 5, 2017

Skopje, Macedonia

# Topics for Gender Perspectives

- Economic impact of women
- Impact on business results by engaging women leaders
- Women's leadership traits
- Current penetration of women in business roles
- What women bring to business
- What holds women back
- What companies and individuals need to do

# Foundational Elements for Gender Diversity and Parity

- Intelligence and effectiveness do not have a gender bias
- No one of us is smarter than all of us
- How results are achieved matters
- Long term views breed better success



A Booz & Co study (2007) created the notion of the third billion

China and India will have almost 2 billion new entrants into the global marketplace by 2020

Women will account for at least 860 million new entrants into the global marketplace by 2020

## Economic Impact of Women

Women represent a huge economic opportunity that business recognizes

- It is estimated that women earned USD 18 trillion in 2014
  - Almost three times the GDP of India and China combined (Estimated at USD 6.6 trillion in 2014)
- Globally, women control 64% of consumer spending
- Women drive 70% of household spending decisions

# Women Tend to be the “Alpha” Partner in Domestic Decision Making

- Initiate discussion of major financial decisions
- Tend to be more deliberate with finances
- Drives decision making with the “Beta” partner
- Seeks to improve rather than maintain the status quo
- Primary responsibility for
  - Health Care
  - Child Rearing
  - Domestic Purchases
  - Transportation
  - Energy Decisions

# USD 12 trillion increase in GDP by 2025, if every country moved as strongly to gender parity as the best in the region

	Incremental global GDP over business-as-usual scenario, <sup>1</sup> %	\$ trillion
India	16%	0.7
Latin America	14%	1.1
China	12%	2.5
Sub-Saharan Africa	12%	0.3
North America and Oceania	11%	3.1
World	11%	11.8
Middle East and North Africa	11%	0.6
South Asia (excl. India)	11%	0.1
Western Europe	9%	2.1
Eastern Europe and Central Asia	9%	0.4
East and Southeast Asia (excl. China)	8%	0.9

“Women may well be the dominant source of economic growth in the near future – and organizations that are able to capitalize on the roles women play as economic actors will most likely have a competitive advantage as the world pulls out of the global recession.”

Deloitte Touche Tohmatsu Limited

“The Gender Dividend: Making the business case for investing in women”



# Women Improve Corporate Performance

A Catalyst survey compared worst and best quartiles of Fortune 500 companies based on women on their boards. Best quartile had

- 53% greater Return on Equity
- 42% better Profit Margins
- 66% better Return on Invested Capital
- Minimum number of three women on the board gave the best results

# Women Improve Corporate Performance

Mc Kinsey reports similar findings.

Companies with the highest gender diversity see better business results

- 10% higher Return on Equity
- 40% higher Operating Results
- 70% stronger Stock Price Growth

Companies with at least one woman on their board see

- Better corporate governance
- More ethical behavior
- Fewer bankruptcies (20% fewer)

*“The international evidence supports this – diverse boards are better boards benefitting from fresh perspectives, opinions and new ideas which ultimately serve the company’s long-term interests.”*

*Vince Cable*

*UK Business Secretary*

*30 January 2013*

*\**

# KEY LEADERSHIP ATTRIBUTES WOMEN EXHIBIT MORE THAN MEN

(McKinsey)

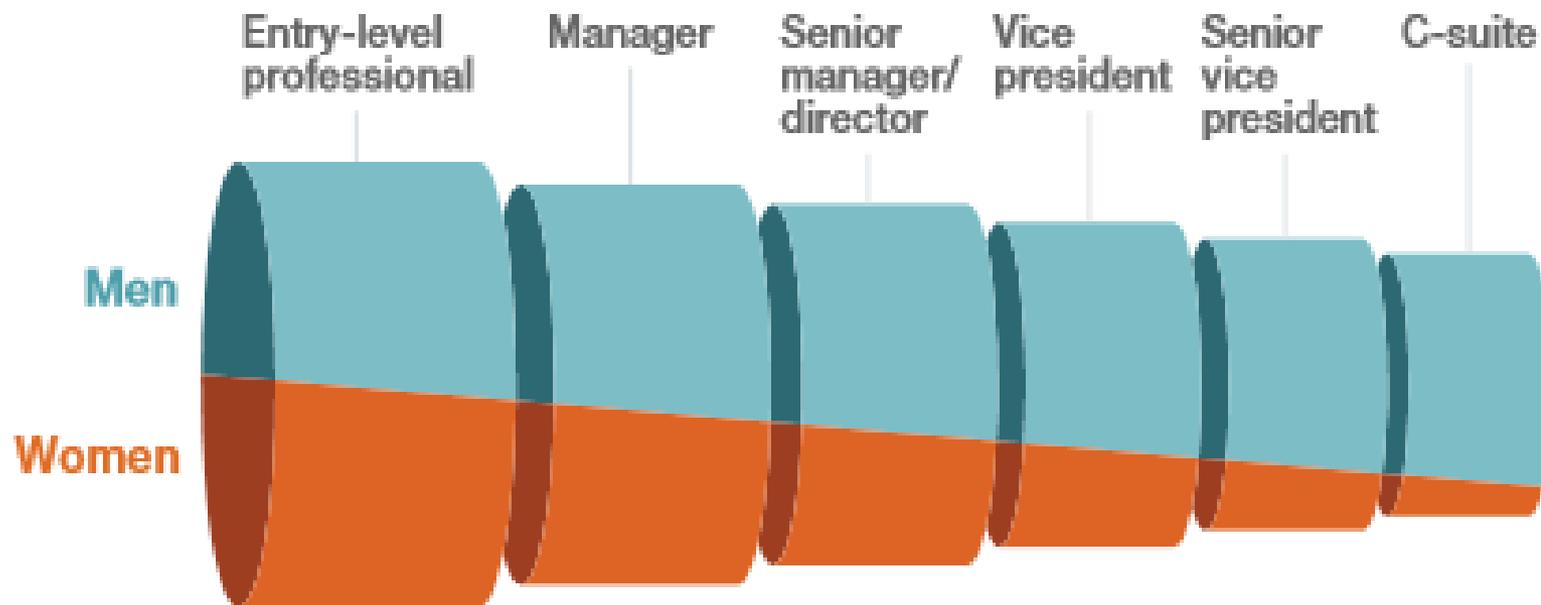
- **Expectations and rewards:** identify clear expectations and responsibilities and provide appropriate rewards for achievement
- **Inspiration:** create a compelling vision for the future and inspire optimism in achieving that vision
- **Participative decision making:** create an atmosphere where everyone joins in decision making
- **Intellectual stimulation:** challenge assumptions, take reasoned risks, and encourage creative solutions

# KEY LEADERSHIP ATTRIBUTES

(McKinsey)

- **People development:** teach, mentor, coach, actively listen to needs and concerns (Women apply more)
- **Role model:** build relationships based on respect and regard for the ethical side of decisions (Women apply more)
- **Efficient communication:** be convincing and charismatic (Equal)
- **Individualistic decision making:** make decisions alone, but involve others with the execution (Men apply more)
- **Control and corrective action:** take corrective action when performance lacks (Men apply more)

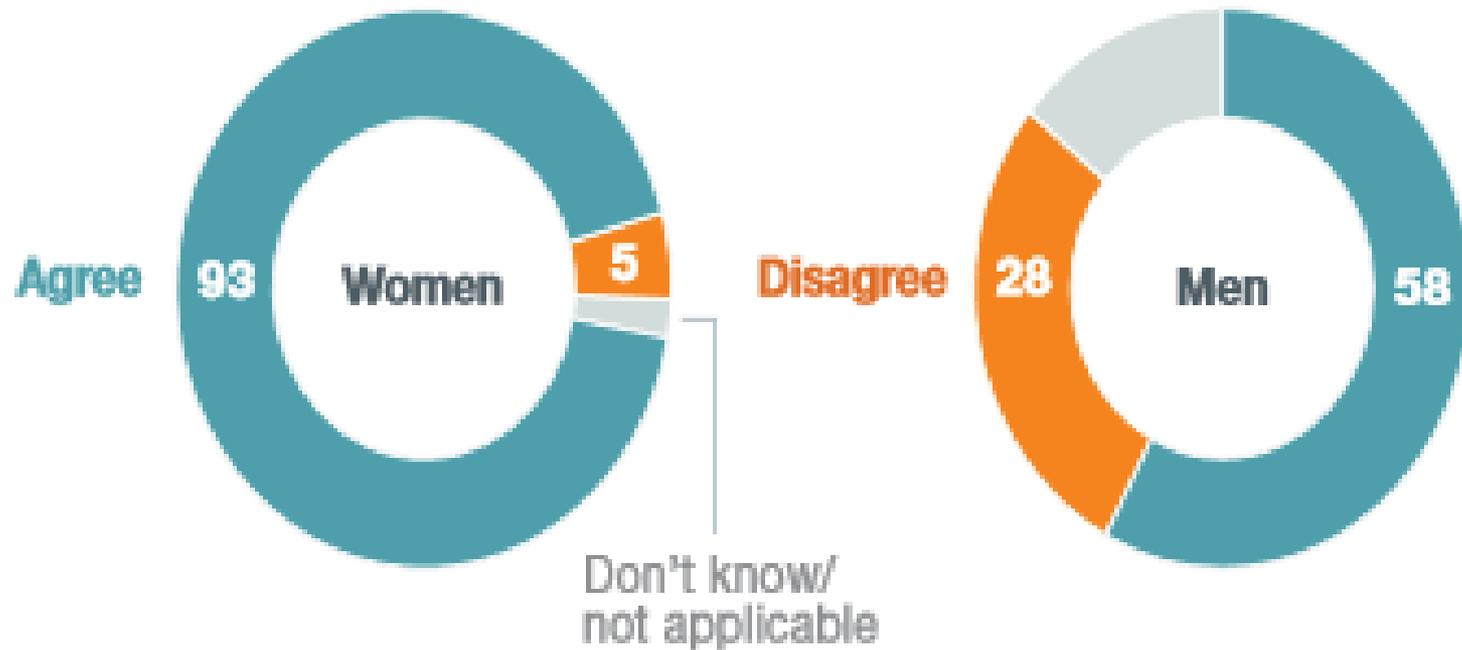
## Corporate-talent pipeline by gender



### Women in the pipeline, %

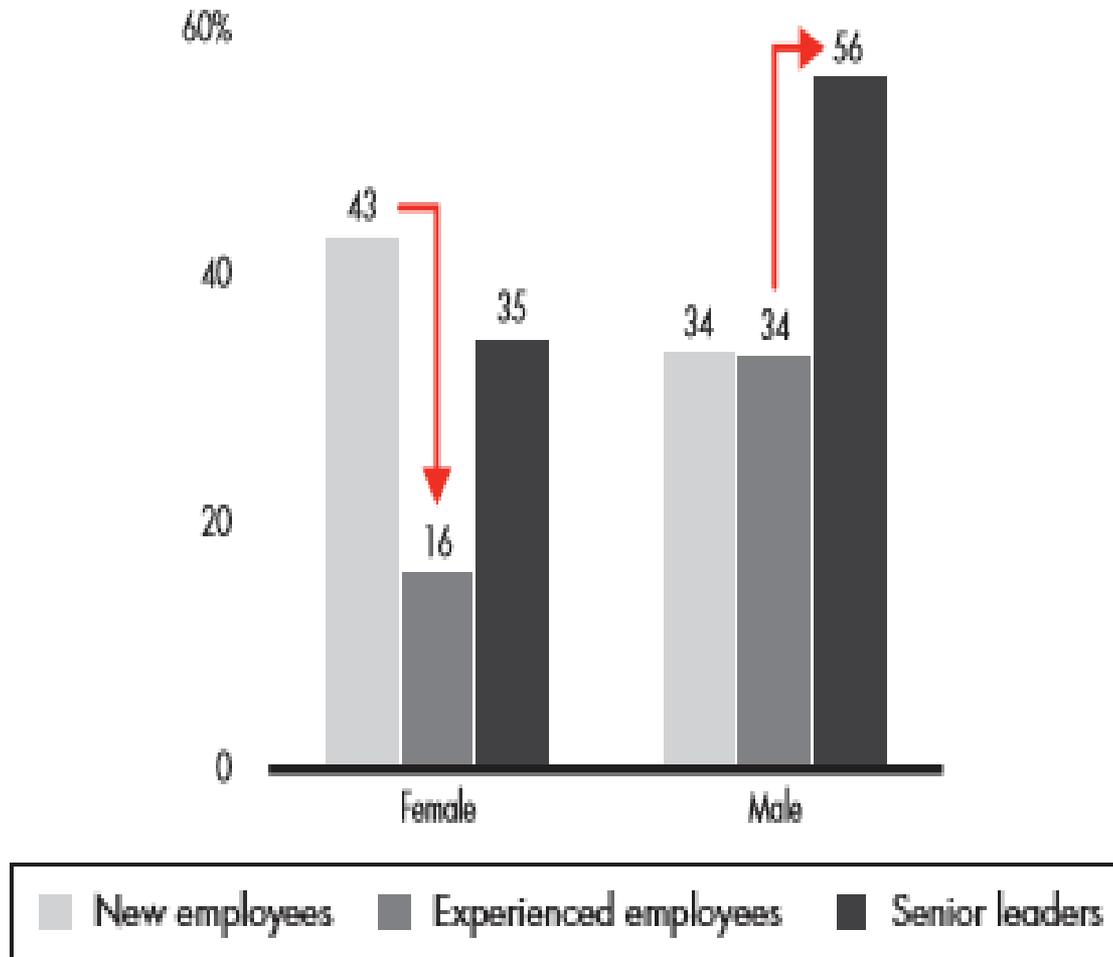
2012	42	33	28	23	20	16
2015	45	37	32	27	23	17

Even with equal skills and qualifications, women have a much more difficult time reaching top management jobs.



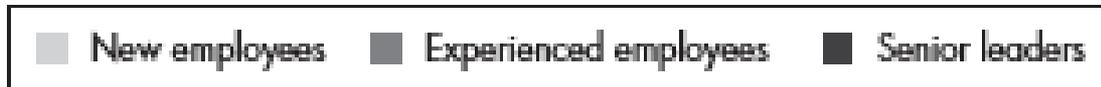
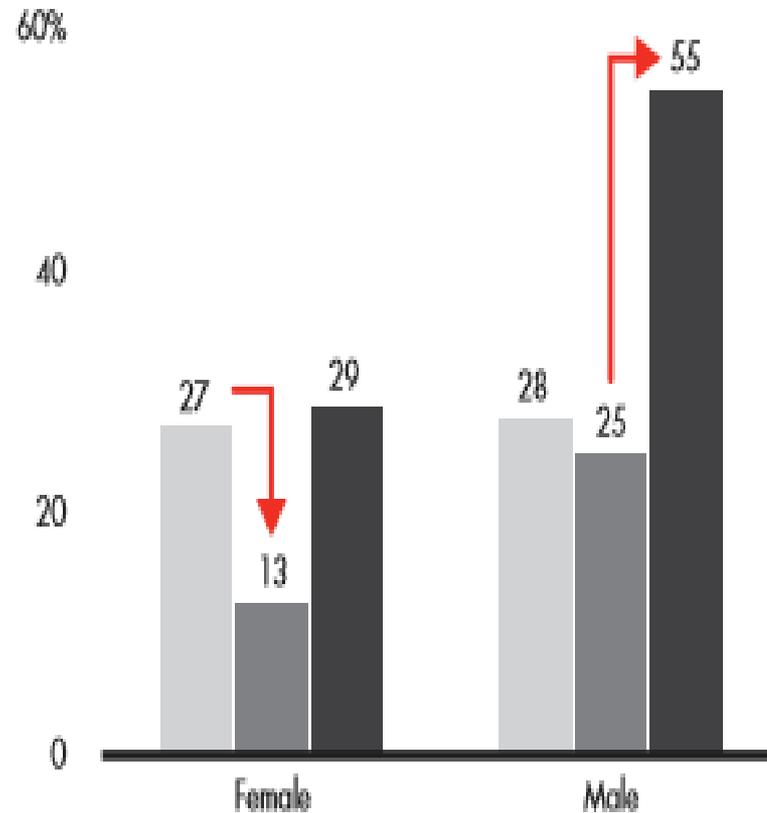
# Have aspirations to reach top management.

(Bain & Company 2014)



# Have confidence to reach top management.

(Bain & Company 2014)



What are the factors that cause the erosion of confidence and aspirations?

A new and ambitious woman enters the work force

## No evidence of senior women in the organization

- No evidence of women being promoted
- Few women role models
- Limited range of leadership styles

Doesn't feel like she fits in.

- The organizational culture is not diverse
- Her leadership style is 'different' and not valued

Doesn't feel like she is getting the leadership support  
she needs

- No one is investing in her success
- She is not getting development opportunities
- There is little support to work outside the traditional work models

She does not aspire to become a senior leader

- She can not see a path to senior leadership
- She is starting to doubt her ability to succeed
- She starts to 'settle' for where she is as the best she can do

# Business Implications From the Corrosive Circle

- Decreased retention of women
- Leaking pipeline of talented women
- Few or no women reaching senior roles
- Less effective and less diverse leadership
- Weaker business performance

# Organizational Transformation Basic Requirements

- Organizational fortitude to change
- Leaders role modeling the behavior they desire
- Clear and quantifiable objectives with which to measure progress
- Systematic, fair, and unbiased processes and policies
  - Selection processes
  - Performance reviews
  - Financial rewards

What are the factors that create a culture that promotes gender parity?

A new and ambitious woman enters the work force

## There are many women in senior positions

- There is tangible evidence of women being promoted
- Multiple women role models
- Diverse range of leadership styles

## She feels like she 'fits in' the organization

- She thrives in the culture of the organization
- The organization operates by values that resonate with her
- Her individual style is respected

She gets the leadership support she needs

- Senior leaders act as sponsors
- She is getting developmental opportunities
- There is support for non traditional work models (flexible models)

## She aspires to become a senior leader

- She can see many pathways to senior leadership
- She has confidence in her ability to succeed

# Business implications from the constructive circle

- Increased retention of women
- Strong pipeline of talented women
- More women in senior roles
- Reduced cost due to less turnover
- More diverse and effective leadership
- Improved business performance

## To Support Gender Equity Companies Need To

1. Become transparent about gender
2. Ensure leaders role model the desired values and behaviors
3. Embrace career flexibility
4. Create programs for networking, mentoring and sponsorship
5. Increase men's awareness
6. Increase awareness of boardroom dynamics



1. Insure your manager is aware of your achievements
2. Look for credit for the work you have done
3. Ask for extra feedback on performance
4. Let your desires to seek more responsibilities be known and create opportunities rather than waiting for them to come to you

## Understand Communication

- Recognize that different messages are sent by men typically using “I” to describe what was done and women using “We” when framing activities
- Ask directly for what you need instead of hoping your conversation is interpreted correctly
- Convey confidence in your communications
- Be poised, prepared, and speak as though you know you will be believed

- Understand the requirements/skills sets needed to become part of the talent pool that is “leader ready”
- Identify areas not part of your natural comfort zone and work to bridge the gap
- Volunteer..take the initiative
- Take personal responsibility for managing career and personal growth

## Join or Create Networks and Circles of Influence

- Build relationships
- Broaden perspectives
- Learn about opportunities
- Make others aware of gender biases

## Become a Role Model

- Invest in helping others achieve their potential
- Take a long-term view in helping others, in other words be sure to fill the pipeline
- Model the path for success that you have followed

## I Am Encouraged and Impressed By.....

- Women who work through barriers and biases to achieve the success and recognition they deserve
- Leaders who do “the right thing” and foster a culture that recognizes and values the contribution of women at all levels in the organization
- Organizations like WIN that provide a forum to network and discuss ways in which to move gender equality forward
- Companies that embrace diversity and gender parity

# Please Remember

No one of us is smarter than all of us.

# Thank You!!!