



CORPORATE
PRACTICES
FOR WOMEN:
FASHION TREND
OR STRATEGIC
INVESTMENT?

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Today the world is facing several serious challenges. The potential for growth in the existing paradigm is practically exhausted. New technologies and new business models are emerging. Their application requires abandoning the established stereotypes and behaviour patterns. We must learn to make decisions faster, not to redistribute the available resources and capital but generate new ideas, create new products. These challenges set new requirements to organisations and their leaders. To remain competitive, one has to stay ahead in the war for talent.

Considering that for Russia the situation in the next ten years will be made worst due to serious demographic problems, recruiting creative, highly professional, adequately educated staff is going to be a key problem.

Therefore women's economic empowerment, creating an enabling environment for their professional development, improving their working conditions and making full use of their potential are essential for successful, efficient and competitive development of companies – and thus of the whole country.

That's why we present the results of a study conducted in the framework of the project **Analysis and Dissemination of Best Practices Aimed at Creation of Enabling Environment for Women's Economic Empowerment, Labour and Professional Growth**.

I hope this information would help you to look at the best practices in a new light, and successfully apply them. And even more importantly, you'd start thinking about long-term synergies between personal development, creating a talent-sustaining environment at your company, and increasing efficiency of your business.



Glenn Waller

President ExxonMobil Russia Inc.

At ExxonMobil, we know that when women move forward, the world moves with them. That's why in 2005, we launched our Women's Economic Opportunity Initiative — a global effort that helps women fulfill their economic potential and drive economic and social change in their communities. To date, we have invested more than \$60 million to help community-based and global partners implement programs directly benefiting tens of thousands of women in more than 90 countries.

In line with the chosen strategy towards broader business opportunities and more favorable labor environment for women we have supported the research in question focused on both Russian and international practices.

ExxonMobil Russian offices hire a lot of women actively involved in the business process and enjoying career growth on a par with men. I am convinced that our cooperation with the Committee of 20 brings us closer to the goal of creating broader opportunities to all members of our society which we believe is better for our business, employees, and society.



TABLE OF CONTENTS

Project experts and participants	4
Project goals and objectives	8
Special way	14
Which initiatives to support women's employment are particularly effective in the Russian context? Results of a quantitative/qualitative study (June-August, 2013)	
Key role	34
Review of international practices to support women's economic participation	
Traditions and innovations	44
Russian companies' corporate social policies to promote women's economic empowerment and professional development, and improve their working conditions	
Comments by project experts	52
About The Committee of 20	54

PROJECT EXPERTS AND PARTICIPANTS

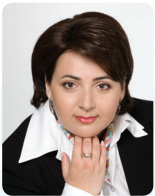
*Our special thanks to the survey's **VIP respondents** – participants of in-depth interviews, for their time, openness, and willingness to share their expertise, ideas and best corporate practices.*



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Many thanks to all the experts who participated in the project throughout its life cycle, from the original idea through development of the questionnaire to analysing the results and preparing this brochure.



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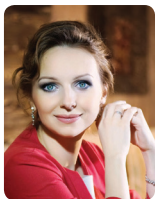
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PROJECT GOALS AND OBJECTIVES



Elena Fedyashina

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This publication presents analysis of programmes and practices designed to create an enabling environment for professional development of women, applied both by Russian and international companies.

The brochure describes the results of the study conducted under the framework of the project **Analysis and Dissemination of Best Practices Aimed at Creation of Enabling Environment for Women's Economic Empowerment, Labour and Professional Growth**, implemented by The Committee of 20 Non-Profit Partnership (association of women business leaders) and supported by ExxonMobil Russia.

This project continues The Committee of 20's work on analysing and disseminating information about women's role in today's society, their contribution to the country's economic development, and the steps which could promote a fuller realisation of their talents and their economic empowerment.

In the course of the project we've conducted the following:

- 14 in-depth interviews with heads of leading companies;
- survey of 241 companies in Moscow and other Russian regions;
- all-Russian survey comprising 1,600 respondents aged between 18-60;
- international review of global trends and the most interesting practices;
- analysis of such practices' application by Russian companies, with specific examples;
- conclusions and practical recommendations for wider application of such practices at companies and enterprises.

Why did we decide to address this topic?

There were several reasons:

1) Relevance

Promoting more active participation of women in the economy and increasing their number at senior management positions is a major issue the world over. Numerous forums devoted to these issues are held; steps to be taken to achieve this are discussed at the highest level; relevant UN resolutions are passed; quotas are established.

The following arguments are used to demonstrate the relevance of this topic:

- Labour resources are getting scarcer; population in many countries is rapidly ageing, so without active involvement of women economies would experience an increasing shortage of labour, including highly skilled workers.
- Balanced diverse teams comprising representatives of both genders work more productively, which is confirmed by actual efficiency figures. This is particularly true for management teams. As we've already noted in our previous publications (see *Making a Career in Russia: How to Get to the Top? Key Motivating Factors and Barriers to Men's and Women's Career Development. A View From Both Sides, 2010, www.kom20.ru*), it's a proven fact that a "critical mass" of women on boards of directors (three or more) has a positive effect on the overall business's efficiency, which is illustrated by relevant figures.
- Over 70% of consumer decisions the world over are currently made by women. Therefore if a business wants to be client-oriented, know the tastes and the preferences of its customers, the management must take into account opinions of various population groups when making decisions, and primarily opinions of potential clients.
- A war for talent is going on. Women capable of imaginative thinking, making unusual decisions and finding ways out of the most difficult situations are a valuable, irreplaceable resource –

both in the global and Russian labour markets. Companies which don't create a favourable environment to retain and foster their talented female staff members are doomed to fail in the highly competitive markets.

You'll find a more detailed analysis of these global trends in the international practices review prepared specifically for our study, and in other sections of this brochure.

There are only two ways to increase business's profitability: cut the costs and/or increase the turnover, keeping the costs growing at a lower rate.

Today companies spend a lot on hiring new staff. If certain practices contribute to retaining employees, it means they increase the business's efficiency. As to increasing turnover, more and more consumer decisions these days are made by women. Knowing our customer (who very often are women) promotes our sales. Also, if we apply practices to foster and retain talent at the company, this talent would in turn work to increase the company's revenues – which again would be reflected in quite specific figures.

Svetlana Balanova,
General Director, IBS

To summarise – and leaving aside the “humanitarian” aspects of the issue – we can say that economic empowerment of women and creation of enabling environment for their work and professional development is a prerequisite of successful and efficient development of companies and of the whole country. So we should analyse these issues from the point of view of competitive advantages and economic expediency.

Do women really need any special support, and how relevant is providing it in Russia?

Many countries are now striving to ensure that women have equal access to education, financial resources, opportunities to acquire professional skills, to eliminate discrimination at work, and to enable them to combine family responsibilities with work.

Let's be frank – for many years there have been more female university graduates in Russia than male ones; women do have an equal right to work; practically half of all employed Russian population are women (while the global average is 35%); our maternity laws are among the most favourable in the world.

There're many women in executive positions too. According to Grant Thornton International Business report (“Women in Senior Management: Still Not Enough”, 2012), last year Russia was at the top of the list of countries with the highest number of women in senior management positions (46%). Even though in 2013 we've

“slipped” to the 11th place (“Women in Senior Management: Setting The Stage For Growth”, Grant Thornton International Business report, 2013) with 31% (the global average being 24%), we’re now the first by the number of women – board of directors members (37%, the global average being 19%). We can argue about these figures but even our own study has shown that a large number of the respondents were inclined to believe that women in Russia did have equal opportunities with men to realise their potential.

2) Actual reality

Still, there’re certain objective reasons forcing us to deal with this issue. Women have to interrupt their career for maternity leave. After childbirth women’s priorities change quite radically, and if arrangements at the company don’t allow them to successfully combine work and maternal responsibilities, the woman might very well decide to quit work altogether, or to change her job.

On the other hand, an increasing number of young girls opt for career development postponing becoming a mother “for later” – or totally abandoning such plans, since they believe combining a successful career with raising children is impossible.

In our opinion, the Russian society cannot afford either allow women to quit working or let them abandon motherhood in favour of a successful career – especially considering the demographic situation.

The RF government pays a lot of attention to dealing with demographic problems¹. The measures being taken do bring results – a population growth was noted in recent years. However, only integrated efforts by the whole society including employers, social and professional associations, aimed at creating an environment enabling women to combine work with maternal responsibilities, can bring about a significant positive change.

In our study we’ve also paid particular attention to programmes designed to support the right work/life balance. We wanted to find out what companies do and what they can do to solve this problem. It turned out that family support programmes are the most popular ones among employers, and are highly valued by employees. Below you’ll find examples of specific initiatives which significantly contribute to increasing staff loyalty, and help to reduce personnel turnover.

It should be noted that these programmes cannot be classified as purely “female-oriented” – in a number of cases they’re designed to support the family as a whole. A lot is being said about parents’ need to have equal responsibilities for children, so measures to support young fathers deserve special attention.

Active adoption of family support programmes may also win companies’ social recognition. Business ratings and contests are becoming increasingly popular, such as, e.g., *Best Employer for Working Mums* in Moscow. Similar competitions are also held in

¹ See RF Presidential Decree of 7 May, 2012 # 606 “On Implementation of the Russian Federation’s Demographic Policy”

other regions. The best companies' examples can surely serve as "starting points" for many employers making decisions about their company's social policy and various staff-related issues.

3) Dire need

However, we were primarily interested in programmes aimed at supporting women's professional development, retaining and increasing companies' talent pool, increasing women's motivation to work and to promote their careers.

What were the reasons for our interest?

First, we've already mentioned the proven fact that balanced teams, including management teams, significantly increase the company's efficiency.

I believe men and women by default are in different career development situations: men don't have to interrupt their career by taking maternity leave, and they don't have to catch up later on. Accordingly, in my opinion there should be special programmes to support women, by creating opportunities to combine work and family responsibilities.

Irina Eldarkhanova

Chairman of the Board, Confael Group of Companies

Women must have opportunities and motivation for professional growth. However, in the course of our previous study "**Making a career in Russia: how to get to the top? Key motivating factors and barriers to men's and women's career development. A view from both sides**", we discovered that despite the large number of women in senior management positions in Russia, they still encounter numerous barriers hindering their career development. Due to established stereotypes, the prevailing social attitude towards women executives still remains rather cool. E.g. during the previous survey chief executives (among whom there were many women), only 4% of the respondents said they would prefer to work for a female boss. To be fair it should be noted that the majority had no particular preference, though many would like to have a male leader.

Also noteworthy is the fact that in addition to **external barriers**, among which the respondents noted the following:

- lack of peer support, including family (54%);
- negative public attitude to female executives (53%);
- excessive demands by senior managers (19%);
- and some others.

Quite a few of the respondents mentioned equally **important internal barriers** which significantly affect women's career ambitions and create a kind of internal "glass ceiling" – which can be much stronger than external ones.

- **42%** of women believe that family is more important than career;
- **40%** see career interruptions (maternity leaves) and limited geographical mobility (ability to go on business trips or relocate to take a new job) as barriers;
- **40%** believe they can realise their potential not just at work but in their families;
- **40%** noted their low self-esteem and ambitions, lack of self-promotional skills.

We don't deny women the right to "immerse into the family" or realise their potential in any other area. But it must be their free choice. And if the woman wants to be successful not just as a homemaker but also as a professional, an adequate environment for her self-realisation must be created. In addition to the above-mentioned measures to support families, companies are quite capable of implementing policies which would help their staff – male and female – to realise their potential. Leadership programmes for women, post-maternity leave adjustment programmes, mentoring, creating women's professional communities – these are just a few practices widely used by leading companies but still very rarely seen at our own organisations.

This brochure describes a few interesting examples of applying such practices. Particularly noteworthy are comments by company heads where these practices have been in place for signifi-

cant periods of time, and are seen as important success factors. Note also that during the in-depth interviews the executives have shared other secrets of their success – which should certainly be interesting to a wide variety of readers.

4) Obvious need for information about best practices

During preliminary interviews and the mainline polling, the vast majority of respondents said they'd like to know more about practices applied by other companies. We discovered a certain "information hunger" concerning support programmes for women. The leading companies welcomed an opportunity to share their experience and, of course, to make good use of ideas successfully implemented by other organisations. Other firms, some of which have never before even considered implementing such programmes, got interested and asked to be informed about the results of the survey.

Therefore we decided to establish a sort of informational platform – to discuss various measures aimed at extending women's economic participation. We're planning to have a number of round table discussions and other events to talk about the results of the study, share the experience and identify the most interesting practices. Following these discussions we plan to develop criteria for measuring various programmes' efficiency – which would hopefully help many companies to extend and enrich their corporate culture.

We'd like to say that this publication doesn't pretend to be a full-fledged scientific report or an all-purpose manual for HR managers. We have no doubt that many interesting and useful practices didn't find their place in this brochure. We realise that there may be different approaches to this topic – which is confirmed by comments by our own experts quoted at the end of the brochure. Our objective was just to start off a relevant discussion, to begin sharing experience and information about best practices.

We invite all companies and experts to share positive (and maybe negative) experience of implementing various programmes. You can do that at the website www.kom20.ru. All interesting practices and opinions will be published and made available to everybody. This information sharing would certainly contribute to enriching corporate culture, and help not just companies and their male and female staff but our whole society.

SPECIAL WAY

Which initiatives to support women's employment are particularly effective in the Russian context?

Results of a quantitative/qualitative study (June-August, 2013)

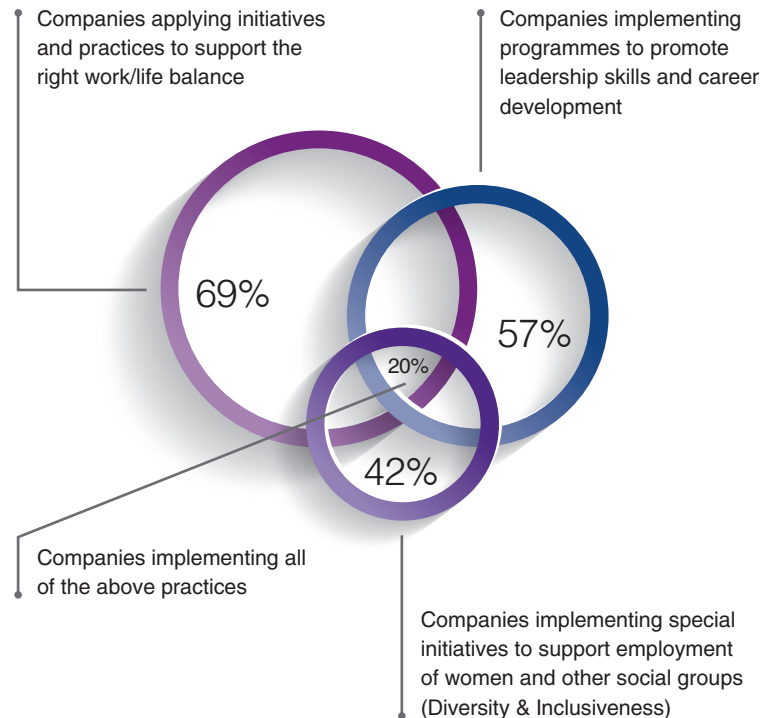
The objectives of this project were to study the best practices aimed at promoting women's economic empowerment and creating an enabling environment for their work and professional development; to generate an overall picture of existing practices to promote women's employment and achieve the right work/life balance; to identify work arrangements employees believe to be the most important ones; and barriers hindering application of such practices by Russian companies.

The large-scale project² comprising in-depth interviews with experts – executives of leading companies, a poll of 241 companies in Moscow and other Russian regions, and a survey of 1,600 Russians aged between 18 – 60, allowed to identify the most interesting trends and gather information for further analysis.

² Methodology and sample of the study (July – August, 2013): 1) Companies were surveyed via telephone interviews (CATI) and by asking them to fill in the online questionnaire; the sample comprised 241 companies from Moscow and other Russian regions. The respondents' professional status: company heads, HR (deputy) directors, heads or leading researchers of corporate universities. Regions: Moscow and Moscow Region, St. Petersburg and Leningrad Region, 8 other Russian regions including regional capital cities. Industries: finance, services and education, medicine and health care, hotels and catering, manufacturing, production, mining, construction, wholesale and retail trade, transport and communications, mass media, IT. 2) Population survey was conducted via personal interviews: 1,600 interviews at 150 settlements (all-Russian representative survey); 3) The qualitative study was conducted via in-depth interviews: 14 such interviews with top managers of companies.

Figure 1.

Companies' use of initiatives and practices to support the right work/life balance, promote leadership skills and career development, and initiatives to support employment of women and other social groups (Diversity & Inclusiveness) (number of companies who chose at least one option for each question, as % of the total number of surveyed companies, N=241)



MAIN RESULTS:

1. Representatives of most of the surveyed companies (58%) said they **didn't have any special programmes to support employment of women or other specific groups of employees** (Diversity & Inclusiveness). This was a novel and unfamiliar topic for companies, and many company heads/HR managers were not sure they needed to implement such programmes.
2. At the same time, answering to a more specific question about initiatives to support the right **work/life balance** for all staff,

For PwC gender diversity is an issue of competitive advantage. We believe that we get a very good return on investing in the professional development of our women colleagues. We invest in the development of our women, and when they develop their potential, we benefit as a firm. So it is not just a question of social responsibility, it is also a business imperative to ensure that we have gender diversity. We believe that our ladies employees bring many benefits to our business, not least because they tend to take a longer time horizon in their careers, which helps us to manage our business better.

David Gray,
Managing Partner, PwC Russia

- 69% of companies said they implemented at least one of the initiatives and programmes listed in this section of the questionnaire. Most frequently organisations offered flexible work arrangements, assistance and support to female staff members returning after maternity leave, and extra compensation during maternity leave.
3. 57% of the surveyed companies were implementing programmes to **build leadership skills and support career development** of all employees (regardless of the gender). The most popular solutions included mentoring or coaching of high potential employees, secondments, and programmes to develop personnel reserve. Note that skill building programmes **designed specifically for women** were less popular – **only 13%** of companies reported they had such programmes. Also noteworthy is the fact that a significant proportion of the respondents (55%) believed **there were no barriers hindering women's career growth** at their companies.
4. **Only 20%** of the surveyed companies had in their corporate arsenal all of the practices mentioned in the survey: Practices designed to support the right work/life balance, build leadership skills and promote career growth, and initiatives to support employment of women and other social groups.
5. Most of the employers who do implement the above practices (**66%**) were sure it was **beneficial for the company** (helped

For more information and contacts: www.kom20.ru