



Connected Women | 2015

Accelerating the digital economy:
Gender diversity in the
telecommunications sector





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GSMA Connected Women works with partners to deliver socio-economic benefits to women and the broader mobile ecosystem through greater inclusion of women across the industry. The programme is focused on increasing women's access to and use of mobile phones and life-enhancing mobile services in developing markets, as well as closing the digital skills gender gap, attracting and retaining female talent, and encouraging female leadership in technology on a global basis.

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Foreword

There has never been a more dynamic period in the mobile industry. The dawn of the smartphone era and increasing access to mobile broadband has enabled development of a huge range of digital services, from gaming and mobile commerce, to the birth of the sharing economy and is driving the explosive growth in the data flowing over mobile operators' networks. It is truly the golden age of mobile.

Yet, with this huge growth also comes industry change. This dynamic evolution in digital services challenges incumbents, including mobile operators, to meet ever-changing consumer demand. It also requires a fresh look at the skills available to the sector. This is no longer an industry of network engineers and systems administrators, but one of software developers, marketers, entrepreneurs and data scientists.

The ongoing debate about gender diversity in the workplace is not about ethics, but rather business. Diversity offers a better understanding of customer needs, a greater range of creative thinking and fresh ideas that challenge established practices. Diversity is also a way to maximise the potential talent pool and, ultimately, to positively impact the bottom line.

Gender diversity clearly continues to represent not only a key challenge, but also a significant opportunity for the future of our industry. This report, "Accelerating the digital economy: Gender diversity in the telecommunications industry", offers insights that establish a solid foundation for making our industry more transparent, diverse and successful. I would like to thank the more than 50 GSMA member companies that contributed employment data and expert knowledge to this report.

I hope that you find this study to be informative, insightful and thought-provoking and that it challenges you to accelerate gender diversity in our industry.

Anne Bouverot

Anne Bouverot
Director General, GSMA



About the report

This study has been undertaken by A.T. Kearney in association with the GSMA as part of the GSMA's Connected Women programme.

The report provides a snapshot of the current state of gender diversity in the telecommunications industry. The main focus is on mobile communications companies, but the report also looks at the wider ecosystem. The study is the first of its kind, developed to provide a baseline, share best practices and support the industry in shaping workplaces that take full advantage of gender diversity (see *Study Methodology on page 26*).

The study adopted a combined approach of expert interviews and company surveys covering 54 companies across Africa, Asia Pacific, Europe, Middle East, North America, and Latin America.

Findings in the report are based on the survey and interview outputs from these 54 companies, as well as secondary research from a number of established public sources.

A.T. Kearney has prepared this report in cooperation with the GSMA. It is, however, an independent report and does not necessarily represent the views of the GSMA or its members. Its purpose is to foster public debate, and neither A.T. Kearney nor the GSMA assumes responsibility for any other use that might be made of the report.

Executive summary

Over the years, substantial research has shown that companies with a healthy, gender-diverse workforce are better able to innovate and outperform competition. Studies reveal that gender-diverse companies are 45% more likely to improve market share, achieve 53% higher returns on equity, and are 70% more likely to report successfully capturing new markets.¹

Many governments and companies have woken up to the need for gender diversity, making public commitments to reduce the gap between male and female representation in the workforce, and putting programmes in place to attract, recruit, retain, and promote female talent. The APEC CEO Summit and the G20 Summit in 2014 were forums where leaders from around the world recognised the pivotal role of women in development and prosperity.



Women account for less than 40% of the workforce in three-quarters of telecommunications companies surveyed.

Despite some progress in women's representation and progression in the workplace, there is still significant ground to cover in bridging the gender gap. Female labour participation in many countries remains low, and only 4.8% of Fortune 500 CEOs and five FTSE 100 CEOs are women.² The telecommunications industry is no exception. For example, only six of "the 100 most powerful" people in the industry on the 2014 Global Telecoms Business Power100 list were women—a figure that has barely shifted since the list was first published in 2008.³

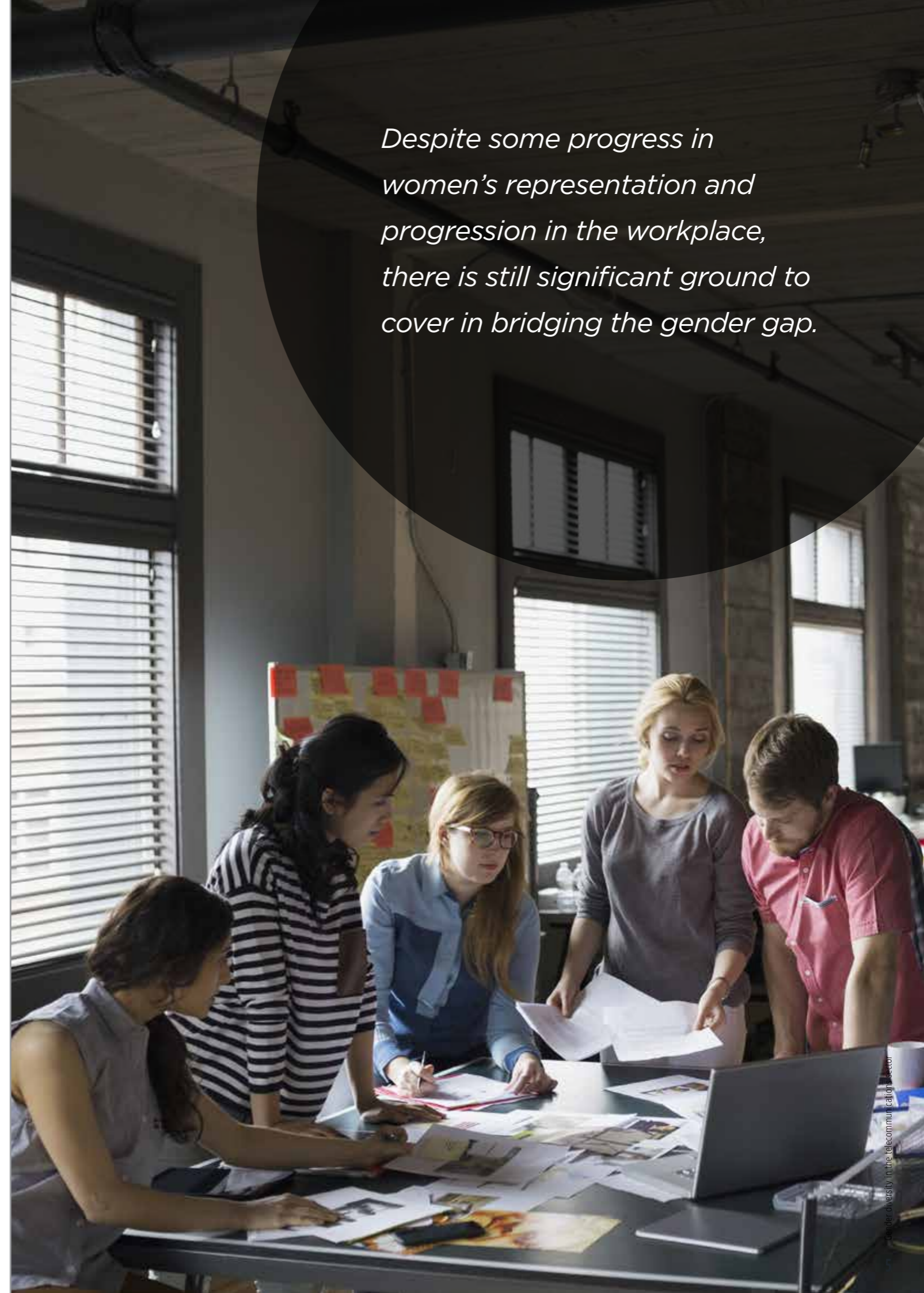
Many studies have been undertaken on gender diversity in the workplace, but very few industry-specific studies exist, particularly in telecommunications. This report⁴ aims to provide a snapshot of the state of gender diversity in the telecommunications industry. Key findings from this research include:

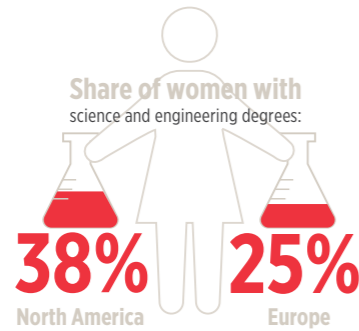
- Female participation in the telecommunications workforce varies widely by company, ranging from 10% to 52% among those sampled.
- In three-quarters of telecommunications companies surveyed, women accounted for less than 40% of the workforce.
- There are notable regional differences among sampled companies, with those in the Americas outperforming their counterparts elsewhere in terms of female representation.

Not surprisingly, the research findings also show the gender gap becomes more pronounced with seniority. Among those surveyed in all regions except North America, women (on average) held less than 20% of senior leadership positions. In most regions this equates to less than half the proportion

1. Harvard Business Review, 2013, "How Women Drive Innovation and Growth"; Catalyst, 2011, "The Bottom Line: Corporate Performance and Women's Representation on Boards".
2. Fortune, 2014, "Number of Fortune 500 women CEOs reaches historic high".
3. Global Telecoms Business, 2014, GTB Power100 special issue.
4. Findings in the report are based on survey and interview outputs from 54 companies as well as secondary research from a larger number of established public sources.

Despite some progress in women's representation and progression in the workplace, there is still significant ground to cover in bridging the gender gap.





of women at entry level. For the African companies in the study, less than one in 10 of their senior leaders are women.

One potential explanation for low female representation at senior levels is the education and skills gap around science, technology, engineering, and maths (STEM). In North America and Europe, many of the industry's current leaders share the same educational background, predominantly drawn from STEM degrees. However, the share of women with science and engineering degrees is only 38% and 25%, respectively, in OECD countries.⁵

Several initiatives can help to level out the gender balance in an organisation. Good practices include:

- Initiatives perceived to add value for both men and women, such as flexible working arrangements;
- Awareness and outreach programmes to equip young girls and women with the skills and inspiration needed to pursue a career in STEM;
- Tailored job descriptions, gender-balanced applicant targets, and balanced recruitment panels;
- 'Returnships' (return-to-work internships) and phase-back programmes to recapture and retain talent, particularly at management levels; and
- Formal succession planning and sponsor/mentor programmes, unconscious-bias training, and gender-specific training.

While the initiatives listed above are all considered good practices in tackling gender diversity, organisations with a gender imbalance should be careful not to seek a solution solely in a collection of human resources initiatives. Corporate culture plays an important role in any existing gender imbalance. A holistic strategy focused on transforming the company culture and mindset is essential to cultivating wider change. Such a strategy should include:

- A vision that is both long term and frequently reframed until the ideal gender balance is reached;
- Leadership that is visible, vocal and veracious on the topic, both inside and outside the organisation;
- A set of aspirational annual targets and mechanisms that inject accountability throughout the organisation; and
- Respect for the local legal context, as legal positions on affirmative action vary considerably around the world.

It will take time and investment to achieve a lasting impact on gender diversity, but the potential social and economic benefits of a more diverse workforce are worth the effort.

Every company in the telecommunications industry approaches gender diversity from a different starting point and has different country hurdles to overcome. It will take time and investment to achieve a lasting impact on gender diversity, but the potential social and economic benefits of a more diverse workforce are worth the effort.

Companies also need to ensure they are collecting and analysing gender-disaggregated data on areas such as attraction, recruitment, retention and promotion, to allow them to monitor the impact of their initiatives, track progress, and revisit their vision and strategy for addressing the gender gap. Industry-wide collaboration and transparency, through mechanisms such as annual indexing and sharing of best practices, will be extremely helpful for assessing the on-going state of the industry and keeping the momentum going.

Governments and policymakers, alongside industry stakeholders, have a role to play in creating sustainable gender diversity in industries such as telecommunications. All these stakeholders need to work together to encourage female students in STEM and other relevant qualifications. They also need to work on attracting women and girls to the industry to avoid a shortfall of future talent, and ultimately help to bridge the gender divide.

5. OECD, 2014, "Society at a Glance".

Diversity means business



Over the years, many studies have sought to understand the impact of diversity in the workplace, with gender diversity typically leading the discussion. In this sense, good progress has been made, and today diversity is understood as being essential not only to fostering growth and innovation, but to improving company performance as well.

For example, a Harvard Business Review study revealed that companies that are gender-diverse and utilise female talent effectively are 45% more likely to report improved market share and 70% more likely to report capturing new markets.⁶

A different study by Catalyst focusing on Fortune 500 companies revealed that companies with the highest representation of female board directors achieved 53% higher return on equity, 42% higher return on sales, and 66% higher return on invested capital than those with the lowest representation.⁷

In addition to the financial benefits, other benefits of a diverse workforce include the impact of the female economy on the B2C and B2B segments of the market. While most companies target women as end users, few effectively leverage female talent to identify what these end users want and need.⁸

Companies that are gender-diverse and utilise female talent effectively are 45% more likely to report improved market share.

6. Harvard Business Review, 2013, "How Women Drive Innovation and Growth".

7. Catalyst, 2011, "The Bottom Line: Corporate Performance and Women's Representation on Boards".

8. A.T. Kearney in association with the Confederation of British Industry, 2014, "The Rise of the Female Economy in B2B".



Almost 75% of men in the millennial generation placed high importance on an employer's policy on diversity, equality and workforce inclusion when deciding whether or not to work for them.

However, companies that tap into women in the workplace can improve the likelihood of success for new products and services by 144%.⁹ This is clearly relevant to the telecommunications industry, given that declining tariffs and stiff competition are driving many telecommunications companies to differentiate through value-added services, such as apps and customer service, and expand into adjacent sectors with growth opportunities, such as health or finance.

Other examples of the benefits of a diverse workforce include greater employer attractiveness from the perspective of both male and female talent. In a recent report on the perspectives of the millennial generation, almost 75% of men placed high importance on an employer's policy on diversity, equality, and workforce inclusion when deciding whether or not to work for them.¹⁰ Companies also benefit from being able to tap into a larger talent pool, especially in countries with declining population.

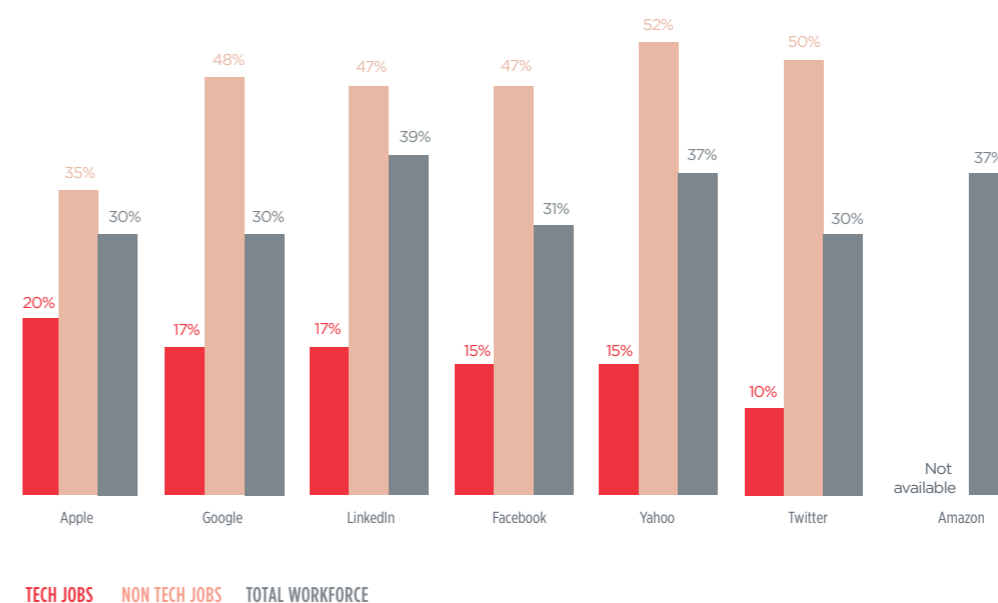
In recent decades, a growing number of women have entered the workforce. Today, women are the majority of workers in some countries (59% in Singapore, for example),¹¹ and are making good progress in occupying more professional jobs, including at senior levels. For example, women now account for one-third of managers, directors, and senior officials in the UK, and the proportion of female managers has increased in the last five years in almost 60% of European Union member states.¹² In many developing countries, the message is similar, with Eastern Europe and Southeast Asia scoring well on female representation in senior positions.¹³

Despite improving statistics, there is still significant ground to cover in increasing the penetration and seniority of women in the workplace. Female labour participation in many countries is still low (15% in Algeria and 27% in India, for example).¹⁴ Women make up only 4.8% of Fortune 500 CEOs and just five are among the FTSE 100 CEOs.¹⁵ The telecommunications industry is no exception. For example, only six of "the 100 most powerful" people in the industry on the 2014 Global Telecoms Business Power100 list were women—a figure that has barely shifted since the list was first published in 2008.¹⁶ The picture improves only slightly for future industry leaders. For example, a mere seven women made GTB's 2013 list of the 40 most influential people under 40.¹⁷

Women are also underrepresented in the Internet and high-tech sectors, especially when compared with the success women have seen in traditional services industries.¹⁸ This is particularly the case in technology-related jobs, which may require specialist skills (see Figure 1).¹⁹

With a wealth of evidence on the value of greater female inclusion in industry, governments are voicing the need for more workplace diversity and many are making public commitments. Recent examples include the G20's commitment to reduce the gender gap in workforce participation by 25%,²⁰ as well as APEC's commitment to advance women's economic participation through concrete policies and innovative measures.²¹

Fig. 1: Percent of female employees in Internet and high tech companies



TECH JOBS **NON TECH JOBS** **TOTAL WORKFORCE**
Source: Companies Diversity Reports.

Many companies are also waking up to the benefits of having a gender-diverse workforce, and putting programmes in place to attract, recruit, retain, and promote female talent and increase transparency overall. For example in 2014, for the first time, industry giants Google, Facebook, and Amazon, amongst others, released gender-diversity figures (see Figure 1). In doing so, Google stated, "Research shows that when we are more aware of our unconscious bias, we can make more objective decisions."

This report seeks to provide a baseline, share best practices, and support the industry in making positive progress towards bridging the gender gap.

Many companies are waking up to the benefits of having a gender-diverse workforce.

9. Harvard Business Review, 2013, "How Women Drive Innovation and Growth".

10. PwC, 2014, "Next Generation Diversity: Developing tomorrow's female leaders".

11. Labour force participation rate is the proportion of the population aged 15 and older that is economically active: all people who supply labour for the production of goods and services during a specified period. The World Bank, 2013-14, Labour force participation rate, female (% of female population ages 15+).

12. A.T. Kearney in association with the Confederation of British Industry, 2014, "The Rise of the Female Economy in B2B".

13. Grand Thornton, 2014, International Business Report.

14. The World Bank, 2013-14, Labour force participation rate, female (% of female population ages 15+).

15. Fortune, 2014, "Number of Fortune 500 women CEOs reaches historic high".

16. Global Telecoms Business, 2014, GTB Power100 special issue.

17. Global Telecoms Business, 2013, Forty Under Forty.

18. In more developed economies, the labour force—especially the female labour force—is employed predominantly in services. This sector accounts for at least three-quarters of women's employment in most of the more developed regions and in Latin America and the Caribbean. The United Nations, 2011, "The World's Women 2010: Trends and Statistics".

19. Business Insider, 2014, "Women are vastly underrepresented in the tech sector".

20. In November 2014, the G20 countries made a commitment to reduce the gender gap in workforce participation by 25% by 2025. In doing so, 100 million women would enter the G20 workforce and exceed the current growth trajectory of 2% by 2018. G20, 2014, Brisbane Summit.

21. White House Press Office, 2014, "White House Facts on APEC Efforts to Empower Women".

Sizing the gender gap

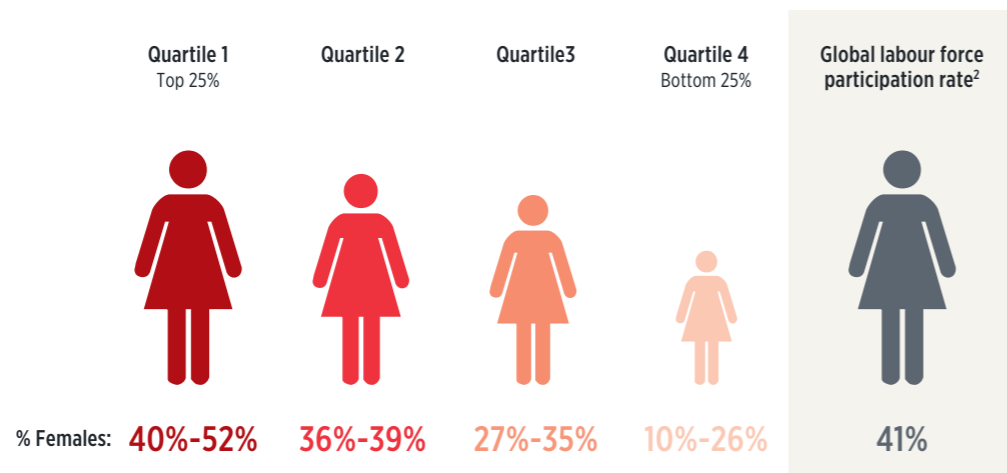


Among those surveyed, telecommunications companies in the Americas markedly outperform their counterparts in gender diversity.

To assess gender diversity in the telecommunications industry, we conducted a study covering 54 companies across Africa (17%), Asia Pacific (21%), Europe (19%), the Middle East (19%), North America (15%), and Latin America (9%). Companies varied in size, averaging 12,900 employees. The study adopted a combined approach of expert interviews, case studies, and a company survey. Although the study focuses on telecommunications, we also drew on best practice insights from industries in the wider mobile ecosystem.

The companies included in the study varied widely in terms of gender composition, with women making up between 10% and 52% of a company's workforce (see Figure 2). In three-quarters of companies surveyed, women accounted for less than 40% of the workforce. In fact, only one company surveyed had female participation above 50%.

Fig. 2: Gender diversity of telecommunications companies surveyed by quartile¹



1: Quartiles are based on ranking the companies by proportion of females, then dividing the data set into four equal groups, each comprising a quarter of the companies surveyed.

2: Labour force participation rate is the proportion of the population aged 15 and older that is economically active: all people who supply labour for the production of goods and services during a specified period. The World Bank, 2013.

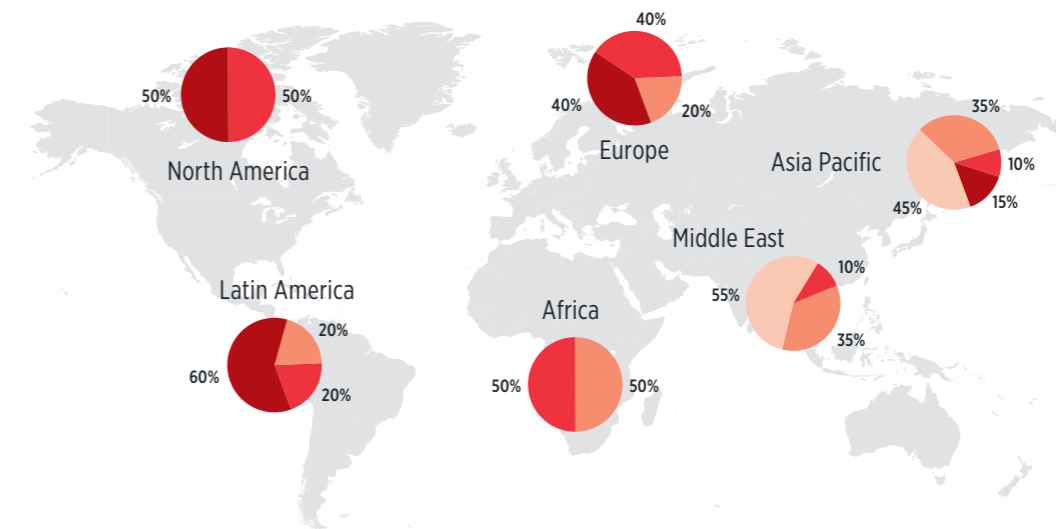
Sources: GSMA Connected Women Survey 2014, Eurostat, UNESCAP, ILO, company CSR reports, European Roundtable of Industrialists, A.T. Kearney analysis.

Perhaps not surprisingly, the study also highlighted strong regional differences among the companies surveyed. Telecommunications companies in the Americas markedly outperform their counterparts, with 60% and 50% of Latin American and North American companies respectively in the upper quartile (see Figure 3). Gender diversity is lowest in the Middle East, with 60% of companies falling into the fourth quartile. In Asia Pacific, the only region represented in all four quartiles, the gender gap varies widely. Given the diversity of companies, varying levels of economic development, as well as cultural norms, this variation is not unexpected.

To better understand the reasons for regional variation, we looked at the survey results from a different angle, taking into consideration the labour pool²² (i.e., the percentage of women working in the country) companies can access. Evaluating the available labour pool allowed us to better determine the size of the gender gap in telecommunications compared with other industries in the same country.

22. The World Bank, 2013-14, Labour force participation rate, female (% of female population ages 15+).

Fig. 3: Gender diversity of telecommunications companies surveyed, by region



1st QUARTILE 2nd QUARTILE 3rd QUARTILE 4th QUARTILE

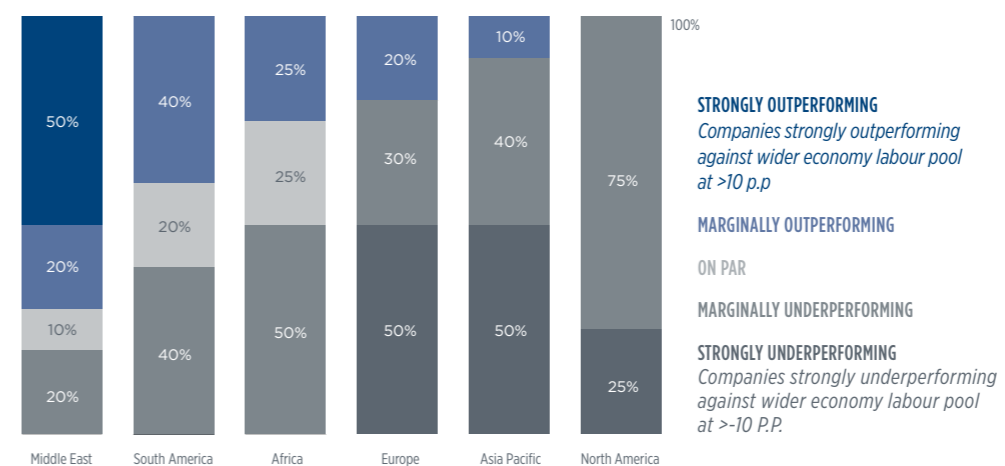
Source: GSMA Connected Women Survey 2014, Eurostat, UNESCAP, ILO, company CSR reports, European Roundtable of Industrialists, A.T. Kearney analysis

Overall, 70% of companies surveyed have proportionately fewer women in their workforce than are available in the labour pool. In fact, 26% of companies surveyed have more than 10 percentage points fewer women (see Figure 4).²³

In the Middle East, where 90% of companies surveyed are below the global median for female workforce penetration in our study (see Figure 3), 80% are in fact on par with or outperforming their local labour pools (see Figure 4). In contrast, 90% of European companies surveyed have a wider gender gap than availability in the local labour pool.

70% of companies surveyed have proportionately fewer women in their workforce than are available in the labour pool.

Fig. 4: Gender diversity of telecommunications companies surveyed vs. female penetration of the country labour pool



Note: Strongly outperforming and underperforming OpCos are outperforming and underperforming the wider economy by more than 10 percentage points and -10 percentage points respectively.

Sources: GSMA Connected Women Survey 2014, Eurostat, UNESCAP, ILO, company CSR reports, European Roundtable of Industrialists, A.T. Kearney analysis.

23. For example, a company is comprised of 30% women, but the country in which it operates has 40% female participation in the overall workforce.

Expert interviews revealed a potential reason for this difference. In countries across the Middle East where the gender imbalance is traditionally high and workforces are skewed towards government organisations, it is much easier for companies to outperform their local labour pool in gender diversity, especially if they employ a strong contingent of expatriates. By contrast, in European countries where female workforce penetration is higher, opportunities in other industries are plentiful.

The results of the study show clear differences in gender diversity among the surveyed companies, but similar patterns by region. This suggests that the telecommunications industry, which has traditionally been male-dominated, still has some work to do to improve gender diversity in the workplace, and at the same time strengthen its competitive edge.

A significant number of individuals on the 2014 Global Telecoms Business Power100 list graduated with STEM and finance/business degrees, including the six women on the list.

The gender gap and career progression

To fully understand gender diversity in the workforce, the evolution of the gender gap at senior levels should be considered. As expected, the gap is more pronounced as women move up through the ranks. Based on our sample, although each organisation has a slightly different gender-diversity profile, there are clear regional similarities (see Figure 5). Please note that the remainder of the report focuses on North America, Europe, Asia Pacific, the Middle East, and Africa. Latin America has been excluded due to sample constraints.

The results of the survey indicate that European and North American companies in our sample perform fairly well at recruiting women into entry and staff level positions, achieving on average 43% and 40% female representation respectively. However, even in these regions, the composition of the local labour pool suggests there is still room for improvement in attracting women to the industry.

Among the companies surveyed, average female representation in senior leadership stands at 31% in North America but only 20% in Europe, suggesting that North American telecommunications companies are significantly stronger at promoting and retaining female talent than those in Europe. However, in both regions there is a dramatic and alarming decrease in female participation as seniority increases, and this has remained virtually unchanged in recent years.

A multitude of factors contribute to the low proportion of women in senior roles.²⁴ These are much discussed and broadly similar across industries, and are therefore not in the scope of this report. However, one contributing factor is worth highlighting in the context of the telecommunications industry in North America and Europe: a large proportion of the industry's leaders share similar educational backgrounds, with many drawn from STEM degrees. A significant number of individuals on the 2014 Global Telecoms Business Power100 list, for example, graduated with STEM and finance/business degrees, including the six women on the list.

A recent report on countries that are members of the Organisation for Economic Co-operation and Development (OECD) revealed that the share of women with science and engineering degrees was only 38% and 25% respectively.²⁵ The lack of women holding STEM degrees in the past may provide a potential explanation for the gender gap in senior management in the industry today.

The African telecommunications companies surveyed were relatively strong at attracting and recruiting female employees, with an average of 35% women at entry and staff levels, which is representative of the local labour pool. According to expert interviews conducted as part of this study, local cultural barriers to increasing the proportion of women in the workplace still exist in certain parts of Africa. For example, women are still disadvantaged when it comes to education, as

available resources tend to be spent on male family members, thereby cementing the traditional role of women as primary caregivers for children and elderly family members.²⁶ These circumstances may be contributing to the limited participation of women in senior roles; fewer than one in 10 senior leaders were women among those surveyed—a 26 percentage-point decline from entry and staff levels.

The average change in the gender-diversity profile between entry level and senior leadership for companies in Asia Pacific and the Middle East is relatively similar to North America, although female representation at entry/staff level is lower in these two regions. The limited decline in the number of women from management to senior leadership (4% on average) suggests that company talent management and promotion initiatives enjoy some success. It also suggests that increasing the number of women at the entry or staff level through attraction and recruitment initiatives is likely to cause a natural rise in the proportion of women in management and senior leadership.

Fig. 5: Average gender diversity profile of telecommunications companies surveyed by region

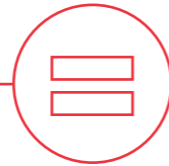


Note: Senior leadership level includes employees in senior leadership or on supervisory board.
Sources: GSMA Connected Women Survey 2014, company CSR reports, European Roundtable of Industrialists, A.T. Kearney analysis.

24. It is worth noting that women at the start of their careers appear to have generally the same ambition level as their male counterparts and are not opting out to care for children, a common misconception about the role childcare plays in limiting women's careers in the United States. In fact, both women and men in senior roles have taken significantly more professional decisions to accommodate for childcare, such as limiting travel or taking a break, according to a study by the Harvard Business Review of recent HBS MBA graduates, 2014, "Rethink What You 'Know' About High-Achieving Women".
 25. OECD, 2014, "Society at a Glance".

26. A 2010 report by the United Nations Division for the Advancement of Women and UNESCO reveals that the culture of marginalisation and discrimination of women in education persists. Analysis of examination results and selection of students to join public secondary schools and tertiary level institutions from 10 countries showed that, for every 100 boys who passed the secondary school examination and were eligible, 15 got a chance to go to a public university, while for every 100 girls who passed the examination and were eligible, only seven got a chance. United Nations and UNESCO, 2010, "Increasing Women's Participation in Science, Mathematics, and Technology Education and Employment in Africa".

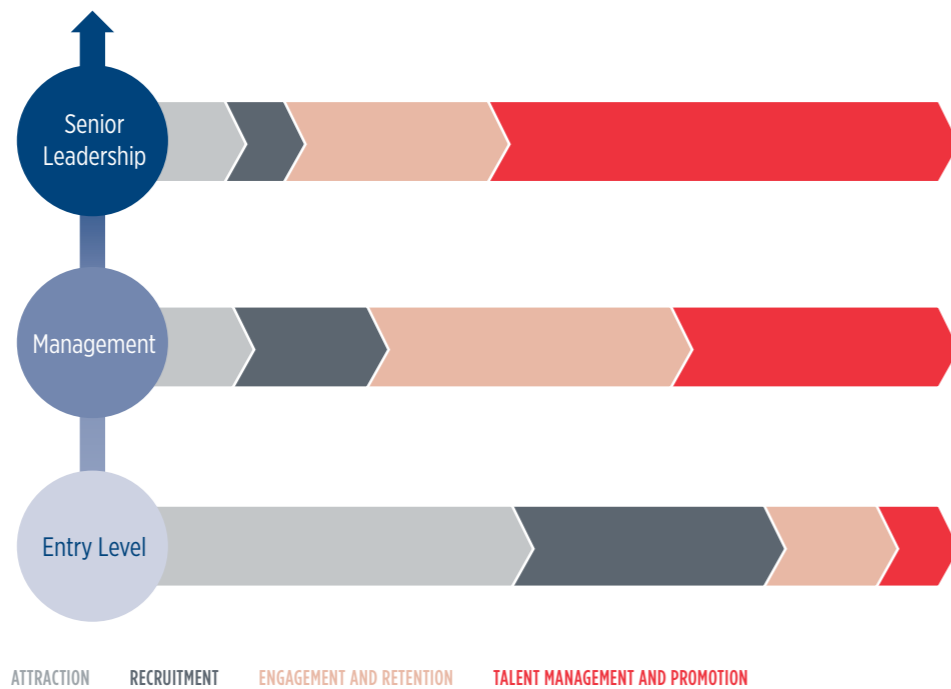
Moving towards a more equitable gender balance



This section considers the building blocks for achieving a more equitable gender balance across the 'employee journey'. The research conducted for this study has revealed a number of initiatives that could have a positive impact on gender diversity at different levels in an organisation (see Figure 6).

Attraction and recruitment initiatives largely focus on gender diversity at entry and staff levels, whereas talent management and promotion initiatives are more important for driving gender diversity in management positions and above. Engagement and retention initiatives are particularly helpful for holding on to working parents, who can be prominent across all levels of the organisation, but tend to be more visible at management level, given career standing and age.

Fig. 6: Relevance of employee journey by organisation level



Sources: GSMA Connected Women Survey, 2014; A.T. Kearney analysis.

Attraction

Attracting more women to the telecommunications industry, particularly to jobs requiring science, technology, engineering, and maths (STEM) qualifications, is challenging. It is a long-term initiative that involves reshaping the image of a traditionally male-dominated industry and inspiring women and girls by the possibilities of working in this area.

It is therefore not surprising that, until now, most telecommunications companies have focused on their own hiring plans without considering how to attract more women to the industry. In fact, less than 25% of companies surveyed track gender diversity in their applicant pools, and an even smaller proportion embark on attraction initiatives, such as female-oriented marketing campaigns and partnering with women in business and related organisations.



A few companies are beginning to invest in growing the pool of potential female applicants. In the United States, women represent almost half the workforce, but occupy less than 25% of STEM jobs. Through the #InspireHerMind campaign and Girls Who Code camp, the Verizon Foundation is making progress in changing stereotypes and equipping schoolchildren with the inspiration and skills they need to pursue a career in STEM. Similarly, Google's Made with Code initiative is investing \$50 million over the next three years to generate a community of girls who are inspired to pursue coding and computer science.²⁷ Through projects such as designing one's own avatar, Google is finding creative ways to make STEM relevant and fun for girls.

The Verizon and Google examples illustrate the importance of engaging with the target audience. The 'look and feel', content, and interactivity of both campaigns are closely aligned with the digital preferences of schoolgirls. All too often, attraction initiatives fail at the point of execution. For example, even the phrase 'coding camp' could be enough to dissuade schoolgirls from signing up, regardless of their interest in technology.

Another example is Intel's Accelerating Diversity in Technology initiative, announced in January 2015. Intel plans to invest \$300 million to help build a 'pipeline' of female and underrepresented minority engineers and computer scientists. The initiative sets a bold new hiring and retention goal for achieving full representation of women and underrepresented minorities at Intel by 2020. This will be done in part through partnering with organisations such as the International Game Developers Association and increasing involvement in primary education programmes.

"We're calling on our industry again to make the seemingly impossible possible by making a commitment to real change and clarity in our goals," said Intel's CEO Brian Krzanich upon the launch of the programme.²⁸

²⁷ Google, Made with Code.

²⁸ Intel press release, 2015, "Intel CEO outlines future of computing".

Although it will take time for the attraction initiatives to make a difference in the workplace, they are a step in the right direction. Other creative ideas to market the industry could profoundly affect the image and gender balance of the industry, as demonstrated by the 'CSI effect'.²⁹ Promoting and participating in industry-wide initiatives, such as the ITU's Girls in ICT Day,³⁰ play an important role in stimulating this change and maintaining momentum. Figure 7 features the GSMA celebrating this day.

Fig. 7: GSMA's Girls in ICT Day



Source: GSMA, 2014, *Girls in ICT Day*: <http://www.girlsinict.org>

Policymakers and educational institutions also have a strong role to play in creating sustainable gender diversity in industries such as telecommunications. Supporting initiatives to attract female employees who are highly skilled in STEM³¹ is fundamental to the future economic success of technology-intensive industries.

Working together, governments, educational institutions, and the telecommunications industry can invest in the appropriate skills and address the attraction problem and the skills gap to build gender-balanced working environments.

Recruitment

For companies with a gender imbalance at entry and staff levels, improving gender diversity via recruitment initiatives is a natural starting point. Across industries, companies employ similar tools to ensure a gender balance from the application process to starting a job. We have highlighted three initiatives that have proved particularly effective at improving gender balance (see Figure 8).

Fig. 8: Example of initiatives for improving the gender balance in recruitment

Tailored job descriptions and advertisements	<p>Senior management at some of the interviewed companies challenge the necessity of traditionally male dominated skills and backgrounds to encourage female applicants</p> <p>Some of the companies in this study have paid attention to research on the ability of certain words, phrases, and pictures to attract women, leading to a rise in female applicants</p>
Targets for recruitment agencies	<p>Gender-balanced applicant targets for recruitment agencies prevalent among other industries are important to ensure representative number of women in the recruitment process</p>
Gender-balanced attendance in recruitment panels	<p>Gender-balanced recruitment boards not only project a gender-diverse environment for female applicants but also dampen the unconscious bias effect of all-male panels</p>

Sources: GSMA Connected Women Survey 2014, best practice interviews, A.T. Kearney analysis.

Men and women who have been out of the workforce for an extended period (e.g., for family reasons), but have the necessary skills and experience for managerial positions, require a different approach to recruitment. 'Returnships' (returning professional internships) or 'back-to-work' programmes have been successful at encouraging experienced individuals, male and female, to re-enter the workforce.

The returnship concept has been slowly developing in the United States since it was pioneered by Goldman Sachs in 2008.³² It offers companies a low-risk, fixed-term option for tapping into the huge talent pool of experienced and skilled individuals who have taken an extended break from work. Evidence of success is positive; of the 123 returnees to Goldman Sachs, 50% have been hired permanently.³²

Many companies recognise the value of this group in the workforce. They are well trained in both company and industry insights, but often feel out of touch in a fast-moving industry and do not return. To combat this, MasterCard offers a phase-back programme with refresher training courses to bring individuals up-to-date and help them feel more confident when returning to the company.³³

Although returnships and phase-back programmes have made their way to other countries, it is still an emerging concept in the telecommunications industry. Companies struggling to recruit women into management positions could increase female representation and begin to close the gender gap by using the tactics laid out in Figure 8, alongside a tailored back-to-work programme.

Engagement and retention

Both men and women face challenges in balancing a meaningful, challenging career with personal and family obligations. Yet, a recent study of Harvard Business School graduates found a real gap between what women expect as they look ahead to their careers and where they ultimately land.³⁴ The telecommunications sector is no exception.

To address this, most companies surveyed have adopted at least a minimum number of engagement and retention initiatives, which can be distilled into two groups.



Legally mandated measures: policies developed as a result of government intervention, aimed at supporting or protecting individuals who make certain life choices. Common practices across most regions include equal remuneration, same or comparable positions post-maternity, and prohibition of dismissing or penalising an employee who is or will become eligible to take maternity leave.

Based on our study, nearly 90% of companies in Europe and Asia Pacific adopt at least two or more of these policies, followed by nearly 70% of companies in the Middle East and Africa.



'Diversity motivating' measures: policies developed by companies and perceived as adding value for employees, especially working parents. Examples include flexible working hours or working locations, childcare support, and phase-back programmes. Best practice suggests gender-neutral 'diversity-motivating' measures are most successful, as they do not create a perception that one group is benefiting from preferable treatment or affirmative action, and they enable flexible working arrangements for both mothers and fathers to pursue careers.

Almost all European companies surveyed have at least two or more of these policies, followed by 78% of companies in Asia Pacific and 38% in the Middle East and Africa.

^{29.} The 'CSI effect' refers to the influence that primetime crime dramas targeted at younger generations had on the image of forensic science as a career for women. An Associated Press review of accredited forensic science programmes in the United States found in 2008 that about 75% of graduates were women, an increase from about 64% in 2000. Associated Press, 2008, "More women examine a career in forensic science".

^{30.} GSMA, 2014, *Girls in ICT Day*: <http://girlsinict.org/what-girls-ict-day> and <http://www.gsma.com/events/connected-women/gsma-celebrates-girls-in-ict-day-on-24th-april>

^{31.} Confederation of British Industry, 2014, "Engineering our Future: Stepping up the urgency on STEM".

^{32.} Harvard Business Review, 2014, "The 40-Year-Old Intern Goes to Wall Street".

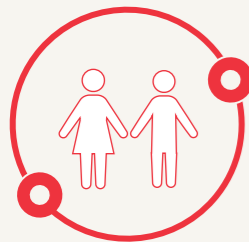
^{33.} Expert interview.

^{34.} Harvard Business Review, 2014, "Rethink What You 'Know' About High-Achieving Women".

Companies that continuously review and upgrade policies to meet flexible working needs risk 'policy fatigue' across the organisation while not meeting all workforce requirements. To effectively engage and retain employees, the key is to provide an environment that is flexible enough to cater to different needs whilst supporting overall business objectives.

Most companies find adopting creative, diversity-motivating policies can help fill the gender gaps that legally mandated measures do not quite close. Recognising this conundrum, Telstra announced its plans for the All Roles Flex in 2013 (see Figure 9).

Fig. 9: Telstra's All Roles Flex initiative



Disrupting the idea of flexible working: Telstra All Roles Flex

- Developed All Roles Flex based on evidence that, despite good policy, flexibility was not being widely experienced by employees
- Introduced the **concept of flexibility as a mindset**, empowering employees to openly discuss and agree to the terms of their flexibility
- Completed three-month pilot in customer sales and services business unit
 - » **Female representation among applicants increased from 28% to 32%**
 - » **Female representation among offers accepted increased from 37% to 50%**
- Rolled out across Telstra in March 2014 in both scheduled and non-scheduled environments
- Flexibility included in all advertised jobs and discussed with each hiring manager in recruiter briefing meetings

Source: Source: GSMA Connected Women Survey 2014, StarHub

Telstra's All Roles Flex is a great example of how one initiative has the potential to fundamentally change the gender balance. Importantly, All Roles Flex is aimed not just at women but enabling everyone to potentially enjoy the benefits.

Another area companies focus on to retain their workforce is parental leave. In addition to returnships and phase-back programmes, many industries are taking a more structured approach to bringing back those who have been on maternity and paternity leave.³⁵

If companies are committed to differentiating themselves with a gender-balanced workplace, they should invest in identifying what diversity-motivating measures are likely to be positively received by their workforce.

If companies are committed to differentiating themselves with a gender-balanced workplace, they should invest in identifying what diversity-motivating measures are likely to be positively received by their workforce. They should also focus on gender-neutral policies, as best practice suggests that policies aimed at both men and women will have a more positive impact on female representation in the workforce than those benefiting women only.

35. For example, Westpac, an Australian bank, has a programme that engages employees at all stages of parental leave, including before, during, and upon return. Employees are equipped with a toolkit with practical advice and flexible working options. They continue to be connected to the company during leave, such as receiving bi-monthly business updates and working parent advice. Upon return, mother and father forums are held to provide support and discuss working parent solutions.

Talent management and promotion

Best practice suggests that companies with a small gender gap in senior leadership and a stable gender balance from middle management to senior leadership focus their initiatives on five principles:

- 1 **Make it official:** In organisations where women do not have a critical mass at senior levels, best practice suggests that formal measures should be put in place to plan talent management and promotion. Examples include succession planning tied to individual development plans, sponsorship programmes with female role models for high-potential women, and affirmative action policies for senior leadership roles.
- 2 **Start early:** Many telecommunications companies fall into the trap of managing talent too late, which can disrupt talent flow and create a large gender gap at senior levels. Companies that start developing talent early will have a greater chance of changing their gender-diversity profile.
- 3 **Reduce unconscious bias:** Many companies, aware of the impact that unconscious bias can have on gender diversity, are using proactive measures to reduce it. Two types of initiatives are most common: unconscious bias training, which includes how to ask the right questions and assess candidates of both genders, and peer-to-peer challenge forums that formally assess candidate selection decisions.

An example of how companies are addressing this comes from Google. In 2013, Google supported workshops that focus on the science of how the brain works. More than 20,000 'Googlers'—nearly half of Google employees—engaged in these workshops. Google reported how this created a company-wide dialogue about how unconscious bias can affect perceptions of others, interactions with co-workers and clients, and the business overall. Google expects that focusing on making the unconscious conscious will not only foster a more inclusive workplace, but also make them a better company.³⁶
- 4 **Invest in tailored training and mentoring:** Education and training are vital in managing the gender balance at senior levels. It is widely recognised that women approach personal development, leadership, and self-promotion differently than men. The content of a training course, therefore, should be tailored to each gender, as should the training of mentors and coaches on how to support their counterparts.

A few companies are partnering with professional services or academic institutes to offer tailored training courses to women. For example, Telefonica offers a Women in Leadership programme to high-performing women in the CEO-2 to CEO-4 levels. It runs for six months and includes both local and university courses to help empower women.

There are many skills that cannot be learned in a training environment. Mentoring programmes that match high-potential candidates with senior role models of the same gender are a good opportunity to develop such skills. There is no exact recipe for a successful mentoring programme, but those that invest time in matching the right people (as opposed to mandatory allocations) are usually more effective.
- 5 **Look beyond your own industry:** Companies can expedite gender diversity by recruiting outside the company or even the industry. Vodafone is taking a fresh approach to preparing and promoting senior female employees to supervisory boards and non-executive positions in a three-year pilot programme. Through the European Round Table of Industrialists, it (and other member organisations) recommends top female talent for inclusion in a database that executive search firms access when proposing placements for suitable board positions.^{37, 38}

36. Google, Diversity At Google: <http://www.google.com/diversity/at-google.html#tab=womengoogole>

37. European Round Table of Industrialists, 2013, "Initiatives for the Advancement of Women in Business".

38. See also: Global Board Ready Women: <https://www.linkedin.com/groups/Global-Board-Ready-Women-4677558/about>

Regardless of which talent management and promotion initiatives companies employ to improve the gender balance, they will need to carefully consider how to communicate and measure the impact of these initiatives in a way that does not favour one part of the workforce.

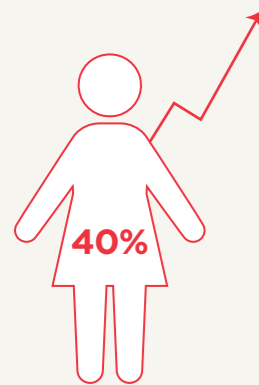
StarHub has successfully built a gender-balanced workforce, with women representing nearly 40% of employees across all levels. The company employs many of the principles discussed above in their programmes (see Figure 10).

Fig. 10: Talent management and promotion at StarHub, Singapore

We Are StarHub

StarHub's talent development initiatives are open to all employees and do not discriminate the development of women leaders. In fact, several female employees hold managerial positions in the company. **40% of StarHub's senior management team are women.** The leadership development initiatives, which are heavily participated in by female employees, include:

- Formal succession planning.
- **"Self-Discovery Journey"** for high-potential candidates, which includes profiling tools, 360-degree feedback, on-going coaching and a structured development plan (e.g. with portfolio expansion, project assignments, etc.).
- **One-to-one training by professional coaches** to enhance EQ, communication, leadership and other soft skills.
- **On-going mentoring programme** that pairs female functional managers with senior women leaders who act as role models.



Source: GSMA Connected Women Survey 2014, StarHub

For companies with a stable gender profile across management and senior leadership, formal programmes and policies still have an important role to play if female representation is below critical mass. However, additional formal policies and programmes are less likely than other initiatives to close the gender gap at the senior leadership level. In this case, efforts would be best directed at running select external recruitment for a short-term boost, and then driving attraction and talent management initiatives that build talent early on for sustainable, long-term improvement.



Promoting a gender diversity mindset

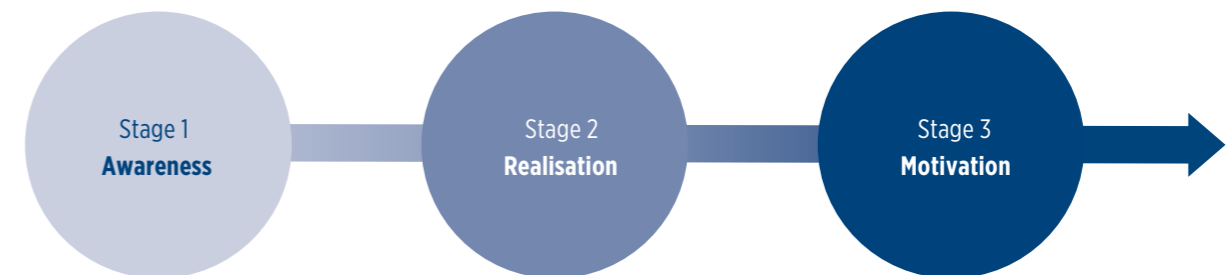


Programmes, policies, and other initiatives mentioned in this report have all been identified as good practices for tackling gender diversity. However, organisations intending to make a step change in their gender profile should look beyond a collection of discrete HR initiatives. Efforts to improve the gender balance should be aligned with the company's mindset and agenda on diversity.

We observed three stages of evolution in a gender diversity mindset: 1) awareness of the problem, 2) realisation of the business benefits of gender diversity, and 3) motivation to use it as a competitive lever (see Figure 11).

Efforts to improve the gender balance should be aligned with the company's mindset and agenda on diversity.

Fig. 11: Stages of evolution for companies tackling workplace gender diversity



Source: A.T. Kearney analysis.

For companies in the awareness stage, support and resources for tackling gender diversity are nascent and typically driven by external forces, such as government agendas. Senior leadership is likely to be aware of underlying gender inequalities, and efforts are focused on understanding existing challenges along the employee journey and organisational bottlenecks.

During the realisation stage, gender diversity becomes a topic on the board agenda, often driven by a change in leadership or strategic direction. Although the company has not yet fully bought into it, dedicated resources and pilot initiatives to develop the business rationale for gender diversity are likely in place. The focus is typically on steps that are simple to execute at entry and staff levels.

In the motivation stage, the language of diversity and inclusion is aligned with the company's strategy and embedded in its culture. The business rationale is well established and viewed as a source of competitive advantage. There are tried and tested methods for improving gender diversity at more junior levels. Energy is spent implementing successful initiatives throughout the organisation and tackling the imbalance at senior leadership levels.

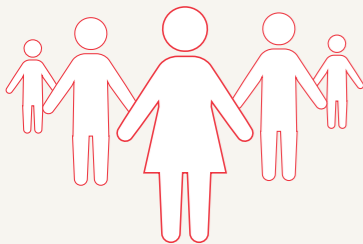
Organisations looking to make a step change in their gender profile need to consider the following in their approach:

- **A vision and strategy** that are both long term and frequently reframed until the ideal gender balance is reached. This will help companies advance through the three stages.
- **Leadership, in particular the CEO, that is visible, vocal, and veracious on the topic** to bring the strategy to life, both inside and outside the organisation.

David Thodey, CEO of Telstra, demonstrates this kind of leadership and commitment with his active role in the Male Champions of Change group in Australia, which was established in 2010 by Australia's Sex Discrimination Commissioner and includes male CEOs and leaders from private sector companies and government departments (see Figure 12).

Fig. 12: Male Champions of Change

Male Champions of Change is a cross-industry group of 21 male CEOs and chairpersons that aim to use their individual and collective influence to promote **practical strategies and actions** that sustainably increase women's representation in leadership



- 1 Stepping up as leaders
- 2 Creating accountability
- 3 Disrupting the status quo
- 4 Dismantling barriers for careers

Plus-one Scheme	Supplier multiplier effect	The panel pledge
<ul style="list-style-type: none"> • A cascading commitment to increase the number of women direct reports by at least one • Based on the highly successful Citigroup "Just One More" scheme • Launched by Telstra and ANZ in 2013 	<ul style="list-style-type: none"> • A commitment to update supplier standards and codes of practice with clear expectations on gender balance • Across the group, this initiative could impact 54,000 suppliers and A\$30bn of procurement spend 	<ul style="list-style-type: none"> • To respond to high-profile panel requests with an inquiry about whether gender balance has been considered • ASX, CBA, and Telstra are publicly implementing the panel pledge

Source: Male Champions of Change, <https://www.humanrights.gov.au/male-champions-change>

- **Aspirational annual targets and mechanisms** that inject accountability throughout the organisation are important to improving the gender balance year-on-year.

For example, companies in the motivation stage typically have a dedicated senior diversity function that is held accountable for company progress and the impact of gender-diversity initiatives. They include group- and country-level leadership in setting and signing off on standards, metrics, and targets linked to gender diversity. Moreover, they set targets that ensure all decision-makers are held accountable for the gender balance of their team.

- **A relentless commitment** is paramount. Closely monitoring the impact of individual initiatives requires frequently collecting data on key indicators—a challenge we identified while conducting this report. Long-term financial and resource commitments are imperative if companies are to have a real and lasting impact on gender balance.

Of course, any company's plans with regard to boosting gender diversity must respect the local legal context. Particularly on quotas and affirmative action, there are very different legal positions around the world. Benefits which may be standard or even legally mandated in one country could be viewed as exceptional in others, giving rise to taxation liability or potentially breaching laws or regulations.

Looking at the big picture



Every company approaches gender diversity from a different starting point and has very different country hurdles to overcome. So far, very few of the companies surveyed and interviewed have achieved the right gender balance. It will take time and investment to have a lasting effect, but the potential social and economic benefits of a more diverse workforce are worth the effort.

Companies need to ensure they are collecting and analysing gender-disaggregated data on areas such as attraction, recruitment, retention, and promotion. This will allow them to monitor the impact of their initiatives, track progress against their targets, and revisit their vision and strategy for addressing the gender gap.

The industry needs to be more systematic and relentless in sharing and adopting best practices with a full commitment to a diverse workforce while respecting local cultural norms and legal obligations. Industry-wide collaboration and transparency, through mechanisms such as annual indexing and sharing of best practices, will also be critical to assessing the on-going state of the industry and maintaining momentum.

Governments and policymakers, alongside industry stakeholders, have a role to play in creating sustainable gender diversity in industries such as telecommunications. All these stakeholders will need to work together to encourage female students in STEM and other relevant qualifications. They also need to work on attracting women and girls to the industry to avoid a shortfall of talent in the future, and ultimately help to bridge the gender divide.

Appendix: methodology and definitions

GSMA and A.T. Kearney conducted a joint global study covering 54 companies in October and November of 2014. We focused on telecommunications and drew insights from other best-practice industries:³⁹ 85% were telecommunications companies and 15% were Internet and high-tech companies. We defined telecommunications companies as having fixed or mobile network operations, or both. They averaged 12,900 employees and were regionally distributed as follows: Asia Pacific (21%), Europe (19%), Middle East (19%), Latin America (9%), North America (15%), and Africa (17%).

The study adopted a combined approach of expert interviews, case studies, and a company survey. The survey data was self-reported and has not been verified independently by either the GSMA or A.T. Kearney. Before data was entered, it was checked for what it included or excluded and how metrics were defined. Data was cross-checked against company reports, where available.

The confidentiality of survey respondents is protected in this report. We highlight individual companies only when they have granted approval to disclose key information, or the information is publicly available.

The following definitions are used in the study:

Employee profile

- **Entry and staff level** is any employee without leadership or HR responsibilities for other staff or a clear budget line.
- **Middle management** is any employee between senior leadership level and staff level with either leadership or HR responsibilities for other staff, a clear budget line, or both.
- **Senior leadership** includes executive directors (CXO level) and their direct reports (one level below).

Labour pool is based on the World Bank's definition of the female labour force participation rate: the proportion of the population aged 15 and older and female that is economically active.

Employee journey is defined by the main building blocks an employer can use to attract and retain employees:

- **Attraction** includes increasing awareness and appeal to women for science, technology, engineering, and maths (STEM) jobs to increase the pool of applicants.
- **Recruitment** includes all activities from the application to starting a job.
- **Talent management and promotion** includes training and development activities to move employees up the organisational ladder.
- **Engagement and retention** includes activities that generate employee satisfaction in order to increase productivity and motivation and reduce employee turnover.

³⁹ Interviewees include Global Diversity and Inclusion Directors, HR Directors, CEO of Mobility, etc.



